



Visitors are seen at the 5th International Marinetechnology Bangladesh Expo & Dialogue-2023 that kicked off at the International Convention City Bashundhara in Dhaka yesterday. Around 75 companies and organisations from six countries are taking part in the exposition.

PHOTO: SK ENAMUL HUQ

## ICGAB gets nod to conduct academic activities

### STAR BUSINESS REPORT

The government has allowed the Institute of Certified General Accountants of Bangladesh (ICGAB) to conduct their academic activities and issue certified general accountant degree on some conditions.

The commerce ministry issued a notification in this regard on Wednesday.

The ICGAB would conduct academic activities and be able to issue certificates, read the notification.

However, the ICGAB would not be able to conduct audits in any office and they have to play a helpful role in enhancing the skills of ordinary professional accountants, it read.

The ministry has also asked the institute to improve the content of the course and the quality of examination to award CGA degrees.

Moreover, the institute has to submit annual income and expenditure account statement to the ministry and spend its income for the institute or for the development of the profession, according to the notification.

## First Finance's board restructured

The company's accumulated loss now stands at Tk 325cr

### STAR BUSINESS REPORT

The stock market watchdog has restructured the board of First Finance as the non-bank financial institution has been performing poorly for a long time.

At present, the company's accumulated loss stands at Tk 325 crore and the total shareholders' equity is Tk 169.8 crore in the negative, according to the letter the Bangladesh Securities and Exchange Commission (BSEC) sent to the company.

The BSEC letter was posted on the website of the Dhaka Stock Exchange (DSE) yesterday.

According to Investopedia, shareholder's equity is a company's net worth and it is equal to the amount that would be returned to the shareholders if the company must be liquidated and all its debts are paid off.

If a company's shareholder equity remains negative, it is considered to be balance sheet insolvency.

First Finance got listed with the stock exchange in 2003 and was

downgraded as a Z category share in 2016 because of its failure to provide any cash dividend to its shareholders for the last 14 years.

On top of that, around 86.6 percent of the company's loans have become non-performing loans.

The share price of the company is Tk 5.5 now and it could not find any buyer for many days.

"There are several irregularities and instances of non-compliance that have negative implications for investors, and hence undermine the trust and confidence of investors," the BSEC said. It potentially led financial losses and diminished the reputation of the company, the commission said.

In this situation, the stock market regulator directed the chairman, directors and managing director of the company along with both the stock exchanges to reconstitute the board of the NBFI.

The regulator has ordered the company to include five independent directors in its board, which are: Abul Kalam Mohammad Humayun Kabir,

Khandoker Nizamuddin, Mohammad Rafiqul Islam Rowly, Prof Mohammad Shofiqul Islam and Qazi Moinuddin Mahmud.

The board of directors of First Finance shall be reconstituted, within 45 working days from the issuance of this directive incorporating five new independent directors to the board of directors of the company, the BSEC letter read.

The Dhaka Stock Exchange and Chittagong Stock Exchange shall monitor every phase of activities of the issuer company and shall report the matter to the commission in due course, it added.

This is not the first board reconstruction to be done by the BSEC.

During 2019 to 2021, the stock market regulator restructured the board of C&A Textiles, Ring Shine Textiles, United Airways, Familytex (BD), Emerald Oil, Fareast Finance, Fareast Islami Life Insurance, FAS Finance, BD Welding, and Al-haj Textiles.

Some of them are trying to rebound while some are still struggling.

## Dream71 to develop job portal for East Timor

### STAR BUSINESS REPORT

Dream71 Bangladesh Limited, the country's leading software company, is set to develop a job portal for the government of East Timor.

The portal will be developed under a project, titled Youth Employment and Entrepreneurship Skills (YUES), of the United Nations Development Program-East Timor (UNDP-East Timor).

UNDP-East Timor and Dream71 recently signed an agreement in this regard, according to a statement. An international tender was invited by UNDP-East Timor last May for the design and development of a government job portal.

