

DAEWOO
ELECTRONICS

29" Colour TV with
8 Picture in Picture &
Nicom Stereo Sound
Also Available 14", 20", 21"

TRINCO LIMITED—Authorized Distributor of DAEWOO Electronics
Dhaka 8115307-10 CTG 716353 723578 Khulna 720304 Bogra 6215

The Daily Star BUSINESS

DHAKA THURSDAY MAY 4, 2000

Beauty & Barber Salon

10 am - 7 pm
for Ladies

SAVY

10 am - 8 pm
for Gents

Tk. 200 for Lady's & Gent's Haircut

• Beauty Packages • Bridal Make-up & Decoration • Skin Care • Permanent Hair • Haircare & Pedicure • Facial • Waxing & many more

THE PAN PACIFIC SONARGAON
Dhaka 8111005 Ext. 4144 (Gents) 4143 (Ladies)

FBCCI calls for govt move to raise number of tax-payers

70 per cent of MPs without TIN

Star Business Report

The Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) has strongly urged the government to take measures for increasing the number of tax-payers and pointed out that 70 per cent of the Members of Parliament (MPs) do not have their Tax Identification Numbers (TIN).

Besides, the FBCCI also stressed the need for removing anomalies in the revenue collection process, saying that black money should also be brought under the tax net.

"To alleviate poverty and improve the quality of life, the country's growth rate should be 7 per cent in short-term, but it should be 8 to 9 per cent in the medium-term," said M A Mumin, acting FBCCI President, at the 21st Consultative Committee Meeting of the National Board of Revenue (NBR) at the Federation auditorium yesterday.

Finance Minister Shah AMS Kibria, Bangladesh Bank Governor Dr M Faruquddin, NBR Chairman Abdul Mueyed

Chowdhury, other FBCCI leaders and different chamber representatives were present at the meeting, which focused mainly on the upcoming budget.

The acting FBCCI president called for increasing the tax exemption limit of individual income to one lakh.

To increase the number of tax-payers, spot assessment should be strengthened side by side ensuring that people are not harassed in the process, he suggested.

Mumin stated that the maximum tax rate for industrial raw materials should be 5 per cent, intermediary raw materials 15 per cent, while it should be fixed at a higher rate for finished products.

He also proposed lowering the tax rate for listed companies to 25 per cent and for non-listed companies to 35 per cent from the current rate of 37.50.

Termed the present cost of fund very high, former FBCCI President Salman F Rahman said that it was in many ways

not abused or misused.

NBR Chairman Abdul Mueyed Chowdhury informed the meeting that a total of 280,397 people are paying income taxes. Of them, 211,802 pay upto Tk 5,000 as tax.

M Yunos, former Dhaka Chamber of Commerce and Industry president and co-chairman of the VAT Committee, said black money has an adverse effect in the society.

"All sorts of big crimes including trade in arms are being paid off by untaxed money. So the issue should be looked into not just in the interest of revenue collection, but for the security of the society."

The flat rate of tax on untaxed money should be fixed at 7.5 per cent, he suggested.

FBCCI Director Abdul Haque, Golam Dastagir Gazi, MA Kamal, Selima Ahmed, Monjur Ahmed, Delwar Hossain and Anwar Hossain also participated in the budget discussion.



StanChart Group Executive Dir due today

Star Business Report
Christopher Castleman, Group Executive Director of Standard Chartered Bank, arrives in Dhaka today on a two-day visit to Bangladesh.

During his visit, Christopher Castleman will meet senior management officials of both Standard Chartered Bank and Grindlays Bank in Bangladesh and address a staff meeting of both these banks. He will also make courtesy calls on the regulators and government officials.

Christopher is also expected to attend a function to inaugurate sponsorship of 10 beds in the Emergency, Observation and Referral wards of Dhaka Shishu Hospital by unveiling a plaque.

Desmond Quiah replaces Dalip Handa as DHL country manager



Desmond Quiah



Dalip Handa

Desmond Quiah has been appointed the new country manager of DHL Worldwide Express Bangladesh, says a press release.

