

Star BUSINESS



Bangladeshis own dozens of Dubai properties

NBR investigation finds

MD ASADUZ ZAMAN

The National Board of Revenue (NBR) has identified dozens of properties in Dubai owned by Bangladeshis, a senior official familiar with the matter has told The Daily Star.

The discovery comes two months after the tax administration sent two teams of tax intelligence officers to the United Arab Emirates to assess tax compliance and track overseas assets held by Bangladeshi citizens.

"During on-site visits, we found several dozen properties owned by Bangladeshis in Dubai," the NBR official said.

A 2021 estimate by the EU Tax Observatory revealed that Bangladeshis own \$260 million (Tk 3,114 crore) worth of offshore real estate in Dubai, making it their second-most popular destination for second homes after Singapore.

In a separate investigation, The Daily Star found 929 properties registered in the names of 461 Bangladeshis in Dubai. Of these properties, 259 are registered under the names of politicians, business magnates, and bankers.

All 461 names and the number of properties listed under them are based on 2020 and 2022 data compiled by The Center for Advanced Defense Studies, a Washington-based non-profit.

The NBR official said they are also looking into other such hubs, including London.

"This is a large-scale investigation and it's not limited to Dubai. We are also working on cases in the UK, the US, Singapore and other locations."

One subject of the ongoing scrutiny is Mohammed Mahtabur Rahman Nasir, owner of Bangladesh's Al Haramain Perfumes chain, who stands alleged of tax evasion and illegal money transfers (hundi) disguised as perfume sales and import-export activities.

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Imports from India rise as exporters battle against lead time

REFAYET ULLAH MIRDHA

Bangladesh's reliance on Indian imports has been increasing as local manufacturers and industries are struggling to reduce the time needed to bring in goods from other destinations as they battle to meet shrinking lead times.

If local manufacturers import raw materials from China, Latin America or Africa, they lose their competitive edge in the global supply chain, especially as international retailers and brands have lately shortened lead times.

The import of Indian goods, especially cotton, fabrics and yarn, has been increasing since July last year, when political and labour unrest disrupted export-import activities and led to a halt in production across many factories.

According to Bangladesh Bank data, imports from India increased by 2.09 percent to \$2.36 billion in the October-December quarter of 2024, a year-on-year increase from the \$2.04 billion recorded the year prior.

In FY24, the total import value of Indian goods to Bangladesh was \$9 billion and in the FY23 the import value from India was \$9.94 billion, central bank data showed.

In the first six months of the current fiscal year, the total import value from India remained on the same trajectory, hitting \$4.41 billion. However, given the increasing flow of imports, it may exceed last year's number.

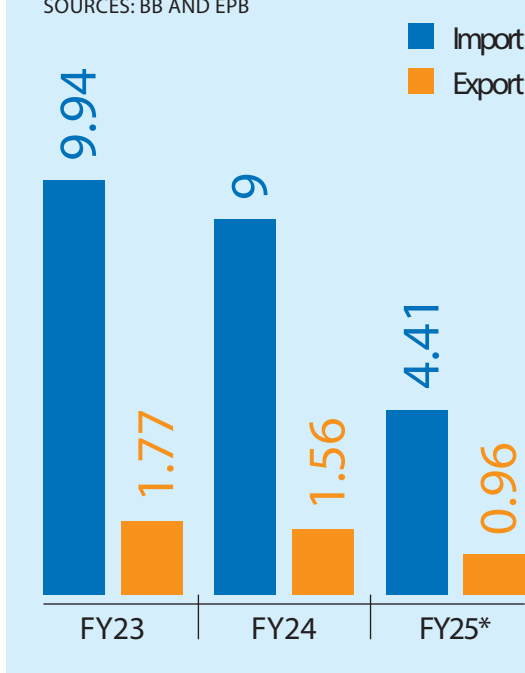
Cotton is among the major commodities imported from India. Bangladesh imports cotton worth more than \$3 billion each year, with more than half coming from India. In FY23, imports of Indian cotton stood at \$1.92 billion and climbed to \$2.36 billion in FY24.

