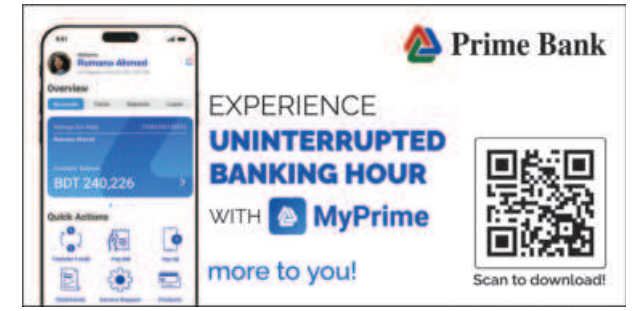
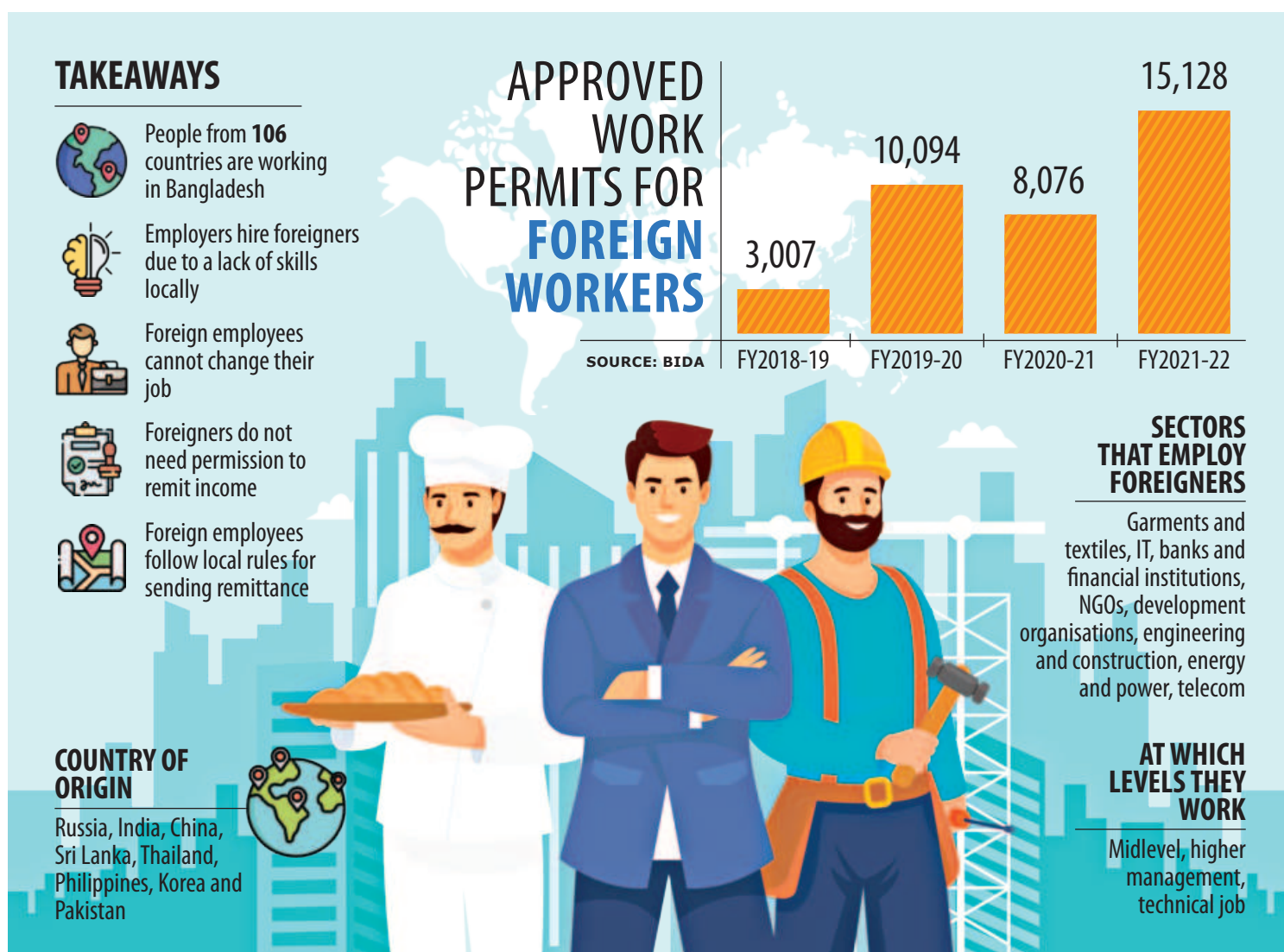


# Star BUSINESS



## 17 IIG operators fined Tk 45 lakh

**MAHMUDUL HASAN**  
 Bangladesh Telecommunication Regulatory Commission (BTRC) has recently decided to fine 17 International Internet Gateway (IIG) service operators a total of Tk 45 lakh for violating rules, including under invoicing, not sharing revenue and changing share structures without prior approval.  
 The telecom regulator took the decision in an internal meeting based on reports of its Enforcement and Inspection Directorate.  
 The IIG companies operate as international gateways for internet traffic, managing the data flow between the country and the rest of the world and enabling internet service providers and telecom operators to access the global internet.  
 Of the highest amounts, Mango Televservices,



## PM wants quick disposal of pending tax cases

**STAR BUSINESS REPORT**  
 Prime Minister Sheikh Hasina yesterday directed the authorities to quicken the disposal of the tax-related cases pending at the High Court since their conclusion has the potential to generate a lot of money for the government.  
 The premier gave the directive at a meeting of the Executive Committee of the National Economic Council (Ecneec). Planning Minister MA Mannan shared it at a press briefing after the meeting at the ministry.  
 The prime minister also ordered to adjust the cost of various development projects in line with market prices, Mannan said.  
 The premier instructed ministries and divisions to consider the latest exchange rate of the US dollar before preparing the draft of development projects since the rate often influences the overall expenditure.  
 The prices of construction materials such as steel, cement, stones and bricks are witnessing an

**The premier also instructed ministries and divisions to consider the latest exchange rate of the US dollar before preparing the draft of development projects**

uptrend, meaning the cost of projects might go up during their implementation.  
 Mannan said that the premier had noted that this could happen in the growing global economy.  
 He said Sheikh Hasina, in this regard, asked the authorities, including the finance ministry, to revise the schedule of rates as per requirements and the changing prices of construction materials, according to BSS.  
 "The prime minister has clearly directed the finance ministry and other concerned agencies to address these issues."  
 Referring to a project that is constructing Urirchar-Noakhali Cross Dam, Mannan said that the prime minister strongly asked the water resources ministry to remain cautious while dealing with the scheme since coastal areas are involved.  
 She cautioned that the adjacent islands, areas and channels should not be disturbed during the implementation, he said, adding that the premier asked the authorities to work in a coordinated manner in order to avoid any duplication.

