



Md Jahangir Alam

Union Bank gets new DMD

STAR BUSINESS DESK

Union Bank PLC has recently appointed a new deputy managing director (DMD).

The appointee, Md Jahangir Alam, was serving AB Bank as chief anti money laundering compliance officer and deputy chief risk officer, said a press release.

Alam has over 30 years' experience working in different financial institutions, ranging from first generation to third generation private commercial banks.

He obtained a master's degree in marketing and a bachelor's degree in law from the University of Rajshahi alongside an MBA from the Commonwealth of Learning, Vancouver in Canada.



Mafiz Sheikh sells rock melons or cantaloupes for Tk 40 to Tk 80 per kilogramme depending on the size at the Shonadanga truck terminal kitchen market in Khulna city. Covered with threadlike ridges, the fruit's sweet fragrant flesh is a good source of vitamins A and C and is low in calories and sodium. The warm-weather plant grows on any good soil and the vines require a great deal of moisture until the melons are full-grown. Once picked, a melon will not ripen further. Instead, the sugar content will start decreasing rapidly. The photo was taken at the end of last month.

PHOTO: HABIBUR RAHMAN

Tk 21,500cr VAT cases pending in courts: NBR

STAR BUSINESS REPORT

Around 10,000 cases for recovering a combined Tk 21,500 crore in value-added tax (VAT) remains held up in different courts across Bangladesh, according to data of the National Board of Revenue (NBR).

The NBR is now working to expedite the settlement of these cases and thereby collect the VAT owed, which would go a long way in helping the country achieve its revenue target for fiscal 2023-24.

The revenue authority aims to collect Tk 4.5 lakh crore in the current fiscal year, focusing mainly on indirect taxes such as VAT, which will contribute 35 percent while customs duties and income tax make up the rest.

Of the ongoing cases, 3,408 involving Tk 16,178 crore are pending at the High Court, the NBR said.

"We have taken steps so that the cases are resolved fast," said Md Sahidul Islam, member of the NBR's VAT audit and

NBR cases		
TYPES OF CASES	TOTAL CASES	REVENUE INVOLVED (in crore Tk)
Appeal Commissionerate	21	76.35
Appellate tribunal	284	243.69
High Court division	3,408	16,178.87
Appellate division	215	1,571.31
Certificate case	3,281	278.4
VAT 14.1 case	1,507	1,318.46
Alternative Dispute Resolution (ADR)	21	194.9
Other cases	1,354	1,734.23
Total	10,091	21,596.21

SOURCE: NBR

intelligence wing.

He was speaking at a press meet organised by the NBR at its headquarters in Dhaka, where the revenue authority announced plans to celebrate VAT Day on December 10 this year, kicking off VAT Week.

In October, 148 cases involving Tk 129

crore were settled while another 186 new ones were filed.

On the NBR's initiatives for increasing VAT collection, Moinul Khan, member for VAT implementation and IT at the NBR, said they registered an around 17 percent growth in the past five months even though imports recently decreased by about 30 percent.

"This progress was made due to increased monitoring and expanding the VAT net among more businesses," he added.

Asked if the recent political unrest will have an impact on tax collection, Masud Sadiq, member of customs policy at the NBR, said everyone knows that revenue collection was easier in a stable political atmosphere.

"Still, even political unrest has some positive consequences," he said, citing how a recent rise in cigarette and soft drink sales were helping increase VAT collection.

VAT Implementation Member Khan

said the NBR has started benefitting from the installation of electronic fiscal devices (EFDs) at retail stores as VAT collection has climbed 10 times since their launch in August 2020.

At present, the tax administration is getting VAT worth around Tk 50,000 per month from each shop using the device. Before the introduction of EFDs, monthly VAT receipts stood at about Tk 5,000 from each shop.

The tax collector has installed about 18,000 EFDs at the retail level to bring transparency in VAT collection, he added.

The NBR initially installed 100 EFDs at stores and businesses across Dhaka and Chattogram.

The revenue authority plans to set up 60,000 more EFDs this fiscal year and another 3 lakh in the next five years.

The EFDs are provided free of cost to 25 types of businesses, including shops, hotels, restaurants, sweet stores, apparel outlets, furniture and electronics stores, and jewellers.

Rupali Chowdhury elected BAPLC president

STAR BUSINESS DESK

Rupali Haque Chowdhury, managing director of Berger Paints Bangladesh Ltd, has recently been elected president of the Bangladesh Association of Publicly Listed Companies (BAPLC) for a two-year term.

The association elected Syed M Altaf Hussain, director of Pragati Life Insurance Ltd, as its vice-president, it said in a press release.

The election board of BAPLC, the top body of the companies listed with the stock exchanges of Bangladesh, organised its election to elect the new board of the committee for 2024-2025.

