

Star BUSINESS



Interbank dollar rate hits record high

STAR BUSINESS REPORT

The interbank exchange rate for the US greenback has reached a record high of Tk 108.75 per dollar as Bangladesh continues to face a shortage of the foreign currency.

Banks traded each dollar ranging from Tk 108.50 to Tk 108.75 on May 22, down 24.28 per cent from a year ago, data from Bangladesh Bank showed.

The interbank exchange rate increased almost every working day this month after starting out at Tk 106.80 per dollar on May 1. The local currency has been facing depreciation for the last one year due to higher import payments and slower than expected export earnings and remittance inflow.

READ MORE ON B3



Planning Minister MA Mannan poses along with other speakers at a roundtable on "Progressive Taxation in Bangladesh: Why and How?" at The Daily Star Centre in the capital yesterday. The newspaper organised the discussion in association with the Wave Foundation and the Christian Aid Bangladesh. PHOTO: STAR

Progressive tax a remedy for inequality

Say speakers at The Daily Star-Wave Foundation-Christian Aid roundtable

STAR BUSINESS REPORT

Progressive taxation on high-income people can work well to reduce the income inequality that has been deepening in Bangladesh for years, analysts said yesterday.

Progressive tax systems have tiered tax rates that charge higher income individuals higher percentages of tax on their income and offer the lowest rates to those with the lowest incomes.

"If the government can impose a progressive tax on high-income people, it will be helpful to reduce inequality. But it is tough as the state is captured by elites," said Prof MM Akash, chairman of the Department of Economics at the University of Dhaka.

"In the parliament, most of the MPs are businessmen and rich. So, imposing a higher tax on the upper one per cent of the population is not easy."

"To do so, a strong political will is necessary so that the big fish are identified and brought under the tax net."

He urged the government to leave the middle-income people alone and impose more taxes on the upper-income people instead.

His comments came at a roundtable on "Progressive Taxation in Bangladesh: Why and How?" at the Daily Star Centre in the capital. The newspaper

organised the discussion in association with the Wave Foundation and the Christian Aid Bangladesh.

Income inequality in the country has deepened in the past six years as shown in the latest Gini Coefficient data published

by the Bangladesh Bureau of Statistics. The Gini Coefficient related to income rose to 0.499 in 2022 from 0.482 in 2016 and 0.458 in 2010. A Gini index of 0 represents perfect equality, while an index of 1 implies perfect inequality.

Prof Akash said people also don't feel encouraged to pay taxes as they don't think they will get proper services from the government.

Speaking as the chief guest, Planning Minister MA Mannan acknowledged that income inequality is rising but the

income of the upper-income people has skyrocketed, inequality has deepened.

In order to cut inequality, the government started income transfer in 1996, the first of its kind in Bangladesh, through social safety net programmes, Mannan said.

He said many people are calling for a cut in the value-added tax rate, but it gives a huge revenue to the government.

"VAT is universal, unescapable, and people feel its pain the least."

The problem is, according to the minister, many businesses do

not pay VAT to the government properly.

"So, the government has been trying to digitalise the process since 2012."

The National Board of Revenue (NBR) has a good intention to protect the lower-income people and impose more taxes on the higher-income groups, but its goal changes when the government sets a revenue target for it and asks it to achieve it, said Mamun Rashid, country clients and markets lead at PwC Bangladesh.

"Then, the tax authority makes a back calculation based on the number," he said, adding that the NBR emphasises job creation keeping the need of the economy in mind and sets tax breakups accordingly.

He urged the government to collect taxes properly.

"An effective progressive tax system is a crucial tool to reduce inequality and raise more revenues," said Sayema Haque Bidisha, a professor of the Department of Economics at the University of Dhaka.

"The tax should be imposed at a higher rate at the upper level. Similarly, the wealth tax rate should be increased."

"But the surcharge was not imposed systematically in the

READ MORE ON B3



MCCI for taka-rupee trade with India

STAR BUSINESS REPORT

The Metropolitan Chamber of Commerce and Industry (MCCI) yesterday proposed introducing a currency swap facility enabling use of both the Bangladesh taka and the Indian rupee to increase bilateral trade.

The chamber also recommended a dual currency credit card and the free flow of the two currencies without any cap in case of bilateral trade regardless of Bangladesh's export performance.

The MCCI also proposed harmonisation of standards of the Bureau of Indian Standards (BIS) with those of the Bangladesh Standards and Testing Institution (BSTI) to promote and bring ease to the trade.

Md Saiful Islam, the MCCI president, came up with the proposals at the second quarterly luncheon meeting of the MCCI held at its Gulshan office in Dhaka. Indian High Commissioner to Bangladesh Pranay Verma attended the event as chief guest.

Islam also said the currency swap, meaning Bangladesh receiving

The chamber also recommended a dual currency credit card and the free flow of the two currencies without any cap

payments in the taka and India in the rupee, would not involve any third currency.

In the South Asian region, trade between Bangladesh and India has been growing in spite of the severe fallout of the Covid-19 and Russia-Ukraine war, he said.

Furthermore, India is the 10th largest investment destination for Bangladesh and Bangladesh is the fourth largest export destination for India globally, he added.

The signing of a comprehensive economic partnership agreement (Cepa) will act as a game changer in bilateral trade and investment in the future, said Islam.

