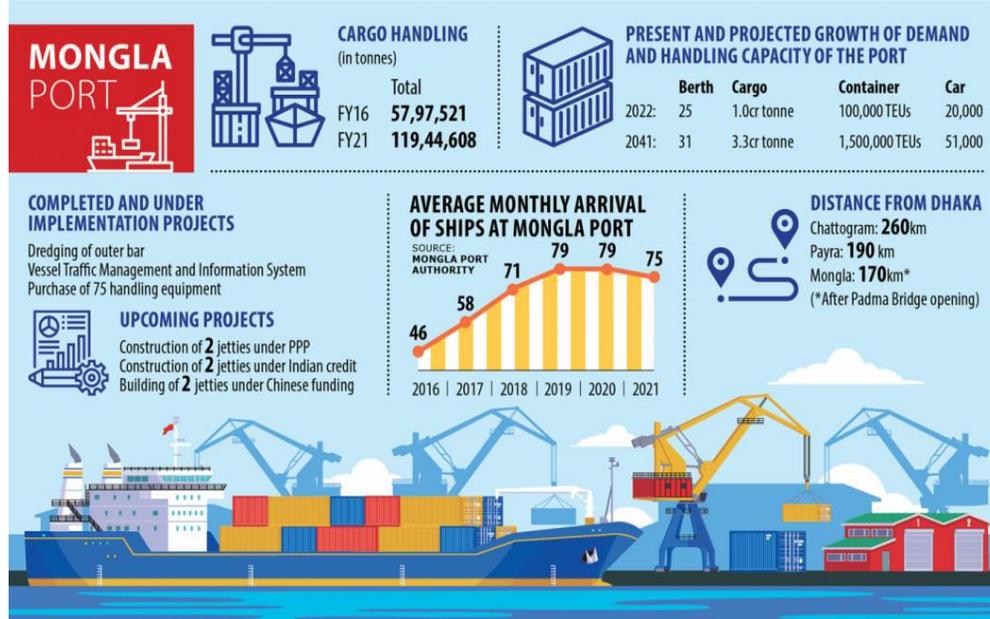




Photo Gallery



BUSINESS NEWS ANALYSIS REPORT

Capital Market News

Stocks insipid as investors remain cautious

Stocks ended flat for the second consecutive day yesterday as investors kept maintaining their wait-and-see approach amid higher infections of Covid-19. The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), edged up 3 points, or 0.05 per cent, to 7,089 at the end of the day. On the premier bourse, 142 stocks rose, 196 declined and 41 remained the same.

The market posted a slight gain after witnessing choppy trading as most investors followed a cautious stance ahead of December-end earnings and dividend declarations, said International Leasing Securities in its daily market

review. Some large-cap stocks such as British American Tobacco, Beacon Pharmaceuticals, and Square Pharmaceuticals glided the broad index upward, it said.

Among the sectors, tannery rose 3.5 per cent, jute was up 1.8 per cent, and food and allied increased 1.6 per cent. The life insurance sector dropped 2.1 per cent, travel and leisure fell 1.7 per cent, and general insurance declined 1.1 per cent. The investors' activity was mostly concentrated on pharmaceuticals and chemicals, which accounted for 14.6 per cent of the day's turnover, followed by engineering with 13.2 per cent and textile with 10.3 per cent.

<https://www.thedailystar.net/business/economy/stock/news/stocks-insipid-investors-remain-cautious-2961411>

Proper IPO pricing a must to attract quality issues

Daily Business News

February 14, 2022

Discussants have laid importance on proper IPO (Initial Public Offering) pricing, good governance in taxation and reduced timeframe for approval of public offerings to attract good companies to go public. They made the suggestions Sunday at a seminar titled "Obstacles of listing into capital market and ways to solve" held at a hotel in the capital. Incumbent and former chairmen of the Bangladesh Securities and Exchange Commission (BSEC) Prof Shibli Rubayat Ul Islam and Faruq Ahmad Siddiqi attended the programme as chief guest and special guest respectively.

The participants at the seminar said the reduction of corporate tax gap between the listed and non-listed companies is one of the factors discouraging companies having good fundamentals to go public. "Due to insufficient application, laws do not play a significant role

in our country. Good companies will be interested for listing to avail tax benefit if the revenue board could ensure proper application of laws on corporate tax laws," the former chairman of BSEC Mr Siddiqi told the seminar arranged by the online news portal businesshour24.com. He said good governance will have to be ensured in the taxation department. Presently, there is 7.50 per cent gap between the corporate tax paid by listed and non-listed companies. Previously, the gap was 10 per cent.

