

Star

BUSINESS

Tax breaks  
for fish  
processing:  
minister

STAR BUSINESS REPORT

Bangladesh Fisheries Development Corporation (BFDC) is establishing a world-class dry fish processing industry in Cox's Bazar, said Fisheries and Livestock Minister SM Rezaul Karim yesterday.

The government will extend tax exemption benefits to the businesses that will import machinery or take initiatives to set up such industries in the country, he said.

The minister made the comments during the inauguration work of the office building for the dry fish processing unit being implemented by the BFDC in the beach town.

The prime minister is working relentlessly for the development of all the people and the government is taking numerous initiatives for the modernisation of Cox's Bazar, he said.

BFDC Chairman Md Hemayet Hussain presided over the event, which was also attended by Fisheries and Livestock Secretary Mohammad Yamin Chowdhury.

Invest in  
Bangladesh

Foreign minister  
urges expatriates

DIPLOMATIC  
CORRESPONDENT

Foreign Minister AK Abdul Momen has called upon the Bangladeshi expatriates to invest in Bangladesh to build a prosperous nation.

He made the call while addressing the business community at a meeting as chief guest in Dubai yesterday, organised by the Bangladesh Business Council, Dubai, with Mahtabur Rahman, president of the platform, in chair.

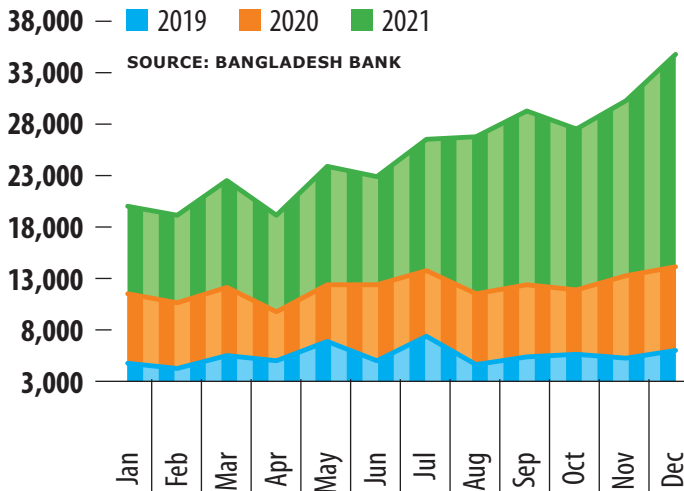
Momen is leading a 10-member delegation to the UAE on a bilateral visit

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INTERNET BANKING  
IN BANGLADESH

(in crore Tk)



CUSTOMER AND  
TRANSACTION NUMBERS

YEAR	CUSTOMERS	YEAR	NO OF TRANSACTIONS
2018	20 lakh	2018	9 lakh
2019	25 lakh	2019	16 lakh
2020	32 lakh	2020	23 lakh
2021	44 lakh	2021	43 lakh

AS OF DEC

DATA OF DEC EVERY YEAR

Internet banking thrives

AKM ZAMIR UDDIN

The transition from manual banking to its digital means is certainly not a new phenomenon for Bangladesh's banking sector. But the advent of the coronavirus pandemic has had clients from all walks of life honing in on internet banking to cut the chances of contracting the deadly flu.

Transactions through internet banking amounted to Tk 20,559 crore in December, up 154 per cent year-on-year and 21 per cent from that a month ago, showed data from the Bangladesh Bank.

Officials of the central bank and commercial banks say the banking sector has started taking up a wide range of initiatives since 2010 as part of its efforts to encourage the adoption of digital means.

Still, a majority of clients had long exhibited a reluctance to embrace digital methods due to their long habit of working with manual ones.

Although the business slowdown stemming from the coronavirus pandemic has taken a toll on the entire economy, it has created a paradigm shift in a way such that clients now prefer cashless transactions

more than what they did in the pre-pandemic era.

People avoided going to shops or banks as much as possible during the peak of the pandemic to protect themselves from the flu, making use of alternative mobile applications and credit and debit cards to purchase essentials to get on with their lives.

central bank has also extended regulatory support to banks at the height of the pandemic so that they could widen their internet banking operations.

In September 2020, the BB increased the limit of inter-bank fund transfers through internet banking for clients, allowing a maximum of Tk 5 lakh per day against the

For instance, almost all banks have already introduced mobile applications for customers, enabling banking irrespective of location.

Mashrur Arefin, managing director of The City Bank, says the outlook of banks being brick and mortar entities is no longer the main characteristic as customers have come to accept bank branches to be within smartphones.

"A long queue of people in front of banks' cash counters is hardly seen as clients now deposit their money or transfer funds from one bank to another, using mobile apps."

Clients of The City Bank transacted a staggering Tk 18,000 crore using its app, which will go up manifold in the years ahead, said Arefin.

The central bank's platforms – Bangladesh Real Time Gross Settlement (BD-RTGS) and Bangladesh Electronic Funds Transfer Network (BEFTN) – have also helped popularise digital banking programmes.

