

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
▼ 1.63%	▼ 1.76%	\$1,855.10	\$56.29	▼ 1.09%	▼ 0.96%	▼ 0.95%	▼ 1.51%	BUY TK	83.95	100.87	113.82	12.76
5,695.37	10,008.14	(per ounce)	(per barrel)	48,347.59	28,546.18	2,945.52	3,569.43	SELL TK	84.95	104.67	117.62	13.41



# Star BUSINESS

DHAKA WEDNESDAY JANUARY 27, 2021, MAGH 13, 1427 BS • starbusiness@thedailystar.net

## Economy will return to high growth path next fiscal year: UN

REJAUUL KARIM BYRON And MD FAZLUR RAHMAN

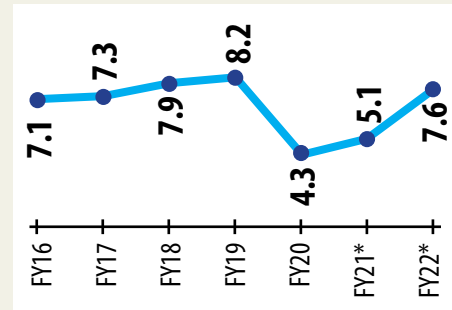
Bangladesh's economy will return to the high growth trajectory in the next fiscal year overcoming the scarring impacts of the coronavirus pandemic, according to a United Nations report.

The country's gross domestic product (GDP) will grow by 7.6 per cent in the fiscal year of 2021-22 following a 5.1 per cent expansion in the current fiscal year, said the World Economic Situation and Prospects 2021 report produced by the United Nations Department of Economic and Social Affairs.

The UN forecast is higher than the projection made by the World

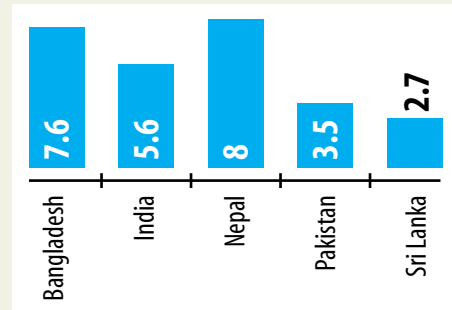
### GDP GROWTH OF BANGLADESH

In %; \* forecast; SOURCE: UN DESA



### GDP GROWTH FORECASTS FOR 2022

In %; SOURCE: UN DESA



Bank and is in line with that of the International Monetary Fund (IMF).

The WB has said Bangladesh's economy will expand by 3.4 per cent in the FY22 from 1.6 per cent in the current fiscal year. The IMF has forecast 7.9 per cent growth in the FY22.

The government has lowered the GDP growth projection for the

current fiscal year to 7.4 per cent taking into account the fallouts of the coronavirus pandemic.

Achieving resilience to external shocks should be among the most important considerations within the decision framework for policymakers in South Asia who are currently rethinking their industrial policies, the report said.

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## Commerce Bank, Janata run into a quagmire

Struggle to recover Tk 633cr deposits from six NBFIs

AKM ZAMIR UDDIN

Bangladesh Commerce Bank and Janata Bank Ltd are in a difficult situation to recover Tk 633 crore they deposited with six non-bank financial institutions as the latter's financial health deteriorated because of massive scams and lack of good governance.

Private lender BCB and state-run Janata kept the fund with Peoples Leasing & Financial Services, First Finance, FAS Finance & Investment, Bangladesh Industrial Finance Company (BIFC), International Leasing and Financial Services (ILFS), and Premier Leasing & Finance Ltd several years ago.

Although the funds have matured, the NBFIs are unable to return the money to the banks.

The two banks requested the central bank to intervene to help them realise the money. But they have received a feeble response from the regulator.

Recently, BCB has informed the central bank that as much as Tk 502 crore was stuck with the six NBFIs as of November 15 last year.

The NBFIs also have stopped paying interests to the bank since fiscal 2018-19, according to a central bank paper.

The amount, which was kept in the form



Bangladesh Commerce and Janata banks can't get back deposits of Tk 633cr from six NBFIs who are suffering from a fund crisis resulted mainly from a lack of governance

of term deposits, can't be renewed as the NBFIs are not paying the interest against the fund.

"This has created an obstacle to carrying out the banking operation, including liquidity management and making profits from the fund," the bank told the BB.

BCB has served legal notices on BIFC and ILFS as part of its effort to file a case. But the lender has been forced to backtrack due to the central bank intervention.

