

5

Costs of Doing Business

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5.1 Typical Costs of Doing Business

The cost of doing business in Bangladesh is significantly competitive in comparison to other economies in the region. A summary of relevant costs of doing business is given below for the prospective investors.

a. Arrival and Getting Started

Business Startup Costs : Arrival

Cost Heads	Costs
Immigration & Visa	
<u>1. Pre-arranged Visa from Missions</u>	Varies by Country.
a. Single-entry for 3 months	
b. Single-entry for 6 months	
c. Multiple-entry for 6 months	Please contact
d. Multiple-entry for 1 year	Bangladesh Mission
e. Multiple-entry for 5 year	in your
f. Multiple-entry for Work period	Country/nearest
	Country
<u>2. Landing Permit / Visa on Arrival</u>	
a. Visa on Arrival for 30 days	

Business Startup Costs : Structuring

Cost Heads	in Taka	In US\$
Trade License		
<input type="checkbox"/> Securing Trade License	250-2,500	3.57-35.7
Incorporation with RJSC&F		
1. <input type="checkbox"/> Name Clearance (for each name search)	5.00	0.071
2. <input type="checkbox"/> Stamp Affixing with MOA	Stamp Value	Stamp Value
<input type="checkbox"/> - Authorized Capital of any amount	500	7.14
3. <input type="checkbox"/> Stamp Affixing with AOA	Stamp Value	Stamp Value
<input type="checkbox"/> - Authorized Capital upto Tk. 1,000,000	1,500	21.42
<input type="checkbox"/> - Authorized Capital upto Tk. 30,000,000	4,000	57.14
<input type="checkbox"/> - Authorized Capital above Tk. 30,000,000	10,000	142.85

Note : Exchange Rate US\$ 1 = BDT 70 Tk.



Business Startup Costs : contiued		
Cost Heads	in Taka	In US\$
4. Registration Fees based on Capital Limit	<u>Fee</u>	<u>Fee</u>
- Authorized Capital: upto Tk. 20,000	120	1.70
- Authorized Capital: upto Tk. 50,000	120+ @ 60 for each 10,000 above 20,000	1.70+@ 0.85 for each 142 above 284
- Authorized Capital: upto Tk. 1,000,000	300+ @ 15 for each 10,000 above 50,000	4.28+@ 0.21 for each 142 above 714
- Authorized Capital: upto Tk. 5,000,000	1,725+ @ 8 for every 10,000 above 1,000,000	24.6+@0.11 for every 142 above 14285.71
- Authorized Capital: above Tk. 5,000,000	4,925+ @ 15 for every 100,000	70.35+@0.21 for every 1428.57

b. Industrial Land and Factory Building

Registered industrial projects are eligible to obtain land from the government. Price of land in most of the industrial estates/areas is relatively lower than the market rate. These estates are developed with necessary infrastructure and utility facilities such as electricity, gas, water, sewerage etc. Industrial plots are allotted by BEPZA and BSCIC in industrial areas developed by them. Plots in other industrial estates/areas, owned by the government or owned/controlled by any local authority, are allotted on the recommendation of BOI.

Quality construction materials including civil, structural and architectural design and labor force are locally available in every part of the country. Moreover, international construction firms are also present in the country.

Fully serviced Industrial plots and standard factory buildings are offered by Bangladesh Export Processing Zones Authority (BEPZA) as per rate stated below:

Industrial Land & Factory Building			
Cost Heads	Unit	In Taka	In US\$
Land in EPZs (30 years renewable lease)			
a. Dhaka, Chittagong, Comilla, Adamjee & Karnaphuli	Sq.m/year	140	2.00
b. Mongla, Ishwardi, Uttara	Sq.m/year	70	1.00
Standard Factory Building Rental			
a. EPZs : Dhaka, Chittagong, Comilla, Adamjee & Karnaphuli	Sq.m/month	145	2.5
b. EPZs : Mongla, Ishwardi, Uttara	Sq.m/month	72	1.25
c. Average Construction Cost	Sq.m	5,790-7,238	86.98-108.73