The signing of a Cepa may take the bilateral trade

READ MORE ON B3

National BUDGET FY2023-24

Fiscal policy goals remain elusive

Says economist Rizwanul Islam in an interview

SOHEL PARVEZ



Fiscal policy goals set for the current fiscal year have remained elusive as private investment has stagnated, the economic growth has fallen, and inflation has shot up, said a noted economist. Rizwanul Islam, a former special adviser of the employment sector at the International Labour Office in Geneva, said fiscal policies for 2022-23 were designed to maintain and strengthen the business-friendly environment in the economy.

An increase in the Export Development Fund, reduced corporate taxes, and VAT exemptions are but a few examples of such policies.

Perhaps the hope was that they will ensure investment and growth, and through the process, employment generation. This is the framework of the familiar trickle-down approach which, by the way, has long been discarded around the world, said Islam.

In 2022-23, private investment has stagnated, and in fact, it has declined as a share of GDP.

Besides, GDP growth has fallen. Inflation has shot up. Employment in the industrial sector has declined and there have been reverse tendencies in the labour market.

"Thus, the goals of fiscal policy remain elusive," Islam said.

The budget for 2022-23 was formulated at a time when the economy was emerging from the adverse effects of the coronavirus pandemic and the Ukraine war had started.

The focus was on the growth of the economy, although the usual buzzwords like inclusive growth, poverty alleviation and employment were thrown in.

READ MORE ON B2

STOCKS	
DSEX ▲	CASPI ▲
0.39%	0.32%
6,306.18	18,582.57

COMMODITIES	
Gold ▼	Oil ▲
\$1,959.32	\$72.93
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.02%	▼ 0.42%	▲ 0.22%	▼ 1.52%
61,981.79	30,957.77	3,218.08	3,246.24



The NBR considers slashing the existing indirect tax on sweets encouraged by increased revenue collection from restaurants. The photo was taken from Moylapota Mor of Khulna city yesterday. PHOTO: HABIBUR RAHMAN

VAT on sweets may be cut

STAR BUSINESS REPORT

The National Board of Revenue (NBR) could cut value-added tax (VAT) on sweets by half to 7.5 per cent, according to officials of the finance ministry.

This means consumers are likely to be able to buy sweets cheaper from the next fiscal year of 2023-24.

The tax collector considers slashing the existing indirect tax on sweets

encouraged by increased revenue collection from restaurants.

The NBR reduced VAT on food bills at nearly all types of restaurants to 5 per cent in this fiscal year of 2022-23. The exceptions are hotels of a three-star rating or more.

Earlier it was 10 per cent for restaurants with AC and 5 per cent for non-AC ones.

READ MORE ON B3

How DBH managed to keep its NPLs so low

It has the lowest ratio among banks and non-banks for years

AHSAN HABIB

While a number of banks and non-bank financial institutions (NBFIs) are struggling to rein in their non-performing loans (NPL), DBH Finance PLC has continued to maintain the lowest NPL to loan ratio in the industry for years.

Commencing operations in 1996, the housing finance company's classified loans reached Tk 38 crore in 2022 with an NPL ratio of 0.86 per cent whereas the aggregate NPL ratio of all the NBFIs was 24.61 per cent till September 2022.

For the banking sector, the average NPL ratio was 9.36 per cent at the end of September, according to the central bank data.

The housing company is the lone financial institution in the country whose NPL to outstanding loan ratio never touched 1 per cent.

The company did not reschedule any loans in 2022 and in its 25 years of operations, it wrote off just Tk 94 lakh of loans, said Nasimul Baten, its managing director and CEO.

This is by far the best figure in the bank and financial institution industry, excluding the new ones, he said.

The choice is the factor—whether to go for aggressive expansion and take high risks or to be conservative and focus on risk management. The company chooses the latter, he said.

READ MORE ON B3

Japanese realtor to invest \$20m

STAR BUSINESS REPORT

Japanese real estate and construction company JP Building opened its new Bangladesh chapter "JP Build BD Co", through which the realtor plans to invest \$20 million or Tk 216 crore in the local market in the next three years.

JP Build BD Co will provide Bangladesh's

real estate sector with construction solutions and sophisticated technology, JP Building said in a statement yesterday.

Japanese Ambassador to Bangladesh Iwama Kiminori and JP Build BD Co Ltd's Chairman Akio Yamamoto inaugurated the company and its first product Nippon elevator at a programme in Dhaka on May 21.

READ MORE ON B3

Ready plot at Bashundhara

One bigha few ready plots are available for sale at Bashundhara VIP Zone.

Only genuine buyers contact to the following numbers:

For Details: 01730018547, 01730018458, 01799998182, 01799998188

Pubali Bank, Small World enter into remittance deal

STAR BUSINESS DESK

Pubali Bank Limited has signed a remittance collection agreement with Small World Financial Services that provides money transfer services worldwide.

Khalid Fellahi, Group CEO of Small World Financial Services, and Nishat Maisura Rahman, general manager and division head of international division of Pubali Bank, inked the deal at the bank's head office in Dhaka yesterday, said a press release.

The agreement aims to deliver remittances sent by expatriate Bangladeshis living in 170 countries around the world, including Europe, in the shortest possible time.

Among others, Stanley Wachs, managing director of Northern Europe, Africa and Asia of Small World Financial Services, Mohammad Ali, managing director and CEO of the bank, Mohammad Shahadat Hossain, deputy managing director, and Khalid Fellahi, group CEO of Small World Financial Services, were present.



