

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
0.25%	0.22%	\$1,889.97	\$71.89	0.25%	0.40%	0.44%	0.21%	83.95	101.09	117.97	12.90
6,038.29	10,550.74	(per ounce)	(per barrel)	52,100.05	28,941.52	3,151.04	3,591.84	BUY TK	84.95	104.89	121.77
								SELL TK			



# Star BUSINESS

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## 11 banks face huge capital shortfall

AKM ZAMIR UDDIN

Eleven banks faced a capital shortfall of Tk 24,783 crore in the first quarter of 2021, which highlighted the fragile health of the lenders.

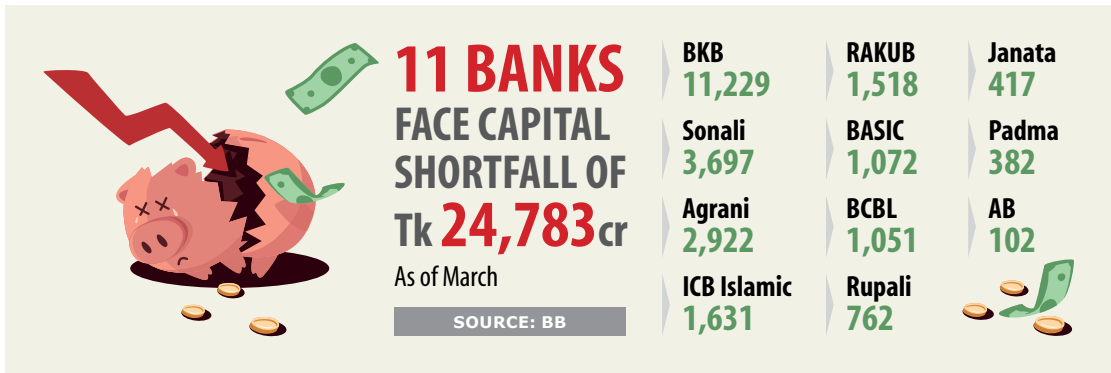
The banks are Bangladesh Krishi Bank, Sonali, Agrani, ICB Islamic, Rajshahi Krishi Unnayan, BASIC, Bangladesh Commerce, Rupali, Janata, Padma, and AB Bank.

Corruptions perpetrated at the banks are mainly responsible for the large capital shortfall.

Bangladesh Krishi Bank had the highest capital shortfall of Tk 11,229 crore as of March, up 4 per cent from three months ago, data from the Bangladesh Bank showed.

Sonali's capital shortfall widened to Tk 3,697 crore from Tk 3,063 crore during the period.

"The central bank should take immediate measures to address



the problem as such a situation sends a negative message to the international community and local businesspeople that the banking sector is weakening," said an official of the central bank.

Foreign businesses usually look at the capital base and non-performing loans of banks before making any investment decisions, he said.

"This type of capital shortfall

will put foreign investors at bay," the central banker said.

However, the banking sector had a surplus capital of Tk 16,562 crore in March, up from Tk 15,930 crore three months ago.

Between January and March, the capital position at Janata Bank improved significantly because of a regulatory forbearance extended by the central bank. The regulator's move would help the state-run bank keep the provision against unclassified and defaulted loans in phases.

A regulatory forbearance is a policy that permits financial institutions to continue operating even when their capital is fully depleted.

Despite getting the forbearance, Janata's capital shortfall stood at Tk 417 crore in March in contrast to Tk 5,475

crore three months ago.

Janata Bank Managing Director Md Abdus Salam Azad said the bank now enjoyed a capital surplus of Tk 6,017 crore as it managed another regulatory forbearance last month.

The central bank allowed the bank to keep the required capital in phases in the next four years.

"This has helped us make a net profit of Tk 14.45 crore last year," Azad said. The capital shortfall of BASIC Bank stood at Tk 1,072 crore in March, down 28.15 per cent a quarter ago.

Md Anisur Rahman, managing director of BASIC Bank, said the bank had been faced net losses in recent years that were responsible for the capital shortfall.

"We are trying to recover defaulted loans, and this will help us narrow the shortfall."

In addition, the bank is seeking deposits from various government agencies at a lower interest rate.

As much as 90 per cent of the defaulted loans, which were disbursed between 2009 and 2013, are uncollectible, said an official of the bank.

At least Tk 4,500 crore was swindled out of the bank, and a number of senior officials and board members, including then BASIC Bank Chairman Sheikh Abdul Hye Bacchu were allegedly involved.

Between 2009 and 2013, the bank also mobilised long-term deposits at a higher interest rate. The deposits have now become a burden for the bank and are one of the main reasons for the capital shortfall.

If BASIC Bank can get the low-cost deposits from the government agencies, it will help the lender manage the balance sheet smoothly and make a profit, the official said.

In March, the average capital adequacy ratio, a measurement of a bank's available capital expressed as a percentage of risk-weighted credit exposures, stood at 11.67 per cent in the banking sector, down from 11.64 per cent three months earlier.

This means the overall capital base strengthened in the first quarter of 2021.

## Fiscal measures hardly linked to job creation

Citizen's Platform for SDGs says



STAR BUSINESS REPORT

The proposed budget has failed to offer fiscal measures to create jobs crucial to millions of the people in the informal sector who slipped to poverty because of the coronavirus pandemic, said experts yesterday.

"Fiscal incentives proposed in the budget are not sufficiently linked to employment generation, particularly for the traditionally left-behind groups," said Debapriya Bhattacharya, convener of the Citizen's Platform for SDGs, Bangladesh.

The government has provided tax holidays and incentives to many sectors in the budget for the next fiscal year. "But, there is no mention of how many wage employments these measures will create," he said.

The economist spoke while presenting a paper styled "National Budget 2021-22: What is there for the disadvantaged people" at a virtual media briefing organised by the platform, which comprises more than 100 non-state actors and their networks and associates.

Bhattacharya said the finance minister's budget speech focused on traditional skills development to increase the employability of the youth and encourage self-employment and overseas jobs.

"But there is no structured outline of how these jobs will be generated."

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## Disburse SME stimulus fast: experts



STAR BUSINESS REPORT

The government should ensure that stimulus funds for the cottage, micro, small and medium enterprises (CMSMEs) are quickly disbursed in order to facilitate sustainable recovery from the Covid-19 fallouts, according to speakers at a webinar yesterday.

The event, styled "Impact of Covid-19 on CMSMEs and Understanding their Recovery: Evidence from BSCIC Industrial Estates", was jointly organised by Economic Reporters' Forum (ERF) and PRISM Programme.

While speaking as chief guest, Industries Minister Nurul Majid Mahmud Humayun said the CMSMEs were the worst affected by the pandemic even though the government had announced a Tk 20,000 crore stimulus package for the sector.

Another Tk 1,500 crore stimulus package was announced for entrepreneurs in rural areas. Of this amount, Tk 300 crore was allocated for SME Foundation, which disbursed Tk 100 crore from the fund in the outgoing fiscal year, he added.

