

Star

BUSINESS

No income tax fair this year either

STAR BUSINESS REPORT

The National Board of Revenue (NBR) will not arrange the income tax fair this year either, making it the fourth consecutive year since 2020 that the fair will not be held.

However, one-stop or special services will be provided to taxpayers throughout the month of November in all tax zones of the country, according to the NBR.

"Although there is no income tax fair this year, the NBR will strengthen its one-stop services for taxpayers from November 1 to 30," said Sayed A Momen, director (information) of NBR.

There will be arrangements for providing e-TIN registration and re-registration services at booths in tax zones, he said.

The idea behind holding a tax fair was to motivate people to pay taxes and increase the country's tax-GDP ratio, one of the lowest

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globally.

The initiative created a lot of enthusiasm among taxpayers looking to furnish returns at the fair.

The NBR introduced the fair in 2010 and usually organised it in November.

But no tax fairs have been organised since 2020, when it was disrupted by the Covid-19 pandemic. Despite the end of the pandemic, the authorities did not reverse their decision.

The number of new e-TIN holders increased by five lakh this year, bringing the total number of e-TIN holders in the country to 95 lakh.

Although the number of e-TIN holders increased across the country, the number of people who submit income tax returns has not increased along the same ratio.

Out of 90 lakh e-TIN holders in the nation last year, around 36 lakh submitted income tax returns, according to the NBR.

Economy to avoid further decline in next six months

Businesses say in survey

STAR BUSINESS REPORT

Around 80 percent of businesses in Bangladesh opined that the country's economy would avoid further decline in the next six months, according to the LightCastle Business Confidence Index (BCI) 2022-23.

They believe this will be made possible by the implementation of reforms outlined by the International Monetary Fund (IMF) to address economic instability.

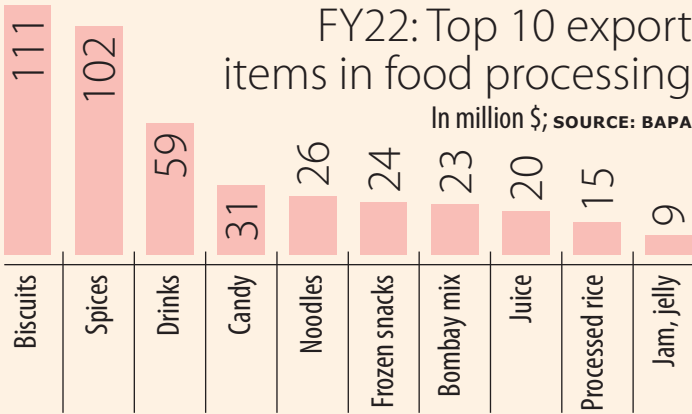
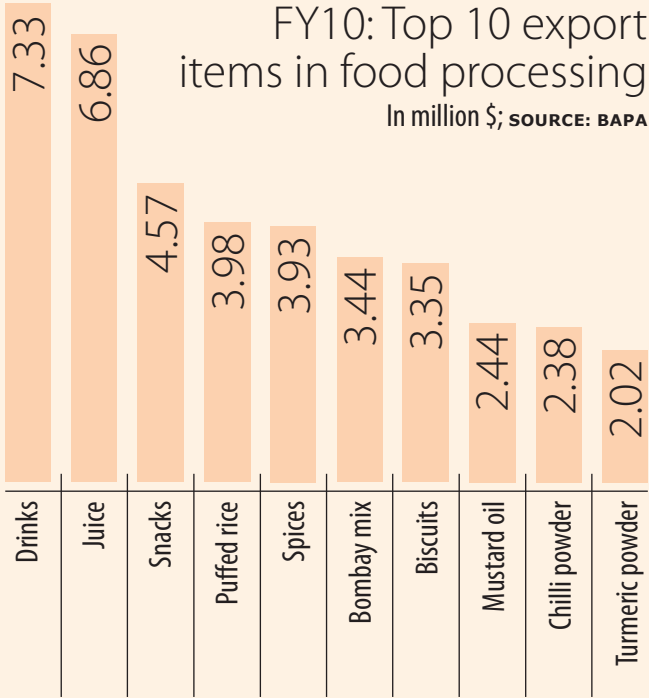
Other factors that may blunt the economic decline include the gradual stabilisation of the effects of the Russia-Ukraine war on local and global markets, and the adoption of a cautious approach by all parties to ensure stability, they said.

However, businesses expressed concern about potential political instability arising from the impending national elections, lower levels of investor confidence and economic volatility during the initial months of implementing the IMF-recommended reforms.

LightCastle, in partnership with The Daily Star, launched the report recently after conducting a survey during the March-June period of this year.

It evaluated the perspectives of 167 industry leaders representing more than 25 sectors, including multinational corporations, local conglomerates, start-ups and SMEs, providing a comprehensive snapshot of Bangladesh's dynamic business landscape.

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PROCESSED FOOD INDUSTRY

Candy, noodles top export items alongside biscuits

SOHEL PARVEZ

Candy, which did not attract the attention of exporters even a decade ago, has become one of the top five items in Bangladesh's processed food export basket, highlighting the much-needed value-addition brought on by manufacturers.

Noodles, another popular food, has also become one of the major items shipped from the country.

Biscuit and bakery items, which ranked seventh on the list of top 10 export products in 2009-10, have become the No.1 item in the processed food category, replacing drinks, according to data compiled by the Bangladesh Agro-Processors Association (BAPA).

The data points to the changing composition of the processed food export basket.