Other major commodities imported by Bangladesh from India include cotton yarn, fabrics, handloom products, and organic and inorganic chemicals.

Importers said increased trade through formal channels played a role

Bangladesh's trade with India

In billion \$; * Jul-Dec data
SOURCES: BB AND EPB



KEY POINTS

India is Bangladesh's second-largest import source after China

Imports from India through informal channels have declined significantly

Imports of industrial raw materials from India increasing

WHY IMPORTS FROM INDIA ROSE

Global clothing retailers and brands reduced lead time to 45 days from 90 days

Imports from China, the US and Latin America take along lead time

It takes only two to three days to import goods from India



MAJOR IMPORTS FROM INDIA

Cotton, yarn and fabrics for garment, food items

in the rise, informing that trade through informal routes dropped significantly due to improved border vigilance by both countries.

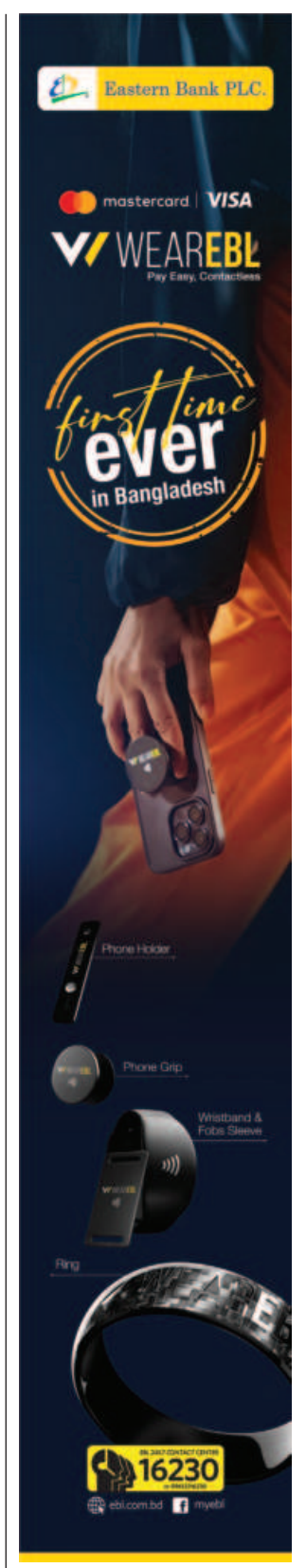
Yet, the main reason for rising imports from India is the fact that it allows companies

to preserve the most valuable commodity of all: time.

Competition in the global supply chain intensified in the aftermath of the Covid-19 pandemic, Russia-Ukraine war and high global inflation, leading international clothing retailers and brands to have lead times from 90 days to 45 days.

But if local garment exporters import cotton from Africa, Latin America, Australia or the US, it takes at least 35 days to arrive at the Chattogram port before taking another 15 days or so to reach the mills.

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Rural demand fuels Eid electronics sales

JAGARAN CHAKMA

Rural people have emerged as key consumers of home appliances ahead of this year's Eid festival, as surging remittance inflows and good prices for agricultural produce, particularly rice, have boosted their purchasing power, according to electronics manufacturers and sellers.

Besides, rural consumers have more disposable income as their cost of living is lower than that of urbanites.

"Overall, we achieved double-digit growth in electronics sales ahead of Eid, thanks to the strong performance of the agriculture sector, which directly impacted demand for home appliances," said Kamruzzaman Kamal, marketing director of Pran-RFL Group.

Vision Electronics, a concern of Pran-RFL Group, witnessed strong sales growth in rural areas ahead of Eid-ul-Fitr, driven by increased purchasing power in the agricultural sector, he added.

The company performed well in selling a variety of products, including refrigerators, fans, and televisions.

He explained that when agricultural production is good, farmers have more disposable income, which they use to purchase essential household items like refrigerators, fans, and televisions.

