

MBL

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MONTHLY ONLINE BULLETIN

RESEARCH AND PLANNING DIVISION
MERCANTILE BANK LIMITED
HEAD OFFICE, DHAKA.

AUGUST 2021

SPECTRUM



বাংলা ব্যাংক

মার্কেটাইল ব্যাংক লিমিটেড
Mercantile Bank Limited
দক্ষতাই আমাদের শক্তি

EDITORIAL

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Tapash Chandra Paul, PhD
Chief Financial Officer

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ABSTRACT

'MBL spectrum', August edition is a special one. The publication month of this has made it so as August is one of the most significant months in the history of Bangladesh. In this very month in the year of 1975, the Father of the Nation Bangabandhu Sheikh Mujibur Rahman, was killed at his residence of Dhanmondi 32 along with all of his family members present on that day. The day was August 15, 1975. August 15 marked the beginning of over two decades of military rule, corruption, and suppression of democratic politics in Bangladesh. From this day onwards, the history of Bangladesh has never been the same. At present, 15th of August is observed as the 'National Mourning Day'.

After many ups and downs in the last few decades, Bangladesh under the Charismatic Leadership of Hon'ble Prime Minister Sheikh Hasina, the daughter of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman has been able to register an average growth of 6.6 percent while keeping the inflation at tolerable level over the last 12 years that she has been at the helm. The country has almost completed the much awaited Padma Bridge with own financing much to the astonishment and dismay of the detractors. The works of other mega projects like Metro rail, Rooppur Nuclear Power Plant Project and Matarbari Power Plant etc. are well underway. Moreover, recent inauguration of the Cox's Bazar Airport runway expansion works will add new dimension in tourism industry in Bangladesh.

Although Covid-19 has hit the country during the last economic year, the country has been able to stay on its feet. Amidst this gloomy time, on February 26, 2021 Bangladesh got the final recommendation to graduate from the list of LDCs to at the UNCDP Triennial Review Meeting. All this have been possible thanks to the courageous leadership of our Honorable prime minister.

Under the circumstances, this edition will shed light on the current economic scenario of the Bank as well as the country's overall economy. As a special addition, this volume will share the story of a good borrower of the Bank. Along with all these of course there will be all the key information of the bank up to August, 2021.

Tapash Chandra Paul, PhD

Member Secretary & Technical Advisor

MBL PERFORMANCE AUGUST 2021

Deposits

BDT in Crore



Advances

BDT in Crore



Import

BDT in Crore



Export

BDT in Crore



Inward Remittance

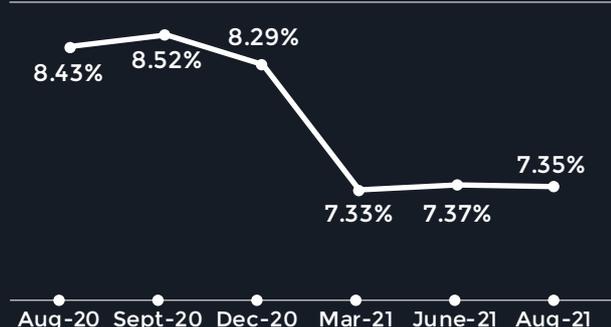
BDT in Crore



Cost of Deposit



Yield on Advances



Spread



GLOBAL ECONOMY

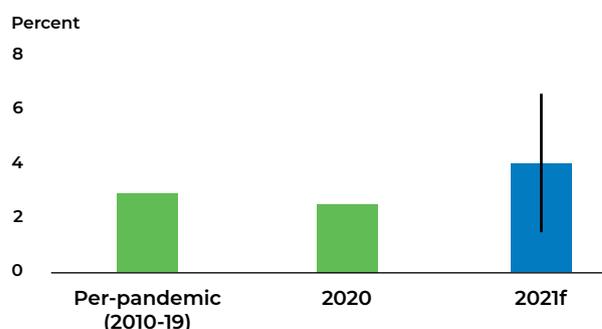
Emerging Inflation Pressures

After declining in the first half of 2020, global inflation has rebounded quickly on recovering activity. While global inflation is likely to continue rising in the remainder of this year, inflation is expected to remain within target bands in most inflation-targeting countries. Higher inflation may complicate the policy choices of EMDEs (Emerging Markets and Developing Economies) that are in danger of persistently breaching their inflation targets while also relying on expansionary policies to ensure a durable recovery.

Key Takeaways

- EMDEs remain vulnerable unless risks from record-high debt are addressed.
- More pronounced challenges in LICs (Low Income Countries).
 - I. Likely to experience rising aggregate and food price inflation in the remainder of this year
 - II. Exacerbating food insecurity
 - III. Threatening to increase poverty

Forecasted Global Inflation



Bankruptcy of Global Brands Group (GBG) Holding Limited

The bankruptcy of Global Brands Group (GBG) Holding Limited's American subsidiary has stoked tension among Bangladeshi ready-made garment (RMG) manufacturers who are owed money by the apparel and footwear wholesaler.

- At least 10 Bangladeshi factories supply apparels to GBG USA.
- Bangladesh does not have to face any financial losses on account of GBG USA's bankruptcy, according to the BGMEA Vice-President.
- GBG supplies footwear and apparel wholesale to Macy's Inc, Nordstrom Inc, and other US department stores as well as warehouses, off-price retailers, and Amazon.com Inc.

Oil prices in 2021

The recent bout of higher oil prices is unlikely to make much of a dent in the global recovery, according to economists who say strong growth and flush consumers in advanced economies will help the world absorb much of the blow from costlier crude.

- The EIA forecast that Brent crude oil prices will average \$72/b in the second half of 2021 and \$66/b in 2022.

- Prices are increasing due to higher demand as more people are vaccinated against COVID-19.
- OPEC is gradually increasing oil production after limiting it due to a decreased demand for oil during the pandemic.

Gold in World Economy

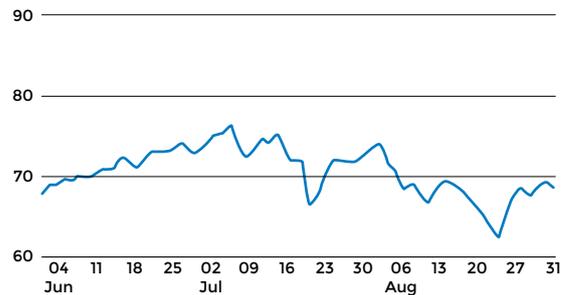
Gold prices stabilized at slightly above \$1,790 an ounce as safe-haven related gains were capped by a stronger dollar. Rising worries over the spread of the Delta variant of coronavirus and its impact on the global economic recovery boosted gold appeal.

- Gold is mostly traded on the OTC London market.
- It is an attractive investment during periods of political and economic uncertainty.
- Half of the gold consumption in the world is in jewelry, 40% in investments, and 10% in industry.
- The biggest producers of gold are China, Australia, United States, South Africa, Russia, Peru and Indonesia.
- The biggest consumers of gold jewelry are India, China, United States, Turkey, Saudi Arabia, Russia and UAE.

Brent Crude Oil (\$/barrel)



West Texas Intermediate Crude Oil Price (\$/barrel)



Gold Price (60 Days)



Price Information of Key Commodities

Commodities	% Change	\$Barrel/\$Oz	Change
WTI Crude Oil	-0.01%	68.60	-0.01
Brent Crude Oil	+0.04%	71.62	+0.03
Gold	--	1,814.85	--

Sources: Consensus Economics; Haver Analytics; IMF World Economic Outlook; World Bank, www.bbc.com

BANGLADESH AFFAIRS



ECONOMY

Inflation drops in July

- Inflation in Bangladesh dropped 28 basis points to 5.36% in July on the back of associated decreases in both food and non-food items, easing pressure on the wallets of consumers.
- It stood at 5.64% in June, according to data from the Bangladesh Bureau of Statistics (BBS). In July, food inflation fell to 5.08%, down 37 basis points from that of the previous month in spite of the fact that prices of coarse rice had crept up, according to data from the Department of Agricultural Marketing.

Consumption-GDP ratio declines slightly in FY21

- In the midst of the pandemic, consumption spending at the current price stood at BDT 22.83 tn in the last fiscal year (FY21), according to the provisional estimation of the Bangladesh Bureau of Statistics (BBS).
- The ratio of current consumption in terms of gross domestic product (GDP) in the last fiscal year, however, came down to 75.83%, which was 76.23% in FY20.

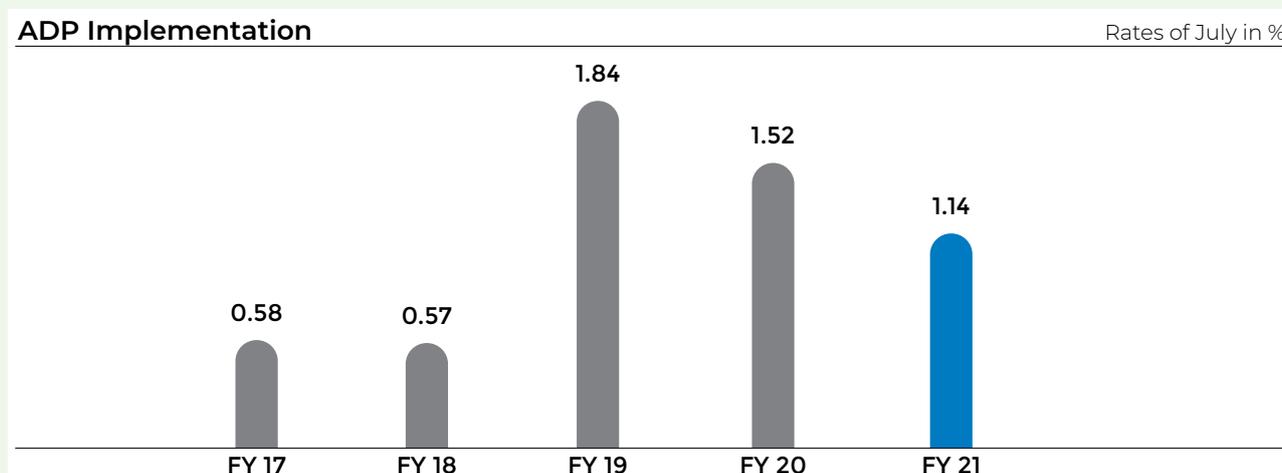
Trade deficit hits all-time high

- Bangladesh's trade deficit hit an all-time high of USD 22.27 billion last fiscal year due to a rise in commodity prices in the global market.
- In fiscal 2019-20, this trade gap, which occurs when imports outweigh exports, swelled 27.66% year-on-year to stand at USD 17.85 billion, showed data from Bangladesh Bank.