Abul Kashem Khan, chairperson of Business Initiative Leading Development



Industries Minister Nurul Majid Mahmud Humayun said small businesses were the worst affected by the pandemic.

PHOTO: STAR/FILE

(BUILD), stressed on the need to address the barriers that prevent the CMSMEs from availing stimulus funds.

"Apart from the banking sector, an alternative mechanism should be developed for the distribution of these funds," he said, adding that formulating a database on the CMSMEs would help ensure better policy design.

Ahsan Khan Chowdhury, chairman and chief executive officer of Pran-RFL Group, said if micro and small entrepreneurs were protected from the Covid-19 fallouts through financing, they could facilitate the country's full economic recovery.

The Bangladesh Small and Cottage Industries Corporation could create links

between large and small-scale industries in order to help ensure their survival, he added.

Rizwan Rahman, president of the Dhaka Chamber of Commerce and Industry, proposed the withdrawal of advance income tax as well as the tax levied on online sales in order to spur the growth of e-commerce and digitalisation of the CMSMEs.

In his presentation, Dr Monzur Hossain, research director of the Bangladesh Institute of Development, showed that 96 per cent of the country's businesses had been adversely affected by the nationwide lockdowns aimed at curbing the spread of Covid-19.

However, the CMSME sector recovered up to 80 per cent of the pre-pandemic production levels by December 2020, he said. Golam Yahia, additional secretary to the industries ministry, said the CMSMEs were playing a big role towards the country's industrialisation and that Bangladesh could become a developed nation by 2041 by successfully implementing the SME policy.

The event, chaired by ERF President Sharmeen Rinvy, was also attended by Rensje Teerink, the European Union ambassador and head of delegation to Bangladesh, and Md Mostaque Hassan, chairman of the BSCIC.

Monzur Hossain, research director of the Bangladesh Institute of Development Studies, and a senior short-term consultant of the PRISM project, presented a keynote paper.

## Banking hours to remain 10am to 3pm till June 16

STAR BUSINESS REPORT

Bangladesh Bank has instructed banks to keep their doors open for customers from 10:00am to 3:00pm until June 16.

The banking regulator took the decision yesterday as the government has extended the ongoing nationwide restrictions on public movement to curb the spread of Covid-19.

The bank branches will remain open until 4:30 pm to complete their regular procedures, according to a central bank notice.

Banks have been following the rostering system for their employees since April 14 as instructed by the government.

The government enforced lockdown-like measures on April 5 after the Covid-19 infection rate began an alarming rise.

As the situation worsened, it went for a strict countrywide lockdown from April 14.

## REHAB demands low-cost fund

STAR BUSINESS REPORT

The Real Estate and Housing Association of Bangladesh (REHAB) has demanded the provision of a long-term low interest fund in the proposed national budget for fiscal 2021-22 so that the country's people can purchase their own homes on instalments equivalent to rent.

In a statement to the media issued yesterday, the trade body said there is scope to reduce registration costs in the local housing sector further when compared to other countries.

So, REHAB hopes that the government will implement this and other demands in the future, it added.

REHAB believes that Bangladesh will go a long way towards achieving its goals by implementing a well-thought-out budget amid the ongoing Covid-19 pandemic.



The association of real estate developers also welcomed the move to waive special tax and duty on various construction materials, such as rods, cement, and tiles, in the proposed budget.

At the same time, if the government continues to allow the use of undisclosed income for the purchase of flats and apartments, it will play a fruitful role in the sector and help increase internal resources, it said.

According to government estimates, more than Tk 14,000 crore in undisclosed income has been legalised so far this fiscal year, from which the government has received about Tk 1,500 crore in revenue.

READ MORE ON B2

## Withdraw VAT, import duty on manmade fibre: BTMA



BTMA President Mohammad Ali Khokon

STAR BUSINESS REPORT

Textile millers yesterday demanded the withdrawal of value-added tax (VAT) and import duty on all kinds of manmade fibre for the potential growth of the non-cotton fashion industry to meet the global demand.

In the proposed budget, the government did not address this issue even though the entrepreneurs of the country's primary textile sector had been demanding this beforehand, the textile millers said at a post-budget press conference at the office of Bangladesh Textile Mills Association (BTMA).



Of the total garment exports from Bangladesh in a year, 74 per cent are made from cotton fibre while the rest from manmade fibre.

PHOTO: STAR/FILE

The government should consider the request as the demand for manmade fibre garments is higher than the cotton-made fibre globally.

For instance, manmade fibre occupies 78 per cent of the global fashion industry and the rest 22 per cent by cotton fibre.

But in Bangladesh, the scenario is reversed. Of the total garment export from Bangladesh

in a year, 74 per cent is made from cotton fibre while 26 per cent from man-made fibre, they added.

"If we want to grab more of the global market share, we will have to choose the manmade fibre as the demand is rising for those garment items," said BTMA President Mohammad Ali Khokon.

READ MORE ON B2



**NRBC Bank Chairman SM Parvez Tamal virtually inaugurated four sub-branches at Homna and Debidwar in Cumilla, Sirajdikhan in Munshiganj and Fakirhat (Raosan) in Chattogram yesterday. Golam Awlia, managing director and chief executive officer, and Harunur Rashid, deputy managing director and chief financial officer, also joined the ceremony through video conference.**



**Nizam Uddin Ahmed, chairman of Meghna Life Insurance Company, cuts a cake to mark its silver jubilee celebrations at its head office recently. Chief Executive Officer NC Rudra was also present.**

## Uttara Bank gets new vice chairman

**Iftekharul Islam**  
Uttara Bank recently witnessed the appointment of a new vice chairman of its Board of Directors. The appointee, Iftekharul Islam, will also serve as vice chairman of the executive committee and chairman of the risk management committee, said a press release. Islam has been serving as managing director of Aftab Group and chairman of Uttara Bank Securities and UB Capital and Investment, both subsidiaries of Uttara Bank. He is also a member of the Executive Committee and General Body of the Bangladesh Association of Banks.

## Yellen urges G7 to keep up fiscal support

**REUTERS, London/Washington**  
US Treasury Secretary Janet Yellen urged other rich nations on Saturday to keep up spending to support their economies even as the Covid-19 pandemic wanes, and said US inflation this year would be elevated but transitory. Yellen told a news conference after G7 finance ministers met in London that they needed to invest in a fight against climate change and inequality, even after putting their economies "back on track" from the enormous hit of the pandemic.

Her comments placed a different emphasis on fiscal support than the joint statement by the G7 finance ministers, which also stressed the need to ensure long-term sustainability of public finances once the recovery takes hold. "Most countries have fiscal space, and have the ability to put in place, fiscal policies that will continue promoting recovery and deal with some of the long run challenges that all of us face when it comes to climate change and inclusive and sustainable growth, and we urge countries to do that," she said.



