# BUSINESS

### IFC to finance Labaid's cardiac hospital in Uttara

#### STAR BUSINESS REPORT

Labaid, one of the leading private hospitals Bangladesh, will use funds from the International Finance Corporation (IFC) to set up a cardiac and general hospital in Dhaka's Uttara.

Labaid Group and IFC, a member of the World Bank Group, signed a memorandum of understanding recently, according to a statement from Labaid.

The 100-bed hospital with 24-hour emergency services will be commissioned by 2026. The service seekers will get round-the-clock uninterrupted healthcare, Labaid said.

The hospital will also have facilities like a cardiac cath lab, coronary care unit, modern modular operation with modern theatre and technology close monitoring by specialist doctors round the clock, according to the statement. Labaid, which runs two

diagnostic and consultation centres in Uttara, said deaths from strokes and heart attacks were increasing in Bangladesh.

The new hospital will enable people in Uttara, Mirpur, Gazipur and Savar areas to get specialised emergency healthcare.

In April 2023, Labaid, which has a specialised cardiac hospital and cancer hospital in Dhaka's Dhanmondi area alongside diagnostic centres in various parts of the country, said it would establish its second cancer hospital in Baridhara at an investment of Tk 1,000 crore.



Workers pluck leaves from tea plants at the Tarapur tea estate in Sylhet. The plants usually undergo maintenance from Durga Puja, meaning November, till the start of the rains in Pahela Baishakh, meaning around April. Maintenance involves light pruning to facilitate plucking operations, clearing of weeds and grass and spraying of chemicals to control pests and diseases. PHOTO: SHEIKH NASIR

## NBR extends tax waiver on interest of foreign loans

#### STAR BUSINESS REPORT

The National Board of Revenue (NBR) has extended until December 31, 2024 tax exemptions on interest income of foreign lenders who have lent to local firms, according to a notification issued early this week.

The tax authority imposed a 20 percent withholding tax on interest payment to foreign lenders by local firms at the beginning of this fiscal year 2023-24, removing the tax benefits which foreign creditors had enjoyed for decades.

The move created concerns among businesses, particularly foreign investors in Bangladesh.

They believed that the tax would discourage foreign borrowing and adversely impact the inflow of foreign currency at a time when the country's forex reserve is under pressure.

Moreover, a sharp depreciation of the taka against the dollar has increased loan repayment costs.

Subsequently, on November 30 last year, the tax collector extended the exemption until February 28, this year, attaching certain conditions.

These included borrowers having to apply with the NBR mentioning their names, taxpayer identification numbers and details of the lenders to whom interest on loans are paid.

To ensure the exemption, businesses will also need to mention the principal amount and the amount of interest they pay to the lenders, according to the previous notification issued by the NBR.

In its latest notification, the NBR did not relax the conditions but extended the deadline until December 31 this year.

The private sector's foreign loans fell slightly to \$21.28 billion until September 2023 from \$22.25 billion three months

Bangladesh's total external debt also declined to \$96.5 billion as of September last year from \$98.1 billion at the end of June the same year, showed data from Bangladesh Bank.

## **Trade bodies** congratulate PM for election win

The Daily Star

#### STAR BUSINESS REPORT

DHAKA WEDNESDAY JANUARY 10, 2024 POUSH 26, 1430 BS

Leaders of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), led by its President Mahbubul Alam, congratulated Bangladesh Prime Minister and Awami League President Sheikh Hasina for winning in the 12th National Election at Ganabhaban, Dhaka yesterday.

The FBCCI leaders presented a bouquet of flowers to the PM as a token of their best wishes and support for the newly elected government, according to a press release yesterday. FBCCI, the apex trade organisation in the private

sector of Bangladesh, reiterated its commitment to working closely with the government to enhance economic growth, the press release added.

FBCCI leaders expressed their enthusiasm to contribute to the nation's progress and development.

FBCCI Senior Vice-President Amin Helaly Vice-President Khairul Huda Chopol, Mohammad Anwar Sadat Sarker, Joshoda Jibon Deb Nath. Shomi Kaiser, Rashadul Hossain Chowdhury, Munir Hossain, FBCCI Director Munal Mahbub and others were present.

Meanwhile, the Metropolitan Chamber of Commerce and Industry, Dhaka, congratulated the Bangladesh Awami League for winning the national election for the fourth consecutive term.

'This resounding victory is a reflection of the aspirations of the people of Bangladesh, who have placed their trust in the Awami League's commitment outlined in its election manifesto,' read a press release circulated on January 8.

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## BRRI develops two new rice varieties

STAR BUSINESS REPORT

The Bangladesh Rice Research Institute akin to Jira dhan and 250 to 270 grains BRRI) has developed two new highyielding rice varieties which are suitable for the Boro season.

vielding (Jira type) Boro rice variety which has medium slender fine grains per sheath.

