

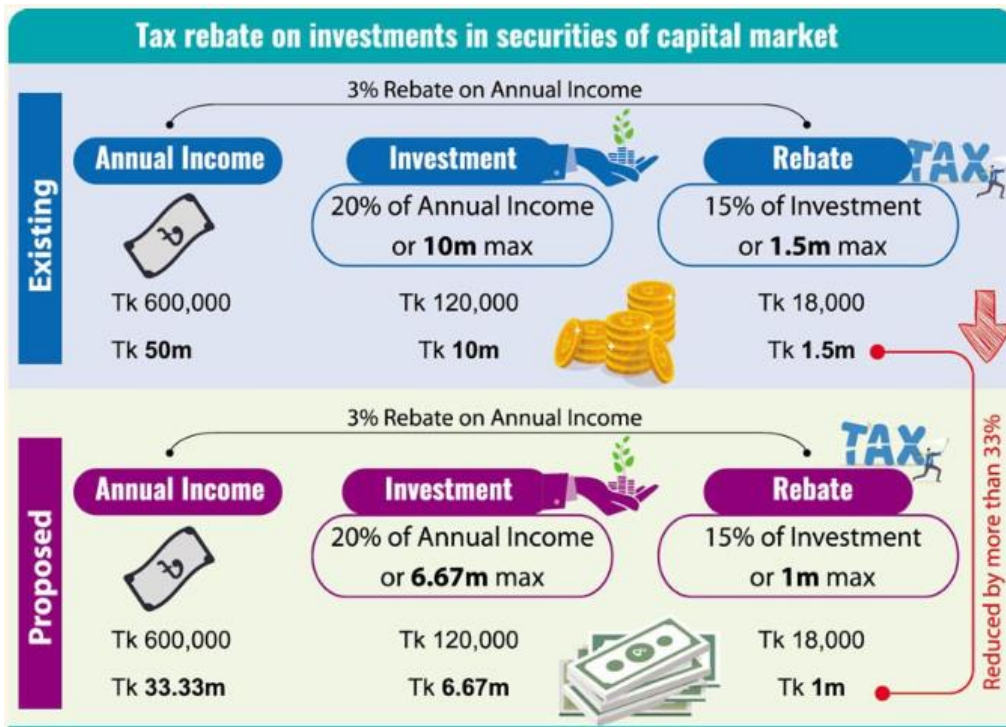
Proposed Income Tax Bill-2023

Law proposes cutting tax rebate by a third for investments in securities

The highest annual tax rebate on investments in listed securities of the capital market will be reduced by one-third, or 33 per cent, to Tk 1 million if the draft income tax act 2023 is approved by parliament. In that case, the maximum investment will be Tk 6.67 million a year, 15 per cent of which will be rebated. Hence, the proposed act will not have any impact on small- and mid-level investors who will not go beyond the investment ceiling.

At present, tax payers are allowed to invest up to 20 per cent of their taxable income or Tk 10 million, whichever is lower, to enjoy tax rebates as much as 15 per cent of the investment in listed securities. In this, the rebate is 3 per cent of the annual income. **The proposed act too says the amount of tax rebate will be 3 per cent of the taxable annual income, or 15 per cent of the total investment not exceeding Tk 1 million.**

That means annual tax rebate for an investor having an annual income of Tk 33.3 million or less will remain unchanged; In the existing system, he/she is able to invest up to Tk 10 million, which should be cut down to Tk 6.67 million for the highest tax rebate if the new act takes effect.



<https://today.thefinancialexpress.com.bd/stock-corporate/law-proposes-cutting-tax-rebate-by-a-third-for-investments-in-securities-1686591982>

Firms with over BDT 20 Mn turnover likely under NBR scanner

Partnership firms, registering more than BDT 20 Mn in annual turnover, are expected to require the submission of an audited financial statement along with returns as the tax authority seeks to include the

provision in the new income tax bill. Also, the association of persons and operators of various types funds will also need to file audited financial statements alongside income tax returns, according to the Income Tax Bill 2023 placed by Finance Minister AHM Mustafa Kamal in parliament last week. As these businesses were not needed to file audited accounts, there was an absence of compliance.

