Uttara Motors launches Bajaj V

STAR BUSINESS DESK

Automobile importer, assembler and marketer Uttara Motors launched Bajaj's new commuter motorcycle—Bajaj V—at a programme at Pan Pacific Sonargaon Hotel in Dhaka yesterday.

V is made from the metal of India's first aircraft carrier INS Vikrant, which played a decisive and heroic role in the liberation war of Bangladesh in 1971, Uttara Motors said in a statement.

"The bike defines understated toughness with a solid and powerful body and a powerful 150 CC engine pumping in 12 PS of power and 13 Nm of peak torque."

The bike will be found at all showrooms of Uttara Motors across the country, and the ex-showroom price of the bike will be Tk 177,500.

INS Vikrant was used significantly to fight decisive battles at Chittagong, Cox's Bazar, Khulna and Mongla Port during the war, according to the statement.

INS Vikrant was preserved as a museum ship in Mumbai from 1997 to 2012 and was closed in 2012 due to safety issues, according to the statement.

In January 2014, the ship was scrapped for metal and Bajaj decided to use the invincible metal of INS Vikrant to make the Bajaj V, the company said.

The steering wheel of INS Vikrant is preserved at the liberation war museum in Dhaka.

Md Mosharraf Hossain Bhuiyan, senior secretary of the industries ministry, attended the programme as the chief guest while retired major general KM Safiullah Bir Uttam, a liberation war veteran, shared memories of 1971 and the contribution of INS Vikrant to Bangladesh.

Matiur Rahman, chairman and managing director of Uttara Motors, and Durand Mehdadur Rahman, deputy managing director, along with the dealers and other officials of company and top executives from Bajaj Auto Ltd (India) were also present.

UTTARA MOTORS

Md Mosharraf Hossain Bhuiyan, senior secretary of the industries ministry; KM Safiullah Bir Uttam, a liberation war veteran; Matiur Rahman, chairman and managing director of Uttara Motors, and Durand Mehdadur Rahman, deputy managing director, attend the launch of Bajaj V, a new motorcycle, in Dhaka yesterday.

Govt should engage civil society in efforts for SDGs: analysts

STAR BUSINESS DESK

In achieving the sustainable development goals or SDGs by 2030, the government should engage the civil society in its implementation process, analysts said.

The nongovernmental and civil society organisations need to enhance their capacities in understanding the SDG issues and identifying the implementation challenges, they said. They spoke at a workshop on "Appreciation course on 2030 agenda: framework issues and implementation challenges", at Brac Conference Room in Dhaka on Saturday.

The Citizen's Platform for SDGs, Bangladesh in partnership with the Centre for Policy Dialogue organised the event.

Forty-two executives from 36 partnering organisations of the platform took part in the workshop.

The objective of the workshop was to upgrade the level of understanding of the participants on SDGs as regards the key issues and challenges, identifying gaps in policies and strategies, effective resource allocation and financing towards the implementation process in the context of Bangladesh.

The programme was designed with interactive lecture sessions and group activities, CPD said in a statement. Debapriya Bhattacharya, convenor of the platform and CPD's distinguished fellow, in his lecture, said the goals and targets of the SDGs are all integrated.

The goals will require inclusive approaches and parallel processes from the relevant executive agencies in succeeding with the attainment of SDGs, he said.

The role of the private sectors will be to identify the policy gaps that are potential constraints to the process, and support the government in its efforts to achieving the SDGs, he said.

Mustafizur Rahman, core group member of the platform and CPD's executive director, focused on institutional frameworks for SDGs implementation, finance, and availability and adequacy of data to monitor the progress of SDGs in his lecture.

Mushtaque Raza Chowdhury, vice chairperson and adviser to the chairperson of Brac; Iftekharuzzaman, executive director of Transparency International Bangladesh; and Asif Ibrahim, vice chairman of NewAge Group -- core group members of the platform --were also present at the event.

The workshop ended with a certificate awarding ceremony.

Bangladesh to import only cleaner gasoil from 2017

REUTERS, *Dhaka*

Bangladesh will lower the sulphur content of its gasoil imports from January 2017, in line with a global trend towards cleaner fuel, two energy officials said on Sunday.