ADP spending slows amid Covid restrictions

- Implementation of the Annual Development Programme (ADP) in July was 17.22% lower compared to the corresponding month of last fiscal year due to the economic impact of a recent countrywide lockdown.
- Similarly, the overall ADP implementation was only 1.14% in July of the current fiscal while it was 1.52% during the corresponding month in fiscal 2020-21.



Capital machinery LC settlement 12% negative in FY21

- Low investment in Bangladesh caused a 12.39% negative settlement of letter of credit (LC) in capital machinery in the last fiscal year (2020-21).
- According to the Bangladesh Bank's latest data, in the last fiscal year, LC opening was USD 5,702 million and settlement was USD 3,741 million. LC opening was 15.5% higher than that in the previous year but settlement was 12.39% negative.

Outbound investments up to 5% of forex reserve on cards

- The government is set to provide outbound investment opportunities to local exporters and any company running their business in the domestic market for 10 years.
- This opportunity will be extended to small and medium enterprises interested in establishing backward and forward linkage industries, along with NGOs with a reputation for working towards society's betterment and improving people's quality of life in Bangladesh.

IFC commits USD 791 million for private firms

- The International Finance Corporation (IFC) has committed USD 791 million to support Bangladesh's businesses amidst the coronavirus pandemic.
- The sum is an increase of almost 33% from last year, the private sector lending arm of the World Bank Group reported.

Govt signs 50 million euro financing deal with AFD

- The government recently signed a EURO 50 million credit facility agreement with the Agence Française de Développement (AFD) to accelerate Bangladesh's economic transition to a green economy.
- The fund will finance projects related to energy efficiency, renewable energy and women entrepreneurship through Bangladesh Infrastructure Finance Fund (BIFFL).

VAT registration up by 69% in one year even amid Covid-19

- In the last year, 1,15,031 business entities in the country have come under VAT (Value Added Tax) despite the slowdown in the economy due to the outbreak of the Covid-19 epidemic, which is 69% more than that in the previous year.

Ctg port slips 9 notches down to 67th

- The Chattogram port has slipped nine notches down in 2020 to rank 67th in terms of annual throughput of containers among 100 top busiest ports across the world, according to the 2021 edition of Lloyd's List One Hundred Ports.
- Container throughput decreased globally in 2020 due to Covid-19 pandemic-led recession followed by congestions and disruption in supply chain, according to the journal.

Investment abroad needs 'BSEC nod'

- Local businesses willing to make equity investment abroad will have to take consent from the securities regulator, too, if the deals are conducted in the form of 'capital issue'.
- The third claimant to authority over such offshore investments comes after reports that Bangladesh Bank (BB) and Bangladesh Investment Development Authority (BIDA) are running parallel drafting rules in this regard.



NBFIs asked to ensure credit discipline

- Bangladesh Bank asked non-bank financial institutions to release approved loans to bank accounts owned by genuine borrowers.
- Some NBFIs have recently credited funds to the accounts held by other persons or entities who have not applied for the loan, flouting rules, according to a central bank notice.

13 NBFIs in red zone, BB says in financial stability report

- The Bangladesh Bank put 13 out of 34 non-bank financial institutions in the red or weak zone at the end of 2020, according to Financial Stability Report-2020.

NBFIs record lowest performance in a decade

- Non-bank financial institutions (NBFIs) have continued to face a rising trend in non-performing loans and loan loss provisioning due to poor governance and major irregularities.
- The ratio of bad loans to total loans jumped from 9.5% in 2019 to 15% in 2020.
- The total profit of the entire NBFIs sector declined by 61% to Tk356 crore in 2020 as default loans rose alarmingly because of corruption.

No more loans against cash reserve for NBFIs

- Non-bank financial institutions (NBFIs) will no longer be allowed to take out loans against depositors' funds kept in the form of treasury bills, bonds and fixed deposits as statutory liquidity ratio (SLR).
- Banks and NBFIs need to invest 3.5% of their term deposits in government securities to maintain SLR.



INSURANCE

- Insurance penetration in Bangladesh in GDP percentage declined to 0.40% in 2020, from 0.49% a year ago, according to sigma report by Swiss Re Institute.
- The number is the lowest among reported South Asian countries. India has 4.2% while Sri Lanka 1.2% of their GDP.



CAPITAL MARKET

BSEC approves Capital Market Stabilization Fund Governing Board

- The stock market regulator has approved the first board of governors of the newly-formed Capital Market Stabilisation Fund (CMSF). Earlier, the regulator disclosed Tk 21,000 crore of undistributed and unclaimed dividends by the listed companies, which it now plans to use as the safeguard of the capital market and its general investors.

IPO quota for affected investors scrapped

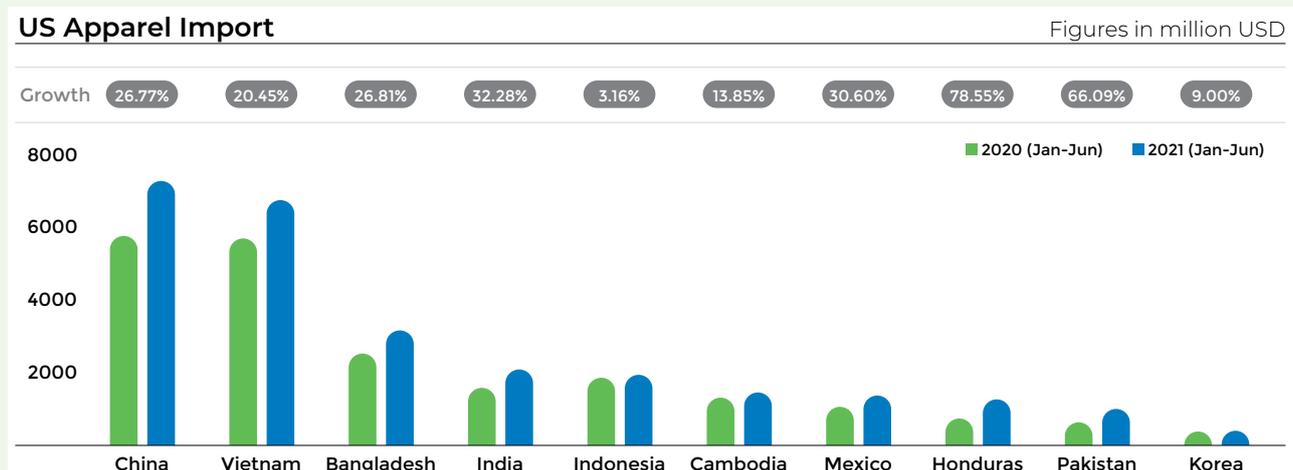
- The small-scale investors who were affected by the stock market debacle in 2010-11 will no longer enjoy initial public offering quota reserved for them as the Bangladesh Securities and Exchange Commission has decided not to extend the time for the facility.
- The affected small-scale investors were enjoying 20% quota in the IPOs since the introduction of the facility in March 2012.



TEXTILE & RMG

Garment exports to US increase

- Bangladesh's garment exports to the United States are showing good growth after the improved coronavirus situation there triggered increased demand for readymade garment (RMG) products.
- In the six months from January to June this year, Bangladesh's garment exports to the US increased by about 27%.



End of yarn price chaos signals cooperation among apparel, textile sectors

- The amicable end of the chaotic situation created by the frequent rise of yarn prices signals the beginning of much-needed cooperation among the country's apparel and textile sectors, according to industry insiders.
- According to the newly fixed price, the ceiling of 30s carded yarn has been set at USD 4.20 per kg, while that of 30s combed yarn has been set at USD 4.50 per kg.

YARN PRICE WARENDIS

- 30-carded yarn price now **\$4.2** perkg
- Combed yarn price now **\$4.5** perkg
- Prices to go up if cotton price above **\$1** per pound
- Prices to fall if cotton prices less than **\$0.85** per pound
- Pricestoremainthe same if between **\$0.85-\$1** per pound
- Current int'l yarn price **\$0.93-0.94** per pound

SOURCE: BGMEA, BTMA

RMG may lose UK trade benefits post-LDC

- Bangladesh's apparel products may lose duty-free access to the United Kingdom after it graduates to a developing country as regular tariffs will be applicable to any product when its import exceeds a set limit under the UK's new Generalised Scheme of Preferences (GSP).
- Commerce ministry officials believe that such a provision in the UK GSP scheme's public document sent to the ministry could be detrimental to Bangladesh's duty-free export facilities to the country.

IBA offering PGD in Garment Business

- The Institute of Business Administration, University of Dhaka with support from the Ministry of Finance, Government of Bangladesh, is offering a Post Graduate Diploma in Garment Business (PGD-GB) to produce world-class managers for Garment Industry who will be able to incorporate industry best practices and be a change agent.



FUEL & POWER

Govt to build BDT 15.11 bn solar power plant

- The government is going to set up the country's biggest solar power plant in Madarganj upazila of Jamalpur, in a move to raise the share of renewable energy in total power generation to 10% by 2025.
- The 100-megawatt Sheikh Hasina Solar Park will cater to the needs of its locality and channel the surplus electricity to the national grid.

Gas field found in Zakiganj; Bapex says it'll last 12 yrs

- Bangladesh announced the discovery of its 28th gas field in Sylhet's Zakiganj on the occasion of the National Energy Security Day.
- In a webinar, State Minister for Power, Energy and Mineral Resources Mr. Nasrul Hamid, MP said they estimated that the field has 68 bn cubic feet of gas reserves.