<https://thefinancialexpress.com.bd/stock/proper-ipo-pricing-a-must-to-attract-quality-issues-1644819134>

Dearth of good companies key weakness of stock market: experts

A dearth of sound companies is the key weakness of the country's capital market and the problem should be addressed on a priority basis for the development of the market, experts said on Sunday. They made the statement at a programme titled 'Obstacles of listing into capital market and ways to solve' organised by an online news portal in the capital, Dhaka.

Former Bangladesh Securities and Exchange Commission chairman Faruque Ahmed Siddique said that investors found a very few good companies in the capital for investing their money. Siddique said that most of the good performing companies remained away from the stock market. So, local and foreign investors remain reluctant to invest in the market, he said.

The capital market has barely progressed compared with that of

the country's economic development, Faruque said. Various incentives and rules cannot bring good companies to the market, but all regulatory bodies must work in unison for the purpose, he said. He said that the National Board of Revenue must ensure that all companies provide corporate tax properly, which would encourage entrepreneurs to receive 7.5 per cent corporate tax incentives available for the listed companies.

The Bangladesh Bank should make policies to reduce surplus liquidity in the banking system and discourage banks for providing long-time financing, he said adding that the initiative would force the companies to take finance from the stock market.

<https://www.newagebd.net/article/162676/dearth-of-good-companies-key-weakness-of-stock-market-experts>

Industry News

NBFIs barred from disbursing loans on BB cheques

Bangladesh Bank yesterday ordered non-bank financial institutions (NBFIs) not to disburse loans using cheques of current accounts they have to maintain with the central bank. Bangladesh Financial Intelligence Unit (BFIU) and Anti-Corruption Commission (ACC) had discovered that the cheques were used in some of the major scams perpetrated in the NBFIs sector, said officials of the central bank. Every NBFIs has to have a current account with the central bank to maintain their cash

reserve ratio and statutory liquidity ratio.

The NBFIs are allowed to use the cheques when they want to withdraw funds from the central bank or settle any inter-bank loans or liabilities such as call money. Some delinquent NBFIs used the cheques to give out loans to the scammers so that no suspicion arose among watchdogs, explained a BB official. Usually no question is raised when cheques of current accounts with the central bank are placed for withdrawal or transfer of funds.

The cheques enabled the scammers to seamlessly withdraw funds from banks. And this was what the swindlers capitalised on to siphon off funds, unearthed the BFIU and the ACC. And this has prompted the central bank to send letters to all NBFIs, barring them from disbursing any loans using the BB current account cheques.

Prashanta Kumar Halder, also known as PK Halder, swindled a large amount of money from four NBFIs using the BB cheques. Halder, a former managing director of NRB Global Bank and Reliance Finance who is believed to be living in Canada on fleeing from Bangladesh, is one of the people responsible for the vulnerable situation now plaguing the NBFIs sector. He and his associates siphoned off around Tk 4,000 crore to Tk 5,000 crore from four NBFIs -- International Leasing and Financial Services, FAS Finance & Investment, People's Leasing and Financial Services, and Reliance Finance.

Falling victim to the scams in recent years, a good number of the NBFIs are now unable to repay depositors in spite of their funds

reaching maturity. Non-performing loans in the country's 34 NBFIs stood at Tk 11,757 crore as of September last year, up 17 per cent year-on-year, shows data of the BB.

<https://www.thedailystar.net/business/economy/banks/news/nbfis-barred-disbursing-loans-bb-cheques-2961441>

Banks asked to duly provide inland LC data

Bangladesh Bank yesterday asked banks to appropriately provide relevant data of inland letters of credit (LCs) to the online import monitoring system (OIMS). Although the central bank had earlier asked the lenders to submit the data on a regular basis, some have not followed the instruction. Under the inland back-to-back LCs, local businesses import raw materials from exporters staying within the country.

The businesses import the items to produce goods, which are usually exported abroad. The lenders now grant "acceptance" to corresponding banks in favour of inland LCs without placing the data on the OIMS. Acceptance means a bank takes responsibility of an importer to pay the worth of the imported items to the corresponding bank, through which the products are exported. On receiving the acceptance, the corresponding bank pays the cost of exported items to the exporters without realising the funds.

The central bank says that the corresponding banks also do not verify the local or inland bills using the OIMS while purchasing those in order to settle the LCs. This has created complexities in settling the bills, according to a central bank

notice. The central bank has asked banks, which purchase the bills, to make payments to exporters after ensuring that the inland bills were available on the OIMS.

