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BSEC identifies 15 companies for potential stock listing

State-run and multinational firms are included in the list

STAR BUSINESS REPORT

The stock market regulator has identified 15 state-run and multinational companies, in which the government holds a stake, for potential listing on the stock exchange in a bid to restore investor confidence.

The companies are: Unilever Bangladesh, Karnaphuli Fertilizer, Synovia Pharma PLC (formerly Sanofi Bangladesh), Novartis Bangladesh, Syngenta Bangladesh, Nestlé Bangladesh, Pashchimanchal Gas Company, North-West Power Generation, B-R Powergen, Sylhet Gas Fields, Barapukuria Coal Mining Company, Jalalabad Gas Transmission and Distribution, Karnaphuli Gas, Sadharan Bima Corporation, and Jiban Bima Corporation, the Bangladesh Securities and Exchange Commission (BSEC) said in a statement yesterday.

The listing will improve governance, and increase accountability and transparency, Anisuzzaman Chowdhury, special assistant to Chief Adviser Muhammad Yunus, said while chairing a meeting at the finance ministry to discuss the plan last week.

It will also help the government determine the proper value of its holdings in the companies and positively impact the stock market, he said.

Chowdhury instructed the stakeholders to take immediate steps to initiate the listing process in line with an earlier directive from the chief adviser issued in May.

Since these companies hold substantial reserves and do not require fresh capital, they will be brought to the market via direct listing—a process that allows firms to sell existing shares directly to investors without issuing new ones.

Industries Secretary M Obaidur Rahman, Financial Institutions Division Secretary Nazma Mobarek, and BSEC Chairman Khondoker Rashed Maqsood were present at the event. There are currently 397 companies listed on the stock market.

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BB suspends Binimoy over irregularities

A new digital platform being developed, to be launched this year

BINIMOY IN BRIEF

Launched: November 2022

Developer: ICT Division

Cost: Tk 65cr

Aimed fund transfers between

- Banks
- Mobile financial service providers
- Payment service providers

Setbacks faced

- Failed to gain user traction
- Lacked user-friendly features
- Banks were reluctant to participate

BB SUSPENDED BINIMOY IN JULY, CITING Irregularities Breach of agreement

What's next

New platform in the making by US-backed Mojaloop

Expected to launch later this year

MD MEHEDI HASAN

The Bangladesh Bank (BB) has scrapped the interoperable digital transaction platform Binimoy, citing irregularities and a breach of contract.

Binimoy was launched in November 2022 to facilitate fund transfers across banks, mobile financial service (MFS) providers, and payment service providers (PSPs).

During the previous Awami League government, it was developed by the Innovation Design and Entrepreneurship Academy (IDEA) under the ICT Division at a cost of Tk 65 crore. The goal was to support efforts to reduce the country's heavy dependency on cash.

But there had been allegations of political patronage and irregularities against Binimoy since the launching.

According to the central bank, it was pressured into signing the agreement that led to Binimoy's launch and did not receive the operational and maintenance fees it was

promised for months.

"We suspended the services of the platform as we were forced to introduce it," said Areif Hossain Khan, executive director and spokesperson of the central bank.

Khan, who leads the central bank's Payment Systems Department and looked after Binimoy's operations, said senior officials from the previous government had handed them a ready-made setup and insisted they sign an agreement without a chance to properly examine its terms.

"There were irregularities from the very beginning. In fact, the agreement itself was signed with those irregularities in place," he said. "The central bank had no involvement whatsoever in preparing the document."

He added that the platform was difficult to run under such risky and unsupported conditions.

"They clearly breached the agreement and failed to provide us with the necessary support. On our lawyer's advice, we discontinued their services through a legal process."

Although the original deal, signed in 2019, stipulated that the central bank would run the platform in exchange for government funding, the BB says it has received no payments for the past seven to eight months.

The central bank said a new interoperable digital transaction platform is being developed in partnership with Mojaloop, a US-based open-source initiative backed by the Gates Foundation. It hopes to launch the new system this year.