Mohammad Ali, managing director of Pubali Bank, and Khalid Fellahi, Group CEO of Small World Financial Services, exchanged signed documents of an agreement on remittance collection at the bank's head office in Dhaka yesterday. PHOTO: PUBALI BANK

Singer launches Primax Series 4K LED TV

STAR BUSINESS DESK

Singer Bangladesh has launched Primax, a top-of-the-line 4K LED TV series, loaded with premium technologies.

Primax Series TVs are available in three sizes – 43 inches, 50 inches and 55 inches – at authorised Singer dealers with a three-year warranty, a six-month replacement guarantee, and free installation, said a press release.

Primax Series Singer TV is Google-authorised Android TV, which has used the latest official Android operating system and certified Netflix app. Dual-band Wi-Fi and BT 5.0 features are also added to ensure fast streaming.

Primax Series TVs have in-built Chromecast so that users can easily enjoy all of their favourite programmes. It also has dust, thunder and high voltage and humidity protection features so that the TV is not damaged.

MHM Fairoz, managing director and CEO of Singer Bangladesh, inaugurated the new product at an event at the Radisson Blu Dhaka Water Garden in the capital.

"We are introducing the Primax Series so that viewers can enjoy the prime technologies with maximum entertainment."

Chandana Samarasinghe, marketing director of the company, Kazi Rafiqul Islam, sales director, and Arefin Shuvo, an actor, were present.



Sohail RK Hussain, managing director of Meghna Bank, cuts a ribbon to inaugurate the Pagla branch of the bank at Zakir Super Market in Pagla, Narayanganj recently. Among others, Kimiwa Saddat and Md Sadiqur Rahman, deputy managing directors of the bank, Morshed Sarwar Sohel, managing director of RS Group, and Kashem Jamal, managing director of Jamal & Company, were present. PHOTO: MEGHNA BANK



Azharul Islam, chairman of Uttara Bank, virtually presided over its 40th annual general meeting recently. The meeting declared 14 per cent stock and 14 per cent cash dividends for 2022. Iftekharul Islam, vice-chairman of the bank, Mohammed Rabiul Hossain, managing director, and other directors attended the meeting. PHOTO: UTTARA BANK

Green Delta Dragon mutual fund gets nod

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission has given go-ahead to the open-ended mutual fund named Green Delta Dragon Enhanced Blue Chip Growth Fund worth Tk 50 crore.

Of the fund, Green Delta Insurance and Dragon Capital Markets jointly provided Tk 5 crore and the rest is open for sell for the general investors.

Price of each unit of the fund is Tk 10.

The approval for the mutual fund came from the BSEC's meeting held in its head office in the capital yesterday.

The Green Delta Dragon Asset Management Company will be the manager of the fund while Bangladesh General Insurance Company and Brac Bank will be its trustee and custodian respectively.

UCB signs deal with Small World

STAR BUSINESS DESK

United Commercial Bank yesterday signed a remittance service agreement with Small World Financial Services Group Ltd.

Arif Quadri, managing director and CEO of the bank, and Khalid Fellahi, Group CEO of Small World, signed the remittance service deal at the bank's head office in Dhaka, according to a press release.

Small World, a cross-border payment service provider, will enable over 3 million customers to make payments online or via a physical network of more than 250,000 locations, 10,000 agents and 80 stores across 196 countries.

Now, Bangladeshi expatriates living in 196 countries across the world can safely and easily send money through Small World to their loved ones in Bangladesh, it said.

Stanley Wachs, managing director for Northern Europe, Africa and Asia of Small World, Mohammed Atiqur Rahman, corridor ambassador for Bangladesh, and Syed Faridul Islam and Abul Alam Ferdous, additional managing directors of the bank, and ATM Tahmiduzzaman, deputy managing director, were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAY 23, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	7.14 ↑
Coarse rice (kg)	Tk 48-Tk 50	3.16 ↑	5.38 ↑
Loose flour (kg)	Tk 55-Tk 60	1.77 ↑	27.78 ↑
Lentil (kg)	Tk 90-Tk 100	-2.56 ↓	-13.64 ↓
Soybean (litre)	Tk 175-Tk 185	4.96 ↑	-3.23 ↓
Potato (kg)	Tk 40-Tk 42	41.38 ↑	90.7 ↑
Onion (kg)	Tk 70-Tk 75	107.14 ↑	70.59 ↑
Egg (4 pcs)	Tk 45-Tk 50	9.2 ↑	17.28 ↑

SOURCE: TCB

Indian economy sustaining recent growth momentum

RBI says inflation is also slowing

REUTERS, Mumbai

India's economy has sustained the growth momentum seen in the last fiscal quarter of 2022/23, while latest inflation outcome has been better than forecast, the Reserve Bank of India said on Monday.

Growth in the first quarter of 2023/24 is expected to be driven by private consumption, a revival in rural demand and renewed buoyancy in manufacturing on easing of input cost pressures, the central bank said in its "State of the Economy" report, published as part of its monthly bulletin.

"Investment activity is also expected to improve, drawing

strength from the thrust on capital expenditure in public spending and moderation in commodity prices," it added.

India's services exports rose 13.1 per cent on year to \$30.48 billion in March, provisional RBI data showed in early May. April services exports as per provisional government data rose to \$30.36 billion.

The RBI said if services exports maintain their recent high momentum, the drag from net external demand should moderate through April-June 2023.

"Domestic service sector activity will continue to be led by the rebound in contact-intensive services and the resilience in

construction activity," it added.

