

# Star BUSINESS

Agricultural product exports slightly increased year-on-year during this fiscal year, marking a turnaround from a gradually drop over the past three years



Story on B4

## Beximco to raise Tk 1,500cr in bonds for loan repayment, township

STAR BUSINESS REPORT

Beximco Ltd has decided to issue bonds to raise Tk 1,500 crore to repay bank loans and invest in Sreepur Township Ltd in what could be the largest corporate zero-coupon bond issuance in Bangladesh.

In 2021, the industrial conglomerate sold sukuk worth Tk 3,000 crore, the highest amount involving the Shariah-compliant bond in the corporate sector.

On Sunday, Beximco's board took the decision to issue the redeemable non-convertible, non-tradable zero-coupon bond.

### AT A GLANCE

- Beximco to issue bonds to raise Tk **1,500cr** for the housing project
- Project to be developed over **100** acres of land in Savar's Nabinagar
- It will comprise **18,000** flats, healthcare, education, entertainment, sports and recreation facilities
- It will have a convention centre and a shopping mall
- Beximco owns **75%** of the project land while Sreepur Township the rest

A zero-coupon bond is a debt instrument that does not pay interim coupons but instead trades at a deep discount, rendering profit at maturity, when the security is redeemed for its full face value.

The discount rate of the Tk 1,500 crore bond is 15 percent per annum, again the highest among all the corporate bonds unveiled in the country. Zero-coupon bonds enjoy the tax rebate as well.

This means the subscription to the bond could be an attractive investment option for the investors, according to industry people.

Beximco said it will enter into a joint venture development agreement and invest in Sreepur Township

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## Make most of LDC-linked duty benefits during extended period

Experts suggest as Bangladesh will enjoy the facility for three more years after graduation



### WTO EXTENSION

- Bangladesh is scheduled to leave the LDC group in 2026
- The country will get duty benefit for 3 more years after LDC graduation
- WTO members offered the extension at the recent ministerial conference
- In the extended period, trade benefit will be given through bilateral negotiations

### Recommendations

- Bangladesh should utilise the extended time properly
- Export diversification is a must for utilising the extended time
- Economy needs to be more competitive
- Over-reliance on cash incentives should be reduced

STAR BUSINESS REPORT

Bangladesh should make the most of the LDC-linked trade benefits during the extended three-year period agreed by the member countries of the World Trade Organisation (WTO), said experts yesterday.

"The country will have to take full advantage of the extension," said Debapriya Bhattacharya, a distinguished fellow of the Centre for Policy Dialogue (CPD).

But it will not happen if Bangladesh sticks to the old ways of doing things, he said.

Bhattacharya was speaking at a dialogue on "What did WTO-MC13 Deliver for the Graduating LDCs?"

Perspectives from Bangladesh" at the Cirdap in Dhaka.

The think-tank organised the discussion in partnership with Friedrich-Ebert-Stiftung (FES) Bangladesh where the state minister for commerce, economists, trade analysts, diplomats, government high-ups and researchers spoke.

Last month, the members of the intergovernmental body agreed, at the 13th Ministerial Conference in Abu Dhabi, to continue the trade benefits for graduating least-developed countries (LDCs) for three years following their graduation.

As a result, Bangladesh will continue to enjoy the duty-free market access after becoming a developing nation in 2026.

Various assessments showed that all 45 LDCs will incur a trade loss of \$2.5 billion due to the erosion of preference. Of the sum, 80 percent will be lost by Bangladesh, said Bhattacharya.

This is because Bangladesh is a top user of duty benefits among the LDCs, accounting for up to 67 percent of the trade privileges. And more than 73 percent of the country's exports enjoy the facility.

"Bangladesh will have to think about how this loss can be offset by achieving structural transformation and holding on to the preference. The real magic is a much more diversified, productive and competitive economy," Bhattacharya said.

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## GP, Robi and Teletalk receive unified licences

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Telecom operators Grameenphone, Robi, and Teletalk yesterday received unified licences, which will enable them to provide all sorts of services and streamline operations.

