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Uttara Finance urges ACC to bar former MD's travel abroad

AKM ZAMIR UDDIN

Uttara Finance and Investment has requested Anti-Corruption Commission (ACC) to prevent its former managing director, SM Shamsul Arefin, from leaving Bangladesh over his alleged involvement in scams.

The non-bank financial institution (NBFI) sent a letter to the ACC on September 14 saying that chartered accountancy firm KPMG in Bangladesh had revealed Arefin's involvement in the embezzlement of "a huge amount of money" of the NBFI.

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The ACC has already started carrying out an investigation following a Bangladesh Bank request.

"Under such a situation, we fear that he is now trying to escape from the country so as to avoid the probable legal action taken by the law enforcement agencies," the letter said.

Contacted, Arefin told The Daily Star that he has been informed about the letter sent to the ACC.

"The allegations raised against me is completely baseless and false, which is why I will file a defamation case against the Uttara Finance," he said.

He said he has also filed a case with the Dhaka district court against the central bank initiative.

The court has already issued a notice on the central bank, asking it to explain why it would not put an "injunction" on the audit report.

Here, the injunction means putting on hold the effectiveness of the audit report.

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PEERS' UNDERSEA CABLES

India: 17	Sri Lanka: 5
Philippines: 11	Pakistan: 7
Thailand: 8	Vietnam: 6

INVESTMENT

- Initial investment of 3 firms: Tk 2,000cr
- Summit Communications: Tk 750-1,000cr
- Metacore Subcom: Tk 550-600cr
- CdNet Communications: Tk 700-800cr

CURRENT SERVICES

- Only state-run BSCCL provides submarine cable services
- It connected Bangladesh with two undersea cables
- Connected to SEM-ME-WE 4 in 2006
Bandwidth: 800Gbps
- Connected to SEA-ME-WE 5 in 2017
Bandwidth: 1,600Gbps
- Rest met through 7 ITC companies
- Bangladesh to get 3rd cable SEA-ME-WE by 2025

BANDWIDTH CONSUMPTION

Year	Bandwidth
2017	464
2018	798
2019	985
2020	1,826
2021	2,657
2022*	4,200

* Until August
SOURCE: BTRC

3 MORE SUBMARINE CABLES

PRIVATE COMPANIES to invest Tk 2,000cr

MAHMUDUL HASAN

Three private firms will invest around Tk 2,000 crore collectively to connect Bangladesh with at least three more submarine communication cables, in a development that would ensure smooth supply of bandwidth amid surging internet use.

The move will also ensure that internet connections are available at more competitive prices and reduce or end bandwidth imports. India currently caters to around 40 per cent of the country's demand for bandwidth through land cables.

Three local companies -- Summit Communications, CdNet Communications and Metacore Subcom Ltd -- have obtained the licence to establish, maintain and operate submarine cables.

Having deposited a licence awarding fee of Tk 10 crore each, excluding 15 per cent VAT, the firms will also have to pay Tk 3 crore as an annual licence fee.

In addition, they will have to rollout communication cables within 48 months of obtaining the licence, according to Bangladesh Telecommunication Regulatory Commission (BTRC) guidelines in this regard.

However, the companies are

planning to connect the country with new submarine cables by 2024, which is one year ahead of the deadline considering the date they were awarded licenses.

"We are planning to launch our service by 2024," said Aminul Hakim, a director of Metacore Subcom.



"There is a possibility of a bandwidth crunch that year so if we can connect Bangladesh with a cable by then, it will be a good move for our business," he told The Daily Star.

The company will initially invest around Tk 600 crore to this end with the fund coming from local sources.

Submarine cable systems generally use optical fibre cables laid undersea to carry international data traffic, creating telecommunication

links between countries across the world.

As such, cable systems cost several hundred million dollars to construct, it is funded by consortiums of telecom operators, private cable operators and private-public partnerships in some cases.

The state-run entity also supplies 1,600 Gbps bandwidth through the SEA-ME-WE 5, the connection with which was established in 2017.

Meanwhile, the BSCCL is set to receive 13,200 Gbps from its third undersea cable connection, SEA-ME-WE 6, by 2025.

Besides, the company is going to spend \$3.2 million to raise the capacity of its first undersea cable connection by more than four times to 4,600 Gbps.

However, the entry of private firms is set to break the state monopoly as the BSCCL was previously the lone entity permitted to connect the country with the rest of the world through undersea cables.

Asked if the investment is viable considering how the BSCCL's capacity will rise in the future, Hakim said telecom companies devise strategies taking long-term business goals into account as none can break even on the first day of a new initiative.

"Business growth projections suggest there will be good business here. Besides, the government is taking some projects that will spur data use even further," he added.

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BB issues guideline for green bond rollout

STAR BUSINESS REPORT

Bangladesh Bank yesterday issued guidelines for the rollout of green bonds to facilitate sustainable investment of banks and non-banks to tackle the adverse impacts of climate change.

Lenders will be able to raise funds by issuing green bonds in the market in order to implement different types of projects which will focus issues such as climate change mitigation and adaptation and energy and resource efficiency, according to a central bank notice.

The central bank has fixed eight sectors where banks and non-bank financial institution (NBFIs) would be allowed to provide finance by raising funds issuing green bonds.

The sectors include low-carbon electricity generation and transportation, heating and cooling, green establishment, and energy and resource efficiency in industry.

