

এসআইবিএল
ক্যাশ ওয়াক্স স্কিম

এসআইবিএল এর ক্যাশ ওয়াক্স স্কিম
স্বাবর সম্পত্তির পরিবর্তে নগদ টাকায়
ওয়াক্স করার সুযোগ -

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Star BUSINESS

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TWO YEARS AFTER HOLEY ARTISAN ATTACK

Businesses ride out downturn

REFAYET ULLAH MIRDHA and JAGARAN CHAKMA

Just as Bangladesh's main export earner, the apparel sector, was slowly recovering from the twin industrial disasters of Rana Plaza collapse and Tazreen Fashions fire that another misfortune befell: the terrorist attack in the Holey Artisan Bakery on July 1, 2016.

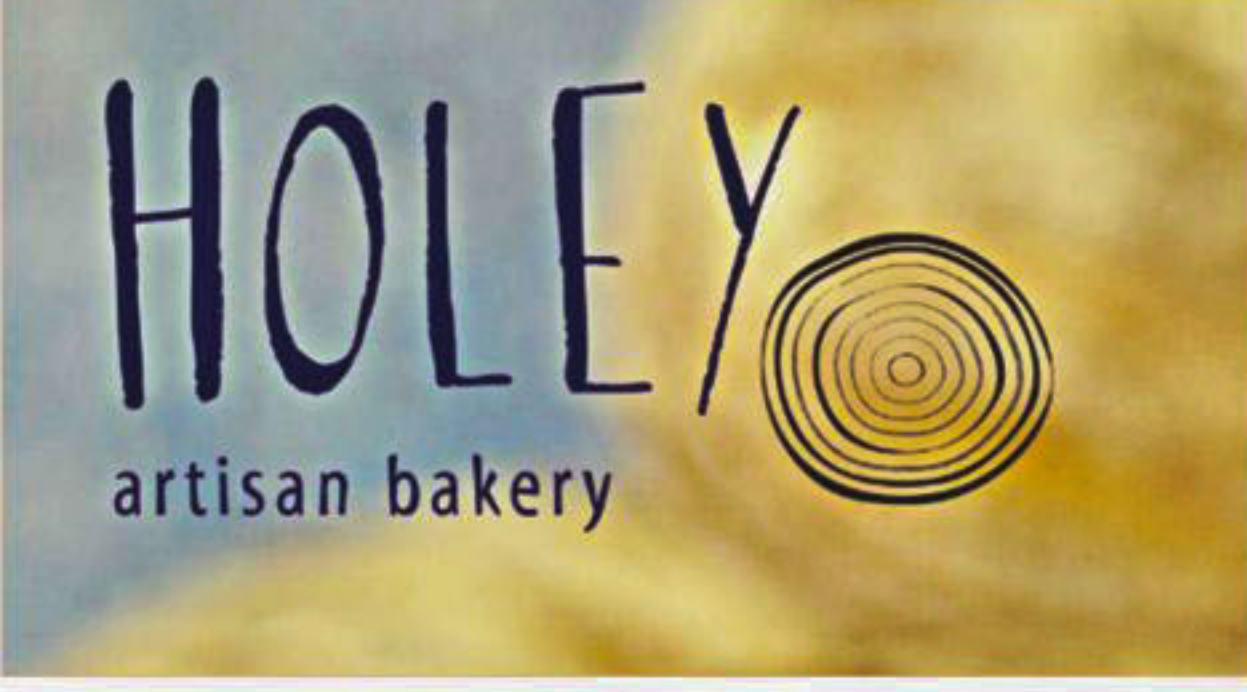
The attack left the foreign nationals residing in Bangladesh scurrying for an exit from the country or put off their visits to Bangladesh to place work orders, asking the factory owners to come to a third country

Claudia Maria D'Antona used to source few hundred million dollars worth of garment items in a year from the country.

Among the Bangladeshi victims, both Ishrat Akhond and Abinta Kabir were also involved with the apparel trade.

Akhond was the human resources director at ZXY International, a garment buying house, while Kabir was the daughter of the chairperson of Elegant Group, a major garment exporter.

The Indian victim Tarishi Jain's father Sanjeev Jain has been running a garment business in Bangladesh for the last 15-20 years.



After the brazen attack work orders worth more than \$500 million were shifted to some other countries like Vietnam, Cambodia, India and even Myanmar. No factory owner was offered the previously planned full work orders.

In fiscal 2016-17, garment export growth almost ground to a halt: it grew only 0.2 percent,

which is the lowest in 15 years.

