



Star BUSINESS

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Allegation of harassment by customs officials

RMG accessories industries threaten to stop production

STAR BUSINESS REPORT

Alleging harassment by customs officials, garment accessories industries have threatened to stop production if the situation does not improve by June 20.

"When the government policy is to support export-oriented industries, the National Board of Revenue (NBR) is making things difficult for this sector and creating new problems every day. If the situation does not improve by June 20, then we will be compelled to stop production," Iqbal Hossain, President of Bangladesh Corrugated Carton and Accessories Manufacturers and Exporters Association (BCCAMEA), told a

press conference yesterday.

Former president of the association Saifullah Chowdhury, General Secretary Mir Mahmood Ali, Vice President Abdul Kader Khan and executive committee member Sadek Ullah Chowdhury also spoke on the occasion held at Hotel Sheraton.

Iqbal Hossain said the NBR is often creating new rules to make industrial operation difficult.

The Association said already 25 per cent of its members have stopped production due to customs harassment.

Usually, the BCCAMEA members import raw materials under bond warehouse facilities and

provide the finished products to the export-oriented garment units. The factories have to take permissions from the office of the customs commissioner for such imports. However, the Association leaders alleged harassment by the authorities while giving permission to import raw materials.

Association President Iqbal Hossain did not dismiss the NBR allegation that the importers illegally sell raw materials from the bonded warehouses in the open market. He however said this is being done in collusion with the customs officials.

"Some of the companies which do not have factories and

not members of the association are involved with such activities and we are being punished for this," he alleged.

He asked the authorities to take measures against such tax evaders after proper inquiry by a team comprising of customs officials and association members.

The association leaders said some 700 factories with an investment of Tk 700 crore are now involved in this sector, producing about 39 items including carton, label, button, thread, zipper, hanger, sticker, etc for the RMG industry. They also claimed that the sector earns Tk 3000 crore annually from exports.

Scacement holds management workshop

A management workshop on Corporate Mission Statements was held at Scacement International Limited recently, says a press release.

A total of 16 management staff including all the expatriates participated in the workshop.

Hans Fredrik Myklestu and Georg Kuhling from corporate head office of Heidelberger Zement conducted the workshop.

The workshop provided the participants with better appreciation of management philosophy and goals of Heidelberger Zement and an action plan to achieve these goals.

It is also expected that successful implementation of the action plan will further improve the management and productivity of Scacement International Limited.

A few months back, Heidelberger Zement, through a series of regional-level discussions around their overseas operations, finalised what has been projected as Corporate Mission Statements, which epitomise the management philosophy of the group.

Heidelberger Zement Group adopted the following mission statements which include: building worldwide growth by building a better world, building customer satisfaction because their success is the group's success, building on quality products to build the group's reputation, building on environmental care also makes economic sense, building on local responsibility for international success, building the group's business on the knowledge of their people, building the group's growth on a solid base of earnings, and building on new technologies.

At the beginning, the Mission through brainstorming sessions, firstly, to identify the perceived gaps between objectives and existing norms and then to draw up time-bound Action Plan with a view to closing the gaps.

Canada weathers US economic slowdown well

AFP, Toronto

Finance Minister Paul Martin said Friday Canada is coming through the US economic slowdown "reasonably well" and stressed he was "very confident" the country will continue to have strong growth.

"I think it is pretty clear that the Canadian economy is coming through this (the US economic slowdown) reasonably well," Martin told reporters following a speech about the environment and the economy.

"Whereas the Americans have been losing jobs over the course of the last couple of months Canada has been creating jobs," he said, adding that Canada is seeing better growth rates here than the United States.

Canada's economy is projected to grow by 2.4 per cent this year, while the US Federal Reserve Board predicts real US gross domestic product to expand by between two and 2.5 per cent, with growth falling short of that in the first half of the year.

On Friday, the US Commerce Department revised downward first quarter growth to an annual rate of 1.3 per cent from two per cent.

"Sure we're going to be affected by whatever is happening to our largest customer, but I must say I feel very confident about Canada's ability to come through this," Martin stressed.



Hans Fredrik Myklestu (sitting 2nd from left), Georg Kuhling (sitting 1st from left), Martin Schjolberg (sitting 4th from left) and Ola Shipert (standing 4th from right) are seen with other Management staff at a workshop on Corporate Mission Statements held recently at the office of Scacement International Ltd, Dhaka.