"The work is progressing. They have extensive documentation requirements," said Khan. "First, they ask for one document, then another. We are providing everything as quickly as possible and hope to finalise an agreement soon."

According to industry insiders, Binimoy, which was modelled after India's Unified Payments Interface (UPI), failed to attract users due to its lack of user-friendly features, limited promotional efforts, and banks' reluctance to engage with the system.

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Blue-chip gains lift Dhaka stocks to 10-month high

STAR BUSINESS REPORT

The benchmark index of Dhaka Stock Exchange (DSE) climbed to a 10-month high on the first trading day of the week, buoyed by gains in blue-chip shares and improved investor sentiment amid signs of macroeconomic recovery.

Yesterday, the DSEX index rose 92.72 points, or 1.70 percent, to close at 5,536, its highest level since October 1 last year when it ended at 5,586. It marked the third consecutive session of gains.

The other indices also showcased a positive performance before the end of the day's trade.

The Shariah-compliant DSES index went up 1.96 percent to 1,193. The DS30, which tracks blue-chip stocks, gained 1.70 percent to close at 2,150.

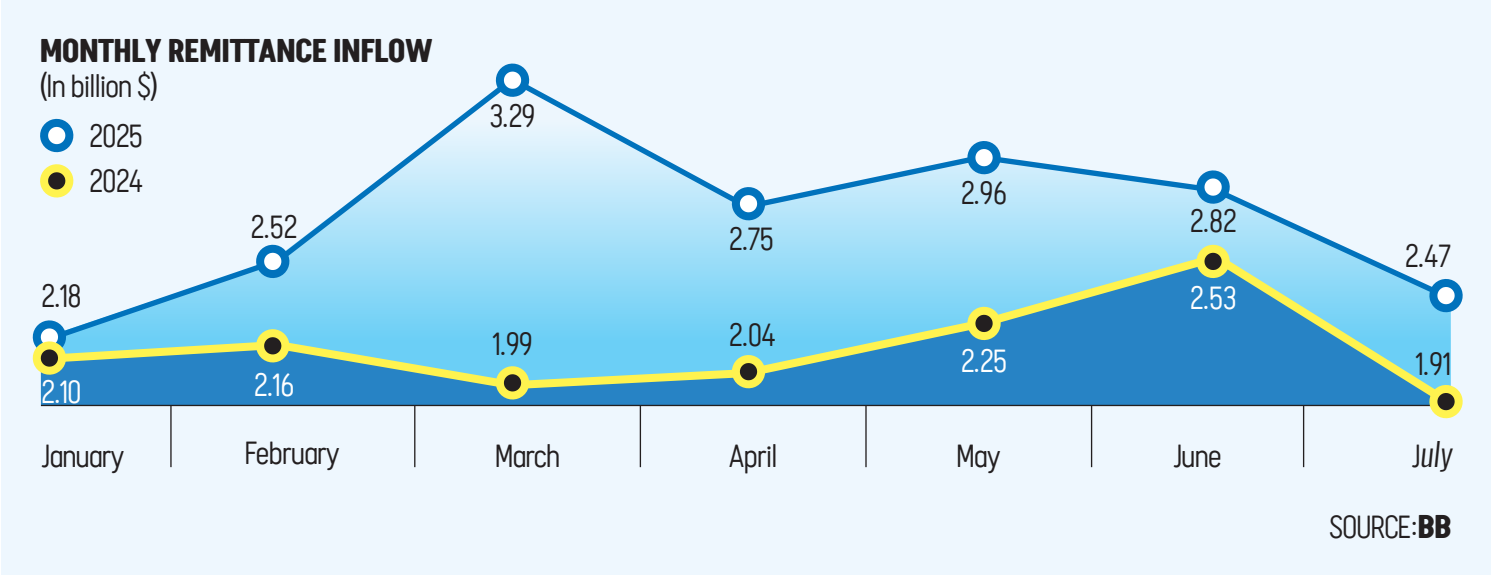
Turnover on the DSE rose to Tk 1,137.40 crore, up from Tk 1,063.39 crore in the previous session.