Desmond is coming back to Dhaka after spending three fruitful years in DHL's Asia Pacific and Middle East regional headquarters in Singapore, where he focused his contribution on critical regional programmes, such as transit time improvement and transportation harmonisation. This is the second stint for Desmond at the helm of DHL Bangladesh where he had been the Country Manager from 1992 to 1997.

Desmond Quiah started his career in Philip in 1979 as the import-export manager. He then moved on to head the company's sales operation of Chittagong area before becoming the Business Unit Manager for consumer electronics and home appliances.

Meanwhile, Dalip Handa, Country Manager of DHL Bangladesh from 1997 to April 2000, will take up his new assignment in Singapore.

During his tenure, Dalip was responsible for implementing various systems and processes that are geared to provide service per excellence to DHL's customer.

The Anglo-German union

Pakistan unveils tax reform package this month

ISLAMABAD, May 2: Finance Minister Shaukat Aziz said today the Pakistan government would announce a tax reforms package this month to broaden the tax net and ensure businessmen cannot avoid it, traders said, reports Reuters.

They said Aziz told members of the powerful traders and business lobby there would be no harassment of traders in a tax survey that the government plans to launch in a few weeks, to trace those who evade taxes.

But he stressed that businessmen cannot avoid the tax net any more," said a trader who attended a meeting between Aziz and lobby members.

All attempts by previous governments to broaden the tax net or collect the general sales tax (GST), two key elements of tax reforms agreed with the International Monetary Fund (IMF), have been effectively defied by traders.

Their failure to achieve these objectives caused suspension of the \$ 1.56 billion IMF loan programme last year and remains a major weakness of Islamabad's tax collection administration.

Abdullah Ismail, former president of Chamber of Commerce and Industry of the industrial port city of Karachi, told Reuters traders were afraid

that the government would launch raids in the guise of tax surveys.

"But the minister assured us that it would just be a survey, more like a census and there will be no harassment, he added.

The military-led government, under pressure from donors, plans to launch a massive crackdown on smuggling—estimated to cause a loss of revenues of up to \$2.0 billion—and bring more and more businesses into the tax net.

A spokesman for the Federation of Pakistan Chambers of Commerce and Industry (FCCI) said after the meeting that the federation would wait for the package to see whether there was any need to oppose the government move.

Traders demand new taxation package should simplify the tax collection and filing procedure, and that the rate of GST be reduced to five per cent from 15 per cent.

Jalil says more agro-processing industries to be set up

PALASH, (Narsingdi), May 3: Commerce Minister Mohammad Abdul Jalil yesterday said that more agro-processing industries would be set up in the country for creating more job opportunities for the huge unemployed youths, reports BSS.

"We should have to give more attention to the agro-based industries to build a happy and prosperous Bangladesh free from hunger and poverty," he said, while inaugurating the 3rd Bottling Line of Pran Group, an agricultural marketing company.

Presided over by Chairman of the Pran Group Lt. Col. (rtd) Mahtab Uddin Ahmed, the function was addressed, among others, by local MP Meher Afroze Chumki, Chief Executive of the Group Maj. Gen. (Rtd) Amjad Khan Chowdhury and Deputy Managing Director Ahsan Khan.

Jalil said the government is providing all-out cooperation to the agro-based industries.

Govt hands over Reckitt & Colman shares to ICB

The Government yesterday handed over all shares of Reckitt and Colman (Bangladesh) Ltd to ICB for sale to private investors, says BSS.

Industries Minister Tofail Ahmed formally handed over all the shares totaling 212,000 having a face value of Tk 10 each and present market value of Tk 73 to the Chairman of the Privatization Board Kazi Zafrullah, who immediately transferred the shares to the ICB Chairman Hedayet Ahmed.

Resident Representative of the Asian Development Bank Phiphat Suphaphiphat, Chairman of Dhaka Stock Exchange M Shahiq Khan and other officials of the Industries Ministry, ICB, Privatization Board and Reckitt and Colman witnessed the handing over ceremony.

Reckitt and Colman Ltd, a multinational pharmaceutical and toiletries enterprise, was set up in Chittagong in 1961. The Government held 10.65 per cent of its shares.

Addressing the function held at the conference room of the Industries Ministry, Tofail Ahmed said, the government is gradually privatising the SOEs and handing over its shares in different industrial estates to the private sector. He said, privatisation is a difficult job everywhere in the world. So, the government is moving very

carefully and cautiously, he said.

