


STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
Week-on-week		As of Friday		Friday Closings				As on Thursday				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
▲ 2.97%	▲ 3.00%	\$1,902.64	\$68.72	▲ 0.60%	▲ 2.10%	▲ 0.43%	▼ 0.22%	83.95	101.32	117.63	12.92	
5,985.82	10,454.53	(per ounce)	(per barrel)	51,422.88	29,149.41	3,178.55	3,600.78	BUY TK	84.95	105.12	121.43	13.59
								SELL TK				

সোশ্যাল ইসলামী ব্যাংক লিমিটেড- এর
পাবনা শাখা ৩০ মে, ২০২১ থেকে নতুন ঠিকানায়

নতুন ঠিকানা
লতিফ টাওয়ার (৩য় তলা)
আব্দুল হামিদ রোড
পাবনা সদর, পাবনা।



Star BUSINESS

DHAKA SUNDAY MAY 30, 2021, JAISHTHA 16, 1428 BS • starbusiness@thedailystar.net

Govt to tighten rules for payment of over Tk 50,000 by businesses

Funds should be transferred thru formal channels

SOHEL PARVEZ

The government may make it mandatory for businesses to use formal channels such as banks and mobile financial services for transactions involving more than Tk 50,000 from the next fiscal year.

The move, if implemented, will encourage fund transfer through formal channels and give a major fillip to MFS and other digital means.

The plan is likely to be tabled by Finance Minister AHM Mustafa Kamal in his budget proposal for the next fiscal year on June 3.

And if it gets the nod by the parliament, businesses will also have to make all payments, including those for the purchase of raw materials costing more than Tk 50,000, through formal banks, MFS and other digital means that have approval from Bangladesh Bank.

In case of non-compliance, businesses are likely to see that tax officials disallow the expenses claimed on account of payment.

"This will formalise a large number of transactions and curb tax evasion. It will be beneficial for the overall economy," said a senior official of the finance ministry.



RUN-UP TO BUDGET FOR FY2021-22

The tax authorities plan to include MFS and other digital means in its rule as the money changing hands through electronic channels has increased significantly in recent years.

For instance, the MFS segment, which was unfamiliar to most of the commoners even in 2010, has made significant strides because of convenience and instant transfer.

Today, Bangladesh has 15 MFS providers, transacting about Tk 2,000 crore daily. Two years ago, the average daily transaction through MFS was just over Tk 1,100 crore, BB data showed. MFS providers have 10.27 crore account-holders.

Officials said the income tax law has provisions that required businesses to pay salaries and remunerations above Tk 15,000 to employees through crossed cheque or bank transfers. Otherwise, expenses claimed by businesses in their tax returns are not accepted by tax officials, meaning that firms have to pay tax on the amount.

The use of crossed cheque and bank transfers is also compulsory for the payment of rent for using any property to avoid tax claims made by the authorities.

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52pc users apply for power thru middlemen: survey

STAR BUSINESS REPORT

Fifty-two per cent of electricity consumers in Bangladesh apply for the connection through middlemen instead of going to the distribution offices directly, according to a new survey.

The survey was conducted by Infrastructure Investment Facilitation Company, an advisory body of the government under the Economic Relations Division at the finance ministry.

The draft report of the "Consumer Satisfaction Survey" was released at a virtual event yesterday, where Nasrul Hamid, state minister for power, energy and mineral resources, was present, said a press release.

"It's necessary to find out why 52 per cent of consumers have to apply for electricity connection through middlemen," said Hamid.



DRAFT ELECTRICITY CONSUMER SATISFACTION SURVEY

- 52% consumers apply for connections thru middlemen
- 88% satisfied with overall electricity service
- 94% content with connections
- 77% happy with complaint resolution services
- 88% find metering services okay
- 95% happy with billing system

The survey covered 700 consumers in sadar upazila of Narayanganj and 700 consumers in Burichang upazila in Cumilla

Initiatives should be taken to inform the consumers about the services provided by the power distribution companies, where the services are available, or how much fees are charged for the service, he said.

He stressed for extensive public campaigns by keeping elected representatives involved.

The survey covered 700 consumers in the sadar upazila of Narayanganj and 700 consumers

in Burichang upazila in Comilla. It was conducted on four issues—electricity connection, complaint resolution service, billing, and metering.

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One-person company law off to a dismal start

No firm was registered since its passage in Nov last year

REFAVET ULLAH MIRDHA

The one-person company (OPC) law is off to a disappointing start as no single entrepreneur has come forward to incorporate firms under the provision although six months have passed since its passage.

