



Md Quamrul Islam Chowdhury, CEO of Mercantile Bank, and Md Kazim Uddin, CEO of National Life Insurance Company, exchange documents after signing a deal at the former's head office in Dhaka recently. The bank will facilitate the collection of life insurance premiums from the insurer's customers through its digital and other channels.

Coca-Cola revenue beats expectations as consumers venture out

REUTERS

Coca-Cola Co beat quarterly revenue expectations on Thursday as the world's largest soda maker benefited from the partial reopening of theaters and restaurants, which have remained shut for months due to the COVID-19 pandemic. Net revenue fell 9 per cent to \$8.7 billion in the third quarter, above the analysts' average estimate of \$8.36 billion, according to IBES data from Refinitiv.



SM Abu Mohsin

Md Abul Bashar

NCC Bank gets new chair, vice chair

STAR BUSINESS DESK

SM Abu Mohsin has recently been elected chairman of NCC Bank. The bank also elected Md Abul Bashar as vice chairman, says a statement. Mohsin is the chairman of Alliance Deep Sea Fishing, JM Shipping Lines, and Food and Accommodation Co and managing director of Brothers Oxygen. He was the chairman of Continental Insurance and director of Central Hospital.

Mr Baker's bank accounts frozen for alleged VAT evasion

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Two teams inspected the headquarters and the production unit of Mr Baker on October 20. During the inspections, the field office didn't not get purchase and sales registers of the pastry maker as per VAT laws.

The owners, who were present during the visit, could not show documents and give satisfactory answers to the inspection teams, said the VAIID.

"It appeared to the VAT intelligence teams that Mr Baker is submitting VAT returns based on made-up accounts," said the VAIID.

"At the same time, it did not deposit the actual amount of VAT collected from the consumers."

VAIID officials disguised as general customers visited two outlets of Mr Baker at Uttara and Bailey Road in Dhaka and found that the pastry maker was selling products without VAT chalans.

Khan said his office recorded the stock of raw materials of Mr Baker during the inspection at the factory.

"We will check the stock on October 30 to get an idea about the sales of the bakery," he said.

Iftikhar Alam, general manager of Mr Baker, said the VAT Intelligence seized chalans of transactions and asked them to submit the copies of gas and electricity bills of the last five years.

"Mr Baker will comply with the rules if the VAT office detects any unpaid VAT as per laws."

Established in 2001, Mr Baker widened its presence in Dhaka in the last two decades as demand for cake and pastry has grown among urbanites.

It had 36 outlets before the outbreak of the coronavirus pandemic in the country in March. It closed three outlets after suffering huge losses as social events such as birthday celebrations have largely been cancelled, said Alam.

REUTERS, Jaipur/New Delhi, India

Indian businesses are stocking up more ahead of this year's big festival season than at any time in the last five years, expecting people whose earnings were relatively unaffected by the pandemic to spend the money they saved during months of lockdowns.

India's biggest shopping season is at the time of the festivals of Durga Puja and Diwali, which fall 20 days apart in October-November each year. Traditionally, this is a time when houses are re-decorated, big-ticket items purchased, feasts held and gifts exchanged.

Businesses and shopkeepers expect more purchases than usual this year, beginning with Durga Puja on Thursday, because the months of lockdowns have resulted in pent-up demand.

Recent data shows that demand for diesel, power and cars has already picked up, and any resurgence of retail buying of everything from phones to furniture would bode well for India's economy that shrank 23.9

per cent in the quarter ended June - its steepest decline.

Brokerage firm Nomura said its India business-resumption index for the week that ended on Oct. 18 hit its highest level since the country first imposed a lockdown in late March to contain the coronavirus.

Big retailers such as Croma and Vijay Sales, both dealing mainly in

electronics and home appliances, told Reuters sales in recent days indicated that this holiday season could be better than last year and that they were actually worried about tightening inventory in certain categories like entry-level laptops and high-end televisions.

The Confederation of All India Traders (CAIT) said its 70 million small businesses on average were



REUTERS

A customer with his family is seen at an electronics and appliances shop in Jaipur, India on October 20.

Outbound remittances remain largely untraceable

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Kazi M Aminul Islam, a former executive chairman of the Bangladesh Investment Development Authority (Bida), said there is a lack of skilled workforce at higher levels that compels the private sector to hire foreign citizens for better output.

He also thinks that the central bank data is inaccurate. "Former finance minister AMA Muhith himself publicly disclosed the actual remittance outflow of around \$4 billion to \$5 billion per year."

According to him, the BB records the outflow based on the salaries of the officially appointed experts or consultants. But the amount is nominal in comparison to the salaries paid by the private sector to foreign citizens.

"During my tenure at the Bida, I initiated a move to find out the exact figure of outbound remittance. But it did not complete during my time," he said.

Islam urged the government to find out the real figure of remittance outflow by carrying out a study.

"It is important to unearth the data to ensure the outflow through the official channel. The government will get tax from it."

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, said the record of the BB is unrealistic as the actual remittance outflow is far higher than

the official data.

There are a lot of foreigners from India, Sri Lanka, and Pakistan who work in the private sector and at multinational companies, he said.

The private sector depends on foreign employees at the managerial level as they are sincere. On the other hand, Bangladeshis are not skilled and do not work sincerely, Mansur said.

Foreigners send their incomes through the unofficial channel as the private sector does not want to face unnecessary hassles in securing permission, he said.

There are thousands of Chinese citizens employed at various projects and do business in Bangladesh. They earn legally but transfer their earnings through the unofficial channel, said Mansur, also a former senior official of the International Monetary Fund.

