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iNSIGHT

LDC GRADUATION

A NEW FEATHER IN THE CROWN

DHAKABANK
LIMITED
EXCELLENCE IN BANKING

Editorial

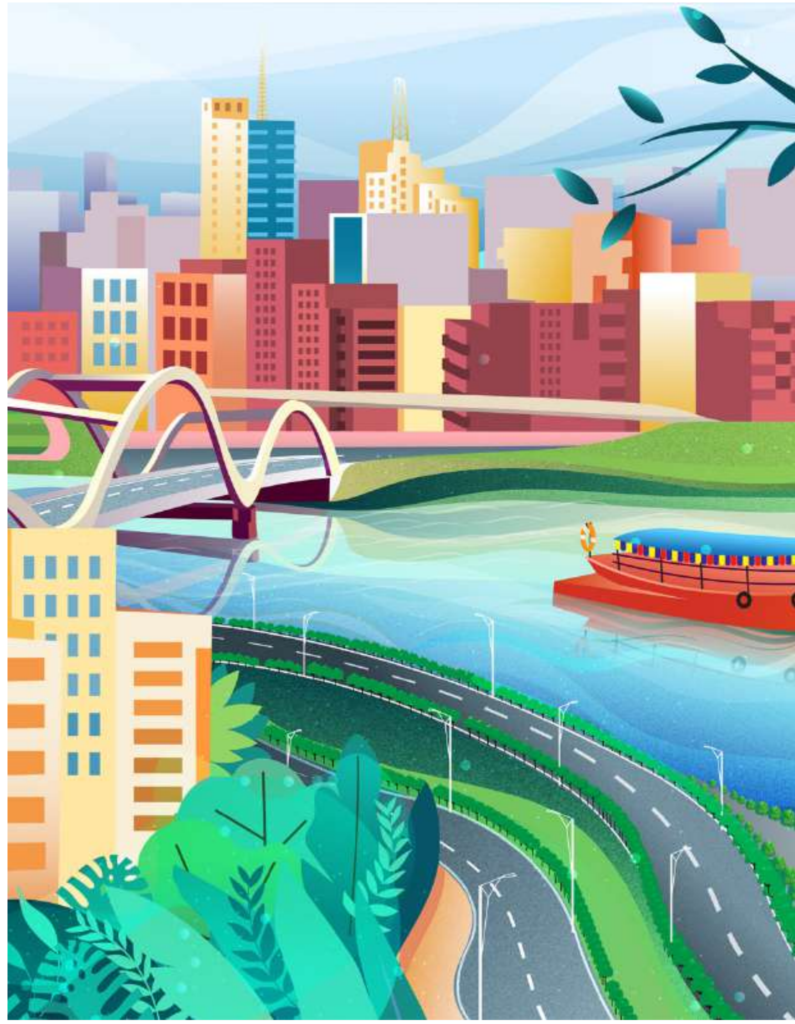
At the auspicious moment, when the country celebrates 50 years of its independence, Bangladesh has qualified LDC Graduation. It has overcome all three criteria or bench mark of GNI per capita, Human Asset Index (HAI) and Economic vulnerability index (EVI) in second time and got recommendation from The United Nations Committee for Development Policy [UN CDP] to be developing country in 2026. It is one of the great achievements after independence in 1971.

Inward remittance in 2020, is also another remarkable issue for Bangladesh. In the year 2020, there were three countries [Mexico, Pakistan and Bangladesh] who had positive growth in inward remittance even in the ongoing COVID-19 pandemic. According to the World Bank data, three countries: Mexico, Pakistan and Bangladesh [4%, 9% and 8% incremental growth respectively] actually registered a rise in inflows of remittance in 2020 compared with 2019.

Alike other countries, the government of Bangladesh announced 21 stimulus packages amounting total Tk.120,153 crore in order to help the COVID-19 affected businesses in the year 2020. At the end of January 2021, almost entire amount of the fund [stimulus] for Large Industry as well as EDF have been disbursed, showed 91.53% and 91.60% disbursement respectively. In agriculture, this percentage was 69.30% and in SME, it was only 57.82%. As SME is considered as the engine of the economic growth, we should give more priority in stimulus disbursement of it.

There are some other write ups from which we can learn many other issues by reading this Insight.

HAPPY READING !



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BANGLADESH QUALIFIES FOR LDC GRADUATION

[As recommended by the United Nations Committee for Development Policy]

Mohammad Ataour Rahman
FVP & In-Charge, R&D Unit

The United Nations Committee for Development Policy [UN CDP] in its meeting held on February 22-26, 2021 recommended to the United Nations Economic and Social Council to take Bangladesh out from the list of the least-developed countries (LDCs). Bangladesh (BD) out from the list of the LDCs means Bangladesh will be recognized as a **Developing Country** in 2026.

Bangladesh has met, for the second time, all the three eligibility criteria for LDC graduation. Bangladesh, before the advent of COVID-19, was set to exist the LDCs group in 2024 but in response of the intervention of the government, the UN CDP has extended the transition period for two more years i.e. the exit now is to take place in 2026. Until 2026, the country will continue to enjoy the trade benefits as an LDC.

Least Developed Countries [LDCs] and Bangladesh

The LDC category was introduced by the United Nations in 1971 when there were 25 LDCs. As on February 11, 2021, the number of LDCs is 46. So far, only six countries were able to graduate from the LDC status including Botswana (1994), Cabo Verda (2007), Maldives (2011), Samoa (2014), Equatorial Guinea (2017) and Vanuata (2020).

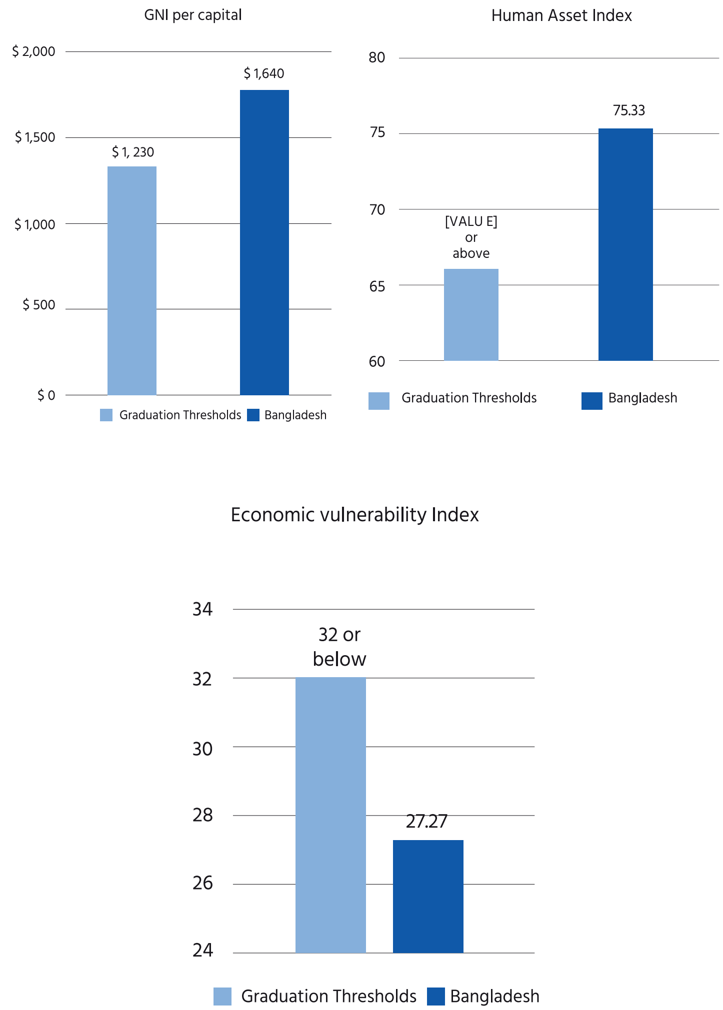
In 46 LDCs, 1 country belongs to Latin America and the Caribbean, 33 countries belong to Africa, 9 Countries belong to Asia and 3 Countries belong to Oceania continent.

Bangladesh was included in the list of LDCs in 1975. Bangladesh fulfilled eligibility criteria for the first time in 2018. The country has recently met, second time, all the three eligibility criteria for LDC graduation in the UN-CDP meeting held on February 22-26, 2021 and received the final recommendation for graduating from the group of LDCs.

