





24/7
SUPPORT
WITH MyPrime

more to you!



Scan to download!



Although car sales have dropped owing to higher prices amid escalated import costs, retailers and traders are not totally disheartened. Rather, they imported 75 per cent more cars between July and October. The photo was taken from a retail outlet in Dhaka recently.

PHOTO: PALASH KHAN

Used car import soars despite dollar crisis

JAGARAN CHAKMA

Reconditioned car imports surged by more than 75 per cent year-on-year in July-October despite the ongoing economic uncertainty and the government's efforts aimed at discouraging the purchases of luxury items from external sources, traders say.

In July, the central bank asked banks to take 100 per cent cash advance payments from businesses before opening letters of credit (LC) for luxury items such as cars, electronics, gold, and precious metals with a view to stopping the depletion of the foreign currency reserves.

Dealers imported 8,628 units of cars, mostly passenger cars and micro-buses between July and October, while it was 4,923 units during the same four-month period in the last fiscal year, data from the Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida) showed.

"The importers opened the LCs against the cars in the last four months. But now we can't open any new LC," said Md Habib Ullah Dawn, president of the Barvida.

According to Dawn, importers usually open LCs before a national budget is placed fearing that duties and other taxes might go up.

"The import of cars increased in the first four months of the fiscal year as the demand is stable," said Abdul Haque, a former president of the Barvida.

Traders, however, are facing trouble in opening LCs to import reconditioned cars even with a 100 per cent margin as banks don't want to open them owing to a dearth of the US dollar in their stock.

Bangladesh has been forced to limit imports as reserves have been falling amid escalated import bills. Reserves stood at \$35.73 billion on November 2, down more than 23 per cent at \$46.48 billion on the same day a year earlier, BB data showed.

The BB has also asked banks to inform it about the opening of LCs whose value is \$3 million and above so that the import of non-essential items can be checked.

"The opening of LCs for car imports has almost stopped," said Abdul Haque, managing director of Haq's Bay Automobiles Ltd, a used car importer and retailer.

He said cars are coming from Japan against which the LCs were opened three to four months ago.

Abdul Mannan Chowdhury Khoshru, owner of Nippon Autos Trading and a former president of the Barvida, said the 100 per cent LC margin and the dollar price hike have compelled importers to increase investment.

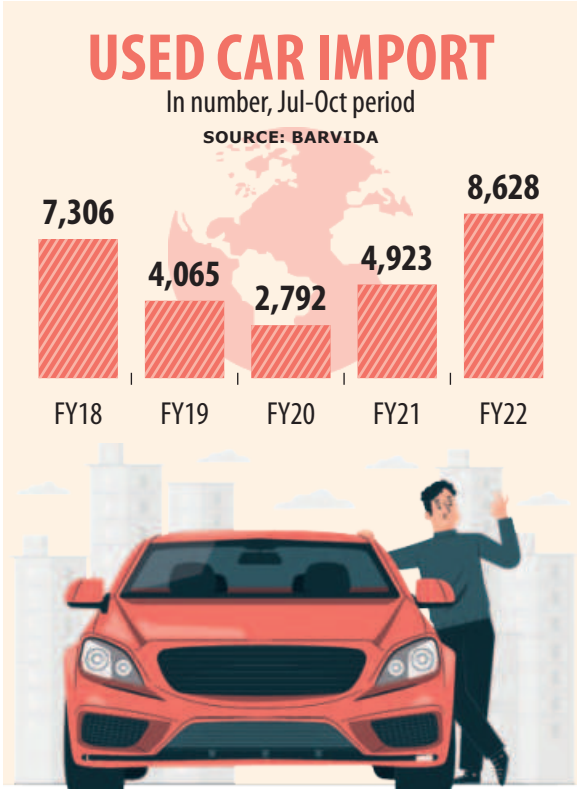
He said the duty structure in Bangladesh and the price in Japan have remained the same but the appreciation of the dollar has sent the price of cars higher.

Against the backdrop, small importers who have no cash can't import cars directly due to the mandatory 100 per cent LC margin.

Khoshru is worried that some traders would have to shut their businesses amid the liquidity crunch.

"Then only big importers will remain in the market. If this happens, there will be no level playing field and this may affect the market and some people may even lose jobs."

READ MORE ON B3



Remittance sending gets cheaper

STAR BUSINESS REPORT

Banks in Bangladesh yesterday decided to withdraw the service charge on remittance with a view to giving a boost to the inflow of money sent by expatriate Bangladeshis.

Besides, banks will also keep their overseas exchange houses open during holidays so that migrant workers can remit money smoothly.