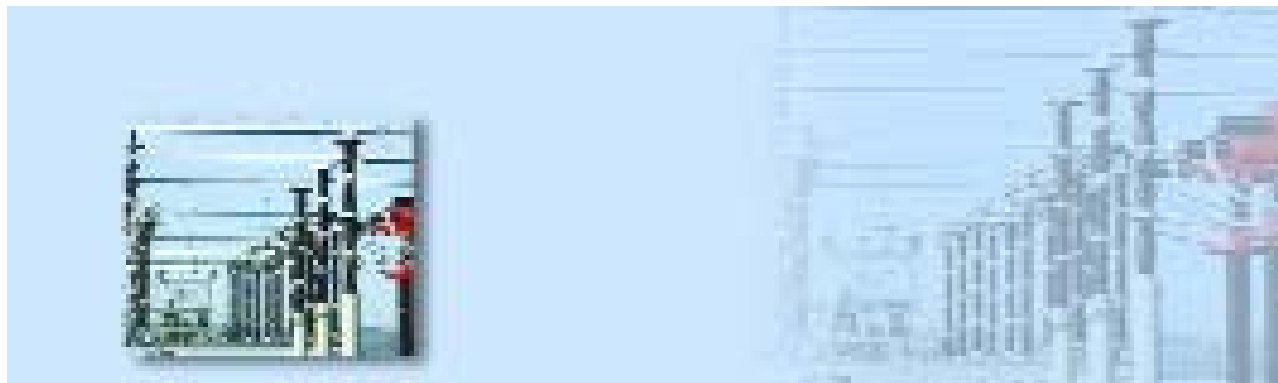
c. Business Setup

Following is a list of costs incurred in various kinds of registration and license.

Business Setting Up Costs		
Cost Heads	in Taka	in US\$
BOI Registration		
<u>1. Registration Fees based on Project Cost</u>		
Project Cost: upto Tk. 100,000,000	<u>Fee</u>	<u>Fee</u>
Project Cost: upto Tk. 250,000,000	5,000	71
Project Cost: upto Tk. 500,000,000	10,000	142
Project Cost: upto Tk. 1,000,000,000	25,000	357
Project Cost: above Tk. 1,000,000,000	50,000	714.28
Project Cost: above Tk. 1,000,000,000	100,000	1428.57
<u>2. Updating the changes in Registration Info</u>		
	1,000	14.28
Work Permit		
<u>1. For Private Sector (permit given by BOI)</u>		
Work Permit Fee per Person (Industry) New	<u>Fee</u>	<u>Fee</u>
Work Permitted fee per Person (Branch/Liason Office) New	5,000	71.42
Extension	3,000	45
	1,000	15
DOE Clearance / Renewal		
<u>1. Fees based on Project Cost</u>		
Project Cost : upto Tk. 1,000,000	<u>Fee</u>	<u>Fee</u>
Project Cost : upto Tk. 10,000,000	300	4.28
Project Cost : upto Tk. 500,000,000	3,000	42.85
Project Cost : above Tk. 500,000,000	5,000	71.42
	10,000	142.85
Registration with CIFE		
<u>1. Fees based on No. of Factory Workers</u>		
Worker Nos. : 10 - 300	<u>Fee</u>	<u>Fee</u>
Worker Nos. : 301 - 1,000	80 - 800	1.14-11.4
Worker Nos. : Above 1,000	1,400 - 2,000	20-28.57
	2,400	34
VAT Registration with NBR		
<u>1. Registration Fees</u>		<u>No Fee</u>
		<u>Required</u>

d. Utilities: Electricity, Gas, Water, Sewerage

Electricity: Bangladesh Power Development Board (BPDB) is the responsible agency for generation, transmission and distribution of electricity in Bangladesh.



Power is generated in hydro, steam, gas turbine and diesel power plants, All the generating stations are interconnected through a national grid. The Dhaka Electric Supply Authority (DESA) started operation to maintain uninterrupted supply of electricity in the capital city. The industrial consumption rate of electricity varies from Tk. 3.30 to Tk. 5.75 per kW (US\$ 0.05 to 0.10) depending on the size of the industries, load capacity and peak & off-peak hour consumption. However, captive power generation is also allowed for private sector enterprise.