A significant number of companies from different countries participated in the tender.

Bangladesh's Dream71 won the project based on technical and financial proposals.

The purpose of the project is to create a bridge between employers and job seekers in East Timor.

Apart from making the portal, the apps for Android and iOS platforms will also be made under this agreement.

Earlier, under two other projects of the UNDP, Dream71 made mobile games for the Ministry of Education of East Timor and a software for the country's parliament.

In addition to East Timor, it also worked with UNDP Bangladesh and UNDP-Turkey offices to develop software.

Rashad Kabir, managing director of Dream71, said: "Getting any international work is a great pleasure because we are not only earning foreign currency, but also the reputation and branding of Bangladesh is increased through our work."

"We have successfully completed two more projects in East Timor before this, and they have continued to trust Dream71," added Kabir, also a director of the Bangladesh Association of Software and Information Services.

Apart from East Timor, the company has supplied software to more than 15 countries, including Japan, South Korea, Turkey, Bhutan, Netherlands, the United Kingdom, United Arab Emirates, Afghanistan and Lithuania.

## Dutch-Bangla Bank's profit drops 23% in Apr-Jun

### STAR BUSINESS REPORT

Profits of Dutch-Bangla Bank dropped 23 percent year-on-year in the April to June period of 2023.

The earnings per share (EPS) of the lender was Tk 1.54 in the second quarter of 2023, down from Tk 2.02 in the same period the previous year.

Though the profit of the company dropped, its share price remained unchanged at Tk 59.1 yesterday at the Dhaka Stock Exchange (DSE).

Due to the drop in profit in the second quarter, the bank's profit fell in the first half of 2023.

Its EPS stood at Tk 3.21 in January to June period of 2023, down from Tk 3.33 in the same period of 2022. The lender provided 17.5 percent cash dividend and 7.5 percent stock dividends to its shareholders for 2022.

Sponsors of the A category stock hold 86.9 percent shares, institutional investors 5.83 percent and the rest by the general investors.



Sachimi Hussain, vice-chairperson of Rangs Electronics, Ekram Hussain, managing director, and Jeremy Hang, president of Sony Electronics (S) PTE Ltd, attend the launching ceremony of the 2023 Sony Bravia L Series LED TV at its Sonartori Store on Sonargaon Road, Banglamotor in Dhaka recently.

PHOTO: RANGS ELECTRONICS

## Rangs launches Sony Bravia L Series LED TV

### STAR BUSINESS REPORT

Rangs Electronics Ltd recently launched the 2023 Sony Bravia L Series LED TV at its Sonartori Store, Banglamotor in Dhaka.

Powered by the cognitive processor XR™ on Sony Bravia XR™ OLED TVs, the content reproduces the way humans see and hear for an incredibly lifelike experience, said a press release.

The all-new L series 4K models inherit Sony's picture processing technology with 4K processor X1™, upscaling the content to 4K with 4K X-Reality™ PRO, wide colour gamut with TRILUMINOS pro display.

Along with this OLED, "Google TV" is now available in all ranges of models from 43" HD to 85" 4K UHD TV.

## FBCCI election now

FROM PAGE B1 Bangladesh, the chamber group and the association group get the chance to elect their nominee as the president in an alternate term.

So, the next president will come from the chamber group, which is being led by Mahbul Alam.

This is because all 32 nominated directors are backing Alam and his panel has also won all 23 posts of the directors up for grabs in the chamber group unopposed.

In total, Alam's panel has already won 55 posts against a total of 78.

Alam could not be reached for comments. Md Amin Helaly, vice-president of the FBCCI, said it would have been better if all candidates contested in the election, but this would not be possible this year since four candidates withdrew their candidatures.

He said the FBCCI mainly targets to choose qualified business leaders who are capable of deal with the challenges facing the business community. Nearly 85 per cent of the economy is controlled by the private sector.

