

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
0.37%	0.49%	\$1,808.06	\$76.02	52,861.18	28,643.21	3,190.59	3,530.26	83.95	98.60	115.66	12.75	
6,196.57	10,782.42	(per ounce)	(per barrel)					BUY TK	84.95	102.40	119.46	13.41

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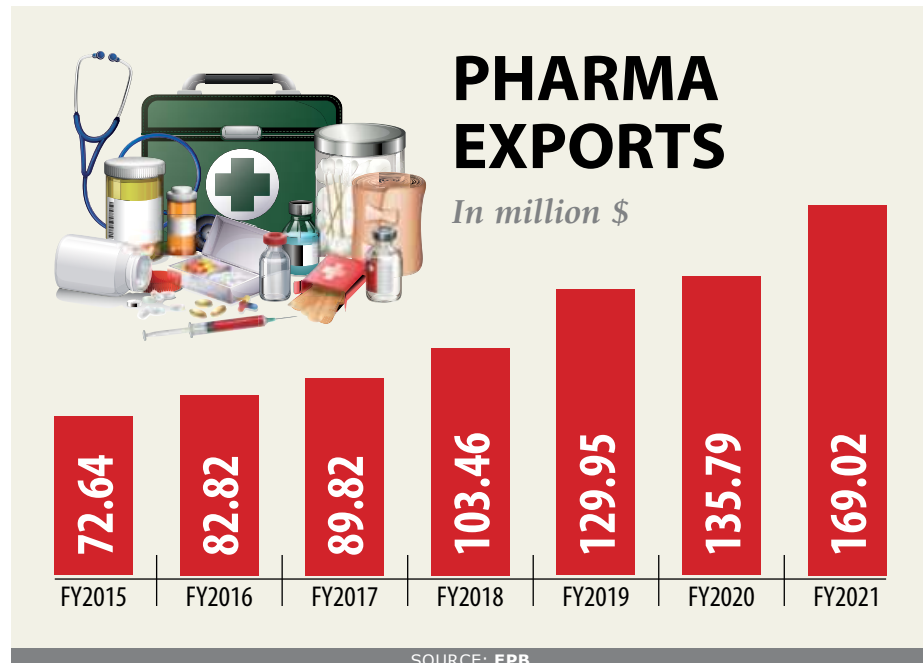
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Star BUSINESS

DHAKA WEDNESDAY JULY 7, 2021, ASHAR 23, 1428 BS • starbusiness@thedailystar.net

Pharma export thrives on Covid medicines



JAGARAN CHAKMA

Pharmaceutical shipments from Bangladesh grew 25 per cent year-on-year to \$169 million in the last fiscal thanks to the addition of anti-coronavirus drugs to the export basket, continuous improvement of quality and policy support.

Drugs worth \$136 million were exported in fiscal 2019-20, according to data of the Export Promotion Bureau.

Bangladesh mainly exports medicine related to malaria, tuberculosis, cancer, leprosy, anti-hepatic, penicillin, streptomycin, kidney dialysis, homeopathic, biochemical, Ayurveda and hydrocele.

Anti-coronavirus drugs were added to

the basket in the last fiscal year, giving a leg up to shipments made by the industry.

"Our pharmaceuticals industry showed its capability by manufacturing the generic version of anti-coronavirus drugs instantly. This helped boost the export of pharmaceuticals products," said Monjurul Alam, director for global business at Beacon Pharmaceuticals.

The shipment of anti-viral drugs Remdesivir and Favipiravir, which are used to treat coronavirus patients, drove the export growth in FY21. Around Tk 400 crore worth of anti-coronavirus drugs were exported in the last fiscal year, according to Alam.

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Import rebounds as economy strives for recovery

Experts fear plunge amid latest surge in infections

AKM ZAMIR UDDIN

Bangladesh's imports rose sharply in the first 11 months of last fiscal year as the economy enjoyed a turnaround for the time being following the first wave of the coronavirus pandemic.

Between July and May last fiscal year, overall imports stood at \$58.62 billion, up 17.31 per cent from a year ago, showed Bangladesh Bank data.

Meanwhile, import payments declined 11 per cent year-on-year to \$49.97 billion.

Analysts say that the country's domestic demand and exports started to rebound since the first quarter of last year, which subsequently continued until at least May.