**South Bangla Agriculture and Commerce Bank Deputy Managing Director Md Kamal Uddin presided over the bank's business meeting with its Dhaka regional branch managers at its head office recently. Moshleh Uddin Ahmed, managing director and chief executive officer of the bank, was also present.**

## Fiscal measures hardly linked to job creation

**FROM PAGE B1**  
There should have been a multi-year rational, coherent and inclusive budget to achieve faster and inclusive recovery, he said. "But they did not do it. It is the shallowness of their thinking, the tendency of avoiding risks and attitude of denial." The second wave was not considered in the preparation of the budgetary numbers. So, all projections for the next fiscal year were on the higher side, he added. Mustafizur Rahman, a member of the core group of the platform, said many people fell into poverty in urban and peri-urban areas. Many shifted from the services sector to agriculture, and their income declined and they became poor. "If we can transfer cash to them, it will create demand in the SME sector and generate jobs. The cash transfer should be repeated." Sultana Kamal, also a core group member, said there was a lack of transparency in the proposed budget. "If we always show the glamour and deny the weakness, it is not a good sign." Mushtaque Raza Chowdhury, the vice-chairperson of Brac, thanked

the finance minister for value-added tax exemption on sanitary napkin production, duty waiver on raw materials for cancer drugs and on latrine pan used in villages, and the VAT exemption for autism-related services. "But it is hard to find in the budget proposal anything that is aimed at reducing the basic problems in the health sector." The policymakers seemed to have failed to understand that the pandemic comes with waves after waves, he said. "There was nothing in the finance minister's speech on how the country will counter the second wave and other future waves." Rasheda K Choudhury, another member of the core group of the platform, said they had not expected any surprises from the finance minister for the development of the education sector in the budget. "We had just wanted guidance, investment and measures to overcome the crisis in the education sector. But nothing was found in his speech." "Because of Covid-19, which forced the closure of educational institutions, a generation is being destroyed. There is nothing in the budget for four crore students and

13 lakh teachers." Inequality is being created in the education sector, according to the former caretaker government adviser. "The children of the rich families can access education with digital devices whereas the children of poor people cannot." About 60 per cent of students lacked access to online education, but no steps were taken to overcome it, said Shaheen Anam, executive director of Manusher Jonno Foundation. "The current condition of the education sector will create a terrible scenario in the education sector in the future." Child marriage has increased significantly due to the closure of schools and colleges, she said. "We are not focusing on the mental state of the kids confined to homes." The budget allocated Tk 2,023 crore to 17 lakh disabled people, she said. "But if we count it in the most conservative way, there are 1.5 crore disabled people in the country. What will happen to them?" Asif Ibrahim, chairman of Chittagong Stock Exchange, also spoke.

## Bureaucrats not smart enough to execute budget on time

**FROM PAGE B4**  
Higher allocations in the mega projects will fuel the economy and create employment, he said, adding that the tax cuts indicate that the budget is business friendly. "The budget will spur the growth of startups and e-commerce," Rahman said while presenting a keynote paper. Both Mannan and Ahsan H Mansur, executive director of the Policy Research Institute (PRI) echoed Rahman's views. "We need to complete the vaccination of our people by June next year. But the finance minister did not say anything clearly about such a pace of vaccination in his budget proposal," Mansur said. He also questioned the rationale behind keeping the primary, high and girls' schools shut in villages where there were no cases of Covid-19 infections. A good number of students will drop out from schools due to the long shutdown of educational institutions, he said. The 2 per cent allocation for education is not adequate and it should be at least 4 per cent of the GDP to ensure quality education in the country. For job creation, the allocation for the cottage, micro, small and medium enterprises (CMSMEs) needs to be increased, the former economist of International Monetary Fund added. He suggested providing the CMSMEs a grant as their financial strength was poor. The revenue target proposed for the next fiscal year might not be achieved because of the current business trend, Mansur said. While moderating the discussion, AmCham President Syed Ershad Ahmed

said by now, a few thousand people had lost their jobs and it seems that there were chances that more people would become jobless and lose their incomes within the next few months. Moreover, thousands of fresh university graduates are waiting to enter the job market. "The pandemic is still far from over and so, we can't find any reason to ignore it," Ahmed said. The proposed budget comes at a time when all educational institutions had remained shut for nearly one and a half years, he pointed out. There is a concern over the digital divide depriving a large number of children of education, which has been leading to child marriage, school dropouts and child labour, the AmCham chief said. "But the budget does not mention any measure to recover the learning loss and bring back students to schools, colleges and universities. Already a big gap between poor and rich people exists and it could widen further. We apprehend that this may result in an unbalanced society," he added. Aftab ul Islam, a Bangladesh Bank director, said now was the time for the central bank to give an expansionary monetary policy for the country with a view to help the economy recover from the Covid-19 fallout. Naser Ezaz Bijoy, CEO of Standard Chartered Bank Bangladesh, said the stimulus would work for the economy. Black money will create problems for a compliant financial system. Overall budget has been accepted but there is room for further review, he added.

## Finance Bill 2021: a few welcoming moves

**FROM PAGE B4**  
These cuts come at a time when Bangladesh is experiencing price stability, moderate levels of exports, high inward remittance, record-high foreign reserves, and stable exchange rates. Therefore, these corporate tax rate cuts and exemptions are well-timed and are expected to further boost the economy during a period when the Covid-19 pandemic had slowed it down compared to the pre-pandemic days when the economy was moving ahead. A significant point to note regarding the current budget is that it also seems socially progressive and inclusive. There is also a special tax exemption, which will be available for SMEs owned by women entrepreneurs with the primary goal of encouraging and motivating more females to become involved in business ventures. Additionally, the enactment of special tax incentives has also been proposed in the budget to increase work opportunities for transgender employees. The new budget proposes to put forth the necessary provision in the country's tax ordinance whereby there would be a rebate of 75 per cent of the total salary paid to employees from the third gender or 5 per cent of tax payable, whichever is lower. Such a rebate would be available to employers who employ at least 10 per cent of their total workforce or have higher than 100 workers from the third gender. However, it remains to be seen what would happen with respect to the companies whose tax liability is dominated by advance income tax. Such inclusionary fiscal policies will certainly put Bangladesh on a praiseworthy list of progressive nations. Prima facie, while the budget seems to be focusing on supplying more liquidity to the market through lower tax on the businessmen and entrepreneurs, a further upward adjustment on the minimum taxable income for individuals would have helped this vision a lot.

The author is a partner at PwC Bangladesh. Views are personal.

## REHAB demands low-cost fund

**FROM PAGE B1**  
This has played an effective role in reviving the economy amid the current crisis. "So, we firmly believe that if this policy continues, more money will be added to the mainstream economy, which will help increase revenues," REHAB said in its statement. Besides, the proposed budget has reduced corporate and annual turnover tax rates, which is very positive, it added. "We have been working relentlessly as a development partner of the government for a long time. In all, about 50 lakh manpower is involved in the entire construction sector while the backward linkage industries have kept our economy afloat," it said. According to the association, about Tk 100,000 crore is directly and indirectly deposited in the government treasury from the real estate sector every year by combining different sectors and sub-sectors. Therefore, special importance should be given to this sector, it added.

