WINNERS OF SUPERBRANDS BANGLADESH 2023-24

BRAND NAME	CATEGORY NAME	BRAND NAME	CATEGORY NAME
ACI PURE SALT	Salt	HATIL FURNITURE	Furniture
ABUL KHAIR STEEL	Steel	HSBC BANGLADESH	Banking institution
AKIJ CERAMICS	Ceramic tiles	IGLOO ICE CREAM	Ice cream
BASHUNDHARA DIAPANT	Baby products (diaper)	INCEPTA PHARMACEUTICALS LTD	Pharmaceuticals
BASHUNDHARA LP GAS LTD	LPG	MATADOR GROUP	Stationery
BASHUNDHARA PAPER	Paper	MEGHNA GROUP OF INDUSTRIES	Group of companies
BASHUNDHARA TISSUE	Tissue paper	METLIFE	Life insurance
BRB CABLE INDUSTRIES LTD	Cable	MONNO CERAMIC	Tableware
CHANNEL I	Television channel	RUPCHANDA	Edible oil
COW BRAND COLOUR COATED STEEL	Flat steel	SAMSUNG MOBILE	Mobile phone
DARAZ BANGLADESH LTD	E-commerce	SAMSUNG TELEVISION	Television
DBL GROUP	RMG (large)	SHAH CEMENT	Cement
ELITE PAINT	Paints	SHANTA HOLDINGS LTD	Real estate
ENERGYPAC POWER GENERATION LTD	Private sector power generation company	SHWAPNO	Superstore
EPYLLION GROUP	RMG (knitwear)	SINGER WASHING MACHINES	Washing machine
FRESH REFINED SUGAR	Sugar	SMC CONDOMS	Condoms
FRIENDSHIP	NGO	SUPER BOARD	Particle board
GAZI PUMPS & MOTORS	Water pump	SUPER FRESH DRINKING WATER	Mineral drinking water
GREE AIR CONDITIONERS	Air conditioner	THE DAILY STAR	Newspaper
GREEN DELTA INSURANCE COMPANY LTD	Insurance company	WALTON	Electronics & home appliances

Superbrands Bangladesh honours 40 brands

STAR BUSINESS REPORT

Superbrands Bangladesh has honoured 40 organisations from diverse industries, including The Daily Star in the newspaper category, as the most prestigious and valuable brands in the country for 2023-24.

The brands include ACI Pure Salt, Abul Khair Steel, Akij Ceramics, Bashundhara Diapant, Bashundhara LP Gas, Bashundhara Tissue, BRB Cable Industries, Channel I, Cow Brand Colour Coated Steel, Daraz Bangladesh, DBL Group, Elite Paint, Energypac Power Generation, Epyllion Group, Fresh Refined Sugar, Friendship Bangladesh, Gazi Pumps, Gree Air Conditioners, Green Delta Insurance, Hatil Furniture, Igloo Ice Cream, Incepta Pharmaceuticals, Matador Group, and Meghna Group of Industries.

Metlife Insurance, Monno Ceramic, Rupchanda, Samsung Mobile, Samsung Television, Shah Cement, Shanta Holdings, Shwapno, Singer Washing Machines, SMC Condoms, Super Board, Super Fresh Drinking Water and Walton were also named.

The brands are selected through a process that involves independent and voluntary panels of experts from a range of backgrounds, known as the "Brand Council"

Bangladesh Brand Forum revealed the names on Saturday through a ceremony in Sheraton Dhaka.

Superbrands is a global arbiter for brands, which operates in 90 countries around the world.

The brands are selected through a process that involves independent and voluntary panels of experts from a range of backgrounds, known as the "Brand Council".

The Superbrands have been picked maintaining global practice, said Ashraf Bin Taj, managing director of International Distributions Company Bangladesh (Pvt) and general secretary of Asia Marketing Federation.

The process goes through different phases to bring out only the top brands in different segments, he said.

The global practice considers brand heritage, brand relevance in category, perceived quality, perceived performance and top of mind awareness.

The highest-scoring brands then get an invitation to avail the Superbrands status. The ones accepting the invitation and fulfilling other requirements are finally recognised as Superbrands of the country, he said.

Shariful Islam, managing director of Superbrands Bangladesh, said a quality brand delivering both from its product and services point of view both in a tangible and intangible way over a period of time builds trust.

