

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 1.30%	▲ 1.30%	\$1,772.70	\$68.27	▲ 1.35%	▼ 0.65%	▼ 0.2%	▼ 0.09%	BUY TK 84.85	95.06	113.04	13.09
6,936.20	12,180.48	(per ounce)	(per barrel)	58,461.29	27,753.37	3,092.11	3,573.84	SELL TK 85.85	98.86	116.84	13.76

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# Star BUSINESS

DHAKA FRIDAY DECEMBER 3, 2021, AGRAHAYAN 18, 1428 BS • starbusiness@thedailystar.net

## Exports surge in Nov, fetch another \$4b

REFAVET ULLAH MIRDHA

Bangladesh's exports surged in November as it raked in \$4.04 billion, reflecting the strong demand for apparels from the country following reopening of US and European economies from the severe fallout of Covid-19, official figures showed yesterday.

This is the third time export earnings from merchandise shipment crossed the \$4-billion mark in a single month in the country's history. Exporters brought home a record \$4.72 billion in October and \$4.16 billion in September.

November's receipts were 31.25 per cent higher, year-on-year, according to data from the Export Promotion Bureau (EPB), well above the target set by the government.

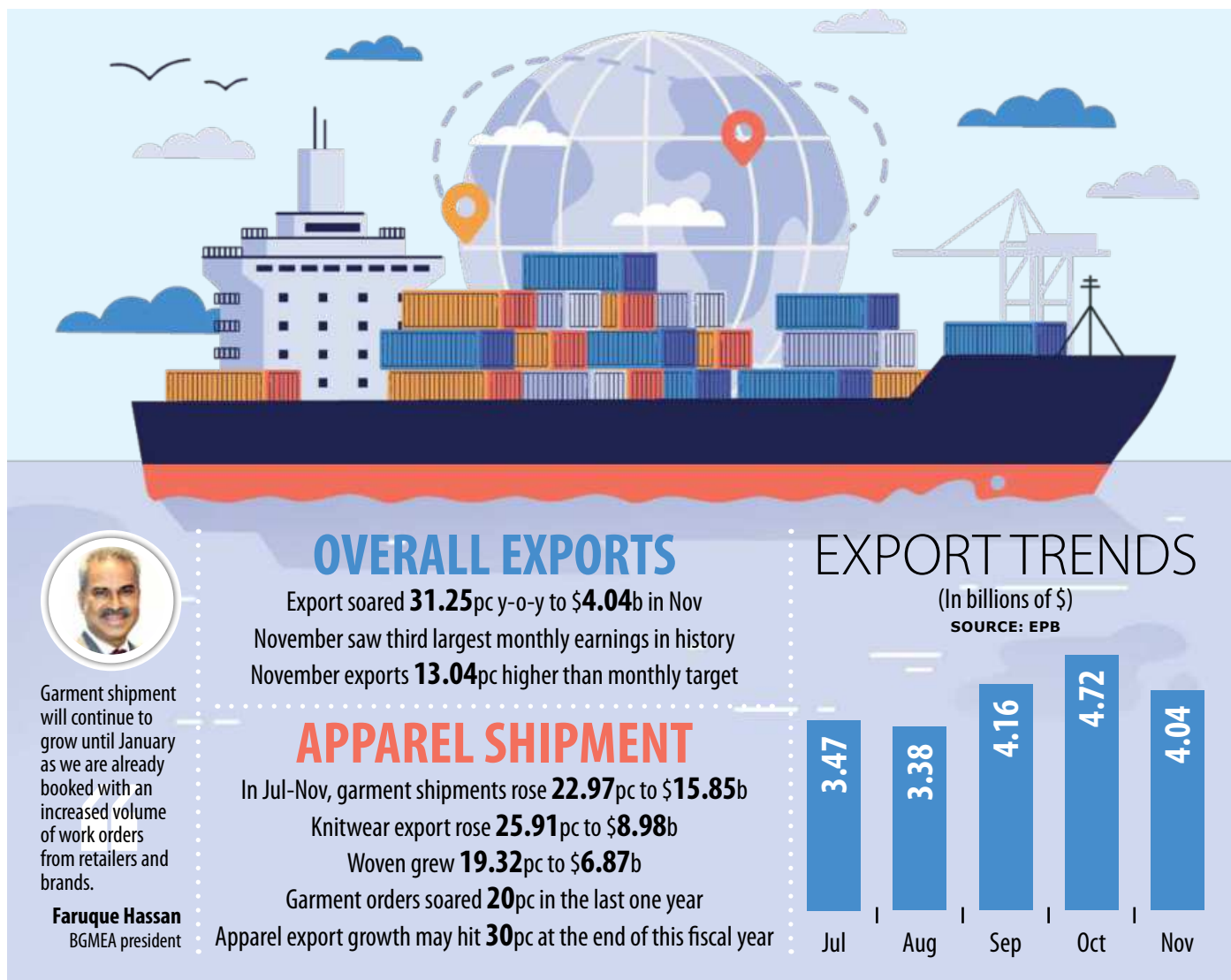
Exports have been rising for the last few months as demand for the garment items produced in Bangladesh made a comeback. Apparel items contribute about 85 per cent to foreign sales.