## Withdraw VAT, import duty on manmade fibre: BTMA

**FROM PAGE B1**  
The BTMA chief welcomed the proposed budget, but he wants more facilities for the textile sector for attracting further investment and for generating more employment. Khokon also demanded that the government fix Tk 3 as VAT on sales per kilogramme (kg) of all kinds of yarn in the local markets. Currently, the National Board of Revenue collects Tk 3 as VAT on the sales of per kg of yarn made from cotton and Tk 6 per kg on the sales of yarn made from manmade fibre. So the VAT rate should be uniform for all kinds of yarn sale, he said.



**ONE Bank Additional Managing Director Md Monzur Mofiz and Secretary to Bakhrabad Gas Distribution Company Md Khorshed Alam signed an agreement at the latter's head office in Chapapur, Cumilla recently facilitating gas bill payments through its online banking system.**

**প্রেস ইনস্টিটিউট বাংলাদেশ**

**স্থানীয় সরকার বিষয়ক পিআইবি-ইএএলজি মিডিয়া ফেলোশিপ**

স্থানীয় সরকার বিভাগ ও ইউএনডিপি কর্তৃক বাস্তবায়িত কার্যকর ও জবাবদিহিত্বকর্ম স্থানীয় সরকার (ইএএলজি) প্রকল্প সহায়তাপ্রাপ্ত ইউনিয়ন পরিষদ ও উপজেলা পরিষদসমূহের বিভিন্ন কার্যক্রম, সফলতা, শিক্ষণ ও উন্নয়নমূলক সূত্র এবং প্রয়োজনীয় জাতীয় পর্যায়ে কর্মসূচি সাবানিকরণের জন্য পাঁচ (০৫) মাস মেডিয়া Media Fellowship on Local Governance' ফেলোশিপ প্রদান করবে। প্রেস ইনস্টিটিউট বাংলাদেশ (পিআইবি) এবং ইএএলজি প্রকল্পের পার্টনারশিপের মাধ্যমে এই মিডিয়া ফেলোশিপ প্রোগ্রামটি বাস্তবায়িত হবে। অর্থাৎ সাবানিকরণের আধার ১-১৭ জুন ২০২১ এর মধ্যে পিআইবি'র নিউনিক্সিত টিকিটের আবেদন করার জন্য আবেদন করা যাবে।

**আবেদনের যোগ্যতা:**  
ফেলোশিপ অংশ নেওয়ার জন্য সাবানিকরণের স্নাতক পাস এবং কমপক্ষে পাঁচ বছরের অভিজ্ঞতাসম্পন্ন হতে হবে। স্থানীয় সরকার বিষয়ে কাজ করার অভিজ্ঞতা আছে বাবে, সেসব সাবানিকরণের আধিকার দেওয়া হবে।

**আবেদনের নিয়ম:**  
অর্থাৎ সাবানিকরণের এক কপি সিডি, শিক্ষাগত যোগ্যতার সত্যায়িত কপি, দুই কপি পাসপোর্ট সাইজের ছবি, জাতীয় পরিচয়পত্রের সত্যায়িত কপি, এক কপি ডিজিটাল কার্ড, সর্বশেষ কর্মসূচি প্রতিষ্ঠানের অর্থাৎ সন (এনএসি)-সহ আবেদনপত্র পিআইবি'তে সরাসরি এবং ই-মেইলে (dgpib@yahoo.com)-এ পাঠাতে হবে। আবেদনকারী সাবানিকরণ নিউনিক্সিত বিষয়সমূহের মধ্যে থেকে যে কোনো একটি (০৫) বিষয়ের ওপর স্বাবলম্বিত/স্টোরি ব্রকন করতে, তা উল্লেখ করে ধারণাপত্র প্রদান করতে হবে। আবেদনকারীকে নিম্ন উল্লিখিত প্রতিটি (০৫) ক্যাটাগরি থেকেই বিষয় নির্বাচন করতে হবে।

ক্যাটাগরি-১	ক্যাটাগরি-২	ক্যাটাগরি-৩
<ul style="list-style-type: none"> <li>ইউনিয়ন পরিষদের কার্যক্রম কার্যকরিতা</li> <li>ইউনিয়ন পরিষদের সীমিত কর্মসূচি কার্যকরিতা</li> <li>ইউনিয়ন পরিষদের উন্নয়ন কর্মসূচি কার্যকরিতা</li> <li>নিউনিক্সিত ইউনিয়ন পরিষদের কার্যক্রম কার্যকরিতা</li> <li>ইউনিয়ন পরিষদের প্রোগ্রাম-সম্পর্কিত পরিচয় ও কাজ</li> <li>ইউনিয়ন পরিষদের মাসিক এবং পরিষেবা</li> <li>ইউনিয়ন পরিষদের রিপোর্ট কার্যক্রম উপর ও কৌশল</li> </ul>	<ul style="list-style-type: none"> <li>উপজেলা পরিষদের কর্মসূচির কার্যকরিতা</li> <li>স্থানীয় স্তরের উন্নয়নমূলক প্রোগ্রাম হিসেবে নীতি উন্নয়ন</li> <li>নিউনিক্সিত উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>উপজেলা পরিষদের উন্নয়ন কর্মসূচি কার্যকরিতা</li> <li>উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> </ul>	<ul style="list-style-type: none"> <li>ইউনিয়ন ও উপজেলা পরিষদের পরিচয় কার্যক্রম</li> <li>ইউনিয়ন ও উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>ইউনিয়ন ও উপজেলা পরিষদের নির্দিষ্ট সমস্যার সূত্রসমূহ</li> <li>ইউনিয়ন ও উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>ইউনিয়ন ও উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>ইউনিয়ন ও উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>ইউনিয়ন ও উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> <li>ইউনিয়ন ও উপজেলা পরিষদের কার্যক্রম কার্যকরিতা</li> </ul>

আবেদনকারীদের আবেদনের পরিধিসীমে জরি বোর্ড যোগ্য প্রার্থী বাছাই করবে। চূড়ান্তভাবে বাছাইকৃতদের কর্মসূচির মাধ্যমে কার্যকর ও জবাবদিহিত্বকর্ম স্থানীয় সরকার প্রকল্প রিপোর্ট/বিবরণী সম্পর্কে ধারণা দেওয়া হবে। নির্বাচিত ফেলোশিপ স্থানীয় সরকারের কার্যক্রম সম্পর্কে বিস্তারিত বিচারকর্মী প্রতিবেদন তৈরি করবে।

