

BSEC appoints independent directors to 3 Beximco firms

STAR BUSINESS REPORT

Stocks of Shinepukur Ceramics rose 1 percent, while Beximco Pharmaceuticals fell slightly yesterday after news came round that the Bangladesh Securities and Exchange Commission (BSEC) has appointed independent directors to the companies.

Beximco Ltd's share prices remained stuck at the same floor price as had been for the last couple of months, in spite of the same development coming about at the company.

The stock market regulator took the decision of appointing independent directors following a directive from Financial Institutions Division (FID) under the finance ministry, according to a press release issued yesterday. A total of 25 independent directors have been appointed to the companies for a three-year tenure.

Earlier, the FID instructed the BSEC to appoint independent directors to the three companies based on a decision taken by an advisory council formed by the interim government to handle issues pertaining to Beximco.

The decision was taken during a meeting of the committee last month that focused on labour and business conditions at Beximco Industrial Park.

Following the arrest of Beximco Group Vice Chairman Salman F Rahman, the companies faced significant challenges, including labour unrest, that spread onto the streets. In response, the government decided to appoint independent directors from diverse professional backgrounds.

The BSEC hopes that the inclusion of independent directors will benefit stock market investors associated with these companies, as per the press release.

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The stock market in Bangladesh began the new year on a positive note, with major indices showing an uptick on the first trading day of 2025.

The DSEX, the broad index of the Dhaka Stock Exchange (DSE), rose by 0.03 percent to close at 5,218 points, marking a fourth consecutive day of gains for the index.

However, other indices showed a mixed performance as the DSES index, which tracks the performance of Shariah-compliant companies, fell by 0.33 percent to 1,165 points.

Likewise, the DS30 index representing blue-chip stocks edged up by 0.11 percent to 1,941 points.

The situation was similar at the Chittagong Stock Exchange (CSE) as the Caspi, which reflects the value of all stocks listed with the port city bourse, increased by 0.27 percent to settle at 14,512 points.

Despite these positive movements, the DSE's daily turnover decreased by 11.57 percent from the previous session to Tk 33.1 crore.

The banking sector played a dominant role in market activities, accounting for 18.85 percent of the total turnover. However, Orion

Infusion Limited emerged as the most traded stock with a turnover of about Tk 27 crore.

Sector-wise, telecom, banking, and non-bank financial institutions (NBFI) performed well, notching positive gains across the board. The telecommunication sector recorded the highest gain of 1.38 percent followed by banking with 1.16 percent and NBFI with 0.61 percent.

Meanwhile, the life insurance, jute, and general insurance sectors ended the day in negative territory. The food and allied sector logged a slight loss of 0.03 percent while the pharmaceutical sector fell by 0.41 percent.

Despite the positive start, there are significant concerns regarding the sustainability of the market's performance.

Md Saiful Islam, president of the DSE Brokers' Association (DBA), pointed out that 2024 had been a challenging year for both investors and market intermediaries.

He highlighted the severe negative returns for investors, particularly during the first three months of the year, when the market was affected by floor prices and political uncertainties following a controversial national election.

As a result, investor sentiment

remained depressed for several months, and nearly 95 percent of the market intermediaries suffered operating losses throughout the past year.

There was a brief recovery after the political changeover in early August, however, the comeback was short-lived due to the lack of quality stocks entering the market, Islam said.

The DBA president expressed concerns that the market might struggle to sustain its positive momentum in 2025, especially given the lingering effects of the recession from the previous year.

Additionally, Islam voiced his concerns about the lack of engagement between key market stakeholders and the interim government.

He emphasised the importance of bringing new shares into the market, holding dialogues with stakeholders and ensuring an investor-friendly environment. Islam warned that without these steps, it would be difficult to generate long-term returns for investors.

Looking ahead to 2025, market participants hope that the interim government will take necessary steps to stabilise the market by addressing the concerns of investors and intermediaries, Islam said.

Bangladesh can lead in sustainable fashion: ICCB

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Bangladesh holds immense potential to spearhead sustainable fashion through the adoption of practices focusing the circular economy model, according to the International Chamber of Commerce Bangladesh (ICCB).

