

# NBR moves to boost e-filing of tax returns

STAR BUSINESS REPORT

The National Board of Revenue has asked its field offices to help taxpayers get user identities and passwords in the shortest possible time to facilitate online filing of tax returns this year.

The taxpayers will have to collect user IDs and passwords from respective circle offices to file returns online, said Kalipada Halder, an NBR member for information management and services.

People can also use last year's IDs and passwords for online filing this year, he said.

The tax administrator sent a letter to all tax zones last month saying that changes brought in income tax for 2017-18 have been incorporated in the software.

Now the taxpayers can file returns online for the current year, the letter reads.

To get user ID and password, a taxpayer will have to fill up a separate form posted on the website. "This is done to ensure security of taxpayer's information," Halder

said. The NBR's initiative comes two months ahead of the deadline for filing of income tax return for 2017-18.

The tax administration introduced e-filing on November 1 last year to reduce hassle of the taxpayers and increase transparency and accountability in the tax department.

Last year, 5,000 taxpayers collected user IDs and passwords, but only 273 of them—including Finance Minister AMA Muhih—submitted returns as most of them could not make time to go for e-filing, said Halder.

The NBR also directed the field offices to take steps to encourage taxpayers to go for e-filing, ensure uninterrupted internet connection and upload information of submitted returns in the online system.

The NBR started the initiative for e-filing in 2011 at a cost of Tk 78.98 crore. Of the amount, Tk 12.98 crore came from government funds and the rest from the Asian Development Bank.

# BB instructs banks not to reject foreign cheques or drafts

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Bangladesh Bank has asked banks not to send back clients who present foreign cheques and bankers' draft with the view to arranging smooth repatriation of returning migrant workers' additional job benefits.

Typically, migrant workers get their added job benefits like retirement, insurance and other schemes by way of a wire transfer or cheque and bankers' draft upon leaving their jobs abroad.

The central bank found that banks are refusing to arrange collection of payment against the cheques or drafts without providing any valid reason.

"This result in destruction of the safety net accumulated during the tenure of service abroad by the wage earners and creates loss of foreign exchange to the national economy," the BB said.

Subsequently, the central bank on Sunday issued a directive to all banks asking them to take necessary steps to arrange funds against the payment instruments deposited at branches by the beneficiaries.

The beneficiaries must be given reasons in writing, with a copy forwarded to the BB, for not accepting their cheques or drafts.

Reluctance by any bank branch to accept the instruments for collection from the beneficiaries will be treated adversely by the central bank.

# Jute goods makers can take loans from BB's green fund

STAR BUSINESS REPORT

Export-oriented jute product manufacturers can now take loans from the Bangladesh Bank's \$200 million green fund, said a circular issued yesterday.

Earlier, the BB set up the fund to provide low-cost financing to textile and leather industries from switching to environment-friendly manufacturing methods.

The move comes to help the export-oriented industries take advantage of the growing demand for green products in the Western world.

The interest rate on the loans from the Green Transformation Fund is six-month LIBOR plus 1 percent.

The jute product manufacturers will get loans for water conservation and management, waste management, resource efficiency and recycling, renewable energy and energy efficiency.

# Australia's biggest bank vows to fight class action

AFP, Sydney

Australia's biggest bank, the Commonwealth, vowed Monday to fight what could become the country's largest shareholder class action over alleged breaches of anti-money laundering laws.

The open class action, filed by law firm Maurice Blackburn and litigation funder IMF Bentham in the Federal Court in Melbourne Monday, followed a civil case launched by Australia's financial intelligence agency AUSTRAC in August.

AUSTRAC alleged the bank engaged in "serious and systemic non-compliance" of anti-money laundering laws involving thousands of transactions.

The class action claims CBA neglected its disclosure obligations as a listed company, hurting shareholders who bought its stock.

CBA has more than 800,000 shareholders, with millions more holding stock through pension funds, according to this year's annual report. In a brief statement, the bank -- Australia's largest firm by market capitalisation -- said it "intends to vigorously defend this claim".