The decision was taken at a meeting between the Bangladesh Foreign Exchange Dealers' Association (Bafeda) and the Association of Bankers, Bangladesh (ABB) at the Sonali Bank's head office in the capital.

Md Afzal Karim, chairman of the Bafeda, an organisation that implements foreign exchange-related policies, announced the decisions at a media briefing after the meeting.

Banks usually impose services charges between \$1 and \$2 on remitters.

"But from now on, such a service charge will not be imposed in order to encourage expatriates to send remittance through the banking channel," said Karim.

On top of that, expatriates can visit the exchange houses of local banks during holidays as the outlets will remain open on those days, said Karim, also the managing director of Sonali Bank.

The moves come as banks in Bangladesh are facing an acute shortage of US dollars because of higher import payments against lower export and remittance receipts. Remittances declined 7.4 per cent year-on-year to \$1.52 billion in October and fell 2.03 per cent to \$7.19 billion in the first four months of the current fiscal year.

READ MORE ON B3

STOCKS	
DSEX ▲	CASPI ▼
0.07%	0.13%
6,415.77	18,918.60

COMMODITIES		AS OF FRIDAY
Gold ▲	Oil	
\$1,681.3 (per ounce)	\$92.65 (per barrel)	

ASIAN MARKETS				FRIDAY CLOSINGS
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 0.19%	▼ 1.68%	▲ 0.89%	▲ 2.43%	
60,950.36	27,199.74	3,130.11	3,070.80	

FBCCI, USDA sign deal on sharing agri information

STAR BUSINESS REPORT

Bangladesh has barely tapped its potential in the global market for agricultural and agro-processed products as the country does not have an international certification system, according to Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

So, the production of such products for both local and international markets should be increased, he said during an agreement signing ceremony between the FBCCI and United States Department of Agriculture (USDA) at the former's office in Dhaka yesterday.

The signing of a memorandum of understanding (MoU) on Bangladesh Trade Facilitation (BTF) between

READ MORE ON B3

Cost, time overruns persist as projects seek revisions

REJAUL KARIM BYRON and MD ASADUZ ZAMAN

One project is seeking higher allocation, one deadline extension and three are requesting both as the government is set to place seven projects at a meeting of the Executive Committee of the National Economic Council (Ecne) tomorrow for approval.

If the government's proposals are okayed, the cost of at least five projects might go up by 42 per cent, or more than Tk 846 crore, from the initial estimates, while the deadline to implement them may be pushed back by one to two years.

Seven projects may be placed at the meeting.

Despite repeated warnings from the prime minister and the planning commission's objection regarding the delay in the implementation of important projects, the scenarios have not changed so far.

Rather time extension and cost overruns have become a norm, which deprives the public of benefiting from a project that is constructed within the stipulated deadline and costs the

taxpayers more.

Among the five projects, Sheikh Sayera Khatun Medical College and Nursing Institute in Gopalganj is poised for a seventh extension as the authorities have failed to complete the work in a decade.

The cost of the project, being implemented by the Directorate General of Health Services (DGHS), has almost doubled due to the implementation delay.

In two phases, the cost has increased to Tk 705 crore from Tk 464 crore initially.

The institution, named after Bangabandhu's mother, saw its implementation begin in March 2012 and was due to complete in February 2015.

While explaining the reason for the time extension, the DGHS argued that the construction of the nursing college came to halt due to the feud between the successor contractors following the death of the prime contractor in June 2020.

Besides, the construction was

READ MORE ON B3

DOES YOUR BUSINESS
REQUIRE NON-STOP ENERGY?

PETROMAX LPG IS YOUR PERMANENT SOLUTION!

PETROMAX HAS JOINED THE WORLD LEADER
IN LPG, SHV ENERGY!

 SHV Energy has an 80-year legacy in LPG

 With more than a million industrial customers in 27 countries

 The only LPG company in Bangladesh with a supply contract with Saudi Aramco

 Industry-leading safety standards

WE OFFER:

- One-stop solution for the best fuel plan, storage installation, technical expertise & after-sales service
- Uninterrupted energy supply to evade natural gas shortage
- Cost-effective solution
- Clean fuel & highly eco-friendly
- Improved efficiency for assured quality of LPG
- Highest standard of safety

WE SUPPLY LPG FOR:

- Glass & Ceramic Industries
- Textile Industries
- Aerosol & Deodorant Industries
- Metal & Aluminium Industries

- Plastic & Polymer Industries
- Auto Bricks
- Food Industries
- Poultry Feed Industries

- Industrial Ovens
- Industrial Dryers
- Generators & Boilers
- Kilns & Furnaces



CONTACT US

- +880 1313-719537
- info@shvenergybd.com
- www.petromaxlpg.com



PETROMAX LPG

JANNA/NOV/2022