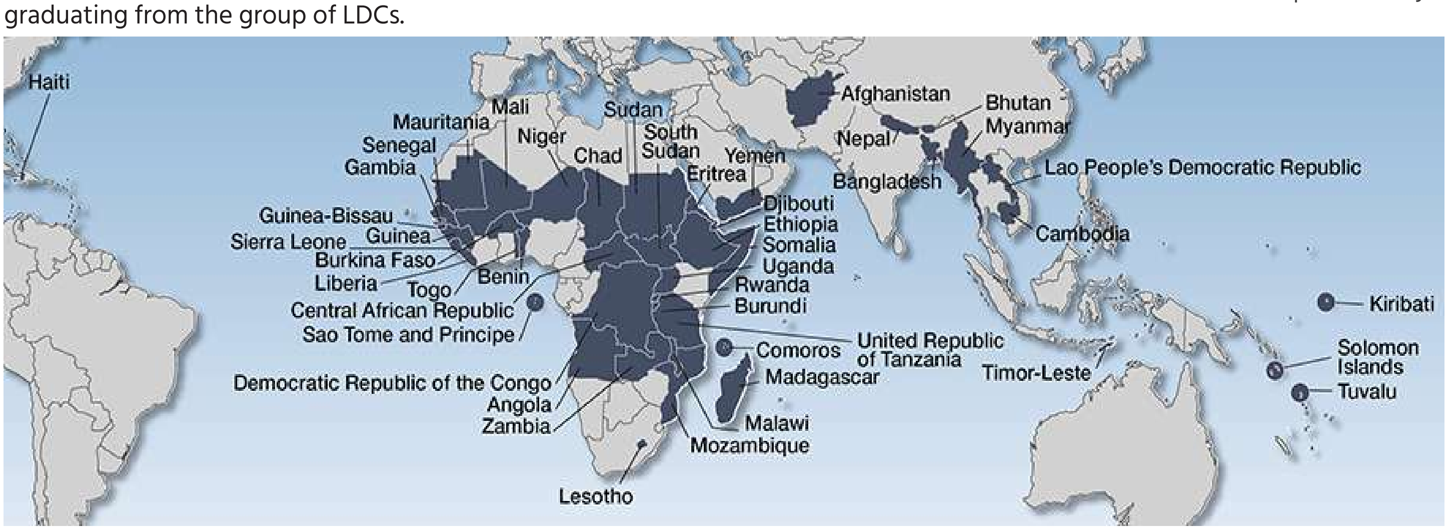
Qualification Criteria for LDC Graduation

The graduation thresholds, as determined by the CDP, must be met for any two of the three criteria: GNI per capita, Human Asset Index (HAI) and Economic vulnerability index (EVI) in **two consecutive triennial reviews.** The latest score of Bangladesh against thresholds is depicted in graph.

Graph: Graduating Criteria of LCD: Bangladesh Profile 2020.



Source: The United Nations Committee for Development Policy



Map of Least Developed Countries : Africa 33, Asia 9, Caribbean 1 and Pacific 3

Next step for approval: The UN-CDP recommendations will be sent to the United Nations Economic and Social Council (ECOSOC) for endorsement in June 2021 and the UN General Assembly is scheduled to approve the proposal in September 2021.

List of Countries that met criteria for the second consecutive time

In the meeting of The United Nations Committee for Development Policy held on February 22-26, 2021, the following countries have met all three eligibility criteria for the consecutive second time.

1. **Bangladesh**
2. **Myanmar**
3. **Lao People's Democratic Republic** [Laos, a Southeast Asian Country]

Recommendations due to COVID-19:

- Extended five-year preparatory period for all countries recommended for graduation in 2021.
- Improve monitoring system; pay special attention to COVID-19 impacts; alert ECOSOC if action is needed.

For Myanmar: The UN CDP deferred the decision to the 2024 triennial review, due to concerns on negative impacts of the state of emergency declared by the military on Myanmar's development trajectory and graduation preparation; inability to review at this time.

Allowed two years more grace period: In response to a recent intervention by the government of Bangladesh, the UN-CDP has agreed to extend the transition period by two more years i.e. from 2024 to 2026. The same has been done for three other graduating countries, including BD:

1. **Bangladesh**
2. **Lao People's Democratic Republic** [Laos]
3. **Nepal**

Experience, after leaving LDC group

After leaving the LDC group, countries have experienced **enhanced domestic tax** collection and **higher flow of foreign direct investment** (FDI). Access to **external development finance** did not diminish and intake of foreign remittance has remained indifferent in these countries.

Losses those may be incurred by BD for LDC Graduation

Among others, major losses may be in the following areas.

- Bangladesh will **loss duty free export facilities** to various countries immediately after its LDC graduation in 2026. The most severe shock is supposed to be felt in the area of exports of apparels, particularly in its European and Canadian markets. It has been estimated that the country may experience shortfall to the tune of 8-10% of its gross export revenue due to loss of Duty Free Quota Free (DFQF) provision-amounting to about $2.50 billion annually.

  However, the country will continue to enjoy the generalized system of preference (GSP) in some of its major markets- the European Union, the United Kingdom and Turkey for **additional three-year period.**

- The WTO Agreement on Trade-Related Aspects of Intellectual Property Right (TRIPS) provides a special exemption period for the LDCs. This exemption period is to end in 2033. But, **Bangladesh's pharmaceutical industry will stop** [in 2026, just after LDC graduation] enjoying the flexibility seven years before the expiry of the globally stipulated preferred period.

- Bangladesh may face reduction of international grant following the transition.

Gains from LDC graduation

The exit of a country from the LDCs group means achieving a seal of global approval regarding its development achievement. Among others, this transition is supposed to lead to:

- Enhance confidence of the international financial actors regarding the markets of the concerned country.
- Reduce the cost of international borrowing due to improved perception about country-level market risks.
- Register upgraded international credit rating of graduated LDC. This may augment generation of investible resources.
- WTO thinks that Bangladesh's exports to the United States, Australia and the Middle east may increase.

Preparation of BD for LDC graduation

Bangladesh, among others, has been planning to give priority in the following areas:

- Bangladesh is preparing to sign free trade agreements (FTAs) with various countries to offset the export loss.
- It has been emphasizing of exploration of new markets and export of new products.
- Various strategies aimed at sustainable transition have been included in the **Eighth Five-Year Plan (2021-25).**
- Several **mega projects** including the Padma Bridge, Metro Rail, Elevated Expressway, Karnafully Tunnel, Rooppur Nuclear Power Plant, Maheshkhali-Matarbari Integrated development Project are being implemented.
- Constructions of **100 special economic zones,** more than **two dozen high-tech parks** and IT villages are underway across the country, which will give more impetus to the economy including job creation.

Major Recommendations for Sustainable Graduation

Expert says that as the timeline of the LDC exit trajectory is finalized, Bangladesh needs to draw the following measures for sustainable graduation.

- Draw up robust LDC transition strategy
- Reform domestic business policies.
- Increase tax collection.
- Create more jobs.
- Increase private investment including FDI
- Strengthen health and education sectors.
- Diversify exports.
- Enhance technological upgradation.
- Embed Covid-19 recovery plans in transition strategy.

All the countries that have graduated from the LDC status are still as middle-income countries. So, one of the main challenges after the transition from LDC status may be the **"middle-income trap".** Expert says that pragmatic policies need to be adopted to keep up with the trend of development.

Source: The United Nations Committee for Development Policy; The Daily Star The Business Standard.

COUNTRY WISE INFLOW OF REMITTANCE DURING COVID-19

Mohammad Ataour Rahman
FVP & In-Charge, R&D Unit

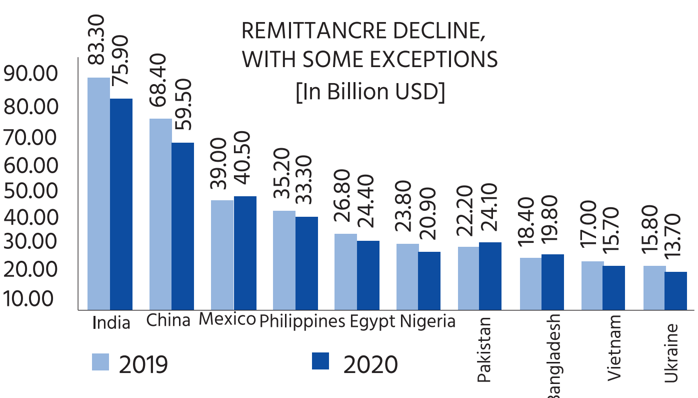
The coronavirus pandemic has had an enormous impact on international flows of migrant remittances. The World Bank estimated that global remittances fell by 7% in 2020, surpassing the 5% decline seen during the global financial crisis in 2009. Economic Intelligence Unit [EIU] warns a further 7% drop in remittance in 2021.

Bangladesh became an exception among top remittance receipt countries amid the COVID-19 pandemic. Bangladesh has registered about 8% increase in inflow of remittance during the year of 2020 compared with 2019. It has received USD19.8 billion of inflow of remittance in 2020.

The drop in remittances spells trouble for many emerging economies that have already been hit hard by the global recession. Many developing countries rely on remittance as a source of external financing. A significant drop in remittances represents further delaying their economic recovery, increasing likelihood of balance of payments issues and placing new pressures on their currencies.