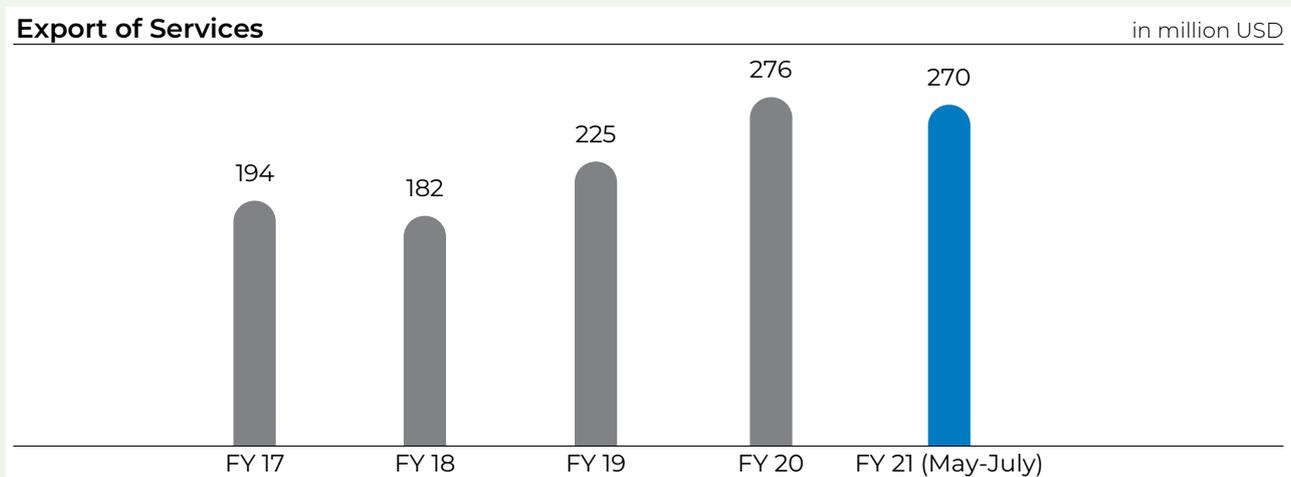
IT & TELECOMMUNICATION

Govt plans 5G for Dhaka this year

- The government is undertaking a project involving about BDT 2.0 billion to roll out fifth-generation or 5G mobile network on a limited scale in Dhaka by the end of this year.
- 5G equipment will be set up in 200 points across Dhaka under the project.

Computer services export on the rise

- Computer services export from Bangladesh is rising in sync with global demand for data processing, hosting and consultancy services as many people are working from home while companies are outsourcing amidst the lingering coronavirus pandemic.
- The industry fetched USD 270 mn in the first 11 months of 2020-21, up 6.64% year-on-year, showed data from the Export Promotion Bureau (EPB).





CORPORATE

N Mohammad Plastic plans BDT 5.0 billion expansion

- N Mohammad Plastic Industry, a concern of Chattogram-based N Mohammed Group, plans to make a fresh investment of around BDT 5.0 billion to expand business for increasing its market share alongside exports. Bangladesh currently manufactures over 142 plastic items and mainly exports intermediate products like film plastic, household items and garment accessories.

Anwar Galvanizing to double production capacity

- Anwar Galvanizing, a listed concern of the Anwar Group of Companies, has decided to double its production capacity within 2022 investing BDT 270 million.
- The increase by 2,417 tonnes will take its total capacity to manufacture galvanised corrugated sheets and iron fittings to 4,725 tonnes per annum.

DBL on USD 650 million expansion spree, will set up 10 manufacturing units in Sreehatta Economic Zone

- DBL Group, one of the leading exporters, is going to invest USD 650 million to set up 10 manufacturing units for textiles, ceramics, and sanitary ware at the Sreehatta Economic Zone in Moulvibazar.

IFAD Autos to invest BDT 800 million

- IFAD Autos, a listed company, has decided to invest BDT 800 million to acquire 40% shares of the IFAD Multiproducts, one of the sister concerns of IFAD Group, having a common management.
- The said amount of investment is subject to approval by the shareholders/members in the forthcoming general meeting of the IFAD Autos.

WEEK-LONG BSEC ROAD SHOW IN USA



Bangladesh demonstrates great potentials and holds promising opportunities for investors around the world as an emerging key center, a production and a business hub. With the rapid increase of per capita income and purchasing power of people, Bangladesh has become an attractive market. Bangladesh has turned its population burden into great resources, now enjoying a huge demographic dividend with 70 million workforces and 55 million youth population.

In this backdrop, BSEC has arranged a week-long road show in four different cities of US in the title of “The Rise of Bengal Tiger”.

July 26, 2021

- This session showcased the strength and opportunities of business and invest in Bangladesh for the investors abroad.
- The program was successful in participation with the potential investors of the region.

July 28, 2021

- The stakeholders meeting was very much effective for the investors to understand the business and investment scenario of Bangladesh.
- The Bangladesh delegation has exchanged views with the stakeholders regarding the potentials and opportunities of investing in Bangladesh.

July 30, 2021

- Developing international trade and investment through both portfolio investment and FDI by the expatriates and foreign investors is the key target of this roadshow, and the distinguished delegates have demonstrated the strength and opportunities of rising Bangladesh for investors from abroad.

August 02, 2021

- Bangladesh has shown remarkable progress, especially in the information technology sector in the last decade.
- Bangladesh capital markets has already started to focus on the SME and IT sectors through introducing Venture Capital, Private Equity and Impact Funds and also separate platforms for small capital companies in the Exchanges.
- The high level delegation has joined in discussion about the potentials and promises of bilateral trade, commerce and investment advancements.



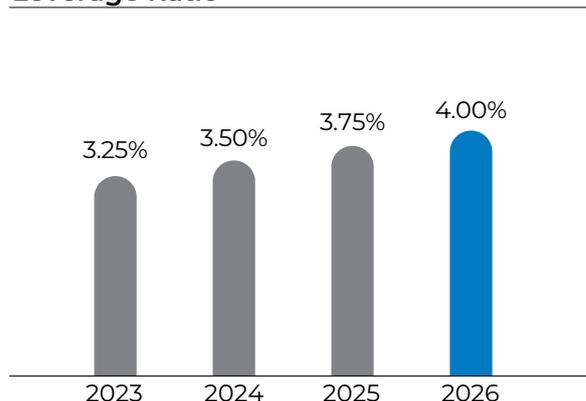
Md. Quamrul Islam Chowdhury, Managing Director & CEO has participated in the event. Upon returning, he has shared his knowledge & experience with the management.

BANKING INDUSTRY NEWS

Bangladesh Bank raises banks' leverage ratio

- The central bank directed banks to get prepared in 2022 to increase their leverage ratio and from 2023, the banks will have to increase their leverage ratio by 0.25% per year to take the ratio to 4% in 2026 in line with international standards with a view to absorbing unexpected shocks.
- According to Basel III, the ratio of Tier-1 capital to debt is called the leverage ratio. At present, the ratio of total debt to Tier-1 capital is 3%.

Leverage Ratio



Rationalization of Rate of Interest/Profit on Deposit

The central bank asked all the scheduled banks to refix interest rate on term deposits of individuals not below the annual average inflation rate.

BB approves two more refinancing schemes

- Two refinancing schemes worth BDT 35 billion are being launched to help out Covid-hit agriculture and tourism sectors under government stimulus packages.
- A refinancing fund amounting to BDT 30 billion will be formed for the agriculture sector in second phase of the refinancing facility for the priority sector. Another refinancing scheme worth BDT 5.0 billion will be constituted to help the tourism industry to clear salary and allowances of their employees.

Two Refinancing Schemes

Sector	Amount
Agriculture	Tk 30b
Tourism	Tk 5.0b



BB earlier formed a special refinancing scheme worth Tk 50b for the agriculture sector

BB launches probe into stimulus loans

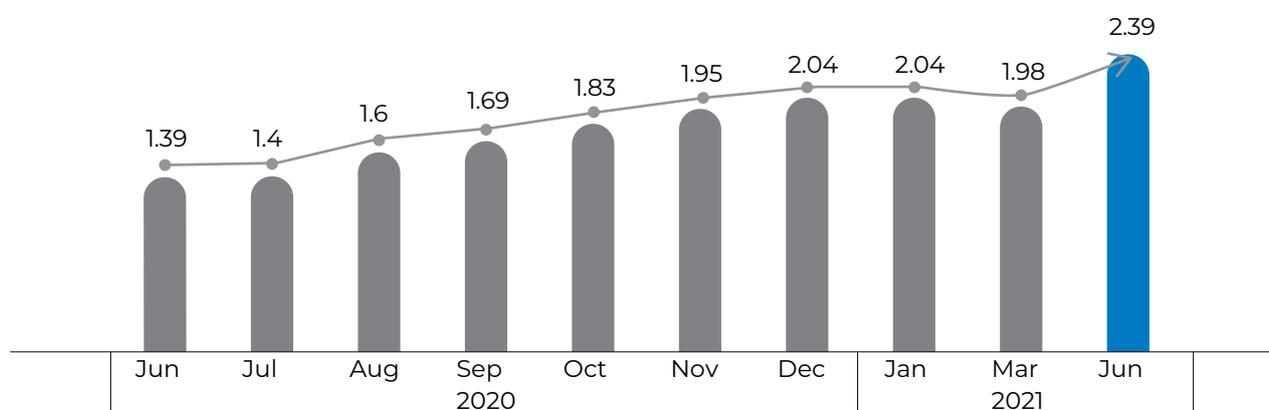
- The central bank decided to probe into the loans under mainly two major stimulus packages worth Tk 600 billion to ensure proper use of the subsidised credits by the end of the August 2021. Bangladesh Bank (BB) has already asked all the scheduled banks to submit statements mentioning the names and addresses of the borrowers along with recovery status.

BDT 126.75 bn mopped up through 4 auctions as BB raises yield rate

- The central bank has started to issue Bangladesh Bank Bills from 9 August through auction after a break of three years. It has decided to mop up excess liquidity from banks by issuing bills, aiming to control price pressure and keep the money market stable.
- The Bangladesh Bank has already mopped up BDT 126.75 bn from the country's banking sector as part of its move to contain fund flow to non-productive sectors from banks amid a sharp rise in the liquidity flow of the country's system.
- In its last auction held on 23/08/2021, the BB pulled out BDT 40.0 bn from the country's banking system against the 30-day BB bills.

Excess Liquidity Trend

in BDT Lac Crore



BB publishes list of 47 audit firms for banks and NBFIs

Bangladesh Bank has published a new list of 47 audit firms eligible for auditing banks and non-bank financial institutions.