The other members of the executive committee are: Mohammed Younus, chairman of Shahjalal Islami Bank, Manzurul Islam, chairman of Eastern Housing, Abdullah Al Mahmud, managing director of Hamid Fabrics, Gulam Rabbani Chowdhury, director of Baraka Power, Syed Farhad Ahmed, managing director and CEO of Aamra Networks, Md Kyser Hamid, managing director and CEO of Bangladesh Finance, Kazi Inam Ahmed, managing director of Gemini Sea Food, Monzur Kadir Shafi, managing director of Baraka Patenga Power, and Shahriar Ahmed, managing director of Apex Foods.

Others elected in the committee include Adib Hossain Babul, director of National Feed Mill, Zeyad Rahman, director of Delta Life Insurance Co, Md Apel Mahmud, managing director and CEO of Fareast Islami Life Insurance Co, Tajwar Muhammed Awal, director of Pragati Insurance, Mohammad Abdullah Al Mamun, company secretary of Eastern Bank, Md Sharif Hasan, director of regulatory affairs and company secretary at Unique Hotel & Resorts, Md Noor Hossain Khan, deputy general manager of the Titas Gas Transmission & Distribution Co, Md Manir Hossain, company secretary of Dalfodil Computers, Muhammad Aminur Rahman, company secretary of Rangpur Foundry, and Sk Md Sarfaraz Hossain, company secretary of Peoples Insurance Co.



STOCKS	
DSEX ▲	CASPI ▲
0.04%	0.03%
6,250.47	18,530.28

COMMODITIES	
Gold ▲	Oil ▲
\$2,022.7 (per ounce)	\$72.12 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.52%	▲ 2.04%	▲ 0.33%	▼ 0.11%
69,653.73	33,445.90	3,087.24	2,968.93

Bangladesh gets first

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PCT will allow berthing of vessels at the shortest possible time given its close proximity to the estuary.

Three vessels with 10 to 11-metre draft will be able to berth at a time in the terminal, having an annual capacity to handle 5 lakh TEUs (twenty-foot equivalent unit) of containers.

Addressing the ceremony, Prime Minister Sheikh Hasina said: "I hope that the RSGT, with its reputation for managing the Jeddah port and other terminals, will manage the Patenga Container Terminal with its skills and technical know-how."

By doing so, the Chattogram port's operations will become more efficient and meet international standards, she said.

"Consequently, our economy will benefit from a significant decrease in import-export expenses," she said.

The PCT will act as a gateway to global trade, opening up new opportunities for the country's businesses to connect with the world, said Hasina.

"We look forward to a future where the Patenga Container Terminal will become a driving force for economic growth and prosperity in Bangladesh," she said.

Right after the signing, Salman Fazlur Rahman, the prime minister's private industry and investment adviser, accompanied a Saudi delegation led by the investment minister on a visit to the PCT.

Speaking to journalists, the Saudi minister said: "We are very delighted that the honourable prime minister has supported this idea from the beginning to create a significant footprint for the Kingdom of Saudi Arabia represented by our global port operator RSGT here in Bangladesh."

Terming the PCT as a wonderful facility which has been built to the highest standards, the Saudi minister said the terminal would be full of equipment within a very short period of time.

This is not just about a major



Prime Minister Sheikh Hasina and Saudi Investment Minister Khalid bin Al-Falih witness the signing ceremony at the Prime Minister's Office in Dhaka.

PHOTO: PID

container terminal operation, this is a hub for Saudi Arabia to grow its economic participation in Bangladesh, said Al-Falih.

"We expect our Saudi shipping company, Bahri, to frequently export here more and more. We expect to be able to bring more traffic to this port in terms of containers through the relationship that we have with global shipping lines," he said.

Saudi Arabia is in the process of getting a special economic zone which would be a forward staging area for strategic commodities from Saudi Arabia, which would be supplied to the market in Bangladesh, he said.

"Since this port will become a hub for import and export, we can serve a bigger market, especially the Bay of Bengal, which needs a quality port as well as a stable market and stable nation like Bangladesh," added Al-Falih.

Mentioning that Saudi Arabia is eager to do more in Bangladesh, he said energy was a big area for Saudi Arabia to be investing in here.

"We will see a number of companies investing in power generation, infrastructure, agriculture, food processing, technology, data centres and cloud computing and many

other fields in Bangladesh," said the minister.

The future is bright for the relationship between Saudi Arabia and Bangladesh, he added.

Hailing the appointment, Syed M Tanvir, former vice-president of the Chittagong Chamber of Commerce and Industry, hoped for the country's port operations to be significantly upgraded through a reduction in import and export handling time.

