

Bank Asia, GP sign deal to accelerate financial inclusion

STAR BUSINESS DESK

Bank Asia Limited has signed an agreement with Grameenphone to appoint the retailers of the mobile phone operator as the bank's micro-merchants with a view to taking banking services to the doorsteps of grassroot people and strengthening its financial inclusion drive to help Bangladesh become a cashless economy.

Ziaul Hasan, deputy managing director of the bank, and Rasheda Sultana, deputy director and head of financial services at Grameenphone, inked the deal at the Bank Asia Tower in Karwan Bazar, Dhaka

recently, said a press release.

Adil Chowdhury, president and managing director of Bank Asia, was present at the signing programme, where Shafiuzzaman and ANM Mahfuz, additional managing directors, and Md Sazzad Hossain, deputy managing director, were present.

Among others, Md Najmul Hasnan Prince, deputy general manager for financial services at the telecom operator, Fazle Abed, a lead specialist for financial services, and Mohammad Rezwana Ullah, head of financial regulations and strategic relations treasury, were also present.



PHOTO: BANK ASIA

Ziaul Hasan, deputy managing director of Bank Asia, and Rasheda Sultana, deputy director and head of financial services at Grameenphone, inked an agreement on financial inclusion at Bank Asia Tower in Karwan Bazar, Dhaka recently. Adil Chowdhury, president and managing director of the bank, was present.



Morshed Alam, chairman of Mercantile Bank, cuts a cake at the bank's head office in Dhaka yesterday, celebrating its 24th anniversary. Md Quamrul Islam Chowdhury, managing director of the bank, Mati UI Hasan, additional managing director, and Tapash Chandra Paul, chief financial officer, were present.

PHOTO: MERCANTILE BANK

Mercantile Bank launches global debit card service

STAR BUSINESS DESK

Mercantile Bank Limited yesterday launched a global debit card service for its customers.

Morshed Alam, chairman of the bank, inaugurated the service on the day when the bank celebrated the 24th anniversary of its operation in the banking sector of the country, said a press release. The MBL chairman highlighted the bank's significant achievements over the last years and underscored the future action plans.

"Mercantile Bank has strengthened its pioneer position by the concerted effort from the board of directors, management and the employees having faced the after effect of Covid-19 pandemic followed by

the Ukraine-Russia war," he stated.

"The bank would reinforce its strength and intelligence to build an enriched banking ecosystem through technological upgradation for ensuring Smart Banking to construct Smart Bangladesh.

Md Quamrul Islam Chowdhury, managing director of the bank, Mati UI Hasan, additional managing director, and Tapash Chandra Paul, chief financial officer, ASM Feroz Alam and Md Abdul Hannan, vice-chairmen, M Amanullah, chairman of risk management committee, MA Khan Belal, chairman of Mercantile Bank Securities, Akram Hossain (Humayun), Mosharref Hossain and Mohammad Abdul Awal, directors, and Shareholder Jalal Hossain Khan Mia, were present.



Mohammad Ali, managing director of Pubali Bank, cuts a ribbon to inaugurate its 501st branch at ECB Chatter of the Dhaka Cantonment area in the capital yesterday. Mohammad Esha, deputy managing director of the bank, and AS Sirajul Haque Chowdhury, Dilip Kumar Paul and Md Faizul Hoque Sharif, general managers, were present.

PHOTO: PUBALI BANK



Md Nazrul Islam Mazumder, chairman of Exim Bank, cuts a ribbon to inaugurate a sub-branch under head office corporate branch on the Gulshan-Tejgaon Link Road (Bir Uttam Mir Shawkat Ali Road) in the capital yesterday. Among others, Mohammad Feroz Hossain, Md Humayun Kabir and Shah Md Abdul Bari, additional managing directors, and Md Zoshim Uddin Bhuiyan and Maksuda Khanam, deputy managing directors, were present.

PHOTO: EXIM BANK



Emranul Huq, managing director of Dhaka Bank, and Md Mamun Rashid, managing director of PricewaterhouseCoopers (PwC) Bangladesh, exchanged signed documents of an agreement on quality assurance review of the internal audit functions at the bank's head office in Gulshan 1, Dhaka yesterday.

PHOTO: DHAKA BANK

Opec+ holds difficult talks on cuts, quotas

REUTERS, Vienna

Opec and its allies met on Sunday to try to agree further cuts in production, sources told Reuters, as the group faces flagging oil prices and a looming supply glut.

The group, known as Opec+, delayed the start of formal talks by at least three and a half hours due to members' discussions on the sidelines of production baselines, from which cuts and quotas are

calculated, sources said.

Opec's most influential members and biggest Gulf producers led by Saudi Arabia were trying to persuade under-producing African nations such as Nigeria and Angola to have more realistic output targets, sources said.