Based on partial data available for April 2023 and assuming an implied GDP growth of 5.1 per cent for Q4 of 2022/23, the economic activity index now casts GDP growth for Q1 2023/24 at 7.6 per cent, RBI said.

India's annual retail inflation eased to 4.7 per cent in April from 5.66 per cent the previous month, data earlier this month showed.

The RBI said the inflation momentum is turning out to be softer than anticipated on account of a fall in wheat prices, the fifth consecutive monthly decline in prices of oils and fats and the third consecutive monthly decline in the prices of eggs.

Indonesia, Iran ink trade pact

AFP, Jakarta

Indonesia and Iran signed a trade agreement on Tuesday in Jakarta, where President Joko Widodo hosted his Iranian counterpart Ebrahim Raisi.

Tehran is aiming to boost its international trade ties to try and offset the economic impact of heavy Western and international sanctions.

Raisi's two-day visit to Indonesia, Southeast Asia's biggest economy, comes in the shadow of fresh European Union sanctions this week on Iran's Revolutionary Guard.

"We believe that sanctions and threats cannot stop us in any way," the Iranian president said Tuesday after a signing ceremony at the Bogor Palace for a total of 10 agreements, including trade.

"Cooperation and relations with neighbouring countries, Muslim countries, and countries that are aligned with us in various fields is our priority."

Under the pact, Iran will provide easier access for Indonesian exports including vegetable oil, cocoa, coffee and tobacco, according to the Indonesian trade ministry.

In return, Jakarta would lower tariffs on Iranian exports to Indonesia, including oil and its derivative products, minerals, chemicals and iron.

"I hope (the agreement) will expand the trade between Indonesia and Iran," Indonesian President Joko Widodo said at the signing ceremony.

Raisi said the goal was to raise the value of two-way trade between Indonesia and Iran to \$20 billion.

In 2022, the total trade value between the two was just over \$250 million.

Raisi's trip -- his first official visit to Indonesia -- comes in the shadow of fresh Western penalties on Tehran.

Fiscal policy goals

FROM PAGE B1

As inflation was already rising, controlling it was mentioned as a top priority. The main strategy for the purpose was mentioned as increasing supply while reducing growth in demand. The targets for GDP growth and inflation rate were 7.5 per cent and 5.6 per cent, respectively.

"As for fiscal instruments, the shame of having one of the lowest tax-GDP ratios in the world continues," Islam said.

"One also notices continued reliance on indirect taxes (accounting for two thirds of tax revenue), which are by nature regressive."

During the first seven months of the current fiscal year, income tax registered the lowest growth. Moreover, the direct tax GDP ratio declined over the long term.

Islam said fiscal reforms must include steps to widen the tax net.

His suggestion comes as although 4 crore people are regarded as capable of paying taxes, only 40 lakh are enlisted and 60 per cent of them submit returns.

"While the share of income tax in total tax revenue must rise, it is high time to consider other direct taxes like wealth and inheritance taxes," he said.

He called for bringing down exemptions to the bare minimum and plugging loopholes.

"These steps are needed to improve the governance of tax administration and reduce corruption."

According to Islam, the allocation for social protection, a sector that should have received high priority, has stagnated, and the effectiveness of the programmes is also questionable.

One piece of good news is that of one crore TCB "family cards" -- which opened up the possibility of covering nearly 20 per cent of the households.

"If the programme could be implemented without political interference and covered the bottom 20 per cent of the population, it would be helpful."

However, media reports of "running after TCB trucks" raise question marks, the economist pointed out.

In the current circumstances, in addition to the poor, the non-poor low-income groups also need support, he said.

The former ILO official thinks standard monetary policy instruments can be effective in fighting inflation when it is demand-driven. Even in such circumstances, success can't be guaranteed, as is demonstrated by the current experiences of some developed countries like the UK.

"So, in order to fight inflation, the government should go for a combination of different policy instruments."

On the supply side, there should be measures like smooth and timely import of key items, reduction in duties on such imports, stricter vigilance on the supply chain and action without political consideration, and removing bottlenecks on domestic production and marketing.

"But keeping interest rates fixed is not a good policy anyway."

He recommended withdrawing the fixed interest rate so that savings can be encouraged, the capital market may become more efficient, and borrowers of all classes have easy access to credit.

Foreign exchange reserves depend crucially on exports and remittances. In order to bring back normalcy in these two areas, Islam thinks the government would have to ensure that the exchange rate reflects the real value of the domestic currency, unify the exchange rate, and give it stability.

Once the difference between the informal and official exchange rates go back to Tk 2 to Tk 3 per USD, remittances through hundi will also go down to previous normal levels, he said, calling for tightening regulations and oversight to bring back the export proceeds in full and on time.

In sum, an integrated approach should be adopted when it comes to fighting higher inflation, stabilising the exchange rate and protecting the poor. The fiscal, monetary and exchange rate policies should be allowed to work in tandem, the former ILO official added.



Heavy machineries are seen installed at the construction site of the Mumbai-Ahmedabad high-speed rail corridor across Sabarmati river in Ahmedabad on May 18. PHOTO: AFP

eGeneration to set up data centre at Idra for Tk 15cr

STAR BUSINESS REPORT

eGeneration Limited has signed a contract with the Insurance Development and Regulatory Authority (Idra) to set up a data centre at its office.

In a filing on the Dhaka Stock Exchange yesterday, the IT company said the Idra represented by the project director of the Bangladesh Insurance Sector Development Project and eGeneration inked the agreement to set up the data centre for about Tk 15 crore.

