



Under the existing master plan for the Bangabandhu Sheikh Mujib Safari Park, the Forest Department in Gazipur has been implementing a project to eliminate traffic congestion on both external and internal roads.

PHOTO: STAR

# Ecneec approves five revised projects

Decision will add Tk 654cr to total original cost

## STAR BUSINESS REPORT

The Executive Committee of the National Economic Council (Ecneec) yesterday endorsed the third revision of a project to develop the approach road to the Bangabandhu Sheikh Mujib Safari Park in Gazipur.

In its third draft, the project cost has been set at about Tk 242 crore, up a whopping 344 per cent from the original estimate of around Tk 70 crore.

The project duration was initially scheduled for between January 2017 to December 2019 but following three revisions so far, the completion date has been pushed back until December 2022.

After the first revision, the project cost jumped 128 per cent to about Tk 160 crore while the second revision drove it up another 49 per cent to Tk 239 crore.

The third draft of the project received the council's approval at a meeting chaired by Prime Minister Sheikh Hasina at the

NEC conference room.

With this, the Ecneec approved five revised projects yesterday, pushing up the collective completion costs by some Tk 654 crore.

As such, the five projects will now cost a total of about Tk 3,142 crore, up 35 per cent from the original estimate of Tk 2,320 crore.

The project to widen the approach road to the Bangabandhu Sheikh Mujib Safari Park was included on the list in a bid to reduce traffic congestion in the area, according to Planning Minister MA Mannan.

"However, the frequent revision of projects is really disappointing," he told reporters after the meeting.

Mannan went on to say that the prime minister has directed all concerned to stay ahead of potential issues, including land acquisition, so that projects are complete in the stipulated time instead of being revised.

Under the existing master plan for the Bangabandhu

## PROJECTS THAT SAW REVISION

Projects	Original (Tk in cr)	After revision (Tk in cr)	Rise	Revision status
Netrokona-Bishura-Ishwarganj road	261	481	119%	1st
BTRC building construction	202	261	29%	1st
Construction of 17 regional passport offices	87	128	47%	1st
Sheikh Hasina Cantonment, Barishal	1,699	2,030	19%	1st
Expansion of approach road of Bangabandhu safari park	70	242	246%	3rd

SOURCE: PLANNING MINISTRY

Sheikh Mujib Safari Park, the Forest Department in Gazipur has been implementing a project to eliminate traffic congestion on both external and internal roads.

In addition, the local Forest Department is working to ensure the safety of visitors as well as local wildlife, and develop more recreational facilities as a part of its efforts to maintain an international standard at the park.

The meeting also approved the first revision of the "Netrokona-Bishura-Ishwarganj Road Development" initiative, increasing the project cost by Tk 220 crore and duration by one year.

The project will now cost about Tk 481 crore, up 84 per cent from Tk 261 crore initially.

According to the project summary, the cost rose due to increased expenditures on land acquisition and compensation,

and the groundwork for new roads and dams.

The project duration has been extended until December 2022 from December 2021.

Similarly, the first revision of "Construction of Bangladesh Telecommunication Regulatory Commission Building", has increased project costs by Tk 59 crore with a one-and-a-half-year extension.

The project, which was originally supposed to cost about Tk 203 crore, will now involve around Tk 262 crore as per the revised project guidelines.

The project duration has been extended until June 2022 while it was previously scheduled to be built between April 2018 to December 2020.

A project to establish 16 regional passport offices was also revised to include another office and the upward expansion of four existing passport office buildings, increasing costs by some Tk 41 crore.

## Unique Hotel returns to profit

### STAR BUSINESS REPORT

Unique Hotel and Resorts Ltd, owner of The Westin Dhaka, has returned to profits as its revenue surged in the October-December period of the 2021-22 financial year.

The company recorded revenue of about Tk 40.12 crore in the three months leading up to December 2021, which was 117 per cent higher year-on-year compared to Tk 18.50 crore in the same period a year ago.

As a result of increased sales in the second quarter, overall revenue of the hospitality management company shot up to around Tk 59.98 crore in the first half of the financial year.

Unique saw its overall earnings shoot up to Tk 5.55 crore in the July-December period of the current year from losses of Tk 4.61 crore a year ago, according to its unaudited financial statement.

"We had good business, particularly in between November and December, as we saw a lot of banquets and events and presence of guests," said Md Sharif Hasan, company secretary of Unique Hotel and Resorts, adding that they did not have any business last year.

