

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.

National Board of Revenue (NBR) picks legal expert for new VAT law

- The National Board of Revenue (NBR) has appointed a temporary legal expert for drafting the new VAT and income tax law in Bangla.
- A legal analyst and drafter, will work as a consultant to expedite the process of implementing the new laws. The board will pay BDT 1.3 million in four installments to the consultant.
- The tax-collecting authority said, the revenue officials and the consultant will resolve confusions, if any, or objections through mutual understanding in the process of drafting the laws.
- The board has already started the process of replacing the existing tax laws with the new versions.

<http://today.thefinancialexpress.com.bd/trade-market/nbr-picks-legal-expert-for-new-vat-law-1550161945>

Projects suffer as World Bank money dries up

- The World Bank's portfolio for Bangladesh under its current aid package has almost been finished, which has resulted in the delay of implementing some proposed development projects.
- Under the three-year IDA-18 package, only some USD 30 million fund has remained in hand of the Bank for the disbursement to Bangladesh. The tenure of IDA-18 package will end by June 2020.
- In the meantime, the global lender has confirmed nearly USD 4.3 billion worth assistance for the country in the last one and a half years.

<http://today.thefinancialexpress.com.bd/first-page/projects-suffer-as-wb-money-dries-up-1550166735>

Tax waiver fails to boost MNP (Mobile Number Portability) appetite

- Withdrawal of SIM replacement tax on mobile number portability service has failed to put the desired impact on boosting customers' appetite for the service as the number of operator-change cases through this service dropped by 6.18% or 1,810 in January.
- The number of successful porting of mobile phone subscribers dropped to 27,448 in January this year from 29,258 in December last year.
- The number of requests from subscribers for the service also dropped by 17.12% or 9,684 to 46,868 in January this year from 56,552 a month ago.
- Since MNP service was launched on the first day of October, 2018, only one organization has been able to enjoy the MNP facility so far according to Robi corporate and regulatory affairs head.

<http://www.newagebd.net/article/64843/tax-waiver-fails-to-boost-mnp-appetite>
<https://www.thedailystar.net/business/telecom/news/mnp-users-face-troubles-1702372>

Backward linkage lag inhibits export of pharma products

- Local pharmaceutical industry is failing to fortify its position in the global arena, though it dominates the domestic medicine market.
- While 97% of the local market demand is now met by the domestic drug makers, exports of pharmaceuticals overseas reached a paltry USD 100 million last fiscal. In spite of enjoying various policy support including cash incentives on exports, overseas sales of pharmaceuticals remain minuscule compared with many other major export items.
- This growth may sound healthy, but it comprised only 0.3% of the total exports of the country during FY 2017-18. Stringent overseas regulatory requirements, lack of adequate testing facilities at home and weak backward linkage are among the reasons why exports remain sluggish.

<http://today.thefinancialexpress.com.bd/first-page/backward-linkage-lag-inhibits-export-of-pharma-products->

[1550253086](#)

Move underway to promote rural microenterprises involving USD 190 million

- The government has taken a move to promote microenterprises across the country involving USD 190 million. Financial Institutions Division (FID) under the finance ministry has decided to implement a project titled 'Rural Enterprises Transformation Project-(RETP)' through Palli Karma-Sahayak Foundation (PKSF) within next six years.
- The government has decided to launch RETP for transforming cluster-based microenterprises of rural areas into sustainable growth-led rural enterprises. This will help eradicate poverty through creating self and wage employment in a sustainable manner.
- The project will be taken up in line with the goals and objectives of national plans and strategies, including the 7th five-year plan and national strategy for accelerated poverty reduction 2009-11 that will help in achieving Sustainable Development Goal (SDG)-2.

<http://today.thefinancialexpress.com.bd/trade-market/move-underway-to-promote-rural-microenterprises-involving-190m-1550247691>

BIDA for reform of 'fiscal depreciation' provision in tax law

- The Bangladesh Investment Development Authority (BIDA) has recently suggested updating of the fiscal depreciation, as mentioned in the third schedule of the income tax ordinance.
- The revenue board should follow revaluation method for determining the value of property, plant and equipment, which will reflect economic reality, the state-investment promotion agency said.
- The BIDA told that the current "fiscal depreciation" system is largely based on historical cost and discourages investment.
- The BIDA has also proposed the taxmen to incorporate fiscal depreciation into the existing tax laws for the property used for rental income.