The case specifically names senior CBA executives -- including chief executive Ian Narev -- claiming they had "early knowledge of the AUSTRAC compliance issues which remained undisclosed until this year", Maurice Blackburn said.

Narev has been one of the casualties in the fallout, with CBA announcing he would retire by the end of the 2018 financial year.

# Uber suspends unlicensed service in Norway in change of tack

REUTERS

Uber said on Monday it would suspend its unlicensed service UberPOP in Oslo until Norway introduces new rules, as the US ride-hailing app adopts a more conciliatory tone with national authorities.

The move follows a similar one-year suspension in Finland in July to allow a new taxi law to come into effect, however there is no set date for when UberPOP will be reintroduced in Norway.

The US ride-hailing company has come under fierce pressure from traditional taxi drivers and regulators across Europe who accuse it of unfair competition and skirting traditional licensing rules. UberPOP has already been suspended in several European capitals, including Paris and Brussels, and Uber was recently humbled when it lost its license to operate in London.

"We've learned the hard way that we must change as a company in order to serve the millions of riders and drivers who rely on us. With our new CEO Dara Khosrowshahi onboard, it's a new era for Uber," the company said in a statement.



Sayla Farjana, deputy commissioner of Munshiganj; Md Arfan Ali, president and managing director of Bank Asia, and Md Rezaul Karim Sarker, a deputy general manager of Bangladesh Bank, attend School Banking Conference 2017, in Munshiganj on Saturday. Officials of 32 banks, led by Bank Asia, took part in the event.

# German economy powers ahead as industrial output grows

AFP, Frankfurt Am Main

German industrial output, a key indicator of economic health, grew faster than expected in August, data showed on Monday, putting Europe's biggest economy on course for a strong performance this year.

Output grew by 2.6 percent month-on-month in August, federal statistics authority Destatis said.

Analysts had forecast output growth of just over 0.8 percent in August after a marginal contraction of 0.1 percent the previous month.

Production increased in all industrial sectors, except construction, the statisticians calculated.

Industrial production "has shown a powerful upward trend since the start of the year," the economy ministry in Berlin said in a statement.

"A favourable business environment and positive trends in industrial orders suggest the good situation will continue."

Already on Friday, data showed a jump in industrial orders on the back of strong export demand.

# From tourism to coffee, young Thais blend profit with social good

REUTERS, Bangkok

Six years ago, Somsak "Pai" Boonkam drew up a plan with two villages in northern Thailand for tourists to stay with local families and immerse themselves in hill-tribe culture. The aim was for the villagers to see some financial benefit from their country's multi-billion-dollar tourism industry.

Pai was sure it would be a hit with tour operators in Bangkok - but he was wrong. "They weren't even interested to go and inspect the places," he said.

That pushed the former engineer, now 34, to set up Local Alike, a travel consultancy that promotes sustainable tourism in 70 villages.

"I grew up in the same situation where there weren't many economic opportunities, so it attracts me to work for the people," said Pai, who lived with his grandparents in a village in north-east Thailand until he was eight while his parents travelled in search of labouring work.

A growing number of young Thai entrepreneurs like Pai are getting involved in activities that have traditionally been the domain of the government and development groups - from providing water in remote communities to helping coffee farmers earn a fair income.

This new generation of business owners believes running companies that invest in tackling social and environmental causes is a better way to help than relying on donors' whims.

"There are so many problems in Thailand that need to be solved," said Pai. "I see (this as) the new pattern of doing business - doing good while making money."

Half of Local Alike's business units are now financially sustainable and it runs a development fund that supports local projects, he said.

Thailand's transformation to an upper-middle-income country in less than a generation has lifted millions out of poverty, but inequality and deprivation persist.

Over 80 percent of Thailand's 7.1 million poor people live in rural areas, and an additional 6.7 million are just above the poverty line, according to the World Bank.

The Southeast Asian nation of 66 million also faces serious challenges of environmental degradation and resource depletion caused by mass tourism, pollution, generation of waste and intensive farming, experts say.