Unique Hotel is one of the hospitality management companies that suffered the most due to a drastic slump in the number of guests and events held amid the ongoing pandemic.

Unique Hotel's earnings per share (EPS) stood at Tk 0.24 in the July-December period of 2021-22 while it was Tk 0.12 in the negative during the same period a year ago.

However, the company's net operating cash flow per share declined during the period.

Unique Hotel's shares lost 2.51 per cent to Tk 54.30 at the Dhaka Stock Exchange (DSE) yesterday. And despite increased earnings in October-December of the current financial year, the overall earnings of Runner Automobiles declined.

The leading bike maker and auto seller said its earnings declined 10 per cent to Tk 1.49 per share in the July-December period, down from Tk 1.65 per share the same period a year ago, according to a posting on the DSE website.

Runner's shares edged up 0.57 per cent to Tk 53.1 yesterday at the Dhaka bourse.

## Union Bank to debut in stock market today

### STAR BUSINESS REPORT

Union Bank is going to debut in the stock market today as the 33rd bank.

In last September, the stock market regulator gave go-ahead to Union Bank to raise Tk 428 crore from the public, which became the largest initial public offering (IPO) in the banking sector.

Union Bank would issue 42.80 crore ordinary shares at a face value of Tk 10. The bank would spend the IPO proceeds to finance to small and medium enterprises, buy government securities and stocks from the capital market.

Among all sectors, Union Bank's IPO was the fourth largest after Robi Axiata's Tk 523 crore, Grameenphone's Tk 486 crore and Mobil Jamuna's Tk 460 crore.

Every general investors has been allocated with a minimum of 792 ordinary shares of the bank on a pro-rate basis. Each non-resident Bangladeshi investors got 537 IPO shares.

## Lodge formal complaints

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"The revenue authorities will take action if we receive any specific allegation of harassment against any customs officials. Just talking about allegations will not solve them."

He advised businessmen to come to the NBR instead of complaining to the FBCCI.

Bangladesh observes International Customs Day today as a member country of the World Customs Organisation with the theme of "Scaling up Customs Digital Transformation by Embracing a Data Culture and Building a Data Ecosystem".

Muneem said the NBR was trying to improve the ASYCUDA system that will eliminate some of the problems at the import stage.

ASYCUDA is a computerised customs

management system that covers most foreign trade procedures. It handles manifests and customs declarations, accounting procedures, and transit and suspense procedures.

It also generates trade data that can be used for statistical economic analysis.

Customs collected Tk 77,150 crore for the government in duties in the last fiscal year. The receipts stood at Tk 41,194 crore as of December in the current fiscal year, 22.44 per cent, year-on-year.

Muneem said after the graduation of the country from the group of the least-developed countries, the NBR would compensate the decrease in revenue from customs duty with value-added tax (VAT) and income tax.

"We are working on it and have kept in mind the problems we might face."

## RN Spinning strives

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be around Tk 160 crore.

After disclosing this information on the Dhaka Stock Exchange (DSE) website, RN Spinning's share price rose 1.52 per cent to Tk 6.70.

Earlier at the start of the month, it announced that it would merge with its non-listed sister concern, Samin Foods.

The decision was taken as a part of its efforts to resume production, according to the company.

RN Spinning incurred a loss of Tk 607 crore in the 2018-19 financial year due to the fire incident. The company's cumulative loss currently stands at Tk 446 crore, DSE data showed.

In the first half of the ongoing financial year (July 21 to December 21), it incurred lower losses. The company's earnings per share was Tk 0.06 in the negative for the past six months while it was Tk 0.12 in the negative in the same period the previous year.

## Bankers can't be fired

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of yet among clients," said the official.

Nowadays he has little time to take a break, working even while having lunch. And things are getting worse day by day as annual target volumes keep skyrocketing.

"If I am unable to fulfill the target, the bank will stop giving both increments and incentives. Life does not exist here, it may be elsewhere," he said with a deep sigh.

There have been cases when the lender either sacked employees or asked them to resign for failing to achieve targets, he said.

Against this backdrop, Bangladesh Bank has finally taken note of the woes of the private bankers, stepping in yesterday to stop the "malpractice".

As per the latest central bank notice, no bank will be allowed to sack or ask any employee to resign or postpone promotions over failures to attain deposit mobilisation targets.

The central bank issued the notice in a clarification to a previous circular released on January 20.

"Misleading information is being circulated from different corners giving a partial explanation to the (previous) central bank notice. This has hampered implementation of the circular, which is not expected at all," said the latest BB notice.