<https://www.thedailystar.net/business/economy/banks/news/banks-asked-duly-provide-inland-lc-data-2961436>

Economy News

Mongla port turns around

Mongla port, the country's second biggest seaport, has made a strong comeback as it sees an increased arrival of ships, making it a major gateway for Bangladesh's overseas trade once again. Officials and port users say the opening of the Padma bridge will give a further boost to the port. The monthly arrival of ships, which fell below 10 in 2008, grew several times in recent years.

In 2021, 71 vessels arrived at the port every month on average, up from 46 five years ago, showing signs of steady growth in activities thanks to the completion of dredging at the outer bar of a nearly 140-kilometre channel to improve navigability and enable the movement of vessels that require a higher draft.

The dredging involving Tk 712 crore was completed in December 2020. And the Mongla Port Authority (MPA) is in process of buying 75 pieces of equipment and machinery to handle cargoes under a Tk 433 crore project. Besides, the port authority is buying six vessels to handle ocean-going ships under another project involving Tk 767 crore. Users say these steps have given impetus to businesses to use

the port at an increasing rate at a time when the country's biggest seaport in Chattogram faces repeated congestion as it is running at full capacity.

<https://www.thedailystar.net/business/economy/industries/ports-and-shipping/news/mongla-port-turns-around-2961446>

Single-digit interest comes to the aid of industries

The single-digit interest rate on bank loans has helped industries in Bangladesh tremendously as the cost of finances has gone down sharply, allowing them to navigate challenges during the coronavirus pandemic smoothly, said a top entrepreneur.

Aameir Alihussain, managing director of BSRM, the largest steel maker in the country, says they are delighted because of the single-digit interest rate. "Hadn't the rate been brought to single-digit, the impact would have been far deeper in terms of cost. It helped us in that context." "If the government ensures this level of cost of finances, it will be helpful for all industries," he told The Daily Star in a phone interview yesterday.

A lower interest rate environment will also boost investment, according to Alihussain. "Had the cost of finances been high, many projects would have been unviable." "The cost of funds has gone down significantly. We are savings crores of taka every year." Before the single-digit interest rate was put in place in April 2020, the cost of funds averaged 12 per cent. For the good clients of banks, it is now much below 9 per cent.

<https://www.thedailystar.net/business/economy/news/single-digit->

[interest-comes-the-aid-industries-2960596](https://www.newagebd.net/article/2960596)

Company News

Habibur appointed BB's chief economist

The Bangladesh Bank on Sunday appointed Md Habibur Rahman as its chief economist. Habibur, executive director (research) of the BB, has been recruited in the post as per a decision of directors' board made at 419th meeting, a BB official told the BSS. Habibur joined the central bank in 1990 as assistant director at research division. In his career in the BB, he worked in the Governor's Secretariat, department of policy research and senior research economist.

<https://www.newagebd.net/article/162677/habibur-appointed-bbs-chief-economist>

BSEC steps in to turn around loss-making Usmania Glass

The Bangladesh Securities and Exchange Commission (BSEC) has moved to convert the state-owned loss-making entity Usmania Glass Sheet Factory into a profitable one. The company operated by the Bangladesh Chemical Industries Corporation incurred losses of Tk 44 crore in the last six financial years since 2014-15, according to its financial reports. As part of the move, the BSEC called a meeting with the

board of directors and senior executives of Usmania Glass last month. BSEC Commissioner Shaikh Shamsuddin Ahmed chaired the meeting.

The BSEC took four decisions to bring the company back from the losses, according to the meeting. The decisions were sent to the company on February 10. Usmania Glass may comply with the requirement of maintaining a minimum of Tk 30 crore of paid-up capital through the conversion of their quasi-equity loan from the government to equity capital, according to the minutes of the meeting.

The other decisions included recruiting some sector-specialist (engineers) as independent directors on the company's board, bringing competent persons in their senior management team for the betterment of their management efficiency. A follow-up meeting can be arranged six months after the first meeting, said the minutes.

The BSEC also asked the company if it has any plans to halt the losses as the company's present condition looks no good. The Chattogram-based publicly-traded company paid no dividends since 2018 when it disbursed a 10 per cent stock dividend to the shareholders. Listed in 1987, the company is the government's lone manufacturing plant producing glass sheets since 1959. One year into the suspension of production caused by a fire accident on June 24, 2020, it

resumed its production on August 6 last year.

It has been serving as one of the major glass suppliers in the country for a long time. A total of 300 people are now employed in the company. In the private sector, PHP Group, Nasir Group, and MEB Group are currently producing high-quality glasses with their modern equipment. While private companies are increasing their production capacity and making high profits, the losses of the state-owned company are rising every year.

