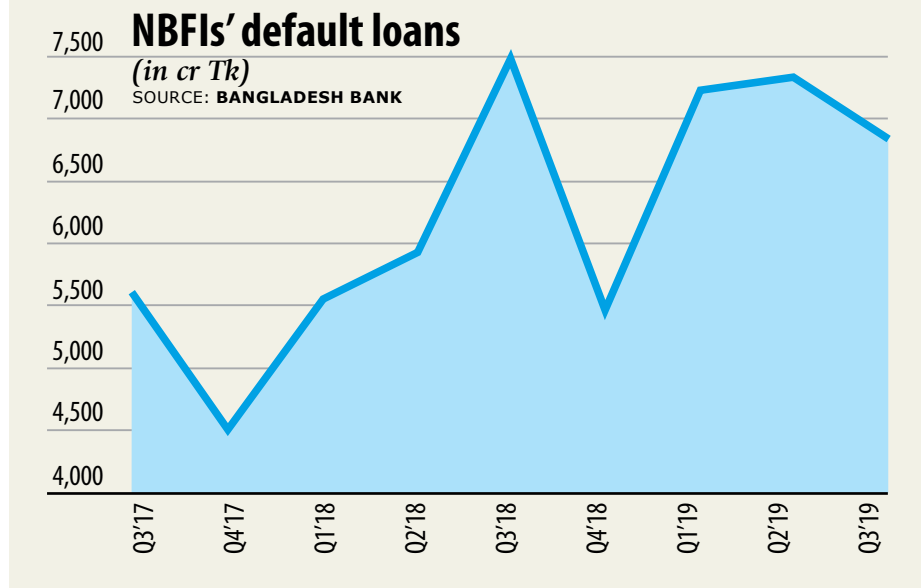


### Khaled for administrator at ILFSL

**STAR BUSINESS REPORT**  
The central bank should appoint an administrator at the scam-hit International Leasing and Financial Services Ltd (ILFSL) to salvage it from further deterioration, said its outgoing Chairman Khondker Ibrahim Khaled.  
The former deputy governor of the central bank handed in his resignation letter on Sunday to both the High Court, which appointed him at the NBF, and the Bangladesh Bank citing health reasons.  
"I am not appropriate person to improve the financial health of the non-bank financial institution," he told The Daily Star yesterday.  
"There has been no banking or management crisis at ILFSL. The crisis stemmed from money embezzlement," he said.  
The High Court appointed Khaled as chairman of ILFSL on January 19 and he assumed the post on February 5.  
The appointment came after seven depositors of the NBF filed a petition with it to get back their money.

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## NBFIs meet with Kamal, seek support



**STAR BUSINESS REPORT**

Finance Minister AHM Mustafa Kamal yesterday said the government would extend support to the country's 34 non-bank financial institutions in order to mitigate their ongoing financial woes.  
He came up with the decision at a meeting with the Bangladesh Leasing and Finance Companies Association (BLFCA), a forum of the managing directors of the NBFIs, at the secretariat.  
"The BLFCA has placed four recommendations at the meeting to improve the financial health of NBFIs. And the minister has given assurance to resolve the problems," said BLFCA Chairman Mominul Islam.  
The minister also told the association that he would talk to the high-ups of the central bank to come up with necessary supports for them, said Islam, also the managing director of IPDC Finance.  
The BLFCA submitted a working paper to the finance ministry depicting the existing crisis faced by the NBFIs.  
The NBF sector is suffering from a liquidity crisis, which has created difficulties

for them to run businesses, according to the paper.  
The recent decision to liquidate one of the NBFIs -- People's Leasing and Financial Services (PLFS) -- has given a negative signal to depositors and banks. This has created a confidence crisis in NBFIs regardless of their financial condition.  
NBFIs have proposed the central bank form a special refinancing scheme of Tk 10,000 crore. Under the scheme, five-year term-loans will be extended to them and it will be repayable on semi-annual installment basis.  
The interest rate of the loan should be equivalent to the six-month Treasury bill rate.  
The lenders requested the central bank to extend emergency liquidity support to the NBFIs against the cash reserve requirement and the statutory liquidity ratio, except those struggling owing to poor corporate governance.  
The BLFCA has requested the central bank to instruct banks not to withdraw funds from the NBFIs in the next two years. The maximum interest rate of the funds should be fixed at 7 per cent.

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### Stocks bounce on stimulus hopes, Treasuries slide towards 1 per cent

**REUTERS, London**  
World stocks markets regained a measure of calm on Monday as hopes for a raft of global interest rate cuts to soften the economic blow of the coronavirus steadied nerves and drove US Treasury yields close to 1 per cent.  
After last week's worst plunge for equities markets since the depths of the 2008 financial crisis, it was always going to be a wild ride.  
Asia had initially dived again after China reported a record slump in factory activity but the region rallied to finish higher as bond yields sunk and talk of OPEC supply cuts sent oil prices roaring up 3.5 per cent.  
Europe then made a blistering start. The FTSEurofirst 300 jumped over 2 per cent, putting it on course for its best day in well over a year and Wall Street S&P 500 and Dow futures were pointing to similar gains too.  
"The market is coming back because there is perception that there will be a coordinated G7 policy response," said BlueBay Asset Management's head of credit strategy David Riley.  
"We have Fed and ECB meetings coming up in the next couple of weeks. The Fed is the key one and it will be very hard for them to hold off (from rate cuts) if we are in a situation where the economic downsides are becoming more prevalent."