**প্রয়োজনীয় তথ্য:**

- ফেলোশিপ সংখ্যা ৮টি (২ জন বাংলা সংবাদপত্রের, ২ জন ইংরেজি সংবাদপত্রের, ৩ জন টেলিভিশন এবং ১ জন অনলাইন সাবানিকরণ)
- অর্থিক সহায়তা (৫০,০০০.০০ (পঞ্চাশ হাজার) টাকা (প্রতিটি বা প্রতিজন))
- মাসিক পেমেন্ট ও তথ্য সমগ্রকালীন দৈনিক ভাড়া এবং পরিবহন ব্যয় সর্বোচ্চ ৩০,০০০.০০ (ত্রিশ হাজার টাকা - প্রতিজন)
- বিষয় কপি প্রদান সাপেক্ষে
- আবেদনের সময়সীমা : ১-১৭ জুন ২০২১ (অফিস সময়ের মধ্যে)
- জরি বোর্ড কর্তৃক বাছাই : ২৩ জুন ২০২১
- অন্য কার্যক্রম : ২৮ জুন ২০২১
- কর্মশালা : ৫-৬ জুলাই ২০২১
- বিচার প্রক্রিয়ার সময়সীমা : ২৫ জুলাই-৩০ নভেম্বর, ২০২১
- আবেদনের ঠিকানা : মহাপরিচালক

**প্রেস ইনস্টিটিউট বাংলাদেশ (পিআইবি)**  
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প্রোগ্রামের যোগাযোগ: ০১৭১৭ ২০০১১৯, ০১৯৮৪ ৩০২৯৮৮



# South Bangla Agriculture & Commerce Bank Limited

Registered Office: BSC Tower (5<sup>th</sup>-16<sup>th</sup> Floor), 2-3, Rajuk Avenue, Motijheel, Dhaka-1000.  
Phone: (02) 9577207-11, EXT-205, Email: cs@sbacbank.com, Website: www.sbacbank.com

**PUBLIC OFFER OF 100,000,000 ORDINARY SHARES OF TK. 10.00 EACH AT PAR TOTALING TK. 1,000,000,000.00**

**Opening date of subscription: July 05, 2021**

**Closing date of subscription: July 11, 2021**

## ISSUE MANAGER

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<b>Rupali Investment Ltd.</b> Shahdhan Bima Tower (7 <sup>th</sup> Floor) 37/A, Dilkusha C/A, Dhaka-1000.	Phone: 4712923, Fax: 88-02-47118073 E-mail: info@rupali.com	<b>Md. Harunur Rashid</b> Chief Executive Officer	
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<b>Sonali Investment Ltd.</b> Borak Biz Center, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, 70 Dilkusha, Dhaka-1000.	Tel: 9568777, 9566940 E-mail: sonali@sonalimitd@gmail.com Website: www.sonali.com.bd	<b>Md. Nurun Nabi</b> Chief Executive Officer	
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<b>Roots Investment Ltd.</b> Rupa Bima Tower (12 <sup>th</sup> Floor), 10 Dilkusha C/A, Dhaka-1000.	Phone: +88027120445 Fax: +880247120447 E-mail: info@rootsltd.com Website: www.rootsltd.com	<b>Mohammad Sarwar Hossain</b> Managing Director	

## Comparative financial statements and NAV, EPS and financial ratios for the last five years or from commercial operation, which is shorter;

Auditors Report under Section 135(1), Paragraph 24(1) of Part-I of Schedule III to the Companies Act, 1994. The report shall include comparative income statements and balance sheet and other financial statements for the last five years or from commercial operation, which is shorter. If the issuer has been in commercial operation for less than five years, the above mentioned inclusion and exclusion will have to be made for the period since commercial operation.

**South Bangla Agriculture and Commerce Bank Limited**  
Auditor's Report under Section-135(1), Paragraph 24 (1), of Part-I of Schedule III to the Companies Act, 1994

As required under Section-135(1), Paragraph 24 (1) of Part-I of Schedule III to the Companies Act, 1994, management of South Bangla Agriculture and Commerce Bank Limited (the Bank) has prepared the following statements of its assets and liabilities as at 30 September 2020, 31 December 2019, 31 December 2018, 31 December 2017, 2016 and 2015 and profit and loss accounts for the year ended 30 September 2020 and for the year ended 31 December 2019, 2018, 2017, 2016 and 2015 and balance sheet from its start for working and issuance of our shares. As the auditors of the Bank, having examined the financial statements of the Bank for the nine months ended 30 September 2020 and for the year ended 31 December 2019 as well as the Bank's financial statements for the year ended 31 December 2018, 2017, 2016 and 2015, hereby certify that the following information has been correctly stated from these financial statements.