Paban Chowdhury, executive chairman of the Bangladesh Economic Zones Authority, said the Beza provides permit to work in the economic zones but it has no authority to keep the record how foreign citizens send their salaries and other allowances to their country.

The employers and government agencies are responsible for ensuring that the outbound remittance goes through the official channel, he said.

Md Sirazul Islam, executive chairman

of the Bida, said the agency grants work permits to foreign citizens against the demand of investors.

The Bida does not have data or study on remittance outflow, he said, suggesting that banks could keep the record and provide it to the central bank.

According to him, the Bida has the scope to keep the records of the payments made for technical assistance and royalty.

Zahid Hussain, a former lead economist of the World Bank Dhaka office, said the number of foreigners working in Bangladesh without securing work permits is far higher than those who have the availed the permission.

"So, payments made to them have to be done through informally as there is no other option."

The economist blamed the complexities in issuing work permits for the situation.

"If the process had been transparent, the foreign workers would have received payments officially and thus sent home the money through official channels."

Hussain said if skilled workers had been available locally, employers would not have gone for foreign hiring since the latter creates a lot of liabilities for them.

He said if skilled workers are not available locally and companies do not hire them from other countries, production would be hampered. "This would ultimately hurt the

economy."

"The lack of adequate skilled workers also points to the weakness in our education system. Until the country can plug the skill shortage, employers would have to rely on foreign workers."

Nilphamari farmers pinning hopes on early variety potato

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"It is inspiring to see that Kishoreganj's early harvested potatoes are taken to vegetable markets in the capital at the very beginning of the season," said Habibur Rahman.

Traders from Dhaka and other big cities come directly to different villages in Kishoreganj with trucks to purchase early potato in November and December, said Md Farhanul Haque, senior vice-president of Nilphamari Chamber of Commerce and Industry.

"We try to cooperate with them as the crop is harvested here much earlier than other districts in the country," he added.

Liaquat Ali, sub assistant agriculture officer of Kishoreganj, said this year they target to cultivate the short-duration early variety potato in around 7,000 hectares, up from 6,500 hectares last year.

Prime Bank to get \$35m from IFC

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The first loss guarantee is a mechanism whereby a third party compensates lenders if the borrower defaults. As the third party pays for the losses, it gives lenders confidence to give out loans.

"This new investment from IFC will allow us to extend critical working capital, trade finance and forex liquidity to affected businesses," said Rahel Ahmed, managing director and CEO of Prime Bank.

"This fresh fund injection will enable us to lend a helping hand, particularly to export and import-based SMEs and other corporate clients, and thousands of suppliers and employees who depend on these businesses."

Prime Bank, a private-sector commercial bank in Bangladesh, has been an IFC client since 2014.

"This is an unprecedented crisis that the world is facing and we need all hands on deck to navigate the public health crisis and the resulting economic challenges," said Rosy Khanna, IFC regional industry director for Financial Institutions Group for Asia and Pacific.

"Small and medium enterprises are key not just in terms of overall contribution to GDP but also in terms of job creation and the impact of the pandemic on them has to be addressed."

The IFC states to be the largest global development institution focused on the private sector in emerging markets, working in more than 100 countries.

In fiscal year 2020, the IFC invested \$22 billion in private companies and financial institutions in developing countries, saying that it was leveraging the power of the private sector to end extreme poverty and boost shared prosperity.

The World Bank Group created the \$2.5 billion IDA Private Sector Window to catalyse private sector investment in the poorest and most fragile countries.

The window is said to recognise a key role the private sector would play in achieving IDA18 objectives and the Sustainable Development Goals.

It is said to provide concessional funds for co-investment alongside the IFC and Multilateral Investment Guarantee Agency private investments.

The statement says concessional funds help to mitigate risk and reduce barriers, which unlocks and crowds in private investment in emerging markets.

The man who inspired a tangy trade

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The hubs are Banaripara and Wazirpur upazilas in Barishal, Nesarabad and Nazipur upazilas in Pirojpur, and Jhalakathi sadar and Nalchhiti upazilas in Jhalakathi, he said.

"I had started farming malta in 2016 and was able to begin selling the fruit in 2017. This year I think I will make a profit of at least Tk 2 lakh," said Shyamal.

When it comes to costs, he is said to have spent only about five lakh, that too just to purchase the shrubs years back alongside saplings of coconut and mango varieties such as Bari Mango-5, Bari Mango-4, Haribhanga, Gopalbhog, Fazli and Banana Mango.

Shyamal inspired the creation of about 100 malta gardens in Ujirpur upazila, said Agriculture Officer Zakir Hossain Talukder.

And all because he refused to give in to failure and tried making the best of what he had.

Google's antitrust legal woes far from over if Biden wins

REUTERS, Washington

The US Justice Department's nascent antitrust case against Google will get the attention it needs to succeed if Democrat Joe Biden wins the US presidency next month, antitrust experts said.

William Kovacic, an antitrust professor at George Washington University Law School, said he expects a Biden Justice Department would do one of two things: support the case all the way as it is, or amend the complaint to add new claims.

"What they will not do is drop this case," Kovacic predicted.

The Justice Department asked a court on Tuesday to find that Alphabet's Google had broken antitrust law to maintain its dominance in search and search advertising. Google has denied wrongdoing.

While the Biden campaign declined comment on the lawsuit, spokesman Bill Russo said a Biden administration would work closely on Big Tech issues with Rep.



BANGLADESH EDIBLE OIL

Inam Ahmed, general manager of Bangladesh Edible Oil; Faisal Mahmud, senior marketing manager, and Istiaq Mahmood, senior brand executive, unveil the new logo of its brand Fortune at the company's head office in Dhaka yesterday. Fortune markets Fortune Rice Bran Oil and Fortune Biryani Special Basmati Rice.