US lawmakers introduce bill to ban Myanmar goods

AFP, Washington

mar, the Free Burma Coalition said in a statement Friday.

The bill was introduced a day after 23 human rights organisations and prominent labour unions from around the world sent a letter to dozens of companies that facilitate forced labour in Myanmar, demanding that they end financial support of the military junta in power there.

The letter and the senators' action came in response to a request from the International Labour Organization that its members ensure they are not contributing

to what the ILO calls a "modern form of slave labour."

The International Confederation of Trade Unions (ICTU), linking more than 221 labour unions in 148 countries, said last year that nearly one million people were subjected to forced labour in Myanmar, particularly in building roads, railways and military installations.

The army was singled out as a main offender due to its practice of using villagers, often from ethnic minorities, as porters.



Dr Anwar Hossain, Professor and Director of Institute of Business Administration (IBA), University of Dhaka, addresses the inaugural ceremony of a training workshop titled 'How to Enter the US Market with your Products' at DCCI Business Institute (DBI) yesterday.

US Senate, House reach accord on tax cut package

REUTERS, Washington

Top income tax rates fall across-the-board in three one percentage point steps starting July 1, 2001.

The top 39.6 per cent rate falls to 35 per cent by 2006, while the current 36 per cent rate falls to 33 per cent by 2006. The current 31 per cent rate ultimately falls to 28 per cent, while the current 28 per cent bracket falls to 25 per cent.

"The House and Senate were expected to act on the measure, the biggest tax cut in two decades, on Saturday and send the package to Bush for his signature."

The tax bill could be the Senate's last major vote under Republican control before Vermont Sen. James Jeffords officially leaves the party and Democrats take control.

The House-Senate compromise scales back many provisions of Bush's original \$1.6 trillion package and compromised on the top rate. Bush sought a top rate of 33 per cent.

Under the bill, a new 10 per cent tax bracket is carved out of the bottom income levels of the current 15 per cent bracket. The change is made retroactive to the beginning of this year and taxpayers will receive a lump sum check from the government to reflect the change.

Individuals will receive up to \$300, married couples up to \$600 and heads of households up to \$500, Treasury officials said.

"Once the president signs into law this historic bipartisan agreement, the Treasury Department will begin the process of returning tax dollars as quickly as possible to those who paid them," Treasury Secretary Paul O'Neill said in a statement.

The bill also calls for repelling estate taxes, a majority for business groups which had lobbied hard for the measure.

Computer glitch, switchover to cement, pharma sectors mark DSE trading

M SHAMSUR RAHMAN

The Dhaka Stock Exchange (DSE) automation faltered yesterday, forcing the bourse authorities to shut down trading for two hours.

The trading however resumed later and was extended by two hours from the usual closing time of 2:30 pm.

Sources said the DSE system started malfunctioning from Friday when DSE IT department was transferring the week's trading data from its hard disk to a magnetic tape for future records.

"Soon after the transfer, some of the hard disk refused to read or accept new data," one DSE insider said.

He said trading began yester-

day at 10:30 am, but many brokers failed to log on to the system.

As a result the DSE officials stopped the system at 10:55 am for two hours and resumed trading at 1:00 pm after temporarily fixing the glitch.

Sources said the IT department are supposed to work on the problem in the evening for today's smooth trading.

Talking to The Daily Star, DSE acting Chief Executive Officer Rezaur Rahman said the actual reason behind the system failure will be known once the vendors give their diagnosis report.

He also said the system is trouble-free now and trading will not be affected today.

Following the failure of the DSE system, many investors switched to the Chittagong Stock Exchange (CSE) where the market was going high.

At one stage, the CSE prices beat the quotes on the DSE. Shares of a pharmaceutical company was trading at Tk 1.50 higher than the last sell offer at the DSE trading screen.

Some brokerage houses, trading on both the bourses, were seen selling shares of the pharma company at CSE with the hope of buying the same from the DSE at a lesser price.

The switchover to CSE has resulted in a huge volume of trading in the bourse to the tune of Tk 14 crore from the previous week's

average trading of Tk 8.5 crore.