These licences combined previous ones for 2G, 3G, and 4G, while incorporating provisions for 5G and future services.

The annual fee for the licence was set at Tk 10 crore. It will remain valid for 15 years.

The licences -- titled "Cellular Mobile Services Operator Licence" and "Radio Communications Apparatus Licence for Cellular Mobile Services" -- were handed over at an event organised by the Bangladesh Telecommunication Regulatory Commission (BTRC) at its office yesterday.

Zunaid Ahmed Palak, state minister for telecom and ICT, handed over the licences.

BTRC Chairman Md Mohiuddin Ahmed and other senior officials were present at the event.

"We are delighted to receive the unified licence. We appreciate our regulator, BTRC, for the timely

initiative of introducing a unified licensing regime. Bangladesh will enter an era of technology neutral services," Shohed Alam, chief corporate and regulatory officer of Robi Axiata Ltd, said.

"We wholeheartedly welcome this timely initiative and express our deepest gratitude to regulators, government bodies, and policymakers for their visionary efforts," Grameenphone CEO Yasir Azman said.

"Grameenphone receiving the unified licences marks the beginning of a transformative era, empowering Bangladesh's digital transformation and catalysing progress. It paves the way for us to contribute significantly to the realisation of the Smart Bangladesh vision, leveraging technology to drive economic growth and social development."

Looking at a future dominated by smart devices, AI and connected technologies, we will be able to create an ecosystem which will serve to make our customers' lives safer, healthier, and happier, he added.

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## Setbacks linger for businesses even after they're set up

Says ADB country director

STAR BUSINESS REPORT

In spite of making progress in various sectors, Bangladesh still faces challenges in attracting foreign direct investment (FDI) due to problems faced once businesses are formed, according to Asian Development Bank Country Director Edimon Ginting.

Most of the FDI is concentrated to a few traditional industries and barriers at the entry level are limited, he said.

However, the challenges prevail at the post-establishment stage for entities which hinder the country's goal of strengthening economic diversification and integrating with global value chains, he said.

An investor needs to navigate 23 government agencies to secure up to 150 regulatory services and necessary approvals, he said.

Ginting made the remarks while presenting a keynote speech at an event titled "Enhancing Investment Policy Framework to Catalyse Private Investment" organised by the Foreign Investors' Chamber of Commerce & Industry (FICCI) at The Westin Dhaka yesterday.

With its over-reliance on road transport and low Indus Water Treaty use, Bangladesh now ranks 88 out of 138 countries in a Logistics Performance Index of the World Bank, he said.

Some industries including logistics, telecom, banking, legal services and fisheries remain partly off limits to foreign investors, holding back potential economy-wide productivity gains, he said.

"Service restrictions not only affect FDI but

also manufacturing activities downstream," said Ginting.

He also blamed the fact that Bangladesh has a large pool of unskilled workers as well as a lack of training infrastructure to meet demand.

"There is a need for significant liberalisation of different verticals to attract investments while simplifying acquisition of lands, protection of intellectual property rights and simplifying and making the tax regime competitive," he said.

M Masrur Reaz, chairman and founder of Policy Exchange Bangladesh, reiterated the

need for moving towards increasing skills of the workforce while engaging on strategic levers for FDI promotion and improving investment policy framework.

Speaking as the chief guest, Lokman Hossain Miah, executive chairman of Bangladesh Investment Development Authority, said the government was committed to ensuring a conducive business climate for foreign as well as domestic investors.

"But we have some limitations as a developing country. We need some time for preparations," he said.

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STOCKS	
DSEX ▼	CASPI ▼
0.27%	0.19%
6,058.39	17,387.40

COMMODITIES	
Gold ▼	Oil ▼
\$2,178.18	\$77.84
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.58%	▼ 2.19%	▼ 0.34%	▲ 0.74%
73,687.69	38,820.49	3,136.31	3,068.46

