

# Star BUSINESS



## Nagad hikes cash-out charges, adds new fees

### STAR BUSINESS REPORT

Mobile financial service provider Nagad has announced an increase in charges for cash-outs while introducing new fees for fund transfers.

The rates and fees came into effect from September 8, according to a company official.

Nagad has introduced a Tk 5 fee for money sent through its app, which was previously offered free of charge.

Additionally, it has raised the cash-out charge from Tk 11.49 to Tk 12.50 per Tk 1,000 for mobile app transactions and from Tk 14.94 to Tk 15 for those using the USSD code service.

Furthermore, Nagad has implemented a 1.50 percent fee per Tk 1,000 transfers to banks.

In a statement, Nagad explained that these

**Nagad said the adjustments were part of a long-term business strategy aimed at improving the customer experience and promoting digital services**

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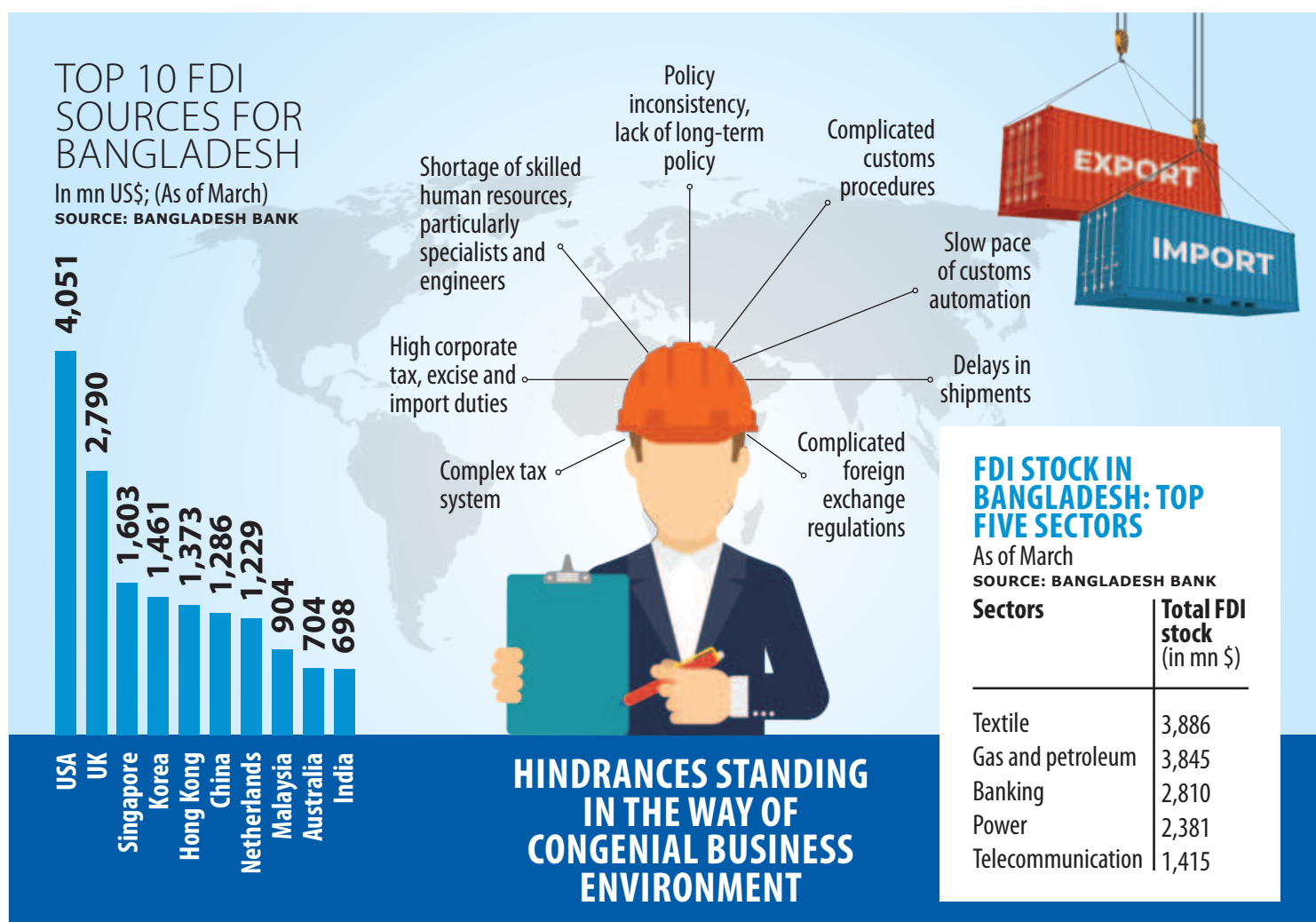
"Nagad always works to ensure improved customer service at the lowest cost," it said in a statement yesterday.

From the outset, it charged the lowest when compared to existing market rates.

Nevertheless, Nagad still maintains the market's lowest charges for cash-out, sending money or any other service. Furthermore, most of the services are still free of charge like before, the statement added.

The new charge comes less than six months after Nagad Managing Director Tanvir A Mishuk told The Daily Star that they would offer free-of-charge cash withdrawal services to its account-holders by this year in order to accelerate Bangladesh's financial inclusion drive.

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## Local firms equally dissatisfied with business climate

Echo challenges highlighted recently by foreign firms operating in Bangladesh

JAGARAN CHAKMA

Like Japanese and Chinese companies operating in Bangladesh, domestic firms as well as those from other countries are not happy with the overall business climate in the country, said a number of entrepreneurs, heads of chambers and experts.

Policy inconsistency, complicated customs procedures, shipment delays, lack of service-oriented attitudes among government officials, and prevalence of informal payments aimed at ensuring quick services from regulators and facilitating agencies are all blamed for the poor business environment.

Their concerns, which have lingered for a long time, reflected the challenges recently cited by Japanese and Chinese businesses that have a presence in Bangladesh.

For example, a survey of the Japan External Trade Organisation (Jetro) released on August 30 said 71 percent of Japanese companies are dissatisfied with the general business environment in the country.