"Against the backdrop, the bank has been in a quagmire," a senior official of the bank said.

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**INTRODUCING NEW**  
HOTLINE NUMBER **16704**  
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## Banks fail to pay import bills, tarnish country's image

Bangladesh Bank report says; meeting with bankers today



STAR/FILE

Bankers said banks should settle import bills on time for the sake of the country's image abroad.

AKM ZAMIR UDDIN

The image of the country's financial sector has been tarnished in the international arena as a good number of local banks have not made import payments on time.

The number of allegations placed by foreign embassies in this regard has been rising as the respective overseas lenders failed to get their export earnings in due time, according to a Bangladesh Bank report.

Against this backdrop, the central bank will raise the issue before the bankers' meeting today.

Bangladesh Bank arranges the bankers' meeting every three months with the managing directors of all local banks and the central bank higher-ups taking

part.

The failure to settle import bills has increased the 'add confirmation charge' as well, the report said.

The charge for confirming letters of credit (LC) remains between 2 and 3 per cent annually depending on the client, said Syed Mahbubur Rahman, managing director of Mutual Trust Bank. "But the failure to settle import bills on time may push it up," he added.

Confirmation fees are a security mechanism that eliminates risks for exporters.

When exporters are not satisfied with the LC-issuing bank, mainly for its insolvency risks, political issues in the importing country or both, they may seek an additional guarantee for the LCs.

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## E-payment of import taxes over Tk 2 lakh a must from July

STAR BUSINESS REPORT

Business will require to pay import tariff and taxes over Tk 200,000 electronically from the first day of July this year as the National Board of Revenue (NBR) is gradually automating customs systems in order to provide faster service and bring about transparency, said NBR chief yesterday.

"We have prepared a roadmap for e-payment," NBR Chairman Abu Hena Md Rahmatul Muneem said during a webinar organised by the NBR yesterday to mark International Customs Day.

The NBR made payments of import tariffs and taxes totalling more than Tk 2 lakh compulsory from April 1 this year for businesses who bring goods through Customs House, ICD Dhaka.

The customs house then brought several firms under the e-payment scheme as a part of its preparation to launch a pilot of the electronic payment system for import duties and taxes from April, Mobar Khanam, commissioner of the Customs House, ICD Dhaka, told The Daily Star.

And so, e-payments for import duties and taxes of over Tk 2 lakh will be made compulsory for the rest of the customs houses from July this year.

Currently, businesses can pay import tariffs via bank drafts, pay orders and cash.

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## Stocks fall, Beximco companies end rally amid profit taking

STAR BUSINESS REPORT

Concerns of Beximco Group witnessed corrections yesterday after leading from the front to raise the benchmark index of the Dhaka Stock Exchange (DSE) to a three year high just a week ago.

DSEX, the benchmark index of the DSE, dropped 94.55 points, or 1.63 per cent, to 5,695 yesterday.

This year, the stock market rose thanks to the run-up of insurance companies along with Beximco Group's concerns, which are all now

facing a profit booking tendency, said a stock broker preferring anonymity.

Stock prices of Beximco Limited, whose paid-up capital is Tk 876 crore, fell 8.1 per cent while Beximco Pharmaceuticals with a paid-up capital of Tk 446 crore dropped 4 per cent.

IFIC Bank, which has a paid-up capital of Tk 1,619 crore, fell 2.84 per cent and Shinepukur Ceramics, another listed concern of Beximco Group, declined 8.39 per cent. It has a paid-up capital of Tk 146 crore.

Among the 49 listed insurance companies, only 8 rose while 37 dropped.

"As Beximco's concerns are big, their impact on the index is also large," the stock broker said.

Just because of the drop of Beximco and Beximco Pharmaceuticals, the DSEX lost around 14 points, according to amarstock.com, a stock market analysis-based website.

This is a normal trend of the stock market because no share can rise without witnessing some corrections, he added.

The stock market has continued to fall for the last three consecutive trading days, which is still considered as profit booking by market analysts.

Trigger sales from some merchant banks is one of the reasons behind the market fall, said a top official of a merchant bank preferring anonymity.

The regulator fixed the interest rate on margin loans at no higher than 12 per cent, and the trigger sales came as a result, he said.

Many merchant banks have no scope of lending at this rate as their cost to maintain the fund is higher, he added.

Thanks to the recent high jump of the index, many scripts have increased by more than 50 per cent.

"So, investors are taking profits and this is a good sign," another merchant banker said.