Aliza Napartivaumnuay, 34, grew up in Kolkata, Rome and Seattle before moving back to Bangkok. She spent nearly a decade working in the retail supply chain before co-founding Socialgiver more than two years ago.

The online business offers deals on leisure services, including hotel rooms, restaurant tables and spa packages. The proceeds fund social and green projects, such as reforestation, children's education and hospital beds for poor patients.

The idea was not to set up a business that spoke only to people who already care about such issues. "We wanted to create something more inclusive and approachable by offering services users are accustomed to spending on," said Aliza.

Many trace the birth of social enterprise in Thailand to the establishment in 1974 of Cabbages and Condoms, a successful Bangkok restaurant that funds sexual health education and provision. But the concept only started gathering pace a few years ago, with incubators such as Change Fusion fostering start-ups.

Now there are businesses that enable blind children to learn using a special drawing board, or that train and employ people with disabilities. Others support widows and orphans affected by the conflict in southern Thailand, and use IT to help health professionals and charities develop mobile apps.

There are between 5,000 and 10,000 organisations in Thailand that fit the social enterprise model, said Nuttaphong Jaruwannaphong, director of the Thai Social Enterprise Office (TSEO).

Saks Rouypirom, 39, opened Broccoli Revolution, a trendy restaurant serving vegan, mostly organic food to help fund his non-profit Sati. Its projects include installing water filters in northern villages in partnership with U.S.-based Planet Water Foundation.

"Sati means 'mindfulness' so it's about being

mindful of problems and solutions," said Saks, who buys mushrooms for his restaurant from a street-child shelter and kale from farmers to whom he has provided the seeds. "Being a business owner, you can make a conscious decision to support these causes," added Saks, who was born and raised in the United States.

Still, for all the excitement about their potential, social enterprises face multiple challenges in Thailand, including a lack of regulation and limited access to finance.

It was "very difficult" to get investors on board to set up Local Alike, when they were told they would not see all the profits, said Pai. He received support from Change Fusion and entered business competitions to win funding.

In Thailand, companies seeking certification as social enterprises cannot pay more than 30 percent of their profits in the form of shareholder dividends, said TSEO's Nuttaphong.

When Ayu "Lee" Chuepa wanted to help coffee farmers in his community earn a fair income, he had a hard time convincing villagers to work with him due to his youth and inexperience.

"My mother said that is to be expected. So I asked, 'If you weren't my parents, would you have joined me?'. They said, 'Of course not. Are you crazy?'" he recounted, laughing.

Things have since improved. The Stock Exchange of Thailand, for example, now has an online platform that promotes investment in social enterprises. But the public perception that such businesses offer lower-quality products still needs to be tackled, experts say.

"Since the beginning, I didn't want to sell our products by making people feel pity. I want them to buy because they're good," said Lee, who belongs to the Akha ethnic minority.

He is now building his third branch of Akha Ama Coffee, with help from architects at Jai Baan Studio, another social enterprise that uses local resources and nature in its designs.

# Maintenance work to disrupt internet mid-Oct

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"We are trying to shift all our connectivity to the second cable," he said.

Currently, the state-run company is supplying about 250 Gbps of bandwidth and there will be a shortage of about 50 Gbps during the maintenance period.

Bangladesh uses about 450 Gbps of bandwidth; BSCCL supplies 250 Gbps and an additional 200 Gbps is imported from India.

"We are trying to purchase another 50 Gbps from some international companies for one month to tackle the situation," Hossain added.

This will be the first time that maintenance work will be conducted on the submarine cable in its history of 12 years.

# PayPal to launch services Oct 19

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According to official sources, all necessary processes, including the cross-checking of documents, legal compliance and finalisation of terms and conditions, have been completed.

However, a PayPal team will come to Dhaka in November to get an idea of how things are going.

Bangladesh Bank in March permitted state-owned Sonali Bank to launch PayPal. Freelancers have been eagerly waiting since then for the launch. Palak said one can bring money into the country through this service, not drain it out.

Since its beginning in December 1998, PayPal has enabled nearly 200 million individuals and businesses to transfer funds electronically.

