

€30m loan deal signed for DPDC

STAR BUSINESS DESK
Bangladesh yesterday signed an agreement with French development agency Agence Française de Développement to avail a €30 million loan to finance the construction and upgradation of Dhaka Power Distribution Company's (DPDC) substations.
"It is an extension of an initial €100 million financing provided to the DPDC to construct and modernise 14 electrical substations and associated power lines for distribution network," says a statement.
Monowar Ahmad, secretary to Economic Relations Division, Jean-Marie SCHUH, French ambassador to Bangladesh, and

Jacky Amprou, the agency's regional director for South Asia, signed the agreement at the former's office in Dhaka.
It is a parallel co-financing with Asian Development Bank under a Power Efficiency Programme. "This additional financing will cover extra costs related to the purchase and commissioning of new equipment and increased cost of raw materials," said the statement.
The project as a whole will improve the quality of energy distribution for 241,000 households or 1.1 million people, it said.
The upgrading will allow the DPDC to provide energy with a lower emission factor and reduce the carbon footprint of diesel generators, it added.

Facebook agrees to pay UK fine over Cambridge Analytica scandal

REUTERS, London
Facebook has agreed to pay a 500,000 pound (\$644,000) fine for breaches of data protection law related to the harvesting of data by consultancy Cambridge Analytica, Britain's information rights regulator said on Wednesday.
Facebook CEO Mark Zuckerberg has faced questioning by US and EU lawmakers over how the political consultancy obtained the personal data of 87 million Facebook users from a researcher. The Information Commissioner's Office issued the small but symbolic fine last year after it said data from at least 1 million British users had been among the information harvested by Cambridge Analytica and used for political purposes.
On Wednesday the ICO said that in dropping its appeal and agreeing to pay the fine, Facebook had not made an admission of liability. "The ICO's main concern was that UK citizen data was exposed to a serious risk of harm. Protection of personal information and personal privacy is of fundamental importance," said ICO Deputy Commissioner James Dipple-Johnstone.
"We are pleased to hear that Facebook has taken, and will continue to take, significant steps to comply with the fundamental principles of data protection."
Facebook said it was pleased to have reached a settlement and the company wished it had done more to investigate the claims about Cambridge Analytica in 2015.
"We made major changes to our platform back then, significantly restricting the information app developers could access," said Harry Kinmouth, Facebook's Associate General Counsel.



Facebook CEO Mark Zuckerberg

H&M to take part in next week's denim expo

STAR BUSINESS REPORT
Swedish retail giant H&M is going to take part in the Bangladesh Denim Expo for the first time to showcase its denim items produced following environmental, water and climate guidelines.
The theme of the 11th edition of the event, which is going to be organised in Dhaka on November 5 and 6, is "Responsibility".
"The Bangladesh Denim Expo is a good platform to raise awareness in the denim industry regarding environmental, social and economic sustainability.
The platform can be used to drive discussion in water and climate change areas in Bangladesh," said Ziaur Rahman, regional country manager of H&M Bangladesh, Pakistan, and Ethiopia.
H&M buys garment items worth more than \$3 billion every year from Bangladesh.
The exposition aims to make the denim industry more responsible and H&M is collaborating with it in this edition to materialise the goal, Rahman said.
"I am delighted and excited about the collaboration," he said in a statement on Monday.
Rahman said H&M always holds the responsibility to ensure its products are manufactured in the most

ethical, environmentally-friendly, and sustainable manner.
The retailer is going to set up a special booth to showcase denims produced responsibly and the brand practices and prioritises in responsibility.
"The collaboration of H&M in this expo will undoubtedly drive the country's denim industry to be more responsible," said Mostafiz Uddin, founder and CEO of the Bangladesh Denim Expo.
He said conducting business and developing products within the denim industry can have far-reaching consequences on the environment, on the people making the products, and on the products' end use and lifespan.
He said the Expo believes that it is the duty of all stakeholders in the apparel industry to acknowledge this responsibility and to analyse business practices, for the benefit of all.
During the two-day event, 99 exhibitors from 11 countries, namely host Bangladesh, China, Japan, Italy, India, Singapore, Brazil, Spain, Pakistan, Turkey, and Germany will take part.
The exposition will highlight Bangladesh's growth potential in the denim industry and will be a get-together for buyers, manufacturers and professionals, where they will share experiences on the latest trend of fashions and innovation in technology.

Regent Airways offers up to 50pc discount

STAR BUSINESS DESK
Regent Airways has recently offered up to 50 percent discount on its five international and two domestic routes marking its 9th anniversary to be celebrated on November 10.
The promotional round trip fares for international routes are Tk 8,999 on Dhaka-Kolkata-Dhaka, Tk 19,999 on Dhaka-Singapore-Dhaka and Dhaka-Kuala Lumpur-Dhaka, Tk 24,499 on Dhaka-Muscat-Dhaka and 25,999 on Dhaka-Doha-Dhaka.

