

# Star BUSINESS

Although there are around 40 steelmakers in Bangladesh, just four based in Chattogram are currently catering to 53 percent of the total demand



Story on B4

## Online tax returns can bring \$32b extra revenues annually: CPD

STAR BUSINESS REPORT

Bangladesh can raise an additional \$32.6 billion in revenues annually within the next four years if the electronic filing of tax returns can be ensured, said the Centre for Policy Dialogue (CPD) yesterday.

This is around 5 percent of the nation's gross domestic product (GDP), said the independent think-tank at a dialogue on the digitalisation of the taxation system.

The CPD organised the event in partnership with the European Union (EU) at the Lakeshore Hotel in Dhaka.

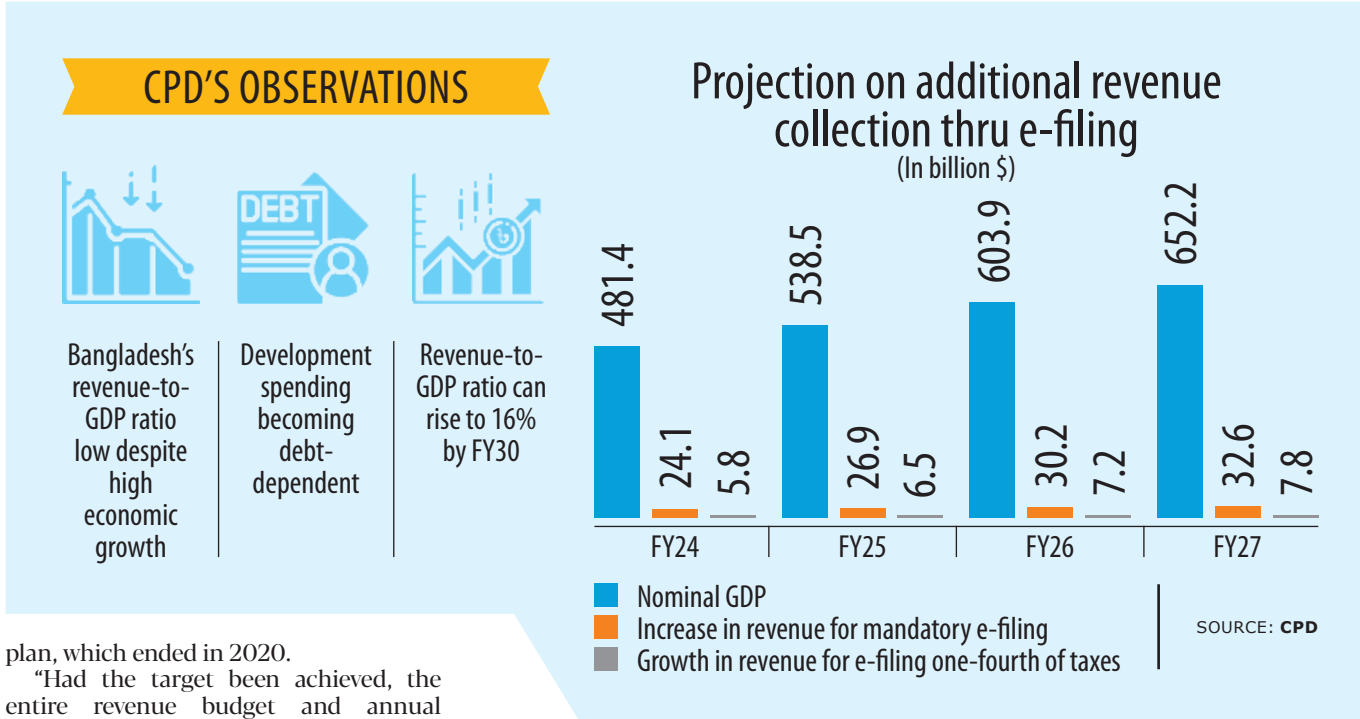
"Through the digitalisation of the whole taxation system, Bangladesh can gradually enhance the tax revenue to GDP ratio to 16 percent by fiscal year 2029-30," said Mustafizur Rahman, a distinguished fellow of the CPD.