The data centre will be established within six to nine months, said an official of eGeneration.

Rupee logs first gain in 5 sessions

REUTERS, Mumbai

The Indian rupee closed higher for the first time in five sessions on Tuesday when investors evaluated hawkish comments from US Federal Reserve officials and progress in the debt ceiling talks.

The rupee closed up at 82.80 to the US dollar compared with a close at 82.8275 in the previous session. The currency hit a low of 82.85 on Monday, its lowest since February 27.

The gains in the capital market are supporting the rupee from any fall, while traders are also keeping a watch on the US debt ceiling talks, said Jateen Trivedi, research analyst at LKP Securities.

The rupee could trade in the range of 82.75-83 in the near term, Trivedi said.

Traders and analysts expect India's central bank to defend the rupee if it falls to around 83 levels. The central bank has shored up its forex reserves through interventions in recent weeks.

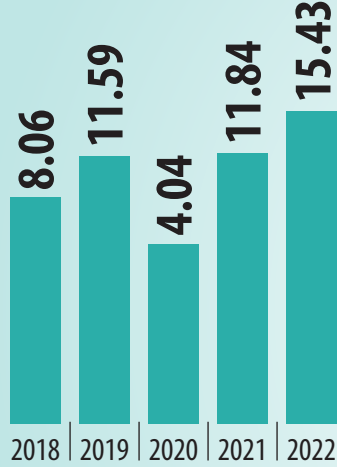
Meanwhile, the US dollar index edged up 0.2 per cent, after rising 2 per cent in the past two weeks.

The dollar rose after hawkish signals from the US Federal Reserve officials overnight. Minneapolis Fed President Neel Kashkari said it was a "close call" whether he would vote to raise interest rates or pause at next month's meeting.

Meanwhile, St. Louis Fed President James Bullard said the US central bank may still need to raise the benchmark interest rate by another half point this year.

PREMIUM GROWTH

In %; SOURCE: JBC



“Every two years, we get a dividend from the corporation without any hassle. This is a good thing.”

Shahidul Islam
A policyholder of Jiban Bima



LIFE FUND GROWTH OF JIBAN BIMA (In %)



SOURCE: JBC

Jiban Bima sees steady growth despite challenges

SUKANTA HALDER

Jiban Bima Corporation, a state-run life insurance provider in Bangladesh, witnessed steady growth for the past few years as its subscriber base has expanded even though customers lack faith in the industry.

The company's life insurance fund advanced 7.37 per cent year-on-year to Tk 2,474 crore in 2022, registering annual growth of above 6 per cent for the past three years.

“The main reason for the higher life premium is that people are confident they will get their funds back without facing any fraud as we are a state-run company,” said Ferdous Alam Khan, manager for consolidation accounts of Jiban Bima Corporation.

The insurer's total premium increased 15.43 per cent year-on-year to Tk 763 crore in 2022. In the previous four years, the growth in premium was more than 11 per cent.

However, the premium growth in 2020 fell significantly to 4.04 per cent due to poor business amid the coronavirus crisis, according to company documents.

In 2020, overall life insurance premiums

dropped by more than 1 per cent year-on-year to Tk 9,501 crore. It then rose by around 8 per cent to Tk 10,260 crore in 2021, as per data from the Insurance Development and Regulatory Authority (IDRA).

Muhammad Shahidul Islam, a policyholder of Jiban Bima Corporation,

The insurer's total premium increased 15.43 per cent year-on-year to Tk 763 crore in 2022. In the previous four years, the growth in premium was more than 11 per cent.

said the benefit of the policy he has taken is slightly higher compared to those offered by private life insurance companies.

He then said he has taken three separate policies from as many companies but the largest in terms of value is the one opened with Jiban Bima Corporation.

“Every two years, we get a dividend from the corporation without any hassle. This is a good thing,” Islam added.

Tanim Hussain Shawon, another

policyholder, said the premium he pays to Jiban Bima Corporation is comparatively less than that charged by private firms while the service is satisfactory.

In 2010, only 40 per cent of all life insurance policyholders would continue paying premiums past the second year but it is more than 80 per cent now.

Regarding the general public's distrust in insurance schemes, Alam said this is because several large private companies are not properly settling claims while others have almost gone bankrupt.

“Our claim settlement rate is very good though and because of this, peoples' confidence in Jiban Bima Corporation has increased. Therefore, the amount of life fund has also increased,” he added.

Bangladesh's life insurance penetration is well behind the emerging market average of 3.3 per cent. In 2020, India's life insurance penetration was 3.2 per cent while it was 2.4 per cent in China.

Currently, there are 35 life insurance and 46 non-life insurance companies active in the country. Of them, 49 are listed with the stock market.

The insurance industry contributes only 0.4 per cent to Bangladesh's growing gross domestic product.

US company wants to invest in solar energy Says ambassador

STAR BUSINESS REPORT

American company Blackstone is seeking to invest in solar energy in Bangladesh as the world transitions to clean energy amid global warming and shortage of energy supplies caused by the Russia-Ukraine war, said US Ambassador to Bangladesh Peter Haas yesterday.

He was addressing a “Clean EDGE (Enhancing Development and Growth Through Clean Energy) Asia Conference” jointly organised by the Washington-based National Bureau of Asian Research and Independent University, Bangladesh in a Dhaka hotel.

“During my last trip to Washington, I met with a Blackstone portfolio company that is interested in developing solar energy in Bangladesh,” Haas said.

