

আপনার বিআরটিএ ফি এবং সকল ইউটিলিটি বিল এসআইবিএল এর যে কোন শাখার মাধ্যমে জমা দিন



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যে কোন প্রয়োজনে ০৯৬২২০০৯২২

Star BUSINESS

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Packaged imports to become dearer

NBR orders duty calculation of packaging too

MOHAMMAD SUMAN and SOHEL PARVEZ

Consumers are likely to face higher prices of imported packaged goods such as cosmetics, perfumes, shampoos owing to a recent order by the National Board of Revenue, said importers.

The NBR asked customs offices to calculate the duty of the imported items by adding the duty for the containers if the cost of the packing materials such as perfume bottles, glass jars or containers is not included in the import prices.

For ease of valuation, the revenue collectors said duty could be calculated by determining the prices of the packaging materials based on weight per kilogram.

Importers said the sudden move by the customs authority will increase the duty of consumer goods imported in packaged form and thus lead to a spiral in prices of the commodities in the domestic market.

"Exporters sell the products by factoring in the cost of packaging. So, there is no need to assess duty on the weight of the packet separately," said Altaf Hossain Chowdhury, general secretary of the Chittagong Customs Clearing and Forwarding Agents Association.

This will lead to a rise in prices of the products, he said.

The NBR said it took the step in line

with the global best practice of calculating the duty of the packaging materials, the cost of which is not included in the import prices of the goods.

The measure was also meant to protect domestic manufacturers from uneven competition and duty evasion as some traders import the goods by mentioning only the net weight of the product, according to Lutfor Rahman, member, customs policy of NBR.

Local manufacturers are facing uneven competition and the government is also losing proper revenue due to the practice, he said.

The measure will create complexities and lead to delays in taking delivery of goods by importers from the congestion-ridden port, importers and C&F agents said.

For instance, sauces, jams, perfumes or coffee come in glass bottles and the weight of the containers is much more than the content.

So, if the duty of a kilogram of coffee is calculated by assessing the weight of the jar, the total tax incidence will go up, said importers.

Duty will increase two to three-fold in most of the goods following the NBR directive, said Kazi Mahmud Emam, joint secretary of C&F Agent Association.

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Dollar gets costlier for import payments

STAR BUSINESS REPORT

The Bangladesh Foreign Exchange Dealers' Association has raised the ceiling on the Bills for Collection (BC) selling rate, the rate at which banks make import payments, to Tk 83.35 per dollar from Tk 83.20.

A technical committee of the BAFEDA revised the BC selling rate on Sunday as the US dollar continues to appreciate against the taka at the inter-bank level although the central bank injected more than \$1 billion into the market to keep it stable this fiscal year.

The banks yesterday started to implement the decision, meaning importers will have to pay Tk 0.15 more per dollar.

Earlier in November last year, the central bank asked banks not to sell the US dollar at rates higher than Tk 83.20, according to a member of the Bangladesh Bank's technical committee.

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Central banks should help build appropriate financial institutions

Says a former governor of Indian central bank

STAR BUSINESS REPORT

Central banks, particularly in developing economies, have a special responsibility in helping to create appropriate financial institutions, said a former governor of the Reserve Bank of India (RBI).

C Rangarajan said financial inclusion has become an issue of critical importance in recent years because of the failure of the system meant to reach out to small borrowers and vulnerable groups.

"The Reserve Bank of India and the Bangladesh Bank have played a key role in discharging this responsibility and this must continue," he said while presenting a lecture at the Bangladesh Institute of Bank Management (BIBM) in Dhaka on Sunday.

The AKN Ahmed Memorial Lecture was on "Changing Concerns of Monetary Policy".

AKN Ahmed was Bangladesh Bank's second governor, responsible for laying its foundations at a time when the country was passing tough times.

"He skilfully managed to restore stability in the financial system," said Rangarajan, also the former chairman



C Rangarajan, a former governor of the Reserve Bank of India, delivers a lecture at BIBM office in Dhaka on Sunday. Fazle Kabir, governor of Bangladesh Bank, is also seen.

of the economic advisory council to the prime minister of India.

He said monetary policy has emerged as an important tool of economic policy both in developed and developing economies.

The monetary and financial system

is far more complex today than it has been in the past. Financial intermediation has reached a high level of sophistication, which has itself become a source of concern in recent days, he said.

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Lower loan-deposit ratio to affect economy: Bankers

STAR BUSINESS REPORT

The central bank's planned move to slash the loan-deposit ratio ceiling to 80.5 percent from existing 85 percent will hurt the banking industry and the economy at a time when it is on a high growth trajectory, bankers said.