Bakhtiar Uddin Ahmed, general manager at Fakir Apparels, a Narayanganj-based garment maker, was one of the many who had to travel to Germany to hold an emergency meeting as his buyer refused to come to Dhaka to visit his factory after the attack.

"Now, there is no bad impact of the attack as the buyers are coming in increased numbers to place work orders. Normalcy has been restored. We need not go to a third country to hold meetings," he said two years on.

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Experts attend a roundtable on durability of concrete structures at The Daily Star Centre in Dhaka yesterday.

Flaws in concrete weaken structures: analysts

STAR BUSINESS REPORT

Durability of structures deteriorates drastically in Bangladesh for not using good quality water in the mixture of concrete, experts said yesterday.

"You need to use even more than drinkable water for the construction of a durable structure. But in Bangladesh the practical scenario is different where drain water is used in the construction of infrastructures," said Abu Sadeque, a former director of the House Building and Research Institute.

Using poor quality water in the construction of structures is one of the major reasons for the fall in the buildings' durability, he said.

He spoke at a roundtable on "durability of concrete structures: a key concern for sustainable construction" jointly organised by The Daily Star and Akij Cement at The Daily Star Centre in Dhaka.

The quality of 90 percent construction becomes poor because of lack of knowledge and 10 percent for corruption in the use of concrete,

- ### MAJOR RECOMMENDATIONS
- Formation of an infrastructure regulatory commission
 - Formulation of a national guideline on use of durable concrete
 - Proper use of water and cement ratio in concrete mixture
 - Use of construction lift for supervision and investigation during building construction
 - Lessening the weight of structures using light walls inside the buildings
 - Use of quality MS rod
 - Ensuring the quality of imported concrete
 - Contractors should be made liable for using substandard construction materials

which ultimately reduces the durability of expensive structures, Sadeque said.

He also said engineers do not want to visit under-construction high-rise buildings because of a lack of onsite lifts.

Engineers ascent to a maximum sixth floor to check the quality of under-construction structures. As a result, in case of more than six-storey buildings, owners rely only on masons to maintain quality, he said.

Similarly, in most cases, no chiller is used to maintain the temperature of concrete mixture, Sadeque said.

He said technical knowhow about the use of concrete mixture is so low that only 5 percent durable concrete is used in structures.

"As a result, the durability of a 100-year structure reduces to only 30 years. Because of this type of buildings, the economic losses are too high both for the government and private owners," Sadeque said.

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Foreign funds fall further in DSE

AHSAN HABIB

Net foreign investment in the Dhaka Stock Exchange fell to Tk 207 crore in the negative in June because of fears over political uncertainty in the run up to national election at the year-end.

Foreign investors bought shares worth Tk 446 crore and sold securities worth Tk 653 crore, according to data from the premier bourse.

The net foreign investment plummeted to Tk 283 crore in the negative in May and Tk 25 crore in April.

"Fears of political uncertainty prompted foreign investors to go for sell-offs," said a merchant banker requesting anonymity.

He said the depreciation of the local currency against the US dollar also contributed to the sell-off by the



home \$1. But at the moment, they will have to make a profit of Tk 83.70 to take home the same USD as the taka has depreciated.

Moreover, foreigners are concerned about the future of the economy as it had suffered during the parliamentary election in the past because of polls-related unrest.

"So, foreign investors are offloading their portfolio," said another merchant banker.

The sell-off has led to a decline in the share prices of the blue chip securities as the high-quality issues are often the main attraction of the foreign investors.

Institutional investors are buying these shares, helping the turnover of the market soar. The benchmark index, however, has remained almost the same in June.

foreign investors.

When the taka depreciates, foreign investors will have to make more profit to offset the loss induced by the exchange rate volatility.

For instance, if foreign investors had made Tk 80 profit seven months ago they would have been able to take

Berger Paints to produce construction chemicals

JAGARAN CHAKMA

Berger Paints Bangladesh is on way to manufacture construction chemicals and provide associated solutions from next year.

"A manufacturing unit is being constructed in Narayanganj," said Rupali Chowdhury, managing director of the company.

It would be a Tk 60 crore (around \$6.3 million) joint venture with UK-based global construction chemical manufacturer Fosroc International Ltd, she told The Daily Star.

An agreement was signed in January to set up "Berger Fosroc Limited" with each side having equal stakes, she said, adding that plans were in place to double the investment in four years.

