

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.

### **Robi files for IPO at last**

- Mobile phone operator Robi has submitted an application to the Bangladesh Securities and Exchange Commission (BSEC) for listing the company on the Dhaka and Chittagong stock exchanges. The operator plans to raise BDT 3.88 billion for network expansion in anticipation of revenue-generating opportunities in the areas of Internet-of-Things, home and enterprise.
- The face value of the shares will be BDT 10 and there will be no premium. Of the shares, 387.8 million will be offered to the public retail and institutional investors in Bangladesh, while the remaining 136.1 million will be for employees and directors of Robi under the employee share purchase plan. In total, BDT 5.24 billion would be raised.

<https://www.thedailystar.net/business/news/robi-files-ipo-last-1875634>  
<https://www.dhakatribune.com/business/2020/03/02/robi-axiata-submits-application-for-listing-to-bsec>  
<https://www.newagebd.net/article/101084/robi-seeks-bsec-nod-to-float-BDT-523cr-ipo>

### **Walton has great prospects. But questions hang over its IPO prospectus.**

- Walton Hi-Tech Industries showed a staggering 290.6% surge in profits and 89.4% jump in its turnover in the 2018-19 financial year -- just before its listing on the stock market. On closer look it appears Walton shifted large volumes of products in its last financial year -- but on credit to distributors, for the most part. At the same time, overall trade and receivables trebled to BDT 11.84 billion, which means the sales were made mostly on credit.
- In the last financial year, Walton Hi-Tech's sales to Walton Plaza rose 138.6% to BDT 16 billion. After the sales, Walton Hi-Tech's receivables from Walton Plaza stood at BDT 10.48 billion, which was BDT 4.4 billion a year earlier. So, its turnover rose about BDT 24.44 billion in a space of 12 months. A partner at Mahfel & Co. that audited Walton Hi-Tech's financial reports, said the company's aggressive marketing policy influenced its sales in the 2018-19 financial year.

<https://www.thedailystar.net/business/news/walton-has-great-prospects-questions-hang-over-its-ipo-prospectus-1875637>

### **Import fall pushes up tax revenue shortfall**

- Tax revenue shortfall aggravated further, hovering to a deficit worth BDT 374.97 billion against its target until January of the current fiscal year (FY), 2019-20, largely due to fall in import of revenue-generating commodities. Tax on import-export stage posted 1.04 % growth with the highest shortfall of BDT 158.26 billion against its target, according to the National Board of Revenue (NBR) provisional data disclosed on Monday. The NBR's VAT Wing also faced shortfall worth BDT 120.21 billion, while Income Tax Wing BDT 96.49 billion.
- The NBR's aggregate revenue collection posted a poor 8.47 % growth in July-January period of FY 20 over the corresponding period of last year. Average growth in revenue collection during last five years was 13.16 %. The NBR collected aggregate revenue worth BDT 1.26 trillion in the first seven months of the FY, against its target of BDT 1.64 trillion for the period. In the first half of the current FY, shortfall against revenue collection target was BDT 315.08 billion.

<https://today.thefinancialexpress.com.bd/first-page/import-fall-pushes-up-tax-revenue-shortfall-158317090>

### **National Board of Revenue (NBR) agrees on tax sops**

- The National Board of Revenue, or NBR, has reached a consensus over offering a string of tax incentives to promote long-term debt market in Bangladesh. The incentives include withdrawal of upfront tax on debt securities, tax at source on trading stage of such tools and waiver of discriminatory tax measure on zero-coupon bonds, officials say. The board has agreed to lift advance tax, which is deducted at source on debt securities. It would also consider collecting tax on lump sum amount of commission instead of imposing levies on per transaction during trading of debt securities in the secondary market.
- The NBR also agreed to review the existing discriminatory tax measure on zero-coupon bonds. Currently, tax is imposed on investment in zero-coupon bonds by financial institutions, but other organisations and individuals enjoy exemptions. Officials said that the simplification of tax measures is under active consideration of the income tax wing of the board. Tax officials and other parties agreed to relax the measures in a meeting held on February 24 last.
- Currently, the NBR collects upfront tax at a rate of 5.0 % on profit, coupon or interest of debt securities or bond as per

Income Tax ordinance, 1984, section 51. There is also .05 % tax at source on per transaction amount of secondary market trading as per income tax law. It is applicable to all types of securities. Recently, the Bangladesh Securities and Exchange Commission, or BSEC, placed a proposal to impose a lump sum amount of commission on debt securities.

<https://today.thefinancialexpress.com.bd/first-page/nbr-agrees-on-tax-sops-1583170652>

<https://www.newagebd.net/article/101082/nbr-may-withdraw-upfront-tax-on-bonds>

<https://today.thefinancialexpress.com.bd/first-page/nbr-agrees-on-tax-sops-1583170652>

### Importing 9 essential food items: Banks asked to enforce 9% lending rate right away

• Bangladesh Bank (BB) on Monday asked scheduled banks to implement 9% lending rate immediately in importing nine types of food items. The nine essential products are edible oil, onion, sugar, gram, spices, fruits, dates, chickpeas and pulses. Secretary of Consumers Association Bangladesh (CAB) said the demand for sugar, edible oil, gram, khesari dal, onion, meat, fish, date and other fruits etc increases five to twenty times during Ramadan.

<https://www.dhakatribune.com/business/2020/03/02/importing-9-essential-food-items-banks-asked-to-enforce-9-lending-rate-right-away>

<https://www.newagebd.net/article/101085/bangladesh-bank-asks-banks-to-set-9pc-lending-rate-now-for-essential-goods-import>

<https://thefinancialexpress.com.bd/trade/bb-fixes-90pc-interest-rate-on-import-of-nine-essentials-1583164900>

### World Stock and Commodities\*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$48.07	+1.32	+2.82%
Crude Oil (Brent)*	\$53.18	+1.28	+2.47%
Gold Spot*	\$1,598.21	+8.77	+0.55%
DSEX	4434.82	+24.90	+0.56%
Dow Jones Industrial Average	26,703.32	+1,293.96	+5.09%
FTSE 100	6,654.89	+74.28	+1.13%
Nikkei 225	21,355.20	+11.12	+0.05%
BSE SENSEX	38,144.02	-153.27	-0.40%

### Exchange Rates

USD 1 = BDT 84.76\*

GBP 1 = BDT 108.38\*

EUR 1 = BDT 94.46\*

INR 1 = BDT 1.17\*

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

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