The domestic round trip fares are Tk 4,000 for Dhaka-Chattoogram-Dhaka and Tk 6,000 for Dhaka-Cox's Bazar-Dhaka routes.
Customers will have to pay same fares for the trips if their journey start from Chattoogram, according to a statement.
Fares are inclusive of taxes. The passengers can buy tickets from any Regent Airways sales counters or from its authorised travel agents from November 1 to November 30 this year for travel between November 1 this year and 24 October next year.

Top brass for marine fisheries association



Nurul Qayyum Moshir Rahman

STAR BUSINESS DESK
Nurul Qayyum Khan, managing director of MN Fishing Ltd, and Md Moshir Rahman Chowdhury, a director of Salta Fishing Ltd, have recently been elected as president and secretary general of Bangladesh Marine Fisheries Association (BMFA) for the period of 2019-2021.
The association also elected the executive committee for the period at the BMFA office in Chattogram, according to a statement.
Vice admiral (ret) Zahir Uddin Ahmed became the first vice president of the association while Ahsan Iqbal Chowdhury is the second vice president.

Nokia hires 350 workers to speed up 5G development

REUTERS, Helsinki
Telecom network equipment maker Nokia has hired hundreds of engineers in Finland this year to speed up its 5G development, the company said on Wednesday.
The Finnish company, rival to Sweden's Ericsson and China's Huawei, slashed its 2019 and 2020 profit outlook last week, saying profit would come under pressure as the company spends more to fend off rivals in the fast-growing 5G networks business.

Bank loans still elude small women entrepreneurs: study

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Of the sum, women enterprises accounted for only Tk 2,079 crore, which was 3.71 percent of the total small loans, the paper showed.
In 2018, the ratio fell to 3 percent, said Md Mosharraf Hossain, an assistant professor of the Bangladesh Institute of Bank Management (BIBM), at the event.
The institute organised the seminar on women entrepreneurs' financial and managerial capacity and their access to formal finance at its office.
Hossain, a co-author of the study, said the amount of loans going to small business and women entrepreneurs has increased since 2016. Yet, women's share has not gone up in percentage of the total small-enterprise loans in the subsequent years.

"It is observed that a very tiny portion of small enterprise loans goes to women-owned enterprises," Hossain said, while presenting the findings of the study.
The researchers conducted the survey among 344 women-owned small enterprises and it found that 81 percent of women think that guarantee is the real problem for obtaining loan from the formal sector.
A lack of guarantor, low repayment and non-fulfillment of conditions were the main reasons behind the rejections of loan applications.
"It is noteworthy that 75 percent of the women did not apply for loans because of their inability to manage loan guarantors," Hossain said.
The study found that the level of financial literacy among women entrepreneurs was very low and suggested the central bank and the SME Foundation introduce cost-free or low-cost literacy programme.
"Managerial capability is one of the strong predictors for their financial access to banks," said Hossain.
Lila Rashid, general manager of the SME & Special Programmes Department of the Bangladesh Bank, said branches of banks, particularly those of private banks, are more interested in collecting deposits than lending to SMEs (small and medium enterprises).
"SMEs are a neglected part and they are not their priority," she said, adding that managing collateral is a big problem for women entrepreneurs.
The BB formed an SME and Special Programme Division for women entrepreneurs and took initiative to establish Women Entrepreneur Development Unit in banks and financial institutions. It also asked banks to lend women entrepreneurs at 9 percent interest rate under the small enterprise refinancing scheme.

The study found that 6,372 women-led small firms got collateral-free loans in 2016. But it dropped to 2,827 in 2018. Despite the low disbursement of funds among women-led small enterprises, the recovery rate is good, according to the study.
BIBM Supernumerary Professor Helal Ahmed Chowdhury said banking forms are cumbersome and they should be made easy.
He said banks should be given targets on SME loan disbursement.
Dr Muzaffer Ahmad Chair Professor Barkat-e-Khuda moderated the seminar. BB Deputy Governor SM Moniruzzaman and BIBM Director General Mohammad Akhtaruzzaman also spoke.



Md Mosharraf Hossain Khan, an executive director of the Bangladesh Bank, and Mohammad Borhanuddin, president and managing director (current charge) at Bank Asia, pose at a training on "Prevention of money laundering and combating financing of terrorism" for the officials of the western region (Khulna, Jashore, Kushtia and Faridpur) of the private commercial bank in Khulna recently.

Unitholders apply to change LR Global as asset manager

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Bac Bank, NCC Bank, Eastern Bank, Agrani Equity, Delta Life, Green Delta Insurance, IDLC Investments, IDLC Asset Management, VIPB Asset Management, Edge Asset Management, Vanguard Asset Management, and some other investors, which are holding more than 70 percent units of Green Delta Mutual Fund, have also sought to change the asset manager.

