

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.

Dhaka to get subway network by 2030

- Road Transport and Bridges Minister on Tuesday said the government has decided to set up subway train on four routes by 2030 at an estimated cost of USD 413.06 million so that people commute without hassle in a city infamous for its notorious traffic jams. Once the subway trains are launched, half of the 8 million commuters will be shifted underground, freeing up the streets from congestion, the road transport and bridges minister said.

<https://thefinancialexpress.com.bd/national/dhaka-to-get-subway-network-by-2030-says-obaidul-quader-1648568530>

Japan confirms USD158m loan

- Japan on Tuesday confirmed USD 158 million worth of loan for the Mass Rapid Transit Line-6 (MRT-6) extension work from Motijheel to Kamalapur. In this regard, the Japan International Cooperation Agency (JICA) and Economic Relations Division (ERD) signed a loan agreement in Dhaka.
- Japan had earlier confirmed financial support to Bangladesh for constructing the MRT-6 project from Uttara to Motijheel involving BDT 219.15 billion. The government later decided to extend the MRT-6 up to Kamalapur. The newly signed USD 158 million loan will be used to build the extended part. The Japanese loan will be provided at a 0.70 % interest rate for construction spending and 0.01% for the consultancy services. The loan will be matured in 30 years with a grace period of 10 years.

<https://today.thefinancialexpress.com.bd/last-page/japan-confirms-158m-loan-1648576932>

WB approves USD 358m to help BD improve road safety

- The Road Safety Project will help Bangladesh achieve the Sustainable Development Goals on road safety by 2030. In two national highways-N4 (Gazipur-Elenga) and N6 (Natore to Nawabganj)-the project will pilot comprehensive road safety measures. World Bank's International Development Association (IDA) would provide the concessional financing, with a 30-year term, including a five-year grace period.

<https://today.thefinancialexpress.com.bd/trade-market/wb-approves-358m-to-help-bd-improve-road-safety-1648572112>

India mulls exporting sugar to BD under G2G arrangement

- India considers exporting sugar to Bangladesh under the government-to-government (G2G) arrangement. National Cooperative Consumers' Federation of India Limited (NCCF) made the request to the Bangladesh government, mentioning its willingness to export Indian origin Sugar to Bangladesh under the G2G supply contract.

<https://today.thefinancialexpress.com.bd/trade-market/india-mulls-exporting-sugar-to-bd-under-g2g-arrangement-1648572033>

Recast ahead as distortions hit VAT system

- The five-member committee, formed on January 26, 2022 sat for a number of meetings with the stakeholders and businesses to elicit their opinion on the prevailing VAT system of the country. To achieve a 17-% growth in the tax-GDP ratio by 2041, the government will have to attain 1.01-% growth annually, which, according to the report of the committee, is a difficult task without proper action plan.
- Currently, tax-GDP-ratio growth is 7.9%. The tax-GDP ratio has decreased by 2.0 percentage points in the last 10 years because of changing GDP base year by the government. In the first perspective plan (2011-21), the government could not meet its tax-GDP target at 16%. A standard VAT system has to follow the theme 'lowest possible single

rate and widest possible coverage', the report says.

- In the report the panelists have singled out major components of the country's VAT system that are crippled with complex rules and regulations, poor VAT management and VAT culture, inefficient VAT consultant, poor ICT infrastructure. The government has implemented the new VAT and SD law from 2019 by scrapping the previous Vat law 1991 to get rid of the distorted law. However, the new VAT law, too, remains distorted like the previous one due to its frequent changes following recommendations from the businesses.

<https://today.thefinancialexpress.com.bd/first-page/recast-ahead-as-distortions-hit-vat-system-1648576595>

Tax receipts fall BDT 361.8 Bn short of target in July-Feb

- The shortfall in revenue collection by the National Board of Revenue stood at BDT 361.8 Bn in 8MFY22, however, the revenue mobilisation grew by 16.12% year-on-year. The NBR collected BDT 1.8 trillion in 8MFY22 against BDT 1.5 trillion in 8MFY21.
- The year-on-year growth of VAT revenue increased by 11.47% to BDT 668.7 Bn, customs revenue grew by 23.18% to BDT 569.6 Bn.

<https://www.newagebd.net/article/166693/tax-receipts-fall-tk-36184cr-short-of-target-in-july-feb>

Colombo seeks another USD 250 million loan

- Bangladesh is looking into cash-strapped Sri Lanka's request for another loan of USD 250 million but no decision has been made yet, said foreign minister in Colombo on Tuesday. He also said that when Sri Lanka still faced difficulties even after providing USD 250 Mn under currency swap, Bangladesh had extended the time for the repayment.