READ MORE ON B3

STOCKS	
DSEX ▼	CASPI ▼
0.15%	0.05%
6,351.10	18,768.39

COMMODITIES	
Gold ▲	Oil ▲
\$1,963.87 (per ounce)	\$74.48 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.31%	▲ 0.32%	▼ 0.01%	▼ 0.37%
66,795.14	32,493.89	3,254.26	3,197.82

READ MORE ON B3

# Foreigners working in Bangladesh on the rise

Experts blame dearth of skilled employees, managers locally

**REFAYET ULLAH MIRDHA and JAGARAN CHAKMA**

The number of foreign nationals working in Bangladesh is rising thanks to expanding industrial activities, a development that also points to the education system's inability to churn out skilled workforce needed to keep the wheel of the economy turning.  
 Bangladesh has maintained more than 6 per cent growth in the last one decade and the contribution of the industrial sector, particularly the manufacturing segment, to the gross domestic product has increased as the country is gradually becoming an industrial hub from an agrarian economy.  
 With a view to meeting the demand for skilled workforce, particularly top and mid-level managers, the Bangladesh Investment Development Authority (Bida) alone approved 15,128 applications seeking work permits in 2021-22, up a staggering 87.32 per cent from the previous year.  
 Of them, 7,790 were new and 7,338 sought renewals, according to the annual report of the state-run investment promotion

agency. The applicants came from 106 countries.  
 The permits are for foreign nationals who are engaged in Bida-registered industrial projects, commercial offices, and other organisations.

that are employed in Bangladesh are mainly from industrialised nations or countries that have seen significant industrialisation.  
 For instance, India, Pakistan, Turkey, Taiwan and Japan have a long history in the textile and

known how many work permits they have approved. The figure for the just-concluded fiscal year has not been published by the Bida as well.  
 A senior official of the Bida said local industrialists and manufacturers mainly seek work permits in the textile and garment companies. Buying houses in the garment sector recruits a lot of foreign nationals.  
 Bangladesh is the second-largest garment supplier in the world.  
 Envoy Legacy, one of the leading textile and garment manufacturers in Bangladesh, is one of the companies that has hired foreign nationals. Currently, eight foreign nationals are employed in its textile unit, whose chief executive officer is a foreigner while others work in the marketing and planning sections.  
 Kutubuddin Ahmed, chairman of Envoy Legacy, says his company is not interested in employing foreign nationals because a higher salary package has to be offered to them.  
 "But employing skilled manpower in the technical section is essential. We have



Russia sat atop the list of the countries with the highest number of foreign nationals as 3,966 Russians sought fresh work permits or renewals.  
 India came second with 3,212 applications and China at third with 2,346 applicants.  
 Russian nationals are employed at the Rooppur Nuclear Power Plant, which is being constructed with funding from Moscow, in Pabna.  
 Industry insiders say foreigners

garment business and many graduates from the countries possess the skills sought by Bangladeshi industries.  
 Apart from the Bida, government agencies such as the Bangladesh Economic Zones Authority, the Bangladesh Export Processing Zones Authority, and the NGO Affairs Bureau as well as some ministries granted work permits to foreign nationals working under various projects.  
 However, it could not be

Several of the IIG operators have not complied with the rules and some hid sales data to avoid revenue sharing

I-Tel, Fibre@Home and Apple Communication were each fined Tk 5 lakh, Peerex Network Tk 4 lakh, Windstream Communication, Max Hub and Velocity Networks each Tk 3 lakh, and Virgo Communications, Summit Communications and Level3 Carrier Limited each Tk 2 lakh.  
 The BTRC also decided to issue warnings on 10 other IIG operators.  
 Several of the IIG operators have not complied with the rules and some hid sales data to avoid revenue sharing, Shyam Sunder Sikder, chairman of the BTRC, told The Daily Star yesterday.  
 Routine inspections were carried out at the network operation centres, data centres, office addresses and telecommunication equipment of the IIG service operators licenced under the BTRC and necessary data and documents were collected.

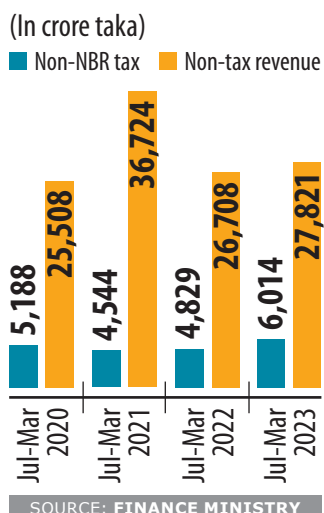
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## Non-tax revenue collection grows marginally

**STAR BUSINESS REPORT**

The government's overall non-tax revenue collection grew marginally in the first nine months of fiscal year 2022-23, with dividends and profits earned by state-owned enterprises slumping to one-third of that in the preceding year.  
 Collection of non-tax revenue, which includes dividends, profits and interest income from lending, increased 4 per cent year-on-year to Tk 27,821 crore in the July-March period.  
 This is 62 per cent of the target, according to the finance ministry data.  
 Dividends and profits fell to Tk 1,425 crore from Tk 4,293 crore a year ago, according to finance ministry data.  
 However, the government agencies collected 25 per cent more non-National Board of Revenue (NBR) tax, which includes revenue from narcotics and liquor, stamp duty and vehicles, during the period.

### Non-NBR revenue collection (In crore taka)



READ MORE ON B3



A worker is unloading wheat from a truck in Nitaiganj wholesale market in Narayanganj yesterday. Bangladesh meets 40 per cent of its wheat demand with imports from Russia and Ukraine.