BB urged not to allow direct payment into e-commerce accounts

- The commerce ministry has asked the central bank to instruct commercial banks not to receive direct deposit of any payment into 'own bank accounts' of e-commerce platforms from the customers concerned.
 - Some mandatory provisions have been put into the Digital Commerce Operation Guidelines, 2021 and a central bank circular was issued, accordingly, in June. The ministry has taken multiple steps including formulation of Digital Commerce Operation Guidelines, 2021, to protect interest of the customers and stop any fraudulent practice or irregularities by any e-commerce company.
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Rise in NPL: Bangladesh Bank to probe into Post Import Financing

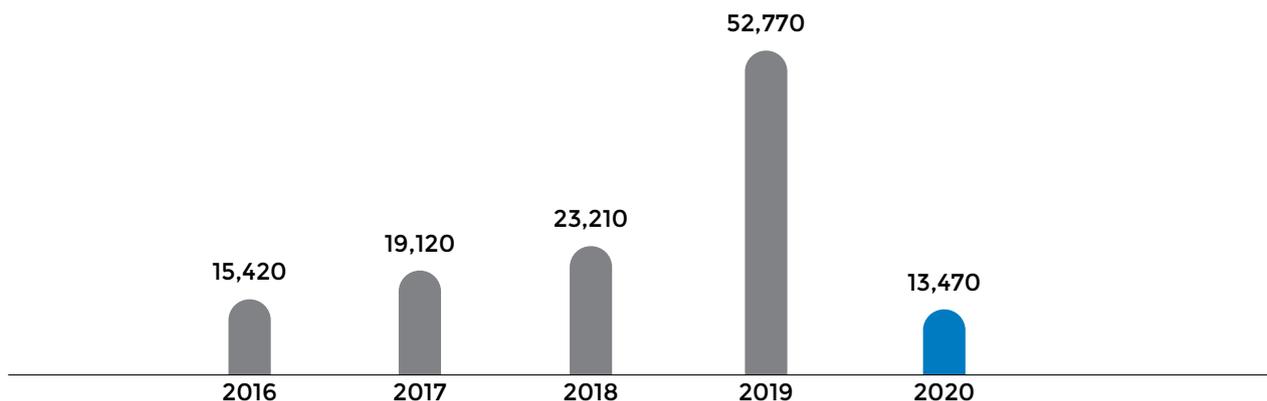
BB has decided to probe into post import financing with a view to finding out reasons behind rising trend in classified loans despite providing policy support. The volume of classified loans grew by more than 7.0 per cent or Tk 63.51 billion to Tk 950.85 billion during the January-March period of 2021 from Tk 887.34 billion in the preceding quarter, the BB data show.

Banks are now allowed to extend the tenure of such loans for essential items for maximum 30 days and for industrial raw materials for maximum 60 days. Under the existing policy, the banks have been asked to set up a special 'PIF Monitoring Unit' to oversee loan disbursement and recovery under PIF.

Under the latest move, all the scheduled banks have been instructed to submit their PIF statements to the Department of Off-Site Supervision (DOS) of the central bank in a prescribed format on quarterly basis.

BDT 13,470 crore loans rescheduled in 2020

- Even amid a payment pause facility during the pandemic crisis, banks rescheduled BDT 13,470 crore loans last year.
 - The rescheduled amount, however, was the lowest in the last five years and 74% lower when compared to the previous year's figure, according to the Bangladesh Bank's financial stability report for the year 2020.
-



Bank Asia to build largest network through post office banking

- The private sector bank will provide financial services through 8,500 digital post offices across the country. Bank Asia is set to build the largest banking network both locally and globally through the introduction of post office banking by engaging postal outlets across the country in providing financial services.

BRAC Bank contributes to emergency food support

BRAC Bank has initiated a special CSR programme to stand by the families affected due to COVID-19. The bank has recently signed an agreement with BRAC, the world's largest NGO, to implement the project.

In April 2021, Bangladesh Bank, through BRPD Circular Letter No. 09, requested all the scheduled banks to allocate a special CSR fund equivalent to one percent of the banks' 2020 profits. The fund is necessitated to support with essential food or equivalent support in cash, or health and hygiene materials, or medicare of suspected COVID patients, or financial support to those who have lost their livelihood and are affected by COVID-19. BRAC Bank, accordingly, has allocated a fund of BDT 4.54 crore to support the affected families.

AB Bank signed agreement on ACS Bangladesh Bank

AB Bank Limited signed an agreement on Automated Challan System (ACS) with Bangladesh Bank. Under this agreement all the branches of AB Bank will collect Passport Fees, VAT, Tax and other Govt. fees.

EBL, ADB sign trade financing deal

- Eastern Bank has recently signed an agreement with Asian Development Bank (ADB) under a trade finance programme.
 - Under the deal, the ADB will issue guarantees to Eastern Bank to cover all or part of risks in eligible trade finance instruments issued by select banks in the ADB's developing member countries.
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Exim Bank sponsored the screening of various documentaries

- Exim Bank sponsored the screening of various documentaries on the Father of the Nation Bangabandhu Sheikh Mujibur Rahman for the first time on the iconic Billboard in New York's Times Square.
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Dhaka Bank signs MoU with BRAC

- Dhaka Bank Limited has signed a Memorandum of Understanding (MoU) recently with BRAC for operating special CSR activity to mitigate the countrywide crisis due to COVID 19 pandemic. The CSR fund from Dhaka Bank will contribute to two initiatives of BRAC; 'Dakchhe Abar Desh' and 'Community Fort for Resisting Covid-19 (CFRC)'. 'Dakchhe Abar Desh' is an initiative from BRAC, calling all to stand by the people who lost their earnings amid the community transmission of the delta variant of Coronavirus and eventual lockdown. Under this initiative, from Dhaka Bank contribution BRAC will provide food assistance to 13,530 families in high-risk districts.

Credit card use hits record high

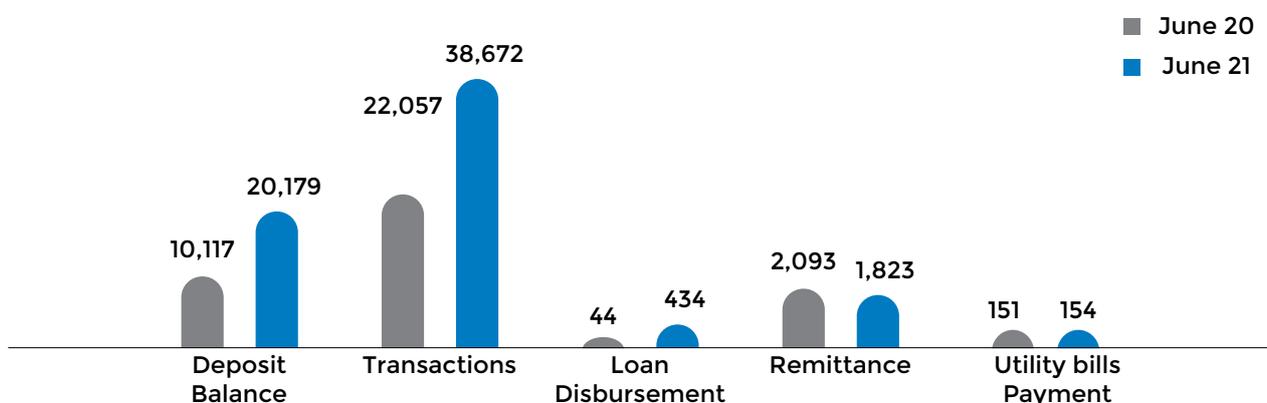
Spending through credit cards hit an all-time high in June, 2021. Credit card transactions collectively stood at Tk 1,934 crore in June, up 13.25 percent from a month earlier and 115.46 percent year-on-year, data from the central bank showed. In the last fiscal year, credit card transactions totalled about Tk 18,450 crore, up 45.84 percent, year-on-year. Debit and credit card transactions increased 76 percent year-on-year to Tk 23,633 crore in June, 2021.

Agent banking going places

Transactions through agent banking more than doubled to Tk 393,932 crore in the last fiscal year as the new window has taken financial services to the doorsteps of people. The volume rose 106 percent in FY2020-21, data from the Bangladesh Bank showed, against Tk 191,225 crore in the previous fiscal year. In June, transactions surged 75 percent to Tk 38,672 crore, the highest on record. It stood at Tk 22,057 crore in June last year. The volume of deposits was Tk 20,179 crore as of June, doubling from Tk 10,117 crore in the same month last year. The central bank has awarded 28 agent banking licences since 2013.

Services Availed Through Agent Banking

In crore taka



Unrealised rescheduled loans threat to banks

Unrealised rescheduled loans might create a challenging situation for the profitability and solvency of banks in the coming days. The ratio of default loans stood at 8.1 percent in 2020 versus 9.3 percent a year ago. The volume of the NPLs reached Tk 88,280 crore last year. Last year, deposit growth stood at 13.6 percent compared to a credit growth of 8.4 percent. Total deposits in the banking system stood at Tk 13,79,740 crore, against total outstanding loans of Tk 11,75,000 crore.

MFS transactions off the charts

Money transferred through growing mobile financial services (MFS) in Bangladesh rose 40.50 percent year-on-year to Tk 62,993 crore in June as people continue to rely on the digital platform amid the unabating coronavirus pandemic. Transactions totaled Tk 44,830 crore in the same month last year, data from Bangladesh Bank showed. Users, however, transacted 11.58 per cent lower funds in June compared to Tk 71,246 crore in May, the highest since Bangladesh allowed mobile banking a decade ago.

MBL NEWS

Discussion and Dua Mahfil for 46th Martyrdom Anniversary of Bangabandhu Sheikh Mujibur Rahman



Mercantile Bank Limited has organized a virtual discussion meeting on “Bangabandhu’s Life & Works” along with a dua Mahfil in its Head Office to observe the National Mourning Day on the occasion of the 46th Martyrdom Anniversary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman. Morshed Alam M.P., Chairman of the Board of Directors of Mercantile Bank joined the program as the chief guest and discussed on the Life & Works of Bangabandhu Sheikh Mujibur Rahman. Md. Quamrul Islam Chowdhury, Managing Director & CEO of the Bank presided over the program. A. S. M. Feroz Alam, Vice Chairman ; Md. Abdul Hannan, Vice Chairman; Al-Haj Akram Hossain (Humayun), Chairman, Executive Committee; Dr. Gazi Mohammad Hasan Jamil, Chairman, Audit Committee and Risk Management Committee; M. A. Khan Belal, Chairman, Mercantile Bank Securities Ltd.; M. Amanullah, Md. Nasiruddin Choudhury, Alhaj Mosharref Hossain and Dr. Md. Rezaul Kabir Directors; spoke the program as special guests.

Mati Ul Hasan, Additional Managing Director & CRO, Adil Raihan, Shamim Ahmed, Hasne Alam, Md. Mahmood Alam Chowdhury, Deputy Managing Directors and Tapash Chandra Paul, PhD, Chief Financial Officer along with other senior executives of the Bank were also present.

Moody's upgrades Mercantile Bank Limited's outlooks to stable

Moody's Investors Service has changed the outlooks to stable from negative for Mercantile Bank Limited.

At the same time, Moody's has affirmed the long-term local and foreign currency deposit and issuer ratings of MBL at B2.

The stable outlooks reflect Moody's expectation that Bangladesh's robust economic growth and the pandemic-related forbearance measures that eased debt repayment burden of affected borrowers will limit the bank's asset quality deterioration and support their solvency over the next 12 to 18 months.