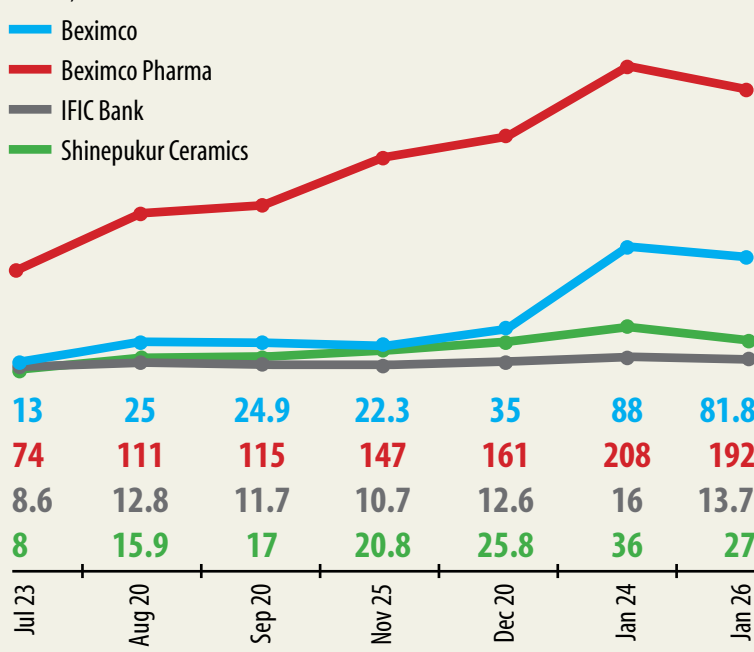
When investors take profits, the market gets its depth for further rise.

"If investors remain cautious about their investment decisions, then they will profit or otherwise incur loss," the merchant banker said.

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### STOCK PRICE TRENDS OF BEXIMCO CONCERNS

In taka; SOURCE: DSE



### UTTARA MOTORS LAUNCHES THE ALL NEW POWERFUL AND STYLISH SUZUKI VITARA BREZZA

Uttara Motors Limited, yesterday introduced the all new SUZUKI Vitara Brezza, the WICKED SUV through an exclusive digital event. The Vitara Brezza, offers enhanced sportiness, bolder looks, stronger stance, premium interiors and a host of new features.

The Vitara Brezza comes with powerful 1.5 liter K-series petrol engine with Smart Hybrid Technology and equipped with Advanced Automatic Transmission. Vitara Brezza is sure to delight customers by providing a lot of attractive features like: Auto Folding ORVMs, Automatic Dual chamber LED projector headlamps, Automatic Rain Sensing Wipers, Cruise Control System, Voice Command, Steering Mounted Audio & Calling Controls, Engine Push Start/Stop with Smart Key, 7" Touchscreen New-age Smartplay Studio, Dual SRS Airbags, Reverse Parking Camera & Sensors, ABS with EBD and much more. Detail specifications are available on www.suzukicar.com.bd

Keeping up with its strong, urban and premium appeal, the all-new Vitara Brezza is bolder, sportier and more powerful.

The honorable Deputy Managing Director, Mr. Durand Rahman and Head of Business Planning, Mr. Nayeemur Rahman jointly inaugurated the exclusive digital launching

event through SUZUKI CAR BANGLADESH Facebook page and YouTube channel.

The SUZUKI Vitara Brezza is available in two different variants, THE SINGLE TONE VARIANT & THE DUAL TONE VARIANT. The single tone variant comes in 4 attractive colors: Granite Grey, Premium Silver, Pearl Arctic White & Autumn Orange. The dual tone variant comes in three fun colour combinations: Sizzling Red with Midnight Black Roof, Torque Blue with Midnight Black Roof & Granite Grey with Autumn Orange Roof.

The Vitara Brezza single tone variant is priced at a very competitive 24 lac 50 thousand Taka. And the dual tone variant is priced at 25 lac 50 thousand Taka. Both these prices are inclusive of 3 years or 55,000km SUZUKI standard warranty and 12 free services from Uttara Motors. Customers can also avail easy auto loans from partnered financial institutions.

Uttara Motors is always committed to customer satisfaction and provides sales and service through 11 branch offices and 8 service centers all over Bangladesh. They have been selling SUZUKI cars since early 80's and have delivered over 50,000 units all over the country to happy and satisfied customers.



