

Star BUSINESS

TODAY? TOMORROW?

OPEN A BANK ACCOUNT RIGHT NOW WITH **PRIMEPLUS**



Prime Bank



OBSERVATIONS

- Businesses are rising from the fallout of Covid-19
- Omicron is a threat to economic recovery
- Exports soared mainly for payment of last two years' deferred payment
- Unofficial bad loan is **30%** although it is shown at **9%** officially

DEMANDS OF BUSINESSES

- Extension of loan moratorium till June
- About **50%** borrowers will be defaulters if moratorium not extended
- Harassment should be stopped while collecting VAT, income tax
- Turnover tax system needs to be reformed
- A new slab for VAT can be introduced
- Stimulus should be disbursed quickly to SMEs
- District chambers should be given more fund for infrastructure
- Female entrepreneurs must get special support

Stop harassing businesses for tax, extend loan moratorium

Chambers, associations urge govt at FBCCI meeting

STAR BUSINESS REPORT

Top business leaders yesterday urged the government to take steps to put an end to the harassment businesses face at the hands of VAT and tax officials and extend the loan moratorium period to help them recover from the coronavirus pandemic.

Some 40 to 50 per cent of businessmen will turn defaulters if the loan repayment period is not extended up to at least June 2024 as most of them are either running operations at losses or in the stage of recovery.

"The government should extend the loan repayment period for the survival of the businesses," said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

He was addressing a group of businessmen from around the country at a view-exchange meeting of the Council of Chamber Presidents 2022 at the federation office in Dhaka.

At the meeting, the top leaders were vocal against the harassment they face from taxmen.

Rizwan Rahman, president of the Dhaka Chamber of Commerce and Industry (DCCI), said the harassment of businessmen at the hands of VAT and tax officials had not stopped even 50 years after the country's independence although the private sector contributes more than 82 per cent to the economy.

MR Masud, president of the Laxmipur Chamber of Commerce and Industry, said

put an end to the harassment.

Mojibur Rahman Belal, president of the Kishoreganj Chamber of Commerce and Industry, alleged that tax and VAT officials were harassing businessmen in various ways.

"Many small businessmen have turned into street vendors as they have lost their business because of Covid-19 and the harassment from the tax and VAT officials."

Extortion is higher at the

Some 40 to 50 per cent of businessmen will become defaulters if the loan repayment period is not extended up to at least June 2024, the FBCCI says

"Banks do not want to lend to small units as they are not financially sound," Jashim said.

A list of 2,200 small and medium business units was sent seeking stimulus loans from the Kishoreganj district. However, only eight businesses could obtain loans, said Belal of the Kishoreganj Chamber.

Local businesses have also called for introducing one-stop services for them as they need to obtain licences from 33 different government offices which is expensive and time-consuming.

Rizwan Rahman of the DCCI suggested separating cottage and micro enterprises (CMEs) from small and medium enterprises (SMEs) to support them appropriately.

The government should include opinions of the private sector while formulating the income tax law, the VAT law and the industrial policy, he said.

Anwar Ul Alam Chowdhury Parvez, president of the Bangladesh Chamber of Industries, said if the proposed gas price is implemented, the cost of production would go up and businesses would not be able to make any profit.



VAT and income tax officials were harassing businesses in the name of compliances.

He suggested the government introduce 2.5 per cent and 3 per cent VAT slabs.

Naser Ezaz Bijoy, president of the Foreign Investors' Chamber of Commerce and Industry, said digitalisation of tax and VAT collection could

district level than in other cities, said Md Saiful Islam, president of the Metropolitan Chamber of Commerce and Industry.

Jashim said the FBCCI would hold eight seminars at the eight divisional cities soon with businessmen and the officials of the National Board of Revenue to raise awareness

and end harassment.

At the meeting, the chamber and association leaders demanded immediate and equal disbursement of funds for small business units from the government-sponsored stimulus fund so that they can survive.

Almost all of the presidents of the district-level chambers and trade associations said although cottage, micro, small and medium enterprises have been the worst victim of the pandemic, most of them are yet to receive stimulus support.

Only 20 per cent out of Tk 22,000 crore stimulus unveiled for SMEs has been disbursed by banks, whereas the allocation for large units has already been disbursed.

