

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.

Audit Claims: GP, Robi challenge legality of BTRC's show-cause notice

- Grameenphone and Robi have challenged the legality of the telecom regulator's show-cause notice on them asking to reply within 30 days why their licenses would not be cancelled for their failure to pay Tk 134.46 billion of dues. The show-cause notice was sent on September 5. The operators said they filed cases in late August challenging the audit claims before the notice was served. They said the issue is now subjudice, which is why the Bangladesh Telecommunication Regulatory Commission should not have sent out the show-cause notice. For the both cases, which the lower court accepted, the government lawyers were present. So, both the government and the telecom regulator are well aware of the cases. In the telecom act it is clearly mentioned in section 26 that the BTRC must defer to the public demand recovery or the alternative dispute resolution to recover dues from operators. But the telecom regulator has gone straight to license cancellation and issued show-cause notice, they said.

- However, BTRC Chairman said they are following the telecom act and they have no intention to do anything arbitrarily. The long drawn-out issue was heading towards an amicable conclusion after the Finance Minister stepped in and organized a meeting on September 18. After the meeting he said the issue will be resolved within the next two to three weeks and asked all parties to withdraw their cases and show-cause notices. But now, the issue seems to be back to square one.

<https://www.thedailystar.net/business/news/audit-claims-gp-robi-challenge-legality-btrcs-show-cause-notice-1810369>

<http://today.thefinancialexpress.com.bd/first-page/govt-vows-to-realise-dues-1570383003>

<https://www.dhakatribune.com/business/2019/10/07/gp-robi-respond-to-show-cause-notices>

Goods export earnings drop in July-Sept

- The country's export earnings from goods during the first three months of the current fiscal year (FY), 2019-20, fell by nearly 3.0 per cent to \$9.64 billion, compared to the same period of last fiscal. The figure for July-September of FY '19 was \$9.94 billion. Exporters and officials attributed the negative growth of overall exports to poor performance of major items, including readymade garment (RMG), leather and leather products, home textile, frozen and live fish and agricultural products, which accounted for about 92 per cent of the total earnings.

- Earnings from the export of RMG products during the July-September period of FY '20 stood at \$8.05 billion, down 1.64 per cent from \$8.19 billion in the corresponding period of last fiscal, according to EPB data. When asked about the poor performance, President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) said the number of work orders had declined and that the trend might continue in the coming months. The country is facing tough competition with Vietnam and that the sustained growth is not easy at this point, she said.

<http://today.thefinancialexpress.com.bd/first-page/goods-export-earnings-drop-in-july-sept-1570383232>

<http://www.newagebd.net/article/86844/q1-export-earnings-dip-in-warning-sign>

<https://www.dhakatribune.com/business/2019/10/06/exports-dip-by-7-3-in-september>

United Power cancels share sales deal with GEM Global

- United Mymensingh Power Limited, one of the corporate directors of United Power Generation and Distribution Company, has cancelled its decision to sell twenty million shares in UPGDCL to GEM Global Yield Fund after making a public disclosure over the share sales plan. UMPL and UPGDCL are two concerns of United Group.

- UPGDCL, a listed company, on August 6 disseminated a price sensitive information to the Dhaka Stock Exchange that UMPL expressed its intention to sell 10,000,000 shares out of its total holding of 431,170,994 shares in UPGDCL at the prevailing market price (in the block market) through the stock exchange within 30 working days. As per rules, the DSE on the same day made the disclosure public.

- DSE officials said that later UPGDCL had informed the bourse that it would not sell the shares. The DSE has informed the Bangladesh Securities and Exchange Commission about the cancellation of the share sales decision and sought suggestions from the regulator, they said. United Group officials said that the company (UMPL) did not sell the shares to the foreign entity as the prevailing prices were not favorable and did not match with the company's business growth. They also said that the deal was that UMPL would sell twenty million shares in UPGDCL in two phases.

- BSEC officials said that as per securities rules, the company could not backtrack on the share sales decision after making the information public. After a director of a listed company announces that he/she will sell or buy shares, the announcement impacts the share prices of the company, they said. Therefore, a company cannot change its decision, just saying that the current market price is not favorable, they said. BSEC officials said that the commission might call the company for a hearing and seek explanations about the cancellation of its decision. If it fails to give appropriate

explanations, the commission may take action against the company, they said.

<http://www.newagebd.net/article/86845/united-power-cancels-share-sales-deal-with-gem-global>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$52.81	+0.36	+0.69%
Crude Oil (Brent)*	\$58.37	+0.66	+1.14%
Gold Spot*	\$1,504.65	-0.54	-0.04%
DSEX	4,937.82	+1.45	+0.03%
Dow Jones Industrial Average	26,573.72	+372.68	+1.42%
FTSE 100	7,155.38	+77.74	+1.10%
Nikkei 225	21,410.20	+68.46	+0.32%
BSE SENSEX	37,673.31	-433.56	-1.14%

Exchange Rates

USD 1 = BDT 84.41*

GBP 1 = BDT 104.11*

EUR 1 = BDT 92.67*

INR 1 = BDT 1.19*

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

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