Circular economy is a model to keep materials and products in use for as long as possible and to eliminate waste and pollution, it said.

By recycling fabric waste and fostering second-hand clothing markets, the textile industry can reduce its environmental impact while boosting profitability, the ICCB said in a quarterly news bulletin.

The report highlighted the opportunities in converting agricultural waste, such as rice husks and jute byproducts, into bioenergy and organic fertilisers, thereby promoting sustainable farming practices.

Bangladesh produces an estimated 3,000 tonnes of plastic waste daily, with only 30 percent being recycled. Coupled with inadequate handling of electronic and agricultural waste, environmental degradation remains a pressing concern.

Investing in recycling infrastructure and waste-to-energy initiatives could mitigate these issues while generating significant economic returns, the report said.

The circular economy model, centered on eliminating waste, prolonging product life cycles, and regenerating natural systems, offers a pathway to sustainable growth.

This approach reduces greenhouse gas emissions, curtails pollution, and creates economic opportunities, the ICCB noted.

Eating out, air travel to turn costlier

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In a statement, the NBR said it seeks to bring changes in the VAT law in order to expand the coverage of the indirect tax and rationalise the rates so that it can increase domestic revenue collection.

As a part of the effort, the NBR is likely to hike excise duty on air tickets on domestic routes from Tk 500 to Tk 700.

For travels to nations of the South Asian Association for Regional Cooperation (Saarc), the amount of excise duty would be doubled to Tk 1,000.

Air travellers going to other countries in Asia will face an excise duty of Tk 2,500 whereas at present it is Tk 2,000.

The amount of excise duty for travels to Europe, the US, and the rest of the world will go up to Tk 4,000 from Tk 3,000 at present.

The NBR said the measures might bring in an additional Tk 12,000 crore.

MA Razzaque, chairman of private think-tank Research and Policy Integration for Development, said Bangladesh has multiple VAT rates and this was contradictory to the VAT philosophy.

"From that perspective, a reform in the VAT rates is a good step. Besides, we need to improve domestic revenue collection to ensure macroeconomic stability," he said.

"The hike in rates may stoke inflation initially, but there would be

no major impact...It would have been good if the direct tax collection could have been increased," he added.

Razzaque said it was vital to prevent tax evasion and ensure adequate taxation to ensure a fairer tax system.

"Some 85 percent of wealth is concentrated within only 10 percent of the population. Attention is necessary. Otherwise, the tax system will not be fairer," he said.

SM Nazer Hossain, vice president of the CAB, said the items that would see an increase in VAT would increase the cost of living of consumers alongside their sufferings.

"Instead of raising rates, the NBR should focus on recovery of unpaid taxes and prevent evasion. There are many ways of increasing revenue collection. But they only hike rates whenever there is a need," he added.

The NBR's initiative to increase VAT and SD rates on these items coincides with a time when tax collection continues to languish owing to an economic slowdown for multiple reasons, including elevated inflation.

In the five months to November in fiscal year 2024-25, overall tax receipts declined 2.62 percent year-on-year to Tk 130,185 crore, according to the NBR.

The VAT is the biggest source of revenue for Bangladesh, accounting for nearly 38 percent of the total revenue collection.

No bar on suing Nagad as new law takes effect

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would only come into effect on a date announced through a gazette.

In absence of the required gazette till now, Nagad raised questions regarding the administrator's appointment.

Against this backdrop, the central bank asked the interim government and Financial Institutions Division to issue the required gazette notification.

A director of Nagad had filed a writ petition to the High Court on September 10, challenging the administrator's appointment.

The High Court subsequently imposed a two-week status quo on all activities of Nagad, preventing the company's administrator and management from taking new steps beyond regular business operations.

The High Court will deliver its verdict on the legality of the administrator's appointment following a hearing scheduled for today.

Nagad had introduced itself as a financial wing of the Bangladesh Post Office when it entered the market in 2019. The company is still operating on a temporary licence from the central bank.

Internet shows stark rural-urban divide

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The period saw computer users rising by 1 percentage point to 8.9 percent and desktop users by 0.2 percentage points.

According to the BBS, the survey estimated national-level ICT indicators quarterly for individuals aged five and above, segmented by urban and rural areas.