On Saturday, Chinese investors pointed to the challenges they face while doing business, starting from difficulties in securing visas and work permits to opening and settling of letters

of credit (LCs). They sought improved services alongside remedies to the hurdles.

The challenges faced by Japanese and Chinese investors are also applicable to all domestic and foreign companies, said Md Sameer Sattar, president of the



Dhaka Chamber of Commerce and Industry.

He said due to slower-than-expected clearance of customs, importers are sometimes compelled to pay more in demurrages and imported raw materials and goods might even be found to be damaged.

As a result, entrepreneurs face cost consequences at home as well as challenges in the international market from a competitive perspective.

Businesses have to wait 11 days and six hours to have their cargo released after their arrival at seaports, according to the

Time Release Study 2022 of the National Board of Revenue.

Nihad Kabir, chairperson of the Business Initiative Leading Development, a think-tank, said it is true to some extent that Japanese companies and some domestic and foreign

of foreign direct investments and domestic businesses can contribute more to the economic growth.

"A more efficient customs process will lead to an improved country branding for Bangladesh."

Citing the Jetro survey, Md Saiful Islam, president of the Metropolitan Chamber of Commerce and Industry, Dhaka, said although there is dissatisfaction over the business environment, 66 percent of existing Japanese companies showed interest in expanding their operations in Bangladesh.

"Japanese investors stressed faster customs clearance and faster settlement of LCs."

Mohammed Amirul Haque, managing director of Premier Cement, cited bureaucratic complexity and unfavourable policies as the main obstacles standing in the way of attracting a higher volume of FDIs.

He added inefficient port handling and complicated procedure of customs lead to slower clearance of raw materials, inflicting losses on investors.

Haque, however, lauded the intention of the government aimed at securing more FDIs and making it easier to do business in a bid to accelerate economic growth.

companies don't receive government incentives because of inefficiencies and red-tapism.

She said automation in customs procedures is not fully in place and the NBR needs to complete the process as soon as possible.

"Businesses want transparency, accountability and predictability in the regulatory framework."

Nihad said there has to be a relentless drive to carry out required regulatory reforms in a bid to reduce the burden on businesses so that Bangladesh can attract a higher volume

of foreign direct investments and domestic businesses can contribute more to the economic growth.

"A more efficient customs process will lead to an improved country branding for Bangladesh."

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## Diversification to secure more of EU market: study

### STAR BUSINESS REPORT

Bangladesh has the potential to grab a bigger market share in the European Union (EU), even in case of garments, on the condition that there is product diversification.

For instance, Bangladesh's share of cotton fibre garments sold in the EU is 34.7 percent while China's share is only 14.9 percent.

On the other hand, China's share of non-cotton garments sold in the EU is 41.2 percent whereas Bangladesh accounts for only 12.2 percent.

So, Bangladesh can explore its potential here, said Mohammad Abdur Razzaque, chairman of Research and Policy Integration for Development (RAPID) Bangladesh, a private think tank.

He was presenting a study titled "Exploring Export Diversification Opportunities in the European Union" at a seminar organised by RAPID in collaboration with Friedrich-Ebert-Stiftung Bangladesh at the Six Seasons Hotel in Dhaka.

Bangladesh's apparel exports to the EU are projected to rise from \$25 billion to \$60 billion by 2030, said the study.

Diversification of sourcing away from China may help Bangladesh's garment export growth.

Moving towards manmade fibres can be greatly facilitated through the extension of the EU preferences beyond Bangladesh's status graduation from a least developed country (LDC) to a developing nation.

Estimates are based on current supply-side capacities and market access conditions.

Non-apparel products with high export potential include footwear, leather goods, home textiles and fish and shrimp.

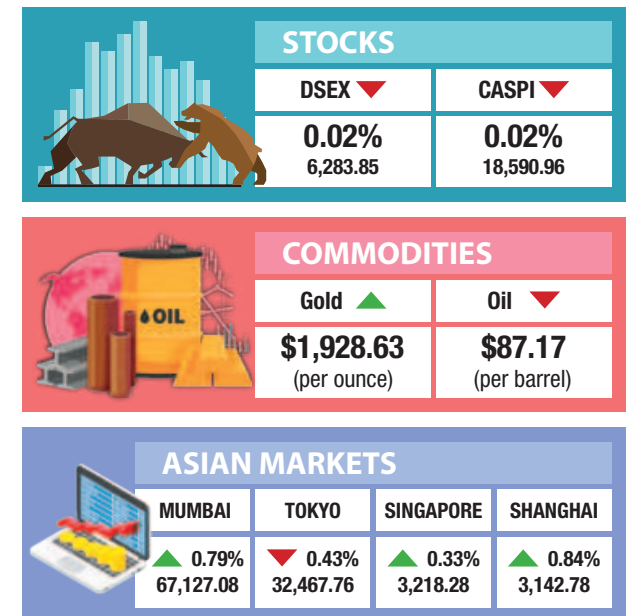
With LDC graduation imminent, the urgency for export diversification has never been more pronounced, the study said.

The EU market, with its vast consumer base and historical trade ties with Bangladesh, can act as a catalyst.

However, along with the dominant role of the garment sector in Bangladesh's exports, its potential for expansion remains vast, especially as China's share in the global market, including in the EU, dwindles, said the study.

Bangladesh is diversifying its exports but the garment sector still dominates, said Senior Commerce Secretary Tapan Kanti Ghosh. Bangladesh has already done a lot regarding compliance at the factory level, he added.

EU Ambassador to Bangladesh Charles Whitely also spoke at the event.



## BB sits with Padma Bank, SBAC CEOs

They reportedly resigned recently

### STAR BUSINESS REPORT

The Bangladesh Bank yesterday sat with the managing directors of Padma Bank and South Bangla Agriculture and Commerce (SBAC) Bank to know about the reasons for the reported resignation.

Habibur Rahman, managing director of SBAC Bank, and Tarek Reaz Khan, managing director of Padma Bank, stepped down last week citing personal reasons.