(A) Statement of assets and liabilities

Particulars	30 September 2020	31 December 2019	31 December 2018	31 December 2017	31 December 2016	31 December 2015
<b>PROPERTY AND ASSETS</b>						
Cash	851,755,255	759,249,717	546,096,422	483,165,656	355,651,998	269,272,224
Loans and advances	3,920,592,788	3,677,348,111	3,542,292,066	3,080,807,887	2,373,613,862	1,900,429,827
Investments	4,762,278,023	4,436,958,878	4,988,388,878	3,324,048,643	2,789,465,642	2,198,143,887
Other assets	7,021,780,864	6,414,432,481	6,663,460,087	4,021,749,184	6,211,058,466	5,282,811,127
<b>Balance with other banks and financial institutions</b>						
in Bangladesh	1,290,762,450	1,429,326,397	1,758,582,213	1,833,317,286	1,584,812,824	1,650,501,150
Outside Bangladesh	8,179,288,864	7,916,897,152	7,038,845,201	4,147,786,773	6,346,886,788	5,533,407,429
<b>Money at call or short notice</b>						
Investments	10,517,288,188	10,534,413,447	7,032,555,300	6,390,878,377	4,881,491,529	4,834,534,669
Others	193,887,189	159,434,670	156,470	6,390,878,377	4,881,491,529	4,834,534,669
<b>TOTAL ASSETS</b>	<b>19,177,350,120</b>	<b>18,034,488,817</b>	<b>19,232,585,300</b>	<b>16,980,878,377</b>	<b>18,881,491,529</b>	<b>14,979,233,981</b>
<b>LIABILITIES AND CAPITAL</b>						
Liabilities	2,860,334,741	1,117,028,452	801,154,383	598,414,216	282,068,258	251,803,883
Deposits and other accounts	6,367,400,353	5,502,272,267	4,747,875,426	3,436,316,065	3,033,968,158	2,162,901,318
Current accounts and other accounts	2,468,851,254	2,420,860,827	1,851,823,035	1,278,739,559	1,055,470,865	727,477,778
Time deposits	3,898,549,099	3,081,411,440	2,896,052,391	2,157,576,506	1,978,497,293	1,435,423,540
Payable	1,590,762,450	1,429,326,397	1,758,582,213	1,833,317,286	1,584,812,824	1,650,501,150
Financial deposits	38,059,209,208	45,341,898,712	41,543,310,087	38,447,884,389	29,189,598,800	22,226,193,757
Other deposits	16,355,119,289	16,919,968,894	16,462,443,267	13,338,410,916	2,800,271,566	1,907,200,253
Financial liabilities	85,498,198,716	84,964,054,444	70,681,308,226	58,940,783,878	45,999,984,013	36,687,335,396
Liabilities	10,517,288,188	10,534,413,447	7,032,555,300	6,390,878,377	4,881,491,529	4,834,534,669
Others	193,887,189	159,434,670	156,470	6,390,878,377	4,881,491,529	4,834,534,669
<b>TOTAL LIABILITIES</b>	<b>11,710,463,377</b>	<b>11,693,848,117</b>	<b>13,065,111,676</b>	<b>12,781,656,754</b>	<b>9,763,475,042</b>	<b>9,671,868,462</b>
<b>LIABILITIES AND CAPITAL</b>						
Shareholders' equity	6,367,400,353	5,502,272,267	4,747,875,426	3,436,316,065	3,033,968,158	2,162,901,318
Reserve	1,429,326,397	1,429,326,397	1,758,582,213	1,833,317,286	1,584,812,824	1,650,501,150
Retained earnings	1,590,762,450	1,429,326,397	1,758,582,213	1,833,317,286	1,584,812,824	1,650,501,150
Financial deposits	38,059,209,208	45,341,898,712	41,543,310,087	38,447,884,389	29,189,598,800	22,226,193,757
Other deposits	16,355,119,289	16,919,968,894	16,462,443,267	13,338,410,916	2,800,271,566	1,907,200,253
Subordinated liabilities	6,367,400,353	5,502,272,267	4,747,875,426	3,436,316,065	3,033,968,158	2,162,901,318
Other liabilities	1,429,326,397	1,429,326,397	1,758,582,213	1,833,317,286	1,584,812,824	1,650,501,150
General reserve	68,885,814	61,337,593	80,228,524	70,290,500	57,189,807	48,895,343
Other reserves (Reserve/amount on Govt. Securities)	68,885,814	61,337,593	80,228,524	70,290,500	57,189,807	48,895,343
Other reserves (Reserve/amount on Govt. Securities)	68,885,814	61,337,593	80,228,524	70,290,500	57,189,807	48,895,343
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>10,517,288,188</b>	<b>10,534,413,447</b>	<b>7,032,555,300</b>	<b>6,390,878,377</b>	<b>4,881,491,529</b>	<b>4,834,534,669</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>19,177,350,120</b>	<b>18,034,488,817</b>	<b>19,232,585,300</b>	<b>16,980,878,377</b>	<b>18,881,491,529</b>	<b>14,979,233,981</b>

It may be noted here that the statutory audit for the years 2018, 2017, 2016 had been conducted by Khan Wahab Shaheque Rahman & Co., Chartered Accountants and 2015 had been conducted by Mash Mullah Haque & Co., Chartered Accountants.

Dhaka, 11 January 2021

(B) Statement of Profit and Loss

Auditor's Report under Section-135(1), Paragraph 24 (1), of Part-I of Schedule III to the Companies Act, 1994

Particulars	30 September 2020	31 December 2019	31 December 2018	31 December 2017	31 December 2016	31 December 2015
<b>Interest Income</b>	4,638,102,014	7,367,202,762	6,420,411,380	4,768,888,428	3,843,852,422	2,881,104,335
Interest earned on deposits and borrowings etc.	1,280,172,450	1,949,326,397	1,924,244,003	1,931,680,380	1,687,811,799	2,028,978,793
Net Interest Income	118,448,224	2,510,809,423	2,851,199,427	1,849,114,212	1,538,819,912	1,538,819,912
Investment Income	1,509,928,768	1,217,521,317	917,544,883	1,008,842,262	1,143,588,951	831,150,118
Income from investments	307,249,495	504,202,528	443,238,528	419,879,625	213,022,174	130,298,068
Income from other investments	1,202,679,273	713,318,789	474,306,355	588,962,637	930,566,777	700,852,050
Other operating income	71,171,478	2,002,400	81,885,373	87,882,211	88,843,851	48,895,343
<b>Total operating income</b>	<b>2,685,571,190</b>	<b>4,320,717,668</b>	<b>4,030,979,673</b>	<b>3,476,118,091</b>	<b>2,862,065,916</b>	<b>1,803,400,964</b>
Salaries and allowances	862,371,927	1,111,827,987	947,257,824	791,360,247	598,828,744	414,277,078
Legal and professional expenses	992,987	2,029,781	3,484,322	1,882,941	915,275	1,643,558
Compliance expenses	1,230,417	13,327,812	1,028,812	2,831,681	2,369,249	2,048,915
Stationery, printing, advertisement etc.	28,835,768	42,535,500	30,853,253	24,028,889	20,252,010	17,433,288
Office rent, electricity and fees	5,222,000	11,480,000	11,480,000	12,325,548	12,400,000	10,200,000
Other operating expenses	345,000	442,750	442,750	402,500	345,000	345,000
Charges on loan	242,962,474	139,519,316	146,009,719	152,216,016	134,003,481	111,501,820
Deposits and other accounts	335,365,903	4,023,823,214	4,007,997,944	3,915,855,465	3,892,255,117	16,180,847
Other expenses	1,680,120	2,483,822	1,970,898,822	1,858,818,622	1,442,422,812	1,028,455,276
<b>Total operating expenses</b>	<b>1,821,190,190</b>	<b>2,888,104,423</b>	<b>2,833,548,843</b>	<b>2,819,211,819</b>	<b>2,518,819,819</b>	<b>1,858,819,819</b>
Provision for loan	68,103,533	440,508,441	433,603,323	62,011,644	5,280,843	3,348,843
Provision for other liabilities	23,974,878	61,916,642	160,277,217	213,444,955	85,156,559	73,147,974
Provision for remuneration in kind	90,168,411	502,828,123	387,818,858	298,268,579	62,848,764	76,486,717
Provision for distribution of value of investments	2,000,000	2,000,000	5,000,000	5,000,000	15,500,000	2,116,412
Other provisions	80,916,411	984,825,123	982,616,285	991,348,579	74,008,548	78,611,128
<b>Total provision</b>	<b>972,848,589</b>	<b>1,984,103,989</b>	<b>1,841,222,809</b>	<b>1,915,831,800</b>	<b>1,448,882,271</b>	<b>1,277,331,958</b>
<b>Total Profit before taxes</b>	<b>1,712,730,501</b>	<b>2,332,613,745</b>	<b>2,189,756,870</b>	<b>1,560,286,291</b>	<b>1,413,183,645</b>	<b>525,069,006</b>
Provision for taxation	324,418,784	788,689,187	788,689,187	589,142,068	499,312,267	388,221,214
Deferred tax	(2,512,766)	(1,063,313)	(5,063,148)	(2,788,734)	(2,348,000)	(1,103,938)
<b>Net profit after taxation</b>	<b>1,385,800,000</b>	<b>1,542,861,245</b>	<b>1,396,004,635</b>	<b>968,355,489</b>	<b>911,523,378</b>	<b>135,744,854</b>
Retained surplus	645,795,581	614,732,161	591,342,574	678,449,481	689,289,264	261,183,643
Other surplus	645,795,581	614,732,161	591,342,574	678,449,481	689,289,264	261,183,643
<b>Earnings per share (EPS)</b>	<b>0.84</b>	<b>1.41</b>	<b>1.28</b>	<b>1.43</b>	<b>1.39</b>	<b>0.52</b>

It may be noted here that the statutory audit for the years 2018, 2017, 2016 had been conducted by Khan Wahab Shaheque Rahman & Co., Chartered Accountants and 2015 had been conducted by Mash Mullah Haque & Co., Chartered Accountants.

