



Fruits are a highly sought-after item during Ramadan as Muslims prefer breaking their fast with nutritious food that have naturally occurring sugar, vitamins, minerals and fibre, which are needed to promote good health. Customers have quite a few options to choose from, including local and foreign fruits such as dates, apples, sweet oranges, pomegranates, pears, guavas, wood apple and papayas. The photo was taken at Mohammadpur Town Hall area of the capital city recently.

PHOTO: PRABIR DAS

Sound, enforceable commercial laws vital to attracting FDIs

Says British high commissioner at Dhaka Chamber's seminar on arbitration act

STAR BUSINESS REPORT

Bangladesh needs to put in place sound and enforceable commercial laws and affordable commercial dispute resolution systems and ensure adequate protection to investments with a view to removing barriers hindering businesses and creating investment opportunities, said speakers yesterday.

The experience and evidence show that despite overwhelming challenges, it is possible to reform the commercial laws and it is possible to deliver specific improvements, which can make it easier to do businesses, said Robert Chatterton Dickson, the British high commissioner to Bangladesh.

He suggested the reforms so that the graduation of Bangladesh to a developing country from the grouping of the least-developed countries does not face any major challenges.

The envoy was speaking at a seminar on "Revisiting the Arbitration Act for Promoting FDI in Bangladesh" organised by the Dhaka Chamber of Commerce and Industry (DCCI) at its office in the capital.

Dickson said the discontinued World Bank's ease of doing business ranked Bangladesh second from the bottom among 190 countries when it comes to enforcing contracts.

"In Bangladesh, we worked for many years in justice sector reforms and other areas. But it is fair to say the impact of

the work has limitations in terms of the commercial justice system. The justice system is overwhelmed with the backlog of a huge number of court cases."

Dickson said he could see weaknesses in the commercial legal environment, including irrelevant laws and regulations, hindering business and investment opportunities.

In the post-LDC period, Bangladesh will compete with other developing countries, and confidence is the key to attracting foreign direct investments, he added.

In the post-LDC period, Bangladesh will compete with other developing countries, and confidence is the key to attracting foreign direct investments, said Robert Chatterton Dickson, the British high commissioner to Bangladesh

"Sound and enforceable commercial laws and affordable commercial dispute resolution systems are vital to attracting FDIs."

He added that foreign investors require protection for their investments and protection against the pretty risks of expropriation, protection through dispute settlement mechanisms, and protection of their intellectual



Robert Chatterton Dickson

property.

A stable business environment comprising an efficient dispute resolution system is one of the prerequisites for attracting FDI, said Md Sameer Sattar, president of the DCCI.

He said in order to further promote the ongoing growth and success of the business climate, it is essential that Bangladesh establishes a legal framework that enables swift and efficient contract enforcement, particularly in the context of cross-border commercial disputes.

"Therefore, it is essential to reform the Arbitration Act as the first step towards addressing such challenges existing in our legal atmosphere."

According to the business leader, with a rapid FDI stream in Bangladesh, the number of commercial disputes has risen significantly over the last few decades.

"As a result, arbitration has emerged as the pre-eminent mode of dispute resolution in recent times. Arbitration is meant to be a fast and cost-effective way of resolving commercial disputes and traditionally foreign investors have chosen arbitration over national court litigation when resolving cross-border disputes."

Law Minister Anisul Huq said: "Through alternative dispute resolution (ADR) mechanism, we can get faster access to justice."

He said the government is committed to making the best possible business-friendly rules and regulations. "The Arbitration Act 2001 may be revisited."

The minister urged the business community to use ADR.

He agreed that through an effective ADR mechanism, the FDI regime will be improved a lot.

He said that the Mediation convention will be signed and said there should have a fixed time frame for the arbitration proceedings.

Zaved Akhtar, chief executive officer of Unilever Bangladesh, said that arbitration needs specialised resources and an understanding of different aspects as well.

He proposed a smart arbitration model with a digitalised mechanism, according to a press release of the DCCI.

"Moreover, awareness is very crucial to make it more familiar among the business community."

