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## Southeast Bank fined again

### It is yet to cut single stock exposure

AKM ZAMIR UDDIN and AHSAN HABIB

The Bangladesh Bank has imposed a fine of Tk 21.50 lakh on Southeast Bank after it failed to bring down its excessive investment in a single stock within the regulatory limit.

The fine was imposed in the last week of December. This is the second time the private commercial lender was slapped with a fine in the last four months. It was fined Tk 10 lakh in October.

The fine came as Southeast Bank parked 22.05 per cent of its paid-up capital with National Life Insurance Company Ltd (NLICL), in a clear violation of the Bank Company Act 1991, according to a probe carried out by the central bank in August last year.

**This is the second time the bank was slapped with a fine in the last four months**

A lender is allowed to invest a maximum 10 per cent of its paid-up capital and 5 per cent of the total capital in a single stock.

The investment made by the bank in NLICL was 9.83 per cent of the total capital, said the report. The paid-up capital of the bank stood at Tk 1,188 crore in August.

The BB asked the lender on November 7 to cut the excessive investment within 30 working days. But the lender has failed to carry out the order.


A high official of Southeast Bank says it was difficult to bring down the amount of shares in a month.

The Bangladesh Securities and Exchange Commission would have sought explanation had the bank tried to cut the single stock exposure ceiling overnight, he said.

It might have created an adverse impact in the capital market, he said, adding that the bank was now selling 3,000-4,000 shares per day.

The ratio of investment

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## MAJOR INITIATIVES



Man-made fibre production will get more facility




More benefits for ICT, PPE, medical clothes, freelancing




Women and small entrepreneurs will be encouraged



Corporate tax will be rationalised



Fiscal incentives will be offered



Govt to allow bonded facility in new sectors



Govt to promote 'Made in Bangladesh' slogan



## BY THE NUMBERS

- Govt targets **\$80b** export by 2024
- Export target of **\$60b** by 2021 not achieved
- Export target for FY22 set at **\$51b**
- Export earnings in Jul-Dec were **\$30b**
- Shipment was **\$38.75b** last fiscal year
- December's export earnings hit **\$4.9b**

# More perks to lift export to record level

\$80b export target by 2024; previous goal unmet

REJAUL KARIM BYRON and REFAYET ULLAH MIRDHA

The government is set to extend more policy and fiscal support, rationalise corporate tax, offer bonded warehouse facility and explore new markets and products as it looks to give a much-needed boost to export earnings.

Currently, the government is framing a new export policy for 2021-24, targeting to offset the challenges brought on by the severe fallout of Covid-19 and the potential impacts of Bangladesh's graduation to a developing nation from the grouping of the least-developed countries.

Despite failing to hit the \$60-billion export target in the outgoing policy, the government has again set an ambitious goal of shipping \$80 billion worth of products by 2024.

Usually, the export policy is formulated every three years. But, the government has extended the tenure of the export policy of 2018-21, which expired in June last year, by a year because of the pandemic.

The government could not pull off the export target as the pandemic jolted the global economy and the global supply chain, sending Bangladesh's exports to a record low during the peak of the pandemic in the country in 2020.

Foreign sales have, however, rebounded

strongly since then, making the government bullish about attaining the target at the end of 2024.

"We are hopeful that we can achieve the \$80-billion export target by 2024 as recent export earnings are impressive," said Tapan Kanti Ghosh, senior secretary of the commerce ministry.

The export target, which covers both



goods and services, has been fixed at \$51 billion for the current fiscal year. Receipts stood at \$30 billion between July and December, the first six months of the fiscal year.

Of the sum, \$27.90 billion came from goods export and \$2.6 billion from services export.

"We can earn at least \$55 billion by the end of the current fiscal year if the ongoing momentum continues," Ghosh said.

In the last fiscal year that ended in

June, Bangladesh exported goods worth \$38.75 billion, up 15.10 per cent, year-on-year, according to data from the Export Promotion Bureau, against the target of \$41 billion.

Goods export surged 48.27 per cent year-on-year to \$4.90 billion in December, the highest takings in a single month, thanks to a strong recovery of apparel shipment, which accounts for about 85 per cent of the national export.

The shipment was up 28.41 per cent to \$24.69 billion between July and December.

Ghosh said the Omicron variant of Covid-19 might not have serious effects on the exports as the global supply chain was functioning well.

The government also plans to give more policy and fiscal support for the production of man-made fibre, personal protective equipment (PPE), medical clothing, ICT, freelancing, and light engineering products to give a boost to exports.

