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BUSINESS



SK Sur Chowdhury

ACC seeks bank account details of SK Sur, family

STAR BUSINESS REPORT

The Anti-Corruption Commission (ACC) has asked banks to send account details of former Bangladesh Bank deputy governor SK Sur Chowdhury and his spouse and daughter as a part of an investigation in a tax evasion case against the three.

The banks were directed to provide detailed information of bank accounts, loans, fixed deposits and investments in savings certificates and records of transactions by September 7 this year.

The investigation is being carried out by a

The banks were directed to provide detailed information of bank accounts, loans, fixed deposits and investments

three-member ACC team.

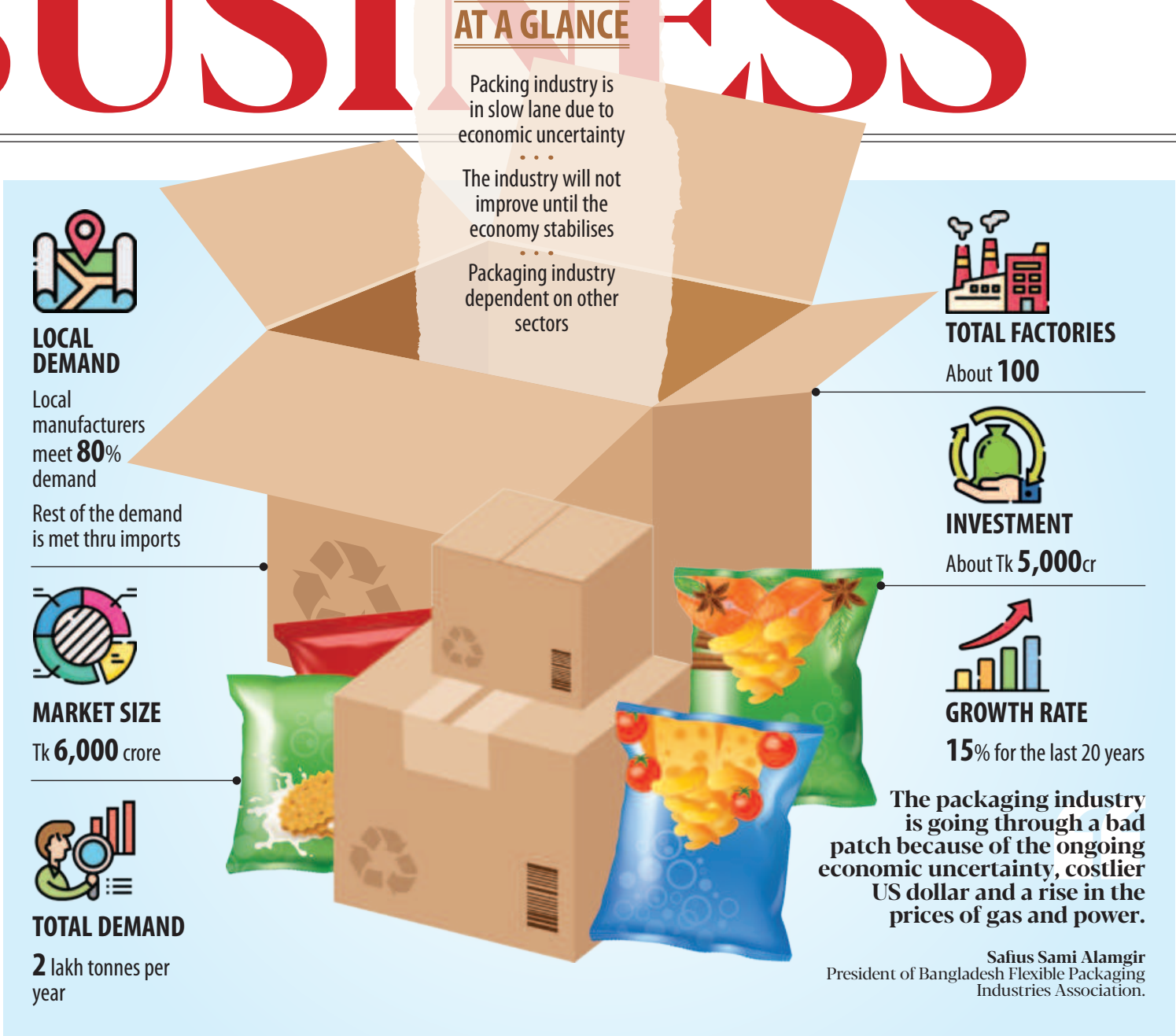
Earlier in July 2021, the National Board of Revenue (NBR) directed banks to freeze bank accounts of Chowdhury and his spouse Suparna Sur Chowdhury on suspicion of tax evasion.

The Central Intelligence Cell of the NBR later detected tax evasion by Chowdhury and his spouse. Accordingly, NBR's field office finalised the amount. Chowdhury has filed an appeal at the tax office protesting the claim, said officials of the NBR.

Prior to it, the NBR had sought detailed information on all types of accounts and transactions of five persons, including SK Sur, former Bangladesh Bank executive director Md Shah Alam and their spouses.

Earlier, a close associate of alleged money launderer PK Halder confessed to a Dhaka court that SK Sur and Alam had assisted them in carrying out the financial scams.

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Packaging industry bears the brunt of slowdown in other sectors

JAGARAN CHAKMA

The growth of the country's packaging industry is in a slow lane due to the persisting economic uncertainty and the impacts of the price hike of the US dollar, gas and electricity, according to industry people.

The packaging industry is a backward linkage sector and relies on sectors such as food-processing and readymade garments. As a result, the industry has been in trouble for the past 18 months owing to the slowdown that has hit the overall economy.