Kazi Zafrullah said that most of the shares of 17 identified enterprises have so far been handed over to private investors and the whole process was expected to be completed by next June.

He further said that the Privatisation Board is encouraged by the responses from all corners, including donors, in making success of the privatisation programme. He called upon all concerned to continue their support for the overall development of the country's economy through privatisation process.

Koyes Sami takes over as AB Bank MD



Star Business Report

CM Koyes Sami has been appointed president and Managing Director of Arab Bangladesh Bank Limited with effect from April 30. A high profile banker Sami was made Deputy Managing Director of the bank in October 1999.

Sami joined ABBL since its inception in the early eighties and contributed to its overall development of its important branches in Dhaka, Chittagong, Sylhet. Before joining ABBL, he served in United Bank Limited, Commerce Bank and Agrani Bank. He had the distinction of serving as the first Country Manager of AB Bank's operation in India. Under his dynamic leadership, Mumbai Branch of the bank started making profit since the very first year and has now become the 10th most profitable foreign bank in India—a unique achievement which no other foreign bank in India could make in such a short time.

US readies trade bill for Africa, CentAm, Caribbean

WASHINGTON, May 3: House and Senate negotiators are wrapping up work on a major trade bill aimed at opening new trading opportunities with sub-Saharan Africa, Central America and the Caribbean, congressional aides said Tuesday, reports AP.

House Majority Leader Dick Armey of Texas said the compromise legislation could reach the House floor as early as this week, where it is expected to pass easily.

The trade initiative has been under consideration for several years and would be a major accomplishment for advocates of open markets, topped this year only by a vote later this month on putting US-Chinese trade relations on a permanent status.

President Bill Clinton, in a statement, said he was pleased that Congress "appears to have reached agreement on this historic legislation."

"It's a win for the United States and a win for our friends in Africa and the Caribbean Basin. I urge Congress to move as quickly as possible to a final vote," he said.

The bill has been deadlocked in a House-Senate conference since last year, when the House passed a bill that extended duty-free benefits to African nations and the Senate moved legisla-