It will limit imports to gasoil with 500 parts-per-million (ppm) sulphur and no longer buy the 2,500 ppm grade, two senior officials at the Bangladesh Petroleum Corp (BPC) told Reuters.

The state-owned company, the country's sole importer of gasoil, started importing cleaner gasoil this year. It has purchased 2,500 ppm gasoil only from Kuwait Petroleum Corp (KPC), the biggest supplier of gasoil to BPC at around 1 million tonnes a year.

"From next year, we will not import gasoil with 2,500 ppm anymore from any oil company. We are importing gasoil with 500 ppm only," said one of the officials, who asked not to be identified.

BPC buys oil products from a number of oil companies through term deals while it has also started buying a portion through tenders as part of efforts to buy at cheaper rates.

Bangladesh imports around 3.0-3.3 million tonnes of gasoil a year while its only refinery, the Eastern Refinery, produces around 350,000 tonnes, BPC officials said.

A shortfall in supplies of natural gas has forced the south Asian country to burn oil, a costlier option, to generate electricity.

Other suppliers of gasoil include Malaysia's Petronas, Emirates National Oil Co, Indonesia's Bumi Siak Pusako, Philippines National Oil Co, Vietnam's Petrolimex and PetroChina.

CPD

Executives from non-government and civil society organisations pose at a workshop on "Appreciation course on 2030", organised by the Citizen's Platform for SDGs, Bangladesh in partnership with the Centre for Policy Dialogue, at the Brac Conference Room in Dhaka on Saturday.

Robi makes first payment on merger

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Airtel has 5 MHz spectrum in the 900 band, but according to the telecom regulator's decision, the merged entity will not be able to use it. The spectrum will come back to BTRC.

Airtel's 5MHz spectrum in the 2,100 band will automatically merge with Robi without any fee, as the operators paid the same amount of money for it for 3G services.

The parent companies of Robi and Airtel opened talks on a possible merger at the end of August 2015, and a deal was signed on January 28.

In the merged entity, Axiata, the parent company of Robi, will hold a 68.7 percent controlling stake.

Bharti Airtel will hold a 25 percent share in the company and Axiata's old partner NTT DOCOMO of Japan 6.3 percent. Currently, Malaysia-based Axiata had a 91.59 percent stake in Robi and NTT Docomo 8.41 percent.

Robi has 2.32 crore active customers as of August, according to the BTRC and became the second largest operator in the country, both in terms of subscribers and revenues.

The combined entity will serve about 3.22 crore subscribers.

As of August, Grameenphone's total active connections stood at 5.45 crore and Banglalink's 2.9 crore, according to BTRC.

Development spending slightly up

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The power division spent 24.21 percent of its allocation, the local government division 20.57 percent and the primary education ministry 18.09 percent.

But the bridges division spent only 7.13 percent, the railways 10.78 percent, the roads division 8.05 percent, the health ministry 6.41 percent, the education ministry 9.17 percent, the public works ministry 10.27 percent and the water resources ministry 5.22 percent.

In July-October, the science and technology ministry spent 49.33 percent of its allocation, which is the highest among all ministries and divisions, followed by the disaster management and relief ministry at 36.61 percent.

The legislative and parliamentary affairs division spent 36.57 percent, the economic affairs division 32.37 percent, the internal resources division 27.33 percent, the law ministry 24.84 percent and the women and children's affairs ministry 24.50 percent. The size of the ADP is large in relation to the government's ability to implement spending, said the World Bank.

As usual, implementation will remain a challenge, and based on past experiences, actual ADP utilisation may be 15 to 20 percent less than the budgeted amount, it added.

Stronger dollar weighs on remittance

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Bangladesh's remittance inflow has taken a hit as the US economy is slowly gaining strength amid weakening growth in China and a fragile European Union. The US Dollar Index has appreciated in value, rising 21 percent in the last two years until July 2016.

The US dollar this week has climbed to its highest level in almost 14 years and major indices remained in near-record territory

Some currencies, such as the Malaysian ringgit, dropped to its lowest level in over a decade, following Donald Trump's victory in the US presidential elections.