PayPal, available in over 200 markets worldwide, enables its accountholders to receive money in over 100 currencies, withdraw funds in 56 currencies and hold PayPal account balances in 25 currencies.

Its presence in Bangladesh will provide an electronic channel for the transfer of money from one country to another, the influx of remittances and earnings from foreign companies and increase access to foreign con-

sumers.

Industry insiders said there were roughly five lakh freelancers in the country who frequently required transactions through online platforms and wanted to avoid banking hassles.

"A good number of Bangladeshi freelancers cannot bring in their hard-earned money through proper channels due to a lack of a trusted and easy workable payment gateway," said Mostafa Jabber, president of the Bangladesh Association of Software and Information Services.

At present, these local freelancers use middlemen to bring in their foreign income, a move which is both risky and comes at a high cost. Their income is also considered a part of the inflow of remittances. So PayPal's launch will help record this earning, said industry experts.

Currently there are other payment gateways in the country but freelancers depend on PayPal the most because it is the most secured and trusted, said Jabber.

Leaders of the e-Commerce Association of Bangladesh said PayPal would help entrepreneurs expand their businesses by ensuring that they are easily receiving payments for work both at home and abroad.

# DSE suffers sharpest fall since April

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He said the market may face sell pressure further as banks would have to reduce their exposure to remain within the permissible limit.

"Buyers will now adopt a wait-and-see approach and will be interested to buy low-priced shares."

According to Rahman, the BB might have taken the measures against the overexposed banks in a moderate way instead of aggressively to avoid the negative reaction of the market. The BB's action panicked the retail investors prompting the selling spree, said a merchant banker.

He however said investors are now more matured than in the past because some big investors were also seen buying shares.

The prices of banking stocks have been upward for the last several months so the sector deserved some price correction, he added.

# BB's 'serial defaulter' suspended

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Mallick owes money to NRB Commercial, United Commercial, National, Pubali, Mutual Trust, Prime, City, Meghna, Premier, Southeast and Mercantile.

Now posted at the Bogra office of the BB, Mallick took the majority of the loans through

credit cards and small personal loans, leveraging his familiarity with bank officials.

As per rules, BB officials have to take prior permission from their high-ups to take any loans from banks.

"But Mallick took no such permission," the central bank official said.

Yesterday, the market opened on a flat note and shortly started to decline.

At one point, it shed 90 points and also regained some ground. The recovery however did not sustain amid the selling spree, said UCB Capital Management Ltd in its daily market research.

Most of the major sectors witnessed correction. The banking sector lost 3.23 percent, while telecommunications gained 0.96 percent.

LankaBangla was the highest traded share with turnover of Tk 59.84 crore, followed by Uttara Bank with Tk 31.28 crore.

On the day, 92 securities gained, 205 declined and 35 remained unchanged. The DS30 and DSES indexes were up 15.49 and 5.39 points respectively.

Still, the banking sector led the market accounting for 44.48 percent of the total turnover. In fact, the sector has been topping the turnover list since August.

# Rice-laden ships stuck for port congestion

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In case of rice, another 5-6 days are needed to complete sample testing and other customs procedures.

But in at least three cases the food department team could not reach the vessel at the outer anchorage due to heavy rain and cancelled the trip halfway through, said Md Zahirul Islam, controller of movement and storage under the food and disaster management ministry.

"Foul weather wasted most of our time," he said, adding that the shortage of lighter vessels and the non-availability of enough jetties at the port were the other reasons for the delay.

It hampered the discharge of goods

both at the outer anchorage and the port jetty.

The 15 vessels had to wait at the bay for an average of 15 days before getting the permission for berthing at the port.

Many of the allocated lighter vessels that usually carry clinkers and fertilisers were not considered fit for carrying rice by the food department, so they needed to be replaced, said Abul Hossain, managing director of Uni Ship, the local agent for most of the foreign ships.

The CPA dedicated two of its jetties for giving priority to the rice-laden ships but sometimes it was not possible as the port was already facing huge vessel congestion, Islam said.