Farmers on dinghies are cutting and collecting Aush paddy, a rice variety grown in summer and harvested in the monsoon. They say yields are good this season, with prices ranging from Tk 1,200 to Tk 1,300 per maund. Aush, used to make puffed rice, flattened rice and sweet delicacies such as payesh, plays an important role in the rural economy. The photo was taken recently from Majhirgati Kola Bil at Terokhada upazila of Khulna.

PHOTO: HABIBUR RAHMAN

# Stocks rise for second week as turnover jumps

STAR BUSINESS REPORT

Shares on the Dhaka bourse extended their rally for a second straight week, with turnover picking up as investors traded more actively.

The DSEX, the main index of the Dhaka Stock Exchange (DSE), gained 142.99 points, or 2.66 percent, to finish at 5,517.95.

Other indices also closed higher, according to DSE data.

The DS30, which tracks blue-chip firms, rose 3.23 percent to 2,156.99, while the DSES, comprising Shariah-compliant companies, advanced 2.28 percent to 1,207.20.

Turnover, seen as a key gauge of market participation, stood at Tk 5,729.55 crore, compared with Tk 4,535.69 crore the week before.

The daily average was Tk 1,145.91 crore, up from Tk 907.13 crore a week earlier.

Pharmaceuticals and chemicals led the trading chart, accounting for 14.89 percent of average daily turnover. The textile sector followed with 14.51 percent.

In terms of sector performance, travel and leisure stocks topped the table with a 10.21 percent gain. Life insurance, paper, and printing shares also posted notable rises.

Market breadth was positive, with 268 scrips advancing, 105 declining and 23 unchanged.

Among individual shares, Information Services Network Ltd emerged as the best performer, surging 45.59 percent.

At the other end, FAS Finance & Investment Limited was the biggest loser, dropping 33.33 percent over the week.

# India will not 'bow down'

## Trade minister says on US tariff issue

AF, *New Delhi*

India will not "bow down" and instead focus on capturing new markets, trade minister Piyush Goyal said in his first public remarks since Washington imposed steep tariffs on Indian goods.

The 50-percent levies on many Indian imports into the United States took effect this week as punishment for New Delhi's massive purchases of Russian oil, part of US efforts to pressure Moscow into ending its war in Ukraine.

Since his return to the White House this year, US President Donald Trump has wielded tariffs as a wide-ranging policy tool, with the levies upending global trade.

Speaking at a construction industry event in New Delhi on Friday, Goyal said India was "always ready if anyone wants to have a free trade agreement with us".

But, he added, India "will neither bow down nor ever appear weak".

"We will continue to move together and capture new markets." The latest tariffs salvo from Trump has strained US-India ties, with New Delhi earlier criticising the levies as "unfair, unjustified and unreasonable".

Trade talks between the two countries have stumbled over agriculture and dairy markets.

# NBR to tighten scrutiny on TIN holders skipping tax returns

STAR BUSINESS REPORT

Holders of tax identification numbers (TINs) who fail to file tax returns will face stricter scrutiny by the National Board of Revenue (NBR).

NBR Chairman Md Abdur Rahman Khan recently instructed officials to issue notices to such taxpayers, investigate their income, expenditure and assets on-site, and impose taxes in accordance with the law.

He also directed that the outcomes be reported in monthly revenue meetings.

The directives came at separate monthly meetings of the NBR's Customs, VAT and Income Tax divisions for July of fiscal year 2025-26, on August 28 in Dhaka, according to a press release.

Rahman also stressed the need for enhanced intelligence activities across tax regions to identify evasion and accelerate tax collection by properly processing submitted returns.

Reviewing the revenue situation of the Customs and VAT divisions, the NBR chairman said trade facilitation and lawful revenue collection must be ensured.

He asked officials not to harass compliant importers and exporters by locking bins unnecessarily, and to explain the rationale for each action in revenue meetings.

He also ordered VAT registration for all entities required under law and exemplary punishment for evaders.

On bond facilities, Rahman instructed that all activities be shifted online within a month, with accountability for service delays.

He also declared that bond licences of importers selling duty-free goods in the market will be cancelled, while officials involved in misuse will face action.

For income tax, he called for more manpower to assist taxpayers in e-return filing, quick settlement of audit cases, and linking eTIN with eTDS systems.

He emphasised transparency in audit selection and weekly monitoring of commissionerates to track non-filers, evasion cases and pending audits.

# Gold on track for best month since April

REUTERS

Gold prices rose around 1 percent on Friday and were poised for their best monthly performance since April, as US inflation data reinforced expectations that the Federal Reserve could cut interest rates next month.

Spot gold was up 0.8 percent at $3,443.19 per ounce, as of 1:53 p.m. ET (1753 GMT), its highest level since July 17. Bullion has gained 4.7 percent in August. US gold futures for December delivery settled 1.2 percent higher at $3,516.1.