Dhaka, 11 January 2021

(C) Statement of Cash Flows

Auditor's Report under Section-135(1), Paragraph 24 (1), of Part-I of Schedule III to the Companies Act, 1994

Particulars	30 September 2020	2019	2018	2017	2016	2015
<b>Cash flows from operating activities</b>						
Interest income in cash	4,638,102,014	7,367,202,762	6,420,411,380	4,768,888,428	3,843,852,422	2,881,104,335
Dividend income	(1,340,533,070)	(1,710,525,244)	(1,631,519,888)	(1,275,010,247)	(1,244,244,244)	(1,030,984,191)
Dividend received	(1,					

# Bureaucrats not smart enough to execute budget on time

Planning Minister MA Mannan says; analysts stress faster vaccination

STAR BUSINESS REPORT

Bureaucrats, despite being well trained and educated, are not smart enough to implement the budget in a timely manner, for which this perennial difficulty may persist, Planning Minister MA Mannan said yesterday.

The ministry alone cannot take down this bureaucratic barrier as the solution lies in inter-ministerial coordination.

Besides, the Implementation Monitoring and Evaluation Division (IMED) is not at its required proficiency.

"So, we have to carry out more reforms in the

bureaucracy," he added.

Mannan was addressing a webinar on "Budget and Business Outlook of Bangladesh During 2021-22: Strategic Priorities", organised by the American Chamber of Commerce in Bangladesh (AmCham).

The government needs to get 70 per cent of the population vaccinated as soon as possible for a V-shaped economic recovery from the Covid-19 fallout, said Atiur Rahman, a former governor of Bangladesh Bank.

Getting such a large number of people their jabs fast is important to bring back confidence among businesspeople.

"Forget the implementation and deficit issues in the budget, we need vaccination for the people and to take more care of partnerships between the government and private sector to turn around and to fight back against the disaster," Rahman said.

Vaccination has not been prioritised in the proposed national budget for fiscal 2021-22 and now there is no alternative to vaccination.

"The social safety net allocation will not serve the purpose for the new poor stemming from the Covid-19 fallouts," he added.

The former central bank governor also said a budget deficit of 6.2 per cent and 40 per cent loan-GDP ratio was okay for the economy and such issues would not affect the budget's implementation.

However, the budget is growth oriented as allocation has increased for the power, transport and communication sectors, which will generate growth in the economy.

# Finance Bill 2021: a few welcoming moves



MAMUN RASHID

## OPINION

tax (tax deduction/collection at source) is higher than their regular tax payment.

The business turnover tax rate for individual taxpayers has also been proposed to be reduced to 0.25 per cent from 0.50 per cent. Furthermore, the current budget proposes to provide tax exemptions for companies that are engaged in the manufacturing of automated vehicles, three- and four-wheelers, home and kitchen appliances, and engineering products as long as certain conditions are met.

There is also a five-year extension for the exemption from VAT for makers of motor vehicles, sending a very good message to the automobile industry that would like to assemble or manufacture locally.

The finance minister also proposed a 10-year tax exemption for certain IT hardware manufacturers as long as they are produced in Bangladesh. The term "Made in Bangladesh" has been a key focus of the budget with the intention of boosting local manufacturing and discouraging imported products.

These rate cuts and exemptions are a welcome follow-up from the previous year's finance bill, which also extended similar tax cuts to business enterprises. The cuts are certainly highly welcome by the corporate sector and the cash-rich potential investors, especially foreign ones.

June 3 marked a remarkable date for Bangladesh as the finance minister presented the country's 50th budget in parliament on the occasion of the 50th year of independence. As expected, the Tk 603,681 crore budget is the largest that has ever been proposed.

The proposed revenue collection target is Tk 389,000 crore. Economic growth goal has been set at 7.2 per cent, expected inflation 5.3 per cent, and overall deficit Tk 214,681 crore.

Tk 10,000 crore has been set aside for Covid-19 response, Tk 71,900 crore was allocated towards education and Tk 225,324 crore for the annual development programme. The finance minister plans to borrow Tk 76,452 crore from the banking sector and Tk 37,001 crore from the sales of savings certificates.

Like last year, this year's budget is once again seen as a business-friendly one.

The tax rate for non-listed companies has been proposed to be cut from 32.5 per cent to 30 per cent, and for listed ones, from 25 per cent to 22.5 per cent. However, it may not please the companies whose advance



The government needs to get 70 per cent of the population vaccinated as soon as possible for a V-shaped economic recovery, says an expert.

PHOTO: STAR/FILE

READ MORE ON B2

# Regulatory environment needs improvements: experts

STAR BUSINESS REPORT

The proposed budget's tax exemptions and corporate tax reduction are welcome moves for job creation but regulatory environment improvements and ease of doing business are also important to attract investment in manufacturing, said a webinar's discussants.

The Ernst & Young Advisory Services Bangladesh organised the event on the budget.

Finance Minister AHM Mustata Kamal unveiled the Tk 603,680 crore budget, offering a 2.5 percentage point cut in the corporate tax rate for listed and non-listed companies.

He also proposed full tax exemption for eight manufacturing sectors for up to 10 years, including home appliances, fruits and vegetable processing, dairy and dairy product making and light engineering products.



Bangladesh was languishing at the 168th position in the 2020 ease of doing business ranking of World Bank Group, reminded Masud Khan, chairman of Unilever Consumer Care.

Private investment remains stagnant while an enabling environment is necessary to encourage investment which is highly needed to create more jobs as only 2.5 lakh of youths get employed out of 22 lakh who join the workforce annually, said Prof Abu Eusuf of development studies at the University of Dhaka.

He said initiatives to address the issue of the

"new poor" and entrepreneurs of small and medium businesses through fiscal measures were expected.

"We did not see that initiative. We now need to think beyond growth, beyond average," said Eusuf, also director of the university's Centre on Budget and Policy.

The event was moderated by Harish Agarwal, partner and location leader (Bangladesh) of the Ernst, while AKM Mahbubur Rahman, commissioner of Customs Bond Commission, Chattogram, and Ruhul Amin, chief strategy officer of Robi Axiata, also spoke.