"Like other sectors, the packaging industry is going through a bad patch because of the ongoing economic uncertainty and the impact of the costlier US dollar and the increase in the prices for gas and power," said Safius Sami Alamgir, president of the Bangladesh Flexible Packaging Industries Association.

The sector expanded at an annual pace of 10 percent to 12 percent from 2000 to 2010, while at around 20 percent in the decade before the coronavirus



pandemic struck Bangladesh in keeping with steady economic growth, he said.

"The market grew on the back of a boom in the manufacturing of consumer products locally. But the demand has now stagnated due to the impact of the global economic crisis and higher inflationary pressure at home."

In Bangladesh, the overall market size of the packaging industry is around Tk 6,000 crore and the annual demand for packaging products stands at 2 lakh tonnes.

Alamgir is also the managing director of Tampaco Foils Ltd, one of the top manufacturers in Bangladesh and the pioneer in

the sector. It was set up in 1978.

Currently, there are more than 100 packaging factories in Bangladesh. However, the number of major manufacturers is low.

The large producers are Arbab Poly Pack Ltd, AGI, Famous Printing and Packaging, Merchant Packaging Industries, Premiallex Plastics, Shajinaz Eximpack, Meghna Packaging, r-pac Bangladesh, and Mohona Packages and they collectively meet more than half of the annual demand.

According to Alamgir, it costs Tk 100 crore to establish a medium-sized packaging factory and entrepreneurs in the sector have invested more than Tk

5,000 crore.

M Hossain Iraz, director for operations at Akij Biax Films Ltd (ABFL), also said the industry is going through a dull period since the other sectors it caters to are also struggling to survive.

The company entered the sector in 2018 with an investment of more than Tk 1,000 crore in a bid to capture a slice of the growing local market and diversify the country's export basket.

Iraz said ABFL is the only plant in the country that produces films for both single-layer unprinted flexible packaging and multilayer printed flexible packaging.

Its production capacity stands at 80,000 tonnes per annum.

He alleged that there are a number of importers who bring in packaging raw materials under bonded warehouse facilities and sell them in the local market although they are meant to be used in export-oriented goods alone.

"There is a need to ensure a competitive environment in the market so that compliant factories can survive."

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Banks move away from multiple exchange rates

USD buying and selling rates fixed at Tk 109.50 and Tk 110 respectively

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Banks in Bangladesh have decided to enforce a uniform exchange rate of the US dollar from next week with a view to moving away from multiple prices of the American greenback blamed for the ongoing foreign currency instability.

The move is part of the central bank's effort to embrace a market-based exchange rate in line with the conditions attached to the International Monetary Fund's \$4.5 billion loan.

Yesterday, banks decided to buy the US dollar at Tk 109.50 and sell them at Tk 110 from the first working day of next week.

The Bangladesh Foreign Exchange Dealers Association (BAFEDA) and the Association of Bankers, Bangladesh (ABB) fixed the single exchange rate during a virtual meeting, which was attended by the leaders of the two associations.

Bangladesh Bank Chief Economist Md Habibur Rahman made a presentation at the meeting.

The uniform US dollar rate came at a time when the country's forex reserve continued to decline.

On August 30, the gross international reserves stood at \$23.06 billion, according to the Bangladesh Bank, which began publishing foreign currency reserves as per the IMF's manual in July.

The reserves have fallen by about 25 percent in the past one year.

As of yesterday, the exchange rate was at Tk 109 per dollar for remittance, while it was Tk 109.50 for importers and Tk 108.50 for exporters as per a previous decision of the BAFEDA and the ABB.

As per the new decision, the exchange rate was revised upwards to Tk 109.50 per dollar for remitters and export bills and Tk 110 for importers.

The inter-bank exchange rate will be Tk 110 per dollar.

After the meeting, BAFEDA Chairman and Sonali Bank Managing Director Md Afzal Karim told The Daily Star: "This is a market-based exchange rate because we have fixed it after observing the market."

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As Bangladesh is expected to be the ninth largest consumer market by 2030, the US wants to invest more in various sectors of the country.

US firms want to invest more in agri, services sectors

STAR BUSINESS REPORT

Businesses of the US want to invest more in agriculture and service sectors in Bangladesh as the country is expected to be the 9th largest consumer market globally by 2030, stated a visiting American business delegation yesterday.

Urging the government to offer tax holiday facilities in the two sectors, the delegation wanted to know about the prevailing facilities for investment in Bangladesh.

The query was made at a meeting between the delegation, led by Steven Kobos, president and chief executive officer of Excelerate Energy, and Finance Minister AHM Mustafa Kamal at the secretariat office in Dhaka.

The delegation included Atul Keshap, president of the US-Bangladesh Business Council, and Kevin Roepke, head of South Asia of the US Soybean Export Council.

"We have informed them that the rate of return for investment in Bangladesh is high," Kamal told journalists after the meeting.

He said to have assured ensuring the facilities if the US investors chose Bangladesh as an investment destination.

"Besides, we will consider providing more incentives on a case-to-case basis depending on the nature of investments in the future," he added.

A representative from the National Board of Revenue informed the delegation of tax facilities on investments, said Kamal.

"They also sought government support to invest in a

Market diversification can raise RMG export

BGMEA says

STAR BUSINESS REPORT

Bangladesh can increase garment exports to \$100 billion by 2030 and account for 12 percent of the global trade through market diversification, innovation and technological and skills development, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association.

"We have proven our capability globally becoming the second largest apparel manufacturer with an about 8 percent market share and retaining our position since 2010," he said.

He made this comment at a seminar titled "Supply Chain Reconfiguration and Structured Trade Finance for the apparel industry" organised by HSBC Bank

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