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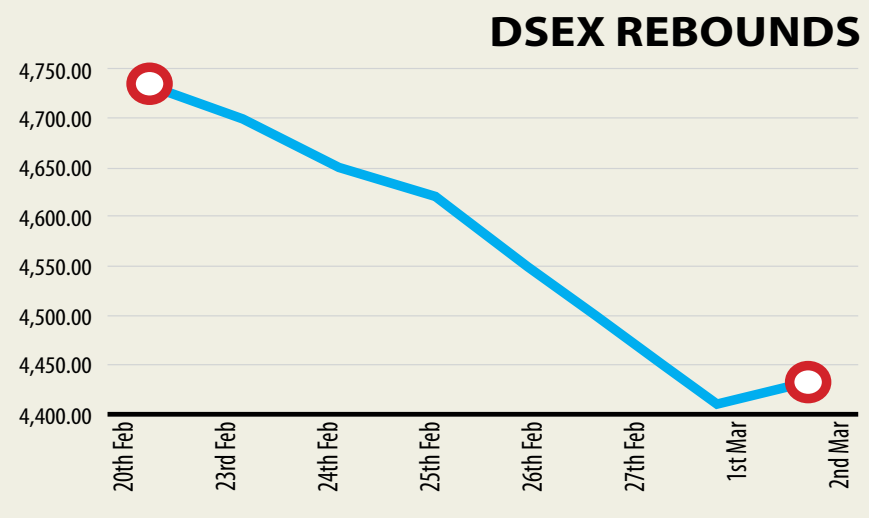
## DHAKA STOCKS REBOUND

Dhaka stocks rebounded yesterday, ending a seven-day losing streak. The key index rose 0.6 per cent to 4,435. The recovery came after it lost 348 points in the seven consecutive sessions.

DSEX rose to **4,434.81** points (down **24.89** points, or **0.56%**)  
Turnover fell to Tk **419 cr** (down Tk **36.43 cr**, or **7.98%**)

TOP FIVE GAINERS		TOP FIVE LOSERS	
Company	Gain (in %)	Company	Loss (in %)
Tung Hai Knitting	10	Fas Finance	10
Golden Harvest	9.9	Emerald Oil	9.7
Yeakin Polymer	9.8	International Leasing	8.11
Paramount	9.8	Prime Finance	7.81
Central Pharmaceuticals	9.6	Foreast Finance	7.41

TOP SECTORAL CONTRIBUTION		TOP TURNOVER	
Sector	Change in market cap	Company	Average turnover
Engineering	1.9%	Far Chemical	TK13.5
General Insurance	1.4%	VFS Thread	TK11.4
Pharmaceuticals	0.59%	GP	TK10.6
Bank	0.58%	Indo-Bangla Pharma	TK10.3
Fuel & Power	0.56%	Orion Pharmaceuticals	TK9.9



### Interest for import financing of Ramadan items set at 9pc

**STAR BUSINESS REPORT**  
Bangladesh Bank yesterday fixed a maximum 9 per cent interest rate on the import of nine essential commodities to keep the prices of the products stable during the month of Ramadan.  
The commodities are edible oil, chickpeas, lentil, dun peas, onion, spices, dates, fruits and sugar.  
Banks have to maintain the interest rate on the import financing of the products with immediate effect as businesses have already started importing the products eyeing the upcoming Ramadan, according to a central bank notice.  
The banking regulator also asked lenders to keep a minimum margin for opening letters of credit (LCs) of the nine commodities.

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## India finally lifts onion export ban

**PALLAB BHATTACHARYA and SOHEL PARVEZ**  
India finally issued a notification yesterday announcing the lifting of a five-month-old ban on onion export with effect from March 15.  
The move is likely to cut onion prices here, easing pressure on wallets of consumers and reducing prospect of profitable prices for local farmers.  
"The export of all varieties of onions has been made free without any condition of letters of credit and minimum export price with effect from March 15, 2020," the Directorate General of Foreign Trade (DGFT) said in its notification.  
The notification, signed by DGFT Additional Secretary Amit Yadav, came five days after a high-level group of ministers headed by India's Home Minister Amit Shah at a meeting took a decision to this effect.  
They took the decision in a bid to protect the interest of its farmers as prices in the domestic market have been sharply declining due to a bumper rabi crop.



Immediately after the meeting, Food Minister Ram Vilas Paswan said on February 26 that "since the price of onion has stabilised and there is bumper onion crop, the government has decided to lift ban on export of onions. Expected monthly harvest in March is over 40 lakh tonnes".  
India banned onion exports on September 29 last year, a move that skyrocketed prices of the key cooking ingredient to a historic high of Tk 250 each kilogram in Bangladesh, which imports roughly 10 lakh tonnes of onions a year mainly from India.