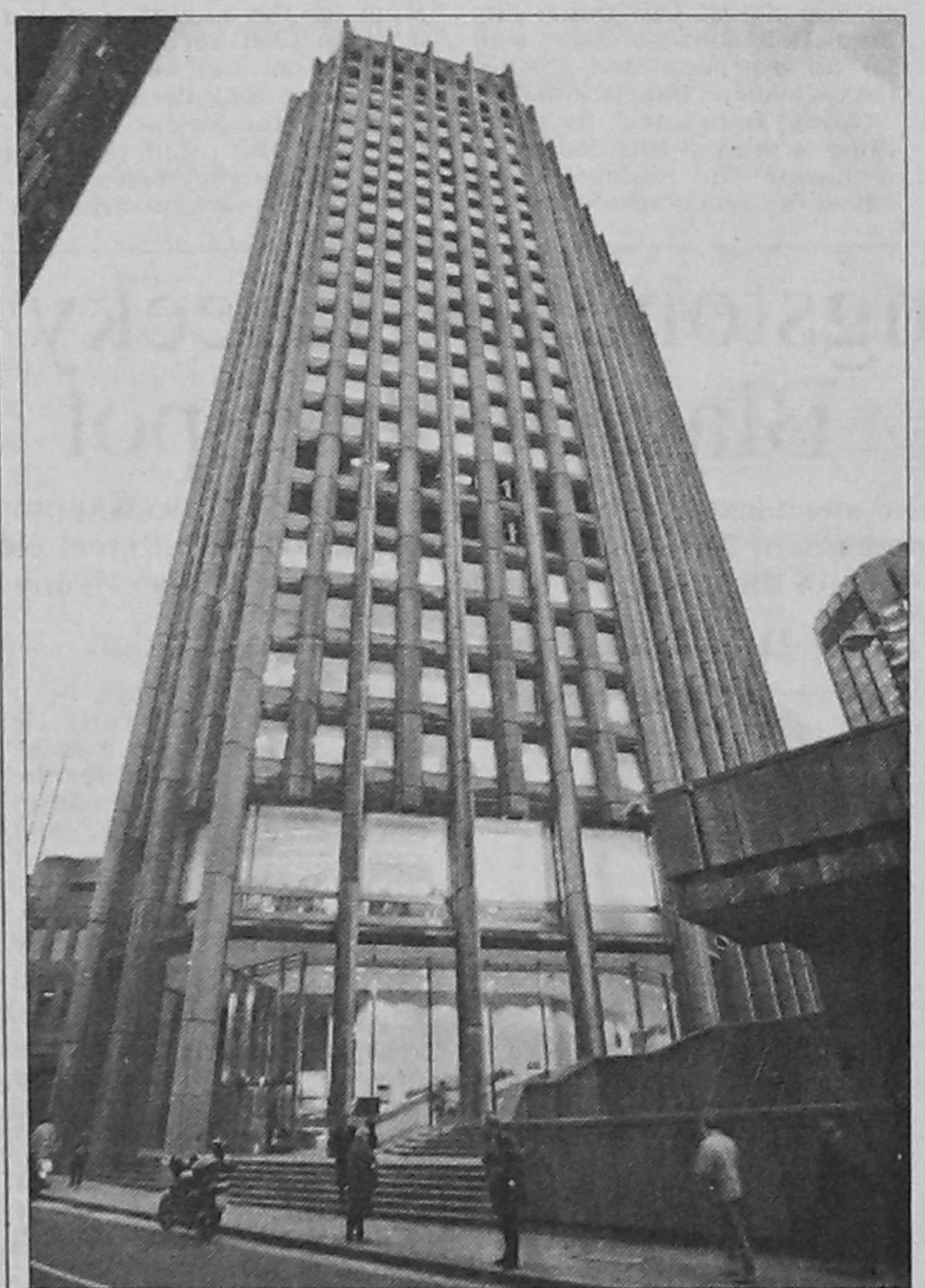
tion that opened up trade with both African and Caribbean nations.

The general compromise includes the Caribbean and Central American nations in the trade initiative. Responding to the concerns of senators from North and South Carolina that the bill would cost American textile industry jobs, it also puts a cap on the volume of apparel shipments to receive duty-free treatment.

Imports of African apparel made from regional fabric would be limited for eight years, although the poorest African nations would be able to export apparel made from third-country fabric for the first four years.

The negotiators announced two weeks ago that they had a tentative agreement, but coming up with a final version proved difficult as lawmakers sought to add new language on such issues as helping African nations get AIDS drugs.

Senate Majority Leader Trent Lott of Mississippi earlier Tuesday urged lawmakers to stop trying to tinker with the legislation. "Let me just put it real blunt, point blank. You know, there are other people that need to quit being obstinate and bring this to a conclusion."



Picture dated 04 January 1996 of the London Stock Exchange building, in the city of London. The London and Frankfurt stock exchanges will merge to form the biggest exchange in Europe. —AFP photo

Foreign cos to examine fertiliser plant feasibility in CHT

Two foreign companies have agreed to examine the feasibility of setting up a gas-based fertiliser plant in greater Chittagong with a proposed investment of 500 million dollars, says UNB.

Saudi Arabian Xenel Industries Limited and Exponent Bangladesh Inc. USA signed a memorandum of understanding (MOU) with Bangladesh's investment promotion agency Board of Investment (BOI) at Rangamati Tuesday.

The fertiliser plant having 100 per cent foreign equity will be capable to produce 5 lakh tons of urea and ammonia a year using natural gas to be available from Block 22. It will be 100 per cent export-oriented.

Addressing the signing ceremony at the Rangamati Hill District council auditorium, BOI executive chairman M Mokammel Haque said the confidence of foreign investors are gradually growing due to liberal investment policies, duty and tax incentives and infrastructure development.

The proposed foreign investment amounted to more than 7 billion US dollars during the last three years and nine months, while it was only 3.13 billion in previous five years (1991-96), he said.

The BOI chief executive said the government wants rapid development of the Chittagong Hill Tracts using its vast deposit of natural resources and raw materials.