This initiative will enable other terminal operators as well as the port authority to gain technical knowhow and enhance their performance as a whole, said Tanvir, also managing director of Pacific Jeans, one of the leading denim exporters.

Bangladesh Freight Forwarders Association Vice-President Khairul Alam Suzan said the appointment would create a scope for healthy competition.

"As the foreign operator will install modern equipment and ensure better service in PCT, it should compel the port authority to ensure such equipment and services in the existing terminals since port users always prefer better services at lower cost and time," he opined.

Musk's Starlink

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"We are positive. We have already given them permission for testing," BTRC Chairman Shyam Sunder Sikder said.

Asked about the lawful interception law, he said the BTRC would ensure that all conditions under the law had been met before awarding the licence.

As of October, there were 13.18 crore internet subscribers in Bangladesh, with 1.25 broadband internet connections and 11.94 crore mobile internet connections.

Md Emdadul Hoque, president of the Internet Service Provider Association of Bangladesh (ISPAB), urged the government to consult all stakeholders before taking this decision.

"Our services are now everywhere in Bangladesh, except some islands. So, why do we need satellite internet," he said.

Shahed Alam, chief corporate and regulatory officer at Robi Axiata Ltd, welcomed Starlink's entry, hoping it would provide services to areas without access to fibre-based internet services.

"We also hope that the regulator would ensure principles of 'same rule for the same service', including regulations and taxation, as applicable to all wireless service providers," he

added.

Fahim Mashroor, CEO of Bdjobs.com, said any new technology should be welcomed.

"But, it's very costly and very few people are likely to use it," he said.

Palak said the decision was taken to welcome new technology but added that prices had not yet been discussed.

SpaceX, currently worth about \$150 billion, provides satellite internet coverage to more than 60 countries with about 4,519 Starlink satellites currently in orbit.

The company has said Starlink has more than 2 million active customers and is available on all seven continents.

On May 11, 2018, the Bangabandhu Satellite-1, Bangladesh's first and lone satellite, was launched into orbit at a cost of Tk 2,765 crore. In September this year, Bangladesh signed a letter of intent with France for its second satellite, which will be an earth observation satellite.

"The BSCL's satellite, the cost of which was borne by public funds and commercial loans, has evidently failed. But the government has to answer where it has failed, necessitating the entry of Starlink," Abu Saeed Khan, a senior policy fellow at LIRNEasia, said.

Cotton imports

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In response, the central bank implemented measures to prevent the depletion of reserves, including the tightening the rules regarding the opening of LCs.

Currently, banks have to provide information to the central bank related to opening of LCs valued more than \$3 million.

"Due to the short supply of US dollars, many banks are struggling to issue LCs, which affects raw material imports for the RMG and textile industry," said the USDA report.

The US agency, citing the national elections scheduled in January, said the turbulent political situation is hindering production in readymade garment factories.

It added political movements,

including blockades and strikes, have reduced the efficiency of many garment factories as the movement of raw materials and finished goods has been hampered.

As such, the domestic use of raw cotton is likely to be 78 million bales, reflecting an 11.4 percent decrease from its previous forecast.

Subsequently, the USDA revised down its forecast for Bangladesh's yarn production to 16 lakh tonnes, comprising 14 lakh tonnes of cotton yarn and 4 lakh tonnes of mixed yarn.

It also lowered the projection regarding the overall fabric production in 2023-24. "These adjustments in yarn and fabric production forecast are made in consideration of the expectation of reduced cotton consumption," the report said.

Dollar touches 2-week high

REUTERS, London

The US dollar touched a two-week high on Wednesday, while the euro was weak across the board as markets ramped up bets that the European Central Bank will cut interest rates as early as March.

The euro was down 0.2 percent against the dollar at a three-week low of \$1.0773, as markets adjust rate expectations lower following soft data and dovish central bank commentary.

The single currency also touched a three-month low against the pound, a five-week low versus the yen and a 6-1/2 week low against the Swiss franc.

"The story in currency markets is mostly about a softer euro," said Niels Christensen, chief analyst at Nordea.

"Yesterday's comments from ECB's Schnabel supported the market view of early rate cuts."

Influential policymaker Isabel Schnabel on Tuesday told Reuters that further interest rate hikes could be taken off the table given a "remarkable" fall in inflation.

Markets are now placing around an 85 percent chance that the ECB cuts interest rates at the March meeting, with almost 150 basis points worth of cuts priced by the end of next year.

Banks' sustainable

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A good portion of green finance is directed toward energy efficiency initiatives in textile factories and the establishment of green factories, as exporters aim to reduce carbon emissions to attract international buyers, as per the central bank officials.

They also said the banking sector was a significant source of financing for industrial projects such as steel, paper, cement, chemicals, fertilisers, power and textiles, which were major contributors of carbon emissions.