

# Star BUSINESS



## Cooking oil, sugar prices rise on war shocks

Rising import costs and freight disruptions push domestic prices higher after Ramadan stock stability

SUKANTA HALDER and MOHAMMAD SUMAN

Prices of edible oil, sugar and spices have risen across major wholesale markets in Bangladesh over the past several weeks.

Traders attribute the increases to rising international commodity prices, higher freight costs and supply disruptions caused by the war in the Middle East.

According to them, these pressures have pushed up import expenses and, in turn, domestic prices.

At Khatunganj in Chattogram, one of the country's largest wholesale hubs, traders said the market remained relatively stable during the last Ramadan thanks to adequate stockpiles.

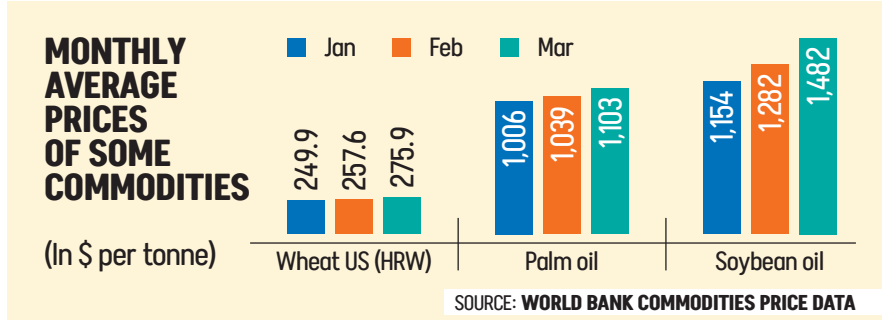
However, conditions began to change after Eid as supply tightened.

Abdur Razzaq, a businessman at the market, said prices are becoming unpredictable, although there are no major shortages. "Prices of some products have risen abruptly as imports are being affected and costs have gone up."

### EDIBLE OIL

Among the edible oil category, soybean oil prices have recorded the most notable increases in recent weeks, according to traders.

At Khatunganj, according to Razzaq,



### PRICE HIKES

- Soybean oil up 12% to Tk 7,400/maund
- Palm oil up by Tk 450/maund
- Spices from Middle Eastern countries see highest hike
- Sugar prices up by Tk 130/maund
- Loose soybean oil selling above govt set rates

### MAIN DRIVERS

Higher freight costs, global hikes, supply disruption

a maund of soybean oil now sells for Tk 7,400, up from Tk 6,600 a week ago. Palm oil climbed to Tk 6,450 from Tk 6,000.

In Dhaka's Karwan Bazar, bottled oil prices have remained largely unchanged, but loose soybean oil has risen by approximately Tk 1,200 per maund since Eid, reaching Tk 6,600-Tk 6,700, said Abu Bakar Siddique, a trader at the market.

Loose soybean oil is reportedly selling at Tk 7-8 per litre above the government-set price, he added.

Bangladesh sources the bulk of its edible oil from outside the Middle East, according to the data from the National

Board of Revenue (NBR) and traders.

Soybean oil and raw oilseeds are primarily imported from Brazil, Argentina and the United States. Palm oil, the country's most consumed cooking oil, comes largely from Indonesia and Malaysia, according to data from the National Board of Revenue and traders.

A senior official at a leading commodity importing and processing company confirmed that none of these shipments transits through the Strait of Hormuz.

The price movements nonetheless reflect a broader surge in international commodity markets since the war started in late February.

According to the World Bank's latest Pink Sheet, detailing commodity prices, published this month, palm oil averaged \$1,103 per tonne in March, up from \$1,039 in February and \$1,005 in January.

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## War is exposing Bangladesh's economic vulnerabilities

ZAHID HUSSAIN

The queues appeared before the statistics did. Lines at fuel stations have lengthened, transport schedules are thinning, and industries are adjusting output as energy uncertainty spreads. The Iran war is reaching Bangladesh not through geopolitics but through something more immediate: the availability and price of fuel, fertiliser, freight, and foreign exchange.

This is how distant conflicts reach globally integrated economies like Bangladesh. Geography offers little protection when trade, migration, and financial flows are tightly connected to the global system.

The most important transmission channel is the Strait of Hormuz, through which roughly one-fifth of the world's oil and LNG supplies normally move.

The corridor also carries significant volumes of petrochemicals and fertiliser critical to agriculture.

Disruptions therefore affect not only energy markets but food production costs — an especially dangerous combination for developing economies already facing inflation pressures. For Bangladesh, this exposure is immediate and largely unavoidable.

