

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

GP wants to pay BDT 5.75 billion in 12 instalments

- Grameenphone yesterday filed a review petition with the Appellate Division of the Supreme Court asking permission to pay BDT 5.75 billion to the telecom regulator as an adjustable deposit. The petition was filed against a previous SC order issued on November 24 last year that asked the operator to pay BDT 20 billion to the Bangladesh Telecommunication Regulatory Commission (BTRC) by February 23. In the petition, the carrier also sought an order allowing it to pay the amount in 12 equal instalments, which means it wants to pay BDT 479.2 million every month. Confirming the development the head of regulatory affairs at Grameenphone said they wanted to pay BDT 5.75 million, which represented 25% of the principal amount which the BTRC claimed Grameenphone owed. A top executive officer at Grameenphone, the leading carrier with a 46% market share, said his company sought the instalment facility as a High Court bench had earlier allowed Robi to pay their dues in instalments.

- However, a Supreme Court lawyer said if the Appellate Division did not hear the petition, Grameenphone would be left with no option but to pay the BDT 20 billion. Failing to do so could result in the BTRC taking measures, including appointing administrators, against Grameenphone, he said.

<https://www.thedailystar.net/frontpage/news/gp-wants-pay-BDT-575cr-12-instalments-1859518>
<https://www.newagebd.net/article/97778/gp-appeals-to-pay-btrc-BDT-575cr>
<https://www.dhakatribune.com/business/2020/01/26/gp-wants-to-pay-BDT575cr-to-btrc-in-instalments>

Tax receipts BDT 315.08 billion short of H1 target

- Revenue collection by the National Board of Revenue fell short by BDT 315.08 billion or 23% of the target in the first half of the current fiscal year 2019-2020 due to poor performance by the three wings of the NBR and gloomy economic activities. Tax officials managed to collect only BDT 1.05 trillion in income tax, VAT and customs duty in July-December of FY20 against the collection target of BDT 1.37 trillion for the period.

- Failure in implementation of the value-added tax online system fully that included online VAT returns submission and installation of electronic fiscal devices, tax and duty exemption at higher rates to various sectors, and decline in import of major products were the key reasons for the shortfall.

- The government enjoyed a huge amount of duty exemption for the implementation of mega projects such as Padma Bridge and metro rail projects while the private sector also enjoyed a significant amount of exemption in import of machinery and raw materials. Revenue from the gas sector also saw a huge deficit in the period following giving exemption of 93% supplementary duty on the product. Poor contributions of the telecom, real estate and transport sectors to corporate tax payment were also identified as a major factor.

<https://www.newagebd.net/article/97780/tax-receipts-BDT-31508cr-short-of-h1-target>
<https://www.thedailystar.net/business/news/govt-rests-easy-nbr-collections-rise-1859563>
<https://today.thefinancialexpress.com.bd/first-page/h1-tax-revenue-misses-target-by-a-big-margin-1580062044>

Lubricant consumption rises but prices stay high

- The market for various petroleum products has expanded at an average rate of about 6% in the last eight years following a rise in the number of vehicles and power plants in service. But, the end users are yet to enjoy the benefits that usually accompany a competitive market, such as product diversity and lower costs, due to a lack of local production.

- In 2019, the market size for petroleum products reached BDT 36.16 billion, with total demand standing at 0.16 million tonnes. In anticipation of the growing engine oil market, Pertamina Lubricant, an Indonesian state-owned oil and gas company, launched their Bangladesh operations last week. The demand for lubricants will continue to rise for the next 15 years at least, with rental power plants and the industrial sector together accounting for about 40% of total consumption.

- The Bangladesh oil market is consolidated by the top five players. MJL Bangladesh (Mobil), Navana Petroleum (Caltex/Chevron), Trade Services International (Total), Rahimafrooz (BP) and Ranks Petroleum (Royal Dutch Shell PLC) who account for about 50% of the total market share while the remaining half is split up between other brands. Despite the growing market for engine oils, consumers have yet to experience any benefits as the prices still remain high. Only from market saturation can the benefits be reaped due to increased competition in the industry.

<https://www.thedailystar.net/business/news/lubricant-consumption-rises-prices-stay-high-1859560>

World Stock and Commodities*

| Index Name | Close Value | Value Change | % Change |
|------------------------------|--------------------|---------------------|-----------------|
| Crude Oil (WTI)* | \$52.91 | -1.28 | -2.36% |
| Crude Oil (Brent)* | \$59.36 | -1.33 | -2.19% |
| Gold Spot* | \$1,580.09 | +8.56 | +0.54% |
| DSEX | 4528.20 | +14.31 | +0.32% |
| Dow Jones Industrial Average | 28,989.73 | -170.36 | -0.58% |
| FTSE 100 | 7,585.98 | +78.31 | +1.04% |
| Nikkei 225 | 23,372.06 | -455.12 | -1.91% |
| BSE SENSEX | 41,613.19 | +226.79 | +0.55% |

Exchange Rates**USD 1 = BDT 84.87*****GBP 1 = BDT 110.81*****EUR 1 = BDT 93.59*****INR 1 = BDT 1.19***

**Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*

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