PHOTO: SOURAV HOSSAIN SIAM

## Wholesale wheat prices start rising

**STAR BUSINESS REPORT**

Russia's exit from the Black Sea grain deal has started affecting the wholesale prices of wheat in Bangladesh, but the local retail markets are yet to feel any impact of it.  
 Low-grade wheat was sold at Tk 1,570 to Tk 1,600 a maund yesterday, up by Tk 20-30 a maund than the rates a day ago at Khatunganj, one of the largest commodity wholesale markets in Bangladesh's Chattoagram.  
 The same price hike was seen in case of the prices of upper-grade wheat, which was sold at Tk 1,980 a maund, according to the traders.  
 Local importers considered the development a matter of concern, as Bangladesh is the world's third biggest importer of wheat from Ukraine. Bangladesh meets 40 per cent of its wheat demand with Russian and Ukrainian varieties.

READ MORE ON B3

## Standard Bank holds 379th board meeting

STAR BUSINESS DESK

Standard Bank Ltd yesterday organised the 379th meeting of its board of directors at its head office in Gulshan, Dhaka.

Kazi Akram Uddin Ahmed, chairman of the bank, presided over the meeting, where Kazi Khurram Ahmed, vice chairman of the bank, Kamal Mostafa Chowdhury, Ferdous Ali Khan, Ashok Kumar Saha, Ferozur Rahman, Md Manjur Alam, SAM Hossain, Mohammed Abdul Aziz, Mohammed Shamsul Alam, Gulzar Ahmed, Md Zahedul Hoque, AKM Abdul Alim, Md Abul Hossain, directors, were present.

Among others, Najmul Huq Chaudhury, Golam Hafiz Ahmed and AKM Delwer Hussain, independent directors, Md Habibul Rahman, managing director and CEO, Md Touhidul Alam Khan, additional managing director, Mohammad Rafiqul Islam, deputy managing director and chief operating officer, Md Mohon Miah, head of business development and head of the bank's shariah secretariat, and Md Ali Reza, acting company secretary, were also present.



Kazi Akram Uddin Ahmed, chairman of Standard Bank, presides over the 379th Board of Directors' meeting of the bank at its head office in Gulshan, Dhaka yesterday.

PHOTO: STANDARD BANK

## Britain to start talks with Turkey on free trade deal

REUTERS, London

Britain said on Tuesday it intends to start talks with Turkey over refreshing its bilateral free trade deal, with a view to including services and the digital sector in any future agreement.

Britain already has a free trade agreement (FTA) with Turkey, which was rolled over when Britain left the European Union, which the trade ministry said was now outdated.

A review of that agreement has resulted in both sides concluding that there is room for it to be improved with a new deal, the ministry said, although negotiations are not expected to formally begin until next year.

The countries have a trading relationship which was worth 23.5 billion pounds (\$30.7 billion) last year. Business and Trade Secretary Kemi Badenoch said Britain would use the talks to tailor a new FTA to Britain's economic strengths.

"I look forward to using the deal to deepen the UK-Turkey trading relationship, drive economic growth and support businesses up and down the country," she said in a statement.

## MGI holds dealers' confce of cement brands in Thailand

STAR BUSINESS DESK

Fresh Cement and Meghnacem Deluxe, two cement brands of the Meghna Group of Industries (MGI), recently organised a "Dealers' Conference 2023" in Pattaya, Thailand to recognise more than 100 top-performing dealers for their brands.

Mohammed Khurshed Alam, executive director of MGI, Md Shah Jamal Sikder, chief sales officer, Md Rahmotullah Khondoker, chief accounts officer, and Kazi Md Mohiuddin, senior general manager, were present, according to a press release.

Fresh Cement was used in three of the most significant bridges, including Kanchpur, Meghna and Gumti, along with Matarbari power plant and some of the other mega-projects in Bangladesh, the company said.



Mohammed Khurshed Alam, executive director of the Meghna Group of Industries, poses for photographs with top-performing dealers of Fresh Cement and Meghnacem Deluxe of the MGI at the dealers' conference in Pattaya, Thailand recently.

PHOTO: MGI

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (JUL 18, 2023)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 60-Tk 75	0	-2.88 ↓
Coarse rice (kg)	Tk 48-Tk 52	2.04 ↑	0
Loose flour (kg)	Tk 50-Tk 52	-4.67 ↓	20 ↑
Lentil (kg)	Tk 90-Tk 100	0	-11.63 ↓
Soybean (litre)	Tk 162-Tk 165	-4.39 ↓	-4.45 ↓
Potato (kg)	Tk 38-Tk 42	9.59 ↑	45.45 ↑
Onion (kg)	Tk 60-Tk 65	-13.79 ↓	31.58 ↑
Egg (4 pcs)	Tk 46-Tk 50	3.23 ↑	23.08 ↑

SOURCE: TCB

## Seven Rings Cement organises sales confce

STAR BUSINESS DESK

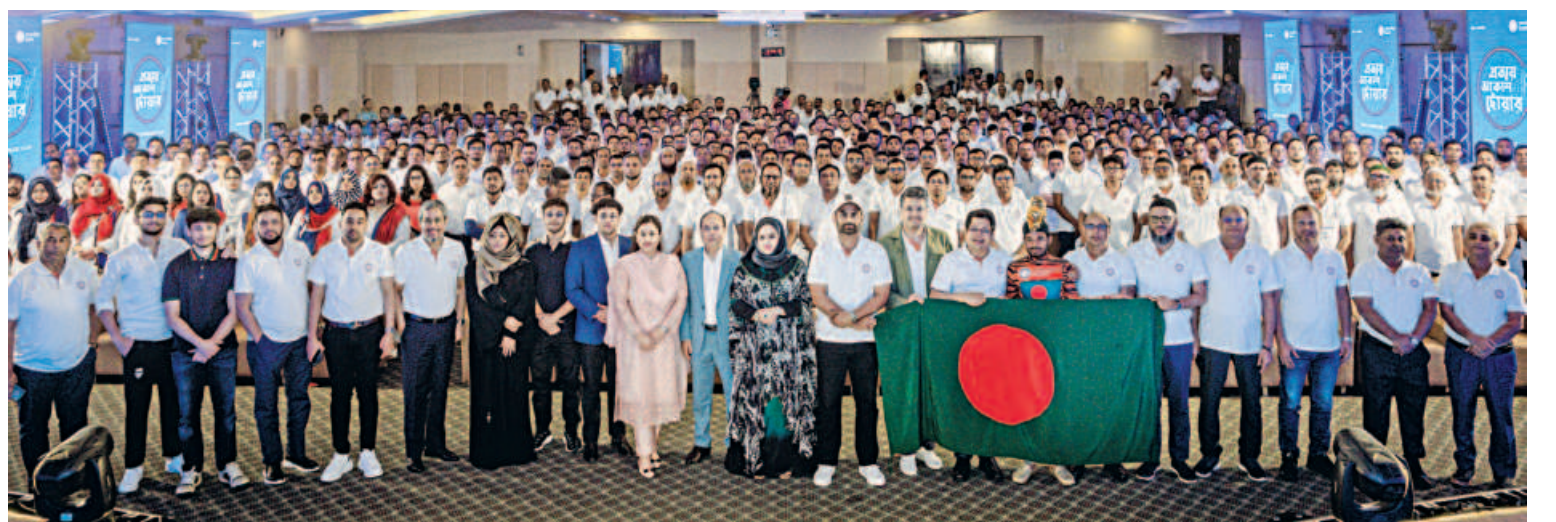
The Seven Rings Cement brand organised the "4th Sales Conference 2023" at Sea Pearl Beach Resort & Spa in Cox's Bazar recently.