People are now able to settle transactions of large volumes instantly through the RTGS while the BEFTN helps them carry out retail transactions within a day.

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With the pandemic now starting to run out of steam, general people are still eagerly gripping onto internet banking, helping the government's Digital Bangladesh agenda go from strength to strength.

The number of customers using internet banking stood at 44 lakh in December, up 37 per cent from a year ago.

A BB official says the

previous Tk 2 lakh.

The central bank also doubled the ceiling of a single transaction to Tk 1 lakh from Tk 50,000.

Clients now are permitted to settle as many as 10 transactions per day, which was five previously.

Commercial banks have also rolled out various products in a bid to augment their internet banking operations.

Companies act  
to be rewritten  
this year

Says senior secretary to  
commerce ministry

STAR BUSINESS REPORT

The commerce ministry is expecting a full amendment to the companies act this year to make the vital law time-befitting, said Tapan Kanti Ghosh, senior secretary to the commerce ministry, yesterday.

The previous amendment to the companies act was incomplete as all the stakeholders could not reach a consensus, Ghosh said.

This year it is expected that all the stakeholders will be able to work out differences, and measures will be taken to send the draft of the amendment to parliament for final approval, he said.

Ghosh was speaking at a workshop on investigative journalism on company reporting jointly organised by the Economic Reporters' Forum (ERF) and the MRDI at the ERF office in Dhaka. Journalists who

report on economic, business and trade issues participated in the event.

Although Ghosh did not specify when the draft of the amendment would be sent to parliament, he said the economy of the country has grown much over the years and hence, many of the provisions of the companies act need to be updated.

For instance, e-commerce business platforms have been demanding the reinstatement of the previous option of advance payments, but the government cannot do so for the sake of customers' interests, Ghosh said.

Many companies want to wind up and seek exit plans from the ministry, but the procedures are complex. So these issues need to be amended in the company law, the senior secretary said.

The last amendment to the law was made in 1994.

Nihad Kabir, an advocate of the Supreme Court and a former president of the Metropolitan Chamber of Commerce and Industry (MCCI), said some core areas of the companies act need to be amended soon.

She also cited examples of many companies that want to wind up operations and seek exit plans but are now facing difficulties in doing so.

As the exit procedures are time-consuming and complex, many companies do not follow the rules properly, she said, adding that amendment regarding merger and acquisition is also needed.

The first amendment initiative was taken in 1981 to update the act of 1913 and the amendment was finalised in 1994, Kabir said.

The issue of share transfer in a company should also be addressed.

Regarding the government's go-ahead for the local companies to invest abroad, Kabir said, as the economy of the country has witnessed tremendous growth over the years, the decision was a good one.

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Mesmerising colours on handicrafts bring to life this booth showcasing skills of craftspeople of small and medium enterprises on the closing day of a four-day "Heritage Handloom Festival 2022" at the Gulshan Shooting Club in the capital yesterday.

PHOTO: SK ENAMUL HUQ

Bottlenecks start  
with definition  
complexities

Speakers tell DCCI workshop on  
stimulus packages for CMSMEs

STAR BUSINESS DESK

Fast disbursement of the government's stimulus packages among cottage, micro, small and medium enterprises (CMSMEs) is facing bottlenecks, starting with complexities over the definition of these entities, said speakers yesterday.

A lack of required documents alongside inconsistency and incoherence in paperwork submissions, complicated loan disbursement process, collateral issues, absence of bank account and poor relation and coordination among financial institutions and entrepreneurs also hinder the process, they said.

In Bangladesh, CMSMEs account for 80 per cent of industrial employment and 45 per cent of value addition in the manufacturing sector, said Rizwan Rahman, president of the Dhaka Chamber of Commerce & Industry (DCCI).

"But this sector's capacity and potentials could not be utilised to its full extent for a lack of financial and policy support."

He spoke while addressing a virtual workshop on "Procedures and preparedness of getting loan from stimulus package from banks" organised by the DCCI, according to a press release.

Over 100 DCCI members participated in the workshop for a better understanding on easily availing stimulus loans.

The government, in two phases, declared stimulus packages amounting to Tk 40,000 crore to help these entities cope with the coronavirus pandemic and revive the economy, Rahman said.

But the bottlenecks, including the lack of a database, have sometimes made it difficult for the

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STOCKS		WEEK-ON-WEEK
DSEX	CSCX	
0.89%	0.91%	
7,085.95	12,472.49	

COMMODITIES		AS OF FRIDAY
Gold	Oil	
\$1,858.90	\$93.96	
(per ounce)	(per barrel)	

CURRENCIES		AS ON THURSDAY
		STANDARD CHARTERED BANK
BUY TK	SELL TK	
85.05	86.05	
96.55	100.35	
114.27	118.07	
13.14	13.81	

ASIAN MARKETS		FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE
1.31%	0.42%	0.03%
58,152.92	27,696.08	3,428.95
		0.66%
		3,462.95