In other words, \$167 billion can be generated in the form of tax revenue by FY2030 through digitalisation, he said while presenting a paper.

Tax revenue generation in Bangladesh remains low in context to its neighbours, which has led policymakers, economists and stakeholders to draw attention to the country's increasing dependence on loans to finance public expenditure.

Bangladesh's revenue-to-GDP ratio declined from 10.99 percent in FY2010 to 8.26 percent in FY2023. The target for FY2024, set at 9.9 percent, is also unlikely to be achieved, said the CPD.

The ratio has also fallen short of the 16 percent targeted in the seventh five-year



plan, which ended in 2020.

"Had the target been achieved, the entire revenue budget and annual development programme (ADP) for FY2024 could have been financed with domestic resources," said Rahman, who co-authored the paper with CPD Programme Associate Isabela Rozario Muma.

The tax to GDP ratio is one of the lowest in Bangladesh. Among South Asian countries, it lags behind all its neighbours in terms of public expenditure to GDP ratio.

The CPD said greater domestic resource mobilisation was important for Bangladesh to meet increasing demand for public sector expenditure, ensure a more equitable income distribution, and cut reliance on domestic and

external borrowing.

"It is also necessary to reduce debt servicing obligations on account of interest and principal payments which is eating away an increasing share of revenue earnings," said Prof Rahman.

"The low revenue income has given rise to a situation where the entire development budget is having to be financed by borrowed money, either domestic or external."

Low domestic resource mobilisation means that there is hardly any surplus in the revenue budget, he added.

"Consequently, this entire ADP has to be financed by domestic borrowings and external loans."

The CPD said Bangladesh has witnessed rapid GDP growth and a rise in per capita income over the past couple of decades. However, this has not been reflected in

the mobilisation of resources through taxation, including direct taxation.

In Bangladesh, both tax elasticity -- the change in revenue to change in income -- and tax buoyancy -- which reflects efficiency and responsiveness of revenue mobilisation to growth in GDP -- have been low, said Rahman.

Digitalisation can help bridge the gap, detect tax avoidance, remove loopholes, end exemptions, and reduce tax evasion, he said.

The CPD said the National Board of Revenue (NBR) has been able to put in place some basic IT and digital infrastructure.

"However, the experience is that if the entire spectrum of digital-human-institutional architecture does not work in tandem, these will not deliver the

READ MORE ON B3

## Achieving \$110b export target by FY27 is difficult

Say economists and businesspeople

REFAYET ULLAH MIRDHA

The government's target of earning \$110 billion from exports by the fiscal year of 2026-27 would be difficult to attain because of the persisting challenges in the global and local economies, economists and businesspeople said.

Over the last two decades, Bangladesh's shipment has grown by 10.25 percent annually on average. This means if the country wants to pull off the goal by FY27, the export growth has to be accelerated.

The government has fixed the new target in its Export Policy for 2024-27.

Exporters and economists, however, expressed doubts about whether the goal can be hit since consumers globally have long been feeling the pinch of an elevated level of inflation caused by the global supply chain disruptions amid the dragging fallout of the Covid-19 and the Russia-Ukraine war.

READ MORE ON B3

STOCKS	
DSEX ▼	CASPI ▼
1.56%	1.68%
5,431.28	15,737.26

COMMODITIES	
Gold ▲	Oil ▲
\$2,413.93 (per ounce)	\$79.99 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.46%	▼ 0.34%	▲ 0.26%	▲ 1.01%
74,005.94	38,787.38	3,313.48	3,154.03

## Stocks plunge to 3-year low

STAR BUSINESS REPORT

Stocks in Bangladesh dropped for a fifth consecutive day yesterday for a selling spree of some large investors, sending the major index of the Dhaka Stock Exchange (DSE) to a three-year low.

High interest rate in the banking

sector, devaluation of the local currency, and reinstatement of a capital gain tax for individual investors was the main reason behind the selling spree, according to market analysts.

The DSEX, the benchmark index of the DSE, plunged by 86 points, or 1.56 percent, from that on Thursday

to hit 5,431 points.

The DSES Index, which is comprised of shariah-based companies, was down by 20 points, or 1.69 percent, at 1,191 points.