Tamim Iqbal Khan, captain of the Bangladesh cricket team at One Day Internationals and the brand ambassador, and over 500 employees from around the country participated in the conference, where the best sales executives were awarded, said a press release.

Ikram Ahmed Khan, chairman of parent company Shun Shing Group's Bangladesh operations and managing

director of Shun Shing Group, Hong Kong; S Raihan Ahmed, vice chairman for the Bangladesh operations, Tahmina Ahmed, managing director, Shakib Pasha, deputy managing director, Sanjida Kamal Pasha, Arusha Ahmed Khan and Saif Rahman, directors, and Md Kausar Alam, group chief financial officer and company secretary, attended the conference.

Nantu Kumar Dey, chief technical officer, Md Harun-Ur-Rashid, chief marketing officer, Md Kamrul Ahsan, chief operating officer, and ABM Itteker Alam Siddiqui, general manager, were present.



Ikram Ahmed Khan, chairman of Shun Shing Group's Bangladesh operations, attended a sales conference of the Seven Rings Cement brand at Sea Pearl Beach Resort & Spa in Cox's Bazar recently when sales executives were awarded.

PHOTO: SEVEN RINGS CEMENT

## Global stocks drop as China growth worries offset Fed rate hopes

AFP, Hong Kong, China

Most Asian markets sank Tuesday as further weakness in China's economy fuelled worries about the effects on global growth, overshadowing optimism that the United States is winning its battle against inflation and could avoid a recession.

Regional traders extended Monday's retreat sparked by disappointing second-quarter data out of Beijing that missed forecasts badly and highlighted the tough job officials face in getting the country's post-Covid recovery back on track.

And while there is an expectation that fresh stimulus measures are in the pipeline, analysts warned that leaders were limited in how far they could go.

The figures came after last week's reports showing inflation had flatlined, suggesting China was on the brink of a period of painful deflation, while exports plunged for a second straight month.

"You're gonna see some stimulus coming in, which means that the second quarter may have been more of the low, the third quarter a bit

better," Joyce Chang, global head of research at JPMorgan, said on Bloomberg Television.

"But we've taken half a percent off of China's growth and I think that the deflation risks are there."

Hong Kong led losses Tuesday, shedding more than two percent following a five-day rally, as it reopened a day after being shut because of a severe storm.

Shanghai, Sydney, Seoul, Singapore, Manila, Jakarta, Wellington and Taipei also dropped, though Tokyo, Mumbai and Bangkok edged higher. Paris dipped in the morning, while Frankfurt was flat and London edged up.

The losses came despite a positive lead from Wall Street.

In a report on China, Alicia Garcia Herrero and Jianwei Xu at Natixis CIB said in a report: "We are conservative about the extent of the policy support down the road. Fiscal policies may not be easily implemented in the current situation, given the already high public debt and the reduced efficiency of these policies."

They said there was a possibility that the central bank would cut

interest rates again and lower the amount of cash lenders must keep in reserve, allowing them to provide more loans.

But they added: "The effectiveness of the monetary policy space may be limited due to the lack of investor confidence. Currently, the market is awaiting further regulatory relaxation on key sectors, such as the real estate sector, which could help bolster investors' confidence."

Meanwhile, US Treasury Secretary Janet Yellen warned about the effects of China's weakness on the global economy.

"Many countries do depend on strong Chinese growth to promote growth in their own economies, particularly countries in Asia, and slow growth in China can have some negative spillovers for the United States," she said in a Bloomberg Television interview.

However, she did say she was optimistic about the outlook for the US economy, which she described as being on a "good path".

"Growth has slowed, but our labour market continues to be quite strong. I don't expect a recession," she added.

## Will China ever get rich?

FROM PAGE B4

China's National Development and Reform Commission (NDRC) did not reply to Reuters questions on growth prospects, structural weaknesses and reform plans.

NDRC head Zheng Shanjie, in a July 4 article in the official "Qiushi" magazine, made a rare reference to the middle-income trap, saying China needed to "accelerate the construction of a modern industrial system" to avoid it.

Zheng was referring to developing nations' struggle to transition from mid- to high-income levels due to rising costs and declining competitiveness.

China's workforce and consumer base are shrinking while the cohort of retirees is expanding. "The demographic problem, hard landing of the property sector, heavy local government debt burden, pessimism of the private sector as well as China-U.S. tensions do not allow us to hold an optimistic view towards mid- to long-term growth," said Wang Jun, chief economist at Huatai Asset Management.

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Economists cite China's electric vehicle boom as evidence of progress, but much of its industrial complex is not upgrading at the same speed. Overseas car sales account for only 1.7 per cent of exports.

"Many observers will look at some of the companies and say, wow, China can come up with all these fantastic products, so the future should be bright. My question is: Do we have enough of those companies?" said Richard Koo, chief economist at the Nomura Research Institute.

Policymakers have said they want household consumption to drive growth, without hinting at concrete steps.

Juan Orts, China economist at Fathom Consulting, said boosting consumer demand might redirect resources away from supporting manufacturing exporters, which partly explains hesitance towards such reforms.

"We don't think authorities will commit to that path," said Orts, describing it as "the way out" of economic doldrums.

Rather, China took steps the other way.

President Xi Jinping's "common prosperity" drive against inequality has encouraged salary reductions in finance and other sectors. Deteriorating city finances prompted pay cuts for civil servants, feeding a deflationary spiral.

Zhao, a manager at a Beijing-based bank, feels she will never get rich, her salary remaining unchanged through several promotions. Instead of working hard, she said, she plans to retire in her 40s to a smaller, cheaper city.