EY Partners, Tax & Regulatory Services Rakesh Saha, Dinesh Agarwal and Senior Manager Tax & Regulatory Services Momtaz Aziz Ahmed jointly shared a paper on the changes made in the indirect and direct taxes.



The finance minister has proposed corporate tax rate cuts and tax exemptions in the budget for the next fiscal year to boost the economy during the coronavirus pandemic.

STAR/FILE

# Biden rejects new Republican infrastructure offer

REUTERS

President Joe Biden and Republicans entered the weekend sharply at odds over how to craft an infrastructure deal that could satisfy their camps, imperiling the odds of a bipartisan deal.

Democrat Biden shot down a new proposal from the main Republican negotiator on infrastructure, Senator Shelley Moore Capito, that increased spending by about \$50 billion over their last offer, the White House said.

Biden rejected the offer, saying it "did not meet his objectives to grow the economy, tackle the climate crisis, and create new jobs."

Republicans had previously offered roughly \$257 billion in new spending, short of the \$2.25 trillion Biden initially offered and suggested he might bring down to as low as \$1 trillion.

And while the two sides agreed to speak again on Monday, the White House also strongly signaled that they may seek a path forward with other Republican lawmakers or even with only Democrats.

"He indicated to Senator Capito that he would continue to engage a number of Senators in both parties in the hopes of achieving a more substantial package," White House spokeswoman Jen Psaki said in a statement.

Up until now, Capito has been Biden's primary negotiating partner. Monday's conversation will be their third in a week.

Biden is eager to show that he made a good-faith effort at a bipartisan deal, sources said, but he risks creating division among Democrats, some who believe he is giving up too much to Republicans. Democrats hold narrow majorities in both the House of Representatives and Senate.

A Capito spokesperson offered scant detail of what was discussed on the call, saying that they "continued negotiating" and discussed both sides' views.

Friday's call showed serious hurdles remain to bipartisan negotiations even just two days after Biden floated his biggest concession yet.

Biden offered to drop his plan to raise corporate tax rates as high as 28 per cent during an Oval Office meeting with Capito, sources said, replacing it with a minimum 15 per cent tax rate aimed at ensuring all companies pay taxes.

Republican leaders see corporate tax

hikes to finance the construction of roads, bridges, water pipes and other projects as a non-starter.

Biden could now choose to strike a deal including most of his wish list that might, at best, only secure the backing of his fellow Democrats.

Doing so would require seeking a party-line "reconciliation" vote. Reconciliation circumvents Senate rules that effectively require 60 votes to pass most legislation.

But Biden's one-on-one sessions between Biden and Capito are increasingly testing liberal Democrats' patience by watering



US President Joe Biden

down their goals and delaying legislative action in the period before Congress goes into recess for summer vacation.

Senator Bernie Sanders, a liberal courted by the White House, said Republicans have passed massive tax cuts without bipartisan support and that he saw no reason Democrats couldn't move forward in similar fashion.

"Please don't tell me we can't use the same tools to help working people," Sanders wrote on Twitter.

A group of young activists from the Sunrise Movement, which wants to halt climate change and create jobs, gathered in front of the White House on Friday to protest what they called Biden's broken promises and pandering to Republicans.

"We are demanding that he stops working with the GOP, that he meets with us instead and that he passes the biggest, most robust infrastructure package that he can," said 24-year-old Ellen Sciales, one of the members of the Sunrise Movement that was consulted by Biden's presidential campaign.

## GLOBAL BUSINESS

# Reckitt to sell China baby formula business for \$2.2b

REUTERS

British consumer goods maker Reckitt Benckiser Group Plc said on Saturday it was selling its infant formula and child nutrition (IFCN) business in China to investment firm Primavera Capital Group for an enterprise value of \$2.2 billion.

The Lysol disinfectant and Dettol soap maker will retain an 8 per cent stake in the IFCN China unit and anticipates net cash proceeds from the sale to be about \$1.3 billion, it said in an emailed statement.

Reckitt expects to incur a net loss of 2.5 billion pounds (\$3.5 billion) on the disposal, mainly due to the re-measurement of goodwill and intangible assets, it said.

Reuters in March reported that the Slough, England-based company was considering the sale of the business.

The sale closes a strategic review of IFCN China launched in February as a result of sluggish sales caused



REUTERS/FILE

Mead Johnson's product Enfamil baby formula is displayed on a store shelf in New York City, US.

by intense competition from local Chinese baby formula brands and slowing birth rates in China. Reckitt executives have also attributed Hong Kong border closures during the Covid-19

pandemic as weighing on the business, which it acquired as part of its \$16.6 billion purchase of US-based Mead Johnson in 2017.

In the same sector, French dairy group Danone sold its 9.8 per cent stake in China Mengniu Dairy in May for about \$1.6 billion euros.

Reckitt's Greater China infant formula business represents 6 per cent of group sales, which were almost 14 billion pounds (\$19.82 billion) in 2020, up 11.8 per cent year-on-year. On Saturday, Reckitt said the deal included the sale of its manufacturing plants at Nijmegen in the Netherlands, and in Guangzhou, China, and a royalty-free perpetual and exclusive license of the Mead Johnson and Enfa family of brands in China.

After the deal's close, expected in the second half of 2021, Reckitt will own and operate the Mead Johnson and the Enfitas, Enfamil and EnfaGrow brands in the rest of the world.

# Indian airline IndiGo reports fifth straight quarterly loss

REUTERS, New Delhi

Interglobe Aviation Ltd, which runs India's biggest airline IndiGo, reported its fifth straight quarterly loss on Saturday, as the Covid-19 pandemic kept air travel well below normal levels.

The company reported a net loss of 11.47 billion Indian rupees (\$157.43 million) in the three months ended March 31, compared with a loss of 8.71 billion rupees a year earlier. "This has been a very difficult year with our revenues slumping hard due to Covid, showing some signs of recovery during the period December to February and then slumping again with the second wave of the Covid," IndiGo CEO Ronojoy Dutta said in a statement.

The coronavirus pandemic is a period of great trial for IndiGo



REUTERS/FILE

An IndiGo Airlines Airbus A320 aircraft takes off in Colomiers near Toulouse, France.

shareholders and staff, Dutta said, adding that the carrier was strengthening its core to emerge stronger when the sector recovers from the current situation.

India's aviation sector is reeling under losses with air travel brought to a halt for several weeks last year. The country's airlines are expected to lose a total of \$4 billion this fiscal year, aviation consultancy CAPA estimated - similar to their losses last fiscal year through to March 31.

Just as air travel in India was beginning to recover earlier this year, a second more deadly wave of the pandemic hit the nation, killing hundreds of thousands of people.

Most Indian states were under lockdown in April and May, and the government has restricted airlines to fly only 50 per cent of their total capacity.