The duo met separately with central bank Governor Abdur Rouf Talukder and Deputy Governor Abu Farah Md Nasser, said a senior official of the BB seeking anonymity.

The official said the governor wanted to know the actual reason for their resignations and asked them to inform the BB if they had come under any pressure from the board of directors.

In 2014, the central bank said if a managing director wants to resign before the end of their term, he or she would have to submit an application to the chairman of the bank and the BB a month before and explain the reasons.

In recent months, CEOs of some private banks, particularly the problem-hit lenders, have resigned. And it comes at a time when the banking sector is facing challenges, including soaring non-performing loans and lack of good governance.

Contacted, Tarek Reaz Khan told The Daily Star yesterday that it was good that the governor had met the MDs who resigned.

"The central bank called me and I met with the governor and the deputy governor."

READ MORE ON B3



Bikash Das has spent around a decade making and repairing the tabla, a percussion instrument used in classical music of the Indian subcontinent. Originally associated with courtesan dance traditions, the tabla has now made its way into a variety of music genres and styles. The two drums that make up the tabla are fashioned out of wood, copper and skins. New ones can cost anywhere from Tk 4,000 to Tk 10,000 depending on the quality. Repairs are much cheaper, ranging from Tk 500 to Tk 1,200. The photo was taken from Love Lane in Chattogram last week.

PHOTO: RAJIB RAIHAN

READ MORE ON B3

## Online pharmacy MedEasy raises \$750,000

### STAR BUSINESS REPORT

MedEasy, a Dhaka-based online pharmacy startup, has managed to raise \$750,000 in seed funding to expand services.

"The funds will allow refining operations, enhancing features and boosting customer acquisition alongside research and development," said Co-founder and CEO Arefin Zaman.

The startup's future plan is to introduce subscription-based features, a digital vital sign monitoring system and an appointment-booking marketplace, according to a press release.

The seed funding round was led by Seedstars International Ventures, Doha Tech Angels, Startup Bangladesh Limited,



## HSBC to streamline digital payments for Ha-Meem Group

STAR BUSINESS DESK

The Hongkong and Shanghai Banking Corporation (HSBC) signed an agreement with garment manufacturer Ha Meem Group recently on using online platform HSBCnet to streamline their payments to multiple vendors through a consolidated file upload.

Ian Tandy, co-head of global trade and receivables finance for Asia and the Pacific at the multinational bank, and AK Azad, managing director of the group, inked the deal at the latter's corporate office in Dhaka, said a press release.

"Ha-Meem aims to cross the \$1 billion-mark of export turnover within a short span of time and digital innovation will play a key role in this feat," said Azad.

HSBC will continue supporting Ha-Meem Group's digital journey, said Stuart Rogers, regional head of international markets, commercial banking for Asia-Pacific at the bank.



Ian Tandy, co-head of global trade and receivables finance for Asia and Pacific at HSBC, and AK Azad, managing director of Ha-Meem Group, pose for photographs after striking an agreement on digital payment system at the latter's corporate office in Dhaka recently.

PHOTO: HSBC

## BMW to invest in UK Mini plants to fuel EV output

AFP, London

German car giant BMW on Monday said it would invest more than 600 million (\$751 million) in its UK plants making the Mini, with the Oxford site producing only electric vehicles from 2030.

British media said the UK government will invest 75 million, helping to safeguard 4,000 jobs. "BMW's investment is another shining example of how the UK is the best place to build cars of the future," Prime Minister Rishi Sunak said.

"By backing our car manufacturing industry, we are securing thousands of jobs and growing our economy right across the country." The first generation of the iconic British vehicle's electric model was launched at the Oxford plant in 2019.



Md Enayet Ullah, executive vice-president of Mercantile Bank, poses for photographs with participants of a conference on "Prevention of Money Laundering and Combating Financing of Terrorism" in Feni recently.

PHOTO: MERCANTILE BANK

## Trust Bank organises anti-money laundering conference

STAR BUSINESS DESK

Trust Bank Ltd organised a conference on preventing money laundering and combating financing of terrorism at BURO Bangladesh's Cumilla office recently for its officials of the Cumilla region.

Md Masud Biswas, head of Bangladesh Financial Intelligence Unit (BFIU), inaugurated the conference as chief guest, said a press release.

Ahsan Zaman Chowdhury, deputy managing director and chief business officer of the bank, presided over the conference, where Hasna Hena Chowdhury, deputy managing director and chief anti-money laundering compliance officer of the lender, was present.



Md Masud Biswas, head of Bangladesh Financial Intelligence Unit, poses for photographs with participants of a conference on prevention of money laundering and combating financing of terrorism for Cumilla region organised by Trust Bank at BURO Bangladesh, Cumilla office recently.

PHOTO: TRUST BANK

## Mercantile Bank holds anti-money laundering confce

STAR BUSINESS DESK

Mercantile Bank PLC organised a conference on "Prevention of Money Laundering and Combating Financing of Terrorism" in Feni recently for agent outlets of Cumilla and Noakhali.

Md Enayet Ullah, executive vice-president and head of audit, inaugurated the conference, highlighting the importance of abiding by banking rules

and regulations alongside Bangladesh Bank guidelines, said a press release.

Md Moshaddeque Hossain, senior vice-president and deputy chief anti-money laundering compliance officer, Farid Uddin Ahmed Bhuiyan, senior vice-president and head of the Cumilla-Noakhali zonal office, and Darpan Kanti Roy, head of agent banking and mobile banking division, were present.



Inspector General of Police Chowdhury Abdullah Al-Mamun, chairman of Community Bank Bangladesh Ltd, cuts a cake at the police headquarters in Dhaka yesterday celebrating the bank's 4th founding anniversary.

PHOTO: COMMUNITY BANK BANGLADESH

## Community Bank celebrates 4th anniversary

STAR BUSINESS DESK

Community Bank Bangladesh Ltd organised a celebration at the police headquarters yesterday marking its fourth anniversary.