Inflation stays stubborn despite rate hikes

#### FROM PAGE B1

inflation and higher guideline said. bad loans - that will be

Doorstep fuel delivery plan FROM PAGE B1 refuelling stations. An suppliers would sell the Bangladesh additional service charge fuel in containers to end Dealers, will, however, be applicable.

be Tk 1-2 per litre, the vehicles. Barua claims the ensured "

jerry cans, the official said Haque, president of the whether the government has Agents and Petrol Pump consumers. But the fuels The service charge will will be transported in large Owners Association, said is unnecessary."

to enter the husiness

Petroleum carried out any feasibility Distributors study to find out the demand for such a service. "I think it

the guideline will only pave If factories need, there "Security will be the way for large companies could be a home delivery system and the fuels should

Energy Secretary Nurul

Jakaria Jalal, head of

He said the government

banned the sales of fuels in

takeaway containers or to

industries and commercial

buildings without prior

approval amid countrywide

has improved and the

"But now the situation

arson attacks.

The National Seed Board (NSB) yesterday approved the release of the new rice varieties -- BRRI dhan107 and a premium quality balam type high-yielding BRRI dhan108. BRRI said in a press release.

The state-owned multi-crop research institute has developed a total of 115 rice varieties since its inception in 1970.

BRRI dhan107 has a yield potential of 8.19 tonnes per hectare. But it can vield 9.57 tonnes per hectare if it gets appropriate management in a conducive environment, it added.

The average plant height of BRRI dhan107 is 103 centimetres (cms) and its average growth duration is 143 days, which is approximately equivalent to BRRI dhan 50.

The average plant height of BRRI dhan108 is 102 cms with erect, broad, dark green leaves and it is also lodging tolerant. It has a growth duration of 149

to 151 days. The grain type of this variety is medium slender like Jira dhan. This variety has been developed to fetch better market prices for farmers and branding.

The average yield of BRRI dhan 108 is 8.7 tonnes per hectare, which is 1.0 to 1.5 tonnes per hectare more than BRRI dhan100.

BRRI dhan108 grains have excellent physico-chemical characteristics with a 1.000 grain weight of 16.3 grammes. It produces white and medium slender fine grains like Jira dhan.

The content of amylose and protein is 24.5 percent and 8.8 percent, respectively Similarly, BRRI dhan108 is a high- and is non-sticky when cooked.

September, the European

Commission launched a probe into

Chinese-made electric vehicles over

subsidies they may have received, which

was branded by Beijing as "protectionist".

The Biden administration in the United

States is discussing raising tariffs on

some Chinese goods including EVs, the

#### addressed in the new MPS, said central bank officials.

Zahid Hussain, a former lead economist of the World Bank, told The Daily Star that high inflation and the US dollar crisis are two volume.' major challenges facing the economy now.

The economist said the central bank has introduced the SMART. "The new MPS will have to explain the outcomes of the SMART so far and how will it be operated in the upcoming days."

"The new MPS will have to explain why the BB did not announce the marketbased exchange rate within the deadline."

According to Hussain, there is a scope to increase the interest rate margin under the SMART to raise the lending rate further.

"The supply of the US dollar will have to be increased to tackle inflation since hiking the lending rate will not be able to bring it down alone."

Fahmida Khatun, executive director at the Centre for Policy Dialogue, thinks higher inflation, exchange rate volatility and lack of governance in the banking sector will have to be addressed in the monetary policy.

"If needed the banking regulator will have to hike the policy rate further. The fiscal policy and the market management will also have to be corrective."

Fahmida says the central bank should leave the exchange rate at the hands of the market, saying the difference between formal and informal markets will narrow if the market decides it.

"Then the supply of US dollars will increase.'

delivery system exists in many countries. "After the service begins, industries and commercial buildings will be more beneficial as they need fuels at a higher consumers

in city corporation areas will qualify for the home delivery. Residential commercial and buildings, shopping malls, government establishments, and industries using generators as well as vehicles in those

Initially,

areas will be allowed as consumers. Barua said information about consumers will be scrutinised since there are chances of misusing the facility. "The state-run distributors will monitor this.

When asked about the risk linked to the transportation of fuel oil in

### GP backs out of Tk 30

our customers, we currently have various recharge options such as Tk 14, Tk 19 and Tk 29 recharge for minute packs,

"While the minimum balance recharge is Tk 30, customers can use these other options," he said.

developments The (BTRC). revenue, raised yesterday.

In July last year, the

from customers could recharge a equipment, has

In order to receive a home delivery licence, a company must have Tk 3 crore as annual turnover for the three consecutive years. Those registered with the Registrar of Joint Stock

Companies and Firms will have to have at least Tk 10 lakh in paid-up capital.