A trust that is built over a continuous period of time builds a Superbrand, he said.

Efficacy of tax exemptions should be analysed

Says NBR chief

STAR BUSINESS REPORT

The effectiveness of the tax exemptions needs to be analysed in order to find their usefulness, said Abu Hena Md Rahmatul Muneem, chairman of the National Board of Revenue (NBR) yesterday.

He was speaking at a pre-budget discussion with the Economic Reporters Forum (ERF) at the NBR premises in the capital's Agargaon.

His comments came after the ERF called for an assessment of the tax exemptions provided by the government, outlining the benefits they bring to the economy.

"This will help see the rationality of the exemptions and take corrective measures, if necessary," said ERF President Refayet Ullah Mirdha while placing the budget proposals for the fiscal year of 2023-24 on behalf of the country's largest platform for financial journalists.

Muneem said large industries should give space to small ventures in a bid to support the growth of small and medium enterprises in Bangladesh.

"Large businesses should come with investment in heavy industries and the manufacturing sector while small sectors such as making puffed rice and spice grinding could be left for SMEs."

The Companies Act could be amended to this end, he said.

The ERF said the advance tax refund system has to be strengthened. "If people get refunds quickly it would widen the tax payment tendency among people."

Replying, Muneem said it is a cumbersome process to issue a refund of the taxes once it is deposited to the public exchequer. "The NBR is working to expedite the process."

The ERF suggested raising the tax-free income limit to Tk 5 lakh to provide some relief to people going through a cost-of-living crisis.

It also called for expanding the tax net and ensuring tax compliance through automation instead of raising tax rates since the government would have to generate more revenues to elevate the country's tax-to-GDP ratio by 0.5 percentage points in the next fiscal year and by another 0.5 percentage points and 0.7 percentage points in the following two years.

NBR Member Sams Uddin Ahmed said the tax net is expanding fast and the number of tax return filing might reach 3.5 million thanks to the intensified effort of the tax authority.

The ERF called for beefing up monitoring so that foreigners can't work in Bangladesh illegally after arriving on a tourist visa.

It said bonded warehouse facilities, which have been extended to the garment sector, should be expanded to other export-oriented industries.

Investments aimed at green industrialisation have to be promoted while the wealth surcharge has to be increased from the current level, according to the association.

Abul Kashem, general secretary of the ERF, was present.

Zahara Rasul

Meghna Bank gets new director

STAR BUSINESS DESK

Meghna Bank has recently elected a new member for its board of directors.

Dr Zahara Rasul, is a practising doctor at Stouffville Medical Centre in Toronto and a director of Navana Pharmaceuticals, said a press release.

She was selected for Ontario International Medical Graduates Programme in 2003-2004 and completed her postgraduate training in family and community medicine at Sunnybrook Health Sciences Centre at the University of Toronto in 2006.

Rasul obtained her Bachelor of Medicine and Bachelor of Surgery from the faculty of medicine of the University of Chittagong in 2000.

Widen tax gap

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Corporate governance will increase as well, he added.

At the discussion, the Chittagong Stock Exchange urged the NBR to lift the tax on dividends, saying that it becomes double taxation as a company pays tax on its income before giving dividends to shareholders.

It also said the tax on dividend income may be considered as final tax liability.

Meanwhile, the Bangladesh Association of Banks (BAB) wanted the NBR to cut corporate tax to increase the capacity of banks and support credit growth.

In its proposal, the BAB also appealed the tax authority to consider 1 per cent loan loss provisioning as allowable expenditure.

In a separate proposal, the Bangladesh Insurance Association (BIA) demanded removal of 5 per cent gain tax on the earnings of life insurance policyholders.