They feared that the pace of recovery of the economy might face a major disruption due to the recent wave of the pandemic.

In addition, commodity prices have been rising in the global market fuelled by demand after the virus was somewhat contained by a majority of countries in North America and West Europe.

Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, said import had increased mainly riding on domestic demand and higher export orders by foreign buyers.

IMPORT OF MAJOR ITEMS

Value in billion \$ Jul-May of FY21

Item	Value	Item	Value	Item	Value
Yarn	2.1	Plastics & rubber	2.8	Petroleum goods	5.5
Food grain	2.5	Raw cotton	2.8	Textiles & articles	5.8
Crude petroleum	2.6	Edible oil & oil seeds	2.9	Capital goods	11.5
Chemicals	2.7	Iron and steel	4.3		

The trend was considered a good sign for the country but the recent spread of the pandemic may deal a blow to the economic recovery, he said.

Import of raw cotton, which is mainly used in the export-oriented readymade garment industries, stood at \$2.83 billion in the first 11 months of last fiscal year, up 5.34 per cent from one year ago.

Yarn imports grew 18 per cent to \$2.08 billion while that of textile and articles dropped 0.26 per cent to \$5.83 billion. Rahman said the import

of foodgrain increased as the government had catered a good quantity of rice to the poor to offset the economic hardship stemming from the pandemic.

Import of foodgrain, meaning rice and wheat, stood at \$25 billion in the 11 months, up 60 per cent year-on-year. Import payments for petroleum products also increased 45 per cent year-on-year to \$5.46 billion.

The price of petroleum products has been recently maintaining an upward trend in the global market, compelling Bangladesh to spend more funds to import the product, Rahman said.

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Regulators join forces to fight fake audit reports

STAR BUSINESS REPORT

Bangladesh Bank has joined a number of regulators to curb the use of fake audit reports by many firms and stop them from evading taxes and getting loans based on fabricated statements.

In a circular yesterday, the BB asked banks to examine the audit reports of loan applicants through an online system termed Document Verification System (DVS).

The Institute of Chartered Accountants of Bangladesh (ICAB) developed the DVS last year to eliminate the scope of submission of manipulated audited financial statements.

In December, the National Board of Revenue (NBR) asked its field offices to verify the authenticity of audit reports filed by the companies, along with the income tax returns.

Later, the Bangladesh Securities and Exchange Commission and the Financial Reporting Council followed suit to protect the interests of investors and improve compliance and transparency in the preparation of balance sheets.

The DVS offers the opportunity to match key financial figures such as profit, turnover, asset and liability of a company, the 18-digit document verification code, and the signature of auditors.

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Export target \$51b this fiscal year

STAR BUSINESS REPORT

Bangladesh has targeted exporting \$51 billion worth of merchandise and services this fiscal year.

It is 12.37 per cent higher than that attained in the immediate past fiscal year of 2020-21.

Commerce Minister Tipu Munshi announced the new target at a virtual meeting yesterday with business chamber leaders, manufacturers, exporters and government high-ups.

Local manufacturers and exporters believe the target was attainable, reasoning the rebounding of the global economy with the reopening of stores in the Western world.

Merchandise is set to bring in some \$43.50 billion, up 12.23 per cent from last fiscal year's achievement.

Some \$7.5 billion is expected to be earned from the services sectors, which is similarly 13.15 per cent higher.

Like previous years, readymade garments (RMG) is aimed to comprise the bulk of the merchandise.

EXPORT TARGETS FOR MAJOR PRODUCTS

Figures in billion \$
SOURCE: COMMERCE MINISTRY

Products	FY2021 (Achievement)	Target for FY2022	Growth in % over achievement
RMG	31.45	35.14	11.72
Knitwear	16.96	19.51	15.06
Woven	14.49	15.62	7.81
Frozen and live fish	0.47	0.50	4.74
Agricultural products	1.02	1.10	7.38
Jute and jute goods	1.16	1.43	23.12
Leather and leather goods	0.94	1.03	9.49
Engineering products	0.52	0.64	21.74

Hopes are for it to grow 11.72 per cent to some \$35.14 billion.

This will comprise around \$19.51 billion from knitwear (up 15 per cent) and \$15.62 billion from woven (up 7.8 per cent).

