

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.34%	▲ 0.33%	\$1,841.87	\$55.82	▼ 1.94%	▲ 0.31%	▲ 0.45%	▲ 0.11%	BUY TK 83.95	101.01	114.34	12.78
5,714.74	10,013.37	(per ounce)	(per barrel)	47,409.93	28,635.21	2,958.63	3,573.34	SELL TK 84.95	104.81	118.14	13.43



Star BUSINESS

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A taxpayer nonpareil

STAR BUSINESS REPORT

It has been a decade the tax authority has introduced the tax cards to honour the top taxpaying individuals and firms in Bangladesh. And since 2010-11, one individual has been topping the list of the highest taxpayers without any exception.

Md Kaus Mia, the maker of scented tobacco Hakimpuri, has retained the pole position in the category of businesspersons.

The National Board of Revenue (NBR) recently unveiled the names of 141 largest taxpayers, including 76 individuals for the fiscal year 2019-20.

"He loves to pay the highest amount of income tax and be the no.1 as he considers this as his contribution to the nation," said Shakil Ahmed, the tax adviser of Mia.

Sharing one of his experiences roughly 15 years ago, Ahmed said the total tax of Mia came at Tk 99 lakh in one year. Mia suggested making it Tk 1 crore so that it made sense.

"He is ready to pay higher, if necessary," said Ahmed, a lawyer of the Supreme Court. He has been looking after the taxes issues of Mia and his business for 40 years.

Mia, the proprietor of Kaus Chemical Works, has been paying taxes since 1958.

Scented tobacco is not his only venture; he is engaged in 40-45 types of businesses, said Mia at an event organised by the NBR in 2019.

Mia is not alone. A number of individuals and companies have been topping the list of the highest taxpayers consistently although many super-rich individuals and large firms are absent in the list.

Take the example of Textiles and Jute Minister Golam Dastagir Gazi and BSRM Chairman Ali Hossain Akberali. Both have been the top taxpayers in the senior citizen category for the



Md Kaus Mia

last four years.

In the injured freedom fighter category, Md Nasir Uddin Mridha, and Lt Gen (Retd) ASM Nasim have been the top taxpayers for the last five years.

Khwaja Tajmahal's family is another example of tax compliance. Most of the members of the family have continued to become top taxpayers nationally. The family was recognised as Kar Bahadur family in 2017 by the NBR.

Md Nafis Sikder has been at the top of the chart of young taxpayers for the last several years.

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EXPORT FUND Enhanced credit limit for apparel to stay until June

STAR BUSINESS REPORT

Textiles and clothing exporters will continue enjoying the enhanced credit limit under the Export Development Fund (EDF) for six more months as the impacts of the coronavirus pandemic persist, the Bangladesh Bank said.

The members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Textile Mills Association (BTMA) will be able to use the facility until June 30, according to a central bank notice.

In May last year, the central bank widened the credit limit under the fund to \$30 million from \$25 million for the rest of the year for the BGMEA and BTMA members as part of its efforts to help them tackle the economic downturn deriving from the coronavirus pandemic.

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Trade deficit narrows on falling imports

AKM ZAMIR UDDIN

The trade deficit shrank heavily in the first half of the ongoing fiscal year because of dwindling imports amid the economic slowdown, in a sign of depressed demand and consumption.

Between July and December, the trade deficit, which occurs when imports outweigh exports, stood at \$6.46 billion, down 21.37 per cent year-on-year, data from the central bank showed.

During the period, imports declined 6.8 per cent from that a year earlier to \$25.22 billion, eclipsing a 0.44 per cent fall in exports to \$18.76 billion.

"Although a declining trade deficit is apparently good for an economy, such a trend will put an adverse impact on the GDP growth," said Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue.

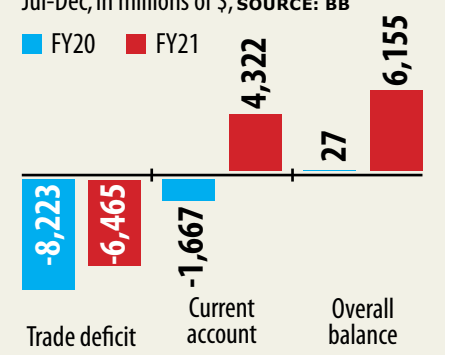
The economic meltdown brought on by the coronavirus pandemic has adversely affected the domestic demand, bringing down import payments.

The falling import of capital machinery and industrial raw materials indicated that investment in the private sector is feeble.

Capital machinery import stood at \$ 1.5 billion in the first half of 2020-21, down 29.17 per cent from a year ago. This means businesses are reluctant to set up new

BALANCE OF PAYMENTS

Jul-Dec, In millions of \$; SOURCE: BB



plants or expand their existing ones.

Import of intermediate goods, including industrial raw materials, dipped 8.8 per cent to \$15.33 billion, in a sign of lower production than the pre-pandemic period.

The consistent lower import growth also highlighted the difficulty the exporters in the country are facing because of the crisis. In Bangladesh, exporters are usually among the major importers as they make products for external markets.