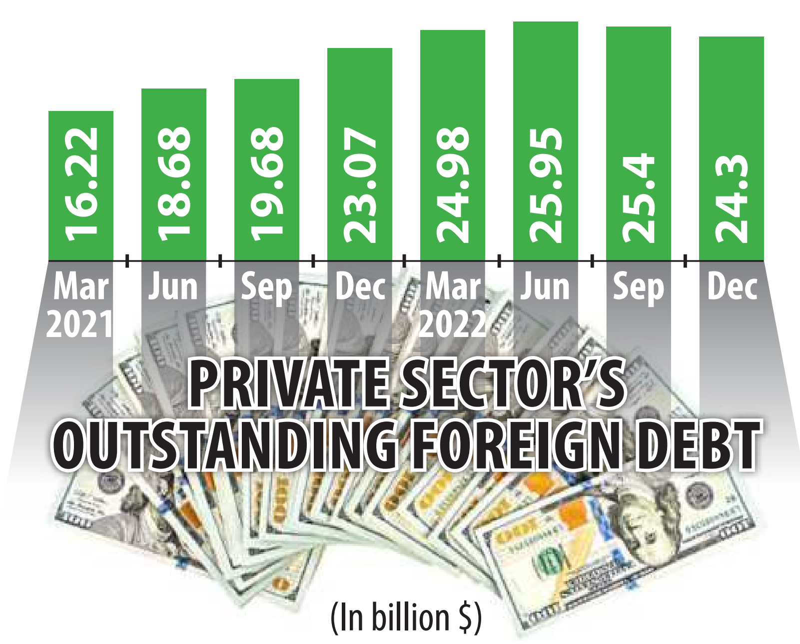
As a result of the tax, the number of life insurance policyholders is declining, the BIA said in its proposal for fiscal year 2023-24.

The gain tax should be removed on small policyholders, he added.

To encourage health insurance, the trade body of insurers also urged the NBR to exempt the 15 per cent value added tax on health insurance premiums.

NBR Chairman Muneem said domestic revenue collection has to be increased to attain self-reliance in financing the country's expenditure.

"We will not have to beg for help from others once we are self-reliant. So, there is no alternative to increasing revenue collection," he added.



SOURCE: BANGLADESH BANK

Midland Bank receives security standard certification

STAR BUSINESS DESK

Midland Bank yesterday received a PCI DSS certification for adopting and applying mandatory controls to ensure data security for customers.

The Payment Card Industry Data Security Standard (PCI DSS) is a payment card security standard to safeguard cardholders against fraud and abuse of private and personal information, says a press release.

The standards are designed and mandated by the PCI Security Standards Council whose founding members are VISA, MasterCard, American Express, Discover Financial Services and JCB International.

Md Ahsan-uz Zaman, managing director of the bank, received the certificate from Moshiul Islam, chief executive officer of Enterprise InfoSec Consultants, which provides professional consulting services in compliance auditing, such as the PCI DSS, at its head office in Gulshan.

Md Zahid Hossain, deputy managing director of the bank, Md Zahirul Islam, chief financial officer, Md Nazmul Huda Sarkar, chief technology officer, Md Rashed Akter, head of retail distribution, Md Abed-Ur-Rahman, head of cards, Jahangir Alam, chief operating officer of Enterprise InfoSec Consultants, and Faridul Islam, head of marketing, were present.

Investment in textile slows

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production capacity is seven million metres.

Twenty-five textile mills have a production capacity of 800 million metres and 40 denim mills can produce 700 million metres of fabrics every year.

Overall, the primary textile industry has seen a collective investment of investment of 1.70 lakh crore, according to the BTMA.

The primary textile sector is also going through some other challenges.

For instance, many mills are struggling to run their operations in full swing because of a shortage of scrap in the local market as a section of traders exports the textile waste.

Moreover, five mills involved in the manufacturing of yarn through the recycling of plastic goods are also experiencing a shortage of raw materials.

Currently, nearly 50 local mills make man-made fibre like polyester, viscose, staple fibre, flux fibre and lyocell, but Khokon said the production is not adequate to meet the rising demand for artificial fibre.

"The government should stop allowing the export of textile scrap to increase the supply of raw materials in the recycling industries."

The country's share in the $700 billion global manmade fibre is only $10 billion, which indicates that it has a lot of opportunities to raise its share.

The press conference was organised to brief reporters about the upcoming 17th Dhaka International Textile and Garment Machinery Exhibition, which will be held at the International Convention City, Bashundhara in Dhaka between February 15 and February 18.

More than 1,200 companies from 35 countries are expected to take part in the event.

The exhibition was supposed to be held in 2020 but it had to be deferred because of Covid-19.

Private sector's foreign debt down by over $1b

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He also said the reduction of deferred payments of foreign loans was a good sign and this shows that the country's economy was recovering.