STANCHART

MA Mannan, planning minister; Salman F Rahman, private industry and investment adviser to the prime minister; Li Jiming, China's ambassador to Bangladesh; Mohammad Sirazul Islam, executive chairman of the Bangladesh Investment Development Authority (BIDA), and Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, attend the China-Bangladesh Investment Summit, styled "Showcase Bangladesh: 2021 China-Bangladesh Investment Virtual Forum", jointly organised by the BIDA and the bank recently.



DBH

Tipu Munshi, commerce minister, hands over a trophy to Nasimul Baten, managing director of Delta Brac Housing Finance Corporation, as the company was awarded with the "Seventh ICSB National Award 2019" for corporate governance excellence in the category of non-bank financial institutions at an event at Radisson Blu Dhaka Water Garden on Saturday.

## Hyundai Motor's Q4 net profit jumps 78pc

AFP, Seoul

South Korean automaker Hyundai Motor defied the coronavirus pandemic to post a surprise 78 percent surge in fourth-quarter profits Tuesday, as robust domestic sales offset weak overseas demand.

Net profit in the October-December period jumped to 1.38 trillion won (\$1.24 billion) from 772 billion won a year earlier, Hyundai, which along with its affiliate Kia is among the world's top 10 automakers, said in a statement.

Domestic sales in the final three months rose five percent, driven by its luxury Genesis line, while foreign sales dropped by 6.6 percent, the company said.

"Robust sales of SUV models and Genesis luxury models as well as declining incentives helped lift revenue in the fourth quarter despite an adverse economic environment," it said.

Full-year profits came to 2.12 trillion won, down 33.5 percent from 2019, demonstrating the financial toll the pandemic has taken on global carmakers. GM, Toyota and Fiat Chrysler all reported double-digit declines in US sales last year.



LOVELLO

Md Ekramul Haque, managing director of Taufika Foods and Agro Industries Ltd, the manufacturer of Lovello Ice-cream, attends an event at a hotel in Dhaka yesterday, when the lottery draw of the initial public offering of the company was held.

## German business morale drops to six-month low

REUTERS, Berlin

German business morale slumped to a six-month low in January as a second wave of COVID-19 has brought to a halt a recovery in Europe's largest economy, a survey showed on Monday.

The Ifo institute said its business climate index fell to 90.1 from an upwardly revised reading of 92.2 in December. A Reuters poll had pointed to a January reading of 91.8.

"The second Corona wave has temporarily ended the recovery of the German economy," Ifo President Clemens Fuest said in a statement.

Unprecedented government rescue and stimulus measures helped lessen the shock of the pandemic in Germany last year, when the economy shrank by 5.0 percent, less than expected and a smaller contraction than during the global financial crisis.

However, Chancellor Angela Merkel and state leaders agreed last week to extend a lockdown until mid-February as Germany, once seen as a role model for fighting the pandemic, struggles with a second wave of infections.

"The first quarter remains a difficult one for the German economy," said Thomas Gitzel, an economist at VP Bank.

# Nissan flips the switch on electric reboot in China

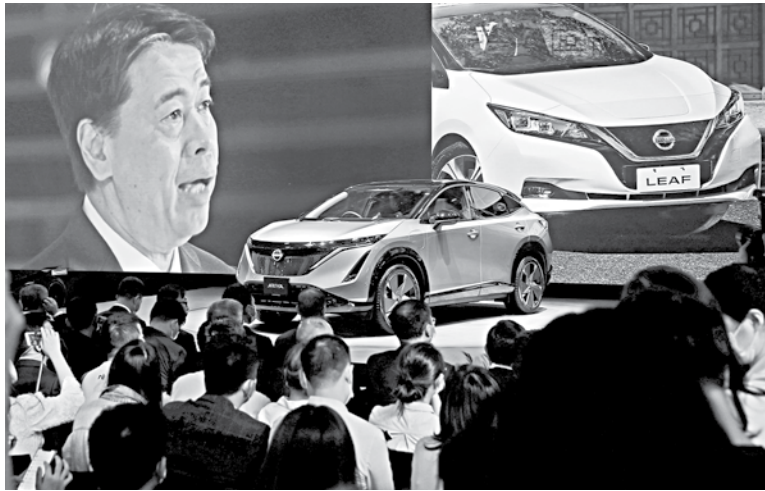
REUTERS, Beijing

Nissan Motor is accelerating the rollout of electric vehicles in China under its main brand and its local, no-frills Venucia marque as it overhauls its strategy in the world's biggest auto market, four sources told Reuters.