Data is collected quarterly from 2,568 selected sample areas across the country, covering a total of 61,632 households (246,528 households annually) through random selection.

This survey provides insights into the progress of Sustainable Development Goals (SDGs) indicators while also delivering up-to-date and precise

district-level information on ICT usage. It also highlights ICT use and applications by individuals and households, enabling the formulation of various development plans for the ICT sector.

The survey also found that 15.1 percent of households had radio, 63.5 percent television, 0.8 percent fixed phone and 98.2 percent electricity.

"The growing digital divide is deeply concerning, as it creates two distinct classes of citizens: one group that is IT-savvy and reaping the benefits of digital advancements, and another that is deprived of even basic government services," Syed Almas Kabir, former president of the Bangladesh Association of Software and Information Services.

He said the regulator must step in to reduce the influence of intermediaries.

garments waste (jhoot) is controlled by the local musclemen and the factory owners are not capable of controlling them because of the poor law and order.

Establishing supremacy on local jhooth business by the local influential people is one of the major causes of poor law and order situation in the industrial zones.

The private sector needs to be engaged more with the policy formulation as the private sector entrepreneurs are the final executors because of the nature of the country's economy, Kabir added.

"Freedom of doing business is still absent here," the BAB chairman also said.

For instance, the business of

Best Holdings announces 10% cash dividend

STAR BUSINESS DESK

Best Holdings Limited has declared a 10 percent cash dividend for the year that ended on June 30, 2024.

The declaration came at the company's 18th annual general meeting (AGM), which was held at Baridhara DOHS Convention Centre in Dhaka recently, said a press release.

Amin Ahmad, chairman of the company, presided over the meeting. He thanked the shareholders for their continued support since the first day of listing on the capital market.

Abul Kalam Azad, company secretary, conducted the meeting.

Hasan Ahmad, managing director of the company, said: "Best Holdings Limited is an asset-based company. The listing of the company on the country's capital market was not only a significant milestone for the company, but also a significant achievement for our esteemed shareholders."



Amin Ahmad, chairman of Best Holdings, presides over the company's 18th annual general meeting, which was held at Baridhara DOHS Convention Centre in Dhaka recently. The meeting declared a 10 percent cash dividend for the year 2024.

PHOTO: BEST HOLDINGS

Dhaka South City Corporation

Office of the Executive Engineer
Waste Management Department
Nagar Bhaban, Dhaka.
www.dscc.gov.bd

Date: 31.12.2024

e-Tender Notice

e-Tenders are invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of :

SL. No.	Package No.	Identification of Lot	Tender ID No.	Last Selling Date & Time	Tender Closing Date & Time
1.	dscc/wmd/2024-25/2/P30	Cleaning Work of Pipe drain & Open drain at Ward-30 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037927	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
2.	dscc/wmd/2024-25/2/P31	Cleaning Work of Pipe drain & Open drain at Ward-31 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037928	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
3.	dscc/wmd/2024-25/2/P32	Cleaning Work of Pipe drain & Open drain at Ward-32 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037929	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
4.	dscc/wmd/2024-25/2/P33	Cleaning Work of Pipe drain & Open drain at Ward-33 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037930	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
5.	dscc/wmd/2024-25/2/P34	Cleaning Work of Pipe drain & Open drain at Ward-34 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037931	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
6.	dscc/wmd/2024-25/2/P35	Cleaning Work of Pipe drain & Open drain at Ward-35 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037932	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
7.	dscc/wmd/2024-25/2/P36	Cleaning Work of Pipe drain & Open drain at Ward-36 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037933	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
8.	dscc/wmd/2024-25/2/P37	Cleaning Work of Pipe drain & Open drain at Ward-37 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037934	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
9.	dscc/wmd/2024-25/2/P38	Cleaning Work of Pipe drain & Open drain at Ward-38 Under Zone-4, DSCL (Fiscal Year 2024-2025).	1037935	19.01.2025 up to 05:00 PM	20.01.2025 up to 3:00 PM
10.	dscc/wmd/2024-25/2/P42	Cleaning Work of Pipe drain & Open drain at Ward-42 Under Zone-4, DSCL (Fiscal Year			