

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.

Bangladesh set to move PTA proposal to Nepal

- Bangladesh is set to put forward a package of proposals, including the signing of Preferential Trade Agreement (PTA), with Nepal during the upcoming foreign office consultation (FOC), officials say. The Bangladesh side will also submit proposals to its Nepalese counterpart for reduction of tariffs, removal of non-tariff barriers and para-tariff measures and rationalization of sensitive lists under SAPTA/APTA, they added.
- Other proposals to be placed before the meeting include finalisation of the model text of bilateral investment treaty (BIT), holding trilateral meeting on hydropower cooperation and air connectivity and amendment to air service agreement between Bangladesh and Nepal.
- The negotiation process of finalizing the text of PTA to be signed between Bangladesh and Nepal had been going on for three years, a senior official said. PTA between the two countries has not been finalised as Nepal is yet to share the offer and request lists with Bangladesh. The PTA text and Rules of Origin have almost been finalized. Bilateral trade between Bangladesh and Nepal stood at around USD 73.47 million in the fiscal year 2020-21.

<https://thefinancialexpress.com.bd/trade/bangladesh-set-to-move-pta-proposal-to-nepal-1649564688>

Steelmakers urge immediate ingredient tax waivers

- Steelmakers urge the government to waive all duties and taxes on raw materials forthwith, without waiting until new budget, to save the industry and construction works from a feared nosedive. They said that volatility in global-market prices and ingredient-freighting charges is about to deal a blow to their business and thereby by to a vista of development and building-construction activities.
- Bangladesh Steel Manufacturers Association told that they have been talking about the severe disruption to imported raw materials' supply chain and logistics on several occasions, and predicts that the situation is likely to take three to five years of post-pandemic period to get back to normal. BSMA told that the cost of per-tonne scrap steels has increased to USD 680 from USD 565 within just two weeks.

<https://today.thefinancialexpress.com.bd/last-page/steelmakers-urge-immediate-ingredient-tax-waivers-1649610831>

NBR to introduce DEDO pay app to resolve refund claims

- The Duty Exemption and Drawback Office (DEDO) under the National Board of Revenue (NBR) is going to introduce the online refund app Dedopay to speedily resolve the refund claims of the taxpayers online. Under the app, it would be possible to resolve the refund claims within one day or even one hour, instead of a week.
- The app could also be used for conducting the operations of the DEDO officials. The designated officials of the DEDO can formulate claim vouchers, scrutinize VAT vouchers through online, prepare automated note sheets and take instant decisions related to refund through using such app. The app would make it possible to examine the data to comply with the mandatory provision for applying for refund claims within six months. As a result, there will remain no scope for applying for an expired refund claim.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-to-introduce-dedo-pay-app-to-resolve-refund-claims-1649599428>

NBR likely miss revenue target BDT 3.30t this year too

- The National Board of Revenue (NBR) may miss the fiscal revenue collection target as about half of the revenue

collection is yet to be done with only four months left of the current financial year. Latest NBR data shows that the revenue board has collected BDT 1.76 trillion in eight months (July-February).

- The NBR has submitted a revised revenue collection plan with a target of BDT 3.05 trillion to reduce the gap between the target and achievement at the end of the fiscal year, reports UNB. If the ministry of finance approves the revised revenue collection plan, the revenue board has to collect BDT 320 billion per month on an average in the remaining (March-June) period.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-likely-miss-revenue-target-tk-330t-this-year-too-1649592560>

Hospitality, tourism sector lost BDT 60.0 Bn in pandemic: BIDS

- The hospitality and tourism sector lost BDT 60.0 Bn and as many as 140,000 workers also lost their jobs due to the Covid pandemic, said a Bangladesh Institute of Development Studies report. According to the report, the sales and revenues in the HTS dropped significantly in 4QFY20; 84% for hotels and resorts while 98-100% for tour operators and travel agents and amusement parks.
- The average number of workers hired by the hotels and resorts was 42% lower in the pandemic year compared to the pre-pandemic year. The retrenchment, on the other hand, was 317% higher during the pandemic year. The average reduction in wages and salaries is quite substantial, 34% among the hotels and resorts, 34% among tour operators, and travel agents 26%.

<https://www.newagebd.net/article/167786/hospitality-tourism-sector-lost-tk-6000cr-in-pandemic-bids>

Agent banking transactions top BDT 500.0 Bn

- The amount of money transacted through agent banking exceeded the BDT 500.0 Bn mark for the first time in Jan'22 as the service has managed to expand its reach in the country's rural areas. Of the transactions, transactions in the rural areas stood at BDT 414.1 Bn, accounting for 79.38% of the total transactions through agent banking wing.
- The number of agent banking accounts in the country reached 14.4 Mn in Jan'22, which was 10.1 Mn in Jan'21. Of the accounts, 77.83% accounts were opened in the rural areas. In terms of holding customer accounts, Bank Asia is leading all other banks while Dutch-Bangla Bank, Islami Bank Bangladesh Limited, Al-Arafah Islami Bank and Agrani Bank are following suit.
- The number of agents of the banks rose by 76.45% in the last two years to reach 14,081 in Jan'22 from 7,980 in the same month of 2020. Besides, the number of bank outlets increased by 69.83% to 19,396 in Jan'22 from 11,421 in the same month of 2020.