Blackstone is “fighting for an opportunity to invest in renewables in Bangladesh the same way other American companies did a generation ago to develop Bangladesh's natural gas”, he said.

As Bangladesh wants to attract more private US investment, he suggested that the country do everything possible to get Blackstone to invest here.

“If a firm with so much assets tastes success in this market, imagine what might follow. Alternatively, if it has a dissatisfying or frustrating experience, imagine all the other places that investment will go,” he added.

Haas said the world's fossil fuel supply was finite and the Russia-Ukraine war last year shocked the energy market in Bangladesh and elsewhere.

All nations must develop a plan to solidify their energy security based on a diversified portfolio of resources, he added.

Renewable resources are the key to this energy transition for Bangladesh, South Asia, and the world. Finding ways to harness solar, wind, geothermal, hydro, and other energy sources is the path to energy security, Haas said.

The US established Clean EDGE Asia to support and accelerate Asia's clean energy transition to help the regional countries reach this goal, he said.

It is crucial for all to explore avenues of cooperation among regional counterparts for increased regional energy trading, shared development of innovative technologies, or other solutions, he said.

“We need to collectively assess renewable and clean energy resources across the region to determine what makes the most sense for the people of South Asia,” he said.

It will require contributions from government, private sector, and civil society for Bangladesh to achieve a just energy transition, he said.

This will also require good policies in place to incentivise smart investments and cross-border electricity trade, privatisation of underperforming state-owned assets, adoption of new technologies, and a phasing out of the most damaging fossil fuel-based power generation facilities, Haas said.

“This will not happen overnight. It will take years to accomplish. But we can accomplish it faster if we work together through initiatives like Clean EDGE Asia,” he stated.



How DBH managed

FROM PAGE B1

As the company lent for only housing, its spread is low as well as margin. In this perspective, if it sees a high amount of NPL, the company will lose out, so its focus is mainly on risk management, Baten clarified.

When it lends, it focuses mainly on the repayment capability of the borrower instead of keeping a high mortgage. “This policy has worked well to keep the NPL low,” he said.

As the NPL is dealing with a single product, that is house loans, it is comparatively bearing a low risk and this is also a reason, he added.

Efficient client selection helped the company as other NPLs' NPL on the same product is at least 3 per cent to 7 per cent, he said.

The DBH achieved a AAA rating for 17 consecutive years since 2005, according to its annual report for 2022. The AAA is the highest rating referring to a company's excellent quality, offering the highest safety for timely servicing of financial obligations and carrying minimum risk.

A special loan recovery team of the company played a contributory role to reach that figure with their all-out

effort, said the top DBH official.

Intense follow-up and proper monitoring through frequent customer visits are the keys to an efficient and effective recovery system, he added.

At the end of December 31, 2022, the loans and advances portfolio of the DBH stood at Tk 4,454 crore.

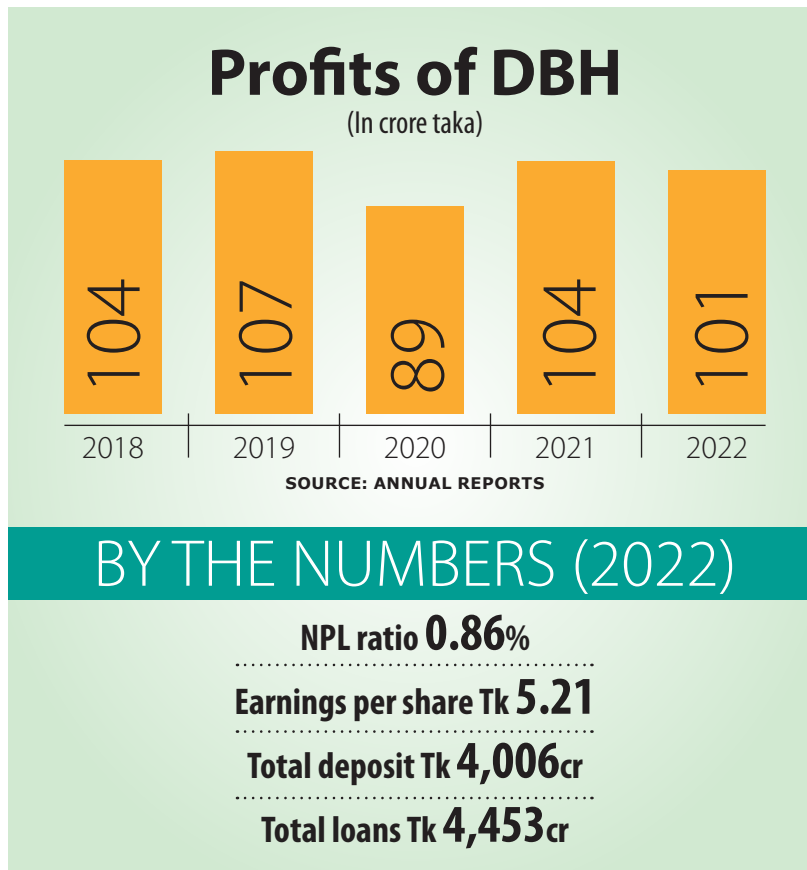
The DBH has historically maintained a low NPL ratio of approximately 0.50 per cent without any significant write-offs.

At the end of last year, the DBH's NPL ratio witnessed an increase from 0.63 per cent in the preceding year to 0.86 per cent.

During the year, the DBH provided Tk 10.38 billion-worth home loans to over 3,000 households, which is marginally higher when compared to that of the previous year.