CHT Affairs Minister Kalpa Ranjan Chakma MP, PM's Agriculture Adviser AM Anisuzzaman, PM's principal secretary Dr SA Samad, CHT Taskforce chairman Dipankar Talukdar MP, energy secretary Dr Towfiq-e-Elahi Chowdhury, acting chairman of Khagrachari district council Binod Bihari Chakma, Rangamati district council chairman Ching Que Roaza, Exponent Inc senior vice president Jack Blackshare also spoke on the occasion. Divisional Commissioner of Chittagong ASM Mobaidul Islam presided over the function.

LSE, Deutsche Boerse agree to merge

Tie to create biggest European stock market to rival Wall Street

LONDON, May 3: The London and Frankfurt stock exchanges agreed to merge, the London Stock Exchange announced today. The combination creates Europe's largest stock market and a powerful regional counterweight to Wall Street, reports AP.

The London exchange and Germany's Deutsche Boerse would each own 50 per cent of the new entity, which is to be called IX, for International Exchanges. Its headquarters are to be in London.

Under the merger agreement, shares in blue-chip companies would be traded in London, while shares in high-tech firms would be traded in Frankfurt, the London Stock Exchange said.

includes a joint venture agreement with Nasdaq Europe Ltd., the European subsidiary of the technology-heavy US Nasdaq market, to create a European market for high-growth stocks. Further details of that joint venture were not immediately released.

The London-Frankfurt agreement is subject to approval by British and German regulators, and by stockholders.

The merger brings to a climax two years of fitful efforts by the London and Frankfurt exchanges to combine.

They began trying in 1998 to form the hub of a pan-European stock market and later enlarged their plan to include six other national stock markets.

The ambitious effort founded when London and

Frankfurt apparently failed to agree over issues of ownership and the type of trading platform to be used in a regional exchange.

The Anglo-German merger underscores the growing power of Frankfurt as a financial centre rivaling London. While the London exchange has a larger market capitalisation, the Frankfurt market is more diversified and profitable.

The head of the Deutsche Boerse, Werner Seifert, is to become chief executive of the merged stock market, while the chairman of the London Stock Exchange, Donald Cruickshank, would become its Chairman.

Pressure on Europe's national stock exchanges to consolidate has recently intensi-

fied, due to the introduction last year of a single European currency, the euro, together with competition from US markets and electronic share-trading networks.

Last month, stock markets in Paris, Brussels and Amsterdam formed a three-way regional exchange. The trio tried, without success, to persuade the London exchange to join them.

Scheduled to begin operating late this year, the network is aimed at helping the region's high-growth companies raise money and at making it easier for Europeans to invest in blue-chip American and Asian stocks.

It was not immediately clear how Nasdaq's expected linkup with the combined Anglo-German exchange would affect Nasdaq-Europe.

International Re-Tender for Purchasing of Motor Vehicles Bangladesh Rifles

900/7(Vehicle)/EME Dated: 27 April 2000

1. Sealed tenders are hereby invited from bonafide suppliers/dealers/manufacturers/local agents for purchasing the following new motor vehicles for use in Bangladesh Rifles subject to the approval of Ministry of Home Affairs, Bangladesh Government.

Sl. No.	Name of vehicle	Country of origin	Quantity	Rate of schedule (Non-refundable)	Delivery period
a	4x4 wheel Diesel Truck (CBU)	Japan/Europe/USA	03 (three) units	Tk. 750/-	120 days from the date of opening LC.

2. Tender schedule and other terms/conditions may be obtained from 01 May 2000 to 14 May 2000 during office hours from 0800 hours to 1400 hours at Headquarters, Bangladesh Rifles, Gate No. 3 and 4 except on government holiday. Tender will be received up to 1200 hours on 15 May 2000 and will be opened at 1230 hours on the same day in presence of the bidders (if any present). The quantity of vehicles may increase or decrease.

3. The vehicles will be procured considering the following aspects:
a. Cost of the vehicles.
b. Weather and road condition of the country.
c. Availability of spare parts in local market.
d. Speedy and easy repair facilities.
e. Maintenance and fuel consumption.

4. Director General, Bangladesh Rifles reserves the right to accept or reject any tender.

DFP-10398-2/5
G-816

CEME
For Director General