This year, higher crop yields due to favourable weather and stable market prices have allowed many rural consumers to invest in durable goods.

Additionally, Vision's competitive pricing compared to multinational brands played a key role in boosting sales.

"Our home appliances are more affordable, making them accessible to middle- and lower-income families, especially in rural areas," Kamal said.

As rural prosperity grows, so does demand for electronic goods, indicating a strong link between the agricultural economy and consumer electronics sales.

Ritesh Ranjan, head of business at



PHOTO: ANISUR RAHMAN

Transcom Digital, said sales of electronic home appliances have increased only marginally as most people currently lack disposable income due to economic pressures.

According to him, sales of small electronic items grew by a maximum of 5 percent compared to last Eid. Consumers are prioritising essential spending, and even air conditioner sales have yet to gain momentum as the heatwave has not arrived.

However, Ranjan pointed out that sales of high-end televisions, particularly those over 43 inches, have increased by around 20 percent.

This trend indicates that ongoing inflation has not significantly impacted the higher middle-income and affluent segments, who continue to spend on premium electronic products.

He further explained that during Eid-ul-Fitr, people typically focus their expenditures on clothing, gifts, and festive essentials rather

than large electronic purchases.

As a result, demand for home appliances remains subdued, except for essential items.

Salim Ullah Salim, director (marketing) at Jamuna Electronics, said sales of electronic appliances picked up in the final days before Eid, with small appliances performing better than larger ones.

"The peak sales period is not entirely over yet, but in the last three days, we have observed a steady rise in sales after Ramadan day 20," he said.

Among the best-selling products were blenders, juicers, rice cookers, and electric kettles, reflecting strong consumer demand for smaller appliances.

"Compared to last year, sales of these items have increased slightly, which is a direct impact of the higher inflow of remittances," Salim added.

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What is the secret behind high prices of clothes?

SUKANTA HALDER

As Eid shopping gained momentum over the past week in major cities, many shoppers were left scratching their heads over the prices of clothes.

With some outlets charging Tk 100,000 if not more for clothes, namely panjabis, the outfit of choice for the festive occasion, the issue also gained traction on social media.

Earlier this week, Bangla daily Prothom Alo reported that a fashion outlet in Dhaka was selling a panjabi for as much as Tk 4 lakh.

Such a scenario begs the question: Why are the prices so high and what exclusive features make them attractive to buyers?

Ask sellers and they will cite various reasons: premium-quality fabrics, intricate designs, handcrafted embroidery, and sophisticated dyeing processes.

For instance, Anzara, a premium fashion store in the capital's Banani, is selling panjabis for prices between Tk 4,500 and Tk 95,000. It also sells women's kaftan saris, ranging from Tk 14,800 to Tk 16,800.

Asked about the high prices, Anzara's Public Relations Manager Nowshin Nawar said the clothes are made with premium-quality fabric and feature intricate designs.

"Embroidery is handcrafted rather than machine-made, and most of the fabrics are imported," she said, adding businesspeople and high-income earners are among their buyers.

In the same area, another outlet, JK Foreign, is selling panjabis as well as three-piece dresses for women for as much as Tk 60,000. The store has saris priced between Tk 35,000 and Tk 150,000.

Salespersons from multiple stores

said that during Eid, many customers prefer Indian and Pakistani outfits. To meet this demand, brands stock up on premium clothing imported from the neighbouring countries.

Interviews with officials from high-end brand outlets last Friday revealed that before the July uprising, which ended with the ouster of the Awami League government in August last year, wealthy businessmen and political leaders were the primary buyers of these extravagant outfits.



PHOTO: PALASH KHAN

However, after the political shift, 90 to 95 percent of these customers have disappeared, leading to a significant drop in luxury clothing sales.

Although the primary buyers remain businesspeople, politicians, and high-level executives, most customers currently prefer outfits priced between Tk 5,000 to Tk 20,000.

Soriful Islam, in charge of Alif-Libas Attaqwa's Banani branch, said the high prices derived from premium fabrics and skilled artisans.

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