

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
Week-on-week		As of Friday		Friday Closings				As on Thursday STANDARD CHARTERED BANK			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.31%	▲ 0.03%	\$1,749.86 (per ounce)	\$78.09 (per barrel)	▲ 0.27%	▲ 2.06%	▼ 0.49%	▼ 0.80%	BUY TK 84.35	97.61	114.02	12.75
7,250.60	12,687.21			60,048.47	30,248.81	3,061.35	3,613.07	SELL TK 85.35	101.41	117.82	13.41



Star BUSINESS

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DEFAULT LOAN recovery plunges

Borrowers struggle to pay back amid economic slowdown

REJAUUL KARIM BYRON and MD FAZLUR RAHMAN

Default loans recovery in Bangladesh fell to at least a five-year low of Tk 6,922 crore in the last fiscal year as borrowers struggled to pay back amid the economic slowdown caused by the coronavirus pandemic.

The amount stood at Tk 10,140 crore in the fiscal year of 2019-20, data from the central bank showed.

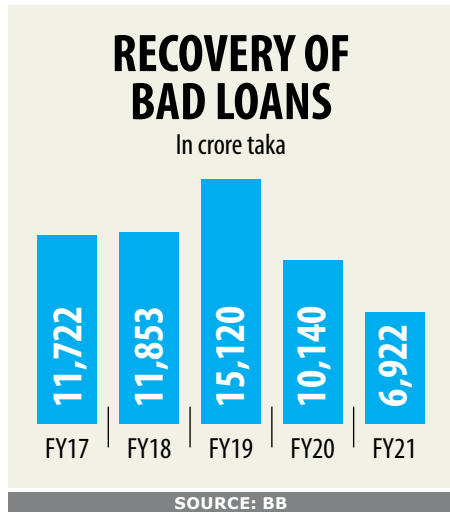
Bankers say the loan moratorium, introduced by the central bank in April last year to counter the impacts of the pandemic on the economy, allowed borrowers to defer payments of installments, hitting the recovery of the default loans.

The loan recovery had nosedived to Tk 869 crore in April to June of 2020, the first quarter hit by the crisis in Bangladesh. This was the first time it had fallen below Tk 1,000 crore in a single quarter since at least FY17.

It recovered in the subsequent quarters before falling in the last quarter in FY21.

Banks collectively recouped Tk 1,795 crore in the last quarter of the last fiscal year, also down from Tk 1,904 crore in the third quarter.

Defaulters paid back Tk 280 crore to six state-run commercial banks in the fourth



quarter, up from Tk 167 crore in the third quarter. They had Tk 43,450 crore in bad loans at the end of the last fiscal year.

Forty-one private commercial banks got back Tk 937 crore, versus Tk 642 crore in the third quarter, leaving them with Tk 45,010 crore in defaulted loans.

Defaulters of nine foreign commercial banks repaid Tk 46 crore in the quarter. It was Tk 26 crore in the January-March period. Their collective bad loans stood at Tk 2,281 crore at the end of FY21.

Three state-run specialised banks recovered Tk 531 crore, which was Tk 750 crore a quarter ago. Their bad loans totaled Tk 4,499 crore in FY21.

At the end of the fiscal year, classified loans in the banking sector stood at Tk 95,243 crore.

Bangladesh joins New Dev Bank

REJAUUL KARIM BYRON and AKANDA MUHAMMAD JAHID

Bangladesh will have to pay \$188.4 million to the New Development Bank (NDB) as paid-up capital for being a member of the new international lender.

Sources at the finance ministry said yesterday after the ministry announced that Bangladesh had joined the NDB, a multilateral development bank established by the BRICS, an alliance of Brazil, Russia, India, China and South Africa.

Bangladesh is the first country to become a member of the bank despite being outside the BRICS since its establishment in 2015.

As a member, the country's total share in the bank will stand at



\$942 million. Of this, \$753 million is authorised capital and the rest \$188.4 million is paid-up capital, an official of the ministry said.

Bangladesh will have to pay \$188.4 million in seven instalments in seven years.

It will be able to pay the \$753 million through the purchase of bonds of the bank later.

SAFEGUARDING E-COMMERCE

Panel to recommend law to form regulatory authority

REFAVET ULLAH MIRDHA

The commerce ministry will form a committee to make recommendations on the formulation of a law, authorised by which the ministry will introduce an e-commerce regulatory authority to safeguard interests of all parties involved.

As per last Wednesday's commitment, the formation will begin from today or tomorrow, said Commerce Secretary Tapan Kanti Ghosh yesterday.

Apart from government officials, the new committee will have representatives from the private sector, university teachers, IT experts, e-commerce business insiders, economists, researchers and trade analysts, he told The Daily Star over the phone.

An inter-ministerial committee already exists comprising senior officials

representing the National Board of Revenue (NBR), Bangladesh Bank, home ministry and other government regulatory authorities, he said.

However, recommendations from a wider range of people are needed to formulate a draft law to safeguard the interests of consumers and merchants and e-commerce businesses, he said.

The government will start working from today to form the E-Commerce Authority, Central Complaint Management Cell and a Digital Commerce Act to streamline the country's emerging e-commerce business, Commerce Minister Tipu Munshi said on Wednesday.

Every e-commerce company will have to register under the E-Commerce Authority for a unique number to run business, he said.

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Trial 5G on Dec 12 or 16: Jabbar

STAR BUSINESS REPORT

The government is planning to run a trial of 5G technology through Teletalk on December 12 or 16 this year, said Mustafa Jabbar, minister for posts, telecommunications and information technology, yesterday.

"As per the government's promise, the 5G service will be launched within this year," said Jabbar, adding that it would be expanded afterwards, with private operators rolling it out within 2022.



He also urged handset makers to start working on making 5G-enabled handsets available in the market.

Jabbar was addressing a webinar, "5G: Ecosystem in Bangladesh and upcoming technologies", organised by Telecom Reporters' Network Bangladesh (TRNB).

December 12, 2017 was first observed as the National Information and Communication Technology Day. On November 26, 2019, the cabinet renamed the day as Digital Bangladesh Day.

Bangladesh celebrates December 16 as Victory Day.

READ MORE ON B3

Shun protests that disrupt trade

BGMEA urges transport owners, workers

STAFF CORRESPONDENT, Ctg

Garment makers have urged transportation service providers to refrain from announcing protests such as strikes that disrupt the country's international trade to allow the economy to recover from pandemic-induced losses.

"It is unfortunate," said Syed Nazrul Islam, acting president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), at a view-exchange meeting yesterday.

Some organisations related to import and export-based logistic support like trucks, covered vans and prime movers very often enforce work abstentions, disrupting the trade, he told the event organised by the BGMEA Chattogram office on its premises.

Two organisations of owners and workers of these vehicles observed a 36-hour work abstention since September 21 over a 15-point demand, badly disrupting goods transportation and operations at the Chattogram port.

Meanwhile, the Bangladesh Truck-Covered Van, Tank Lorry, Prime Mover Owners and Workers' Coordination Council called a 48-hour work abstention from September 27 over almost similar demands.

The global pandemic came down heavily on the garment sector while many factories faced closures, said the BGMEA leader.

Since the onset of the Covid-19 pandemic, at least 281 factories in Dhaka and 30 in Chattogram have had to shut down, he informed.

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