"Community Bank is not merely a bank for the members of Bangladesh Police but also a bank for all Bangladeshis," said Inspector General of Police Chowdhury Abdullah Al-Mamun, who is the bank's chairman.

"I expect the bank to introduce innovative banking products in the coming days and earn the trust of customers providing exulted service," he said while chairing the programme as per a press release. The bank has 18 branches, 2 sub-branches and a head office.

## Dealer conference of Akij Particle Board Mills held

STAR BUSINESS DESK

Akij Particle Board Mills Ltd, a subsidiary of AkijBashir Group, organised an "Akij Board and Akij Door Dealer Conference-2023" in a Cox's Bazar hotel recently.

Khourshed Alam, director of Akij Building Materials, inaugurated the conference, the industrial conglomerate said in a press release.

Approximately 450 dealers and representatives from the company's two brands -- Akij Board and Akij Door -- took part in the conference. Awards were presented to 26 based on their performance.

The conglomerate also introduced new types of boards and plywood. Dilruba Sharmin Khan, human resources director of AkijBashir Group, was present.



Khourshed Alam, director of Akij Building Materials, poses for photographs with the award-winning dealers of the brands -- "Akij Board" and "Akij Door" -- of Akij Particle Board Mills in a dealer conference at a hotel in Cox's Bazar recently.

PHOTO: AKIJBASHIR GROUP

## EU cuts eurozone 2023 growth

FROM PAGE B4

The commission in its report said there would be "slowing economic activity in the summer and months ahead, with continued weakness in industry and fading momentum in services, despite a strong tourism season in many

parts of Europe". Europe will also not be able to "count on strong support" from exports amid weak global growth and demand.

Gentiloni, however, sounded an optimistic note for improvement in Germany's economy.

"The situation of domestic consumption, domestic demand, household purchasing power, could be improved in the coming months and this could bring the German economy back to a growth trajectory," he told reporters in Brussels.

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**টেস্টার বিজ্ঞপ্তি (উনুজ দরপত্র পদ্ধতি)**

ক্রম নং	কাজের নাম	টেস্টার ডকুমেন্ট বিক্রির শেষ তারিখ	টেস্টার বজ বন্ধের তারিখ ও সময়	টেস্টার খোলার তারিখ ও সময়	প্রয়োজনীয় অধ্যয়ন স্থানের স্থান
১।	ঢাকা বিশ্ববিদ্যালয়ের ক্রিমিনোলজি বিভাগের ক্রাইম ল্যাবের জন্য যন্ত্রপাতি সরবরাহ।	৩০/০৯/২০২৩ অফিস চলাকালীন সময় পর্যন্ত	০১/১০/২০২৩ সময়-২.০০টা	০১/১০/২০২৩ সময়-২.৩০টা	ক্রিমিনোলজি বিভাগের অফিসের নোটিশ বোর্ড, ঢাকা বিশ্ববিদ্যালয়ের গ্রেডেইন্সিটি ও ঢাকা বিশ্ববিদ্যালয়ের রেজিস্ট্রার অফিসের নোটিশ বোর্ড।

উল্লিখিত কাজের সিডিউল মূল্য টা ৩,০০০/- টাকা (অফিসের অফিস) জনতা ব্যাংক, টি.এস.সি. শাখায় একাউন্ট নং-৩৬০০০৩৯২ তে জমা দিয়ে উল্লিখিত অফিস সমূহ হইতে দরপত্র দলিল সজ্ঞহ করা যাইবে।

শাহরিয়া আফরিন  
সেয়ারম্যান  
ক্রিমিনোলজি বিভাগ  
ঢাকা বিশ্ববিদ্যালয়

জিডি-১৩৯৬

**ঢাকা বিশ্ববিদ্যালয়**

**UNIVERSITY OF DHAKA:** Applications in prescribed form, obtainable from the office of the Registrar, are invited from the Bangladeshi nationals for filling up 02 (two) permanent posts of Assistant Professor/02 (Two) temporary posts of Lecturer against 02 (two) permanent posts of Assistant Professor in the Department of Applied Chemistry and Chemical Engineering in the pay scale of Tk. 35,550/- 67,010/- (Assistant Professor)/Tk. 22,000/-53,060/- (Lecturer) (National Pay Scale-2015).

**QUALIFICATIONS FOR ASSISTANT PROFESSOR:** Candidates must have a first class/a minimum CGPA 3.50 out of 4.00 in Bachelor in Chemical Engineering and Master Degrees in Chemical Engineering or relevant subject with a first division/a minimum GPA 4.25 out of 5.00 in both SSC and HSC examinations. Requirements for either the SSC or HSC Examinations may be relaxed for the candidates who have obtained the first position/the highest CGPA in both Bachelor and Master degrees. Candidates must have at least 03 (three) years of teaching experience at a university, or, at least 02 years as post-doctoral research or at least 06 (six) years research experience as a research/scientific officer or an equivalent position in a reputed research organization. Candidates with a Ph.D should have at least 01 (one) year of teaching experience at a university. Applicants must have at least 03 (three) research publications in the indexed/quality journal with a DOI (Digital Object Identifier)/double blind peer review policy. Relevant notes and Conditions apply. (For details, see the Dhaka University website).

In case of unavailability of candidates for Assistant Professor two temporary Lecturers will be appointed against 02 (two) vacant Assistant Professor post.

**QUALIFICATIONS FOR LECTURER:** Candidates must have a first class/a minimum CGPA 3.50 out of 4.00 in Bachelor in Chemical Engineering and Master Degrees in Chemical Engineering or relevant subject with a first division/a minimum GPA 4.25 out of 5.00 in both SSC and HSC examinations. Requirements for either the SSC or HSC examinations may be relaxed for the candidates who have obtained the first position/the highest CGPA in both Bachelor and Master degrees. Candidates having a Ph.D. in the relevant field and research publication(s) in a quality journal may get preference. Relevant notes and conditions apply. (For details, see the Dhaka University website).

Eight copies of application together with attested copies of certificates, testimonials, grade sheets/mark sheets and proof of experience along with a Pay Order/Bank Draft of Tk. 750/- (seven hundred fifty) only, payable to the Registrar, should reach to office of the Registrar on or before 02/10/2023. Candidates already in service must apply through proper channel.