11th AGM of Mercantile Bank Securities Ltd (MBSL)



The AGM of Mercantile Bank Securities Limited (MBSL) was held in a virtual platform on August 17, 2021. M. A. Khan Belal, Chairman, Mercantile Bank Securities Limited presided over the AGM. Engr. Mohd. Monsuruzzaman, Vice Chairman of MBSL, Morshed Alam, MP, Chairman of Mercantile Bank Ltd. & Director of MBSL, Al-Haj Akram Hossain (Humayun), M. Amanullah, Farida Begum, Israt Jahan, Bilkis Begum, Dr. Toufique Rahman Chowdhury, Subrota Narayan Roy, Rakim Reza Rousseau, Mirazul Ahsan, Md. Anwar Hossain; Directors, Md. Nurer Rahman, Md. Rezaul Kabir; Independent Directors, Md. Quamrul Islam Chowdhury, Managing Director & CEO of Mercantile Bank & Director of MBSL joined the online program. Mohammad Mahtab Uddin, FCS, Company Secretary of MBSL and K.M. Kutub Uddin Romel, CEO of MBSL were also joined the AGM.

Mercantile Bank Securities Ltd. (MBSL) re-elects Chairman and Vice Chairman



M. A. Khan Belal
Chairman



Engr. Mohd. Monsuruzzaman
Vice Chairman

M. A. Khan Belal has been reelected as Chairman of Mercantile Bank Securities Limited (MBSL). He is one of the Directors of Mercantile Bank Limited. Engr. Mohd. Monsuruzzaman has been reelected Vice Chairman of MBSL who is a sponsor of Mercantile Bank. They were elected in 59th Board Meeting of MBSL held recently. M. A. Khan Belal is the Chairman of Shamrat Group. He is well recognized for his benevolent contribution to the society through different educational, social welfare & development activities. On the other hand Engr. Mohd. Monsuruzzaman associated with construction business. Besides this, He is also involved in various educational and social activities.

CSR ACTIVITIES

Food and Health Safety Items distribution among helpless and destitute people

Mercantile Bank Limited distributed food and health safety items among helpless and destitute people of Bauful in Patuakhali on August 03, 2021 at Patuakhali Sadar Upazila with the initiative of A. S. M. Feroz Alam, Vice Chairman of the Bank as a part of CSR activities. Md. Kamal Hossain, Deputy Commissioner of Patuakhali; Mohammad Shahidullah, PPM, Police Super of Patuakhali; Kazi Alamgir, President of Patuakhali Zilla Awami League; Mahiuddin Ahmed, Mayor of Patuakhali Pourashava; Md. Mosleh Uddin, Head of MBL Patuakhali Branch, Shwapan Banarzi, President & Jalal Ahmed, Secretary of Patuakhali Press Club respectively were present among others.



Mercantile Bank initiates tree plantation program on 46th martyrdom Anniversary of Bangabandhu

Mercantile Bank Limited has launched tree plantation programme on Mercantile Bank General Hospital premises at Uttara in the capital to observe National Mourning Day on the occasion of 46th death anniversary of Bangabandhu Sheikh Mujibur Rahman.

Bank's Chairman Morshed Alam MP, inaugurated the programme as the chief guest by planting a tree on 28 August, 2021.

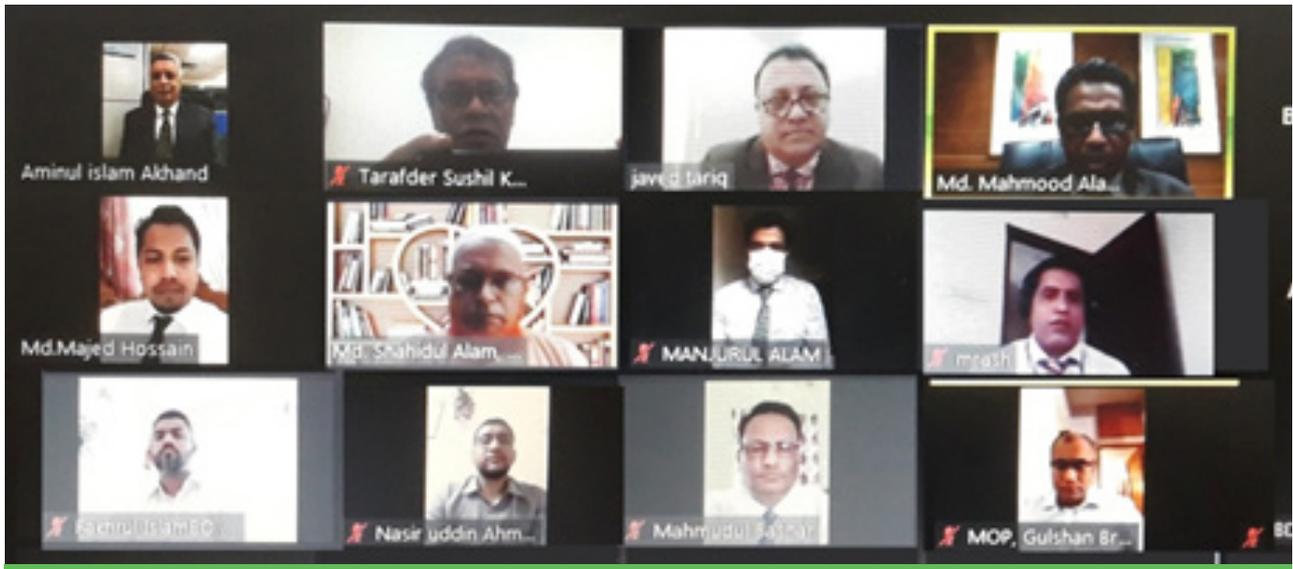
ASM Feroz Alam, Vice-Chairman, Mohammad Abdul Awal, Director and Md Quamrul Islam Chowdhury, Managing Director and CEO of Mercantile Bank were present as special guests.



Mati Ul Hasan, Additional Managing Director and CRO, Adil Raihan, Shamim Ahmed, Hasne Alam, Md Mahmood Alam Chowdhury, Deputy Managing Directors, Tapash Chandra Paul, PhD, Chief Financial Officer and Abu Asghar G. Haruni, Company Secretary and Senior Officials of Mercantile Bank were also present.

TRAINING

Virtual Training on Cash Management



Recently a virtual training on 'Cash Management; Detection and Disposal of Forge and Mutilated Notes' have been organized. Manager Operations and Cash In-Charge from 75 branches of the bank across the country attended the online program. Md. Mahmood Alam Chowdhury, Deputy Managing Director & COO of the Bank inaugurated the virtual training. Md. Shahidul Alam, Joint Director of Department of Currency Management of Bangladesh Bank conducted the virtual sessions. Javed Tariq, Principal of MBTI moderated the program.

E-COMMERCE: A SIGNIFICANT STEP TOWARDS ULTIMATE DIGITALIZATION OF THE GLOBE

Tapash Chandra Paul, PhD
Chief Financial Officer

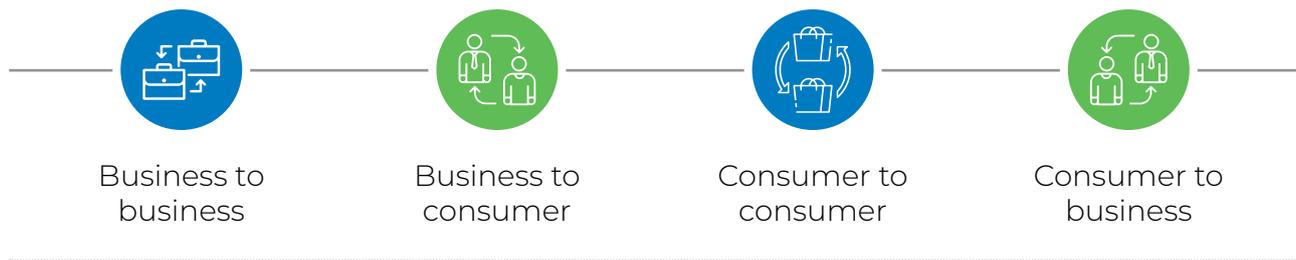
The world is changing more abruptly than we think. Technological advancement in the present world is happening quite rapidly. Human history has never seen so many changes at a smaller time frame. Adopting to these changes would be the main challenge as human concept regarding technology is developing every day. This process of integrating technology to all walks of life is called digitalization. Digitalization has taken the world by storm. Things that were once thought to be almost impossible to be digitalized has become digitalized. The outbreak of the worldwide pandemic Covid-19 has also made the world understand the significance of digitalization.

Bangladesh has also kept pace with the world momentum. The country has experienced consistent socio-economic development over the last three decades. As Bangladesh moves towards becoming upper middle-income country (UMIC) by 2031 and a developed economy by 2041, the country must adopt higher levels of mechanization, industrialization and modern technology.

The concept of e-commerce (Electronic Commerce) is the buying and selling of products and services by businesses and consumers through an electronic medium. In this era of globalization, the electronic commerce is the key platform for enterprises to insure the access to diversified market segments and increase the speed of developing business. The electronic commerce has extensive importance on the business entity and society both as extent and as intensity.



Types of E-Commerce



E-commerce offers consumers the following advantages:

- Faster buying process.
- Affordable advertising and marketing.
- Product and price comparison.
- Provides 24/7 services.
- Helps business to establish a wider market presence by providing cheaper and more efficient distribution channels.

E-commerce carries the following disadvantages:

- Sometimes extensive waiting period to get service at the customer end.
- Lack of instant response.
- Intangibility.

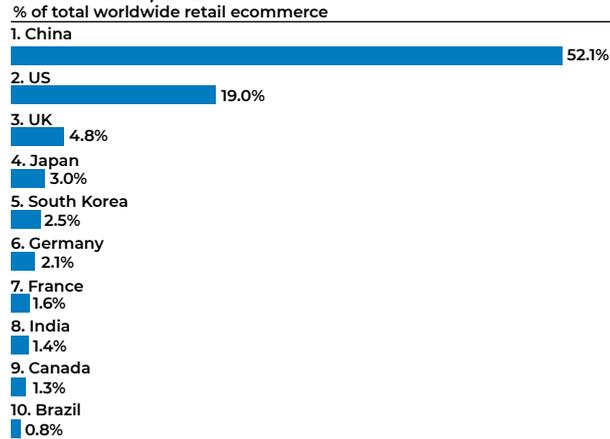
Global e-commerce market

The global e-commerce market size was valued at USD 9.09 trillion in 2019 and is expected to grow at a compound annual growth rate (CAGR) of 14.7% from 2020 to 2027. Asia Pacific dominated the e-commerce market with a share of 55.31% in 2019. This is attributable to growing preference among businesses to carry out businesses through B2B e-commerce platform, developing infrastructure facilities, and surging number of internet users. Some of the prominent players operating in the global e-commerce market include Alibaba Group Holding Limited; Amazon, Apple, Dell Technologies, Flipkart Pvt. Ltd.; Gome Electrical Appliance Holdings Ltd., JD.com, Macy's Inc., Otto Group, Sunning Commerce Group Co. Ltd and Walmart.