Between July and November, garment shipments grew 22.97 per cent to \$15.85 billion. Of the sum, \$8.98 billion came from knitwear shipment, up 25.91 per cent, and \$6.87 billion from woven items, an increase of 19.32 per cent.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said the shipment of apparel items had started soaring since September.

"The garment shipment will continue to grow up to next January as we are already booked with an increased volume of orders from international retailers and brands."

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## Oceangoing ships now at record 80

Doubled in last two years

DWAIPAYAN BARUA, Ctg

Bangladesh now has a fleet of 80 oceangoing vessels, a record high since the country's independence.

Till October 2019, there were only 43 Bangladeshi flagged oceangoing vessels and it almost doubled in the last two years at a time when most business sectors were badly hit by the pandemic.

Some policy support from the government as well as a global price fall of second-hand ships in the early stages of the pandemic encouraged local entrepreneurs to make investments and seize the opportunity.

Moreover, several leading industrialists and commodity importers went on to buy their own ships to reduce transport costs.

A total of 37 vessels got permanent or provisional registration in the last two years till November this year which is the highest in the span of such periods, according to Mercantile Marine Department (MMD).

In 2020, a total of 14 vessels got permanent registration whereas a total of 18 vessels has got permanent and provisional registration till date this year, according to data from the MMD.

The National Board of Revenue (NBR) has eased age rules for ships to make it easy to qualify for VAT exemptions during imports and also cut advance income tax.

The NBR brought down the advance income tax (AIT) on vessel imports to 1 per cent for fiscal 2021-22 from 2 per cent in fiscal 2020-21.

It also relaxed restrictions, allowing sale of vessels of over 5,000 deadweight tonnage (DWT) after three years. Previously they had to be kept for five years.

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### E-COMMERCE SCAMS

## Ministry to ask BB to start making refunds

STAR BUSINESS REPORT

The commerce ministry would ask Bangladesh Bank to start providing customers with refunds of advance payments that were made to e-commerce firms but got stuck with payment gateways for non-delivery of goods, said a senior official yesterday.

The central bank was supposed to start paying back the Tk 512 crore a lot earlier but that did not come about for delays in vetting by the law ministry.

"However, Bangladesh Bank again sent a letter to the commerce ministry asking whether they will wait for further vetting or not," said AHM Shafiquzzaman, additional secretary to the commerce ministry.

The commerce ministry will send a letter to the central bank next week asking to first start paying those who did not file court cases against the fraudulent e-commerce companies,

Those who didn't file cases against fraudulent firms will get refunds first

Shafiquzzaman said.

The law ministry has not responded as of yet to a commerce ministry letter seeking vetting on providing the refund, he said.

Vetting is not required to pay back money over which there is no legal dispute, said Shafiquzzaman, also the chief of a newly formed body, Digital Commerce Cell, which is mainly dealing with all e-commerce and f-commerce issues.

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## Tech firms pay Tk 30cr VAT

Netflix gets VAT registration

STAR BUSINESS REPORT

Global tech giants have deposited a total of Tk 30 crore in value-added tax (VAT) to the state coffers since they received VAT registration from the National Board of Revenue, said officials yesterday.

Of them, Facebook paid nearly Tk 13 crore through its three entities since the social media giant secured the Business Identification Number (BIN) in June this year from the Dhaka South VAT Commissionerate.

Google deposited around Tk 12 crore since it got the BIN in May 2021, said a senior official of the field office of the NBR. Amazon received the VAT registration in May. Microsoft got the BIN through Microsoft Regional Sales Pte Ltd Singapore in July.