GD-1390

**গণপ্রজাতন্ত্রী বাংলাদেশ সরকার**  
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**মহাসড়ক বন্ধের বিজ্ঞপ্তি**

এতদ্বারা সংশ্লিষ্ট সকলের অবগতির জন্য জানানো যাচ্ছে যে, চট্টগ্রাম সড়ক বিভাগাধীন ঢাকা (যাত্রাবাড়ী)-কুমিল্লা (ময়নামতি)-চট্টগ্রাম-কক্সবাজার-টেকনাফ জাতীয় মহাসড়কের (এন-১) ১৭৫তম কিঃমিঃ (চে: ১৭৪+১০০) এ জোরারগঞ্জ বিশ্বরোড নামক স্থানে স্টিল ফুটওভার ব্রীজ নির্মাণ কাজ চলমান রয়েছে। নির্মাণাধীন ফুটওভার ব্রীজের ডেকবীম স্থাপনের জন্য আগামী ১৬ সেপ্টেম্বর/২০২৩ শনিবার ভোর ৫:০০ ঘটিকা হতে ভোর ৭:০০ ঘটিকা (২ ঘন্টা) পর্যন্ত সকল প্রকার যানবাহন চলাচল বন্ধ থাকবে শুধুমাত্র ঢাকা অভিমুখী যানবাহনসমূহ বিকল্প সড়ক হিসেবে বাইরয়ারহাট-জোরারগঞ্জ সড়ক (এন-১২৩) (পুরাতন জাতীয় মহাসড়ক অংশ) ব্যবহার করতে পারবে। জনসাধারণের সাময়িক অসুবিধার জন্য সড়ক ও জনপথ বিভাগ, চট্টগ্রাম আন্তরিকভাবে দুঃখিত।

পিন্টু চাকমা  
পরিচিতি নং-৬০২২১৯  
নির্বাহী প্রকৌশলী, সওজ  
সড়ক ও জনপথ অধিদপ্তর  
চট্টগ্রাম সড়ক বিভাগ, চট্টগ্রাম

জিডি-১৩৯২

## Local firms equally dissatisfied

FROM PAGE B1

"We need long-term policies on tax and benefits for investors, irrespective of local or foreigners."

Fahmida Khatun, executive director of the Centre for Policy Dialogue, says Japanese investors are very particular and have high work ethics.

"So, they want an enabling environment where they can work smoothly without facing any bureaucratic complexities."

M Masrur Reaz, chairman of the Policy Exchange Bangladesh, says obviously there are some reasons to be dissatisfied with the business environment in Bangladesh.

According to him, the challenges are time-consuming clearance at ports, taxation complexity, a higher tax burden and import duty, poor logistics system, and an absence of modern trade financing.

Despite conducive investment policies in Bangladesh, Japanese investors are unhappy

due to some reasons such as policy inconsistency, incongruous business environment, complex repatriation processes, complicated customs procedures, delays in shipments, lack of skilled professionals, and complicated foreign exchange regulations, said Yuji Ando, country representative of the Jetro.

"However, there is a potential to improve the situation by getting rid of these bottlenecks."

Shinichi Nagata, country general manager of Sumitomo Corporation Asia and Oceania Pte Ltd, said investors move to the countries that offer benefits and tax incentives to foreign firms.

Tetsuro Kano, president of the Japanese Commerce and Industry Association in Dhaka, said the import duty of raw materials is much higher in Bangladesh than in other countries and this increases the cost of production.

He, however, said the labour cost is cheaper and this is helpful for investors.



Precision biotech key to resilient agriculture: speakers

STAR BUSINESS REPORT

Precision biotechnology is crucial for building climate resilience in the agricultural sector of Bangladesh, experts said at a dialogue yesterday.

They made the comments at the dialogue styled "The Nexus of Climate Smart Agriculture and Innovative Biotechnology" at the Radisson Blu Hotel in Dhaka, according to a press release of the US embassy in Dhaka.

The agriculture ministry and the US Department of Agriculture jointly organised the event.

Speakers discussed the importance of agricultural biotechnology in supporting farmers in adapting to and mitigating the effects of climate change to provide food for Bangladeshis.

Addressing the inaugural session of the event, Nathan Flook, the chargé d'affaires at the US embassy, and Wahida Akter, agriculture secretary, highlighted the importance of precision biotechnology to build climate resilience in the farm sector.

Salinity intrusion, drought, and new pests have made it harder for farmers to produce food profitably, they said.

Flook underscored the importance of agricultural biotechnology as a safe tool to build resilience in agriculture and enhance global food security.

Throughout the three technical sessions, scientists, academics, regulators, and policymakers shared the newest policies and research related to biotechnology, according to the press release.



Work on the first terminal of the Payra Sea Port on the southern coast of Patuakhali is in full swing, with authorities hoping to begin operations by October. The completion of the terminal is expected to facilitate the transport of goods and speed up overall operations.

PHOTO: SOHRAB HOSSAIN

Payra port's first terminal likely to open by October

SOHRAB HOSSAIN, Patuakhali

The Payra sea port's first terminal is expected to be up and running by October, facilitating transport of goods from mother vessels and speeding up operations in the country's third major seaport.

The terminal, built on the banks of the Rabnabad channel, will have the capacity to simultaneously load three 200-metre-long mother vessels.

The 650-metre main terminal will have a 3.25 lakh square metre backup yard and a 10,000 square metre container freight station facility. Two more terminals are also under construction.

With Belgian company Jan De Nul completing capital dredging on the country's deepest channel in March this year, mother vessels began using the jetty at the Payra thermal power plant adjacent to the Payra port.

Initially, goods will be transported from the first terminal by road via a bridge over the Andharmanik river, said Payra Port Authority

Deputy Director (Traffic) Azizur Rahman. But ferry services will soon be introduced to ease the movement of heavy vehicles, he said.