Gas: Natural gas supply is available in major industrial areas of Dhaka and Chittagong Division. Gas tariff for industrial consumption is Tk. 5.07 (US\$ 0.09) per cubic meter including supplementary duty and VAT.

Water and Sewerage : Water is supplied by the Water Supply and Sewerage Authority (WASA) in metropolitan areas of Dhaka and Chittagong. In other municipal areas, local municipalities are provides the service. Dhaka WASA supplies fresh water to the city consumers at the following rate :

- Residential / Domestic : Tk 5.15 (US\$ 0.074) / 1000 litter
- Commercial / Industrial : Tk 19.48 (US\$ 0.34) / 1000 litter

Sewerage bill is equal to water bill for those who has sewerage connection. The consumer who does not have a sewerage connection but there is sewerage main line within 100 ft distance from the respective premise, he has to pay an amount of 10.02% to municipal valuation annually as sewerage bill.

Utility Costs		
Cost Heads	in Taka	in US\$
Electricity		
<i>(Providers: BPDB, DESA, DESCO, REB)</i>		
1. BPDB, DESA & DESCO		
<i>Temporary Connection</i>		
a. Application Form	No	No
b. Connectivity Fee & Tariff	As may be determined	As may be determined
<i>Permanent Connection</i>		
a. Application Fee	15-250	0.21-3.57
b. Security Deposit (per kW load 220-440)	375-550-600	5.35-8.57
c. Instruments, Transformers, Service Line Drawing, Bay Extension, Installation etc. <i>(In DESA, 'Item c' except Bay Extension, is Fixed At Ttk-ht)</i>	As per Rate 5000-55,000	As per Rate 71.4-785.71
d. Tariff per Unit (excluding VAT and SD)		
- Pump used in Agriculture	1.84	0.026
- Small Enterprise (as on usage time)		
Flat	4.02	0.057



Cost Heads	in Taka	in US\$
Off Peak	3.20	0.045
Peak	5.62	0.080
- Commercial (as on usage time)		
Flat	5.30	0.075
Off Peak	3.80	0.054
Peak	8.20	0.117
- Class F : Medium Pressure (11 KV)		
Flat	3.80	0.054
Off Peak	3.13	0.044
Peak	6.73	0.096
- Class G1 :Very High Pressure DESA (132 KV)	2.22	0.031
- Class G2 :Very High Pressure General Use (132 KV) / Flat	2.75	0.039
2. REB		
<i>Provisional Connection for Construction period only</i>		
a. Application Form	No	No
b. Security Advance	As per Rules of	As per Rules of
c. Transformer Supply Charges	PBS	PBS
- Advance Installation & removal		
For Single Phase	1,500	21.42
For Three Phase	3,000	42.85
- Monthly Rental		
For Single Phase	500	7.14
For Three Phase	1,000 or 30/KVA whichever is higher	14.28 or 0.42/KVA whichever is higher
a. Application Deposit (non refundable)	1,000	14.28
b. Capacity Retention Charge for entire period (06 months - 02 years)	2.50 per KVA/month, but min. 250 As per Rules of PBS	0.035 per KVA/month, but min. 3.57 As per Rules of PBS