<https://www.newagebd.net/article/166673/colombo-seeks-another-250-million-loan>

BB relaxes rule of presenting audited financial statement for CMS entrepreneurs

- The Bangladesh Bank (BB) has relaxed its condition to present the annual audited financial report for the cottage, micro and small (CMS) entrepreneurs who faced financial shock during the Covid-19 pandemic, aiming to help their growth.
- A Bangladesh Bank official told TBS that the loan disbursement process is much lengthy in their case as they could not show the annual audited report in time. That is why the central bank has relaxed the condition of presenting the report for them until December this year so that they can get the credit easily, he said, adding: the Bangladesh Bank rules will be strictly followed in other type of loan disbursement.

<https://www.tbsnews.net/economy/banking/bb-relaxes-rule-presenting-audited-financial-statement-cms-entrepreneurs-393534>

Bitopi Group to invest USD9.58m in RMG plant

- M/s. Sonar Manufacturing Limited, a sister concern of Bitopi Group, is going to establish a readymade garments industry in Dhaka Export Processing Zone (DEPZ) with an investment of USD 9.58 million. This fully Bangladeshi owned company will produce 2.93 million pieces of woven and knit (Jacket, Bottom) garments per annum.

<https://today.thefinancialexpress.com.bd/trade-market/bitopi-group-to-invest-958m-in-rmg-plant-1648572128>

BTRC issues new licensing regulation

- The Bangladesh Telecommunication Regulatory Commission (BTRC) issued a new licensing regulation, categorising services for getting licences through tender and open allocations. The regulation -- Bangladesh Telecommunication Regulation (Licensing) 2022 -- scrapped the previous one, issued in 2004, to implement the BTRC Law 2001. The

Ministry of Post, Telecommunication and ICT issued the regulation recently with effect from March 16, 2022.

- Some eight telecommunication services, including internet services, V-SAT service, radio communication, amateur radio, internet protocol telephony service, telecommunication transmission service, national internet exchange service, and vehicle tracking service, have been fixed to get licence from the BTRC through open application.
- BTRC categorised 12 types of services to get licence through tender procedure. The services are: public-switched telephone network service, cellular mobile telecommunication service, mobile number portability service, tower sharing licence service, submarine cable, international terrestrial cable service, satellite service, international gateway service, international internet gateway service, interconnection exchange service, broadband wireless access service, and voice over internet protocol service.
- The BTRC will be able to issue registration certificate in favour of call centre, telecommunication value added service, radio equipment importer, vendor enlistment, and application to person (A2P).

<https://thefinancialexpress.com.bd/trade/btrc-issues-new-licensing-regulation-1648522422>

BSEC seeks IDRA's steps

- Bangladesh Securities and Exchange Commission (BSEC) on Tuesday sought necessary initiatives from the insurance regulator, Insurance Development and Regulatory Authority (IDRA), in facilitating listing of 26 insurers as well as ensuring their stipulated investment in listed securities. As per a revised provision of the public issue rules, the 26 insurers will have to invest at least 20 % of their respective equities in listed securities along with going public, raising a minimum capital of BDT 150 million each.
- The BSEC earlier offered the exemption in November 2020 following a proposal of the IDRA. The regulator made the proposal, as the 26 small-cap companies were not able to float 30 million shares maintaining joint shareholding rules. As per the revised provision, the 26 insurance companies will have to raise at least BDT 150 million.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-seeks-idras-steps-1648574150>

JMI Hospital Requisite makes debut tomorrow

- JMI Hospital Requisite Manufacturing Ltd will make its debut on Dhaka Stock Exchange and Chittagong Stock Exchange tomorrow (Thursday) under the settlement category "N". JMI Hospital Requisite raised BDT 750 million under the book-building method. The cut-off price of shares of the company was fixed at BDT 25.
- The company's IPO application oversubscribed by 8.65 times, said the company in a press release recently. JMI Hospital Requisite will utilise the IPO proceeds for purchasing machinery, constructing building, land development, repaying bank loans and bearing the IPO expenses.

<https://today.thefinancialexpress.com.bd/stock-corporate/jmi-hospital-requisite-makes-debut-tomorrow-1648574307>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 105.52	USD 30.31	40.30%
Crude Oil (Brent)*	USD 111.69	USD 33.91	43.60%
Gold Spot*	USD 191.82	(USD 1,637.38)	-89.51%
DSEX	6,741.55	-15.11	-0.22%
S&P 500	4,631.60	-134.58	-2.82%
FTSE 100	7,537.25	152.71	2.07%
BSE SENSEX	57,943.65	-310.17	-0.53%
KSE-100	44,438.70	-157.37	-0.35%
CSEALL	9,647.55	-2,578.46	-21.09%

Exchange Rates**1 US Dollar = 86.23 BDT****1 GBP = 112.91 BDT****1 Euro = 95.75 BDT****1 INR = 1.14 BDT**

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229
Md. Mahmudul Hasan	Junior Research Associate	mmahmudul.hasan@bracepl.com	01708 805 201

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
----------------------	-----	--	---------------

BRAC EPL Stock Brokerage Limited

www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com