### A GLOBAL SHOCK HITTING ENERGY, FOOD AND TRADE AT ONCE

Global markets already reflect the shock. Oil prices have moved above \$100 per barrel amid fears of prolonged disruption.

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Govt to buy 200,000 tonnes of urea amid Hormuz crisis

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The government seeks to procure another 200,000 tonnes of urea amid supply concerns centring on the unrest in the Middle East. US-Israel's war on Iran has significantly disrupted the shipment of the major crop nutrient through the Strait of Hormuz, which handles nearly one-third of global fertiliser trade.

State-run Bangladesh Chemical Industries Corporation (BCIC) floated two separate tenders on April 2, seeking quotations from international suppliers on or before April 16 to supply the input through Chittagong and Mongla ports.

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Bangladesh overtakes China in RMG export to US

REFAJET ULLAH MIRDHA

Bangladesh overtook China in garment exports to the United States during the January-February period of 2026, as China lost its top position amid the impact of American reciprocal tariffs, according to data from the Office of Textiles and Apparel (OTEXA) released yesterday.

China is now the third-largest garment exporter to the US, while Vietnam has become the top apparel exporter, with Bangladesh ranking second, the data showed.

In January-February, Bangladesh exported garments worth \$1.37 billion, down 8.53 percent compared with the same period last year.

Vietnam exported garments worth \$2.7 billion, up 2.88 percent year-on-year.

## Two-thirds of registered taxpayers skip return filing

### TAX COMPLIANCE CRISIS

#### KEY STATS

Over 64% of registered taxpayers failed to file returns (despite mandatory filing & 4 deadline extensions)

**Total TIN holders:** 1.28 crore

**Returns filed:** 46 lakh (up from 42.5 lakh last year)

**Online:** 42.97 lakh

**Paper:** 3.04 lakh

#### ROOT CAUSES

Weak enforcement & minimal penalties

Complex, frequently changing tax rules

A lack of willingness to pay amid eroding public trust

Low digital literacy & technical barriers

Large informal economy & poor accounting

Weak enforcement due to repeated extensions

#### GOVT RESPONSE

NBR plans year-round quarterly filing system from FY27:

**Q1:** incentives for early filing

**Q2:** standard rates

**Q3-Q4:** higher costs or surcharges

MD ASADUZ ZAMAN

More than 64 percent of registered taxpayers, including individuals and companies, did not file income tax returns for the fiscal year 2025-26, even after authorities extended the deadline four times.

Of nearly 1.28 crore Taxpayer Identification Number (TIN) holders, only around 46 lakh, including nearly 20,000 companies, submitted returns by March, up from 42.5 lakh last year, according to the National Board of Revenue (NBR).

Most filings for FY26, which is around 42.97 lakh, were made online, while 3.04 lakh were paper-based.

The weak response comes at a moment when the government urgently needs revenue to ease

mounting fiscal pressure. Tax compliance continues to pose a major challenge for Bangladesh, affecting revenue, administrative efficiency, and the broader tax system.

Despite reforms and efforts to widen the tax net, only about one-third of TIN holders submitted returns — a key document detailing income, expenses, and other financial information. The low filing rate contributes to one of the world's lowest tax-to-GDP ratios, even as the economy has grown over the past decade.

This shortfall comes as the government faces tighter fiscal space due to an increase in borrowing, higher social safety net spending, and surging energy costs caused by external shocks linked to the US-Israel war on Iran.

Low tax compliance restricts the government's investment in infrastructure, education, and healthcare. In the first eight months of the current fiscal year, total tax revenue, including VAT and customs duties, fell nearly 28 percent short of the Tk 554,000 crore target, though collections rose 12 percent year-on-year.

Meanwhile, external debt repayments rose, with \$2.9 billion paid in principal and interest in the July-February period of FY26, up from \$2.63 billion a year earlier.

### STRUCTURAL ISSUES DRIVE NON-COMPLIANCE

Prof Deen Islam, an economics teacher at Dhaka University, said low compliance reflects deeper structural problems rather than procedural gaps.

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## PM forms private sector business council

STAR BUSINESS REPORT

The government has formed the first nine-member Private Sector Advisory Council (PSAC) aimed at resolving challenges in business by removing bottlenecks.

The Bangladesh Investment Development Authority (Bida) initiated the council, which held its first meeting at the Prime Minister's Office in Dhaka, chaired by Prime Minister Tarique Rahman yesterday.

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