Cost Heads	in Taka	in US\$
Gas		
(Providers: TGTDCI, BGSL, JGTDSL)		
1. TGTDCI		
a. Application Form (Domestic, Industrial, Commercial)	100-300	1.42-4.28
b. Demand Note	As actual expenditure	As actual expenditure
c. Tariff (including VAT and SD) (per cubic meter)		
- Industrial	5.23	0.074
- Tea Garden	5.23	0.074
- Captive Power Generation	3.73	0.053
- Fertilizer	2.24	0.032
- Power	2.61	0.037
- Commercial	8.23	0.117
- Household	4.59	0.065
- Feed gas for CNG	2.47	0.035
Water (WASA)		
1. Piped Water		
a. Application Form	100	1.42
b. Connectivity		
<i>For Size of Connection: 0.75 Inch Dia</i>		
- Connection Fee	500	7.14
- Meter Cost with Installation Fee	2780	39.71
- Other Charges	As may be determined	As may be determined
<i>For Size of Connection: 1 Inch Dia</i>		
- Connection Fee	1500	21.42
- Meter Cost with Installation Fee	4500	64.28
- Other Charges	As may be determined	As may be determined
<i>For Size of Connection: 1.5 - 2 Inches Dia</i>		
- Connection Fee	3,500	50
- Meter Cost with Installation Fee	17000	242.85
- Other Charges	As may be determined	As may be determined
c. Water Tariff		
<i>During Construction Period</i>		
	Domestic/Residential	Commercial/Industrial
	In taka	in US\$
- 0.75 Inch Dia (per month)	662	9.45
- 1.00 Inch Dia (per month)	1134	16.20
- 1.50 Inches Dia (per month)	2268	32.40
- 2.00 Inches Dia (per month)	4725	67.50
	In taka	in US\$
- 0.75 Inch Dia (per month)	1902	27.17
- 1.00 Inch Dia (per month)	3416	48.80
- 1.50 Inches Dia (per month)	6830	97.57
- 2.00 Inches Dia (per month)	14230	203.28



Cost Heads	in Taka		in US\$	
<i>Post Construction Operation Period</i>				
- Commercial/Industrial (per 1000 liter)	17.50		0.25	
- Residential / Domestic (per 1000 liter)	5.25		0.075	
2. Deep Tube Well (DTW) max.6 Inch Dia				
a. Application Form	100		1.42	
b. Permission Fee (annual)				
	Domestic/Residential		Commercial/Industrial	
	In taka	in US\$	In taka	in US\$
- 2 & 3 Inch Dia	80,000	1,142.85	1,50,000	2,142.85
- 4 Inch Dia	1,40,000	2,000	3,00,000	4285.71
- 6 Inch Dia	2,20,000	3,142.85	3,50,000	5,000
c. Meter Charge (annual)			In taka	in US\$
- 2 & 3 Inch Dia			6,945	99.21
- 4 Inch Dia			63,384	905.48
- 6 Inch Dia			1,07,070	1,529.57
d. Renewal Fee (annual)				
<i>Renewal Application deadline:</i>	Domestic/Residential		Commercial/Industrial	
<i>15 February</i>	In taka	in US\$	In taka	in US\$
- 2 & 3 Inch Dia	50,000	714.28	75,000	1,071.42
- 4 Inch Dia	1,00,000	1,428.57	1,50,000	2,142.85
- 6 Inch Dia	1,20,000	1,714.28	2,20,000	3,142.85
Sewerage (WASA)				
1. Application Form	100		1.42	
2. Connectivity				
a. 4 Inch Dia	400		5.71	
b. 6 Inch Dia	1000		14.28	
c. 8 & 9 Inch Dia	5000		71.42	
3. Sewerage Tariff				
a. Have both Water & Sewer Connection	Same as Water.		Same as Water.	
b. Have No Sewerage Connection, but lying within 100 ft of the Sewer Line.	10.02% of annual valuation*		10.02% of annual valuation*	
c. Have Sewerage, but no Water Connection	27.80% of annual valuation		27.80% of annual valuation	
* annual valuation of the holding per year. But, not exceed Water Tariff.				

Source: BPDB, DESA, REB and WASA.



e. Telecommunication:

Comprehensive telecommunication service such as fully automatic telex, fax, e-mail, internet, telephone including international direct dialing are available with important countries of the world.

Telecommunication Costs

Cost Heads	in Taka	in US\$
Telephone		
a. Installation and Security		
- Dhaka, Chittagong and Other Divisions	6,000	85.71
- Districts (existing)	5,000	71.42
- Upazilas (existing)	4,000	57.14
2. Tariff Rate		
- ISD	Please visit	
- Economy ISD	www.bttb.gov.bd	
- NWD		
- Local		
1. Connectivity with Standard Set		
a. Mobile to Mobile	1,399 - 5,000	19.98-71.42
b. Regular with Fixed Line Access	3,500 - 5,000	50-71.42
For details visit www.grameenphone.com ; www.teletalk.com ; www.citycell.com ; www.aktel.com ; www.banglalink.com ; www.ispab.org		
Internet & Broadband		
1. Dial Up Connection		
a. Connection Fee	300	4.28
b. Connectivity Rate per minute	0.20 - 0.40	0.002-0.004
2. Broadband (available in selected areas)		
a. Connection Fee (depends on bandwidth)	10,000-20,000	142.85-285.71