Zahid Hussain, former lead economist of the World Bank's Dhaka office, said the total private sector external debt has declined since March 2022, reflecting entirely a decline in short-term trade credit and long-term loans of private commercial banks.

In theory, the decrease in short-term private external financing could have resulted from decreased demand due to increased cost of finance in international markets and the expected depreciation of the taka.

"The outstanding loans are mostly variable rate loans linked either to LIBOR or SOFR. These have been rising and the taka has depreciated significantly," he added.

Hussain then said that as the domestic market rate has remained capped, borrowers may have decided to substitute domestic debt for costly foreign currency debt.

"These can explain the decline in the short-term private sector loans and the long-term loans of private commercial banks but not the decline in foreign back-to-back LC and buyers' credit," he added.

Hussain went on to say that there may be a confidence problem in rolling over the debt owing to uncertainties about the ability of Bangladeshi borrowers to repay on time.

Increased deferred payments in the first half of 2022 due to dollar shortage created a reputation risk, the likes of which did not previously exist.

"The overall decline in private external debt has in fact exacerbated the dollar shortage. Increase in long term loans of private sector enterprises only partly alleviated the pressure arising for repayment of short-term external debt," he said.

"This only underscores the importance of measures to stabilise the balance of payments that must go beyond the draconian administrative controls to compress imports," Hussain added.

Per capita external debt doubles

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Of these, the foreign loan for the Rooppur power plant project is about $12 billion.

As a result, foreign loans saw a sharp increase in recent years, he added.

The official said Bangladesh however was still below the threshold of International Monetary Fund's public sector debt to the GDP ratio.

There is no risk in taking foreign loans of up to 40 per cent of the GDP, he added.

In 2021-2022, the public sector external debt to GDP ratio was 14.9 per cent, according to the central bank data.

Oil rebound more likely

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After 2022's volatility, which sent Brent crude close to its all-time high of $147 soon after the Ukraine war began, so far in 2023 Brent is up slightly at just over $86, helped by Russia's plan to cut output in March.

Opec and Opec+ do not publish oil price forecasts and do not have a price target. Officials and ministers from Opec and Opec+, are often reluctant to discuss the direction of prices on the record.

In rare public comments on February 8, Iran's national representative to Opec, Afshin Javan, said oil may rebound to around $100 in the second half of the year, adding that Opec+ was likely to keep its current output policy at its next meeting.

Reuters spoke privately to five more Opec country officials about the prospect of $100 oil. Of these, three saw oil as more likely to rally in 2023 than decline, with two predicting prices heading back to $100.

"It should be said that the shadow of the energy crisis will continue to dominate the world and the general trend of global oil prices will increase," said one of the Opec sources.

"In my opinion, the return of Brent crude to above $100 at some time in 2023 is not unexpected."

Consensus in the industry currently is for lower prices in 2022. A Reuters survey of 30 economists and analysts forecast Brent would average $89.37 a barrel in 2023, down from $99 in 2022. Goldman Sachs lowered its 2023 Brent forecast to $92.

The sudden lifting of China's Covid restrictions is likely to boost oil demand growth in 2023, after the country was estimated to have posted a small decline in 2022 for the first time in years.

Opec sources also see a lack of investment to increase supply supporting prices. Opec members are pumping almost 1 million bpd less than their target, according to the group's own figures and other estimates.

While non-Opec producers are still expected to pump more in 2023, the forecast of an increase of 1.5 million bpd falls short of expected demand growth of 2.2 million bpd, according to Opec forecasts.

"Even with the additional supplies coming from here and there, still the market will witness a lack of supply compared to the demand," another Opec source said. "There is more upward than downward pressure on the market."

The Opec+ cut agreed in October applies for the whole of 2023. The head of the International Energy Agency, Fatih Birol, on February 5 urged producers to reconsider their output policies "if demand goes up very strongly."

So far, they have no plan to change direction. Key Opec+ ministers at a February 1 meeting endorsed the existing policy, after which a source said the key message was Opec+ is staying the course until the end of the deal.

Two Opec+ delegates told Reuters on Friday that Opec+ plans no action after Russia announced output cuts.

Another Opec source agreed that prices may head back to $100 in 2023, although the prospects for economic growth were the main risk.