"I missed the golden era for banks," Zhao said on the condition of partial anonymity as she was not authorised to speak to the media.

Many economists have called for better public healthcare, higher pensions and unemployment benefits, and other building blocks for a social safety net to give consumers confidence to save less.

Central bank adviser Cai Fang

called this month for consumption stimulus, including changes to China's residence permits, or hukou, which deny public services to millions of rural migrants in the cities they work in.

Zhu Ning, deputy dean at the Shanghai Advanced Institute of Finance, said improving social welfare could make growth rates of 3-4 per cent more sustainable.

Koo said China's problems are more challenging than Japan's a generation ago, giving policymakers room for error should they seize the "last chance" to reach developed-world living standards.

China, in his assessment, has a "balance sheet recession", with consumers and businesses repaying debt instead of borrowing and investing.

This, he said, is how depressions start and the only cure is "speedy, substantial and sustained" fiscal stimulus, which he did not see as forthcoming given China's debt concerns.

Beyond that, he said stimulus must be productive, and complemented by changes that allow the private sector to emerge from under the shadow of the state, including through better relations with source countries of foreign investment.

But China would need to reverse course.

Infrastructure investment in recent years has generated more debt than growth.

As major economies try to reduce dependence on China, Beijing remains locked in tit-for-tat trade battles, the latest over metals used in semiconductors.

"Every time the US announces some anti-China policy, the Chinese government comes up with an equivalent one. But the Americans are not in the middle income trap. China is," Koo said.

"If Chinese people do not reach their Chinese dreams, perhaps you will have 1.4 billion not very happy people over there, which might be rather destabilising."

## Stone import thru Banglabandha

FROM PAGE B4

The tax, which should be paid online, was fixed at Rs 3,000 for 6-wheelers and Rs 5,000 for 10/12-wheelers.

On July 6, the Indian truckers under the banner of Phulbari Border Truck Owners Welfare Association suspended carrying stone to Bangladesh, demonstrated at the port area of the Indian territory and demanded imposing the same tax on Nepalese trucks.

Imports resumed on July 7 when local traders stepped in, but it got suspended again on July 11 as

Nepalese trucks were still kept out of the purview of the tax.

Nepalese, Indian traders sat with the agitating leaders of the truck owners' association on the Indian side to settle the issue, but it failed to solve the problem, said Kudrat-e-Khuda Milon, general secretary of the Importer and Exporters Group of Banglabandha Land Port.

The port wore a deserted look since the suspension of stone import on July 11, affecting the earnings of workers engaged in stone handling, said Aktarul Alam, former president

of Banglabandha Land Port Workers' Union.

He urged the government to take steps to resume the import for the sake of the port as well as the workers of the channel.

"It's an issue of the Indian territory," Showkat Ali Mia, administrative official of Banglabandha Land Port, told The Daily Star.

The suspension could not hurt export or import of other items through the port, he said, but he could not confirm when stone import may resume again.



Cattle being taken to new pastures in Char Shonpocha, a floodplain sediment island on the Jamuna river falling under Bogura's Shariakandi upazila, some 210 kilometres north of the capital. Accessible only by boat, this char offers grazing grounds to small farmers whose livelihoods depend on the sale of milk and the occasional cattle sales during Eid-ul-Azha. The photo was taken on Monday.

PHOTO: MOSTAFA SHABU

## Leading Ctg businessman laments dependence on govt offices in Dhaka

STAFF CORRESPONDENT, Ctg

Though Chattogram is termed as the country's commercial capital, businesses there still depend on government offices in Dhaka for licences and documentations required to do business, according to a businessperson in Chattogram.

Syed M Tanvir, managing director of Pacific Jeans, made the comment while speaking at a discussion styled "Significance of the Port City in the Journey to Trillion-dollar Economy" held on Monday.

A panel of business owners' platform Beksayee Oikya Parishad organised the event at Radisson Blu Chattogram Bay View.

Leader of the panel, Mahbulul Alam, the incumbent president of the Chittagong Chamber of Commerce and Industry (CCCI), introduced 23 candidates of his panel for the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) polls scheduled for July 31.

"Businesses based in Chattogram are still dependent on regulatory approval

of at least 17 documentations required for operating business," said Tanvir, also a vice-president of the CCCI.

Last year the size of Chattogram's economy was \$43 billion which is 10 per cent of the country's overall \$430 billion economy.

The government is preparing the region to be a platform for substantial industrial growth in the near future by undertaking a number of mega projects in Chattogram, Tanvir said.

He hopes for Chattogram's contribution to the national economy to reach around \$400 billion within the next 10 years, on condition that businesses there can properly capitalise on the infrastructural development.

Businesses at the discussion highlighted different problems faced by Chattogram-based businesses, including discrimination on weight scales on the Dhaka-Chattogram highway and severe water crisis in Mirsarai, Sitakunda and other industrial zones.

They urged the upcoming leaders of the FBCCI to address the issues for the

sake of smooth industrial growth in the region.

MA Latif, lawmaker and former president of the CCCI, was the chief guest at the programme with Taralder Ruhul Amin, senior vice-president, in the chair.

**"Businesses based in Chattogram are still dependent on regulatory approval of at least 17 documentations required for operating business," said Syed M Tanvir, managing director of Pacific Jeans.**

Top business leaders based in Chattogram at the programme voiced support for Mahbulul Alam as the next chief of the country's apex trade body.

Alam, chairman of M Alam Group, was elected president of the CCCI for five consecutive times.

Citing Alam as an inspiration for others, PHP Group Chairman Sufi

Mohammed Mizanur Rahman hoped that the upcoming FBCCI leaders would face all obstacles amidst the Russia-Ukraine war to materialise the dream of a trillion-dollar economy.

Seeking votes for him and his panel, Mahbulul Alam said the Okiya Parishad panel, comprising experienced and young entrepreneurs, would play a role in leading the journey towards a trillion-dollar economy.

Among others, Khalilur Rahman, chairman of KDS Group and president of the Chattogram Metropolitan Chamber of Commerce and Industry, Syed Nazrul Islam, first vice-president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Mohammed Amirul Haque, managing director and CEO of Premier Cement, MA Salam, managing director of Asian Group, Syed M Arif, president of Bangladesh Shipping Agents Association, Khairul Alam Sujon, vice-president of Bangladesh Freight Forwarders Association, Mohammad Ali, chairman of Parishad Election Management Committee, and Helal Uddin, co-chairman, were present.