According to the annual report, the company set a target to produce 145 lakh square feet of the glass sheet in FY20, but the actual production stood at 109 lakh square feet, which is 75.65 per cent of the production target. On the other hand, the sale target of the factory was 145 lakh square feet, but the actual sale was 92.89 lakh square feet, which is only 64.06 per cent of the target.

<https://businesspostbd.com/stock/2022-02-14/bsec-steps-in-to-turn-around-loss-making-usmania-glass-2022-02-14>

Price Sensitive News

Trading Code: CNW

News Title: CNW: Audited Annual Financials of Mamun Agro Products Limited

News: (Continuation news of CNW: Audited Annual Financials of Mamun Agro Products Limited): (considering Pre-QIO paid up shares) is BDT 15.58 as on 30 June 2021 and the same is BDT 14.47 (considering Post-QIO paid up shares). Pre-QIO weighted average paid-up number of shares for the year (July 2020-June 2021) ended on 30 June 2021 was 40,000,000 which was 31,116,759 for the year (July 2019-June 2020) ended on 30 June 2020 and Post-QIO paid-up number of shares would be 50,000,000. (end)

Post Date: 2022-02-14

Trading Code: CNW

News Title: CNW: Audited Annual Financials of Mamun Agro Products Limited

News: Mamun Agro Products Limited: (Audited Annual Financials): As per audited annual financial statements, profit after tax was BDT 52.38 million and basic EPS of BDT 1.31 for the year (July 2020-June 2021) ended on 30 June 2021 as against profit after tax of BDT 51.60 million and basic EPS of BDT 1.66 for the year (July 2019-June 2020) ended on 30 June 2020. However, Post-QIO basic EPS for the year (July 2020-June 2021) ended on 30 June 2021 would be BDT 1.05. Pre-QIO Net Asset Value (NAV) per share (cont.)

Post Date: 2022-02-14

Trading Code: EXCH

News Title: DSENEWS: Extension of ES period of Pubali Bank Per. Bond through ES system:

News: (Continuation of DSENEWS): Participating EIs will be required to pay full subscription amount (100%) and subscription fee of Tk. 3,000.00 (three thousand only) through The City Bank Limited (A/C Name: Dhaka Stock Exchange Limited, A/C No.: 1121063938001) within 2:00 p.m. of March 01, 2022 (during banking hour). Please visit the following website for subscription related updates: <https://www.essbangladesh.com>. (end)

Post Date: 2022-02-14

Trading Code: EXCH

News Title: DSENEWS: Extension of ES period of Pubali Bank Per. Bond through ES system:

News: Extension of electronic subscription period of Pubali Bank Perpetual Bond for EIs through electronic subscription system: The subscription of Pubali Bank Perpetual Bond by the eligible investors (EIs) through electronic subscription system of the stock exchanges has been extended upto March 01, 2022 as per BSEC letter no. BSEC/CI/DS-151/2021/500/705 dated February 02, 2022. (cont.)

Post Date: 2022-02-14

Trading Code: EXCH

News Title: DSENEWS: Extension of ES period of Pubali Bank Perpetual Bond by GP

News: (Continuation of DSENEWS): and make the full payment to DSE through The City Bank Limited (A/C Name: Dhaka Stock Exchange Limited, A/C No.: 1121063938001) from March 02, 2022 to March 06, 2022 (during banking hour) from their consolidated customers' Account based on total submitted application. Please visit the following website for subscription related updates: <https://www.essbangladesh.com>. (end)

Post Date: 2022-02-14

Trading Code: EXCH

News Title: DSENEWS: Extension of ES period of Pubali Bank Perpetual Bond by GP

News: Extension of electronic subscription period of Pubali Bank Perpetual Bond by General Public: The subscription period of Pubali Bank Perpetual Bond for General Public has been extended upto March 01, 2022 as per BSEC letter no. BSEC/CI/DS-151/2021/500/705 dated February 02, 2022. The registered TREC Holders/merchant bankers have to upload the IPO file of General Public in the Electronic Subscription System (ESS) from 10:00 AM of March 02, 2022 to 5:00 PM of March 06, 2022 (cont.)

Post Date: 2022-02-14

Trading Code: MARICO

News Title: MARICO: Suspension for Record date

News: Trading of the shares of the Company will remain suspended on record date i.e., 15.02.2022 for entitlement of interim dividend.

Post Date: 2022-02-14

Trading Code: GENEXIL

News Title: GENEXIL: Spot News for entitlement of Stock Dividend

News: Trading of the shares of the Company will be allowed only in the Spot Market and Block transactions will also be settled as per Spot settlement cycle with cum benefit from 15.02.2022 to 16.02.2022. Trading of the shares of the Company will remain suspended on record date i.e., 17.02.2022.