The listed NPL's profits dropped to Tk 101 crore in 2022 which was Tk 104 crore in the previous year.

As the interest rate against deposits rose, the lending rate did not go up at the same pace and the economy is facing the fallouts of a war and the pandemic, so it impacted the profits of the company, said the MD of DBH Finance.



Progressive tax a remedy

FROM PAGE B1

upper slabs. We have not seen any progressive changes in the slabs that we have wanted.”

Prof Bidisha, also the research director of the South Asian Network of Economic Modeling, suggested the government announce incentives for new taxpayers and grant waivers in some areas in order to expand the tax net in the rural areas.

Due to a lack of proper identification and monitoring, many people have remained out of the tax net for years and they have accumulated wealth under the names of family members, evading taxes, she said.

“The identification of the rich is necessary and digitalisation can contribute to this effect.”

SM Zulfikar Ali, a senior research fellow of the Bangladesh Institute of

Development Studies, said the overall existing tax system can't be termed as progressive.

“We can say the direct tax is progressive to some extent,” he said, citing that there are various slabs, which range from 10 per cent to 30 per cent.

“But the indirect taxes such as VAT are not progressive. This is because the poor are paying relatively higher tax in proportion to their income.”

The tax-GDP ratio of Bangladesh is one of the lowest among South Asian countries, said Sanjida Islam, a lecturer at the Daffodil Institute of IT, while making a presentation.

She said it is imperative to introduce a better and poor-friendly tax regime. She also urged the government to ensure better services for taxpayers.

MCCI for taka-rupee trade

FROM PAGE B1

to \$50 billion per annum from \$12 billion at present, he said.

In recent years, the trade balance has been decreasing, especially imports from India, for a shortage of the US dollar and severe fallouts of the war, said Islam. In fiscal year 2020-21, the bilateral trade amounted to \$10 billion and in fiscal year 2021-22 it jumped to \$18 billion, he said.

But in fiscal year 2022-23, it decreased to \$12.25 billion, meaning that it underwent a 31 per cent year-on-year fall, Islam said.

The import of cotton from India decreased 59.6 per cent, food grain 44 per cent and mineral and other energy 25 per cent last fiscal year, he said.

Meanwhile, export of woven garments increased 70 per cent and knitwear 38 per cent, Islam said.

He also suggested for enabling more connectivity on a sub-regional basis.

Some regional initiatives like the South Asian Free Trade Area, Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, and Bangladesh Bhutan India Nepal motor vehicles agreement are not functioning well for the growth of trade, he said.

Syed Nasim Manzur, a former MCCI president, made three suggestions which includes the standards harmonisation, explaining that mutual recognition could be a huge game changer for bilateral trade.

The other two are for introducing a work permit visa for Bangladeshis in India and for launching a working group involving the Indian high commission and MCCI to discuss bilateral trade issues and for connecting businesses.

Interbank dollar rate

FROM PAGE B1

In the first nine months of 2022-23, import bills dropped 12.33 per cent year-on-year to \$53.93 billion. As a result, the trade deficit, which occurs when a country's imports exceed its exports, declined 41.6 per cent year-on-year to \$14.61 billion in July-March.

In April, remittance declined 16.27 per cent year-on-year to \$1.68 billion. Overall, money transferred by migrant workers and non-resident Bangladeshis living abroad grew 2.36 per cent to \$17.71 billion in July-April.

Export earnings dipped 16 per cent year-on-year in April with overall receipts growing by 5.38 per cent to \$45.67 billion in the first 10 months of the ongoing fiscal year.

Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, says the depreciating trend of the interbank exchange rate is a good thing.

The foreign exchange market should be allowed to determine the exchange rate based on the demand-supply method of the greenback, he said.

If the exchange rate for the dollar is kept strong artificially, it will not bring any good for the economy, added Mansur, also a former official of the International Monetary Fund.

The country's foreign exchange reserves stood at \$30.18 billion on May 18, down 28.5 per cent year-on-year.

Mansur also suggested the central bank follow a uniform exchange rate to bring back stability in the foreign exchange market.

Last month, banks decided to offer remitters Tk 108 for each greenback instead of Tk 107.

Banks also decided to increase their purchase prices of the dollar from exporters to Tk 106, up from Tk 105 earlier.

Japanese realtor

FROM PAGE B1

JP Build Company entered into the real estate and construction business in Japan in 2018 and the company's core strength is its quality products and use of modern technology in construction, according to the statement.

JP Build extends services related to solar power plant, eco energy power generation facilities, real estate business and consultation services along with construction work.

JP Build BD Co Ltd will play a special role in the development of Bangladesh's economy and manpower, Yamamoto said at the

opening ceremony. “We will support the construction of modern and earthquake resistant buildings by using skilled workers and modern technology from Japan. We want to be a part of digital Bangladesh through new technology.”

“Japan has always been interested in being a partner in development work with Bangladesh,” the Japanese ambassador said at the event.

“During the visit of Prime Minister Sheikh Hasina to Japan, my task was to make as many Japanese investors as possible interested in working in Bangladesh.”

VAT on sweets

FROM PAGE B1

“We are seeing higher VAT collections from restaurants after we cut the rate.

So, we are considering slashing the VAT rate on sweets. This will enable people to buy sweets at a reduced VAT,” said a senior finance ministry official.

The latest data on the collection of VAT, which is paid by consumers during purchase of goods and services, is not available.