Worldwide Remittance inflow amid COVID-19

Inflow of remittance worldwide fell in 2020 except three countries- Maxico, Pakistan and Bangladesh, as per report of EIU. A brief of inflow of remittance, worldwide, is depicted below in graph.



Source: The Economist Intelligence Unit, World Bank

Positive Growth in Three Countries: According to the World Bank data, three countries: **Mexico, Pakistan and Bangladesh** [4%, 9% and 8% incremental growth respectively] actually registered a rise in inflows of remittance in 2020 compared with 2019. There were many reasons of such increase of these countries.

- **In Maxico:** The inflow of remittance in 2019 was USD39.00 billion and in 2020 it was USD40.50 billion showed 4% growth. One of the main reasons of such growth was a sharp appreciation of peso at the onset of the pandemic which encouraged the flow of remittance to Maxico from the US. More than 90% of Maxican migrants are based in the US and many have access to social protection via resident status or a work permit. Going forward, remittances are likely to be supported by a fairly brisk recovery of the US economy throughout 2021. This means that Maxico could continue to see a rise in remittances in the near term.

- **In Pakistan and Bangladesh:** The inflow of remittance in Pakistan was USD22.20 billion in 2019 and it was USD24.10 billion in 2020, showed 9% growth. The inflow of remittance in Bangladesh was USD18.40 billion in 2019 and it was USD19.80 billion in 2020 showed 8% growth.
  Some Common reasons of inflow of remittance during COVID-19 pandemic: In Pakistan and Bangladesh, increased remittance inflows were likely tied to factors unique to 2020. These includes;

- The repatriation of overseas savings by nationals returning home after losing their jobs
- The shift in flows of formal channels, as travel restrictions complicated the formal transfer of remittances across borders.
- The introduction of new remittance tax incentives by the authorities- in 2020 by Pakistan and in 2019 by Bangladesh.
- In order to help close relatives during critical moments.

EIU also predicts that there is a risk of falling inflow of remittance for Pakistan and Bangladesh in 2021. This could be problematic as these countries usually run current account deficit and rely on remittances for a sizeable share of current account credits.

Large Recipients in Asia, showed exceptionalism

Three large recipients in Asia – China, India and Vietnam saw their remittance inflows fall in 2020 compared with 2019 (by 13%, 9% and 8% respectively). However, all face only modest pressures on the current accounts.

- **In China:** China relies on remittances for only a small share of its current account credits (a mere 2 % in 2019). The country's current account has long been in surplus and its export remained fairly resilient amid the pandemic-induced trade disruptions of 2020.

- **In Vietnam:** It faces a similar situation, remittances accounted for just 6% of current account credits in 2019. The current account is solidly in surplus and export increased in 2020.

- **In India:** India faces slightly more pressure (share of remittance in current account credit was 13% in 2019) but not nearly as much as for other major recipient countries. India traditionally runs a current account deficit, which will return in 2021 after decline in imports as the government's **"SELF – RELIANT INDIA"** initiative looks set to cut the import bill.

Vulnerable Situation

Apart from a few exceptional cases, most remittance receiving countries are in very difficult position. Many registered a steep fall in remittances in 2020 compared with 2019. Such vulnerable countries are- Kyrgyz Republic, Nepal, Tajikistan, Tonga (small economies with limited international trade), Ukraine, Philippines, Egypt, Nigeria. The fall in remittances places these countries at increased risk of experiencing financial crisis that would only prolong their post-pandemic recovery.

Economic and Social cost of dropping Inflow of Remittance

A decline in remittance means a narrowing of a vital safety net, raising the risk of worsening poverty and hardship across the world. Beyond the balance-of-payment concerns, the pandemic –induced drop in remittances will also have broader negative economic and social impacts. Across the main recipient countries, the drop in remittances will constraint consumption, lead the GDP growth stagnant and delay the economic recovery. This will particularly felt in communities that disproportionately rely on remittance for their financing needs. The Indian state of Kerala, for example, faces the daunting prospect of having up to 500,000 workers return from overseas amid the pandemic.

Nearly all will face protracted economic recoveries from the pandemic, with many unlikely to see widespread vaccination of their populations before 2023 or 2024.

Source: The Economist Intelligence Unit Limited 2021, The Business Standard

COVID-19 PANDEMIC AFFECTED ECONOMY OF BANGLADESH-AN OVERVIEW

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PO, Dhanmondi Branch

The coronavirus has emerged as a global pandemic that poses a major risk to the global economy. Protecting lives and allowing health care system to cope with have required quarantine, isolation, lockdown etc. which in turn have severely limited economic activity. As a result, the global economy is anticipated to contract in a much worse way than during the 2008-2009 financial crisis. In the World Economic Outlook (WEO) October 2020,

International Monetary Fund (IMF) projected that the global economic growth would contract sharply by 4.4 percent in 2020 downgrading from -3.0 percent projection made in April 2020.

Similarly, the economy of Bangladesh has been adversely affected by the prevailing pandemic. Economic growth slowed to 5.24 percent in FY 2019-20, which is the lowest since FY 2008-09. As per final estimate the last year's GDP growth was 8.15 percent.

Economic Sectors	Growth Rate (%)		Rate of Contribution (%)	
	2018-19	2019-20 (Provisional)	2018-19	2019-20 (Provisional)
Agriculture	3.92	3.11	13.65	13.35
Industry	12.67	6.48	35.00	35.36
Service	6.78	5.32	51.35	51.3
Overall GDP (By cost of Production)	8.15	5.24	100.00	100.00

The growth of agriculture sector has been slowed to 3.11 percent in FY 2019-20 from that of the last year which was 3.92 percent. Industry sector grew by 6.48 percent which was 12.67 percent in the previous fiscal year. The service sector grew by 5.32 percent compared to 6.78 percent in the last fiscal year. The contribution of agricultural, industry and service sectors reached at 13.35 percent, 35.36 percent and 51.30 percent respectively in FY 2019-20 against 13.65 percent, 35.00 percent and 51.35 percent respectively in the previous fiscal year.

Per capita GDP and per capita national income stood respectively at US$ 1,970 and US$ 2,064 in FY 2019-20, up by US$ 142 and US$ 155 from the previous fiscal year. During FY 2019-20, domestic savings increased to 25.31 percent of GDP, which was 25.02 percent in the previous fiscal year. Likewise, national savings as percent of GDP increased to 30.11 percent in FY 2019-20 from 29.50 percent of the previous fiscal year. The gross investment stood at 31.75 percent of GDP in FY 2019-20, which was 31.57 percent of GDP in the previous fiscal year.

In FY 2019-20, the inflation rate stood at 5.65 percent, which is slightly higher than the targeted 5.50 percent. Food inflation increased to 5.56 percent and non-food inflation stood at 5.85 percent. The corona virus pandemic has slowed global economic activity and reduced inflation globally. However, the pandemic could ignite world food production and cause disruption in supply chain. Therefore, food inflation is likely to increase in the coming months.

The monetary programme is based on the 8.2 percent real GDP growth and 5.5 percent CPI inflation ceiling targets declared for FY 2019-20 in the national budget. Bangladesh Bank's annual monetary programme made adequate room for money and credit growth for attaining the targeted nominal GDP growth.

With a view to ensuring the adequate liquidity in the financial system to tackle the impending financial crisis stemming from the outbreak of the COVID-19 pandemic, Bangladesh Bank reduced the repo rate from 6 percent to 5.25 percent. The Cash Reserve Requirement (CRR) was initially reduced from 5 percent to 4.5 percent (daily basis) and from 5.5 percent to 5 percent (bi-weekly basis), with a further reduction to 4 percent and 3.5 percent, respectively, from 15 April 2020. Bangladesh Bank has also raised the Advance-Deposit Ratio (ADR) and Investment-Deposit Ratio (IDR) by 2 percent to 87 percent and 92 percent respectively to facilitate credit to the private sector and improve liquidity in the banking system.

To keep the country's economy afloat in the face of the ongoing pandemic, extra spending on healthcare, emergency humanitarian assistance has been made. The government has already announced a stimulus package of about 1.2 lakh crore taka for economic recovery. Some of the notable activities of the package are: creating special funds for export oriented industries; providing working capital facilities to the affected industry and service sector organizations; providing working capital facilities to cottage, small and medium industrial enterprises; increasing the benefits of the Export Development Fund; increasing the coverage of social security; directing cash transfer to the targeted people and formulating various funds for the agricultural sector.

Along with financial incentives, various activities including policy support such as reduction of import duty on COVID-19 related products and policy support to increase liquidity in the banking sector has been provided. As a result of these actions taken by the government, the economy is expected to turn around.