"Talks with African producers are proving to be difficult," one Opec+ source said. Gulf producer, the United Arab Emirates, was meanwhile seeking a higher baseline

to reflect its growing production capacity, sources said. Opec+, which groups the Organization of the Petroleum Exporting Countries and allies led by Russia, pumps around 40 per cent of the world's crude, meaning its policy decisions can have a major impact on oil prices.

Four sources familiar with Opec+ discussions have told Reuters that additional production cuts were being discussed among options for Sunday's session.

Rise in clinker duty a burden

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At present, cement producers pay a duty of Tk 500 per tonne on the import of clinker whereas commercial importers pay Tk 750 per tonne.

The budget proposed to increase it to Tk 700 for cement manufacturers and Tk 950 for commercial importers. According to the proposal, the tax rate has remained unchanged since 2012-13.

Market insiders say cement makers imported raw materials such as clinker, fly ash, iron slag, limestone and gypsum worth around \$1.5 billion in 2022. Of the imports, clinker accounted for over \$1 billion in 2022.

However, this year the amount of import may be lower than that of last year for difficulties arising in opening letters of credit due to the dollar crisis. Moreover, almost all factories produced less than what they

normal would have as the demand has slightly gone down due to the ongoing financial crisis, they said.

Overall, the new budget retained most VAT and customs duties of last year except for a few, said Chowdhury.

"We are yet to receive the new Income Tax Act 2023 so it is not possible to comment on what has changed and how it will have an impact in the industry."

Some important reform proposals like limiting cash transactions need to be gradually implemented, he added.

He suggested that the National Board of Revenue focus on the digitalisation of the submission of income tax returns, automation of its systems and risk-based audit to catch untaxed economic activity.

At present, the country is self-sufficient in cement production.

Taxation in this sector has been increased in order to rationalise the import duty of the product and raise more revenues.

According to manufacturers, there are now 37 cement factories active in the country through a total investment of around Tk 35,000 crore and generating direct employment for around 60,000 people.

According to industry insiders, in 2022 the factories' combined production capacity reached 65 million tonnes a year against a demand of 35 million tonnes.

The sector's annual sales are worth over \$3 billion, or Tk 30,000 crore.

Of the consumption, individuals use 25 per cent, realtors and developers 30 per cent, and the public sector 45 per cent, showed data from the Bangladesh Cement Manufacturers Association.

Life Insurance and Progressive Life Insurance were among the top gainers as well.

Meghna Pet Industries was the biggest loser, shedding 10 per cent.

Meghna Condensed Milk Industries, Bangladesh Welding Electrodes, National Tea Company and Midland Bank were also on the list of significant losers.

Intraco Refueling Station was the most traded stock with issues worth Tk 59 crore transacted.

Meghna Life Insurance, Sea Pearl Beach Resort & Spa, ADN Telecom, and Rupali Life Insurance Company also saw significant turnover.

Caspi, the all-share price index of the Chittagong Stock Exchange, added 32 points, or 0.17 per cent, to close at 18,788 points.

Of the issues traded, 61 rose, 67 retreated and 92 did not see any price swing. Turnover of the port city bourse surged 75 per cent to Tk 21.94 crore from the previous day.

Stock market remains in black

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Turnover, a key indicator of the market, gained 25.7 per cent to hit Tk 1,254 crore, including Tk 196.3 crore block turnover.

Of the securities traded, 77 advanced, 100 declined and 173 did not show any price movement.

Bengal Windsor Thermoplastics made the highest gain with an increase of 9.9 per cent.

Meghna Life Insurance, Mir Akhter Hossain Ltd, Trust Islami

Govt allows onion imports to tame price

FROM PAGE B1

section of traders and growers, the official said.

Onions are currently retailing for as much as Tk 100 per kilogramme (kg) in Dhaka, up 31 per cent from Tk 75 a week ago, shows data from the state-run Trading Corporation of Bangladesh (TCB).

Considering the recent spike in onion prices, the commerce ministry sent a letter to the agriculture ministry on May 14, urging the government to allow imports of the popular cooking ingredient.

Then at a press conference on May 21, Agriculture Minister Muhammad Abdur Razzaque said that onion prices should in no way exceed Tk 45 per kg.

Onion imports have remained halted since March 15 in a bid to ensure better prices for local producers.

But Commerce Minister Tipu Munshi yesterday said the government would permit onion imports considering the interests of consumers.

"Once the price comes down to about Tk 45 per kg, imports will be slowed again."

Traders say they are not getting onions as per the demand as a section of people are hoarding it to take advantage of the delay in clearing imports of the bulb, thereby making

more profit.

Meher Uddin, a retailer in Karwan Bazar, one of the biggest kitchen markets in Dhaka, said the demand for Indian onion is high among restaurants.

However, there is no Indian onion in the market now, so the demand for local onions has increased, he added.