Besides the focus on green vehicles, the plan involves using more locally made parts and technologies to reduce costs and help the struggling Japanese carmaker compete better with lower-cost Chinese firms and major global rivals, the sources said.

The China strategy is a key pillar of Nissan's turnaround, which involves focusing on producing profitable cars for China, Japan and the United States, rather than chasing all-out global growth as it did under disgraced former boss Carlos Ghosn. "Before we were saying global, global, global, and China was just part of that strategy," one of the four people familiar with the plans told Reuters.

"With regionalisation now replacing globalisation, we have to improve the cost competitiveness of all the components and technologies that go into a car by going totally local," he said.



REUTERS/FILE

Nissan Chief Executive Officer Makoto Uchida speaks at Nissan booth via video link during the presentation of Nissan's Ariya model during the Beijing International Automotive Exhibition, or Auto China show, in Beijing.

Both the Nissan board and the board of its China joint venture Dongfeng Motor Company have backed the plan and some elements of the new strategy will be unveiled at the Shanghai auto show in April, the sources said.

Nissan plans to launch three cars in China this year: the new all-

electric Ariya crossover, a significant redesign of its X-Trail sport utility vehicle (SUV) and a hybrid Sylphy compact car using its e-Power technology, the sources said.

At least one new Nissan car will hit the Chinese market each year through 2025, with most either fully electric or hybrids equipped

with autonomous and smart driving technology, the sources said. One is likely to be an e-Power X-Trail.

Two of the sources said the plan also involves turning Venucia more into a brand for affordable electric vehicles (EVs), though details are still being worked out.

The idea is to price new Venucia EVs well below its current cheapest EV - the e30 mini car - which starts at 61,800 yuan (\$9,540).

All four sources work for Nissan and spoke on condition of anonymity because they are not authorised to speak to reporters.

Nissan declined to comment on its future product strategy.

"China is a core market for Nissan and Nissan is getting prepared to launch a slew of technologies including e-Power technology to fulfil customers' aspirations," a Nissan spokesman said. He also confirmed the Ariya would be launched in 2021.

Despite being one of the world's first automakers to fully embrace fully electric cars with its best-selling Leaf, Nissan has fallen behind Toyota and Honda, analysts said. Both launched a slew of new hybrids in China in 2019 and 2020 which has helped boost their sales.

# Indonesia says new sovereign wealth fund attracts \$10b commitment

REUTERS, Jakarta

Indonesia has received investment commitments of up to \$10 billion from global firms for its ambitious sovereign wealth fund, a senior minister said on Tuesday, ahead of its launch expected this year.

The Indonesia Investment Authority (INA) aims to attract foreign funds as co-investors, unlike other sovereign wealth funds set up by more developed countries to manage oil revenues or foreign exchange reserves.

Airlangga Hartarto, Indonesia's chief economic minister, told a business forum the INA had been promoted among more than 50 global investors and more commitments had been secured.

With a target of managing \$20 billion, the INA will be seeded by Indonesia's government with \$5 billion in cash and other assets.

Canadian pension fund Caisse de dépôt et placement du Québec (CDPQ) has signed an informal letter of interest about investing up to \$2 billion, alongside an up to \$1.5 billion commitment from Dutch pension fund APG, the minister's presentation showed.

Also listed was Singapore sovereign wealth fund GIC, while Australia's

investment bank Macquarie has offered to manage a toll road fund and could contribute another \$300 million, the presentation showed.

APG, Macquarie, CDPQ and GIC did not immediately respond to separate requests from Reuters for confirmation.

Indonesia has previously reported investment interest of up to \$6 billion by the U.S. International Development Finance Corporation and Japan Bank for International Cooperation. Airlangga said the Abu Dhabi Investment Authority (ADIA) had also been approached.

The fund's supervisory council will include finance minister Sri Mulyani Indrawati and state-owned enterprise minister Erick Thohir.

Erick told Tempo magazine the council had considered about 30 names as possible candidates for chief executive.

Those included tech investor and coal businessman Pandu Sjahrir, Indika Energy's Arsjad Rasjid, and Arief Budiman, a former chief financial officer of state energy firm Pertamina, Erick said in the interview.

Bloomberg News reported last week Pandu, a nephew of a senior government minister, was considered a frontrunner.

Airlangga made no mention of the candidates in Tuesday's presentation.



CHEVRON BANGLADESH

Murad Ahmed, senior coordinator for community engagement at Chevron Bangladesh, and Srinibash Chandra Nath, senior coordinator for government affairs and social investment, pose at an event at a high school near Bibiyana Gas Plant in Habiganj, where the US oil major distributed scholarships to the local students for achieving excellent grades in the Secondary School Certificate exams in 2020.