Data Source: Bangladesh Bank (B.B), World Economic Outlook (WEO)

IMPLEMENTATION STATUS OF STIMULUS PACKAGES

Mohammad Ataour Rahman
FVP & In-Charge, R&D Unit

Bangladesh registered the GDP growth rate 8.15% in FY19 and 5.24% in FY20p. The reason of such tremendous decrease of GDP growth in FY20 was the outbreak of COVID-19 pandemic in Mach 2020. Lots of people lost their jobs, many business concerns closed, the rate of poverty increased due to this COVID-19.

Under such a condition, alike other countries, the government of Bangladesh declared 21 number of Stimulus packages amounting total Tk.120,153 crore [4.30% of GDP] for different sectors in order to help the businesses affected in COVID-19. If we see the latest [up to January 2021] disbursement status of these stimulus packages, it is observed that the big businesses are at the forefront of borrowing from the government announced stimulus packages, showed more than 91% disbursement, while the disbursement of SME showed only about 57%.

Sector wise Stimulus Package

Among others, stimulus package for working capital of large affected industries was Tk.40,000 crore and that of SME was Tk.20,000 crore, while such package for Development Fund [EDF] was $5 billion. In agriculture, the stimulus package was Tk.5,000 crore. A brief of government announced stimulus packages are depicted in table below.

Table: Stimulus Package to address COVID-19 and Economic Recovery

Sl No.	Name of the package	Allocation (BDT Crore)
01	Special Fund for salary support to workers of export-oriented manufacturing industries including ready-made garments.	5,000
02	Providing low interest working capital loans to affected industries and service sector enterprises to ensure their business continuation.	40,000
03	Providing low interest working capital loans to micro, cottage, small and medium enterprises including cottage industries.	20,000
04	Expanding the Export Development Fund (EDF) to USD 5 billion from USD 3.5 billion and setting its interest rate to only 2 percent to enhance the facility to import raw materials under back-to-back letter of credit.	12,750
05	Introducing Pre-Shipment Credit Refinance Scheme to enhance the capacity of exporters.	5,000
06	Providing special honorarium equivalent to two months' basic salary to the doctors, nurses, medical workers engaged in serving corona patients.	100
07	Providing appropriate compensation to doctors, nurses and health workers engaged in serving corona patients as well as to employees of field administration, law enforcement agencies, armed forces and other directly involved government employees engaged in implementing instructions of the government in case of coronavirus infection, or providing appropriate compensation to their families in case of death.	750
08	Free distribution of 5 lakh metric tons of rice and 1 lakh metric tons of wheat to the poor who have suddenly become jobless due to the coronavirus outbreak.	2,500
09	Selling rice at BDT 10 per kg under the Open Market Sale (OMS) among low-income people badly affected by the coronavirus outbreak.	770
10	Providing direct cash transfer of BDT 2,500 each to 50 lakh beneficiary families across the country to protect the ultra-poor who have become jobless and lost their income due to the outbreak of corona virus.	1,258
11	Increasing the number of beneficiaries of old age allowance, widow and divorcee allowance and disability allowance by a total of 11 lakh to protect the poor from the adverse effects of coronavirus.	815

Sl No.	Name of the package	Allocation (BDT Crore)
12	Allocating fund for the construction of home for homeless people affected by the coronavirus.	2,130
13	Increasing the target for procurement and distribution of paddy by 2 lakh metric tons to ensure fair price of paddy and keep the price of rice stable in the market in the aftermath of the coronavirus outbreak.	860
14	Providing support for farm mechanization.	3,220
15	Enhancing the amount of agricultural subsidy.	9,500
16	Establishing an Agriculture Refinance Scheme to ensure easy loans for farmers.	5,000
17	Establishing a refinance scheme for low income professionals, farmers, and small traders.	3,000
18	Providing low interest loans to rural poor farmers, expatriate migrant workers and trained youth and unemployed youth for establishing business and self-employment in agriculture and agro-related production and services, small business, small and cottage industries.	2,000
19	Providing subsidy for partial remission of commercial bank's suspended interest of April and May of 2020.	2,000
20	Credit guarantee scheme for the SME sector.	2,000
21	Social safety net program for the helpless workers in the RMG, leather goods and footwear industries.	1,500
	Total (In BDT)	**120,153**
	Total (in USD)	**14,014 million**

Source: Bangladesh Economic Review 2020, MoF

Implementation of Stimulus Package

Package for	Amount [Taka in crore]	Disbursement [Taka in crore]	Disbursement in percentages	Disbursement upto
Large Industry	**33,000**	**30,208**	**91.53**	02 Feb 2021
Agriculture	**5,000**	**3,465**	**69.30**	31 Jan 2021
SME	**20,000**	**11,564**	**57.82**	21 Jan 2021
Export Development Fund [EDF]	**$5 billion**	**$4.58 billion**	**91.60**	31 Jan 2021

Source: The Business standard

At the end of January 2021, almost entire amount of the fund for Large Industry as well as EDF have been disbursed, showed 91.53% and 91.60% disbursement. In agriculture, this percentage was 69.30% and in SME, it was only 57.82%. Expert says that such uneven treatment of disbursement leads to uneven recovery.

Banks provided almost whatever the amount the big player demanded without too many excuse but numerous issues rose while providing to SMEs. In this regard, bankers said that most of small ventures do not have the documents mandatory for banks loans. They also added that both the loan cost and risk are higher for SMEs. However, the Central bank has lastly set March 2021 as the deadline for stimulus disbursement to the SMEs.

As SME generates more employment in our economy, so in order to boost up the balanced economic recovery during the ongoing COVID-19 pandemic, we need to be more focused in SMEs in addition to large industries.

Source: Bangladesh Bank, The Business Standard

EXPORT PERFORMANCE IN SEVEN MONTHS: JULY, 2020- JANUARY, 2021

Mohammad Ataour Rahman
FVP & In-Charge, R&D Unit

Overall export receipt between July and January 2021 **declined 1.09%** compared to the same period of the previous year and volume of export was **$22.67 billion.** In RMG, export earnings from apparels was $9.98 billion showing positive growth of 3.84% and on the other hand export earnings from woven was $8.41 billion showing negative growth of 10.85%. Due to the outbreak of COVID-19, people were staying home and doing all sorts of job by staying at home that's why the demand for apparel items was increased and that of woven was decreased.

Performance of Top export earners in last seven months
[July 2020- January, 2021][USD Million]

	Export performance for July-20 to January 2021	% Change of export, July-Jan 2020-21 over July – Jan 019-20	Export Sharing
Overall export	22,670.24	(1.09)	100
RMG:	18,407.73	(3.44)	81
Knitwear	9,989.11	3.84	44
Woven Garments	8,418.61	(10.85)	37

	Export performance for July-20 to January 2021	% Change of export, July-Jan 2020-21 over July – Jan 019-20	Export Sharing
Jute & Jute goods	765.63	27.08	3
Home Textile	638.96	44.34	3
Agricultural Products	591.49	(2.06)	3
Leather & Leather Products	526.58	(5.78)	2
Engineering Products	309.57	58.9	1
Frozen Fish	308.26	(8.62)	1
Chemical Products.	146.79	16.27	0.65
Others	**975.24**	**--**	**4.35**

Positive Growth of exported items:

- **Knitwear:** The export earnings from knitwear was $9.98 billion which was **3.84%** up from the same period of the previous year. The reason of such increase was that many people have confined themselves to homes and many of them worked from home because of the deadly virus. During this period people prefer to wear T-Shirt and such other products.
- **Home Textile:** It showed 44% growth. Main textile item was **Bed shed and kitchen** toilet limes (50% sharing in total home textile export) showing 14% growth.
- **Jute & Jute goods:** It showed 27% growth during this period. Major items: **Jute yarn & Twine** (68% sharing in jute export) export showed 40% positive growth and **Jute sacks & Bags** (13% sharing in jute export) export showed 44% positive growth.
- **Chemical Products:** It showed 16% growth. Main item was **Pharmaceutical** (66% of total chemical exported) showing 13% growth.
- **Engineering Products:** It showed 59% positive growth during the pandemic. Major engineering items with their percentage of growth is as under
  - **Iron steel** (85% growth)
  - **Engineering equipment** (71% growth)
  - **Copper Wire** (27% growth)
  - **Electrical products** (43%)
  - **Bicycle** (42%)

Negative Growth of exported items:

- **Woven garments:** The export earnings from woven was $8.42 billion which was **10.85% down** from the previous year. The reason of such declining was that many people have confined themselves to homes and many of them worked from home because of the deadly virus. As such the demand for formal attire reduced during the pandemic.
- **Frozen Fish:** It showed 8.62% negative growth. One of the major items is shrimps export showed 15% negative growth and on the other hand **frozen fish (except shrimp) showed 47% positive growth.**
- **Leather & Leather Products:** It showed 5.78% negative growth. All items of leather & leather goods showed negative growth.
- **Agricultural Products:** It showed 2% negative growth. Despite having overall negative growth, there are some item showed positive growth like in **Tea export (37% positive), in spices (32% positive) and in dry food (49% positive).** Only in vegetable export, showed 60% negative growth.