The dollar held steady, but was set for a monthly drop of 2.2 percent. A lower dollar makes gold less expensive for overseas buyers.

US consumer spending increased solidly in July while underlying inflation picked up as tariffs on imports raised prices of some goods. The US Personal Consumption Expenditures Price index rose 0.2 percent month-on-month, and was up 2.6 percent on a year-on-year basis, both in line with expectations.

"We have expectations of a Fed rate cut, or potentially two, throughout this year, (which is) generally supportive for commodity prices across the board, including gold and silver," said David Meger, director of metals trading at High Ridge Futures.

# Bangladesh back

FROM PAGE B1

The record number of workers going abroad also boosted earnings, said the economist.

Bangladesh sent 11.96 lakh workers overseas in 2023-24, surpassing the previous record of 11.37 lakh in 2022-23, according to the Bureau of Manpower, Employment and Training (BMET).

A higher exchange rate offered additional incentives, but Hussain said the drop in money laundering had the greatest impact.

Thanks to the continuous rise in remittance inflow, the foreign exchange reserves have started to recover after the sharp decline a year earlier.

As of August 28, reserves (BPM-6) rose 23 percent year-on-year to $26.19 billion, according to the central bank data.

Among South Asian countries, India has enjoyed strong and uninterrupted growth since the Covid pandemic. Remittances to India and Nepal dipped in 2020, while Pakistan, Bangladesh and Sri Lanka saw increases.

India's success is largely linked to efficiency gains from its stronger technical education system, said Hussain.

Sri Lanka, in contrast, has experienced volatile flows over the past five years. In 2022, remittances nearly halved amid political turmoil but bounced back with a 58 percent surge in 2023 and a further 9 percent rise last year.

Measured against GDP, Nepal tops the region with remittances accounting for 33 percent, followed by Pakistan at 9.4 percent.

Bangladesh's remittance is 6 percent of its GDP, while it is 3.5 percent in India.

In 2010, Bangladesh's remittance share of its GDP was 9.4 percent but fell to 4.7 percent in 2022 before rebounding to 6 percent last year.

According to Bangladesh Bank, the strong performance in remittances was driven by competitive exchange rates and policy measures that encouraged transfers through official channels.

It cited a reduced gap between official and informal market rates, more attractive offers from banks, and a sharp fall in informal networks such as hundi, according to its Quarterly Report on Remittance Inflows in Bangladesh: January-March FY25.

Hussain recommended that Bangladesh should focus on its initiatives so that money laundering does not return again, as it is the biggest reason for low remittance through formal channels. He also called for lower migration costs and an end to illegal "visa trading", which he described as a form of labour exploitation.

"This trading is not done by our companies but in other parts, so diplomatic steps are necessary," he said.

If a worker has to pay $2,500 for a visa, it represents a huge loss for the labour export sector and foreign exchange earnings, he added.

The problem, the economist suggested, could be addressed through government-to-government agreements.

Lower migration costs and easier access to finance for low-income workers would encourage many more to seek jobs abroad, further boosting remittance inflows, Hussain concluded.

# Tariff leverage

FROM PAGE B1

The economist, however, noted that Bangladesh will have to ensure smooth transportation of goods for shipment to grab the opportunity.

Hussain said Bangladesh's economy is in a comparatively stable situation as major indicators show positive signs: inflation is easing, foreign currency reserves at the Bangladesh Bank are growing, and remittance and export earnings are also increasing.

He said the economy is now better managed compared with the past because of the restoration of discipline. "Money laundering and embezzlement of funds from banks have been checked."

"Discipline is seen in economic management," he said, adding that the weakening of the dollar in the global market and falling prices of energy and commodities would benefit Bangladesh. Some indicators, however, are yet to improve. "The amount of default loans is rising while investment remains sluggish."

# Employers warn of unrest

FROM PAGE B1

MCCI President Kamran T Rahman echoed a similar view. "We can certainly accept ILO [International Labour Organization] standards in both letter and spirit, but that does not mean copying everything word for word," he said.

"What is good for Belgium may not apply to Bangladesh at this point. We aim to reach the level of Germany, but our socio-economic conditions are not yet comparable," added Rahman.

Bangladesh has a workforce of about 6.5 crore. Around 1.2 crore are in formal jobs, while most remain in the informal sector.

"Current labour laws mainly regulate the formal sector and do not directly cover informal workers; other laws offer only partial or indirect protection," he said.

The MCCI president said, "So, overly rigid labour laws could discourage both local and foreign investors, at a time when our economy must create jobs for 20 to 22 lakh new entrants each year amid inadequate employment opportunities. If that happens, our domestic labour market will fail to expand further. This is an issue we must keep in mind."

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said, "If a foreign investor hears that trade unions can be formed with just 20 workers in Bangladesh, they may hesitate to invest or even mention our country."