<https://www.newagebd.net/article/167788/agent-banking-transactions-top-tk-50000cr>

Lending leaping thru agent banking

- Although banks had initially focused on using agent banking platforms to mobilise deposits from rural areas, they have recently ramped up lending operations through the branchless banking model. Loan disbursement through the agent banking channel stood at BDT 53.47 Bn in 2021, up 182% year-on-year. At present, the lenders are disbursing loans ranging from BDT 20,000 to BDT 200,000 to borrowers at an interest rate of 9% through the channel.
- BRAC Bank has secured the top position in terms of lending among the banks, as it accounted for 63% of the loans disbursed by 29 lenders through the channel. Managing director of Brac Bank said they had laid emphasis on agent banking to disburse loans among cottage, micro, small and medium enterprises.
- Managing director of Bank Asia said loan disbursements through the platform would increase manifolds within a year

or two. Bank Asia, which accounted for 15% of the outstanding loans in the agent banking platform, now concentrates on eight to 10 districts to disburse loans, he said. Bank Asia now offers 0.5% commission on the amount of loan disbursed by agents, and 2% commission on the deposits.

<https://www.thedailystar.net/business/economy/banks/news/lending-leaping-thru-agent-banking-3002271>

BB issues new CSR reporting format for banks, NBFIs

- The central bank has issued a revised Corporate Social Responsibility (CSR) reporting format for all the scheduled banks and non-banking financial institutions (NBFIs) to enhance their responsibilities for socioeconomic development. Different issues including involvement of external implementing agency/third party/foundation for implementing the CSR activities have been brought under the revised reporting format, officials said.

<https://today.thefinancialexpress.com.bd/last-page/bb-issues-new-csr-reporting-format-for-banks-nbfis-1649610752>

RMG exports to Russia withstand war headwinds

- Despite the Russia-Ukraine war and a ban on some banks on the use of global payments messaging network SWIFT, apparel shipment from Bangladesh to Russia has largely remained unscathed because of the use of alternative routes and payment channels, exporters say. Garment exporters are sending shipments via alternative routes such as China and Hong Kong and the suppliers are receiving payments from China in the Renminbi.
- Russian importers are also placing a higher number of orders with Bangladesh to fill up the vacuum created after some large American and European retailers and brands pulled out of the market. Russian buyers are making advance payments to Bangladeshi garment exporters as well as the demand for apparel items has increased in the market.
- Nearly 150 suppliers export garment items to Russia. Apparel shipment fetched USD 600.0 Mn last fiscal year, up 36%. The export value may go up to USD 1.0 Bn in the current fiscal year ending in June.

<https://www.thedailystar.net/business/economy/news/rmg-exports-russia-withstand-war-headwinds-3002411>

Maiden commodity exchange by this year

- The Chittagong Stock Exchange (CSE) is planning to launch the country's first commodities exchange, or futures market, this year. Shaikh Shamsuddin Ahmed, commissioner of the Bangladesh Securities and Exchange Commission (BSEC), told that the BSEC was planning for a futures market. The BSEC expects to preliminarily include gold, industrial raw materials such as iron ore, and agricultural products, namely tea to the exchange.
- As part of the move, the Chittagong Stock Exchange (CSE) will sign a contract with the Multi Commodity Exchange of India Ltd (MCX) at a city hotel tomorrow (Tuesday). The MCX will facilitate the port-city bourse to frame rules and regulations as well as identify products for the long-awaited commodity exchange.
- The exchange will facilitate the participation of farmers alongside financing for them while the producers will have to avail of insurance. Acting managing director of the CSE told that the market will run on a non-delivery cash settlement system, so warehouse infrastructure is preliminarily not necessary. He added that the CSE would mainly need IT infrastructure to operate the exchange.

<https://www.thedailystar.net/business/economy/news/maiden-commodity-exchange-year-3002421>

Listed cos asked to give info on 5pc profit sharing with workers

- The Bangladesh Securities and Exchange Commission has sought information from all listed companies about the formation of workers' profit participation fund and workers' welfare fund as the stock market regulator has found that

many companies are yet to form such funds. Companies are required to establish WPPF and WWF as per section 234 of the Bangladesh Labour Act, 2006.

- According to the labour ministry, only 242 local and multinational companies have paid BDT 6.12 Bn to the Bangladesh Labour Welfare Foundation since 2006. Many companies in profits refrain from donating to it in defiance of the law, ministry sources said.

<https://www.newagebd.net/article/167789/listed-cos-asked-to-give-info-on-5pc-profit-sharing-with-workers>

Doreen Power's subsidiary gets BPDB nod to start commercial operation

- The Bangladesh Power Development Board (BPDB) approved Chandpur Power Generation Limited - a subsidiary company of the Doreen Power Generations and Systems Limited - for starting its power plant's commercial operation. Although the company had already started the commercial operation of its 115 MW power plant on 11 February this year, the company received the Commercial Operation Declaration (COD) from the BPDB on 6 April 2022.

<https://www.tbsnews.net/economy/stocks/doreen-powers-subsiary-gets-bpdb-nod-start-commercial-operation-400994>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 96.45	USD 21.24	28.24%
Crude Oil (Brent)*	USD 100.85	USD 23.07	29.66%
Gold Spot*	USD 1,946.79	USD 117.59	6.43%
DSEX	6,662.45	-94.20	-1.39%
S&P 500	4,488.28	-277.90	-5.83%
FTSE 100	7,669.56	285.02	3.86%
BSE SENSEX	59,447.18	1,193.36	2.05%
KSE-100	44,444.58	-151.49	-0.34%
CSEALL	8,135.25	-4,090.76	-33.46%

Exchange Rates**1 US Dollar = 86.23 BDT****1 GBP = 112.34 BDT****1 Euro = 93.92 BDT****1 INR = 1.13 BDT**

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