The government has taken some aspects into consideration when setting the target, said Munshi.

This includes the Covid-19's fallouts on global and local businesses, goods diversification, the situation in major export markets, the global garment supply chain and the government's policy supports, including financial ones.

The government has been working on getting preferential

trade agreements (PTAs) signed with three countries, including Nepal and Indonesia, within this year, said the commerce minister.

Bangladesh has already signed its maiden PTA with Bhutan last December.

"We are slow in signing PTAs and free trade agreements (FTAs) as import duty is still one of the major sources of government revenue," said Munshi.

Despite this, the government is intending to sign either PTAs or FTAs with 11 countries to counter the downsides of making the United Nations status graduation from a least developed to a developing country after 2026, he said.

Export diversification is coming about, albeit slowly, he said.

The contribution of products other than garments in exports increased to 18 per cent from 16 per cent in the immediate past fiscal year, he pointed out.

Jute, leather and goods made out of them, footwear, light engineering products, home textiles and a few other value added goods are bringing changes, he said.

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EXPORT BACKLOG

Businesses seeking solution

Meet shipping secretary today

STAFF CORRESPONDENT, Chattogram

The leaders of various industry associations yesterday sat with relevant stakeholders to find a solution to the acute backlog of export cargoes prevailing at different private inland container depots (ICDs) due to shipment delays through Chattogram port.

Representatives of major export sectors, such as garments and leather goods, were present at the meeting, also attended by the association leaders of freight forwarders, shipping agents and buying houses.

Faruque Hassan, president of the Bangladesh Garment Manufacturers

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BB freezes bank account of Banco Securities

STAR BUSINESS REPORT

Bangladesh Bank has frozen the bank account of Banco Securities.

The central bank took the decision on Monday following a request from the Dhaka Stock Exchange (DSE).

The banking regulator has also frozen 10 accounts of other companies owned by the directors of Banco Securities.

A top official of the DSE said to protect investors' money, they asked the central bank to freeze the accounts so that they cannot withdraw any funds.

Earlier on June 15, the DSE had filed a general diary against Banco Securities on discovering a shortfall of Tk 60 crore in its consolidated customers' account.

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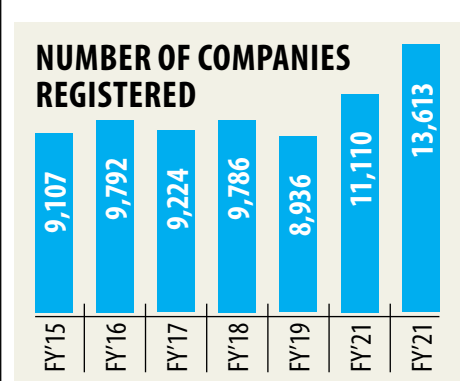
New company registration surges despite pandemic

MD FAZLUR RAHMAN

Despite the lengthy coronavirus pandemic, 13,613 new companies were registered in Bangladesh in the just-included fiscal year, highlighting the confidence of businesses in the economy.

This is the highest firm registration in a single year, according to data from the Office of the Registrar of Joint Stock Companies and Firms (RJSC).

The new company registration is up 22.50 per cent from a year ago, when 11,110 firms were incorporated.



"It is encouraging that new company registration has grown despite the pandemic," said Registrar Sheikh Shoebul Alam.

The growth shows that the economy offers immense opportunity to businesses, he said.

The office of the RJSC is mandated to provide name clearances and registration to all public companies, private companies, liaison offices or branches of foreign companies, trade organisations, societies, and partnership firms.

Some 12,107 private companies took registration in FY21, up 34.37 per cent year-on-year. About 9,010 companies were incorporated in FY20.

Some 317 societies were incorporated in FY21, which was 250 in the previous year. The registration of partnership firms went up 30 per cent to 2,359 in FY21 compared to 1,827 in FY20.

In Bangladesh, there are 3,587 public limited companies, 186,825 private limited companies, 974 foreign companies, 51,332 partnership firms, 1,143 trade organisations, and 15,253 societies, data from the RJSC showed.

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AMRAN HOSSAIN

The days are going slow for porters making a living out of loading and unloading metal sheets of all sorts from trucks in the capital's Naya Bazar as the ongoing strict lockdown has limited goods transportation and shrunk demand. The photo was taken on Sunday.