Source: The daily star and EPB, Bangladesh

A RISING TREND IN THE CAPITAL BASE OF BANKS

Farzana Afroz
PO, R&D Unit

Capital Base

Capital base, also known as cost basis or bank capital, is generally used to refer to some type of base level of funding. The concept of capital base has multiple applications in finance and often refers to a specific amount of money. Individual investors can use the term to refer to the starting amount of money they invest in a stock or portfolio of stocks.

When dealing with a bank, capital base can be used synonymously with the term bank capital. Bank capital is the value that results when a bank's liabilities are subtracted from its assets. There are regulatory requirements regarding how much bank capital a bank must maintain.

Reduction of NPL

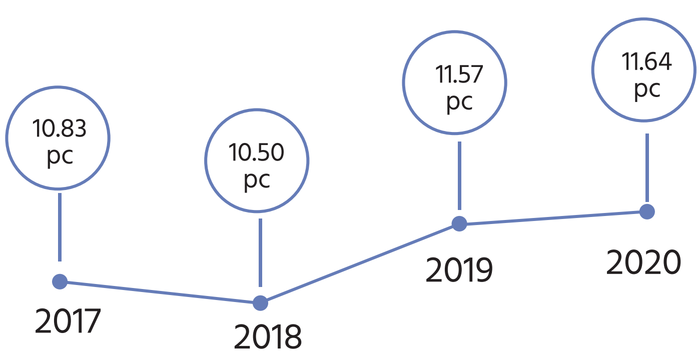
In 2020 Capital base of the banks of Bangladesh has improved because of the reduced volume of NPL. The NPLs declined by more than 6.0 per cent which is Tk 60.49 billion from Tk 943.31 billion to Tk 882.82 billion, excluding offshore banking operations, as of December 31 a year ago.

Due to COVID 19 Pandemic, usual practice of classifying loans was suspended by Bangladesh bank in March, 2020 which resulted into the reduction of classified loans. In the banking sector of the country.

CRAR

The capital adequacy ratio (CAR) is a measurement of a bank's available capital expressed as a percentage of a bank's risk-weighted credit exposures. The capital adequacy ratio, also known as capital-to-risk weighted assets ratio (CRAR), is used to protect depositors and promote the stability and efficiency of financial systems around the world.
As on December 31, 2020, The capital-to-risk weighted-asset ratio (CRAR) of all the scheduled banks rose to 11.64 per cent from 11.57 per cent in December 31, 2019.

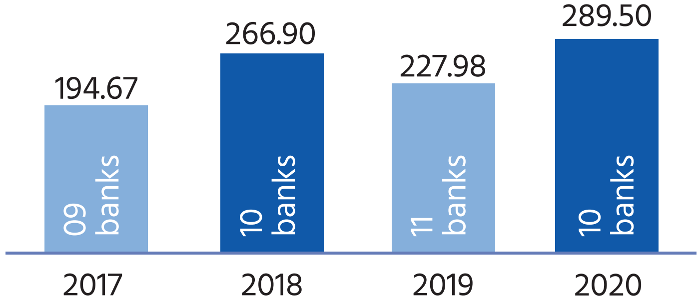
Position on CRAR



Source: The Financial Express

Capital Shortfall

(In billion BDT)



Source: The Financial Express

Capital Shortfall

A shortfall is an amount by which a financial obligation or liability exceeds the required amount of cash that is available. A shortfall can be temporary, arising out of a unique set of circumstances, or it can be persistent, in which case it may indicate poor financial management practices.

Banks with capital shortage cannot operate with efficiency, and as a result, operating cost rises and profitability declines.

In 2020, despite a decline in default loans, 10 banks out of the total 59 witnessed a total capital shortfall of Tk 289.50 billion. Among the banks there are five state-owned commercial banks (SoCBs), three private commercial banks (PCBs) and two specialised banks (SBs).

Importance of Strong Capital Base

The total regulatory capital increased to Tk 1,318.34 billion in the final quarter of 2020 from Tk 1,211.34 billion in 2019 resulting in an increase by 8.83 per cent or Tk 106.99 billion. This was due to the decrease in NPL of the banking sector. Capital base is important because it provides a benchmark when measuring returns. Without it, investors and companies would be unaware of how their investments have performed because they would have no starting point to use in their measurements.

A bank will keep an eye on its capital base, or bank capital, since it is a regulatory requirement to maintain certain levels of funding. A strong capital base is an indicator of a bank's strength to depositors and investors. A strong bank will attract more deposits.

Source: The Financial Express, Investopedia

RISE IN THE USE OF PLASTIC MONEY

Farzana Afroz
PO, R&D Unit

Plastic Money

Plastic money refers to the hard plastic cards we use every day in place of actual bank notes. For example, ATM cards like credit card and debit card are electronic generated card that acts as plastic money at the time of buying of goods and services. Debit card is used to withdraw money from your bank account at the time of payment for something and credit card is used to generate credit in the name of your bank account for the purpose of electronic payment.

Advantages of Plastic Money

There are several advantages of plastic money as follows.

Eliminates the need for carrying huge cash: This eliminates the need for carrying huge load of cash which is risky and inconvenient too.

Risk of Loss or Theft minimized: In case of cash there is a high risk of losing cash and a chance of cash getting stolen. However, in case of debit/credit card you can report the matter to the bank and block the card to avoid misuse.

Anytime/Anywhere Access: Using cards you have the unique advantage and convenience of using it anywhere in the country or even abroad.

Credit Facility: In case of credit card you have the option of buying on credit or paying later. Although the charges are high, it helps you in case of emergencies and contingencies.

Online Payments: You can use cards for online payments, fund transfers and various other transactions.

Covid19 and Plastic Money:

The covid19 pandemic could move the world more rapidly towards digital payments. Have demonstrated that they are dependable and durable, and continue to command a high level of confidence from the general population. In the era of digital takeover, like every other aspect, usage of Debit Card and Credit Card increased marking all-time high in December, 2020 in Bangladesh.

Usage of Plastic Money:

Total card loans held by lenders stood at Tk. 1,561 crore in December, 2020. This is 8.84 per cent up from earlier month and 23.78 per cent up from previous year. There was a record spending of Tk 18,795 crore through debit cards which is 8.44 per cent up from previous month and 16.51 per cent up from previous year.

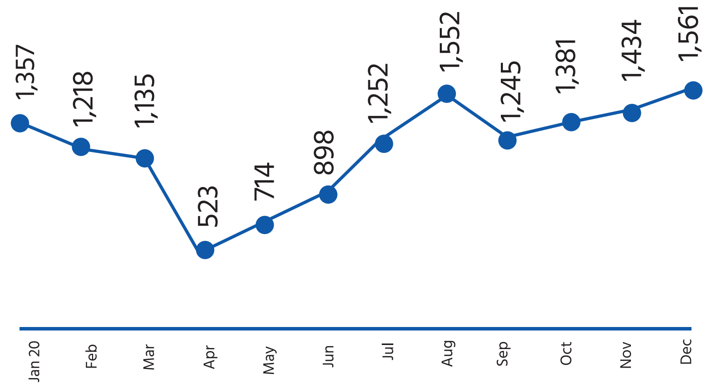
Number of Cards:

Month	Credit Card	Debit Card
Jan - Mar 2020	1599129	19300127
Mar – June 2020	1593697	19725783

The last time credit card loans hit a high was in August 2020 of Tk. 1,552 crore while debit card spending last July of Tk 18,123 crore. Majority of consumers had held back their spending during the lockdown. Use of cards drastically went down in the second quarter of 2020 because of the strict restrictions on movement imposed by the government to keep the deadly coronavirus at bay.

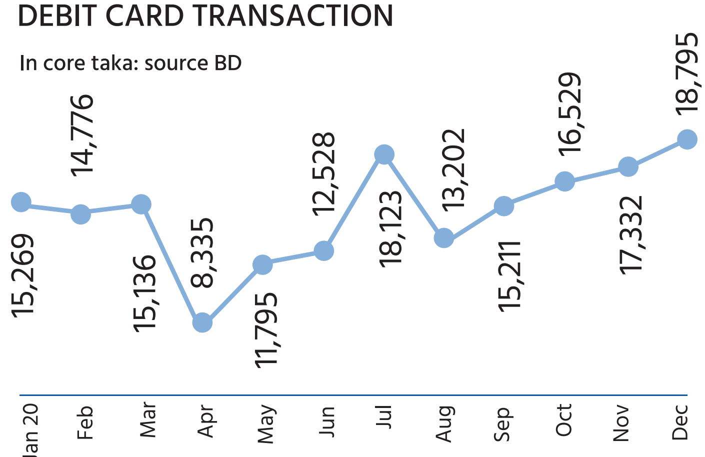
CREDIT CARD TRANSACTION

In core taka: source BD



DEBIT CARD TRANSACTION

In core taka: source BD



Source: The Daily Star,

Industry Insiders expressed their opinions as follows:

People have now started to spend on a large extent as they had purchased little during the lockdown period and in the following couple of months. In addition, people now prefer to purchase goods by way of using the digital means, heavily fuelling card transactions in recent months, he said. A good number of clients are avoiding use of cash to reduce chances of catching the virus.

