

NBR may roll back VAT hike on motor garage services

STAR BUSINESS REPORT

The National Board of Revenue (NBR) is expected to retract its decision to impose a 15 percent value-added tax (VAT) on services provided at automobile garages and workshops. The tax administration yesterday assured owners and workers of such workshops that it would reduce VAT to the previous rate of 10 percent in the face of protests from stakeholders. Led by the Bangladesh Automobile Workshop Malik Samity, over 100 protesters formed a human chain in front of the NBR headquarters yesterday, demanding the VAT rate be reduced to 5 percent. Md Zahirul Haque, senior vice-president of the Bangladesh Automobile Workshop Malik

Samity, criticised the NBR for imposing the VAT without consulting stakeholders. "The hike in VAT would harm our businesses," he said. He also expressed concerns about a new ordinance that reduced the value-added tax threshold from Tk 3 crore to Tk 50 lakh, stating that it would disproportionately burden small and medium-sized enterprises. Haque also argued that VAT should be levied on landowners instead of workshop owners, calling the current policy a "forceful imposition." Following the protest, the NBR held a meeting with representatives of the Bangladesh Automobile Workshop Malik Samity and assured them that VAT would be charged at

the previous rate of 10 percent. The VAT hike is part of the NBR's broader initiative to increase revenue collection as Bangladesh has one of the lowest tax-GDP ratios in the world. On January 9, the revenue board raised VAT and supplementary duties on nearly 100 goods and services, a decision that was met with criticism from many quarters. Similar to this retraction, the NBR also assured restaurant owners amid protests that it would reduce the VAT from 15 percent to 5 percent. Alongside that, the NBR is also considering reducing the VAT on some other items, including clothes, sweets, mobile talktime, and internet services. However, the NBR has not issued any official announcements yet.

Patuakhali's new coal-fired power plant starts trial run

OUR CORRESPONDENT, Patuakhali

A new 1,320-megawatt coal-fired power plant constructed on the banks of the Ramnabad river in Kalapara upazila of Patuakhali, some 270 kilometres south of capital Dhaka, has started generating electricity on a trial basis. One of its two 660MW units was turned on around noon yesterday, said officials. Initially it generated 170MW of electricity and its full 660MW capacity will be gradually added to the national grid, Md Tawfique Islam, director of the project, told The Daily Star. Efforts are underway to get the second unit running by March and, following trial runs, to start commercial production at both units by either May or June, he added. Once operational, the plant will meet around 10 percent of the country's demand, said Ashraf Uddin, the plant's supervising engineer. Construction of the plant in Londa village began in 2019, but production was delayed due to various challenges. "We are delighted to finally begin trial production after overcoming all obstacles," he said.

Bangladesh's power subsidies

FROM PAGE B1 said the government still needs to subsidise the sector for capacity payments to power plants currently under construction. Moazzem added that the government could reduce the subsidy burden by retiring inefficient and old power plants and suspending capacity charges when plants are not generating electricity. Electricity prices increased by 8.5 percent in February of last year and by 5 percent three times in 2023. BIPPA, representing mostly owners of power plants run by furnace oil, made the presentation on the relevance of those plants. The power producers said that summer power demand (March to September) may reach 18,232 megawatts (MW), with heavy fuel oil (HFO) based plants possibly required to generate up to

4,149 MW. The association calculated that while gas-fired plants have a capacity of 10,667 MW, they may only generate up to 6,400 MW, and coal-based plants may generate up to 5,558 MW. "Even under a conservative scenario where median peak demand is 16,000 MW, HFO-based power plants are relevant as they would be required to produce up to 2,878 MW and will continue to be so," said the analysis presented by Imran Karim, a former president of the organisation. Currently, there are 5,525 MW of HFO-based power plants, a figure projected to decrease to 4,025 MW by 2030. The presentation showed that independent power producers are facing payment delays of 120-180 days despite a 30-day payment term in their purchase agreements.