## Kamal meets his Indian counterpart in India

STAR BUSINESS DESK

Bangladesh Finance Minister AHM Mustafa Kamal attended a bilateral meeting with his Indian counterpart Nirmala Sitharaman on the sidelines of the G20 Finance Ministers and Central Bank Governors Meeting in Gandhinagar, Gujarat in India yesterday.

Nirmala Sitharaman welcomed Kamal at the beginning of the meeting after which both ministers discussed the bilateral economic cooperation between Bangladesh and India, according to a finance ministry press release.

Kamal said relations between India and Bangladesh are very strong and friendly.

Recalling India's cooperation in the War of Liberation of Bangladesh in 1971, the Bangladeshi finance minister said: "India's name is closely associated with our great Liberation War."

"The three names – Bangabandhu, Bangladesh and India – are closely associated with the Liberation War. India is not only Bangladesh's closest neighbour but our trusted and tested friend also," he said.

Bangladesh has been given the status of a "Guest Country" in the South Asian region despite not being a member of the G20 alliance.

India, the host country, has invited Bangladesh, the only country in South Asia, as a "Guest Country".

## BJIT Group teams up with Japan's Marubeni for expansion

STAR BUSINESS REPORT

Leading local software exporter BJIT Group has entered into a business and capital alliance with Japanese trading firm Marubeni Corporation as part of efforts to expand global footprint.

The partnership is a significant step for BJIT in expanding its global presence and entering the offshore digital transformation industry, focusing on next generation IT infrastructure, said JM Akbar, CEO of BJIT Group.

BJIT aims to become a global IT company by leveraging Marubeni's global network, marketing expertise and business promotion capabilities, he added.

"Together, BJIT and Marubeni will contribute to the digital transformation of society and businesses by harnessing digital technologies."

The BJIT Group currently employs over 800 highly skilled IT engineers globally and locally.

To celebrate the partnership, an event was organised at the International Convention City Bashundhara on July 16.

BJIT and Marubeni recognised the immense potential Bangladesh has in the field of IT, said Zunaid Ahmed Palak, state minister for ICT, who attended the event virtually as the chief guest.

BJIT is committed to supporting the government's goals of developing the IT industry as the country's second major sector after garments, he added.

## US industrial output falls

AFP, Washington

US industrial production fell by more than analysts expected last month, the Federal Reserve said Tuesday, with a sharp contraction in output seen in consumer durables like automotive products and carpeting.

June marked the second consecutive monthly decline, reversing some of the positive figures seen earlier this year and providing further evidence of slowing production as the Fed prepares to weigh another interest rate hike next week.

The 0.5 percent dip in industrial production was driven by a steep contraction in the index for consumer durables – like appliances, furniture and carpeting – which fell by 2.7 percent, according to the Fed.

Consumer nondurables also contracted by 0.9 percent due to decreases in clothing, energy, as well as food and tobacco production.

The monthly decline was below the median expectation of economists surveyed by MarketWatch.

The only gain last month came from defense and space equipment, which rose by 1.5 percent.

"In short, overall industrial production and manufacturing output were weaker than expected" to end the second quarter, High Frequency Economics' chief US economist Rubeela Farooqi wrote in a note to clients.

"Weaker demand for goods and higher borrowing costs are headwinds for manufacturers," she added.

But she said that if demand stabilizes and onshoring and infrastructure spending trends continue, it "could be positive for factory activity over coming months." The US central bank recently paused its campaign of interest rate hikes after 10 consecutive increases, giving policymakers more time to assess the health of the world's biggest economy.

Despite the aggressive moves last year, inflation remains slightly above the Fed's long-term target of two percent, the labor market remains resilient and the overall economy remains in good shape.



A worker is seen busy at the Ford Motor's Rouge Electric Vehicle Center in Dearborn, Michigan.

PHOTO: AFP/FILE

## Non-tax revenue collection Foreigners working

FROM PAGE B1

Collection of the non-NBR tax stood at Tk 6,000 crore. This is just 33 per cent of the year's target.

Revenue collection usually rises in the last quarter of every fiscal year, said a finance ministry official. "We expect a good amount of revenue from the final quarter," he said.

This was echoed by Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

A good amount of non-tax revenue comes from Bangladesh Bank, which earns interest by lending to the government and makes gains from foreign currencies sold to the commercial banks, he added.

The government has borrowed a lot of money from the central bank,

which will ultimately deposit the interest to the government coffers. So, the government may achieve the non-tax revenue target, said.

The issue of revenue collection in Bangladesh is often limited to the NBR, said Towfiqul Islam Khan, senior research fellow of the Centre for Policy Dialogue.

"But there is further scope for improving revenue receipt from non-tax sources. One of the key areas is to focus on good governing of state-owned enterprises," he said.

"The reform agenda for state-owned enterprises appears to be in deep freezer now. While we discuss several aspects of public finance management reform in the current economic context, the reform should be revitalised," added Khan.

## PM wants quick disposal

FROM PAGE B1

"If there is any overlap, there can be misuse of funds," Mannan quoted the prime minister as saying.

She said the "My Village, My Town" project is a pilot scheme and its experiments could be useful in the future, according to the planning minister.

No further projects would be taken in the future under the same title and

all concerned agencies should work in a coordinated way, he said, quoting the prime minister.

Planning Division Secretary Satyajit Karmakar said that the "My Village, My Town" project has been taken based on the findings of a study.

A total of 15 projects involving Tk 18,010 crore were approved at the Ecne meeting.

## Wholesale wheat prices

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Monwar Hossain, a retailer of Karwan Bazar, also said the retail wheat prices in the prime kitchen market of the capital are still the same as Monday's, but the wholesale rates have hiked a bit.

However, the traders at Nitaiganj Wholesale Market – another important and old hub of essential commodities located in

Narayanganj – said both the wholesale and retail prices of wheat are still unchanged at the market.

Wheat imports from the two eastern European countries stopped after the start of the Russia-Ukraine war in late February of 2022.

Bangladesh's annual demand for wheat is 70 lakh to 75 lakh tonnes, around 85 per cent of which is met through imports.

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hired foreign nationals as local employees can't meet the demand."

Envoy Legacy had employed 25 foreign nationals in the past.

Abdullah Al Mahmud, chairman and managing director of Mahin Group, alleged that many students who graduate from top universities such as Bangladesh University of Engineering and Technology go abroad for jobs and are not keen to work at the factory level in the country.