SYMPHONY

Symphony officials and sales representatives unveil Symphony Z30 Pro, a new smartphone with 4GB RAM, 64GB ROM and a 5,000 mAh battery. Priced at Tk 10,890 and available in Persian blue, Indigo blue, and Amazon green colours, the device is also equipped with Android 10.0 as the 64-bit operating system.



# Gaibandha Sweater Palli expanding against all odds

MOSTAFA SHABUI, Bogura

For decades now, a community of weavers in Gaibandha has been producing over 20 varieties of warm clothing items without any modern technology, transportation or banking support.

About Tk 500 crore worth of warm clothes, including sweaters, mufflers, socks, caps and cardigans, are made in the area each year, according to local traders.

There are around 300 wholesale shops in the area that collectively sell about Tk 3-4 crore worth of the products each day, they said.

A market named Kochashahar-Nawarhat Sweater Palli in Gaibandha's Gobindaganj upazila is the focal point of this local industry, where at least 50,000 weavers from all over the district are involved.

Kochashahar Shilpanagari is located 50 kilometres away from the district town of Gaibandha and 11 kilometres away from the upazila town of Gobindaganj.

The epoch of how this little garment industry came to be begins with the story of just one man.

In 1930, Rahim Uddin of Pepulia village under Kochashahar union tried to escape acute poverty by travelling to Kolkata for work.

There, he worked in a socks factory for 13 years but after failing to adequately provide for his family from abroad, Uddin returned home with two handlooms.

Thanks to his experience in Kolkata, Uddin was then able to start producing socks in his village. His success later encouraged other locals to bring handlooms from Pakistan to make both socks and mufflers.

Since then, the business has continued to spread to the adjacent villages.

After the Independence War in 1972, the government started



About Tk 500 crore worth of warm clothes are made in the area each year, while around 300 wholesale shops collectively sell goods of about Tk 3-4 crore each day.

importing some old cotton warm clothes and the Kochashahar Shilpa Palli was established, said Mizanur Rahman, president of the Nawarhat Hosiery Owners Samity.

In 1990, local traders imported some handlooms from India to weave sweaters. Since then the sweater industries in Kochashahar area started flourishing and expanded to over 20 adjacent villages under the Gobindaganj upazila.

However, the weavers struggled to manage raw materials until 1995,

when some other weavers from Bogura's Adamdighi upazila found rejected yarns in Dhaka's Narayanganj. They also brought some modern power looms from Dhaka to the Shaul Bazar and Kochashahar area.

On the other hand, local weavers of Bogura's Shaul Bazar then started producing yarn from the rejected garments and created a market worth Tk 200 crore annually. Now, the Kochashahar weavers and traders buy their yarns from the Shaul bazar.

By 2005, the industry got expanded

to over 40 villages under Gobindaganj and Bogura's Sonatala and Shibganj upazila, which caused the revenue to see a sharp fall because of overproduction.

Therefore, many businessmen left the trade.

But since 2010, they started making profits again by including some modern power looms and quality designs, Rahman said.

During a recent visit to the area last December, this reporter found that weavers from almost every village

under the Kochashahar union were busy producing warm clothes.

Rahman said there are nearly 3,000 families that have their own handlooms.

There are 50,000 people in the industry and among them, 60 per cent are women, he added.

Md Amir Sheikh, owner of Aziz Garments, a wholesaler of warm clothes in Keraniganj, told The Daily Star that around 60-70 traders from Dhaka, Keraniganj, Narayanganj visit the Kochashahar's Nawarhat bazar to buy clothes worth Tk 3-7 lakh every year.

"Traders from Dhaka used to visit the remote Kochashahar village market as the price of warm clothes there is cheaper than in Dhaka," Sheikh said.

Asaduzzaman Moju, owner of Kashmiri Fashion in Nawarhat bazar, said he produces 50,000 to 80,000 sweaters every year worth around Tk 2.4 crore.

Anisur Rahman, another local warm clothes maker of the Kochashahar Sweater Palli, produces around 50,000 to 60,000 special warm blouses worth Tk 87 lakh every year.

"But due to the short winter this year, I have to sell this blouse in the next year at lower prices," Rahman said.

Among the 50,000 workers, some make yarn from bobbins while others sew clothes, do embroidery, piping, attach buttons or packaging.