Post Date: 2022-02-14

Trading Code: BERGERPBL

News Title: BERGERPBL: Spot for Interim dividend entitlement

News: Trading of the shares of the Company will be allowed only in the Spot Market and Block transactions will also be settled as per Spot settlement cycle with cum benefit from 15.02.2022 to 16.02.2022. Trading of the shares of the Company will remain suspended on record date i.e., 17.02.2022 for entitlement of interim dividend.

Post Date: 2022-02-14

Trading Code: CNW

News Title: CNW: Trading of New Security

News: Trading of the shares of Mamun Agro Products Limited will commence from February 15, 2022 under SME Platform of DSE. DSE Trading Code for Mamun Agro Products Limited is "MAMUNAGRO" and DSE Company Code is 68001.

Post Date: 2022-02-14

Trading Code: NAVANACNG

News Title: NAVANACNG: Dividend Disbursement

News: The Company has informed that it has credited the Bonus shares for the year ended June 30, 2021 to the respective shareholders' BO Accounts and it has also disbursed cash dividend to the respective shareholders.

Post Date: 2022-02-14

Trading Code: IFIC

News Title: IFIC: Price Sensitive Information

News: The Company has informed that they have decided to sell entire promoter shares of Nepal Bangladesh Bank Limited (NBBL) held and owned by IFIC Bank Limited as of date to Ms. Sarika Chaudhary, resident of Ravi Bhawan, Kathmandu, Nepal at a purchase consideration of NPR 6,187,007,568 (Six billion, one hundred and eighty seven million, seven thousand, five hundred and sixty-eight Nepalese Rupees) subject to approvals of Nepal Rastra Bank and other regulatory authorities.

Post Date: 2022-02-14

Trading Code: DOREENPWR

News Title: DOREENPWR: Declaration of COD of 115 MW HFO Power Plant of a subsidiary Company

News: (Continuation news of DOREENPWR): COD effective from 11 February 2022 as per PPA. CPGL will generate electricity and supply the same for 15 years from 11 February 2022 and will generate approximately BDT 1,102.22 Crore revenue per year (as per PPA). Doreen Power Generations and Systems Limited (DSPGL) holds 99.90% shares of CPGL. (end)

Post Date: 2022-02-14

Trading Code: DOREENPWR

News Title: DOREENPWR: Declaration of COD of 115 MW HFO Power Plant of a subsidiary Company

News: The Company has informed that Chandpur Power Generation Limited (CPGL) a 115 MW HFO based Power Plant at Chandpur has successfully completed 100 hours Reliability Run Test (RRT) as per Power Purchase Agreement (PPA) signed with Bangladesh Power Development Board (BPDB). Company has submitted a letter to BPDB on 13 February 2022 for issuance of formal declaration certificate regarding (cont.)

Post Date: 2022-02-14

Trading Code: QUEENSOUTH

News Title: QUEENSOUTH: BSEC consent and Record date for 10% Stock Dividend

News: The Company has further informed that BSEC has accorded consent for issuance of 10% Stock Dividend for the year ended June 30, 2021. The Company has also informed that the Board of Directors has fixed the Record date on 22.02.2022 for entitlement of the aforesaid Bonus Shares.

Post Date: 2022-02-14

Trading Code: SEAPEARL

News Title: SEAPEARL: Address Change of Corporate Office

News: The Company has informed that the Corporate Office of the Company will be shifted to its new address at Advance Noorani Tower (13th Floor),1, Mohakhali C/A, Dhaka-1213 with effect from February 13, 2022.

Post Date: 2022-02-14

Trading Code: RELIANCINS

News Title: RELIANCINS: Dividend Declaration

News: (Continuation news of RELIANCINS): The Company has also informed that reason for significant deviation in EPS, NAV per share and NOCFPS: EPS increased due to increase of Premium income and decrease of agent commission expense. NAV per share increased due to increase of market value of investment in securities. NOCFPS increased due to increase of premium collection and decrease of agent commission expense. (end)

Post Date: 2022-02-14

Trading Code: RELIANCINS

News Title: RELIANCINS: Dividend Declaration

News: The Board of Directors has recommended 25% cash dividend for the year ended on December 31, 2021. Date of AGM: 30.03.2022, Time: 11:00 AM, Venue: Digital Platform. Record date: 07.03.2022. The Company has also reported EPS of Tk. 5.59, NAV per share of Tk. 64.39 and NOCFPS of Tk. 7.96 for the year ended on December 31, 2021 as against Tk. 5.21, Tk. 60.73 and Tk. 6.50 respectively for the same period of the previous year. (cont.)

Post Date: 2022-02-14

Daily

Business News

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