It will also rationalise the corporate tax for some sectors, extend the bonded warehouse facility to various sectors, and offer incentives to emerging sectors, said the senior secretary. In the draft export policy for 2021-24, the government has also focused on new and potential export markets and products.

"The government has put emphasis on the Fourth Industrial Revolution to

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## Keep economy open: FBCCI

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) yesterday called upon the government to increase public awareness on Covid-19 rather than imposing another lockdown in a bid to curb the third wave of infections.

FBCCI President Md Jashim Uddin made the call at a press meet at the Nasrul Hamid Auditorium of the Dhaka Reporters' Unity (DRU).

"Another lockdown is not the solution, but rather it increases the misery of low-income people and affects the country's trade and economy," Jashim said.

A lot of export orders are currently coming to Bangladesh and so, economic activities are going on in full swing.

"So if the government gives something like a lockdown, then the economy will suffer in the long run," he added.

The FBCCI chief went on to say that the government needs to raise awareness on how to prevent the spread of Covid-19, such as the use of masks in public spaces.

"We have to learn to live with Covid, which may never go," he said.

"No country in the world is considering fresh lockdowns even in the face of rising infection rates and so, we hope the prime minister won't consider one for Bangladesh either," Jashim added.

Even during the peak of the pandemic back in 2020, a complete lockdown was never enforced as certain production-based companies and essential service providers were allowed to continue operations.

Even during the second phase of the pandemic last year, when industries were closed for a few days, just 10 per cent of the workers were absent.

Jashim stressed the need for extending the range of duty collection across the country to help offset the economic shocks of Covid-19. He also urged the government to reduce inflation by decreasing tariff rates to enhance imports.

The president of the FBCCI urged banks to lend more to small and medium enterprises as

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STOCKS	DSEX ▼	CSCX ▼
	0.75% 6,996.06	0.83% 12,313.92

COMMODITIES	Gold ▼	Oil ▲
	\$1,819.54 (per ounce)	\$81.46 (per barrel)

CURRENCIES				
STANDARD CHARTERED BANK				
BUY TK	85.05	95.69	115.18	13.12
SELL TK	86.05	99.49	118.98	13.79

ASIAN MARKETS	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▲ 0.88% 61,150.04	▲ 1.92% 28,765.66	▲ 0.27% 3,254.98	▲ 0.84% 3,597.43

## Cake sales rising at a faster clip

### Tk 400cr cakes sold annually

MAHMUDUL HASAN

Cake sales in Bangladesh are growing at a faster clip driven by changing taste and consumption as consumers indulge in the sweet dish to celebrate various occasions.

"The market of the cake and pastry is expanding rapidly. Small, medium and big companies have entered the segment in recent years. There is also a boom in home-made products," said Aminul Islam Rashed, head of marketing at Cooper's, a popular brand.

The history of baking cakes in Bangladesh as old as the country itself, at least.

Ananda Confectionery, which has been producing biscuits for over a century, added its popular freshly baked fruit cake many decades ago, according to industry people.

Yousuf Confectionery began making breads, biscuits and cakes for Dhaka residents since the start of the World War II. And in the 1970s and 1980s, Hotel Purbani dominated the pastry and cake market.

But the modern concept of a cake and pastry shop was introduced by Douglas J A Cooper, a British World War II veteran.

Cooper and his Bangladeshi wife Sufia Cooper ventured into the cake and pastry business, setting up a small shop in Dhaka under the brand name Cooper's Bakery, with a view to introducing the city-dwellers to British dishes.

Its branches spread all over the city in the following years.

As Bangladesh's economy expanded and people's purchasing power grew, many more cake and pastry brands have been launched.

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A passer-by walks past a pastry and cake shop in the city's Pathapath area yesterday. Outlets selling cakes have sprung up across the country in recent years.

## NBR hunts for fake cigarette band rolls

MOHAMMAD SUMAN, Ctg

The Customs House Chattoagram (CHC) and the VAT Intelligence have already conducted several investigations to find the destination of fake cigarette band rolls that dodged the eyes of authorities.

Customs officials are also trying to find out the identity of the "organised gang" that illegally imported fake band rolls through false declarations.

The CHC has so far seized two consignments of band rolls but the importers have managed to have 11 consignments released under their noses.

According to a CHC document, customs officials seized around 3.5 tonnes of fake band rolls worth Tk 243 crore in mid-December.

The consignments were imported from Digi Anti-

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