OPC means a company formed with only one person as a member, unlike the traditional private companies with at least two members.

In November, the parliament passed the law to give a boost to entrepreneurship, draw investors

KEY POINTS

- Chambers want more facility under the one person company law
- OPC law was introduced by amending Companies Act 1994
- The objective was to create more entrepreneurs
- Paid-up capital ranges from Tk 25 lakh to Tk 5 crore
- Corporate tax for OPC is 25%

and support the growth of small and medium enterprises.

"No company has been incorporated under the OPC so far," said Md Mokbul Hossain, registrar

at the Office of the Registrar of Joint Stock Companies & Firms (RJSC).

"No application was submitted by potential entrepreneurs. It may take some time to popularise the

concept," he said, adding that many entrepreneurs are, however, contacting the RJSC to have their firms registered under the OPC.

The senior official blamed poor knowledge about the OPC for the weak response.

The OPC was rolled out through an amendment to the Companies Act (Bangladesh), 1994 with a view to improving the country's ranking in the World Bank's Ease of Doing Business index as a single-person company encounters lesser complexities and is easy to run.

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Stock index near 6,000: Will it sustain the growth?

AHSAN HABIB

The stock market index is hovering around 6,000 points now, raising questions among investors over whether it would remain stable here or take a plunge like before.

The DSEX, the Dhaka Stock Exchange's (DSE) prime index, went past 5,900 points four times since its inception in 2013.

Analysts are saying that this year there was a huge possibility for it to not roll back because confidence was prevailing among many people alongside a lower interest rate in the banking sector.

The sustainability of the index around the 6,000 points level depends on many things, said Mokta Rani Sarker, assistant professor of the Department of Finance at Jagannath University.

If the recent rise of the index happened for fundamental reasons, it will sustain but any artificial rise cannot be sustained, she said.

On the positive side, investor confidence on the market returned while a lower interest rate in banks pushed investors over here, she said.

"But our market size is small, so it is susceptible to risks of manipulation,



although some steps have been taken recently," Sarker added.

"Our technical analysis shows that the market has a chance to cross the 6,000 points level and hold onto that advancement," said Ali Xahangir, CEO of amarstock.com, a stock market-based data provider.

The market was sluggish for the past seven or eight years and now the index is at its closest to the 6,000 points level, where many stocks are still undervalued, she said.

Especially, stocks of banks and non-banking financial institutions

have remained stagnant at the same place as they had been before the rally, he added.

Meanwhile, the market normally remains buoyant in months when the country's annual budget is announced in the hope of incentives, he added.

Despite the pandemic, the stock market index and turnover had remained high this year which indicates that people are investing here with a lot of confidence, said Sharif Anwar Hossain, president of DSE Brokers' Association.

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POST-LDC ERA

Competitiveness key to success: experts

STAR BUSINESS REPORT

Better negotiation skills, export diversification, improved competitiveness and institutional capacity building are keys to attaining success once Bangladesh makes the United Nations status graduation to a developing country, speakers told a webinar yesterday.

Titled "LDC Graduation of Bangladesh: Journey towards Economic Excellence", the event was organised by the Dhaka Chamber of Commerce & Industry (DCCI).

"It is the right time to increase trade and investment as well as adopt long term strategic planning and their effective implementation to strengthen Bangladesh's position,"

said DCCI President Rizwan Rahman in his opening remarks.

"Bangladesh's identity as a developing nation in the international arena will uphold the competitiveness of the country, which will take us to a greater height and will contribute to enhance export and FDI (foreign direct investment)," he said.

He urged for framing a policy to attract the FDI, increase investment-GDP ratio and tax-GDP ratio.

Moreover, emphasis should be given to regional connectivity, including through signing preferential and free trade agreements, especially with countries with which there exists an imbalance in trade, said Rahman.

Skill development, effective policy adoption, reforms and

implementation; use of fourth industrial revolution (4IR)-centric technologies, research bringing together international experts and academics and joint public-private efforts will play a pivotal role to retain competitiveness, experts suggested.

"LDC graduation for Bangladesh is a milestone. We have to mainly focus on how to become competitive. Role of the government is to remove barriers," said Principal Secretary to the Prime Minister Dr Ahmad Kaikaus as chief guest.

"The more the country will be competitive, the less will be the cost of fund...we have to look for exploring regional and Asian markets," he said.

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