During the Pandemic, several countries that were lagging behind earlier, started buying online more. Some of those will continue to see major expansion in 2021. Many of the national and regional rankings for retail ecommerce sales and growth have changed little since 2020. For example, the size and buying power of consumers in China remain key factors.

- Asia-Pacific is by far the largest market for retail ecommerce with digital sales amounting to nearly \$2.992 trillion in 2021. This year, digital retail sales there will be more than three times greater than in North America and nearly five times greater than in Western Europe.
- China is the world's No. 1 ecommerce market by a large margin. The sheer number of digital buyers, and their growing collective buying power, will keep China in the lead for the foreseeable future.
- India will be the fastest growing market this year, despite the continuing influence of the pandemic. India's potential for ecommerce is still largely untapped, hence our prediction of rapid growth between 2021 and 2025.

Top 10 Countries, Ranked by Retail Ecommerce Sales Share, 2021

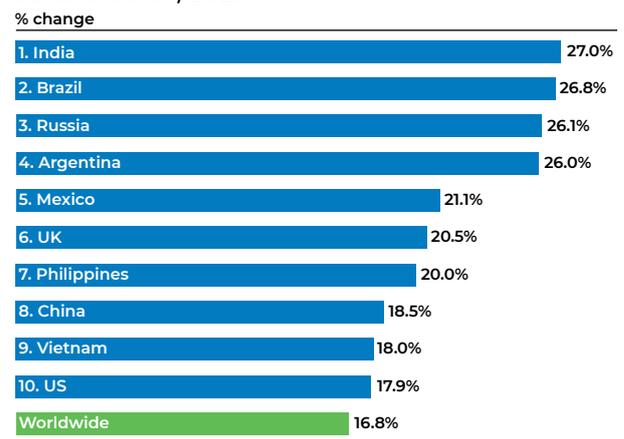


Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, food services and drinking place sales, gambling, and other vice goods sales
Source: eMarketer, May 2021

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eMarketer | Insiderintelligence.com

Top 10 Countries, Ranked by Retail Ecommerce Sales Growth, 2021



Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, food services and drinking place sales, gambling, and other vice goods sales
Source: eMarketer, May 2021

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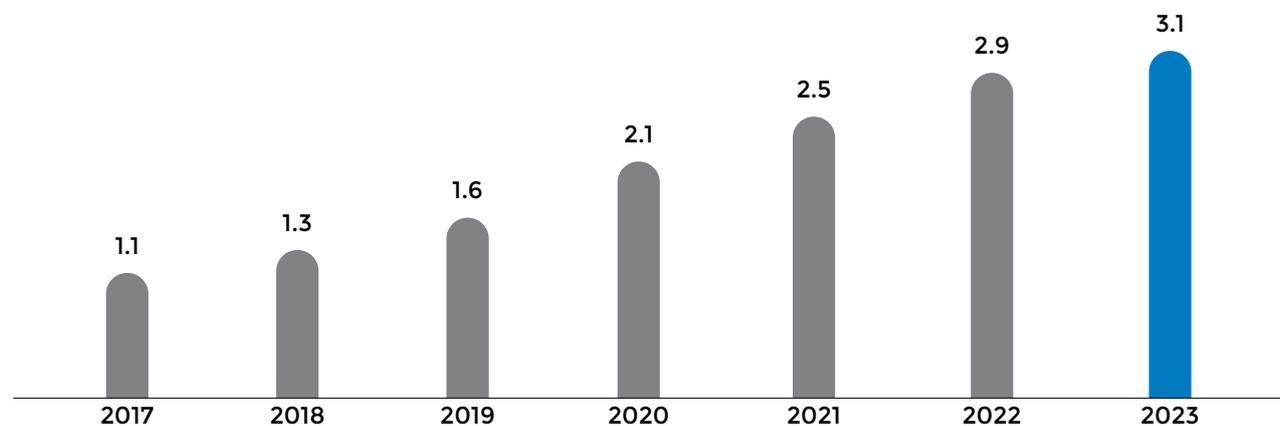
eMarketer | Insiderintelligence.com

Bangladesh e-commerce market

Along with the whole world, Bangladesh is also surging forward in E-commerce. Bangladesh has exceeded one and a half billion US dollars, according to the German-based research institute Statista, expected to reach at two billion dollars this year and three billion dollars by 2023. The ongoing pandemic has locked the entire world inside homes but that does not mean the demands have gone from the market. E-commerce has revolutionised during the COVID-19 Pandemic. The growth of online sales has increased by 70 to 80 percent compared to the previous time.

Bangladesh's E-Commerce Market Is Projected to Grow in Double Digits

in \$b



According to the e-Cab (E-Commerce Association of Bangladesh), the e-commerce or online shopping market across the country has crossed TK.6,000 crore. The annual transaction through e-commerce is now more than TK.8000 crore. At present, 1200 organizations are associated with this business in Bangladesh.

As per the latest data from Statista, the e-commerce market in Bangladesh in 2019 stood at 1,648 million US dollars which will increase to 2 thousand 77 million this year and in 2023, the market size will be 3 thousand 77 million dollars. The Statista has said that Bangladesh is in the 47th position in the world of e-commerce. However, the challenge is the delivery of goods to outside the cities. In this sector, 80 percent of the payments are done through cash-on-delivery method, whereas only 15-20 percent is done through mobile payment gateways.

The number of credit and debit card users in the country is low compared to other countries, as a result many customers are unable to make online payments. The e-wallet system is expected to overcome this problem to some extent. Mobile Financial Service Platforms like Bkash, Nagad, Rocket, MyCash etc. has partnered with the e-commerce ventures in the country and in addition, if banks also follow suit, it will be beneficial.

Financial Inclusion Indicators of Bangladesh

Financial Inclusion Factors	Percentage of the Population Aged 15+
Has an account with a financial institution	41%
Has a credit card	0.2%
Has a mobile money account	21%
Makes online purchase or pay bill online	3.5%
Percentage of women with a credit card	0
Percentage of men with a credit card	0.4
Percentage of women making online transactions	2.8
Percentage of men making online transactions	4.3

Source: DATAREPORTAL, 2020

Owing to the increase in the accessibility of the internet, broader availability of smartphones for the majority of people and improved technological know-how of individuals, many entrepreneurs in Bangladesh are choosing digital platforms for continuing their business. Estimates suggest that around 39 million people in Bangladesh currently use Facebook. M-Commerce (Mobile Commerce) and F-Commerce (Facebook Commerce) are very popular in today's e-business world. Over the years, the number of online transactions has been on the rise.

Teledensity & Internet Penetration at the end of June, 2021

Teledensity (Voice + Internet Subscription)	103.69%
Internet Penetration (Total)	70.53%
Fixed Broadband	5.86%
Mobile Internet	64.67%
Mobile Internet Subscriber (MILLION)	110.90
ISP + PSTN Subscriber (MILLION)	10.05
Total Internet Subscriber (MILLION)	120.95

Source: DATAREPORTAL, 2020

BTRC Officials reported the number of internet subscribers in Bangladesh had crossed 80 million in 2017. At present there are approximately 2,000 e-commerce sites and 50,000 Facebook-based outlets delivering almost 30,000 products a day. Currently, 80 percent of the online sales are taking place in Dhaka, Chattogram and Gazipur. Of these, 35 percent are from Dhaka, 39 percent from Chittagong and 15 percent from Gazipur. The other two cities are Narayanganj and Sylhet. 85 percent of e-commerce users are between the ages of 18-34.

Bangladesh Telecommunication Regulatory Commission (BTRC) cited that in 2016, internet penetration rate was recorded at 13.2 percent, and the number of internet users was 66.6 million. In 2017, the number of internet users reached 80.6 million along with an increase in the penetration rate to 48.4 percent. In 2018 the number of internet users further increased to 91.3 million and the penetration rate was 52.77 percent. Currently the number of internet subscribers has reached 96.199 Million (June, 2019). According to market analysts Bangladesh's e-commerce business market has reached USD 20 billion in 2020. According to June 2019 statistics of BTRC, 90.4 million users subscribe to the mobile internet, 0.06 million subscribe to WiMAX, and 5.73 million to ISP + PSTN connections.

At present, Bangladesh's e-commerce is still in its infancy compared to developed countries. Completely e-commerce has not yet been introduced in Bangladesh as the e-commerce company delivers the product to the customer and brings it in cash. Some Bangladeshi companies like Priyoshop, Rokmari, Pikaboo and Othoba are doing well. Amazon is working very actively to come to Bangladesh. But it may not be entering the market of Bangladesh directly now.

Challenges

- Lack of appropriate national policies to support the system
- Lack of access to computers and internet. Only 5.6 percent households in Bangladesh owned a computer and only 37.6 percent of households had access to the internet in 2019 (BBS & UNICEF, 2019).
- Nearly impossible to access of internet for relatively poorer households and women. In 2019, only 0.4 percent of households from the poorest wealth index quintile in Bangladesh had a computer, compared to 21 percent of households from the richest wealth index quintile who had a computer. Only 4.6 percent of women had used a computer and the only 14.2 percent women had used the internet over the course of their lifetime (BBS & UNICEF, 2019).
- Slow and expensive internet
- Lack of human resources and limited technical skills
- Lack of knowledge
- Poor infrastructure and inability to access remote areas
- Inadequate transport facilities
- Low level of proliferation of credit and debit cards hindering online payment
- Lack of logistics and sound transportation system
- Difficulties in obtaining payments from abroad
- Lack of financial transaction security
- Lack of specific roadmaps for e-commerce development
- Legal loopholes that allow digital platform companies and workers to escape the tax net
- Absence of proper mechanism for resolving consumer dissatisfaction
- Lack of public accuracy and fear of online shopping
- Funding constraints

Recommendation

- Developing strict and implementable regulatory framework for e-commerce industry
- Empowering individuals with market-relevant skills like technical skills and knowledge through specialised training,
- Encouraging mass people to participate in the digital platform economy.