The NBR's annual report for 2019-20 showed that it received Tk 40 crore in VAT from sweets stores, down 26 per cent year-on-year.

MoU signed to improve standards of cold storages

STAR BUSINESS REPORT

The Bangladesh Cold Storage Association (BCSA) has taken an initiative to develop a cold chain management system of global standard in the country.

To this end, the association has signed a memorandum of understanding with Land O'Lakes Venture37, the implementing agency of the Bangladesh Trade Facilitation Project funded by the United States Department of Agriculture, according to a press release.

Mostafa Azad Chowdhury Babu, president of the BCSA, and Michael Parr, the project director, signed the deal.

Under the MoU, work will be done to increase the technical skills of the manpower engaged in the country's cold storage industry, ensure the maximum use of technology, and improve the capacity of the existing cold storage facilities.

In addition, both parties will work to follow up-to-date commercial strategies for cold storage management and build a sustainable and profitable cold storage industry.

Babu said that through the initiative, cold storage facilities scattered across the country will be made world class.

"This will bring about a paradigm shift in the storage and supply chain management of agricultural products."

AB Bank, NRBC Bank get nod to declare stock dividends

STAR BUSINESS REPORT

AB Bank Ltd and NRB Commercial Bank Limited have received permission from the Bangladesh Securities and Exchange Commission (BSEC) to declare dividends for the financial year that ended on December 31, 2022.

In a filing on the Dhaka Stock Exchange yesterday, AB Bank said it has received permission from the regulator to declare a 2 per cent stock dividend for the year.

In another filing, NRBC Bank said the BSEC has accorded its consent for its declaration of a 4.5 per cent stock dividend for 2022.



The Swissôtel Dhaka, one of four new five-star hotels coming to Bangladesh, is seen under construction in the capital's Gulshan. Although the project, set to cost an estimated Tk 600 crore, was initially set for completion by 2021, construction faced delays due to the Covid-19 pandemic and ongoing Russia-Ukraine war.

PHOTO: AMRAN HOSSAIN

Dhaka to get four more 5-star hotels

JAGARAN CHAKMA

Dhaka is set to welcome four new five-star rated hotels over the next three years as the growing influx of travellers has heightened the demand for luxury accommodation in Bangladesh.

This is a positive development for the hospitality industry as it indicates that the country is becoming a popular destination for business and leisure travellers, according to M Iblul Parvez, manager (admin) at Bengal Hotels and Resorts, a concern of Bengal Group of Industries.

Bengal Group had signed an agreement with Swissôtel Hotels & Resorts, a brand of multinational hospitality company Accor, for constructing a world-class luxury hotel in Dhaka back in December 2015.

The roughly Tk 600 crore project was slated for completion by 2021 but faced delays in implementation due to the Covid-19 pandemic and ongoing Russia-Ukraine crisis, which will increase total costs.

The property, called "Swissôtel Dhaka", will be managed by Zurich-based Swissôtel while Bengal Hotels and Resorts will oversee its day-to-day operations.

Located in the capital's Gulshan, Swissôtel Dhaka will enhance the city's reputation as a desirable destination for international events, including business conferences and meetings, Parvez said.

"It will attract high profile guests, dignitaries, and business professionals, thereby promoting Dhaka's image as a vibrant and cosmopolitan city," he added.

Parvez then informed that they now aim to launch the hotel by 2026.

Similarly, Borak Real Estate Ltd (BREL), a concern of Unique Group, inked a hotel

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.

With this backdrop, entrepreneurs are investing in establishing five-star hotels in the city, he added.

Ali went on to say at least Tk 5,000 crore will be spent to complete these hotels, which will generate some 1,400 opportunities for direct employment.

However, there is still a lack of skilled professionals for hotel and hospitality management, forcing owners to hire foreigners in capacities such as general manager and chef to operate the hotel.

Ali believes the sector will continue developing day by day as the country's economy is growing despite the Covid-19 fallout and ongoing Russia-Ukraine crisis.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

the hotels, said Hamayet Hossain Rasel, the company's general manager for project management.

And although construction has ended, the hotels will open to the public only after internal decorations are complete after another 36 months.

Inside the Taj hotel, a Taj Club will accommodate 60 signature shops and restaurants, where internationally branded products will be available for consumers.

Sources at the Bangladesh International Hotel Association (BIHA) said the Hilton Dhaka, a concern of Hilton Worldwide, will launch in 2025 with construction currently ongoing in the capital's Gulshan.

management agreement with Indian Hotels Company Ltd (IHCL) on April 17 earlier this year.

As per the agreement, BREL will operate IHCL's Taj and Vivanta branded hotels in Dhaka's Gulshan.

BREL is spending more than Tk 2,000 crore, including the land price, to complete

The 250-room hotel is located on Gulshan Avenue, the central business district of Dhaka city and home to most embassies, high commissions and key multinational companies in the country.

Hilton Worldwide had signed a management contract with Premier Hotels & Resorts for managing the property back in 2012.

At present, there are nine five-star rated hotels in Dhaka, namely Westin, Le Meridien, Sheraton, Radisson, Pan Pacific, Intercontinental, Renaissance, Hotel Sarina and Amari.

According to industry insiders, Dhaka city is now capable of providing luxury accommodation to just 2,200 guests, which have been growing in number over the past decade in line with the country's economic development.

HM Hakim Ali, president of the BIHA, said business travels will increase after the third terminal of Hazrat Shahjalal International Airport is launched, further fuelling the demand for luxury accommodation in Dhaka.