Transactions through the cards will go up more in the months to come since festivals of Pahela Baishakh and Eid-ul-Fitr are upcoming. In addition, a good number of owners of garment industries now pay wages and salaries of workers through banks instead of through cash, he said. The owners took the initiative when the pandemic spread massively. For instance, they opened around 30,000 accounts with Dhaka Bank to pay remuneration to workers. And we provided debit cards to every worker.

People were still cautious about spend money as the pandemic continues to persist. Card-based transactions have been on the rise in the recent period as people are preferring e-commerce more than ever before to protect themselves from the virus.

The issuance of credit cards was on the increase in December, 2020 when the outstanding number of bank credit cards stood at 16.78 lakh whereas it was 16.51 lakh the month before. Similarly, the number of debit cards issued by banks were 2.13 crore and 2.09 crore respectively.

Digital payment methods are being more popular and convenient day by day. With proper security measures this plastic money will serve and fulfil the needs of mass people.

Source: The Daily Star, Wisdom times

ROLE OF BANKS IN REVAMPING THE AGRICULTURAL SECTOR

G M Nazmul Afsin
PO, Retail Business Division

Agricultural sector has contributed almost 13.35% in overall GDP in the period of 2019-2020. So, the importance of Agricultural sector can't be brushed aside considering the growth of the country. This sector accounts almost 46 percent of the employment of the country. But without shoring up from government, it will be impossible for this sector to take part in the growth of the country. We all know that a major percentage of our population earn their livelihoods from agriculture. But recent pandemic and other economic downfall have exacerbated the situation for the farmers. So, government has stepped up to aid the farmers to finance them through government and private banks. In April 2020, Bangladesh Bank launched refinance scheme of Taka 5000 crore for the country's agricultural sector with 4 percent interest rate for the beneficiary farmers. The scheme has been funded by Bangladesh Bank and the money has been disbursed to the other banks at 1 percent interest rate. In addition, government has bestowed on BDT 118.68 billion BDT to Agricultural sector to boost the growth of the economy.

Government has already taken various steps in revamping the sector-

- Developing modern and stress tolerant varieties
- Inventing machineries to support the irrigation process
- Inventing new cropping patterns
- Discovering water saving irrigation technologies
- Expanding the irrigation areas
- Expending in research activities to discover genome sequencing

But the recent Pandemic has mowed down the development of this sector severely. Now it's up to the banking sector to come up with different strategies to finance the farmers so that they can turn around their fortune to wear off the impact.

Before proceeding to the role of the banking institutions to help the Agricultural sector, we need to assume some of the challenges this sector is facing now.

1. **Mismanagement in Distribution:** Farmers often face delay in receiving seeds, fertilizers and other important machineries due to mismanagement in government offices.
2. **Climate Change:** As our country is prone to flood and cyclone, even after adequate precautions, farmers face terrible losses during these catastrophic disasters.
3. **Lack of Quality Seeds:** Farmers dwelling in rural areas don't get quality seeds from the local authorities.
4. **Layers in Distribution Channel:** Farmers of our country don't get the fair prices of their crops due to the presence of several middle parties who eventually devour the major profit and deprive the producers.
5. **Inadequate Credit Facilities for the Farmers:** Despite we have a specialized government bank for this sector, other remaining banks are reluctant to give credit facilities to the farmers. As a result, farmers have no choice but seek loan from local lenders and have to pay a higher interest rate.
6. **Inadequate Storage Capacity:** For minimal storage capacity, many of our farmers have to sell their crops at a low price to avoid complications.
7. **Export-Import Restrictions:** Sometimes, import policies from government cause the financial loss for the farmers as products are imported at a cheaper rate from abroad and local producers face consequences as a result.

Roles of Banks

- **By Credit Facility**
  We have already discussed that banks are reluctant to provide credit facilities to this sector due to uncertainty and other management factors. In addition, non-cooperative attitude towards the farmers by bank employees is another reason of the reluctance of the farmers to avail loans from banks. According to Bangladesh Bank, only 25 percent of the existing farmers opt to take loans from banks. A large portion of farmers don't apply for loan due to lack of inadequate knowledge about application procedure, documents etc. Besides, they have to face loss for higher interest rate as well. Let's take a look at the current rate of interest provided by different banks in Bangladesh-

Name of the Banks	Agriculture Loan Rate
Agrani Bank Limited	4%
Sonali Bank Limited	4-9%
Janata Bank Limited	4-9%
Rupali Bank Limited	4-9%
Islami Bank Limited	4-9%
Bangladesh Krishi Bank	9%

Name of the Banks	Agriculture Loan Rate
Brac Bank Limited	6-9%
Dhaka Bank Limited	9%
Bank Asia Limited	9%
Dutch Bangla Bank Limited	8-9%
Al Arafa Islami Bank Limited	4-9%

As we can see, most of the banks have kept their interest rate at 9 percent. Under the current government scheme, they have to disburse agricultural loan at 4% rate and Bangladesh Bank has given targets to individual bank to accomplish. It is high time for the banks to increase the loan disbursement under this scheme as farmers are in need of money to re-establish their set-ups. Other banks can introduce online loan application like Agrani Bank to lessen the formalities. Most of the farmers in our country don't have formal education and they don't want to face the hassles in time of seeking credit facilities. Shortening the process will allow them to get loans at ease. Again, most of the banks give inadequate time to the farmers for payment which may fan the flames.

- **Using Area Approach Methods**
  As mentioned by Bangladesh Bank, following area approach method will maximize the production of crops in certain areas having suitable climate. Some areas have appropriate weather for some crops like onion, ginger, garlic, pulse, potato, orange, banana etc. By the help from Agriculture Extension Department, farmers of these areas should be given support by banks to ensure the production of the necessary crops and fruits.

- **Innovation and Digital Banking**
  Digitalization is a key part in facilitating the credit facilities to the farmers. For example- some of the banks have introduced online loan application form which is simpler than previous version of application. Dhaka Bank has introduced same day decisions for loan applications through different branches. But banks need to consider that, most of the farmers don't know the basic of computer, so it will be easy to manipulate them by fraud parties in the time of application process. So, the application process should be straight forward and local representatives of the banks need to educate the farmers regarding the application and documentation process.

  If bank employees can't engage themselves in the process practically, it will be impossible to attain any benefit from any innovation. It is important to point out the business realities faced by rural farmers including low level education, shortage of modern devices, and dominance of subsistence farming etc.

  Banks can involve tech companies to assist them collecting the information of farmers living in rural areas. Credit can also be made accessible by E-Warehousing concept where recording and transfer of information on crop storage can be can be used as warehouse receipt for loan collateral. In terms of loan payment, mobile apps of banks can pay a role by deducting the installment from the accountholders.

- **Providing Latest Solution in Farming**
  As technology is surrounding us day by day, there is no denial of using technology in terms of agricultural food production. Banks can develop apps where farmers may get complete solution-

Loan Processing	Loan Approval	Expert Opinion	Warehousing	Information Storage

  Banks may involve in providing tech supports to farmers by linking them to experts as it will help them to produce crops efficiently thus easing the way of repaying the bank. Even the banks can connect the farmers to intermediate channels to help them getting proper price of their products.

As a developing country, the contribution of Agriculture towards our economy can't be neglected. Banks of our country need to step forward to revitalize this sector. Our Prime Minister mentioned our country as self-contained in terms of food production. To support the policy, bankers need to work in tandem to close the gap between themselves and the farmers to ensure the growth of our country.

Source: Bangladesh Economic Review-2020, Bangladesh Bank Website, Daily Star

CHANGING CUSTOMER BEHAVIOR AND OUR RESPONSIBILITIES

Shahadat Hossain Chowdhury
AVP & Manager-Ops,
Madina Market Branch, Sylhet

Transforming and changing customer behavior, both are the basic things for institutional race. But do we really appreciate transforming and changing customer behavior? Do we take preemptive steps to adjust with changing customer behavior?

Once upon a time, most of the banks didn't really understand the sales culture. They only focused on need base solution: customer come to the bank and explain their need and bank solve it accordingly with bank pre-planned solution. But times are changing; customers are taking greater control of their banking relationships. Changing behavior, demanding improvement and best customer services are main causes for switching bank. It's high time to grow the sales culture within our bank in each level considering customer demand and changing behavior. We need to create customers need by approaching positively our product features and its benefits. Designing a bank sales environment is the key components for growing sales cultures.