The robust greenback has had a ripple effect on Bangladesh's remittance income as the country fixes its currency to only the dollar. Whatever foreign currency Bangladeshis earn, it must be converted to US dollars to be remitted.

For example, if an expatriate remits 1,000 ringgit to Bangladesh, their beneficiaries would now get $226.75, against $285.71 in 2014.

Similarly, a depreciating British pound is also hurting the Bangladesh economy, as a good number of expatriates live there. The situation worsened after the Brexit vote in June this year. The pound fell 11 percent to a 31-year low relative to the US dollar.

In fiscal 2015-16, Bangladesh earned $1.337 billion and $863.28 million from expatriates in Malaysia and the United Kingdom respectively.

The currency in Saudi Arabia is depreciating slightly against the greenback in recent months. Yet, the concerns of a possible decline of remittance from this market remain high as the Middle East country generated the highest remittance of $2.955 billion in 2015-16.

As of November 19, a US dollar traded for 3.752 Saudi riyals, which was 3.723 riyals on October 11.

"Currency depreciation in host countries is one of the main reasons for declining remittances. A continued downturn in oil prices has further affected the income of Bangladeshi expatriates there," said Dr Yousuf Khan, a remittance expert and managing director at People's Leasing.

The gap in rates at the banks and open market is also discouraging people to remit funds through banking channels, he added.

Budget and cost cuts in Saudi Arabia, which is the largest host of Bangladesh's remittance, are another reason for a drop in remittance, said Khan.

In addition to currency devaluation and sliding oil prices, unskilled workers are another reason for falling remittance, said Nurul Amin, managing director of Meghna Bank.

"More people have gone to the Middle East, but few of them are skilled workers."

Small shop owners halt protests over VAT

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On November 2, a sizeable number of the platform's members downed their shutters and staged demonstrations in various parts of the city, particularly in Old Dhaka, to press home their demand for a cut in package VAT. The forum wanted the government to address their demand by November 20.

The rate of package VAT for shops in Dhaka North, South and Chittagong city corporations has been hiked to Tk 28,000 a year in fiscal 2016-17 from Tk 14,000. For shops in other city corporation areas, the rate has been doubled to Tk 20,000. The shops in municipalities were not spared either.

The Byabosayee Oikya Forum said the increase in package or fixed VAT is too high to bear. "We would not have any objection if the government had hiked the rate by 20 percent from Tk 14,000 last year," Motaleb said.

The forum also wants the removal of upper limit of annual turnover of Tk 80 lakh to avail the scope of package VAT and withdrawal of VAT on bread and slippers. Shops with annual turnover of between Tk 30 lakh and Tk 80 lakh must pay tax equivalent to 3 percent of their sales turnover. But many of the shops tend to pay package VAT instead, avoiding showing their annual turnover to the revenue authority, said a senior official of the NBR.

"They do not want to show their annual turnover. This is the main reason behind their interest to pay package VAT," he said.

And businesses that have more than Tk 80 lakh annual turnover and do not want to claim rebate have to pay 4 percent VAT, according to the NBR official. Motaleb said the forum wants removal of the upper limit of yearly turnover; it prefers to pay VAT based on various slabs of turnover.

Asked on what is the problem in maintaining records of transactions, he said traders need training to go online. "We want to continue paying increased amount of VAT the way we have been paying." The government plans to scrap the package VAT system in the new law, which would be in force from July 1 next year. This is because an insignificant amount of revenue is collected from package VAT, the NBR official said, citing a previous study of the tax authority.

The administrative cost of collecting package VAT is about Tk 60 crore. Under the new law, shops with an annual turnover of up to Tk 30 lakh would be exempted from VAT payment.

CROWN CEMENT

Elias Bakth Chowdhury, head of the department of management of Brindaban Govt College of Habiganj, and Md Siddiqur Rahman, assistant general manager for research planning and business development at Crown Cement, attend an event on "Award of excellence in teaching and intern certification programme" organised by Crown Cement, at Habiganj on November 14.

MASTERCARD BANGLADESH

Syed Mohammad Kamal, country manager of Mastercard Bangladesh, attends programme along with top officials of different banks, to celebrate the completion of the company's third year in Bangladesh.