"On the other hand, skilled foreign nationals reside on the factory premises and render services whenever required."

Asif Ashraf, a director of the Bangladesh Garment Manufacturers and Exporters Association, said Bangladesh has a lot of manpower, but there is a dearth of competent managers.

He said the graduates with a strong educational background and those who graduate from the Institute of Business Administration under the University of Dhaka have always a higher demand in the manufacturing sector.

Md Saiful Islam, president of the Metropolitan Chamber of Commerce and Industry, said although local industries offer better remuneration to competent graduates, they don't work here for a long time and most of them go abroad.

"There is a crisis of skilled manpower across the globe," he said, adding that experienced employees also become citizens of developed countries as well.

Almost all five-star hotels have to appoint foreigners as general managers and main chefs due to an absence of skilled manpower in those positions, said HM Hakim Ali, president of the Bangladesh International Hotel Association.

"In Bangladesh, manpower is not groomed."

Abul Kasem Khan, a former chairman of the Business Initiative Leading Development, a think-tank, said there is a skill gap among employees.

Ahsan H Mansur, executive director of the Policy Research

Institute of Bangladesh, thinks the number of foreigners working in Bangladesh would be higher than the permits issued.

"Foreigners employed at government-run projects get work permits. Apart from them, a large number of foreigners come to work with tourist visas, and many of them are employed in the private sector, especially in garments and health."

Mansur said entrepreneurs hire foreigners as they don't get efficient human resources locally.

"There is nothing wrong with it. However, integrity is an issue here since they work without any permits."

The exact data on the remittances sent by foreigners to their home countries is not available. Mansur said outbound remittance could be as high as several billions of dollars.

"This is an economic reality. We will have to accept this unless we find their local alternatives."

The former economist of the International Monetary Fund urged the government to be generous in issuing work permits to encourage foreign professionals to work legally.

"This will also ensure revenues for the government in the form of income taxes."

He said any grey market operation is basically a result of regulatory constraint and suggested authorities collect taxes during the issuance of work permits.

## 17 IIG operators

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Inspection teams analysed necessary data and related documents to verify upstream and downstream bandwidth usage information, VoIP related configuration and revenue verification of the entities.

The irregularities include falsification of downstream bandwidth records to depict very low sales and changing of share structures and different addresses without the BTIRC's prior approval.

Some also did not share quarterly revenue data, pay annual licensing fees on time and complete financial audits, among others.

## Stone import thru Banglabandha halted for eight days

OUR CORRESPONDENT,  
Dinajpur

Stone import through Banglabandha land port of Panchagarh has remained suspended for the last eight days as the Indian truckers stopped carrying stones to Bangladesh because of the imposition of a new tax.

However, the suspension did not leave any impact on the import and export of other items from and to Nepal, India and Bhutan through the port.

The port earns 90 per cent of its revenue from stone import, which mainly comes from India and Nepal, according to the port officials.

Problems began on July 5 when the port opened after a six-day closer for Eid-ul-Azha.

That day, the traders came to know that the West Bengal government has imposed a transportation tax on trucks carrying stone from India to Bangladesh, but kept Nepali trucks exempted from such tax.

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## GP makes Tk 1,973cr profit in January-June

STAR BUSINESS REPORT

Grameenphone, the largest mobile phone operator in Bangladesh, registered a 14 per cent year-on-year higher profit to Tk 1,973 crore in the first half of 2023.

The mobile carrier logged Tk 1,730 crore profit in the identical January-June half of 2022. The earnings per share grew to Tk 14.62 in the second half of 2023 from Tk 12.82 a year ago. Revenue rose 4 per cent to Tk 7,735 crore.

Shares of Grameenphone, however, remained unchanged at Tk 286.60 on the Dhaka Stock Exchange yesterday.

In the April-June quarter, the company acquired 11.39 lakh subscribers, taking the tally to 8.13 crore. More than 56 per cent of the subscribers, or 4.61 crore, use internet services.

"Grameenphone achieved positive developments in dispute resolutions and constructive dialogues while strengthening core services to create value amidst external challenges," said Yasir Azman, chief executive officer of Grameenphone, in a press release.

"With a continued focus on expanding our network and spectrum rollout, we prioritised meeting our customers' needs through digital-centric innovation and services."

In the second quarter, GP and the large taxpayer unit for tax at the National Board of Revenue signed agreements settling income tax disputes for the assessment years from 2007-2008 to 2019-2020 through the alternative dispute resolution process, said the press release.

The operator also made payments to the Bangladesh Telecommunication Regulatory Commission (BTRC) as per the written judgement of the case relating to VAT mechanism and spectrum assignment fee during the 2G licence renewal without prejudice to its rights, it said.

Despite positive developments on dispute resolutions, the total payment amounting to Tk 1,769 crore strains GP's cash position as it came on top of regular payments, the press release said.

In light of the settlements and continued constructive dialogues with the BTRC with uncertain outcomes, GP did not recommend any interim dividend for the first half of the year.

The company awarded a 220 per cent dividend to its shareholders for the entire 2022. It was 250 per cent in 2021 and 275 per cent in 2020.

GP's profit surged 30 per cent year-on-year to Tk 1,193 crore in April-June. It stood at Tk 920 crore a year ago. Thus, the EPS increased to Tk 8.84 from Tk 6.82.

## Dollar slips towards 15-month low

REUTERS, London

The dollar drifted near a 15-month low against its major peers on Tuesday, as investors awaited fresh catalysts to gauge for downside in the wake of last week's cooler-than-expected US inflation.

The US dollar index, which measures the greenback against a basket of six currencies, fell as low as 99.587, languishing near Friday's trough of 99.574, its lowest since April 2022.

The index had clocked its worst week of 2023 last week, after data showed US inflation subsided further with consumer prices registering their smallest annual increase in more than two years. That took pressure off the Federal Reserve to continue raising interest rates.

Money markets have almost fully priced a 25-basis-point rate hike from the Fed at its policy meeting later this month, but see rates coming down as early as December.

"In the short-term, I'm not sure the dollar can move much further," said Francesco Pesole, FX strategist at ING.

"Momentum is clearly on the bearish side, but at the same time, it's starting to look a bit stretched," Pesole said, noting recent multi-month highs in the euro and sterling.

The common currency hit a fresh 17-month peak of \$1.1276 against the dollar in early European trade, with markets largely pricing a 25 bps hike from the European Central Bank when it announces policy on July 27.

