

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.

BD, UAE sign four MoUs

- Bangladesh and the United Arab Emirates (UAE) have agreed to further strengthen the existing bilateral relations between the two countries for mutual benefits. Bangladesh and the United Arab Emirates (UAE) on Tuesday signed four Memoranda of Understanding (MoUs), aiming to boost bilateral cooperation between the two countries.
- Those are MoU on Cooperation in Higher Education & Scientific Research between Bangladesh and UAE, MoU on cooperation between Bangladesh Institute of International and Strategic Studies (BISS) and the Emirates Centre for Strategic Studies and Research (ECSSR), MoU on Cooperation between the foreign services academies of the two countries, and MoU on cooperation between Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) and Dubai International Chamber.

<https://today.thefinancialexpress.com.bd/first-page/bd-uae-sign-four-mous-1646845062>

Dhaka, Delhi mull cross- border LNG pipeline

- Bangladesh and India are exploring the possibility of building a cross-border pipeline for liquefied natural gas (LNG) and an LNG terminal. India supplies about 1,160 megawatts (MW) of power to Bangladesh, about 700MW to Nepal and imports 1.8 gigawatts (GW) from Bhutan.
- India is currently constructing a 1,320MW thermal power plant in Bangladesh. Referring to connectivity in South Asia, India and Bangladesh would soon be connected via six rail links, and India and Nepal via two rail links.

<https://www.thedailystar.net/business/global-economy/indian/news/dhaka-delhi-mull-cross-border-lng-pipeline-2979571>

DCCI places 40pt budget proposal

- The influential business body, in its proposal, urges the revenue authority to take a long-term strategic plan to increase the number of taxpayers up to at least 8 million in a decade for horizontal expansion of taxation base instead of increasing tax load on existing taxpayers. DCCI also underscores the importance of full automation for building up an efficient taxation system in the country to catch up with the digital dispensation in all walks of life in the new era.
- DCCI president proposed drastic cuts in corporate tax to a consolidated rate of 2.5 % for both listed and non-listed companies from the current 22.5 % for listed companies and 30 % for non-listed ones. The chamber proposes halving the tax on income of corporate dividends from the existing 20 % to 10 %.
- The trade body recommends increasing this turnover limit to BDT 40 million in the next budget and also requests imposing turnover tax based on product's value addition or profit margin. DCCI president stressed easy and business-friendly taxation system, expanding tax and VAT net, full automation of tax management, product diversification, encouraging local industrialization and an investment-friendly environment aiming to attain the goal of economic development.

<https://today.thefinancialexpress.com.bd/first-page/dcci-places-40pt-budget-proposal-1646845479>

Deposits still 37% lower than pre-Covid

- The amount of deposits in hard-core poor's bank accounts in December 2021 remained 37.36 % lower than the pre-Covid levels despite resumption of economic activities. Even after an increase of BDT 13.67 crore in deposits in the October-December quarter, the hard-core poor's deposits in bank accounts stood at BDT 229 crore at the end of

December 2021 against BDT 365.59 crore at the end of December 2019.

- Hard-core poor's bank accounts increased to 34.87 lakh at the end of December 2021 from 26.62 lakh at the end of December 2019. The figure indicates that poor people are yet to regain their financial strength after the coronavirus-induced economic fallout. The number of non-frill accounts increased to 2.49 crore in December 2021 from 2.25 crore a year ago.

<https://www.newagebd.net/article/164915/deposits-still-37pc-lower-than-pre-covid>

Most banks fail in CMSME stimulus lending

- Most banks miss out on loan-disbursement target under the second-phase stimulus package for helping out cottage, micro, small and medium enterprises (CMSMEs), belying a drive by the central bank. Industry-insiders say the banks are facing difficulties in selecting fresh clients for sanctioning loans under the package as many clients have yet to be able to repay their previous loans.
- Forty-nine scheduled banks and seven non-banking financial institutions (NBFIs) had disbursed BDT 68.18 billion, only 34 % of total BDT 200 billion in the package aid for survival of the CMSMEs, until February 28, according to the central bank's latest monitoring report. Such loan disbursement reached BDT 74 billion as on March 09.

<https://today.thefinancialexpress.com.bd/first-page/most-banks-fail-in-cmsme-stimulus-lending-1646845148>

RMG exports to US soar 45.53% in Jan

- The US imported ready-made garment (RMG) items worth USD 756 million from Bangladesh in Jan'22, marking a 45.53% growth. Bangladesh exported goods worth USD 519 million to the US in Jan'21.
- The country's apparel exports in terms of volume also sustained a 42.17 % growth to 282.38 million square metres in January 22, up from 198.62 million square metres in Jan'21. Bangladesh fetched USD 7.14 billion from RMG exports to the US in 2021, keeping the market as its single-largest destination without any duty preference.