Source : BTTB. Also visit www.bttb.gov.bd and other Cell phone companies & ISPs



f. Human Resources

The government is committed to provide fair wages to all level of industrial workers. Wages may be fixed through collective bargaining process. In case of inadequacy of the collective bargaining procedure, wages, would, however, be fixed by the Minimum Wages Board. Due emphasis is given so that the interests of the management and the workers are properly safeguarded.

Human Resources			
Cost Heads	Salary	Benefits	Total
Executive Salary & Benefits	in US\$	in US\$	in US\$
a. Senior Management	1,000-2,000	500-1,000	1,500-3,000
b. Mid-level Executives	400-600	200-300	600-900
c. Entry-level Executives	200-400	100-200	300-600
Non-Executive Salary & Benefits	in US\$	in US\$	in US\$
a. Skilled Workers	50-70	25-30	75-100
b. Semiskilled Workers	40-55	20-25	60-80
d. Unskilled Workers	30-40	20-25	50-65

Note : According to Labour Act 2006, Minimum Gross Monthly Labour Wage 1662.50 Tk.

g. Transportation

Road Transport: Bangladesh has about 40,344 km of paved roads. Ports and important business centers are well connected by roads and highways.

Bangladesh Land Port Authority was established under Ministry of Water Transportation to make easy and smooth transportation of merchandise through land ports. Only Benapole land Port is handled by government among thirteen land ports. In 2005-06 FY, Land port authority earned 67.78 crore taka, while its expenditure was 43.99 taka.

Railway: Bangladesh Railway has a network of about 2,854.96 km connecting all the administrative and business points of the country. Railway container service from Chittagong Port to Dhaka is available.

Airway: Bangladesh is connected with important major cities of the world by air. Many of the world's reputed airlines have their air link with ZIA International Airport, Dhaka, Shah Amanat International Airport, Chittagong and Osmani International Airport, Sylhet.



Marine Transportation: Bangladesh has two sea-ports Chittagong & Mongla. World's reputed shipping lines are operating through these two ports.

Transportation

Cost Heads	20 ft Container	40 ft Container
Ocean Freights to Int'l Destinations	In US\$	In US\$
Major European Ports	900	1,800
USA - East Coast (NY)	2,000	3,000
USA - West Coast (LA)	1,900	2,550
Canada (Toronto / Montreal)	2,700	3,700
Australia (Melbourne)	800	1,600
New Zealand (Auckland)	1,250	2,400
Hong Kong	500	900
UAE (Dubai)	800	1,600
Express Mail Service	in Taka	in US\$
(depending on destinations)		
Weight : 20 gm	200 - 655	3.00-9.84
Weight : 01 kg	435 - 990	6.35-14.87
Weight : 02 kg	590 - 1,395	8.86-20.9
Weight : 10 kg	1710-5200	25.68-78.11



h. Living Costs

Living in Bangladesh is highly affordable and pleasant. Following are the major living expenses in Dhaka Metropolis:

Accommodation Costs		
Cost Heads	in Taka	in US\$
Accommodation: Apartment Rental/month		
- 2-3 Bedroom Unfurnished Flats	25,000 - 60,000	257.14-857.14
- 3-4 Bedroom Unfurnished Flats	40,000 - 85,000	571.42-1214.28
Domestic Help / Maid Services		
- Full time Living Maid	4,000-5,000	57.14-71.42
- Car Driver	6,000 - 8,000	85.71-114.28
Hotel Rental: Single Room		
- Deluxe Room (5 Star)	-	170 - 260
- Executive Suite (5 Star)	-	330 - 460
- Standard (3 Star)	-	70 - 100
- Guest House	-	40 - 80
Car Retail Prices		
- Low Price Cars (900-1299cc)	600,000-700,000	8571-10000
- Compact Cars (1300-1799cc)	1,200,000-1,800,000	17142-25714
- Family Cars (2500cc upwards)	2,500,000-5,000,000	35714-71428
Petrol & Gas		
- Unleaded Petrol	65.00 /liter	0.9 / liter
- Octane	67.00 /liter	0.95 /liter
- CNG	8.50/m ³ (vol)	0.121 /c.ft
Car Operating Expenses		
- Annual Road Tax	4,845	69.21
- Annual Insurance Premiums	40,000 - 85,000	571-1214
Eating Out (one person)		
- Buffet Lunch/Dinner Per person	250 - 500	3.57-7.14
- 3-Course Dinner at Top Restaurant	3,000 - 5,000	42.85-71.42
- Simple Meal at 5-Star Coffee Shop	1,000 - 1,500	14.28-21.42
Health Services (one person : First visit)		
- To call on a General Practitioner	100 - 200	1.42-2.85
- Specialist (Asstt. Professor & Professor)	400 - 700	5.71-10
- Expatriate Specialist	1,500 - 2,000	21.42-28.57



5.2 Taxation in Bangladesh

Corporate tax rate for industrial companies whose shares are publicly traded is 30% and the rate of whose shares are not publicly traded is 37.5%.

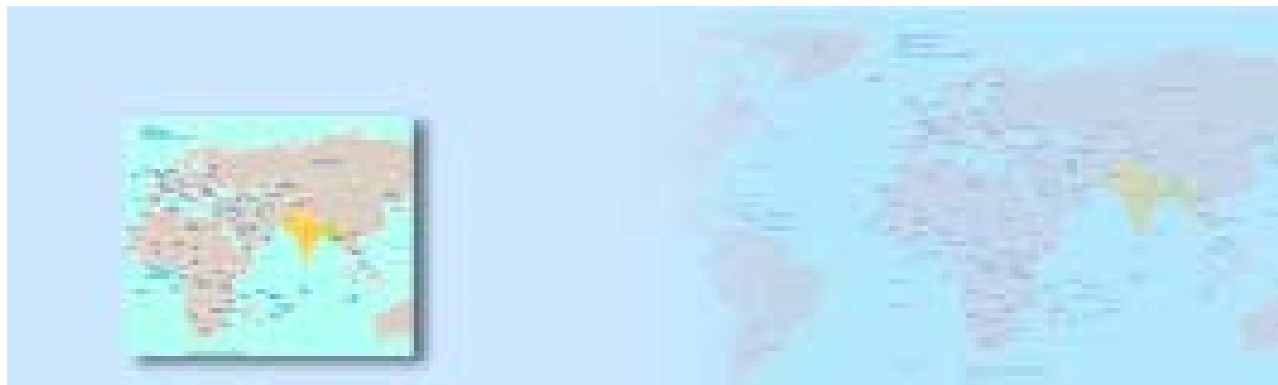
- a. Tax rate on other companies: Tax rate on income of all other companies including banks, financial institutions, insurance companies and local authorities ranges from 37.5% to 45%.
- b. Investment requirement by companies enjoying tax holiday: Companies enjoying tax holiday are required to invest 30% of their exempted income within two years from the end of the tax exemption period in the said undertaking or in new industrial undertaking or in stocks and shares of a public company or in government bonds or securities.
- c. Acceptance of returns of public limited companies : Returns filed by the public limited companies shall be accepted if it is accompanied by audited accounts and certified by a chartered accountant as to the correctness of the total income of the assessee.
- d. Salary of foreign technician : Salary received by or due to a foreign technician under contract of service approved by the NBR is fully exempted from paying tax (subject to prescribed conditions and limitations) for a period of 3 years from the date of his arrival in Bangladesh.
- e. Tax payable by the employer on remuneration of foreign technician: Expenditure incurred by an employer in respect of remuneration of the foreign technician is fully exempted from income tax (subject to the stipulated conditions).
- f. Remuneration of foreign technicians employed by the consulting and engineering firms : Expenditure incurred as remuneration payable to a foreign technician by a Bangladesh firm carrying on the business of consulting and engineering is fully exempted from tax (subject to prescribed conditions and limitations).