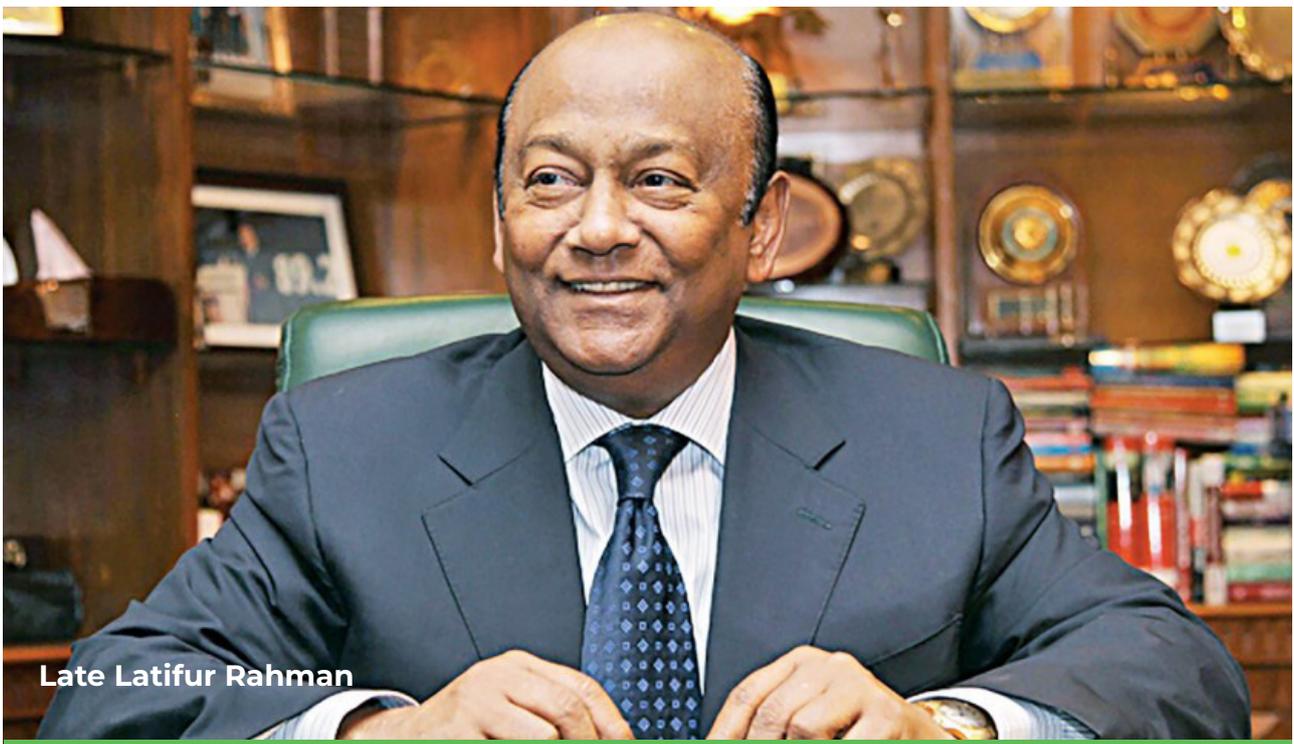
- Explore new financial tools and models for ensuring the sustainability of digital platforms in Bangladesh.
- Create a national guideline of the use of data generated in digital platforms.
- Amend consumer rights protection laws so that they encompass digital platforms.
- Attract foreign investors to come to Bangladesh and invest in digital platforms.
- Bring companies and workers in the digital platform economy under the tax net.
- Put more emphasis on delivery logistics and customer service
- Increase digital awareness among the mass population.
- Encourage brick-and-mortar companies to go digital through fiscal incentives.
- Govt. protection to Local e-commerce industry
- Immediate action to ensuring consumers' rights to prevent consumers from being cheated and given low quality or date-expired products

E-commerce is becoming a more mature sector in the Asian countries with the drastic increase in the usage of the internet. Emerging economies like Bangladesh, e-commerce has been on an upward growth trajectory and is expected to become a mega sector of economy for upcoming future. According to the prediction of Boston Consulting Group and Telenor, 32% families of Bangladesh will have at least one internet connection in few years. In this country, the sector has a lot of potentialities in spite of the barriers. Contribution of e-commerce to the country's GDP is likely to be significant within next few years. For the betterment of nation as well as society, the government should be more supportive to embrace this modern technology in open arm as part of its Digital Bangladesh initiative.

Ref:

- <https://www.newagebd.net/article/114200/the-growth-of-e-commerce-during-the-pandemic-in-bangladesh>
- <https://thefinancialexpress.com.bd/views/opportunities-and-challenges-of-digital-platforms-in-bangladesh-1628094147>
- <https://thefinancialexpress.com.bd/views/e-commerce-in-bangladesh-where-are-we-headed-1578666791>
- <https://www.investopedia.com/terms/e/ecommerce.asp>
- <https://www.emarketer.com/content/top-global-ecommerce-markets>
- Teledensity & Internet Penetration | BTRC

STORY OF ONE OF THE BEST ENTREPRENEURIAL VENTURES



Late Latifur Rahman

A successful business has both direct and indirect impact on economy as well as wellbeing of the society. It drives economy in any market based system, creates employment, generates wealth for individuals and funds public sector of the economy through taxation. With the growth of business, their role in corporate responsibility and social development become important. A business shouldn't just serve as an economic machine, but also have stewardship in issues that affect society as a whole to provide the standard quality of life to their stakeholders.

As a commercial bank of Bangladesh, MBL has many good borrowers. MBL feels proud of these borrowers as business partners. Here, we are presenting profile of one of our good borrowers - Transcom Beverages Limited. This is the largest sister concern of Transcom Group. One of the top business groups in Bangladesh, Transcom, has been carrying out business activities for more than 135 years. Currently, it has over 18,000 employees.

Mr. Latifur Rahman established Transcom Group in 1973 after W Rahman Jute Mills, the major earning source for the Rahman family, was nationalized in 1972. He was a renowned business person with vast experience in business. The growth of Transcom Group took place under adherence to ethical and responsible business practices that serve as a guideline for other businesses in the region.

Mr Rahman was renowned for his leadership as well as his guidance and integrity, ethical standards and business acumen – well illustrated by Mr Rahman's reelection as chairman of the Metropolitan Chamber of Commerce and Industry for a total of seven terms. The

scope of his work and his impact both in Bangladesh and world-wide were only matched by his unwavering commitment to ethical business practices.

He was awarded “Businessman of the year 2007” by Mercantile Bank Ltd. Mr. Rahman was honoured with awarded with “Business for Peace Award” awarded by “Oslo Business for Peace Foundation” of Norway. Latifur Rahman, Founder Chairman of the Transcom Group, has passed away in 2020. He exemplified the core of being businessworthy and was a true inspiration to business leaders worldwide.



Shahnaz Rahman
Chairman
Transcom Group Limited



Simeen Rahman
Managing Director
Transcom Group Limited

Shahnaz Rahman, the wife of renowned businessmen late Latifur Rahman, the founding chairman of Transcom Group, has become the group’s chairman and managing director while their daughter, Simeen Rahman, has been made its chief executive officer from July 26, 2020. They took the helm of the Groups’ after the death of Latifur Rahman and under their leadership the company is running successfully.

Shahnaz Rahman, who has been a director of the company for years, has also held the position of chairman of all of subsidiaries and companies of Transcom Group. Shahnaz Rahman became the top taxpayer among women in the Dhaka city corporation in 2019. In 2017, the National Board of Revenue honoured her family as tax icons in recognition of paying taxes records.

Simeen Rahman, also a director of Transcom Group, has held the position of CEO of Transcom. She is the managing director of Eskayef Pharmaceuticals Limited, Transcom Distribution Company Limited and Transcom Consumer Product Limited. Daughter of Latifur Rahman and Shahnaz Rahman, Simeen Rahman is an executive committee member of the Metropolitan Chamber of Commerce and Industry. Both of them will continue in their positions until they retire voluntarily.

Transcom Group Limited is a Bangladeshi business conglomerate. The businesses under this group include beverage, pharmaceuticals, newspaper, radio channel, electronics, foods, etc. This diversified business house now has interests in many segments in the industrial and service sectors in Bangladesh. Transcom is the local agent or comprador of international brands like Pizza Hut, KFC, Pepsi and Philips, etc. Leading Danish insulin manufacturer Novo Nordisk has also chosen Transcom pharmaceutical company Eskayef as the sole manufacturer of its products after China and India in Asia.

Transcom Beverage Ltd (TBL) is the exclusive PepsiCo Franchisee for Bangladesh. TBL owns and operates modern plants in Dhaka and Chittagong for bottling the renowned soft drink brands such as, Pepsi, 7UP, Mirinda, Slice, Mountain Dew, Pepsi Diet and 7UP Light. The company is emerging with the motto to deliver sustained growth in Bangladesh and move towards dominant Beverage Company, delighting & nourishing every Bangladeshi, by best meeting their everyday beverages needs & stakeholders by delivering performance with purpose, through talented people. In 2009, Transcom won several awards as PepsiCo's exclusive bottling partner in Bangladesh

This is a tribute to the indomitable spirit of a Bangladeshi business organization. This is the story of Latifur Rahman, who, through perseverance and hard work, has single-handedly built one of the biggest business conglomerates in the country and now even after his demise the legacy is being carried forward by his family. It reproves once again that ethical business is not an oxymoron that a successful businessman is like a magician and two of his wands are his intelligence and entrepreneurial skill.