Due to COVID-19 situation, many banks have been concentrated on cost-optimizing strategies such as reducing headcount and salary cut which has been good from an expense standpoint but in long term its impact on brand as well as oppose to humanity. Each conscious small footstep towards confessing changing behavior we will make our work place stronger for all of us. For overcoming this dire situation, it's time to develop our skill, a positive mindset to acknowledge the changes and team work.

Attitude:

- Positive employee attitudes toward sales and services.
- Positive employee attitudes toward management's selling initiatives.
- Increase personal satisfaction derived from offering better and more professional service to their customers
- A positive change in overall employee morale.
- Avoid those who is chronically negative all the time.

Skills:

- Ability to identify and be receptive to customer needs.
- Ability to create links from customers' needs to bank products and services.
- Specific tools for handling misconception, objections and indifference.
- Vast knowledge on product features.
- A good way to do this is to create a to-do list each day. As you complete each item, check it off our task list.
- Need to know how to prioritize daily task list as important basis.
- Equally prioritize business and compliances.
- Ability to cope with changing environment.

Teamwork:

- The importance of teamwork to the sales environment is a vital factor. Team support and team motivation help to complete a successful sales journey.
- Take the time to honor and recognize employee feelings also a vital factor to grow sales culture.
- Leading from the front; leader may create sales opportunities for the team member and appreciate them for successful closing.
- Convert "I" as "WE" for all achievement which will increase team spirit and team motivation.
- Without making anyone feel inferior, develop our low performing employees in the branch by coaching them on tried and true tactics used by the higher performing members of the team.

Finally, adapting with changing customer trends is important for us to keep our customers happy and remain competitive. To make it easier for our customer, it is important for us to have a positive mindset to acknowledge the demand improvement, transformations and changing behavior of the customer.

NEW EXECUTIVE JOINING

Mr. Mohammad Mahbubur Rahman Palash
EVP & Head

MSME & Emerging Business
Head Office

Mr. Shamsul Arefin
AVP

Mohakhali Branch
Dhaka

Mr. Abrar Abdullah Saif
AVP

SME Unit
Head Office

Mr. Md. Al-Mamun
AVP

Treasury Division
Head Office

Mr. Md. Ariful Islam
AVP

Banani 11 Branch
Dhaka

NEW ASSIGNMENT

Mr. Sheikh Abdul Bakir
SEVP & Manager In-charge

Local Office, Dhaka

Mr. Manik Lal Biswas
EVP & Manager

Karwan Bazar Branch
Dhaka

Mr. Hasan Mahmood
SVP & Manager

Hathazari Branch,
Khatungong Branch
Chattogram

Mr. Mohammad Sirajul Islam
VP & Manager

New Market Branch, Chattogram

Mr. Fazle Ahmed Rabbi
VP & Manager

Laldighirpar Branch
Sylhet

Mr. Kazi Jasim Uddin
FVP & Manager

Halishahar Branch
Chattogram

Mr. Mohammad Noor Kashem
FVP & Manager

IBB-Chawkbazar
Chattogram

Mr. Md. Abdul Halim Faruqi
FVP & Manager

Gahira Branch, Chattogram

Mr. Shyamal Kanti Das
SAVP & Manager

Madina Market Branch
Sylhet

Mr. Mohammed Sadrul Islam
SAVP & Manager

Habiganj Branch
Habiganj

Mr. Murshed Alam
SAVP & Manager

Moulvibazar Branch
Moulvibazar

Mr. Towfiq Kabir Chowdhury
SAVP & Manager In-charge

Hathazari Branch
Chattogram

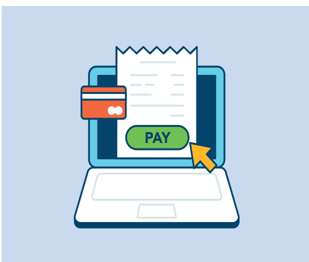
Mr. Afsar Uddin Faruque
AVP & Manager In-charge

Maijdee Branch
Noakhali

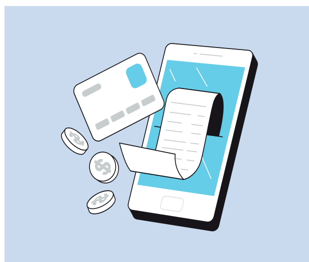
Mr. Mahbubul Alam
AVP & Manager In-charge

Kishoreganj Branch
Kishoreganj

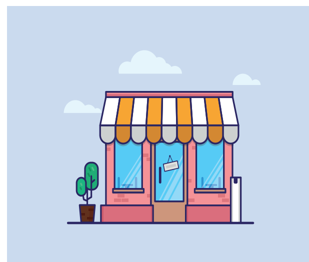
BANGLADESH ECONOMY AT A GLANCE



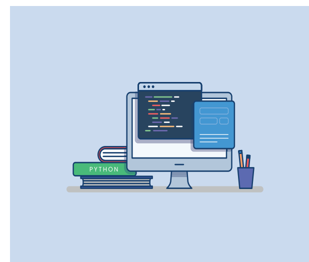
Reserve Money
[in BDT crore] 300493.40
[Feb-2021]



Broad Money
[inBDTcrore] 1480933.10
[Feb-2021]

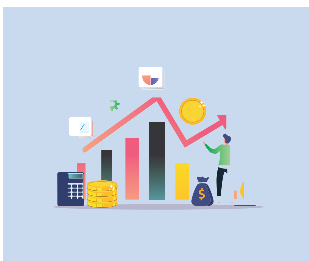


FDI Inflow
[in USD million] 547.56
[Jul-Sep’21]

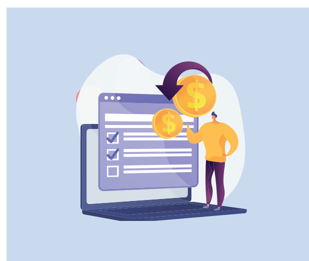


BOP
[in BDT crore] -1164.4
[June-2020]

GDP Growth
[in %] 5.24
[2019-2020]



12 moths Average Inflation
[in %] 5.63
[Feb-2021]



Per Capita Income
[in USD] $2,064

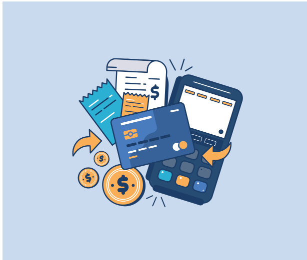
Import
[in USD million] 5564.20
[Feb-2021]

Export
[in USD million] 3192.08
[Feb-2021]

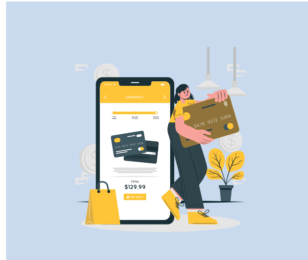
FX Reserve
[in USD million] 44048.68
[28 Feb-2021]

Tax revenue
[in BDT crore] 20938.21
[Feb-2021]

Classified Loan Percentage Total Outstanding
[in %] 7.66 [Dec-2020]



Net Credit to the Govt. Sector
[in BDT crore] 179511.50
[Feb-2021]

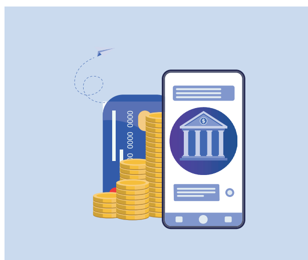


Credit to the Private Sector
[in BDT crore] 1153510.60
[Feb-2021]

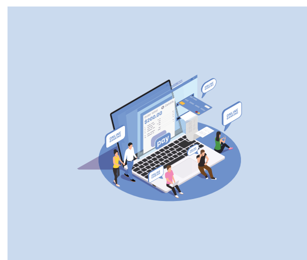
Wage Earners' Remittance
[in USD million] 1780.59
[Feb-2021]

BANKING INDUSTRY AT A GLANCE

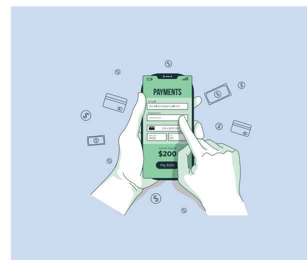
No. of Internet Banking Customers
3319668 [Jan-2021]



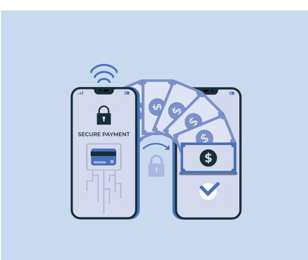
No. of Internet Banking Transactions
2373928 [Jan-2021]



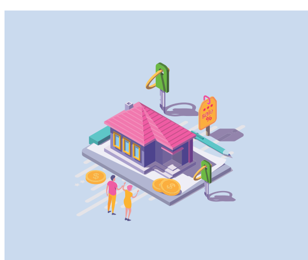
Amount of Internet Banking Transactions
8543.4 Cr [Jan-2021]