These delays have forced companies to borrow additional working capital, incurring an extra Tk 3,200 crore in interest costs. Moreover, foreign currency shortages have hindered companies' ability to open letters of credit (LCs) for fuel imports, forcing them to operate below capacity. According to PDB officials, PDB has now been struggling to pay the overdue payments to the power plants. The power plants have outstanding dues of around Tk 21,000 crore, with around Tk 9,000 crore under the BIPPA. Adviser to the Ministry of Power, Energy and Mineral Resources Muhammad Fouzul Kabir Khan, Power Division Secretary Farzana Mamtaz, PDB Chairman Md Rezaul Karim, incumbent president of BIPPA David Hasanat and members joined the meeting.

Cement sector struggles

FROM PAGE B1 the issuance of approvals from local government bodies, including city corporations, municipalities, and urban development authorities, which are crucial for construction projects. People also face hurdles in obtaining necessary clearances due to the absence of elected public representatives in the local government bodies, further stalling individual construction projects, he said. Bangladesh boasts 42 cement factories with a combined production capacity of 84 lakh tonnes per month, according to the Bangladesh Cement Manufacturers Association. However, Dalim said sales have plummeted to just 34 lakh tonnes per month, leaving the industry operating at a mere 45 percent of its capacity. This sector, where annual growth in consumption typically ranges from 9 to 10 percent, saw an unprecedented decline in sales of around 1.2 percent in 2024, he said. The industry's woes are compounded by soaring costs of production, driven by hikes in electricity and fuel prices, he added. "We are now in a

difficult situation. The same manpower required to produce 10 lakh tonnes of cement is being utilised for just one lakh tonne. Despite the downturn, we have not resorted to layoffs," said Dalim. Adding to the burden is a discrepancy in import duties on raw materials, he said. "Although the international price of cement clinker has dropped to \$44 per tonne, the government continues to calculate import duty based on a rate of \$62 per tonne," he said. Dalim said this disparity results in an additional cost of nearly Tk 2,000 per tonne. Meanwhile, a 10 percent hike in supplementary duty on limestone has further raised costs. He said winter, usually the peak season for cement sales, has also failed to deliver relief. The combined impact of declining demand and increasing costs has taken a toll on the overall construction sector, leaving businesses and stakeholders in a risky position, he explained. Mohammed Khurshed Alam, executive director of Fresh Cement, a concern of the Meghna Group of Industries, highlighted the severe challenges faced by

the cement sector due to declining demand. Despite rising production costs, manufacturers have been compelled to slash prices by at least 15 percent to survive in an increasingly competitive market, he said. Alam noted that the manufacturers had turned hypercompetitive, which was a significant factor behind the price drop. "The sector has been struggling since 2022, with consistent de-growth each year, despite averaging at an 8 percent annual growth since 2010," he said. Alam attributed the sector's ongoing uncertainties to the absence of an elected government, which has hindered consumer confidence and construction activity. "People are hesitant to spend money or start new projects, given the prevailing political uncertainties," he remarked. He expressed hope that the situation would improve once an elected government assumes power and begins implementing large-scale development projects. "When development projects are launched, and people regain confidence to construct buildings, the demand for cement will naturally rebound," he added.

Advisory council undecided

FROM PAGE B1 to get a clear picture, Hussain, convener of the council, told The Daily Star. At yesterday's meeting in Bangladesh Secretariat, the council discussed ways to sell the 16 factories inside Beximco Industrial Park in Gazipur, preferably to foreign entrepreneurs, he said. However, the high amount of loans is keeping potential buyers at bay, he added. Beximco Industrial Park had 42,000 workers and officials, and out of them, 27,000, who were employed at the 16 factories, have been laid off, he added. The group's management body laid off the workers and officials after the ouster of the Sheikh Hasina-led government on August 5 last year, citing a low

inflow of work orders from international clothing retailers and brands. Its vice-chairman, Salman F Rahman, who is now behind bars, was an influential adviser to deposed prime minister Sheikh Hasina. The state advisory council is determined to ensure that every worker of the 16 factories receives their service benefits, said Hussain. The council is trying to identify ways to raise and disburse those funds in a transparent manner, and this may take a few more days, he said. Since the workers are highly skilled, the government is trying to find them jobs, such as at factories connected with Bangladesh Export Processing Zones Authority and Bangladesh Economic