"The market was massively undervalued, so this is a natural rebound," said Shahidul Islam, CEO of VIPB Asset Management. "The index had dropped about 12 percent since January, making many stocks attractive."

Improving macroeconomic indicators

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Remittance surges 30% in July



STAR BUSINESS REPORT

Remittance surged 30 percent year-on-year in July, the first month of the current fiscal year, maintaining buoyancy in inflows as more than 40 lakh Bangladeshis have gone abroad for work over the past four years.

Last month, the country received \$2.47 billion in remittances from Bangladesh nationals staying abroad, helping the nation gradually recover from its foreign exchange crisis and improve its Balance of Payments, which records all transactions with the rest of the world.

Bangladesh, which faced a shortage of foreign currencies for more than two years, received \$1.91 billion in July 2024, according to data from the Bangladesh Bank (BB).

However, July's inflow was 12.22 percent lower than in June, as many remitters had sent more money home ahead of Eid-ul-Azha.

Industry insiders credited the rise in remittance inflows to several factors,

including a narrowing gap between official and informal exchange rates, tougher action against money laundering, and a renewed sense of patriotism among expatriates following the political changeover in August last year.

A central bank official said hundi, an illegal cross-border transaction method, has

Hundi, an illegal cross-border transaction method, has declined, likely after the political changeover

declined, likely after the political changeover, which has led to more remittances being routed through formal banking channels.

According to BB, Islami Bank Bangladesh received the highest amount in July, at \$533 million, followed by Agrani Bank, Bangladesh Krishi Bank, BRAC Bank, Janata Bank and Trust Bank.

By May of the current fiscal year, more than 9 lakh migrant workers had left the country. A

year earlier, 12 lakh Bangladeshis went abroad for jobs, the highest on record, according to the Bureau of Manpower, Employment & Training (BMET).

"The prevailing market-driven competitive exchange rate, strict oversight dismantling informal networks, and accessible agent banking and mobile financial services helped boost remittance inflow in this period," said the BB in its monetary policy for the July-December period.

In fiscal year FY25, remittance inflow hit a record \$30 billion, posting a 27 percent growth.

With rising remittances, steady exports and slower imports, the overall Balance of Payments posted a \$3.3 billion surplus at the end of FY25, reversing a \$4.3 billion deficit the year before.

As of July 31, the country's foreign exchange reserves stood at \$24.77 billion, up from \$20.48 billion (BPM-6) during the same period last year, according to central bank data.

Online return filing mandatory for all individual taxpayers

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has made it compulsory for all individual taxpayers across the country to submit their income tax returns online from this year.

In a major push towards automated tax services, the NBR announced the requirement yesterday.

However, the revenue board exempts certain groups from the mandatory e-filing.

Senior citizens aged 65 or above, physically challenged or differently abled taxpayers (upon submission of a medical certificate), taxpayers living abroad, and legal representatives filing on behalf of deceased individuals may still submit paper returns.

The tax authority said individuals in these categories may file returns manually, provided they meet the necessary conditions.

From now on, taxpayers can submit their returns for the assessment year 2025-26 through the official portal www.etaxnbr.gov.bd.

If any taxpayer faces difficulties with online filing due to registration issues with the e-return system, they may submit a written application explaining the reason to the relevant deputy commissioner of taxes by October 31.

Subject to approval by the respective additional or joint commissioner, the taxpayer may then be permitted to file a paper return.

Last year, the NBR made online return filing mandatory for government employees under the tax zones of Dhaka, Narayanganj and Gazipur city corporations.

The rule also applied to all bankers, officials of mobile network operators, and five multinational companies.

Bangladesh currently has over 1 crore registered taxpayers, and more than 40 percent of them file returns. During the assessment year 2024-25, some 17.12 lakh taxpayers submitted returns online, a 225 percent rise from 5.27 lakh in the previous year.

As of June, 21.65 lakh taxpayers have registered for the e-return system, reflecting a steady shift towards digital tax services, according to the NBR.

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