"Bangladesh had factories to make candies a decade ago, but we did not try to find out the potential for confectionery items in the overseas markets. We have been exploring the international market for the last five years," said Eleash Mridha, managing director at Pran Group, the biggest food processor and exporter.

BAPA figures showed that exporters fetched \$30 million from candy shipments in 2021-22. The product was the fourth-largest earner in the processed foods category in the year.

Biscuits and bakery items topped the list and spices and

Mridha said local exporters initially focused on the Bangladeshis working mainly in the Middle East and other regions.

"Over the years, we have expanded our reach as we have added more value-added items

confectionery plant.

The firm is growing cassava through contract farming in order to make liquid glucose for confectionery items. It has included value-added drinks to the basket and its export has risen.

"We are selling confectioneries in the Middle East and the Asean region. We are also shipping a good number of candy items to Australia," Mridha said.

"In the past, our focus was on the Bangladeshi consumers. Now, we have entered the global market in a real sense."

According to Mridha, the growing shipment of confectionery items also points to value-addition, investments, and job creation in the processed food segment, contributing to the country's diversification efforts.

Bangladesh's noodles are going to Europe and the Middle East.

Nazim Uddin, head of Olympic Industries Ltd, said the company initially targeted the Middle East to sell biscuits and confectionery items as the region employs a large number of Bangladeshi migrant workers.

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drinks came second and third respectively in FY22.

Md Parvez Saiful Islam, chief operating officer of Square Food & Beverage Ltd, said the demand for its spice is growing abroad.

Bangladesh earned \$458 million from shipping of foods in FY22, with the top 10 items accounting for 91 percent of the receipts, according to the BAPA.

The association is yet to compile data on product-wise export receipts for the last financial year of 2022-23.

to our export basket targeting non-Bangladeshi consumers too," he said, adding that Arabs also purchase confectioneries and biscuits shipped from Bangladesh.

He said they identified the prospect of confectionery in the Middle East after finding out that the candies available there came from Turkey and they were expensive.

"So, we tried to catch the market and have done well," said the official of Pran, which has a

Bandwidth imports from India have surpassed that from submarine cables due to a surge in internet use and India's attractive pricing.



Story on B4

Mend politics to recover from downturn

Says Prof Titumir in interview

AHSAN HABIB

Bangladesh's economy is facing a tough time owing to depleting foreign exchange reserves and persistently higher inflation. Meanwhile, the tension surrounding the upcoming national election has brought about a political crisis that has added further uncertainty to the economic front. Prof Rashed Al Mahmud Titumir, chairman of the development studies department at the University of Dhaka, talked about the root causes of the current woes and remedies during an interview with The Daily Star's senior reporter Ahsan Habib.

DS: What are the factors behind the current economic pressure? Why has the government had to turn to the International Monetary Fund (IMF) for loans?



Prof Titumir: Bangladesh's economy is going through a rough patch. High inflationary pressure, dwindling foreign exchange reserves and low revenue collection are causing the economic slowdown. Owing to escalating prices, the economic security is at higher risk.

The government is faced with mounting shortages of cash and swelling debts in local and foreign currencies. The macroeconomic instability might worsen further if the policymaking follows the unfortunate business-as-usual pathway.

The overall balance slipped to the negative territory for the first time from a surplus. And this was before the Russian invasion of Ukraine. Without any visible action on illicit outflows, the same was observed when it comes to exports. The receipts were 22 percent lower than the shipment value in the last fiscal year.

The unrealised export value was twice the amount recorded in 2021-22 and six times higher than that of 2019-20. Had any forensic audit been carried out mis-invoicing, today's precarity would not have arisen.

The deficit in the financial account of the Balance of Payments has been surging on the account of debt servicing. As a result, the decline in reserves may not stop in the near future.

As the supply of foreign currencies is scarce,

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STOCKS		
	DSEX ▲	CASPI ▲
	0.02%	0.01%
	6,277.89	18,591.75

COMMODITIES		
	Gold ▼	Oil ▼
	\$1,971.02	\$85.73
	(per ounce)	(per barrel)

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▼ 1.26%	▲ 0.20%	▲ 0.1%	▲ 0.78%
	64,571.88	31,062.35	3,083.88	2,962.24



Reusable plastic crates for transporting fragile goods kept stacked at the mouth of the Chaktai canal in Chattogram city on being returned from the Moheshkhali island, which is around half an hour away by boat. People living in such nearby islands, including Sandwip and Hatia, accessible only over the sea, get deliveries of nearly all of their necessities from the port city's Chaktai-Khatunganj wholesale market. The photo was taken recently.

PHOTO: RAJIB RATHAN

GP profit hits Tk 2,720cr in Jan-Sep

STAR BUSINESS REPORT

Grameenphone posted a 3.12 percent year-on-year rise in profit to Tk 2,720.63 crore in the first nine months of 2023.

The profit stood at Tk 2,638 crore in January-September of 2022. Thus, the earnings per share (EPS) rose to Tk 20.15 in the three quarters from Tk 19.54 in the same period of 2022, according to the audited financial statements.

Profit of the mobile phone operator, however, fell in the third quarter when it made Tk 747.15 crore, down 17.68 percent year-on-year.

As a result, the EPS slipped to Tk 5.53 in July-September from Tk 6.72 in the same quarter in the previous year.

The largest operator of Bangladesh in terms of revenue, coverage and subscriber base had 8.13 crore voice clients and 4.61 crore data customers at the end of June.