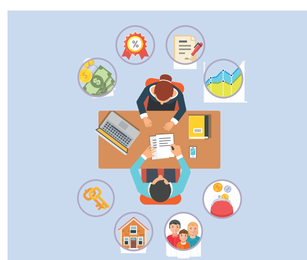
No. of Mobile Banking Transactions
299234698 [Jan-2021]



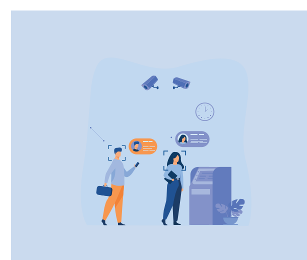
Amount of Mobile Banking Transactions [in BDT crore]
57289.1 Cr [Jan-2021]



No. of Agent Banking Transactions
10660367 [Jan-2021]

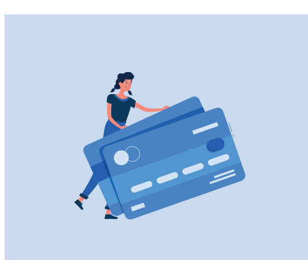


Amount of Agent Banking Transactions [in BDT crore]
34078.6 [Jan-2021]



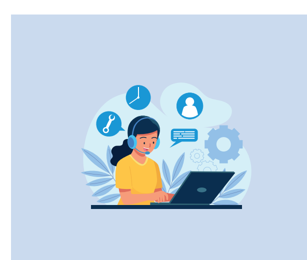
No. of ATMs (in actual) (as on)
12002 [Jan-2021]

No. of POS (in actual) (as on)
75737 [Jan-2021]



No. of Credit Cards
1693454 [Jan-2021]

No. of Debit Cards
21670524 [Jan-2021]



W.A Call Money Rate
1.83 [31 Mar-2021]

EVENTS

Courtesy Meeting

Meeting with Commerzbank AG Germany

Mr. Tawfiq Ali, Chief Representative of Commerzbank AG Germany along with Mr. Syed Naushad Zaman, Representative Commerzbank AG Germany visited Dhaka Bank Head Office on February 15, 2021 to meet with the honorable MD & CEO, Mr. Emranul Huq.

During the meeting, both the banks conversed on how they were progressing during Covid and what measures and initiatives they have taken to successfully overcome the situation. Discussion on long term ECA financing, UPAS financing, trade transactions were some of the key topics in the meeting. Commerzbank is one of the longest partners of Dhaka Bank and the MD and CEO, Mr Emranul Huq has expressed his heartfelt gratitude for all the support Dhaka Bank has received over the years and wants to strengthen this relationship further.

Meeting with Standard Chartered Bank

Mr. Alamgir Morshed, MD and Head of FI, SCB Bangladesh; Mr. Emranul Huq, MD & CEO of Dhaka Bank; Mr. Mohammad Abu Jafar, AMD of Dhaka Bank along with other senior officials of Dhaka Bank and SCB were present at the meeting held on January 28, 2021.

Significant and fruitful discussion was held with the largest partner of Dhaka Bank in international trade on recent challenges of the pandemic, lifting of moratorium opportunities of central bank on the loan, rising of NPL in banking industry, capital structure of the banks to comply Basel-III and other bilateral issues. Future direction of both the organizations were exchanged during the meeting focusing on the digitalization of banking activities. The MD and CEO Mr. Emranul Huq showed his gratitude to SCB management for their incredible support to the trade finance transactions of the bank.

Meeting with Mashreqbank

A meeting was attended by the honorable MD & CEO of Dhaka Bank, Mr. Emranul Huq; Honorable AMD of Dhaka Bank, Mr. Mohammad Abu Jafar; Senior Director & Regional Head of Mashreqbank, Mr. Nadeem Saleh; Acting Chief Country Representative of Mashreqbank Bangladesh, Ms. Fahmida Sharmeen and Head of International Division of Dhaka Bank, Mr. Abu Jahid Ansary on January 25, 2021.

The meeting was initiated by exchanging views about the world's economic conditions during the pandemic period. The challenges the banking sector is going to face post pandemic and how to overcome them in the coming days. Reduction in pricing of UPAS financing, trade loans, LC confirmation were also proposed during the meeting. Mashreqbank also shared its future plans and upcoming products which will be beneficial for both the organizations.

Managing Director & CEO of Dhaka Bank Ltd. visited Bangladesh Office of Sumitomo Corporation, Japan.

A Dhaka Bank Team led by its Managing Director & CEO Mr. Emranul Huq has visited the Bangladesh Office of Sumitomo Corporation, Japan on 23.03.2021 and met Mr. Khondker Ali Ershad , Advisor, Sumitomo Corporation Asia & Oceania Pte. Ltd. Mr. Ershad welcomed DBL Team and briefed Sumitomo Corporation's operations in Bangladesh. He also briefed the DBL team about their upcoming project of Special Economic Zone, Araihazar, Narayangonj.

Managing Director & CEO of Dhaka Bank Ltd. briefed them about the Bank and its services and offered them to avail banking services from Dhaka Bank.

Cash Management Signing

Cash Management Signing with Rangs Motors Ltd.

Dhaka Bank has signed an agreement on February 03, 2021 for providing cash management services to Rangs Motors Limited. Mr. Emranul Huq, Managing Director and CEO of Dhaka Bank Ltd. and Ms. Sohana Rouf Chowdhury, Managing Director of Rangs Motors Limited signed the agreement while Mr. Mustafa Husain, EVP & Manager, Mohakhali Branch and Mr. Md. Shaiful Islam FCA, Group CFO & CS exchanged the agreement on behalf of their respective organizations. Other senior officials of both the organizations were also present at the signing ceremony.

Cash Management & Payroll Banking Signing with Energypac Electronics Ltd.

Dhaka Bank has signed an agreement on February 25, 2021 for providing cash management services and payroll banking services to Energypac Electronics Limited. Mr. Mohammad Abu Jafar, Additional Managing Director of Dhaka Bank Ltd. and Mr. Md. Nurul Aktar, CEO & Director of Energypac Electronics Limited signed & exchanged the agreement for cash management services while Mr. Mustafa Husain, EVP & Manager of Mohakhali Branch, Dhaka Bank Limited and Mr. Md. Nurul Aktar, CEO & Director of Energypac Electronics Limited signed & exchanged the agreement for payroll banking services on behalf of their respective organizations. Mr. Emranul Huq, Managing Director & CEO, Dhaka Bank Limited, Mr. Humayun Rashid, Director, Energypac Electronics Limited and other senior officials of both the organizations were also present at the signing ceremony.

Cash Management Signing with GMS Composite Knitting Industries Ltd and GMS Textiles Ltd.

Dhaka Bank has signed agreements on February 10, 2021 for providing cash management services to GMS Composite Knitting Industries Ltd and GMS Textiles Ltd. Mr. Mohammad Abu Jafar, Additional Managing Director of Dhaka Bank Ltd. and Mr. Shamsul Arefin, Director of GMS Composite Knitting Industries Ltd and GMS Textiles Ltd signed & exchanged both the agreements on behalf of their respective organizations. Mr. Emranul Huq, Managing Director & CEO, Dhaka Bank Limited, Mr. Mukarram Hossain Chowdhury, SEVP & Head of RMG Division, Dhaka Bank Limited and other senior officials of both the organizations were also present at the signing ceremony.

Cash Management Signing with Progressive Life Insurance Co. Ltd.

Dhaka Bank has signed an agreement on March 15, 2021 for providing cash management services to Progressive Life Insurance Company Limited. Mr. Akhlaqur Rahman, SEVP & Head of Corporate Banking Division, Dhaka Bank Ltd. and Mr. Ajit Chandra Aich, CEO of Progressive Life Insurance Company Limited signed & exchanged the agreement on behalf of their respective organizations. Other senior officials of both the organizations were also present at the signing ceremony.

MoU Signing

MoU Signing between Dhaka Bank Limited and Suvastu Properties Ltd

Dhaka Bank Limited and Suvastu Properties Ltd– a leading real estate company in Bangladesh signed a MoU on 16th February, 2021 at the Corporate Office premise of Suvastu Properties Ltd, Dhaka for offering Home Loan Services to clients. Under this agreement the clients of Suvastu Properties Ltd can avail easy Home Loan from Dhaka Bank Limited, under a very attractive interest rate and discounted processing fees as well as can enjoy special offers from Suvastu Properties Ltd along with exclusive facilities.

With the presence of other officials Mr. Nazmul Haque Khan, Managing Director of Suvastu Properties Ltd and Mr. H.M. Mostafizur Rahaman In charge Retail Business Division, of Dhaka Bank Limited have signed and exchanged the copy of Agreement on behalf of their respective organization.

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