Zones Authority, he said. The workers of Beximco Industrial Park have announced plans to stage a demonstration in front of the park today, said Tariqul Islam, an administrative executive of Beximco Group. They will demand that the 16 factories be kept operational, citing that these were profitable entities with many pending work orders from globally reputed clothing retailers and brands, he said. Many globally reputed clothing retailers and brands are working with Beximco's textile and garment factories, which are most likely still profitable, said Amirul Haque Amin, president of the National Garment Workers Federation. READ FULL STORY ONLINE

Government of the People's Republic of Bangladesh
Office of the Principal
Dumuria Govt. Technical School and College, Dumuria, Khulna
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Memo No. 57.03.4730.501.07.094.22-535
Date: 20/01/2025

Tender Notice (Goods) NCT

e-Tender is invited in the National e-GP System Portal (www.eprocure.gov.bd) for the procurement of following Goods given below.

Sl. No.	Tender ID No.	Name of the goods	Tender publishing date & time	Tender closing, opening date & time
01	1062472	Procurement of Teaching and Learning Equipment	22-Jan-2025 10:00am	06-Feb-2025 12:00pm
02	1062471	Procurement of Office Equipment		
03	1062468	Procurement of Engineering and Other Equipments		
04	1062467	Procurement of Raw Materials and Spare Parts		
05	1062466	Procurement of Other Stationary		
06	1062464	Procurement of Computer Equipment		

This is an online tender, where only e-Tenders will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited through any registered bank's branches. To submit e-Tender, registration in the National e-GP System Portal (www.eprocure.gov.bd) is required. Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).


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GD- 201

GOVERNMENT OF THE PEOPLES REPUBLIC OF BANGLADESH.
OFFICE OF THE EXECUTIVE ENGINEER, RHD,
ROAD DIVISION, JHALAKATHI.
E-mail: eeiha@rhd.gov.bd

Memo No-35.01.4240.432.04.001.20-106 (3)
dated: 20/01/2025

Invitation for e-Tenders

Sl. No	Name of Works	Tender ID No	Tender Security	Last Selling Date & Time	Closing/Opening Date & Time
01	08/e GP/MMP- Roads /JRD/2024-2025 Periodic Maintenance Program For DBS Wearing Course Work At Ch.0+000(Khejurtola) to Ch. 9+5000(Taitola More) km of Bakerkati- Nalcithy Road (Z-8047) & DBS Wearing Course Work At Ch.0+000(Shatpakia) to Ch.3+500(Nalcithy) & RCC Palisiding work Satpakhia (Barishal-Jhalokati Highway)-Nalcithy Road (Z-8709) Under Jhalokati Road Division during 2024-2025.	1063406	30,50,000/-	24-02-2025 05-00 PM	25-02-2025 12-00 PM

01. These are online tender, where only e-tender will be accepted in e-GP portal.
02. To submit e-Tender, registration in the National e-GP Portal (www.eprocure.gov.bd)


(Shahriar Sharif Khan)
ID NO-602247
Executive Engineer, RHD (c.c)
Jhalakathi Road Division.