Ayesha Khatun, who works for the Nazim-Nirab Hosiery, mainly does piping and buttoning.

"After finishing my homestead work, I earn Tk 4,000-5,000 each month," she said.

Amid a lack of banking support, the SME foundation chose Kochashahar Shilpa Nagari as a cluster and started distorting loans from a Tk 5 crore fund since 2018.

However, many small industry

owners alleged that they are not getting any such loans.

Among them, Akramul Hossain, owner of the Bishal Hosiery, said there are 10-13 weavers working in his socks factory.

"I tried twice to get loan from the SME Foundation but it denied giving loan to a small trader like me," he added.

Asked, Abu Monjur Saif, assistant general manager for cluster development of the SME Foundation, told The Daily Star that the traders who are bankable are getting loans.

"We have a contact with the local Brac Bank to distribute loans for the Kochashahar cluster," he said.

When contacted, Nurul Islam Parvez, officer of the Brac Bank's branch in Gobindaganj, said they distributed loans to 60 manufacturers worth around Tk 3.5 crore in the Kochashahar area last year.

Nawarhat Hosiery Owners Samity President Rahman went on to say that although there are huge sales every day during winter, there are no banks in the area to handle the large transfers.

When contacted, Ramkrishana Barman, upazila nirbahi officer of Gobindaganj, said "We are aware of the problems. The weavers of the Kochashahar area are producing warm clothes worth over Tk 500-600 crore annually and the government also is getting good revenue from them."

But the area lacks good transport facilities and stable mobile network, he said.

"I have already contacted and urged the mobile operators to establish a strong network here. I have also urged some bank authorities to set up new branches here."

"We also sent a plan to the department concerned to acquire 3 acres of land to set up a training centre for the artisan and weavers," Barman added.

## NRB Commercial Bank's IPO subscription begins Feb 3

STAR BUSINESS REPORT

The subscription for initial public offering (IPO) of NRB Commercial Bank is set to start from February 3 and it will continue until February 9, which will remain open for all kinds of investors.

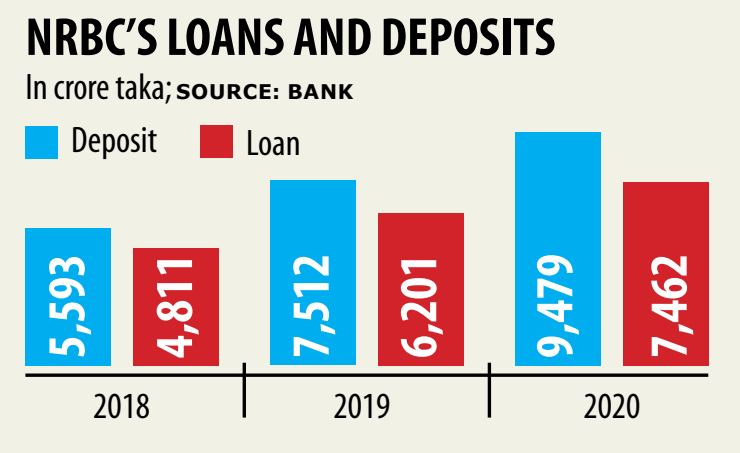
The fourth generation bank, which will raise Tk 120 crore through the IPO, is the first private commercial bank in the last 12 years to get listed with the stock market.

Earlier in 2008, First Security Islami Bank got listed with the stock market.

NRB Commercial, a private commercial bank, will issue 12 crore ordinary shares at a face value of Tk 10 each.

With the IPO proceeds, the bank will use Tk 110 crore to buy government securities, Tk 6 crore in the secondary market for buying shares and the rest for IPO related expenses.

The bank's weighted average earnings per share for the last five years and net asset value per



share were Tk 1.55 and Tk 13.86 respectively as of June 30, 2020.

AFC Capital and Asian Tiger Capital Partners Investment are the IPO's issue managers.

"Our bank has been doing good, as we focus more on financial inclusion instead of doing traditional banking business," said Parvez Tamal, chairman of NRB

Commercial Bank (NRBCB).

The bank has been booking higher profits for the last few years. Its gross profit rose 22 per cent year-on-year to Tk 323 crore in 2020, according to the bank's financial statements.

"We lend small amount also and we have over 500 service points across the country for our

customers."

The bank has now 589 agents, according to the bank's data.

"Our bank is involved in bill collection and disbursement of government allowances, which has made our bank popular among the general mass," the chairman said.