The price of onion was Tk 3,100 to Tk 3,200 per maund (37 kg) seven days ago but now, it is being sold for Tk 3,400 to Tk 3,600, said Mohammad Kalam Sheikh, a wholesale trader at Karwan Bazar.

In anticipation of onion imports, most leading wholesalers did not secure sufficient stock of the local variety. So, the sudden increase in demand has led to a dearth in supply.

"As demand has increased, the supply of onion came down in local wholesale markets. So, prices suddenly jumped," said Robiul Islam, an onion wholesaler of Pushpopara haat in Pabna, the country's biggest onion-producing district.

While Islam bought each maund of onion for Tk 2,600 to Tk 2,700 last Thursday, the prices have jumped by Tk 700 to Tk 800 within the last few days.

Onion farmers claim they have sufficient reserves and are waiting to see the market situation.

"As the onion price is soaring,

we are happy to profit," said Md Kamruzzaman, a leading onion grower of Durgapur village in Pabna's Sujananagar upazila.

Kamruzzaman then informed that farmers like him did not get their expected profit for the last couple of years as they experienced huge losses in production as well as inadequate market prices.

He went on to say that most farmers have kept about half their harvests in storage this year and so, the current situation is favourable for them.

Jamal Uddin, deputy director of the Department of Agricultural Extension in Pabna, blamed supply manipulation by business syndicates for the abrupt price hike.

The onion market is unstable due to the creation of an artificial crisis in the market despite having sufficient stocks, he said.

Data from the commerce ministry shows that the annual demand for onion in Bangladesh is above 25 lakh tonnes at present.

This year, the agriculture ministry claimed that production is about 34 lakh tonnes.

An official of the ministry, seeking anonymity, said although there is sufficient local production, almost 25 per cent of the total yield is wasted each year due to the lack of storage facilities.

Lankan Alliance Finance

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But yesterday, he said the tendency to hold US dollars has gone down sharply following the strong monitoring of the central bank as well as law enforcing agencies.

The US dollar has strengthened by more than 13 per cent against the local currency since August last year. The taka has weakened by more than 21 per cent against the American exchange in the past one year and by 25 per cent since the Russia-Ukraine war broke out in February last year. The forex reserve has fallen by about 29 per cent in the past one year amid higher import bills and lower-than-expected export and remittance earnings.

Chief executive officer of Alliance Finance, said it has changed the name in order to remove confusion as there is another non-bank financial institution in the country having Lanka in its name.

"But there is no change in the ownership structure. We have only changed the name of the company."

Sri Lanka has 51 per cent shareholding in Alliance Finance while local investors hold the rest.

Currently, 35 NBFI's are operating in Bangladesh while the maiden one was established in 1981.

In February, the central bank gave permission to banks to complete legal procedures to add PLC as a suffix.

4th GTB 2023 begins in Chattogram Jun 8

STAR BUSINESS DESK

The 4th GTB 2023, an international trade show on garment machinery and allied products, will resume at GEC Convention Hall in Chattogram's GEC More on June 8 after a gap of a few years due to disruptions caused by the Covid-19 pandemic.

The three-day show will remain open from 11:00am to 7:00pm, where the entry will be free for all business visitors, said a press release.

The show will have the latest in technology by leading suppliers of machinery from across the world based on the vision of the organisers to "Bring the Global Technology to the Doorsteps of the Local Industry".

"The response to the current edition has been encouraging and we are sure it will be useful for the visitors comprising of garment manufacturers and exporters across various departments such as sourcing, merchandising, production, maintenance etc," said Tipu Sultan Bhuiyan, managing director of ASK Trade & Exhibitions and one of the organisers of the show.

Thai AirAsia sales office in Banani launched

STAR BUSINESS REPORT

AirAsia Aviation Group Limited yesterday launched its Thai AirAsia sales office in Banani in the capital.

Bo Lingam, president (Aviation), Capital A and group chief executive officer of AirAsia Aviation Group, inaugurated the office, said a press release.

Paul Gerard Carroll, chief revenue and network of AirAsia, Harpreet Kaur, business analyst, and KM Mujibul Haque, chairman of TAS Group, were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JUN 4, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	2.27 ↑
Coarse rice (kg)	Tk 48-Tk 50	2.08 ↑	-2 ↓
Loose flour (kg)	Tk 52-Tk 58	-2.65 ↓	14.58 ↑
Lentil (kg)	Tk 90-Tk 100	0	-11.63 ↓
Soybean (litre)	Tk 175-Tk 185	4.96 ↑	-3.23 ↓
Potato (kg)	Tk 36-Tk 40	16.92 ↑	76.74 ↑
Onion (kg)	Tk 90-Tk 100	80.95 ↑	153.33 ↑
Egg (4 pcs)	Tk 47-Tk 50	5.43 ↑	18.29 ↑
SOURCE: TCB			