Taxation (Fiscal year 2005-06)

Cost Heads	Rate
Personal Income (of total Income)	
1. On the first Tk. 120,000	Nil
2. On the next Tk. 200,000	10%
3. On the next Tk. 250,000	15%
4. On the next Tk. 350,000	20%
5. On the balance	25%
Minimum Tax (of total Income)	
1. For All Individual Category	(Normal) Tk. 1,800 (self) Tk. 3,600
2. For Spot Assessment	Tk. 2,400
Corporate Tax	
1. For Public Listed Companies (except Bank, Insurance, Leasing & Other Financial Institutes)	30%
2. For Other Companies (except Bank, Insurance, Leasing & Other Financial Institutes)	37.5%
3. For Bank, Insurance, Leasing & Other Financial Institutes	45%
4. For Branch Companies, on repatriable profit	15%
5. For Hospital under company law, Computer Software Business by Bangladeshi Fish farm, Poultry farm and Dairy farm (upto 30th June 2008)	Exempted
Capital Gain Tax	
For all type of Companies regardless of the retention period of assets	15%
Tax Abatement	
Any listed company declares dividend @ 20%, or higher, will get Tax Abatement @ 10%.	

Source : National Board of Revenue, Bangladesh



5.3 Customs Tarrif

For the updated customs tariff rate, please visit our official website www.boi.gov.bd or the official website of National Board of Revenue www.nbr-bd.org.

5.4 Comparative Costs

Comparative cost structure of doing business in the similar cities of competing economies like Dhaka, Bangkok, Colombo, Hanoi, Jakarta, Karachi, Kuala Lumpur, Manila, New Delhi, Seoul, Shanghai and Yangoon have also been presented. This would enable investors to easily compare the costs of contending investment destinations and facilitate undertaking decisions.