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Investments: two-way benefits

JASIM UDDIN RASEL

Invest your savings in such areas from where you can earn the highest return to allow your money to grow fast. And this will help you reach your goal quickly. So, the highest return on investments is one benefit.

And the tax benefit on your return is the second benefit of investments. You can avail the tax benefit by paying lower taxes or no taxes on your return, or avail the tax rebate on investments.

You have only three months to go this income year to avail the tax rebate on investments. Make sure your investments meet the conditions of the rebate as per tax laws. Otherwise, you will lose the tax credit facility.

Let's discuss the five investment areas according to the tax law as well as how you will get the highest return from it.



Savings Certificates

It is secured as a government-issued savings certificate. You will also get the highest interest compared to other available investment areas in Bangladesh.

Taxpayers will get a tax rebate on the full investment amount made during the income year. But remember that you have to hold the investment till the maturity date. Otherwise, you will lose your credit facility.

Treasury bond

Treasury bond is also issued by the government. So, it is secured and the interest rate is also high. You can buy treasury bonds from selected banks or from the share market as they are also traded like stocks in the bourses.

The tax rate is 5 per cent on interest and you will also enjoy a tax rebate on your investments.

Life insurance

Life insurance gives financial protection to policyholders and their family members. At maturity, the return is also good and you can enjoy the tax rebate on the premium paid during the year not exceeding 10 per cent of the policy value.



You can take policy for yourself, your spouse and your children.

Deposit Pension Scheme (DPS)

DPS is popular in our country. By saving a small amount every month, a person can receive a good amount after a period of time.

Monthly Tk 5,000 or yearly Tk 60,000 is allowable to get the tax credit from your DPS savings amount. So, it will be a good decision to fix your savings up to this ceiling and the rest of the investment amount could be directed to other investment areas.

Share Market

This is the risk place for investments and the recent behaviour of the market is not well. If you are interested in investing here, then think about a long-term investment.

Dividends up to Tk 50,000 and the capital gain on the sales of shares are tax-free for individual investors. And you will also get a tax credit facility on your investments.

Now take your decision. It is wise to maintain a portfolio for your investments.

The writer is the author of Smart Money Hacks

India extends export curbs on gasoline, diesel

REUTERS, Mumbai

India has extended restrictions on the export of diesel and gasoline, the government said in a notification, as New Delhi tries to ensure the availability of refined fuels for the domestic market.

The government had imposed the curbs on gasoline and gasoil exports through the end of the financial year on Friday.

The latest notification, issued late on Saturday, did not specify how long the curbs would remain in the place.

It asked refiners to commit to selling 50 per cent of their annual volume of gasoline exports and 30 per cent of their diesel exports in the domestic market.

The extension may discourage some Indian refiners, mainly non-state companies, from buying Russian fuel for re-export to other countries, including to European importers that have stopped purchases of refined products from Russia due to its invasion of Ukraine.

New Delhi last year imposed the rare restrictions after non-state refiners Reliance Industries and Nayara Energy, key Indian buyers of discounted Russian supplies, began reaping substantial profits by aggressively boosting fuel exports instead of increasing domestic sales.

That forced state refiners to fill the void and meet demand at home by selling fuel at lower, government-capped prices.



Employees attend customers at a filling station in Mumbai. The Indian government has taken the latest move on export restriction to ensure the availability of refined fuels for the domestic market.

PHOTO: AFP/FILE

Envoy Textiles' new spinning unit goes into operation

STAR BUSINESS REPORT

Envoy Textiles Limited yesterday said its new spinning unit has begun commercial production.

The unit, which has an annual yarn production capacity of 4,200 tonnes, went into commercial production on Saturday, according to a disclosure on the Dhaka Stock Exchange.

In July 2021, the textile company said it planned to establish a spinning unit at its existing factory premises in Jamirdia, Bhaluka of Mymensingh with a production capacity of 3,710 tonnes cotton-polyester spandex core-spun yarn per year.

The project was delayed a bit due to the delay in the shipment of machinery by the supplier caused by the Russia-Ukraine war, said the disclosure.

The cost of the expansion project was Tk 176.19 crore, according to a filing in July 2021.