Another 1.12km bridge is also being constructed over the Andharmanik river, Rahman said, adding that work on a six-lane 6.35-km road was also proceeding rapidly.

The cost of the project, including the construction of the first terminal, six-lane road and four-lane bridge, is estimated at Tk 4,516 crore.

Marking buoys fitted with lights have been installed at an anchorage which can accommodate 15 ships alongside loading and unloading of goods.

On August 24, the port authority arranged a discussion with stakeholders to speed up the port's construction.

The stakeholders include Bangladesh Shipping Agents Association, Bangladesh Customs and Forwarding Agents Association, Bangladesh Freight Forwarders Association and representatives of wharves located within the port's boundaries.

The port authority should increase communication with importers of Barisal, Bhola and Dhaka, said Syed Mohammad Mithu, general secretary of the port's workers union.

"If we can encourage the big importers in these areas, they will use the Payra port to bring in products. As a result, use of the port will increase and the port will also benefit financially," he said.

Till August, Payra Port Authority earned Tk 913.19 crore in revenues from 339 foreign commercial ships and 1,459 domestic lighterage vessels using the port's under-construction facilities.

The Payra port is somewhat operational, with various traders bringing in products, including cement, and raw materials, through the port, said Payra Port Authority Chairman Rear Admiral Golam Sadek.

"Activities at the Payra port are increasing day by day, paving the way for foreign investment. Once the Payra port becomes fully functional, it can provide economic support to Bangladesh," he said.

DSE inspecting 14 listed firms

STAR BUSINESS REPORT

Dhaka Stock Exchange (DSE) is conducting inspections at factories of 14 listed companies to identify whether they have any potential as they have been performing poorly over the years.

The companies are Northern Jute Mills Ltd, National Feed Mills Ltd, Fortune Shoes Ltd, Central Pharmaceuticals Limited, CVO Petrochemical Refinery Ltd, Dulamia Cotton Spinning Mills Limited, Familytex (BD) Limited, Keya Cosmetics Ltd, Khan Brothers PP Woven Bag Industries Limited, Regent Textile Mills Limited, Dacca Dyeing Ltd, Usmania Glass Sheet Factory Limited, Zaheen Spinning Limited and Zahintex Industries Ltd.

A top DSE official confirmed that the DSE had selected 42 companies to conduct inspections as they were incurring losses, failing to hold annual general meetings or had been kept shut for many years.

Some companies are struggling in terms of performance but prices of their junk stocks are rising



At present, some of the companies are struggling in terms of performance but prices of their junk stocks are rising continuously. So, the premier bourse decided to ascertain their business potential, he said.

The Bangladesh Securities and Exchange Commission (BSEC) allowed the DSE to inspect 14 companies in the first phase, he said, adding that the bourse had already inspected almost half of them.

Now, it is preparing an inspection report to provide to the stock market regulator, he said.

A top BSEC official said they were analysing whether it was necessary to conduct inspections into the 42 companies.

"We will hopefully allow them to inspect the companies to get an understanding of their existing situation," he said.

If the BSEC allow the bourse to conduct wide-ranging inspections, it might create a negative impression among companies that are performing well. "So, we are looking into the aspects of conducting inspections," he added.



Muhammad Abdul Mannan, minister for planning, attends the launching programme of a wearable payment device styled "WEAREBL" yesterday unveiled by Eastern Bank in association with Mastercard for local customers.

PHOTO: EASTERN BANK

EBL, Mastercard launch 'WEAREBL' payment solution

STAR BUSINESS DESK

Eastern Bank PLC, in collaboration with Mastercard, yesterday unveiled "WEAREBL," the country's first wearable payment device featuring cutting edge NFC technology.

Users can tap and pay, all with one stylish device by upgrading their phone into a payment powerhouse with a pop-socket. The device, named "Phone Grip", offers seamless integration into the user's daily routine, providing hassle-free, secure, and efficient contactless transactions that simplify life.

By using this device equipped with contactless payment options, Mastercard

cardholders will be able to make safe, secure and fast transactions.

The product will meet the rising demand of contactless payment solutions for local users, the bank said in a press release.

Muhammad Abdul Mannan, minister for planning, attended the launch programme as chief guest.

Md Sharafat Ullah Khan, director of Payment System Department at the Bangladesh Bank, Ali Reza Ittekkar, managing director of Eastern Bank, Syed Mohammad Kamal, country manager of Mastercard Bangladesh, and other senior officials from the respective organisations were present.

Online pharmacy MedEasy

FROM PAGE B1 Accelerating Asia, and nVentures.

"MedEasy's nuanced understanding of Bangladesh's unique challenges caught our attention," said Patricia Sosrodjojo, general partner at Seedstars International Ventures.

"They aren't just digitising processes; they're reshaping healthcare experiences for a demographic often overlooked."

MedEasy provides a much-needed solution in the Bangladesh market and, with proper focus and strategy, it should make a significant impact on the lives of Bangladeshis, said Sami Ahmed, managing director of Startup Bangladesh.

No respite for workers as wage growth

FROM PAGE B4

wages have been falling behind price increases, the real wages have been falling.

"This has been happening for over a year now. No action to address this important issue has come to my attention."

He said given the nature of the current inflation, conventional instruments like monetary policy alone can't fight it.

Other measures, especially to ease and regulate the supply of essentials, are urgently needed.

"Market imperfections and foul play in a monopolistic/oligopolistic market have long been pointed out as a major factor behind the recent inflation. It's a pity that very little is being done to moderate this monstrous shock."

Table containing government notices and public procurement information in Bengali, including details about procurement processes, dates, and locations.

Nagad hikes

FROM PAGE B1

"The free-of-charge service for cash-outs will not negatively impact earnings. Rather, it will help expand our business to a large extent," he said in March.

bKash, the nation's top MF's operator in terms of transaction volume and amount, allows customers to send money to five favourite (Priyo) numbers without any charges. It also does not charge if the amount sent from its app is

less than Tk 100.