The bank's cost of deposit is so low that it can extend loans to even blue-chip customers at 8 per cent, he said.

To implement the single digit interest rate, banks need to hunt down low-cost deposit, he said, adding: "Making 1 per cent profit from the business between depositors and borrowers is enough for a bank."

On November 18 last year, Bangladesh Securities and Exchange Commission (BSEC) approved NRBCB's IPO proposal through fixed price method.

The bank established on February 20, 2013 had a pre-IPO paid-up capital of Tk 582 crore.

The bank has 83 branches across the country till 2020.

## Bureaucratic tangles mar aviation prospects

Operators say in a dialogue

STAR BUSINESS REPORT

The delays in obtaining permission for import of spare parts for rectifications and overhauling of aircraft, age-old import payment options and absence of modern airport approach facilities are holding back the local aviation industry to flourish further.

The absence of modern airspace and air traffic management at the airport and high price of jet fuel are also a constant source of worry for the industry.

The Aviation Operators Association of Bangladesh (AOAB) identified the obstacles and shared their observation at a dialogue with the Civil Aviation Authority of Bangladesh (CAAB) yesterday.

The event on the "Regulator-operator dialogue on essentials to develop aviation sector" took place at Hazrat Shahjalal International Airport (HSIA) in the capital.

AOAB President Anjan Chowdhury presided over the seminar while CAAB Chairman Air Vice Marshal M Mofidur Rahman was present as the chief guest.

Entrepreneurs enter Bangladesh's aviation industry with a dream to establish and turn an airline into a unicorn enterprise, said AOAB Secretary General

Mofizur Rahman while presenting his keynote speech at the seminar.

But the dream unicorn turns into a back-breaking donkey when the airline fails to sustain because of piling up burdens of different kinds of problems, he said.

For example, he said, "We need hundreds of spares to import and export parts for rectifications and overhaul of aircraft. Sometimes it takes months to obtain permission for import and export."

Besides, worldwide parts trading is done on advance payments through telegraphic transfer of funds, he said.

In Bangladesh, only mode of payments is the letter of credit, which makes it impossible to keep servicing the aircraft.

"Most of our airports run with age-old airport approach facilities. Even gateway airport of the country HSIA has CAT 1 approach."

"We heard almost over a decade and a half ago that the country is going to have modern ATM facilities. But nothing tangible is still in sight."

Bangladesh has a very thriving helicopter industry with over 10 operators and 35 helicopters, which will soon hit 50, he said.

READ MORE ON B3

## GLOBAL BUSINESS

### India to impose permanent ban on 59 Chinese apps, including TikTok

REUTERS

India's ministry of electronics and information technology has issued fresh notices to make permanent a ban imposed on video app TikTok and 58 other Chinese apps in June, Indian media reported late on Monday.

When it first imposed the ban, the Indian government gave the 59 apps a chance to explain their position on compliance with privacy and security requirements, the Times of India reported on Monday.

The companies, which include ByteDance's popular video-sharing app TikTok, Tencent Holdings' WeChat and Alibaba's UC Browser, were also asked to respond to a list of questions, the newspaper said. "The government is not satisfied



A smartphone with Chinese applications is seen in front of a displayed Indian flag in this illustration.

REUTERS/FILE

with the response/explanation given by these companies. Hence, the ban for these 59 apps is permanent now," business newspaper Livemint quoted a source familiar with the notices as saying. It said the notices

were issued last week. The ministry's June order stated that the apps were "prejudicial to sovereignty and integrity of India, defence of India, security of state and public order".

### Google workers to form global union alliance

REUTERS

Google employees from across the globe are forming a union alliance, weeks after workers at the search engine giant and other units of parent company Alphabet Inc formed a labor union for US and Canadian offices.

UNI Global Union, that represents about 20 million workers globally, said on Monday it helped form Alpha Global, Google's union alliance that includes multiple countries such as the United States, Germany, Switzerland, Sweden and the UK.

Alpha Global will fight for the rights of full-time Alphabet employees as well as temporary, vendor and contract workers, UNI Global said.

"The problems at Alphabet ... are not limited to any one country, and must be addressed on a global level," UNI's General Secretary Christy Hoffman said.

Alphabet did not immediately respond to a request for comment.



REUTERS/FILE

A Google sign is pictured near the company's headquarters in Mountain View, California.

After years of protests over working conditions and business practices, 200 Google workers formed Alphabet Workers Union, a so-called "minority union," in early January.

Under US labor law, Alphabet can ignore the union's demands until a majority of employees support it.