GD- 207

Bangladesh Lamps Limited														
Head office : House-22, Road-4, Block-F, Banani, Dhaka-1213 2nd Quarterly Financial Statements (October-December 2024) STATEMENT OF FINANCIAL POSITION (UN - AUDITED) AS AT 31 DECEMBER 2024														
	As at 31 December 2024 Taka	As at 30 June 2024 Taka												
ASSETS														
Non-current assets														
Property, plant and equipment	138,203,898	98,583,822												
Intangible asset	45,013,136	47,585,734												
Right-of-use asset (ROU)	82,518,529	89,451,593												
Investments:														
At cost	88,527,133	88,527,133												
Fair value adjustment	366,902,876	339,465,928												
	455,430,009	427,993,061												
Loans and deposits	4,100,911	5,093,759												
Total non-current assets	725,266,483	668,707,969												
Current assets														
Inventories	916,499,869	685,805,486												
Trade and other receivables	159,247,578	182,391,573												
Advance, deposit and prepayments	56,099,609	54,698,767												
Advance income tax	469,767,155	439,401,229												
Cash and cash equivalent	48,593,983	37,956,748												
Total current assets	1,650,208,194	1,400,253,803												
TOTAL ASSETS	2,375,474,677	2,068,961,772												
EQUITY & LIABILITIES														
Capital and reserves														
Share capital	100,265,500	100,265,500												
Reserves and surplus	373,405,670	412,298,115												
Shareholders' equity	473,671,170	512,563,615												
Non-current liabilities														
Deferred liability - gratuity payable	19,630,026	16,978,991												
Deferred tax liability	25,761,950	26,014,479												
Lease liabilities- Net off current portion	74,828,911	80,760,318												
Total non-current liabilities	120,220,887	123,753,788												
Current liabilities														
Lease liabilities- Current portion	20,400,000	20,400,000												
Short term finance	1,277,346,810	1,002,931,164												
Trade and other payables	157,570,204	157,570,204												
Other liabilities	35,446,402	33,571,533												
Unclaimed dividend	1,475,221	1,497,061												
Provision for tax	222,069,230	216,674,407												
Total current liabilities	1,781,582,620	1,432,644,369												
TOTAL EQUITY & LIABILITIES	2,375,474,677	2,068,961,772												
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN - AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2024														
	1 July to 31 December 2024 Taka	1 July to 31 December 2023 Taka	1 October to 31 December 2024 Taka	1 October to 31 December 2023 Taka										
Revenue	899,137,419	762,777,851	477,456,461	399,407,947										
Cost of sales	(702,414,633)	(626,524,877)	(362,480,707)	(324,491,242)										
Gross profit	196,722,786	136,252,974	114,975,754	74,916,705										
Other income	5,635,609	360,000	5,635,609	360,000										
Operating expenses	(186,282,217)	(201,710,612)	(86,161,287)	(97,556,568)										
Profit/(Loss) before net finance cost	17,076,172	(65,097,438)	40,241,080	(22,200,061)										
Finance cost	(71,324,748)	(49,783,254)	(39,335,717)	(25,110,011)										
Finance income	74,773	5,045,860	37,326	2,376,887										
Net finance cost	(71,249,975)	(44,737,404)	(39,298,391)	(22,733,124)										
Profit/(Loss) before contribution to workers participation fund & welfare fund	(56,173,423)	(109,835,042)	942,689	(44,933,185)										
Contribution to workers participation fund & welfare fund	(56,173,423)	(109,835,042)	942,689	(44,933,185)										
Profit/(Loss) before income tax	-	-	-	-										
Income tax	(5,394,824)	(4,578,828)	(2,864,739)	(2,399,088)										
Current tax	2,996,223	1,822,171	2,194,012	911,021										
Deferred tax	(8,391,047)	(6,400,999)	(4,958,751)	(3,310,109)										
Net profit/(Loss) for the period	(8,391,047)	(11,077,656)	271,882	(44,422,252)										
Other comprehensive income														
Changes in fair value of shares available for sale	27,436,948	(2,465,232)	(25,124,664)	(8,400,142)										
Deferred tax (income)/expenses	(2,743,694)	246,523	1,512,467	840,914										
Net other comprehensive income	24,693,254	(2,218,709)	(23,612,197)	(7,559,228)										
Total comprehensive income/(loss)	(33,697,170)	(13,496,385)	(21,840,315)	(51,981,480)										
Earnings per share (per value Tk. 10 each)	(8.84)	(11.23)	0.03	(4.63)										
STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2024														
	1 July to 31 December 2024 Taka	1 July to 31 December 2023 Taka												
A. Cash flows from operating activities														
Collection from customers	1,064,850,768	950,243,910												
Payment to suppliers	(786,939,222)	(658,186,348)												
Payment to employees	(108,476,934)	(111,105,643)												
Payment for services received	(120,456,822)	(106,332,041)												