The new entity aims to provide a "superior constructive solution" for durable and sustainable quality of infrastructure projects as consumers expect quality residences in line with economic development.

Berger Fosroc Ltd will cater to every sector of the construction industry, specialising in solutions for the building construction, industrial facilities, power plants and all types of transportation and civil infrastructure.

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Use of e-BIN a must from today

NBR introduced e-BINs to implement VAT and Supplementary Duty Act 2012

SOHEL PARVEZ

Individuals and companies will have to use the electronically generated business identification numbers (BINs) from today as the validity of the manually issued BINs expired yesterday.

The revenue authority launched the new 9-digit e-BINs in March last year in a bid to implement the VAT and Supplementary Duty Act 2012 through digitisation of the VAT (value-added tax) system.

The validity of the old 11-digit BINs had been extended thrice, said Md Rezaul Hasan, member for VAT policy at the NBR.

The time extension was given as it was tough for firms to get one BIN centrally instead of separate BINs for every branch under the VAT law 1991, he said.

The BINs are needed to take part in export and imports, tender, getting loans from banks or supplying goods and services to other entities.

"This is one step forward toward automation," said Hasan, who is also in-charge of NBR's Tk 690 crore VAT Online Project.

He said most of the business entities have already registered for e-BINs, which are provided within 24-48 hours of being applied for online registration.

Until June 28, some 112,199 businesses have registered for e-BINs and 11,832 firms signed up for turnover tax.

The related provision of central registration for companies has been included in the existing law to facilitate use of e-BINs. That's why, deadline for use of 11-digit BINs has not been extended, he said.

Hasan said the NBR will start piloting

KEY POINTS

- 11-digit BINs become invalid today
- The validity of the manually issued BINs had been extended thrice
- NBR launched e-BIN in March last year
- Until June 28, some **112,199** businesses have registered for e-BINs
- The NBR's VAT collection target is set at **Tk 110,543** crore for 2018-19, up by **32%** from last fiscal year's revised target

online submission of VAT returns at the Large Taxpayers' Unit VAT from this fiscal year beginning today.

The revenue authority brought amendments in VAT rules 1991 in the Finance Act passed on June 27, 2018.

In his budget speech, Finance Minister AMA Muhith said online tax return facility shall be made available to all taxpayers after proper refinement of the online return submission system.

In addition, the traditional manual system for filing returns shall also be continued for the taxpayers who do not have access to online facilities, he said.

Borne by consumers, VAT—an indirect tax—accounted for 37 percent of the total revenue collection followed by income tax and customs.

The VAT collection target for the NBR has been raised by 32 percent to Tk 110,543 crore for 2018-19 from the revised target of last fiscal year.

Govt moves to speed up development projects

STAR BUSINESS REPORT

From today all project directors can release the first instalment of the government fund allocated to their projects, in a development that is expected to accelerate development work.

Previously, the project directors needed approval from the concerned ministry or division, an exercise that took two to three months, said the statement from the finance ministry.

An amended guideline on the release of development fund has already been issued by the finance division last week.

The project directors can use the money of the first two instalments -- for July-September and October-December periods -- at a time without any permission, according to the amended guideline.

For the third instalment (January to March) the concerned ministry or division will need to give the

From today all project directors can release the first instalment of the government fund allocated to their projects

approval.

But if the funds for the third instalment are needed before schedule, consent from the finance division would have to be taken.

The ministry or division will release the fourth instalment with prior consent of the finance division.

If the project needs the release of four instalments at once, consent of both the planning ministry and finance ministry would be required.

In case of land acquisition the funds can be released at once.

The decision to revamp the guideline for project funding came in May at a high-level meeting of the budget preparation committees, which was presided over by Finance Minister AMA Muhith.

The meeting observed that every year there is a shortage of funds for revenue budget implementation, whereas on average 17 percent of the funds for development budget remains unused.

The ministries and divisions cite various reasons, one of which is the delays in releasing the money.

In the first 11 months of the just concluded fiscal year, only 62.81 percent of the total allocation for the development budget has been used, which was 64.72 percent a year earlier.

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RANGOS TOSHIBA

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মেগা অফার

উপস্থাপন করুন আমাদের সাথে বিকল্প ফাইনাল মোড প্রেন্স অ্যান্ড ফার্মিসিয়েট, ফাইভ স্টার রেটেড।

সংগঠিত জাতীয় আমন্ত্রণের অর্ডিন্যান্স চলে আসবে মনসা কোম বাস্তু ফেসিবুক পেইজে

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