"The FBCCI needs leadership for

taking the economy to the next level."

A number of former and incumbent leaders of the federation believe the nominated and elected directors will be able to deal with the challenges confronting the economy.

Mir Nizam Uddin Ahmed, the representative of the Bangladesh Electrical Association, said he and his panel members were also offered the opportunity to be elected unopposed.

"But we declined to accept the offer. Our panel has decided to participate in the election because there is no glory in winning in an unopposed election process."

Md Ali Zaman, president of the SME Owners Association of Bangladesh, who contested the election last time, said many are interested in contesting in the polls but sometimes they can't do so for various reasons.

He did not specify the reasons.

There are 2,500 voters this year. The winning 78 directors will elect one president, one senior vice-president, and six vice-presidents for the 2023-25 tenure.

## Vehicle insurance business Bangladesh loses \$361m tax

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Abdullah Al Maruf, a resident in the capital's Pallabi area, said he has been riding a motorcycle for the past several years without any insurance.

He did not purchase any policy despite the risks because of the confusion about whether he would get adequate support from the insurance company if he faces any accidents.

Ashrafuz Zaman, another resident in Dhaka, bought a private car four years ago but it hasn't been insured yet.

He is also confused like Maruf about whether he would reap any benefits if he purchases any policy.

"I have not seen many examples of people receiving benefits from insurance policies. Insurance companies also don't promote their products much."

Shahidul Islam Zahid, a professor of banking and insurance at the University of Dhaka, said vehicle insurance is important as it helps policyholders reduce liabilities and pay for the damage caused during unfortunate incidents.

"Most people are not insuring their vehicles due to a lack of trust in most insurance companies. The companies can't avoid their responsibility."

Prof Zahid added that there are conditions that prospective policyholders can't meet.

Recently, the government has moved to make insurance mandatory for vehicles again.

If not insured, owners will have to pay a fine of up to Tk 3,000 for each vehicle and if the law is not followed, police will file a case, according to the draft law.

An official of the Financial Institutions Division said a proposal to make insurance mandatory was sent to the finance ministry in April.

The division also sent a letter to the Road Transport and Highways Division in May, the official said, adding that the government loses revenue of Tk 878 crore every year since vehicle insurance is not mandatory.

The number of vehicles such as motorcycles, cars, buses and trucks that ply on the road in Bangladesh stood at 56,61,418 in February this year.



PHOTO: HABIBUR RAHMAN

In the past, insurance was mandatory for all types of vehicles.

## Bangladesh loses \$361m tax

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The TJN said Bangladesh's tax loss is equivalent to nearly one-third of its health budget or 6.19 percent of its education spending.

Towfiqul Islam Khan, senior research fellow of the Centre for Policy Dialogue, said tax evasion and avoidance in the domestic circuit are widespread in Bangladesh.

"We have in the past found evidence that several Bangladeshi nationals have also been using tax havens. However, no visible action was taken despite making pledges and commitments at the policy level," he added.

In this globalised and interconnected world, it is difficult to escape the vicious shadow of tax havens. Any country with the presence of multinationals will be at risk, said Khan, suggesting policymakers be more active in areas of international cooperation for tax issues.

"Until now, the voices of smaller economic powers have been largely ignored. Bangladesh should invest in technical aspects of international taxation and pursue diplomatic efforts," he added.

The State of Tax Justice 2023 reports that countries around the world are losing \$472 billion in tax a year due to global tax abuse.

Of this annual loss, \$301 billion is lost to multinational corporations shifting profit into tax havens and \$171 billion is lost to individuals hiding wealth offshore.

Lower income countries, which have historically had little to no say on global tax rules, continue to be hit harder by global tax abuse, it said.

While most annual tax losses amounting to \$426 billion are suffered by higher income countries, these losses are equivalent to 9 percent of their public health budgets. Lower incomes countries' tax losses add up to \$46 billion and are equivalent to more than half of their public health budgets.