Suppliers will have to collect fuels from depots in bouchers with a storage capacity of 18,000 litres and deliver them in tanklorries with a capacity of 2,000 litres to 6,000 litres. Only member companies of the Federation of Bangladesh Chambers of Commerce Industry. and the E-commerce Association of Bangladesh, and the Bangladesh Association of Software and Information Services will be permitted

items in jerry cans?" Nazmul Mohammad He

bandwidth

be supplied through lorries, "We had earlier applied for it, but the not jerry cans, he added. authorities refused to give the permission, saving Alam declined to comment transportation of fuels in over the phone. such manner is risky," he told The Daily Star. strategy and planning at

Bashundhara LP Gas Ltd, Before announcing the guideline, the government said the government's didn't discuss it with decision will only legitimise the illegal fuel business. stakeholders, he claimed.

Mohammad Tamim, a professor at the petroleum and mineral resources engineering department of the Bangladesh University Engineering and of Technology, described the home delivery move as absurd and nonsense.

government may think "In many countries, about it in line with its transportation of fuels in Smart Bangladesh vision. jerry cans is banned as it carries risks." But it has no major could "How

government decide

also

the business prospect." In contrast, allowing the to deliver such flammable private sector to import fuels will be a game questioned changer, said Jalal

not

was

up significantly due to reason behind such a dollar becoming move," he said. the exorbitantly pricey against It is also the regulator's the taka. failure that the public

"So, we need to raise the minimum recharge limit telecom as we are not increasing prices. Otherwise, we won't survive," said a top official

of an operator. Ahmed, Sources in Robi and Banglalink said they were also mulling to increase Commission the minimum recharge amount.

"Once it came to our "I don't contradict the notice, we instructed operator's argument that them not to go ahead the price of equipment and bandwidth has gone with the decision," he said up," said Abu Saeed Khan, However, officials of the senior policy fellow at country's mobile operators LIRNEasia.

said the price of everything, "But, before raising to the minimum recharge telecommunication amount, they shot inform the public the issue.

about prices hike of telecommunication the infrastructure equipment, he said. He also blamed the Association of Mobile Telecom Operators of Bangladesh, the trade body representing all mobile telecom operators in Bangladesh, for "not

informed

presenting the logic of raising the minimum recharge amount to customers" on behalf of the operators.

Sources said the BTRC has called a meeting with the mobile operators at its should office today to discuss the

#### as world's top auto exporter governments, who are fearful of the repercussions of that trend on their domestic automakers.

China likely dethrones Japan

In

China is estimated to have overtaken Japan as the world's largest auto exporter in 2023, the China Passenger Car Association (CPCA) said on Tuesday, as BYD, Chery and other domestic automakers made major strides overseas.

REUTERS, Beijing/Shanghai

The world's biggest auto market also became the top auto exporter for the first time in 2023, with the CPCA announcing at a press conference that exports of cars jumped 62 percent to a record 3.83 million vehicles. Japanese customs data showed passenger car exports at 3.5 million for the first 11 months of the year, excluding second-hand vehicles.

China's total auto exports were estimated to hit 5.26 million units for the whole of last year valued at about \$102 billion, while Japan's full-year exports were forecast at about 4.3 million units, according to the association.

The numbers offer the latest indication of the global auto exports powerhouse that China has now become, riding largely on the strength of its nimble electric vehicle automakers. BYD overtook Tesla Inc as the world's top seller of EVs in the fourth quarter, though based mostly on China sales.

The increasing Chinese clout overseas has caused consternation in some

Wall Street Journal reported last month. Chinese customs are due to publish trade numbers for December on Friday. Tesla, which exported 344,078 Chinamade electric vehicles, also contributed to the export boom. **DOMÉSTIC MARKET** China's domestic auto market, the

world's biggest, chugged along in 2023, with vehicle sales rising 5.3 percent to 21.93 million for its third consecutive year of growth amid a bruising price war as car makers sought to woo consumers unnerved by a faltering economic recovery.

Sales of pure battery-powered vehicles in China climbed 20.8 percent last year after a 74.2 percent jump in 2022. Sales of plug-in hybrids, more economically affordable than pure electrics, grew 82.5 percent last year after a 160.5 percent surge a year earlier.

to become suppliers.

FROM PAGE B1 time, for the convenience of

> Tk 20 recharge through card...," he said.

come just six months after Grameenphone, the largest telecom operator in terms of customers and

the minimum limit of recharge for its customers by 100 percent.

operator increased the limit to Tk 20. Before that,

have followed suit. Robi and Banglalink also raised their minimum recharge amount to Tk 20.

> The regulator was not aware Grameenphone's of move, according to Md

Mohiuddin chairman of Bangladesh Telecommunication Regulatory

minimum of Tk 10. The other operators