So far, seven tech firms, including Facebook Technologies Ireland Ltd, Facebook Ireland Ltd and Facebook Payments International Ltd, have received the VAT registration.

In July 2019, the tax administration made it mandatory for tech companies to set up representative offices or appoint agents in



Bangladesh in a bid to generate revenue from the services, including advertisements, they provide to local firms in Bangladesh.

Initially, internet companies were neither willing to set up the representative offices nor pay the VAT via agents. They also had not wanted to share data on the sales containing information about customers on the ground of privacy breaches and security risks.

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### INDO-BANGLA TRADE

## Logistics constraints a major barrier

Says Indian high commissioner

DIPLOMATIC CORRESPONDENT

Logistical constraint is the biggest barrier to expanding trade between Bangladesh and India, said Vikram Kumar Doraiswami, the high commissioner of India to Bangladesh, recently.

Both countries conduct most of the bilateral trade through one point, the Benapole-Petrapole border, and this essentially creates vested interests.

"As a result, the cost of trade remains high," Doraiswami said at a discussion on "50 years of Bangladesh-India Partnership: Towards a Journey in Next 50 Years".

The event was jointly organised by the Centre for Policy Dialogue and the New Delhi-based Research and Information System for Developing Countries at a hotel in Dhaka on Wednesday.

"There is a clear necessity to look at the trade relationship in a



Vikram Kumar Doraiswami

way that benefits both countries, but for that to happen, we need to look at what the critical issues are. There are fundamental problems in business discourse," he added.

India's exports to Bangladesh in FY2018-19 stood at \$9.21 billion while imports amounted to \$1.04 billion.

Various experts say that Bangladesh's exports to India could be much higher if the country's infrastructure is improved, local businesses diversify their products, and a

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## Banks and NBFIs, a doorway to home

MD ABU TALHA SARKER

Most people, especially those from the middle and lower-income brackets, usually choose to buy a ready apartment or flat rather than build their own home.

This is because they cannot afford the land and other associated costs.

For example, the rising cost of construction materials makes it difficult for these people to develop their own property, which comes with a host of other challenges as well.

Middle to lower-income earners tend to prefer purchasing flats or apartments in localities close to their work and so, home loans from banks and non-bank financial institutions are the perfect financial solution for them.

Raju Ahmed, a private job-holder, and his family are living in a flat that he purchased with a blend of personal savings and home loans.

After accumulating Tk 8-10 lakh with great difficulty over a span of eight years, he took out a home loan to make up the rest of the amount for his apartment in Dhaka's Mirpur, where he has lived for the last three years or so.

In a bid to facilitate the home loan, Ahmed held talks with various banks and non-banking financial institutions (NBFIs) that told him he would require a minimum income of around Tk 50,000 to avails loans of up to Tk 15-20 lakh.

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## Stocks climb on govt move to end BB-BSEC row

STAR BUSINESS REPORT

Stocks gained yesterday on the back of an increased participation of investors as expectations grew that the government's move to resolve the disputes between the Bangladesh Bank and the capital market regulator would yield better outcome.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose for the second straight day yesterday, surging 89 points, or 1.30 per cent, to end at 6,936.

In the first hour of trading, the index nosedived 90 points to 6,761 as the investors were in a selling mood because of the contradictory statements from the Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC).

The BSEC had claimed that it resolved all the disputes with the central bank in a meeting on Tuesday, and the banking regulator was going to address the issues.

But refuting the claim, the BB yesterday asked the commission



to change its notification, creating panic among the investors.

However, the market's direction reversed after news broke that the finance ministry is going to arrange a meeting next week to discuss the

issues.

Soon after the first hour, investors came to know that there would be a meeting in the finance ministry for the development of the capital market. And this motivated them

to make fresh bets on stocks, said International Leasing Securities in its daily market review.

As a result, the premier bourse ended in the black.

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## Textiles ministry to honour 7 organisations

STAR BUSINESS REPORT

The Ministry of Textiles and Jute will celebrate National Textiles Day 2021 on December 4 by honouring seven organisations for their contribution to protecting the textiles sector in the pandemic's aftermath.

Textiles and Jute Minister Golam Dastagir Gazi announced this at a press conference organised by the ministry at Bangladesh Secretariat yesterday.

The ministry has continued its overall activities to take the textile industry forward on the path of globalisation by creating skilled manpower through the expansion of textile education and gathering technical knowledge with modern technology, he added.

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