<https://today.thefinancialexpress.com.bd/last-page/rmg-exports-to-us-soar-4553pc-in-jan-1646846092>

AMTOB for waiver of 2% turnover tax on telcos

- The Association of Mobile Telecom Operators of Bangladesh urged the National Board of Revenue to withdraw a provision of collecting 2 % taxes on turnover on the telecom operators as it contradicts with the income tax principles. AMTOB also requested the NBR to abolish a provision of slapping BDT 200 in taxes on each SIM cards as it would help making telecom services attractive and financially viable for the people in the rural and urban areas who are yet to get connected.

<https://www.newagebd.net/article/164920/amtob-for-waiver-of-2pc-turnover-tax-on-telcos>

Banks urged to invest more in capital market

- The securities regulator urged all banks to make fresh investment within their existing scope to support the ailing stock market. The Bangladesh Securities and Exchange Commission (BSEC) suggested the banks three specific ways of making investment. First, the banks having exposure to the stock market below 25 % can increase it by 2.0 % through fresh investments.
- Second, the banks that have not yet formed a special fund may accelerate the process to mobilize funds and invest in the market. And third, the banks could issue perpetual bonds which would get the BSEC approval at a 'super-fast' speed and help strengthen the banks' capital base under tier-I and tier-II. The exposure limits of all private commercial banks are below 25 % and the average exposure of the banks has recently been set at 16 %.

<https://today.thefinancialexpress.com.bd/first-page/banks-urged-to-invest-more-in-capital-market-1646845290>

Tax receipts from DSE dip 43% in February

- The government's revenue earnings from the Dhaka Stock Exchange (DSE) slumped by 43 % month-on-month in February as turnover and share sales by sponsor-directors fell drastically. The government bagged revenue worth BDT 225 million in February which was BDT 397 million in January, 2022, according to data from the DSE.
- Of the total earnings in February, BDT 221 million came from the TREC (trading right entitlement certificate) holders' commission, popularly known as brokerage commission, while only BDT 4.0 million from the share sales by sponsor-directors. However, the government has earned BDT 3,011 million in the first eight months (July-February) of the current fiscal year, as against BDT 1,998 million in the same period of the previous fiscal, showing a 51 % growth.

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-receipts-from-dse-dip-43pc-in-february-1646842366>

RN Spinning to hold EGM on merger

- RN Spinning Mills – a listed firm belonging to FAR Group – will hold an extra general meeting (EGM) on amalgamation with its sister concern. It has set 30 March for identifying the shareholders of the company for the EGM. Early in January, the company had disclosed that its board had decided to merge with Samin Food and Beverage Industries and Textile Mills, another non-listed firm of the group.

<https://www.tbsnews.net/economy/rn-spinning-hold-egm-merger-382477>

Atlas seeks BSEC approval to issue new shares for increasing paid-up capital

- Atlas Bangladesh Ltd sought the approval of the Bangladesh Securities and Exchange Commission (BSEC) for issuing new ordinary shares worth BDT 11.48 crore to increase its paid-up capital. In August 2019, the planning commission approved Atlas BD's plan of producing power-saving ceiling fans.
- The estimated cost of the project was BDT 36.19 crore. Of the amount, Atlas will pay BDT7.5 crore and the remaining BDT28.69 crore will be financed by the government. Of this BDT 28.69 crore, BDT 17.22 crore will be considered as a term loan which Atlas will repay to the government at 5% interest within 20 years.
- The remaining BDT 11.48 crore will be converted into ordinary shares. Atlas made this decision to diversify its business and minimise consecutive losses. If the securities regulator approves the company's proposal, then the government's stake will increase from the existing 51%.

<https://www.tbsnews.net/economy/stocks/atlas-seeks-bsec-approval-issue-new-shares-increasing-paid-capital-382465>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 110.44	USD 35.23	46.84%
Crude Oil (Brent)*	USD 113.40	USD 35.62	45.80%
Gold Spot*	USD 1,972.82	USD 143.62	7.85%
DSEX	6,630.02	-126.63	-1.87%
S&P 500	4,277.88	-488.30	-10.25%
FTSE 100	7,190.72	-193.82	-2.62%
BSE SENSEX	54,647.33	-3,606.49	-6.19%
KSE-100	43,042.96	-1,553.11	-3.48%
CSEALL	10,163.72	-2,062.29	-16.87%

Exchange Rates**1 US Dollar = 85.68 BDT****1 GBP = 112.60 BDT****1 Euro = 94.57 BDT****1 INR = 1.12 BDT**

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