It charges Tk 14.90 per Tk 1,000 cash-out for up to Tk 25,000 per month from a 'Priyo Agent'. If someone withdraws more than Tk 25,000 in a month from a Priyo Agent, the charge is Tk 18.50 per thousand, the same rate as cashing out from a normal agent.

According to bKash, 95 percent of customers do not cash out more than Tk 25,000 per month.

The nation's third-

largest operator, Rocket, offers Tk 9 cash-out charge per thousand withdrawn from Dutch-Bangla Bank's ATM booths, making it the lowest cash-out charge among MF's providers. However, its customers have to pay Tk 18 when cashing out from agents.

About 90 percent of MF's transactions in Bangladesh take place through the three operators, according to industry insiders.

BB sits with Padma Bank

FROM PAGE B1

"I informed them that my resignation was for personal reasons. I also told them that my wife is suffering from cancer."

A senior official of SBAC Bank said Rahman's resignation was not official and he is coming to office. "He was in office on Sunday."

Rahman could not be reached for comments. BB Executive Director and Spokesperson Md Mezbaut Haque declined to comment on the issue.





Fishermen repair their nets before heading out to catch hilsa in the Bay of Bengal. A huge number of unskilled and low-skilled workers are struggling to meet their living expenses as their wage growth has remained below the inflation rate for the past 19 months. The photo was taken at the Mahipur fish landing station in Kalapara upazila of Patuakhali yesterday.

PHOTO: TITU DAS

## China's economic headwinds could hit region: US

REUTERS, Washington

China's economic problems are more likely to affect the region than the United States, US Deputy Treasury Secretary Wally Adeyemo said on Monday, a day after President Joe Biden called China's economic situation a "crisis."

Beijing has the resources to deal with its economy short-term but must face longer-term structural economic issues such as demographics and high debt, Adeyemo said in television interviews.

"Those are going to be far harder for them to deal with over time," he told CNN.

Fears of an economic slowdown have gripped China, whose leader skipped the G20 summit this past weekend. Biden on Sunday said China's growth was slowing due to a weak global economy as well as Chinese policies, although he did not cite specific policies.

## Income Tax Act 2023 and compliance challenges for companies

SNEHASISH BARUA

The Income Tax Act 2023 came into effect in June. The law, which replaced the Income Tax Ordinance 1984, has received appreciation from various quarters. At the same time, it has created some concerns among finance and tax professionals regarding compliance challenges.

Based on my review of the income tax law and discussion with finance and tax professionals, I figured out some challenges in the implementation of the law. Here are some of the major issues that require wider discussion:

### Disallowance of expenditure

The income tax law 2023 says expenses of an assessee or taxpayer will be disallowed by tax officials if the taxpayer fails to collect the proof of submission of tax return (PSR). But Bangladesh's economy is yet to be formalised. A large portion of the economy is informal, and in many cases, suppliers do not even accept cheques let alone PSR.

Under the circumstance, an assessee has to count the tax deducted at source (TDS) and pay from their own fund to avoid the risk of disallowance. Now, this will still be required to avoid penal risk from TDS.

Yet, this will not be enough to mitigate the significant risk of disallowance due to a lack of PSR. There are some autonomous bodies where a company is required to pay fees for business purposes. These autonomous entities still do not have electronic tax identification numbers. Hence, the cost of doing business is expected to rise substantially unless steps are taken to collect PSR in the mandatory areas.

There are some good parts of PSR too which one cannot ignore.

The number of tax return filers increased to 36 lakh in the assessment year of 2022-23 and PSR was the major driver behind the growth.

Now, the government needs to take some initiative to ensure proper compliance with the law. The tax authority can arrange stakeholders' awareness campaigns so that all are aware of this provision, discuss with other government entities so that they get registered, and update the electronic verification database for PSR verification so that all tax returns can be verified online.

### Salaries thru banking channel

Previously, a business entity could provide a salary not exceeding Tk 20,000 through cash. The Income Tax Act 2023 has repealed the provision.

With the massive expansion of mobile financial service (MFS), it would not be so hard to implement it. But the government should ask MFS providers to reduce their charges for the marginal income earners so that their net earnings don't get affected by the charges since the fees may be borne by companies.

### Tax exemption

An assessee will have to file the tax return within Tax Day, otherwise, a 4 percent monthly simple interest will be imposed on the person. Moreover, a 15 percent simple interest will be imposed on the shortfall of advance income tax.

The taxpayer will not be entitled to enjoy the tax on the income, benefit of reduced tax rate and tax rebate. Hence, this provision is expected to increase compliance culture.

We all talk about our low tax-GDP ratio but don't specify any real solution. The PSR has proved its worth already.

The National Board of Revenue should also address the real limitations, if any, as early as possible. Increased tax filers will surely ensure a level playing field and increase the tax net.

The writer is managing director of SMAC Advisory Services Ltd

# No respite for workers as wage growth stays behind inflation

MD ASADUZ ZAMAN

Mrinal Biswas, a resident of Botiaghata upazila in Khulna, doesn't find job opportunities every day. And when the 62-year-old fisheries worker is lucky to be employed, he earns Tk 500 per day.

Thus, Biswas, who toils for hatcheries, worked 16 days last month, thus earning Tk 8,000.

"But it is tough to maintain a family of five with the income," he said.

"The price of everything has increased, but our income didn't increase at the same pace. In fact, our income hasn't increased for more than one year."

Bashudeb Mojumder, a day worker in the south-western district, echoed Biswas.

"Day-labourers who don't have agriculture land or other earning sources are finding it difficult to maintain a minimum standard of living," he said.

Biswas and Mojumder are among the hundreds of thousands unskilled and low-skilled workers in Bangladesh who are struggling to make ends meet owing to persistently high inflation and lower wage growth.

The wage grew 7.58 percent for low and unskilled workers in August, which was 2.34 percentage points below the inflation rate of 9.92 percent in the month, data from the Bangladesh Bureau of Statistics (BBS) showed.

This means the wage growth has been behind the inflation rate for the past 19 months.