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## Advent Pharma appointed auditor illegally, finds FRC

**AHSAN HABIB**  
Advent Pharma illegally appointed Ahmed Zaker and Co to audit the company's financial report, the Financial Reporting Council (FRC) found in an investigation.  
The auditors did not even explain properly how Advent Pharma utilised the proceeds of the initial public offering (IPO) in the 2018-19 annual report of the pharmaceuticals company.  
After identifying the irregularities in the appointment of the auditor, the FRC called

senior officials of the recently listed drug-maker. It found evidences of violation of laws.  
The FRC was established by the government in 2016 under the Financial Reporting Act with the aim to ensure transparency in financial reports submitted by both listed and non-listed companies.  
Last week, the FRC sent a letter to the Bangladesh Securities and Exchange Commission (BSEC), asking it take action against Advent Pharma and the auditor.

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## NBR issues explainer on excess VAT refunds

**STAR BUSINESS REPORT**  
The National Board of Revenue (NBR) in a notification yesterday explained how it would provide refunds of value added tax (VAT) paid in excess by businesses.  
Refund claims of less than Tk 50,000 will be adjusted with VAT payable by firms in the following months. In cases where an adjustment is not possible, the NBR field offices will provide a refund.  
If the refund amount is Tk 50,000

or above, the reimbursements would take place through bank accounts of applicants.  
Businesses seeking refunds will have to submit VAT returns regularly and refunds will be provided after deduction of arrear VAT, stated the notification issued by the NBR's VAT policy wing.  
The notification comes amid complexities in the field offices over providing the refunds.

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## Formulate policy to cut reliance on foreign experts, workers

*Economists say at PRI event*

**STAR BUSINESS REPORT**  
Economists yesterday suggested the government formulate policies on creating skilled workforce for different sectors to reduce the huge amount of money being drained out of the country owing to hiring of foreigners.  
Every year over \$4 billion is remitted out of the country as salaries and allowances of foreign skilled workforce, said Rushidan Islam Rahman, executive chairperson of the Centre for Development and Employment Research (CDER).  
"We are paying remittance for skilled foreign workers and Bangladesh is sending unskilled workers abroad. We need to formulate a policy to stop paying such a big amount of remittance by creating skilled workforce locally," she said.  
Rahman was speaking after presenting a paper on "Is Bangladesh over-dependent on overseas employment" at a discussion on the "Bangladesh Employment and Labour Market Watch 2019: Sector challenges and opportunities" at



Planning Minister MA Mannan speaks at a discussion on the "Bangladesh Employment and Labour Market Watch 2019: Sector challenges and opportunities" at the Policy Research Institute (PRI) in Dhaka yesterday.

the Policy Research Institute (PRI) in Dhaka.  
Economists, government high-ups, researchers and university

professors attended the discussion. Mainly chief executive officers and managers employed in local and multinational companies were

taking away \$5-6 billion every year as remittance, said M Syeduzzaman, a former finance minister.

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## Germany assures Bangladesh of lasting support

**STAR BUSINESS REPORT**  
Economic diversification in Bangladesh is of paramount importance for the country's continued growth and competitiveness in the global market, according to German Ambassador Peter Fahrenholtz.  
"The diversification of Bangladesh's economy is crucial for the country to ensure competitiveness in the global market," he said, while addressing the opening ceremony of the Bangladesh German Consultation 2020.  
With an aim to further boost bilateral trade between the two countries, the event was held at the Economic Relations Division (ERD) yesterday.  
Bangladesh is on course to graduate from the least developed country status but the country's economic growth must continue in accordance with its Sustainable Development Goals.  
The garment sector could benefit from the ongoing dialogue on the GSP between Bangladesh and the European Union, said Fahrenholtz, adding that there is a good chance for the country to become eligible for the GSP Plus facility after its graduation.  
The GSP, or Generalised System of Preferences, is a programme designed to encourage monetary prosperity in developing countries by providing duty-free treatment to goods of designated beneficiary countries.

"The apparel industry is the backbone of Bangladesh's economic growth and Germany is the single largest export destination for the product," he said.  
Fahrenholtz also assured that Germany hopes to continue its partnership with Bangladesh while furthering bilateral relations.  
To exemplify Germany's dedication, Fahrenholtz pointed out that his country has provided Bangladesh with \$3 billion in financial support since 1972.  
Germany also fully supports Bangladesh in its call to find a solution for the Rohingya issue.  
"Myanmar has to create safe enough conditions for the voluntary and dignified return of Rohingya people to their home country," said Fahrenholtz.  
Poverty in Bangladesh has come down by 20 per cent while extreme poverty has entered single digits, according to the German.  
"This is really a remarkable achievement. Education, health services and energy are being provided to almost everyone."  
Bangladesh has become the 38th largest economy in the world and boasts the highest growth rate in Asia. However, there are some areas where improvement is needed. For example, human rights is a very essential aspect of any society from a political perspective.

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