The decline in imports has had an adverse impact on the private sector credit growth, which stood at 8.37 per cent in December against the central bank target of 11.5 per cent.

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Local production cools down AC prices

JAGARAN CHAKMA

Air conditioners (ACs) were once thought of as luxury items that are only enjoyed by the elite, but their prices have seen a drastic fall in the recent years thanks to increased local production and assembly.

Jhimi Chakma, a lecturer of the philosophy department at Dighinala Degree College in Khagrachhari, has been using a locally made 1.5-tonne inverter AC for the past one year without any disruption.

According to him, it would cost at least Tk 90,000 for an international brand unit while he spent only Tk 65,000 for practically the same service.

Like Chakma, Iqbal Hossen, an official of the Central Procurement Technical Unit, said he has also been using a 1.5-tonne non-inverter

unit of a local brand for around two years.

Hossen said he is very pleased with the air conditioner that cost him only Tk 55,000, as he has also been provided with great after-sales services by the local company.

The demand for affordable home cooling systems is growing fast, said Ruhul Alam Al Mahub, chairman of Fair Group.

"To meet the rising local demand, Fair Electronics yesterday launched a new manufacturing facility for Samsung air conditioners in Shibpur upazila of Narsingdi district."

The factory will not only create employment opportunities, but also bring foreign currencies to the country through exports, Mahub added.

"The local production of Samsung's products will help in gaining confidence of

the foreign investors, especially the hi-tech companies," Zunaid Ahmed Palak, state minister for ICT, said while inaugurating the new unit.

"This would enhance our employment opportunities. So we ensure our continued support for Samsung, Fair Electronics and all other hi-tech industries."

Palak said he hopes the factory will start contributing to the country's exports in the near future.

Currently, Walton, MyOne, Unitech, Transcom Digital, Vision, Jamuna and Butterfly either locally manufacture or assemble air conditioners.

However, the value addition in assembly is not significant compared to local production.

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Prices of air conditioners have seen a drastic fall in recent years due to increased local production and assembly.

Kamal refutes survey claim on poverty rate

STAR BUSINESS DESK

Finance Minister AHM Mustafa Kamal yesterday turned down the findings of a survey that claimed poverty rate in Bangladesh has risen to 42 per cent.

The South Asian Network on Economic Modeling (Sanem) conducted the survey on 5,577 households during November and December last year.

On January 23, the non-profit research organisation revealed the findings of the survey. Kamal also said the survey was illogical and has distorted the real picture.

The finance minister made the comments after a meeting of the cabinet committee on government purchase.

"You people have gone to villages. Do you think that the number of poor people has increased in the country? What a strange statement!" the minister said.

When asked about the government's



AHM Mustafa Kamal

statistics on the current poverty rate, he replied: "It will be known once Bangladesh Bureau of Statistics conducts a survey on it." According to government estimates, the poverty rate was 20.4 per cent in December 2019.

"No one is starving because of coronavirus. We have given back jobs to those (who lost it)," he said.

Jewellers can now import unrefined gold

STAR BUSINESS DESK

Good news for the country's jewellers as the government is allowing them to import unrefined gold.

The revised proposal of the Gold Policy-2018 of the commerce ministry was approved yesterday by the cabinet committee on economic affairs.

According to the current policy, only refined gold can be imported.

Many countries import unrefined gold, Finance Minister AHM Mustafa Kamal told reporters in a virtual briefing after the meeting.

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Banks warned against failure to clear import bills

Actions will be taken, BB says

STAR BUSINESS REPORT

Bangladesh Bank yesterday lambasted local banks for their failure to settle import bills with the corresponding foreign lenders on time.

The required actions will be taken against the banks that do not follow the due diligence in this regard as it has tarnished the country's image abroad.

The central bank came up with this instruction at a bankers' meeting held through an online platform yesterday.

Bangladesh Bank Governor Fazle Kabir presided over the meeting

attended by managing directors of all banks.

"We asked the banks to settle their overdue import bills in the interest of the country's financial sector, or else necessary actions will be taken," said Md Serajul Islam, an executive director and spokesperson of the central bank.

Bangladesh Bank will issue letters to the concerned banks, asking them to settle their overdue import bills in the quickest possible time, said managing directors of two separate banks preferring anonymity.

If the banks fail to do so, the central

bank will debit the overdue funds from the respective banks' current accounts with it.

Bangladesh Bank will then pay the amount to the creditor bank, they said.

The number of allegations placed by foreign embassies in this regard has been rising as the respective overseas lenders failed to get their export earnings in due time, according to a Bangladesh Bank report.

Against this backdrop, the central bank raised the issue before the bankers' meeting.

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Dhaka Bank Achieves Global Triumph

UiPath™ AUTOMATION EXCELLENCE Awards 2020

In Association with THE ECONOMIC TIMES

Dhaka Bank wins the UiPath Automation Excellence Awards 2020 as the first and only bank from Bangladesh to have ever received this prestigious recognition for implementing Robotic Process Automation to bring operational excellence in client onboarding and to deliver customer promise.

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