But, the outlook for a further rate rise in September is unclear after euro zone economic activity slowed in June.

"When you compound the weak China story, weak euro area growth and the risk of a September pause, markets will come to terms that the euro looks a bit stretched," ING's Pesole said.

"If the Fed sounds hawkish as they hike next week, markets might want to reassess euro-dollar lower."

Elsewhere sterling gained 0.3 per cent to \$1.3115, not far from last week's top of \$1.3144, its highest since April 2022. The Japanese yen rose about 0.4 per cent to 138.215 per dollar, as investors look to the Bank of Japan's (BOJ) monetary policy meeting next week for a potential phasing out of its ultra-dovish policy stance.

"More market participants have priced in chances of BOJ widening its yield curve control policy's trading band by 25 bps in the next meeting," said Ryota Abe, an economist at SMBC.

## Ctg customs falls short of import tax target

Still collections up 4% from last fiscal year

MOHAMMAD SUMAN, Ctg

Chattogram Custom House has fallen short of its import tax collection target by around 17 per cent in the just concluded fiscal year of 2022-23.

This is worse than that in the preceding year, when the shortfall was nearly 8 per cent.

However, this time the receipts were up by 4 per cent year-on-year.

Around Tk 61,633 crore was collected in tariffs and duties, according to the customs house.

It accounted for some 18 per cent of the year's revenue collection by the National Board of Revenue, which works through its three wings - customs, VAT and income tax.

Value added tax (VAT) is the biggest source of revenue for the state, this time around accounting for some 40 per cent of the overall collection.

On another note, only 40 types of goods generated over half, or 52 per cent, of the import tax.

To put it into context, about 4,789 types of goods have been imported through the port in the year.

Overall, they were worth Tk 462,460 crore.

In the preceding year, around Tk 402,460 crore was spent behind imports which came through the port.

Four types of fuel oil - diesel, furnace oil, crude oil and octane - generated the biggest amount of revenue by far, or about Tk 12,711 crore.



Cement clinker accounted for the second biggest, although it was just one-fifth in value.

The other prime import tax generators are apples, oranges and grapes (Tk 1,789 crore), broken or crushed stone (Tk 1,312 crore), hot rolled steel (Tk 1,028 crore), palm oil (Tk 837 crore), coal (Tk 760 crore) and scrap metal (Tk 633 crore).

In this sequence, milk powder, crude edible oil, lubricating oil, sugar and ceramic generated revenues in the range of Tk 561 crore to Tk 420 crore.

The 40 types of products also include recondition cars and parts, betel nuts and sugar.

These products have topped the list for the past decade. Moreover, increasing demand in the energy, power and construction sectors have kept up imports of fuel and stone, said customs officials.

They said it was possible to keep the duty and tariff annual receipts above Tk 50,000 crore for the past three fiscal years for, in part, increased surveillance aimed at preventing irregularities.

Amendments brought about to Customs Act-1969 in June 2020 also helped, as it established a minimum fine (200 per cent of the value of the imported goods) for false declarations during the import of goods.

Chattogram Custom Commissioner Mohammad Fyzur Rahman also spoke of having ensured good governance and of cases pending at courts being disposed of.

"...emphasis has also been laid on determining tariffs based on the actual prices of goods alongside adjustments in the international market," he told The Daily Star.

## Oil inches higher

REUTERS, London

Oil prices edged higher on Tuesday as investors weighed a possible tightening of US crude supplies against weaker-than-expected Chinese economic growth.

Both contracts fell more than 1.5 per cent on Monday, following lacklustre Chinese data and the partial restart of some Libyan oilfields.

Brent crude was up 51 cent at \$79.01 a barrel by 0956 GMT, while US West Texas Intermediate (WTI) crude rose 55 cents to \$74.7 a barrel in relatively muted trading, with the contract set to expire on Thursday. The September WTI contract was also up 55 cents to \$74.63.

Market participants were awaiting industry data later on Tuesday that is expected to show US crude oil stockpiles and product inventories fell last week. Meanwhile, US shale oil production is projected to see in August its first monthly decline since December 2022, data from the Energy Information Administration showed on Monday.

Sluggish gross domestic product (GDP) data from China released on Monday "kept a cautious lid on prices with some reservations in its demand recovery," said Jun Rong Yeap, a market strategist at IG in Singapore. China's GDP grew 6.3 per cent year-on-year in the second quarter, compared with analyst forecasts of 7.3 per cent, as its post-pandemic recovery lost momentum.

## Will China ever get rich?

A new era of much slower growth dawns

REUTERS, Beijing

China is entering an era of much slower economic growth, raising a daunting prospect: it may never get rich.

Whether the world's second-largest economy chugs ahead at 3-4 per cent annually or flirts, as some economists expect, with Japan-like "lost decades" of stagnation, it looks set to disappoint its leaders, its youth, and much of the world.

Policymakers hoped to narrow China's development gap with the United States. Young Chinese went to universities to study for advanced economy jobs. Africa and Latin America count on China buying their commodities.

"It is unlikely that the Chinese economy will surpass that of the United States within the next decade or two," said Desmond Lachman, a senior fellow at the American Enterprise Institute.

He expects growth to slow to 3 per cent, which "will feel like an economic recession" when youth unemployment is already above 20 per cent. "This is not good for the rest of the world economy" either, he added.

When Japan began to stagnate in the 1990s, it had already exceeded the average GDP per capita of high-income economies and was nearing US levels. China, however, is only just above the middle-income point.

Second-quarter growth of 6.3 per cent underwhelmed, considering the low base caused by last year's Covid-19

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Geely cars are on display at the Shanghai Auto Show in Shanghai. Geely owns 49.9 per cent of Malaysian car maker Proton.

PHOTO: AFP/FILE

## China's Geely to invest \$10b in Malaysian auto hub

REUTERS, Kuala Lumpur

Chinese car maker Geely will invest \$10 billion to develop Malaysia's main auto-making hub, state news agency Bernama quoted Prime Minister Anwar Ibrahim as saying on Tuesday.

Anwar said the plan was conveyed to him in a letter from Geely, which also owns 49.9 per cent of Malaysian car maker Proton, Bernama reported.

The investment in the town of Tanjung Malim in western Malaysia where Proton plans to be headquartered will create thousands of job opportunities, Anwar told reporters at an agricultural event, according to Bernama.

A representative for Geely said in a statement on Tuesday that the company is fully committed to working with its Malaysian partners to sustainably develop the area and will disclose investment numbers in due course.