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The central bank has also fixed 88 types of activities under the eight sectors.

Banks and NBFIs will be able to implement several types of environment-friendly infrastructural projects like roads and dams by using funds of the bonds, said Chowdhury Liakat Ali, director (current charge) of Sustainable Finance Department of BB.

Besides, the government agencies can also take lease of such projects by providing the required money to the bond-issuer lenders.

Individuals, corporate and government entities and other banks and NBFIs can purchase green bonds issued by lenders, Ali said.

The maturity period of the green bonds will not exceed 15 years.

Banks, which have non-performing loans of more than 10 per cent, will not be permitted to issue green bonds. This rule will not be applicable for state-owned banks.

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STOCKS	
DSEX ▼	CASPI ▲
0.06%	0.28%
6,596.65	19,450.01

COMMODITIES	
Gold ▼	Oil ▲
\$1,666.61	\$85.77
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.98%	▲ 0.44%	▲ 0.33%	▲ 0.22%
59,719.74	27,688.42	3,266.94	3,122.41

EPZs make history in export, investment, jobs

SOHEL PARVEZ

Bangladesh's export processing zones (EPZs) passed a spectacular period last fiscal year.

The industrial zones under Bangladesh Export Processing Zones Authority (Bepza) hit records in attracting investment, making exports and creating employment in fiscal year 2021-22, according to the official data.

Bepza, which promotes and attracts foreign investments to the EPZs, said total exports from all the eight EPZs crossed the \$8 billion mark for the first time in its 40 years of operations.

Overall exports from the EPZs amounted to \$8.65 billion in fiscal year 2021-22, which was 30 per cent higher year-on-year, it said.

The last time it was near this high was in fiscal year 2018-19, when the amount was \$7.52 billion.

The amount was 17 per cent of the \$52 billion earned from exports last fiscal year.

"It is a big milestone for EPZs," said Bepza Executive Chairman Maj Gen Abul Kalam Mohammad Ziaur Rahman.

Bepza said exports rebounded sharply after the disruptions caused by the pandemic that emerged in Bangladesh in March 2020.

The pandemic caused the cancellation of a huge number of work orders in the last two financial years, said Bepza.

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JOBS CREATED

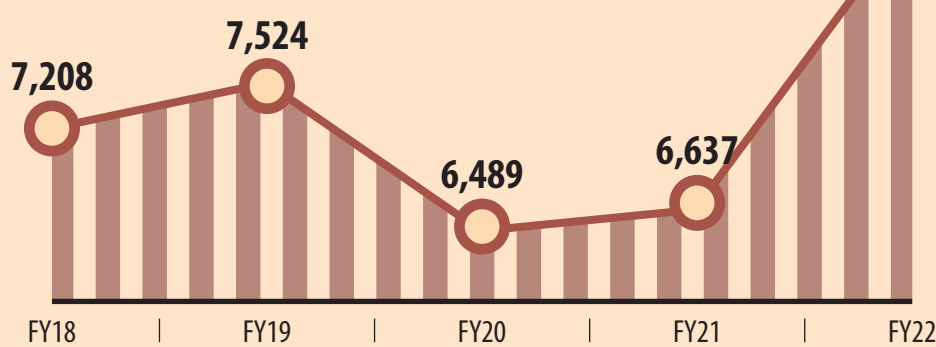
Fiscal year	Employment
FY18	21,726
FY19	19,548
FY20	2,828
FY21	47,131
FY22	64,160

SOURCE: BEPZA



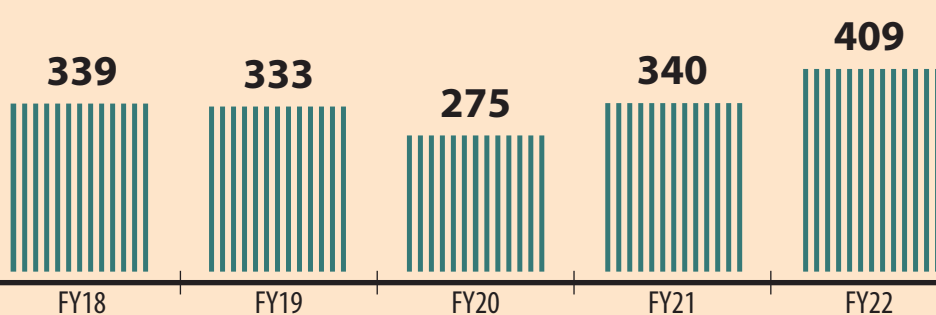
EXPORT EARNINGS

(From export processing zones)
In million \$; SOURCE: BEPZA



FOREIGN INVESTMENT

(In export processing zones and Bepza economic zones)
In million \$; SOURCE: BEPZA



3 Orion firms see unusual price hike of stocks

AHSAN HABIB

Stocks of Orion Infusion soared more than five times in recent months despite having low earnings per share and repeated warnings from the company that it has no undisclosed information that could have spurred such an abnormal rise.

Orion Infusion, a concern of Orion Group, saw its stock price jump to Tk 583 from Tk 105 over the past two months, according to data from the Dhaka Stock Exchange (DSE).

Stock market analysts allege the company's stocks are rising for manipulation as its earnings are poor.

Orion Infusion logged profits of Tk 2.91 crore between July 2021 and March 2022 of the preceding fiscal year, up 28 per cent from Tk 2.27 crore in the same period of fiscal 2020-21.

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