<http://today.thefinancialexpress.com.bd/first-page/bida-for-reform-of-fiscal-depreciation-provision-in-tax-law-1550338660>

ADP spending highest in six years

- Development spending in the first seven months of the fiscal year has been the highest in six years, as the government's efforts to improve implementation is slowly bearing fruit.
- Between July last year and January this year, the ministries and divisions spent BDT 622.8 billion, which is 34.43% of the total annual development programme outlay. The amount is an increase of 13.82% year-on-year.
- However, for full utilisation of the allocation, the ministries and divisions will have to spend 65% of the allocation in the next five months -- a near-impossible task, said a senior official of the planning ministry.

<https://www.thedailystar.net/business/news/adp-spending-highest-six-years-1703233>

Post-LDC challenge lies in incentivizing exports

- Bangladesh in all likelihood would face challenges in relation to its export trade, once it shakes off its least developed country (LDC) status. The existing incentive regime will no more remain valid as soon as it goes out of the list of LDCs.
- The country will be able to benefit from its existing policy of incentivizing exports until 2023 as an LDC. Once it graduates from this grouping in 2024, the importing nations may raise questions about its eligibility to enjoy the benefits meant for the LDCs.
- The current policy on subsidies then could be incompatible with the World Trade Organization (WTO) Agreement on Agriculture and the Agreement on Subsidies and Countervailing Measures.
- The existing Export Development Fund (EDF) may also come into question after its graduation from the LDC status. In the post-LDC era Bangladesh will need to comply with the agreements, which would require a revision of government support for various sectors.

<http://today.thefinancialexpress.com.bd/first-page/post-ldc-challenge-lies-in-incentivising-exports-1550338924>

Sponsors' bonus shares to face 3-year lock-in

- Dhaka Stock Exchange has decided to propose that Bangladesh Securities and Exchange Commission increase the lock-in period on the trading of placement shares to three years from the current one year.
- The country's premier bourse also decided to put forward a proposal to bring the trading by sponsors of bonus shares declared by a company in three years of its initial public offering under the purview of the three-year lock-in system.
- DSE officials said the bourse made the decisions to protect the interest of general shareholders. DSE thinks that sponsor-directors' bonus shares should also be kept under lock-in for three years

<http://www.newagebd.net/article/64943/sponsors-bonus-shares-to-face-3-yr-lock-in>

IPO subscription of New Line Clothings begins tomorrow

- The subscription of initial public offering (IPO) of New Line Clothings will begin. Through the IPO, the company will raise a fund worth BDT 300 million (30 crore) from the capital market under the fixed price method.
- The public subscription will continue until February 28.

<http://today.thefinancialexpress.com.bd/stock-corporate/ipo-subscription-of-new-line-clothings-begins-tomorrow-1550337865>

Extended plant of GPH Ispat goes into production by June

- The extended plant of GPH Ispat is going into production with electric ark furnace quantum method (EAFQM) by June this year which will turn it into a reputed brand.

<http://today.thefinancialexpress.com.bd/stock-corporate/extended-plant-of-gph-ispate-goes-into-production-by-june-1550338030>

Bangladesh slips 6 notches to 140th

- Bangladesh slipped six spots to 140th among 169 countries in a ranking of the world's most connected nations brought out by global logistics company DHL.
- The Global Connectedness Index 2018, the fifth since it was first released in 2011, was measured by four pillars: international flows of trade, capital, information and people. It ranked Bangladesh lower than its peer countries.
- Bangladesh's overall ranking fell from the 2015 edition although it improved its position in trade, capital and information pillars.

<https://www.thedailystar.net/business/news/bangladesh-slips-6-notches-140th-1702363>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$55.59	+0.18	+2.17%
Crude Oil (Brent)*	\$66.25	+1.68	+2.60%
Gold Spot*	\$1,322.49	+ 9.92	+0.76%
DSEX	5,750.29	+1.98	+0.76%
Dow Jones Industrial Average	25,883.25	+443.86	+1.74%
FTSE 100	7,236.68	+39.67	+0.55%
Nikkei 225	20,900.63	-239.08	+1.13%

Exchange Rates

USD 1 = BDT 83.89*

GBP 1 = BDT 108.13*

EUR 1 = BDT 94.76*

INR 1 = BDT 1.18*

**Currencies and Commodities are taken from Bloomberg.*

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