Sl	Main Heads	Subheads	Unit	Dhaka	Bangkok	Colombo	Ho Chi Minh City	Karachi	Jakarta	Kuala Lumpur	Manila	New Delhi	Seoul	Shanghai	Yangon
1	Wage	Worker	Person/month	33-58	146	69-100	111-185	118-228	131	205	182	105-239	1216-1741	172-301	17-33
2		Engineer	Person/month	107-198	316	138-210	249-373	216-739	270	790	279	303-498	1744-2208	334-593	28-89
3		Mid-Level Manager	Person/month	305-533	584	333-503	572-1054	557-1256	618	1643	649	737-1219	2215-2612	772-1521	56-222
4		Legal Minimum Wage	Person/month	22-63	4.40/day	36.33/Month	-	5016/month	71.40/month	-	4.85/day	-	-	85.51/month	-
5		Bonus	Person/year	BW x 1mm	BW x 2.6mm	BW x 1.39mm	-	BW x 4-7mm	BW x 2.5mm	BW x 1.8mm	BW x 1mm	BW x 0-2mm	BW x 6.8 Months	BW x 1-3mm	BW x 0-3mm
6		Nominal Wage Increase Rate	% (2002-03-04)	10%	1.1-1.9-3.7	7.4-7.0-2.3	no official data	1.8-1.2-14.3	-	Example 1: 4.0-5.9 New Delhi: 6.9-5.9-3.3	10.3-0-3.6	-	11.2-6.0-5.5-2.8	9.6-13.8-10.1	No official Data
7	Land Prices,	Industrial Land Purchase Price	per sq.m	182,09-227,62	58.71	12.36	-	8.26	35-40	5.3-10.6	45-50	76.74	212	25-30	-
8	Office Rents,	Industrial Land Rent	sq.m/month	0.08-0.17	4.66	0.87	0.16	0.009	3.60-4.10	-	1.00	-	0.03	1.00	0.33
9	etc.	Office Rent	sq.m/month	2.13-9.92	11.67	8.72	23	8.36-22.30	22-26	9.96-14.21	7.4	18.88-35.40	46.9	28.35	15.00
10		Housing Rent for Foreigners	unit/month	609-1523	1581	982-2465	2200	586-5017	1800-2500	924-1056	1726	1535-3289	1927	3400-3500	1600-2400
11	Telecom	Telephone Installation Fee	per telephone	152.25	81.41	193.94	37.82	25.96	45.14	48.85-161.08	36.58-64.04	10.96	57.8	16.1-37.2	1500
12	Expenses	Basic Telephone Charge	per telephone	2.63	0.04-0.22	0-0.03	0.003-0.008	0.007	0.01	0.01	0.09-0.25	0.02-0.03	0.01	0.02-0.03	0.15
13		Mobile Phone Subscription Fee	per mobile	150.65-279.31	Nil	24.55	12.61	105.77	6.52	42.25	Nil	32.89-175.40	52.99	Nil	2200
14		Mobile Phone Basic Dialing Fee	call per minute	0.04-0.07	0.05	0.09	0.09	0.01	0.09	0.04	0.11-0.12	0.03-0.06	0.12	0.06	0.30
15		Internet Connection Fee (Telephone)	initial contract fee	88.96	12.15	19.64	47.28	60.20	5.02	43.04	Nil	21.93	38.5	Nil	230
16		Internet Connection Fee (Broadband)	per connection	342.96	-	-	-	-	-	-	-	-	-	-	-
17	Public Utilities	Electricity Rate for Business Use	per kWh	0.02-0.08	0.041-0.042	0.07	0.05-0.06	0.09	0.04	0.05	6.93	0.09	0.05	0.04-0.11	0.08
18		Electricity Rate for General Use	per kWh	0.04-0.08	0.04-0.07	0.03-0.16	0.03-0.08	0.12	0.06	0.06-0.07	0.10	0.03-0.08	0.06	0.07	0.08
19		Water Rate for Business Use	per cum	0.36	0.024-0.51	0.41	0.28	1.85/1000gallon	0.98	0.48	0.42-0.47	0.49-1.64	0.01	0.15	0.88
20		Water Rate for General Use	per cum	0.11	0.19-0.36	0.01-0.49	0.18-0.47	9.87/1000gallon	0.75	0.15	0.13-0.39	0.33	0.31	0.13	0.44
21		Gas Rate for Business Use	per cum	0.03-0.13	0.36	0.76kg	0.79	5.53/million BTU	4.3/million BTU	0.13	0.73	0.07HBU	0.04	0.25-0.32	1.00/kg
22		Gas Rate for General Use	per cum	0.07	0.41	0.87kg	0.87-0.92	5.49/million BTU	0.15	0.20	0.79-0.83/kg	0.46kg	0.49	0.13	1.00/kg
23	Automobiles	Passenger Car Purchase Price	per Sedan 1500cc	-	-	-	-	-	-	-	-	-	-	-	-
24		Large Passenger Car Purchase Price	per Sedan 1500cc+	-	-	-	-	-	-	-	-	-	-	-	-
25		Regular Gasoline Price	per liter	0.69	0.61	0.79	0.60	0.94	0.45	0.43	0.66-0.68	0.95	1.41	0.57%	0.37%
26	Taxation	Corporate Income Tax (basic tax rate)	%	37.5%	30%	32.5%	28%	37%	28% 0.5% for 100% 10% for 100-300% 15% for 300-500%	28%	35%	33.66%	under 10 million usd. 15% over 10 million usd. 25%	33%	40%
27		Personal Income Tax (highest tax rate)	%	25%	37%	30%	40%	0-95% per Five% 35%	35%	28%	32%	33.66%	35%	45%	15-40%
28		Value-Added Tax (standard rate)	%	15%	7%	15%	0%-5%, 10%	15%	10%	5-25%	10%	12.5%	10%	17%	0-30%

Note: BW = Basic Wage. All figures represent average or average range only for standard cases. For specific information on costs, please contact relevant authorities in the respective cities areas.
Source : 16th Survey of Investment-Related Cost Comparison in the Major Cities and Regions in Asia, IJETRO, March 2016



Comprehensive information on industrial sectors significantly assists the investors to match their strengths and choose most competitive sectors for investment. This Chapter would allow the investor to have a glimpse over:

- the competitive and priority sectors in Bangladesh
- existing structure and profile of the sectors and
- Long term industry outlook and government's strategic moves.