Reaz Islam, CEO of LR Global Bangladesh, said LR Global Bangladesh has 10 years of sound track record in a flat market and cash dividend history of more than 40 percent.
"Our performance speaks for itself and we treat every investor equally."
He said mutual funds are primarily for retail investors and anyone engaged in exploiting it for personal,

short-term gains at the expense of retail investors will be dealt with under the law of Bangladesh.
Shahidul Islam said an asset manager is a management service provider to a fund and its owners have a legal right to change the service provider at any point of time for the betterment of the fund.
LR Global Bangladesh also manages four more funds.

RMG makers want to pay reduced source tax from Jul 1

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The apex chamber of the biggest export earning sector said the NBR cut source tax in the years of 2016, 2017 and 2018 and the reduced tax benefit was given with retrospective effect from July 1.
This time it is not given, said the BGMEA letter, while urging the NBR to make this effective giving retrospectivity from July 1.
The garment industry is facing tough time and operational expenses

of businesses rose about 30 percent for various factors including falling prices and spiral in wages of workers.
In the last fiscal year, the NBR reduced source tax on apparel twice to 0.25 percent and gave retrospective effect from July 1, 2018. The privilege expired on June 30 this year.
With a view to boosting collections the source tax for garment manufacturers was increased to 1 percent at the beginning of the fiscal year from 0.25 percent the previous

year.
And, the tax authority reduced the rate to previous level in the face of demands from exporters without giving retrospective effect.
Taxmen said offering retrospectivity would affect overall revenue collection, which has been sluggish.
At present, apparel makers enjoy 12 percent corporate tax, which is half the lowest corporate tax of 25 percent applicable for listed companies in the stock market.

US-China trade deal might not be ready for signing in Chile: official

REUTERS, Washington
An interim trade agreement between the United States and China might not be completed in time for signing in Chile next month as expected but that does not mean the accord is falling apart, a US administration official said on Tuesday.
US and Chinese negotiators are working to complete a text for the agreements for US President Donald Trump and Chinese President Xi Jinping to sign at an Asia-Pacific Economic Cooperation summit in Chile Nov. 16-17.
"If it's not signed in Chile, that doesn't mean that it falls apart. It just means that it's not ready," the administration official said. "Our goal is to sign it in Chile. But sometimes texts aren't ready. But good progress is being made and we expect to sign the agreement in Chile."

Industrial NPLs rise for habitual defaulters

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Shafiqul Alam, former managing director of Jamuna Bank, echoed the same as Rahman, saying the habitual defaulters are mostly responsible for the upward trend of default loans in the industrial sector.
Some good borrowers have also entered the default zone because of sluggishness in the private sector, he said.
Banks should extend their cooperation in time in order to protect businesses from the default zone by way of providing fresh loans, Alam said.



AKM Sadeque Nawaj, general manager for marketing at Berger Paints Bangladesh, and Md Anwarul Haque, a director of Concord Real Estate Ltd, attend a deal signing ceremony at the latter's corporate office in Dhaka recently. Berger Paints will provide all paint-related services to residential and commercial projects of the realtor.

Invest in roads under PPP models

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Rahamat Ullah Mohd Dastagir, additional secretary to power division, said they were ready to provide express connections to industries for quality and uninterrupted power. He said scarcity of power had been eliminated in Bangladesh as generation capacity was higher compare to demand, reaching 12,893 megawatts (MW) as of September whereas it was only 3,266 MW in the corresponding month of 2009.
Power generation has increased around threefold in the past 10 years, he said, adding that the generation capacity would increase to 24,000 MW by 2021, 40,000 MW by 2030 and 60,000 MW by 2041.
He said of that generated, 46 percent came from private sector power plants and the rest from the public sector.
"Hundred percent area of the country will come under electricity coverage by 2020 as necessary transmission lines are being laid across the country," said

Dastagir, adding that already 95 percent of the area has been brought under coverage.
Addressing the programme, Salahuddin Kasem Khan, executive chairman of Seaco Foundation, highlighted investment facilities of Bangladesh.
Md Zafar Alam, member (administration and planning) of Chittagong Port Authority, said investors could take advantage of the Chittagong port's facilities which were now up to the mark. He said container handling capacity had increased due to adaptation of new technology as well as overall improvements in efficiency.
Alam also said the port became the 64th busiest in the world in 2018 handling 2.93 million twenty-foot equivalent units (TEUs) of containers in 2018, up from 2.66 million in 2017 and one million in 2008.
Among others, Alex Chai Su Hean, vice president (customer marketing) of insurance provider Zurich Takaful Malaysia Berhad, also spoke at the programme.