Ref:

- <https://www.thedailystar.net/frontpage/news/remembrance-latifur-rahman-key-patron-free-media-1925769>
- <https://www.newagebd.net/article/109947/bangladesh-business-tycoon-latifur-rahman-dies>
- <https://www.thedailystar.net/online/news/the-archives-doing-business-ethically-1923577>
- Shahnaz Rahman Transcom's new chairman, Simeen Rahman CEO | Prothom Alo
- <https://www.thedailystar.net/business/news/latifur-rahman-role-model-new-generation-businessmen-1944825>

BANGLADESH BANK

CIRCULARS DURING AUGUST 2021

In the month of August 2021, Bangladesh Bank issued the following circulars:

BRPD (Banking Regulation & Policy Department)

1. BRPD Circular Letter No. 41, Date: 05.08.2021, Subject: Fit and Proper Test Criteria of Chief Financial Officer and Chief Information Technology Officer
2. BRPD Circular No. 19, Date: 26.08.2021, Subject: Loan Classification
3. BRPD Circular No. 18, Date: 18.08.2021, Subject: Implementation of Basel III in Bangladesh
4. BRPD Circular No. 17, Date: 08.08.2021, Subject: Rationalization of Rate of Interest. Profit on Deposit

DFIM (Department of Financial Institutions and Markets)

1. DFIM Circular Letter No. 27, Date: 23.08.2021, Subject: Maintaining Statutory Liquidity Ratio (SLR).
2. DFIM Circular Letter No. 26, Date: 18.08.2021, Subject: Re-fixation of holiday for Ashura
3. DFIM Circular No. 06, Date: 05.08.2021, Subject: Financial stimulus package to mitigate probable economic impact due to breakout of Novel Corona Virus (COVID-19).
4. DFIM Circular No. 08, Date: 17.08.2021, Subject: Collecting & Preserving Audited Financial Statement in the Loan Files for Approval & Renewal of Loans of Financial Institutions
5. DFIM Circular No. 07, Date: 17.08.2021, Subject: Release of Loan.Lease.Investment of Financial Institutions
6. DFIM Circular Letter No. 24, Date: 05.08.2021, Subject: Conducting Activities of Financial Institutions from 06 to 10 August 2021
7. DFIM Circular Letter No. 25, Date: 10.08.2021, Subject: Resuming Normal Office Activities of Financial Institutions

DOS (Department of Off-site Supervision)

1. DOS Circular Letter No. 34, Date: 18.08.2021, Subject: Information regarding Post Import Financing
2. DOS Circular Letter No. 33, Date: 12.08.2021, Subject: Re-fixation of holiday for Ashura
3. DOS Circular Letter No. 32, Date: 09.08.2021, Subject: Conducting Normal Banking Services.
4. DOS Circular Letter No. 31, Date: 05.08.2021, Subject: Conducting Banking Service from 06 August 2021 to 10 August 2021.

FEPD (Foreign Exchange Policy Department)

1. FEPD Circular Letter No. 2021, Date: 25.08.2021, Subject: Submission of statement of VAT deducted at source against services provided by non residents

PSD (Payment Systems Department)

1. PSD Circular Letter No. 12, Date: 25.08.2021, Subject: Instruction Related to Bill Payment of Credit Cards and P2P Transactions of MFS Provider
2. PSD Circular Letter No. 11, Date: 10.08.2021, Subject: Continuation of Uninterrupted Banking and Payment Services in Response to COVID-19

SFD (Sustainable Finance Department)

1. SFD Circular Letter No. 04, Date: 04.08.2021, Subject: Operating special CSR Activities and Reporting under Corporate Social Responsibility (CSR) of banks to mitigate COVID-19 crisis.
2. SFD Circular Letter No. 03, Date: 04.08.2021, Subject: Target Fixation of Green Finance & Sustainable Finance.
3. SFD Circular Letter No. 05, Date: 17.08.2021, Subject: About Sustainability Rating Methodology for Banks & FIs

SMESPD (SME & Special program department)

1. SMESPD Circular Letter No. 09, Date: 04.08.2021, Subject: Ensuring the achievement against target for CMSME loans/advances to women entrepreneurs.
2. SMESPD Circular No. 08, Date: 17.08.2021, Subject: Incentive facility for loans & advances provided to women entrepreneurs on CMSME sector
3. SMESPD Circular No. 07, Date: 05.08.2021, Subject: Regarding Policy of Credit Guarantee Scheme for Cottage, Micro and Small Enterprises (CMSE)

MBL CIRCULARS

DURING AUGUST 2021

Instruction Circulars

1. Circular No. 2628, Date: 25.08.2021, Subject: Seeking Feedback/Comment/Opinion/Suggestion to update the existing Credit Policy-2020 of the Bank.
2. Circular No. 2627, Date: 24.08.2021, Subject: সিএমএসএমই (CMSME) খাতের নারী উদ্যোক্তা (Women Entrepreneur) বিতরণকৃত ঋণ/বিনিয়োগের সংক্রান্ত লক্ষ্যমাত্রার বিপরীতে প্রণোদনা সুবিধা প্রদান প্রসঙ্গে।
3. Circular No. 2626, Date: 19.08.2021, Subject: Commencement of Remittance business with Riyal Exchange Co. W.L.L., Kuwait.
4. Circular No. 2625, Date: 30.03.2021, Subject: Sustainability Rating of Banks and Financial Institutions প্রসঙ্গে।
5. Circular No. 2624, Date: 12.08.2021, Subject: Guidelines for Legal Due Diligence regarding Mortgages
6. Circular No. 2623, Date: 12.08.2021, Subject: Roles and Responsibilities of T24 Users and their Supervisors for R19 Reimplementation.
7. Circular No. 2622, Date: 12.08.2021, Subject: Regarding collection of IPO of Beximco Green Sukuk Al Istisna'a from the Eligible Investors and General Public as well as existing Shareholders of Beximco Limited through Electronic Subscription System (ESS) of Dhaka Stock Exchange Limited.
8. Circular No. 2621, Date: 11.08.2021, Subject: Regarding the signatory of Central Bank Report
9. Circular No. 2620, Date: 11.08.2021, Subject: সিএমএসএমই (CMSME) খাতের নারী উদ্যোক্তা (Women Entrepreneur) পর্যায়ে প্রদত্ত ঋণ/বিনিয়োগ সংক্রান্ত লক্ষ্যমাত্রার বিপরীতে অর্জন কাল্পনিক মাত্রায় উন্নীতকরণ প্রসঙ্গে।
10. Circular No. 2619, Date: 11.08.2021, Subject: পর্যটন খাতের হোটেল/মোটেল/থিম পার্ক-এর কর্মচারীদের বেতন-ভাতা পরিশোধের লক্ষ্যে ব্যাংক ব্যবস্থার মাধ্যমে ৪(চার) শতাংশ সুদে ১ (এক) হাজার কোটি টাকা ওয়ার্কিং ক্যাপিটাল ঋণ/বিনিয়োগ সুবিধা প্রদান প্রসঙ্গে।
11. Circular No. 2618, Date: 10.08.2021, Subject: Renewal of Enlistment of 01 (One) Insurance Company.
12. Circular No. 2617, Date: 09.08.2021, Subject: স্মার্টব্যাংকিং কার্যক্রম পরিচালন প্রসঙ্গে।
13. Circular No. 2616, Date: 05.08.2021, Subject: করোনাভাইরাসজনিত রোগ (কোভিড-১৯) এর বিস্তার রোধকল্পে সরকার কর্তৃক আরোপিত বিধি-নিষেধের মধ্যে ব্যাংকিং কার্যক্রম পরিচালন প্রসঙ্গে।
14. Circular No. 2615, Date: 03.08.2021, Subject: নভেল করোনা ভাইরাস (COVID-19)-এর প্রাদুর্ভাবের কারণে বাংলাদেশে সম্ভাব্য অর্থনৈতিক প্রভাব মোকাবেলায় আর্থিক প্রণোদনা প্রসঙ্গে।
15. Circular No. 2614, Date: 25.08.2021, Subject: বাংলাদেশ ব্যাংক কর্তৃক প্রণীত ২০২১-২০২২ অর্থবছরের কৃষি ও পল্লী ঋণ নীতিমালা ও কর্মসূচি প্রসঙ্গে।
16. Circular No. 2613, Date: 25.08.2021, Subject: নভেল করোনা ভাইরাস (COVID-19) এর প্রাদুর্ভাবের কারণে সরকার প্রদত্ত আর্থিক প্রণোদনা প্যাকেজের আওতায় বেজা/বেপজা/হাই-টেক পার্ক এর বাইরে অবস্থিত শিল্প প্রতিষ্ঠানসমূহ অন্তর্ভুক্তকরণ প্রসঙ্গে।

17. Circular No . 2612, Date: 25.08.2021, Subject: Revised provisional Profit Rate(S) on various Mudaraba Products w.e.f 1st August, 2021.
18. Circular No . 2611, Date: 25.08.2021, Subject: Revised Interest Rate(s) on Deposit Product.
19. Circular No. 2610, Date: 25.08.2021, Subject: চট্টগ্রাম বন্দরের মাধ্যমে আমদানি রপ্তানি কার্যক্রম সার্বক্ষণিক চালু রাখার স্বার্থে ব্যাংকের এডি শাখা খোলা রাখা প্রসঙ্গে।
20. Circular No . 2609, Date: 25.08.2021, Subject: করোনাভাইরাস সংক্রমণ রোধকল্পে সরকার কর্তৃক আরোপিত বিধি-নিষেধের মধ্যে ব্যাংকিং কার্যক্রম পরিচালন প্রসঙ্গে।

Information Circulars

1. Circular No . 1683, Date: 25.08.2021, Subject: Loss of Instruments
2. Circular No. 1682, Date: 24.08.2021, Subject: Information Regarding Changes of Telephone Numbers of National Credit and Commerce Bank Limited.
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4. Circular No . 1680, Date: 23.08.2021, Subject: Loss of Instruments.
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7. Circular No. 1677, Date: 22.08.2021, Subject: Information Regarding Changes of FAX Number of Bangladesh General Insurance Company Limited.
8. Circular No. 1676, Date: 22.08.2021, Subject: Information Regarding Changes of PABX Numbers of Northern Islami Insurance Limited.
9. Circular No. 1675, Date: 19.08.2021, Subject: Re-formation of Sustainable Finance Committee (SFC) & Sustainable Finance Unit (SFU)
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14. Circular No . 1670, Date: 17.08.2021, Subject: Loss of Instruments
15. Circular No . 1669, Date: 16.08.2021, Subject: Loss of Instruments
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17. Circular No. 1667, Date: 11.08.2021, Subject: Information Regarding Changes of Telephone Numbers Of Desh General Insurance Company Limited.
18. Circular No. 1666, Date: 12.08.2021, Subject: Amendment of Agreement for collection of Pre-Paid and Post-Paid Electricity Bill of NESCO.
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20. Circular No. 1664, Date: 05.08.2021, Subject: Information Regarding Changes of Telephone Numbers Of Provati Insurance Company Limited.
21. Circular No . 1663, Date: 03.08.2021, Subject: Loss of Instruments.

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2. Circular No. 65, Date: 05.08.2021, Subject: Opening of Bank accounts abroad by resident contracting firms jointly with non-resident co-partners.
3. Circular No. 64, Date: 05.08.2021, Subject: কনফিডেন্স ইলেক্ট্রিক লিমিটেড এর পেট্রোলিয়াম লাইসেন্স বাতিল প্রসঙ্গে।

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