The central bank in its previous circular did not mention anything about laying off nonperformers or promoting them, said the notice.

The BB did not impose any embargo on banks from taking action against employees who breached banking norms.

A mid-level official of another private lender said his bank set the target in a way such that the majority of employees would not be able to achieve it.

Along with the deposits, banks set other targets such as over distribution of credit cards and recovery of default loans.

"I am now working at a branch located at Madhabdi in Narsingdi. And I have to distribute at least 12 credit cards among qualified customers this year," said the official.

"How is it possible to provide such a huge number of cards at the upazila level?" he said. "We of course try to fulfil the business targets. But the unattainable targets are not acceptable as this takes a toll on us," said the official.

Every bank has to set targets to keep its operation vibrant, but setting unrealistic goals should not be acceptable, said a central bank official.

The central bank is trying to stop the practice such that employees in the banking sector can get relief from unrealistic targets set by private banks.

But managing directors of private banks have strongly opposed the decision, as they reckon that it would have a negative impact on banking operations.

The entire globe is going round based on

competition and business cannot be sustained unless there is a target, said a managing director of a lender, wishing not be named.

"If banks do not mobilise deposits as expected, how will they lend to borrowers?" he asked.

The BB on the June 20 notice also stipulated that the entry-level salary of assistant officer, trainee assistant officer, trainee assistant cash officer or equivalent officials would be a minimum Tk 28,000 during the probation period.

Their total salary, including basic pay, will have to be at least Tk 39,000 a month after the end of the probation period, it added.

The central bank also mentioned that the opening salary of support staff, messengers, cleaners, security guards, or equivalent positions, should be at least Tk 24,000.

### BAB OPPOSES

The Bangladesh Association of Banks (BAB) opposed the stances of the central bank. The organisation will meet the central bank governor today requesting overturning the decisions.

On top of that, the central bank has recently squeezed the single borrower exposure limit, something the BAB would request reinstating to its previous level.

The organisation of private bank directors has taken the decision yesterday at a virtual meeting.

## South Korea logs best growth in 11 years

### AFP, Seoul

South Korea's economy grew in 2021 at the fastest pace for 11 years thanks to robust exports and strong activity in the service sector, the central bank said Tuesday.

The 4.0 per cent expansion, which came in line with forecasts, was the best performance since 2010 and came despite the pandemic hurting global supply chains.

The strong data will give the Bank of Korea some room to further tighten interest rates as it looks to battle inflation, which is sitting at a decade high.

Bank officials have lifted the benchmark rate three times since August -- the latest hike this month took them to 1.25 per cent -- and have indicated more this year.

South Korea is home to leading technology firms including Samsung Electronics, the world's top smartphone maker and whose chips are used in a wide range of devices.

Exports jumped nearly 10 per cent in a sharp turnaround from 2020 when they contracted 1.8 per cent as the pandemic forced governments around the world to shut down their economies to battle the Covid spread.

Domestic consumption increased 3.6 per cent, having contracted five per cent the year before.

## German firms fear supply chain pain

### REUTERS, Berlin

German companies doing business in China are worried the Omicron coronavirus variant will trigger more strict lockdown measures from Beijing that could exacerbate supply chain problems, the DIHK Chamber of Commerce said on Tuesday.

"The Chinese strategy with targeted lockdowns has been very efficient so far," Jens Hildebrandt, DIHK's executive board member in China, told Reuters in an interview. But the more contagious Omicron variant could challenge the zero-Covid approach by Chinese authorities, especially as more Chinese citizens will travel across the country due to the upcoming holiday season, Hildebrandt said.

"There will be a lot of travel despite warnings," he said. The International Monetary Fund (IMF) on Friday called on China to reassess its zero-Covid approach given the emergence of the highly contagious Omicron variant.

IMF Managing Director Kristalina Georgieva said the strategy, which has included sealing off entire cities with millions of citizens, had increasingly proved to be a burden for the domestic and global economy.

"The criticism of the IMF is not entirely unjustified," Hildebrandt said. But he added Beijing would probably stick to its zero-Covid strategy, in part because scientific studies suggested Chinese vaccines were not as effective against Omicron as mRNA vaccines from Western countries. The DIHK's concerns were echoed by the BDI industry association.

"Should the Omicron variant also be transmitted more quickly and easily in China, this could again become a bottleneck for global supply chains and fuel a recession in certain sectors of German industry," BDI said in its "Global Growth Outlook" published on Monday.

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