<https://www.thedailystar.net/business/economy/news/firms-over-tk-2cr-turnover-likely-under-nbr-scanner-3344721>

Economy

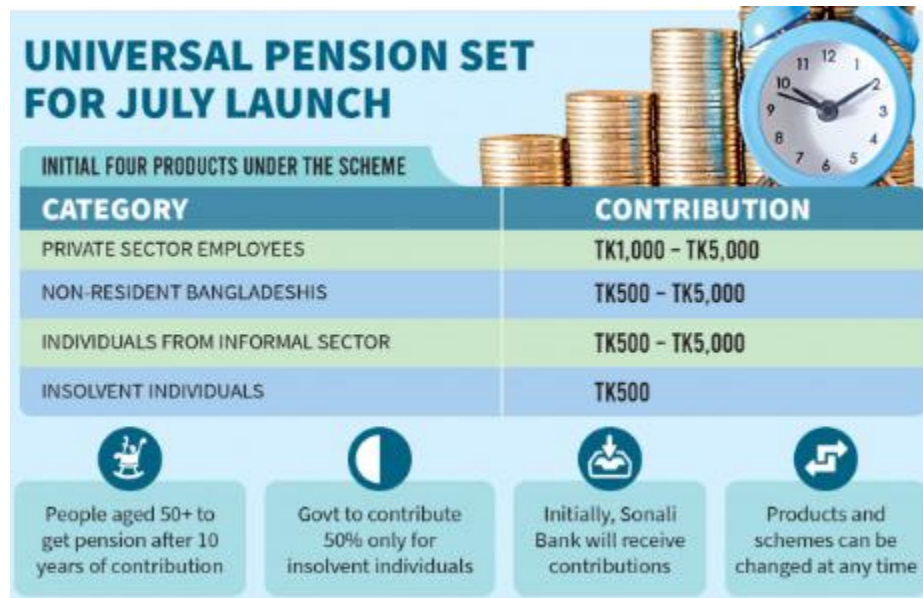
US\$ interbank exchange rate at Tk 108.70

The interbank exchange rate for the US dollar reached Tk 108.70 each amid ongoing supply dearth of the greenback. The latest rate is the second-highest after May 22, when it rose to Tk 108.75 per dollar, according to the Bangladesh Bank (BB) statistics. The country's commercial banks traded each dollar at Tk 108.70 among themselves on June 11, up by around 20 per cent from that of a year ago, the BB data showed.

<https://thefinancialexpress.com.bd/economy/bangladesh/us-interbank-exchange-rate-at-tk-10870>

Universal pension from July, monthly contribution BDT 500-5000

The government is set to launch the universal pension scheme nationwide in July, with individual contributions ranging from a minimum of BDT 500 to a maximum of BDT 5,000 per month. Individuals aged above 50 will also be able to join the scheme, but to be eligible for the pension, they will need to make contributions for 10 years, according to finance ministry officials.



The scheme will initially target four categories – private sector employees, non-resident Bangladeshis, individuals from the informal sector, and insolvent individuals.

Although the rate of interest has not yet been finalised, officials said the rate would be higher than that for bank deposits but slightly lower than the prevailing interest rate on savings certificates. The scheme covers individuals aged 18-50 years and above. The relevant law excluded people over 50, but later they were brought under the scheme with conditions by formulating rules.

<https://www.tbsnews.net/economy/universal-pension-july-monthly-contribution-tk500-5000-648746>

BDT 4.13 Tn earned as foreign currency from exports in July-April period

Bangladesh has earned over BDT 4.13 Tn as foreign currency by exporting various products during July to April period in the current 2022-23 fiscal. Commerce Minister Tipu Munshi gave the information while responding to a question during the question-answer session in the parliament on Monday, reports BSS. He informed that the country got the earnings by exporting knitwear, readymade garment products, home textiles, footwear, frozen food, jute and jute goods, leather and leather goods.

<https://thefinancialexpress.com.bd/economy/bangladesh/tk-413-trillion-earned-as-foreign-currency-from-exports-in-july-april-period>

Tax collection rebounds in May

Tax collection by the National Board of Revenue (NBR) shot up in May, powered by buoyancy in value added tax (VAT) collection from domestic economic activities and increased income tax receipts, according to a provisional estimate. Taxmen collected BDT 304.81 Bn in May, which drove the overall growth of revenue collection up by 11% year-on-year in the July-May period of the current fiscal. With the recovery in collection last month after a fall in April, overall revenue receipts stood at BDT 2807.76 Bn, which shows that the NBR will have to collect BDT 892.24 Bn to meet its revenue goal of BDT 3700 Bn during this financial year.