He noted that in Vietnam, there is only one trade union per industry, tightly controlled at the highest level, yet workers retain rights. "We should not push our country toward a fragmented system like Cambodia."

Hatem said his association formally registered its objections in a note of dissent when the government signalled it might act unilaterally.

"Even responsible worker leaders do not support unions forming with just 20 members," he claimed.

# Govt moves to amend

FROM PAGE B1

The draft framework also reduces penalties in some areas.

Filing a false, harassing complaint or lawsuit against a trader or service provider with the intention of causing harassment, public humiliation, or business loss, which currently carries a maximum of three-year imprisonment, would be lowered to one year, though fines could rise to Tk 2 lakh from Tk 50,000.

In addition, a newly added sub-section states that if any person obstructs the prevention of anti-consumer practices or the settlement of complaints arising from violations of consumer rights, they could be punished with imprisonment for up to two years, or a fine of up to Tk 3 lakh, or both under the proposed law.

The draft further states that if a person illegally engages in activities that may endanger the life or safety of a product or service recipient, they could face two-year imprisonment, or a Tk 3 lakh fine, or both.

Under the current law, the punishment is maximum imprisonment for up to three years, or a fine of up to Tk 2 lakh or both.

Speaking to The Daily Star on August 28, Mohammed Alim Akhter Khan, director general of the DNCRP, said the initiative to update and modernise the law has been taken with the broader interests of consumers in mind.

"A thorough review of the law revealed fundamental flaws," he said.

Policy expert Khondaker Golam Moazzem noted that while the draft makes some progress, fundamental reform has been limited.

"What stands out is that with the rise of online and digital transactions, the draft has attempted to include and expand relevant provisions. Some definitions have been extended, but from a broader perspective of rights protection, major areas still need attention," Moazzem, research director at the Centre for Policy Dialogue, told The Daily Star.

Referring to global practices in countries like India, Sri Lanka, Thailand, and Vietnam, he said Bangladesh has an opportunity to view consumer rights more broadly.

"As the economy expands, various new types of transactions arise that need protection. While the draft addresses digital transactions, the definition of a consumer still largely focuses on end-consumers.

"In other countries, consumers can be anyone at any stage, including in peer-to-peer transactions. Issues such as fraud, forgery, cheques, and contracts are also considered under consumer rights elsewhere," he stated. Given this, he said a large-scale amendment would be timely, taking global good practices into account.

He noted that operational structures differ by country.

For example, he said some have a board led by a ministerial-level official with an advisory council. Consumer rights activities there encompass investigation, monitoring, enforcement, research and development, data collection, and analysis.

"In Bangladesh, the institutional structure remains highly bureaucratic, led by the secretary and joint secretary of consumer affairs, with a few private-sector representatives and academics on committees," said the policy expert.

"In contrast, other countries have boards and councils that handle day-to-day monitoring, investigation, and decision-making without waiting for ministerial meetings. Accountability is often placed with the parliament, allowing independent operation," he added.

A nine-member committee was formed on March 27 to review and amend the law.

The panel includes Supreme Court lawyer Barrister Jyotirmoy Barua, officials from the Ministry of Commerce, representatives of the Consumers Association of Bangladesh (CAB), the Federation of Bangladesh Chambers of Commerce and Industry, and other key stakeholders.

The draft has been sent to the Ministry of Commerce for further review.

SM Nazer Hossain, vice-president of the CAB, welcomed the proposed changes, saying they had long been demanding such amendments to make the law more up to date. "Finally, the government is moving forward with it."

He said, "In the current law, several provisions regarding online business operations were not clearly defined. The draft has addressed this, which is a positive step."

However, he cautioned that merely increasing fines and extending jail terms will not bring a real solution. "The DNCRP must be genuinely strengthened."

# Ctg port slips

FROM PAGE B1

reduced container traffic in 2020 when the Covid-19 pandemic severely impacted garment exports.

The port ranked 58th in the 2020 edition, 64th in 2019, 70th in 2018, 71st in 2017, 76th in 2016, 87th in 2015, and 86th in 2014.

Contacted, Chittagong Port Authority (CPA) Secretary Md Omar Faruk said they have yet to receive the detailed report from Lloyd's List.

Port users, however, said the Lloyd's List ranking is based solely on container handling volume and does not reflect a port's overall performance.

# Patented

FROM PAGE B1

He added that boosting investment is vital.

"Investors seek the assurance of a stable government. Therefore, a good election held on time will bring back stability to the country," he said.

Rahman further stressed that producing raw materials for medicines at the Active Pharmaceutical Ingredient (API) park is crucial for local drug makers to withstand post-graduation challenges. However, progress at the park, initiated in 2012, has been very sluggish.

He also highlighted the need to restore discipline in the financial sector. He said the actual amount of default loans is Tk 500,000 crore, although the previous government reported the figure at Tk 122,000 crore.