Cricketer Shakib enters e-commerce

SUKANTA HALDER

Marred with scams, controversies and uncertainty over the recovery of thousands of crores of embezzled taka, the country's e-commerce sector has witnessed the appearance of yet another platform led by none other than the poster boy of Bangladesh cricket, Shakib Al Hasan.

With work ongoing for the past six months, Monarch Mart had its website launched on January 21, said an official.

"Shakib Al Hasan is the director and chairman of the company. He also has investments in this company," Md Zahed Kamal, chief operating officer, told The Daily Star yesterday.



Regarding Shakib's investment and shares in the company, he said, "This is our internal issue. This will be officially announced by Shakib himself."

"We are offering Bangladesh a new e-commerce experience. Delivering quality products at the right time to customers is the motto of Monarch Mart...at a fair price," Kamal quoted Shakib as saying.

"At present, there are many negative perceptions among people about e-commerce in Bangladesh. We want to change that. That is our main goal or objective," said Kamal.

He said the e-commerce market in Bangladesh was very big and many people were now comfortable making purchases online. "So we want to grab a share of this market," he said.

"We have already received orders for several products. We will start deliveries from January 23," said an official of Monarch Mart.

The company website says they sell automobiles, electronics, fashion, health and

READ MORE ON B3

STOCKS		WEEK-ON-WEEK
DSEX ▲	CSCX ▲	
1.26%	1.31%	
7,105.69	12,504.91	

COMMODITIES		AS OF FRIDAY
Gold ▼	Oil ▲	
\$1,834.58	\$84.76	
(per ounce)	(per barrel)	

CURRENCIES		AS ON THURSDAY	STANDARD CHARTERED BANK	
BUY TK	85.05	95.50	115.05	13.17
SELL TK	86.05	99.30	118.85	13.84

ASIAN MARKETS		FRIDAY CLOSINGS	
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.72%	▼ 0.90%	Flat	▼ 0.91%
59,037.18	27,522.26	3,294.86	3,522.57

Price spike to raise maize acreage

SOHEL PARVEZ

Maize is being traded for as much as Tk 30 per kilogramme (kg), the highest on record in Bangladesh, influenced by high international prices, a development that has created interest among many growers to expand cultivation of the grain, a key ingredient for poultry, cattle and fish feed.

As of January 6 this year, farmers planted maize on 3.77 lakh hectares of land, up 3.5 per cent from 3.64 lakh hectares as of January 3 in 2021, according to the Department of Agricultural Extension (DAE).

"Maize is a profitable crop now and we expect that the planting will exceed this year's target," said a senior DAE official.

Maize, which was not familiar to farmers even in the early 90s, is now the second largest crop after rice as the grain has become a cash crop thanks to rising purchases by local mills to make feed for livestock and aquaculture.

Data regarding production and acreage varies between the DAE and Bangladesh Bureau of Statistics (BBS).

And according to BBS, the country's official statistical agency, Bangladesh produced 40.15 lakh tonnes of maize in fiscal year 2019-20, up 12 per cent from 35.69 lakh in the previous year.

Almost all the grains are used for making feed, which requires 75 to 80 lakh tonnes annually. Feed mills also import maize to meet their requirement.

Farmers and traders said maize prices hovered around Tk 17 to Tk 18 per kg at the wholesale level.

However, prices shot up a couple of months after the harvest in 2021 in the wake of soaring international prices.

"It was fine at the harvest but prices began to rise later," said Moshir Rahman, president of Bangladesh

READ MORE ON B3



A farmer clears weed off his maize field with hopes of getting a good harvest and profit at Dalgram in Kaliganj upazila of Lalmonirhat. The photo was taken early this month.

PHOTO: S DILIP ROY

Competition Commission drafts rules to step up inquiry

SUKANTA HALDER

The Bangladesh Competition Commission (BCC) has drafted rules to complete inquiries within 15 working days after receiving allegations of anti-competitive practices.

If needed, the BCC will get additional 10 working days to do the job as it looks to settle cases fast and create a competitive environment among businesses.

"We want a case to be disposed of in the fastest time possible. This will benefit everyone," said Md Mofizul Islam, chairperson of the commission.

The move comes as there is an absence of a specific time frame to complete probes into the allegation of anti-competitive practices in Bangladesh at the moment.

The regulations have been awaiting approval ever since the BCC sent the final draft to the

READ MORE ON B3