<https://www.thedailystar.net/business/economy/news/tax-collection-rebounds-may-3344731>

Country's export earnings to rise by USD 70 Bn in FY24

Commerce Minister Tipu Munshi on Monday said the country's export earnings most hopefully will be increased to USD 70 Bn in the next year. The government has formulated a series of import policies aiming to strengthen the position of the country for bringing mobility in export under competitive global trade, the minister said while responding to a question tabled by treasury bench lawmaker Morshed Alam of Noakhali-2 in parliament.

<https://www.tbsnews.net/economy/countrys-export-earnings-rise-70b-fy24-648718>

Mobile production declines sharply in April

Local production of mobile phones declined substantially in Bangladesh in April as manufacturers grappled with a massive drop in sales amidst the grey market's expansion. About 1.478 Mn units of phones were manufactured in the month, a drop of 56.28% year-on-year. Although the 0.668 Mn smartphones produced in April was the highest in six months, it was down 47.11% compared to the same month a year earlier, highlighting the dire situation the local device manufacturers were in. Production of 4G smartphones plummeted by over 61% year-on-year in the first quarter of this year.

<https://www.thedailystar.net/business/economy/news/mobile-production-declines-sharply-april-3344696>

Nine spot LNG cargoes planned for H2

Amid a US dollar crunch and subsequent payment delays, Bangladesh has decided to import a total of nine LNG cargoes from the spot market during this July-December period to meet the country's mounting

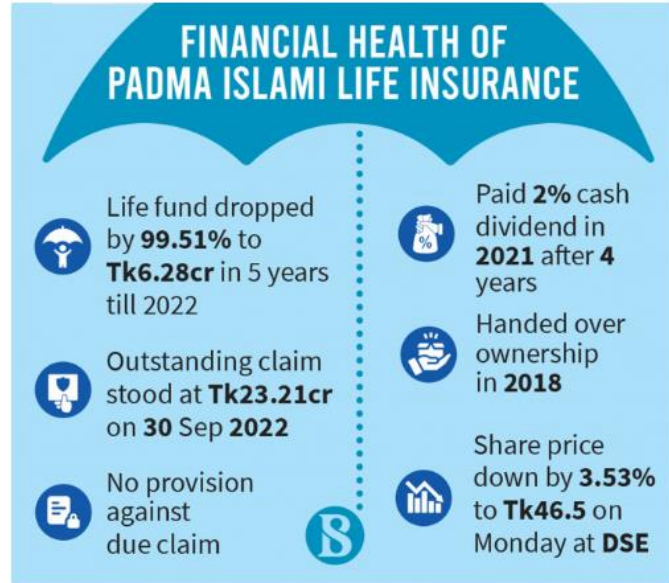
natural gas demand, especially in industries and power plants. However, despite the planned import, gas crisis will continue to hurt the economy because of the demand-supply mismatch. The country has been importing a total of 12 spot LNG cargoes from February to June 2023, with overdue payments worth around US\$ 100 million to spot LNG suppliers, a senior Petrobangla official told the FE on Monday.

<https://thefinancialexpress.com.bd/economy/bangladesh/nine-spot-lng-cargoes-planned-for-h2>

Stock-Specific News

Regulator appoints observer to Padma Islami Life Insurance

The insurance regulator has appointed an observer on the board of directors of Padma Islami Life Insurance to protect the interest of policy holders of the company. The company said in its statement filed on the stock exchange on Monday, the Insurance Development and Regulatory Authority (Idra) has sent its Director Jahangir Alam to the company's board as observer to ensure good governance. The disclosure also said Idra stated that policyholders are constantly filing complaints with the regulator due to non-payment of insurance claims on time by the company.



<https://www.tbsnews.net/economy/stocks/regulator-appoints-observer-padma-islami-life-insurance-648722>

Sadia Rayen becomes Dutch-Bangla Bank chairman

Sadia Rayen Ahmed was elected as the chairman of Dutch-Bangla Bank Limited yesterday. Sadia succeeds Sayem Ahmed, the bank said in a press release. She has been serving as a director of the bank since June 14, 2022. Since 2012 she has been serving as a deputy managing director (finance) of various textile spinning mills with monthly exports of USD 80 Mn.

<https://www.thedailystar.net/business/economy/news/sadia-rayen-becomes-dutch-bangla-bank-chairman-3344591>