Additional deposits of Tk 20,000 crore to Tk 25,000 crore would be needed if the Bangladesh Bank revises the ratio downwards, said the Association of Bankers, Bangladesh in a letter on January 14.

Subsequently, the ABB has sought 12 months from the BB to prepare for the lower ceiling.

At present, commercial banks are not allowed to invest more than 85 percent of their deposits; Islamic banks and the Islamic wings of commercial banks can invest up to 90 percent of their deposits.

The central bank may cut the ratio to 80.50 percent for conventional banks and 88 percent for Islamic banks, BB Deputy Governor SK Sur Chowdhury told reporters earlier in January after a meeting at the central bank headquarters in the capital.

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Blazers selling for a substantially low price of Tk 1,600 at Dhaka International Trade Fair in the capital yesterday.

Public banks lag behind private peers

Muhith says in meeting with Norfund team

STAR BUSINESS REPORT

The overall performance of the banking sector is good but the condition of the state-run banks is bad, Finance Minister AMA Muhith said yesterday.

"Their level of efficiency is very low and they do not bother about their non-performing loans."

Muhith spoke at a meeting at his secretariat office in the capital with a 15-member team of Norfund, an investment fund of the Norwegian government for the developing countries.

The team led by Kristin Clemet discussed the present state of Bangladesh's economy and investment opportunities in the country.

Norwegian Ambassador to Bangladesh Sidsel Bleken was also present at the meeting.

After independence, default loans in the banking sector amounted to 40 percent of the outstanding loans, and it now hovers around 11 percent, Muhith said.

However, scenarios in the public and private sector are different. Public banks have a higher amount of default loans than the private ones, he added.

About the private banks, the minister said there is an allegation that the directors of these banks take loans from other banks in collaboration with each other.

"Yes, the allegations are quite true."

Muhith said the government does not force the central bank into regulating the banks. Bangladesh Bank has been taking steps regarding these matters, he said.

Many people are concerned about the growing number of banks in the country, he said. "I am not very much concerned about it."

He said consolidation would go on automatically in the banking sector and banks failing to survive would get merged.

Muhith also apprised the Norfund team about the country's law and order situation, investment climate and overall economy.

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Govt plans to slash tax rate to boost earnings: planning minister

The board of Dhaka Chamber meets Mustafa Kamal

STAR BUSINESS REPORT

Planning Minister AHM Mustafa Kamal yesterday said the government is planning to cut the overall tax rate, particularly the corporate tax rate, with the view to boosting revenues.

The minister made the remarks when the board of directors of the Dhaka Chamber of Commerce & Industry led by its President Abul Kasem Khan called on him at his office, according to a statement from the chamber.

In another statement from the planning ministry, Kamal said Bangladesh would reach a stage in terms of cutting taxes that would be deemed impossible. His remark was in response to the DCCI's demand of cutting corporate tax rates.

Recently, 1.5 trillion cubic feet of gas has been found in Bhola, which

has taken the country's total gas reserve to 14.5 TCF.

"Bangladesh is a great place for investment and the facilities the country offers to businesses cannot be found elsewhere."

Subsequently, Kamal urged the chamber to invite foreign investors to the country and help create a conducive environment for businesses.

"We will have to create such a business environment that no businessman feels the need to go to another country to do business," he said, adding that the cost of doing business will come down substantially by October–November.

Bangladesh is placed at the bottom in the World Bank's "Doing Business 2018" report, said the DCCI chief.

Private investment needs to be scaled up to 29 percent from the current rate of 23.10 percent.

Bangladesh needs to raise its infrastructure investment ratio to 5 percent of the gross domestic product, and the chamber estimates that the country will require \$320 billion by 2030 to develop reliable, sustainable and affordable infrastructure.

The country currently spends only 2.87 percent of its GDP for infrastructure development in contrast to 10 percent in Vietnam, Khan said.

Subsequently, Khan proposed forming a high-powered authority styled "National Infrastructure Development and Monitoring Advisory Authority" to accelerate the implementation of mega infrastructure projects.

All fast-track projects need to be implemented within the projected time to eradicate traffic jam in Dhaka City and save Tk 20,000 crore that is lost to congestion every year, the chamber said.

90pc of Bangladeshi jobs informal: ILO

STAR BUSINESS REPORT

Nearly 90 percent of jobs in Bangladesh are in informal sectors, according to a report of the International Labour Organisation. The report titled "World Employment and Social Outlook: Trends 2018" found that Cambodia, India, Indonesia, Myanmar and Nepal are in the same bracket as of Bangladesh's when it comes to informal jobs.

"The high incidence of informality continues to challenge prospects of further reduction in working poverty, especially in Southern and South-Eastern Asia," said the ILO's flagship report.

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