

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.79%	▲ 0.65%	\$1,894.27	\$71.69	▼ 0.10%	▼ 0.19%	▼ 0.27%	▼ 0.54%	BUY TK 83.95	101.18	117.98	12.90
6,023.15	10,504.57	(per ounce)	(per barrel)	52,275.57	28,963.56	3,167.14	3,580.11	SELL TK 84.95	104.98	121.78	13.57



Star BUSINESS

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549 BSCIC plots left unused BB buys record \$7.7b to keep taka stable

Owners fail to set up factories within deadline

SUKANTA HALDER

A total of 549 plots in various industrial estates of the Bangladesh Small and Cottage Industries Corporation (BSCIC) are lying unused as the owners did not set up plants within the deadline.

The non-use of the plots is depriving the government of revenue, people of job opportunities, and the real small and medium enterprises (SMEs) of serviced land.

The information came up in a report of the BSCIC for the period up to April of fiscal year 2020-21.

According to rules, a factory must be built within 18 months after securing the allotment of a plot. But many leases have not set up factories as per their plans within the stipulated time, said an official of the

BSCIC: AT A GLANCE

- 10,922 plots in 76 industrial estates
- 10,379 plots allotted
- 549 plots remain unused
- Highest unused plots in Barishal at 48
- 4,570 factories are in production
- Jobs created for 67 lakh people
- Tk 63,318 cr invested



TITU DAS

The partial view of an industrial estate of BSCIC in Kawnia, Barishal. The photo was taken yesterday.

BSCIC. In 1960, the agency was set up to develop industrial plots equipped with utility connections and better transport connectivity for SMEs to spur industrialisation.

Today, there are 10,922 plots in 76 industrial estates of the BSCIC across the country. Of them, 10,379 plots have been distributed so far. Currently, 4,570 factories are in production and 901 are export-

oriented. The highest number of unused plots is located in the Barisal industrial estate at 48. The Bhola estate came second with 32 vacant plots.

Twenty-nine plots are not in use in Shariatpur, 28 in Rangamati, 27 in Noakhali, 22 in Netrokona, 20 in Meherpur, and 32 in the leather estate in Savar.

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AKM ZAMIR UDDIN

The central bank purchased \$7.68 billion from the banking system in the first 11 months of the current fiscal year, the highest on record, to contain any abnormal appreciation of the local currency.

The previous highest was posted in 2013-14 when Bangladesh Bank bought \$5.15 billion.

The regulator was forced to smash the previous record between July and May because of a higher flow of remittance

and lower imports caused by the business slowdown amid the coronavirus pandemic.

The central bank needs to continue the intervention until the economy recovers from the slowdown, analysts and businesspeople say.

The US dollar purchase is helping the export sector as local products become cheaper in foreign markets. It is also swelling the foreign exchange reserves. But it has flooded the financial sector with excess liquidity.

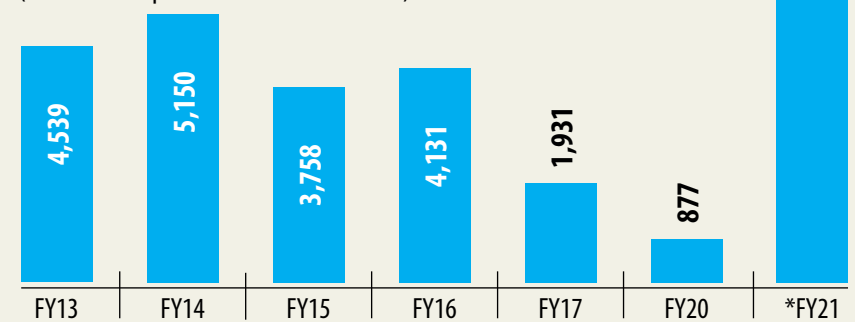
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DOLLAR PURCHASED BY BB

In millions of \$

*Till May

(No dollar was purchased in FY18 and FY19)



SOURCE: BB



Businesses demand reforms in tax system

STAFF CORRESPONDENT, Chattogram

Business leaders in Chattogram have stressed the need for reforms in the tax system, such as policies that do not require frequent changes, as well as waiving advance tax in order to boost both domestic and foreign investment in Bangladesh.

They made these comments while addressing a post-budget dialogue held virtually by the Chattogram Chamber of Commerce and Industry (CCCI) yesterday.

CCCI President Mahbulul Alam moderated the dialogue, which featured the leaders of various business associations as panel discussants.

Sheikh Fazle Fahim, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), hailed the government for reducing corporate tax, providing waivers on value added tax (VAT) and a tax holiday in the proposed budget for fiscal 2021-22.



But considering that all businesses have been hurt by the ongoing coronavirus pandemic, Fahim demanded the complete withdrawal of advance income tax (AIT) and advance trade VAT (ATV), which he claimed increases the cost of business while bringing little to no benefit for the government.

"If the AIT is returnable then why should the government even take it," he said, adding that it is difficult to get the AIT back from the National Board of Revenue (NBR) once paid.

CCCI President Alam emphasised on the need to widen the tax net while reducing the tax rate on existing taxpayers.

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Exporters may lose \$18.7b a year if carbon goals not met

StanChart study finds

STAR BUSINESS REPORT

Local suppliers are at risk of losing \$18.7 billion worth of exports a year if they can't reduce carbon emissions in line with the plans of their major clients, according to a study by Standard Chartered.

The study -- Carbon Dated -- looks at the risks and opportunities for suppliers in emerging and fast-growing markets as large corporates transition to net-zero emission.

It says MNCs expect to exclude 35 per cent of their current suppliers as they transition away from carbon.