The blue-chip index, DS30, slipped by 1.29 percent to 1,948 points.

READ MORE ON B3

**NCC Bank Celebrating 31 Years of Excellence**

পাশে থেকে এগিয়ে নেয়ার ৩১ বছর

- অন্যতম শীর্ষ রেটিংস সহায়কসহী ও বিকৃত নেটওয়ার্ক সেবা
- বাংলাদেশ ব্যাংকপনায় পার্যাবাহিক সুশাসনের স্বীকৃতি
- দশ পঞ্চাধিক গ্রাহকের আস্থার ব্যাক
- ১৪০০০+ এটিএম থেকে কি বিহীন টাকা উত্তোলন
- গ্রাহকের সর্বমুখ পঞ্চমণীয় কার্য সেবা
- স্বল্প অর্থিক বিনিয়োগ
- দ্রুত বর্ধনশীল CMSME ব্যাংকিং
- দেশব্যাপী বিকৃত ব্রাঞ্চ নেটওয়ার্ক
- CSR এর মাধ্যমে কৃষি সম্প্রদায়ের সহায়ক অংশগ্রহণ
- ADB সহ বিশ্বব্যাপী অর্থনৈতিক ব্যাংকিং-এ পূর্ণিষ্ঠিত লাইন
- গ্রাহকের চাহিদানুযায়ী সব ধরনের ব্যাংকিং সেবা
- অর্থিক অকল্পিত পার্যাবাহিক অবদান
- টেকসই ও স্বল্প অর্থায়নে নিরবচ্ছিন্ন অবদান
- বাংলাদেশ ব্যাংক অন্যতম শীর্ষ করদাতা
- স্বল্প অর্থনৈতিক উন্নয়নে আর্থিকায়ন হাতে বিনিয়োগ
- শ্রীশ্রীসহ সমস্ত ইসলামী ব্যাংকিং সুবিধা
- ২৪/৭ ডিজিটাল গ্রাহক পরিষেবা পেটাল
- মুদ্রাসংযোগী নতুন ব্যাংকিং

• পার্যাবাহিক রেটিংস এওয়ার্ড  
• ফস্টেস্ট রেটিং ব্যাংকিং ব্র্যান্ড এওয়ার্ড  
• ফস্টেস্ট রেটিং ডিজিটাল ট্রান্সফরমেশন এওয়ার্ড  
• বেস্ট ইউজ অর টেকনোলজি এওয়ার্ড  
• পার্যাবাহিক বেস্ট প্রাইমারি ক্লিয়ার এওয়ার্ড

**এনসিসি ব্যাংক**  
অপরের সাথে সফল

**Management Trainee Development Program**

Pioneering Leadership  
WHERE INNOVATION MEETS OPPORTUNITY

Trust Bank Limited, a pioneer of Army Welfare Trust backed by the Bangladesh Army aims to lead the banking sector by providing moral and ethical standards. MT Development Program of Trust Bank Limited provides an exciting career path, featuring a year-long rotating-rotate training and development initiative. It seeks driven candidates who could emerge as future leaders within the organization.

Trust Bank Limited is seeking vibrant, expressive, and technologically adept individuals for the role of Management Trainee Officer (MTO).

**Application Procedure:** Apply online through <https://career.tbld.com>

**Eligibility:** Post-graduation along with 4 (four) years of professional work of least 300 out of 450 for each day & night. Total work of 300 out of 450 with minimum one year 300.

Q/A level minimum 80 in O level and 20 in A level. Age not more than 30 years as on June 30, 2024.

**Reward:**

- Selected candidates will be appointed as Management Trainee Officer for a period of one year after completion of rotational learning & development program. The benefits will be observed as Senior Officer.
- During the probation, MTO will receive monthly consolidated pay of BDT 33,000. After confirmation, the salary will be in the regular pay scale of Senior Officer.

**Selection Procedure:** Only shortlisted candidates will be called for extra screening and written test. Based on merit, selected candidates will be called for management interview.

Application Deadline: **June 30, 2024**

16201  
TrustBankLtdBD  
[www.tbld.com](http://www.tbld.com)