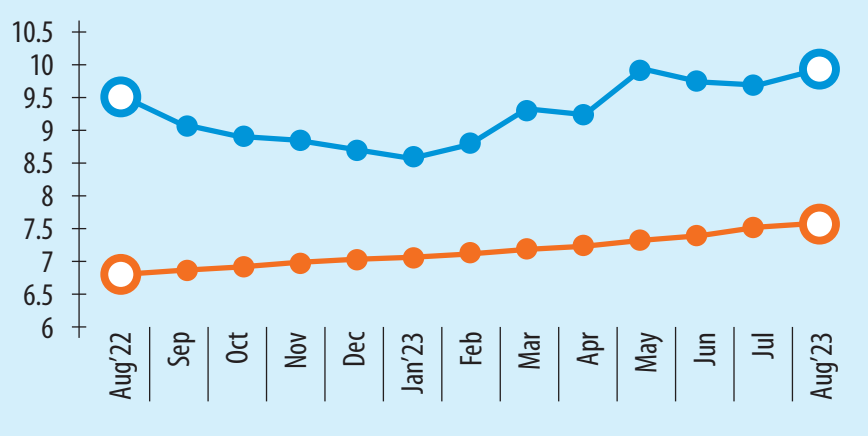
The Wage Rate Index of the national statistical agency takes into account the wages of informal sector workers across 44 occupations in the agriculture, industry and service sectors who get their payments on a daily basis.

The overall wage rate for workers in the industrial and service sectors has declined while it increased in the agriculture sector.

## INFLATION AND WAGE RATE GROWTH IN BANGLADESH

In %; SOURCE: BBS

● Inflation ● Wage Rate



Division-wise, the wage rate in Dhaka, Chattogram, Rajshahi, Sylhet and Mymensingh divisions went up. On the other hand, it decreased in Rangpur and Barishal while the rate remained stable in Khulna.

Analysts say the widening gap between the inflation rate and the wage growth rate is forcing low-income and unskilled workers to cut consumption amid falling real incomes and the rising cost of living.

"It's an alarming situation. The higher inflation is putting pressure on the real income of the low-income people," said MM Akash, a former chairman of the economics department at the University of Dhaka.

He said the real income of workers has decreased significantly since the wage growth did not keep pace with higher

inflation. As per the BBS's Food Index, the cost of food increased by 20 percent in the past one year to August while the wage rate went up by just 11 percent, said Prof Akash.

So, low-income groups are now compelled to cut down the intake of nutritious food as well as non-food items, he said.

"We have not seen such a price increase since 2010. It's a unique situation."

According to the noted economist, the lingering effect of the coronavirus pandemic, the price hike of fuel globally, internal market failures, deficit financing and a lack of synchronised fiscal and monetary policies are all making the recovery from the war-induced crisis slow.

"We should learn from Sri Lanka on how to tackle such a crisis and turn

around quickly. Otherwise, we will have to face both political and economic instability."

He suggested the government take urgent measures, especially those involving fiscal and monetary policies and expand the safety net programmes.

"Reining the inflation is the key challenge now," said Mustafa K Mujeri, executive director of the Institute for Inclusive Finance and Development.

He said the rate of inflation is growing fast in Bangladesh whereas countries such as Sri Lanka have brought it under control.

He said food prices in the global market have reached a moderate stage, but the situation is different in Bangladesh.

"As a result, there has not been much scope to blame global factors for the higher inflation in Bangladesh."

The former economist of the central bank urged the government to focus on domestic factors, including market management and monetary policies, to curb higher prices.

Mujeri said the local market has become unstable suddenly as some unscrupulous traders are trying to make unusual profits. 'This type of situation creates pressure on low-income people who usually spend 70 to 80 percent of their income on food items.'

He warns if the government does not rein in inflation soon, the lower-income groups will not survive long.

He suggested the government strengthen the existing social protection schemes as temporary measures to give some relief to them.

Rizwanul Islam, a former special adviser of the International Labour Office in Geneva, said as increases in money wages have been falling behind price increases, the real wages have been falling.

READ MORE ON B3

## EU cuts eurozone 2023 growth forecast

AFP, Brussels

The European Commission cut its 2023 and 2024 eurozone economic growth forecasts on Monday, with the single currency area weighed down by Germany's poor performance.

The EU's executive arm predicted the German economy would contract by 0.4 percent in 2023, compared to a previous forecast of 0.2 percent growth.

Germany faces recession in its vast industrial sector and a lacklustre performance in exports, both of which have significant impacts for the whole of the economy.

In its report, the commission pointed to manufacturing weakness and said Germany was "hit particularly hard" by energy price shocks linked to the war in Ukraine.

The European Central Bank's efforts to tame inflation via interest rate-hikes also contributed to the slowdown in the eurozone, the report added, days before the ECB meets to decide whether to raise borrowing costs again or pause its campaign.

The International Monetary Fund had already predicted Germany would be the only major advanced economy to shrink in 2023.

Growth in the eurozone and the European Union as a whole will continue but will be lower than predicted earlier this year.

In May, the commission said the eurozone would grow by 1.1 percent in 2023 -- but revised that on Monday to 0.8 percent.

"While we avoided a recession last winter, the multiple headwinds facing the EU economy this year have led to somewhat weaker growth momentum than we projected in the spring," the economy commissioner, Paolo Gentiloni, said during a press conference.

READ MORE ON B2



A shopper pays with a euro bank note in a weekly market in Nice, France.

PHOTO: REUTERS

## IMF urges pact to boost its resource quota, strengthen world economy

REUTERS, New Delhi

It is vital to increase quota resources for the International Monetary Fund (IMF) before year end, its chief, Kristalina Georgieva, said on Sunday, while urging members of the G20 bloc to deliver on a promise of \$100 billion a year in climate funds.

In a declaration at its summit in New Delhi this weekend, the grouping vowed to tackle debt vulnerabilities in low and middle-income countries "in an effective, comprehensive and systematic manner", but offered no fresh plan of action. "G20 members must lead by example in delivering on the promises of \$100 billion per year for climate finance, supported by strengthening the multilateral development banks," Georgieva said in a statement at the end of the two-day summit.