Supply chain emissions account for an average of 73 per cent of MNCs' total emissions. So, 67 per cent of MNCs say tackling supply chains emissions is the first step in their net-zero transition, rather than focusing on their own carbon output, the study said.

Suppliers in 12 key emerging and fast-growing markets can share in \$1.6 trillion worth of business if they can remain part of the MNC supply chains, said a press release of Standard Chartered Bangladesh, citing the study.

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Telcos seek corporate tax cuts

STAR BUSINESS REPORT

Telecom operators yesterday placed a slew of demands before the government, including slashing corporate tax from 40 per cent and 45 per cent to 25 per cent and 32.5 per cent for listed and non-listed entities respectively.

"Corporate tax for mobile operators is too high which needs to be brought down to a rational level," said SM Farhad, secretary general of the Association of Mobile Telecom Operators of Bangladesh (AmtoB), at a post-budget press conference. "Mobile network operators are suffocating due to high taxation. Without rationalisation of taxation, this sector will not be able to contribute to its full potential," he added.

According to the AmtoB, corporate tax is 29 per cent in Pakistan, 28 per cent in Sri Lanka, 30 per cent in Nepal, 25 per cent in Myanmar.

The operators' also demanded withdrawal or rationalisation of the minimum 2 per cent turnover tax imposed on unprofitable carriers and withdrawal of

supplementary duty and surcharge from direct operator billing.

They sought amortisation facilities on all intangible assets and abolishment of a Tk 200 tax on mobile SIM purchases.

They also want the government to reduce the existing 33.25 per cent and 21.75 per cent VAT, SD, and surcharge over Tk 100 talk time and Tk 100 internet usage respectively to a reasonable level.



"While mobile market revenue accounted for 1.1 per cent of the country's GDP in 2019, the sector's tax and fee payments accounted for around 4.4 per cent of total government tax revenue," said Farhad.

"This means that the mobile tax contribution is 4.2 times its size in the economy," he said.

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MFS transactions hit all-time high

STAR BUSINESS REPORT

Transactions through mobile financial services hit an all-time high of Tk 63,479 crore in April as both individuals and businesses used the digital channel to transfer funds for celebrations of Eid-ul-Fitr and Pehela Baishakh.

The previous highest was recorded in July last year when people settled transactions worth Tk 62,999 crore, showed data from Bangladesh Bank.

April's figures are 6.4 per cent higher than that a month earlier and 11.9 per cent higher than that recorded in the same month a year ago.

The latest record has given an indication that people from all walks of life are increasingly embracing the MFS platform, said Kamal Quadir, chief executive officer of bKash, the country's largest MFS provider in terms of transaction and number of accounts.

There were two festivals in April, which have had a great impact on creating the record, he said.



Many businesses, including readymade garment industries, provided salaries and festival bonuses through the MFS channel.

On top of that, people now spend a large amount of money to celebrate Pehela Baishakh, the first day of a

Bangla new year, which happened in April.

Although Eid-ul-Fitr, the largest religious festival for Muslims, was celebrated in May, many people completed their shopping in April.

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Non-food inflation at 11-month peak

STAR BUSINESS REPORT

Consumers had to spend more to buy products and services other than food in May compared to April owing to the increasing prices of non-food items.

Data from the Bangladesh Bureau of Statistics (BBS) showed that non-food price inflation rose to 5.86 per cent, the highest in 11 months, in May.

In April, non-food price inflation was 5.55 per cent.

Non-food price inflation has been rising gradually since February 2021 after touching 4.69 per cent in January, the lowest in nearly two-and-a-half years.

Despite the spike, consumers felt less pressure on their wallets in May than April because of a decline in food price inflation.

Food inflation dipped 4.87 per

cent in May from 5.57 per cent the previous month.

Overall inflation dropped to 5.26 per cent in May from 5.56 per cent, the BBS data shows.

"It is good news," said Planning Minister MA Mannan at a briefing yesterday after a meeting of the National Economic Council.

The decline in food inflation will ease pressure on the poor and low income people, he added.

DHAKA STOCK EXCHANGE LIMITED

DSE Tower, House No. 46 (level 3), Road No. 21, Nikunja, Dhaka-1229
PABX: +88-02-41040189-200, Fax: +88-02-41040096, 41040097

Appointment of MANAGING DIRECTOR

Dhaka Stock Exchange Limited (DSE), established in 1954, is the leading Stock Exchange of the country having automated trading system that helps people make their investment decisions easier and lives better. DSE is a self-regulated and private sector entity under regulatory framework of Bangladesh Securities and Exchange Commission (BSEC).

DSE is searching for the position of the Managing Director with proven leadership skills, experience on capital market products and technology, as well as a robust track record of success and achievements. The incumbent will be responsible to the DSE Board of Directors for overall Management.

Compensation Package: Attractive compensation package will be offered to the really deserving candidate.

Instruction:
The appointment will be contractual basis and a term of contract will not be exceeding 3 years, which may be renewed for another term.

For details including Academic Qualification, Professional Experience and Roles/Responsibilities, please visit DSE Website or web-link: <http://www.dsebd.org/MD/career.php>

Candidates having required qualification, experience and competency are requested to forward an application with full resume along with two passport size photographs by **June 20, 2021** to the **Head of HR** of Dhaka Stock Exchange Limited, DSE Tower, House No. 46 (level 3), Road No. 21, Nikunja, Dhaka-1229.

Please mark the envelope as **"Application for the position of Managing Director"**. The recruitment of MD of DSE will be guided by the Regulation 10 of Dhaka Stock Exchange (Board and Administration) Regulations, 2013.

www.dsebd.org