After resumption of trading, the DSE index shot up by 13 points, reaching 725 from the previous 712 points in a brief period. The market later shed five points to finally settle at 720 points.

Following a continual rally for the last few months, the banking sector yesterday witnessed massive slide by four per cent.

Market operators attributed the fall to profit taking by investors who had switched their investment to cement, textiles and pharmaceutical sectors.

"As a result, all the cement companies witnessed a huge demand and prices soared to new highs," a market operator said.



PHOTO: MTBL

Syed Manzur Elahi, Chairman of Mutual Trust Bank Ltd, opened the bank's first rural branch at Mograpara in Sonargaon. The inaugural function was attended by local Parliament Member Prof. Rezaul Karim, Managing Director of MTBL Mosharrif Hossain, members of the Board of Directors, senior executives of the bank and local businessmen.

DCCI workshop on boosting export to US market held

A day-long workshop titled "How to Enter the US Market with your Products" was held at DCCI Business Institute (DBI) under DCCI-GTZ Partnership Programme yesterday, says a press release.

Inaugurating the workshop, Dr Anwar Hossain, Professor and Director of Institute of Business Administration (IBA), University of Dhaka, underscored the need for further expansion of market to the US as a part of export-led economic growth policy pursued by Bangladeshi government.

Mahbub-uz-Zaman, Acting President of DCCI, chaired the inaugural session while Kamal U Bhuiyan, Economic/Commercial Specialist, US Trade Centre, Embassy of USA in Dhaka, graced the occasion as guest of honour. Amongst others, resource person Munir H Khan, Secretary of DCCI Mirza A Matin and Acting Executive Director of DBI Md Emdadul Haque were present.

Mahbub-uz-Zaman in his address of welcome said entrepreneurs should be strategically capable to utilise the incentives offered by the government. He urged the participants to utilise their acquired knowledge for market promotion and informed the workshop that the DCCI Business Institute (DBI) would launch Executive MBA Program in cooperation with IBA very soon.

Kamal U Bhuiyan gave a brief resume of the US Trade Center in Bangladesh and encouraged the participants to utilise the services of the centre in expanding markets to the USA.

The workshop topics includes Modern Business Trends, Values and Philosophy, Characteristics of US Buyers, Dimensions and Factors of Buyer Communication, Presentation of Products in a customized manner, Analysing Buyers' Motivations, Utilising Strategies and Immediate Results, Identifying new Buyers, Result-oriented Communication with new Buyers and Creation of new market demands.

A total of 24 participants involved in export business attended the workshop.

ABC News to cut 10pc of workforce

AP, New York

ABC News is cutting 10 per cent of its work force, or about 125 jobs, as part of a broad cost-reduction effort mandated by its corporate parent, Walt Disney Co.

ABC News has been offering buyouts to all its North American employees as part of the job-cutting programme that Disney announced in late March, which will result in some 4,000 jobs being eliminated throughout all of Disney's operations.

3-day BTMA show begins tomorrow

BSS, Dhaka

The first-ever gala display of local fabrics and textile products will begin at a city hotel here on tomorrow.

Prime Minister Sheikh Hasina is expected to inaugurate the exhibition and a seminar on the occasion.

Bangladesh Textile Mills Association (BTMA) is organising the three-day show, dubbed as Tex-Bangla-2001, at Dhaka Sheraton Hotel.

Addressing a press conference at Jatiya Press Club Saturday, BTMA Chairman Salman F Rahman said the show would be a befitting reply to those who wanted to propagate that investment in backward linkage industries in Bangladesh was not viable.

Referring to a propaganda launched by the International Finance Corporation (IFC), an affiliate of the World Bank, a few years ago undermining the prospects of backward linkage industries of Bangladesh, Salman Rahman said the exclusive shows and research findings on the country's textile industries in the display

would certainly prove that allegation to be unfounded.

Besides the display, BTMA will hold a seminar on backward linkage industries in collaboration with the Centre for Policy Dialogue (CPD) on the opening day.

A fashion show exclusively on locally-made fabrics, will be held on May 29.

A total of 26 organizations manufacturing textile products and fabrics will take part in the exhibition.

Finance Minister Shah A.M.S. Kibria, Commerce Minister M.A. Jalil and Industries Minister Tofail Ahmed will attend the seminar.

Responding to a query, Salman Rahman said if the present pace of government cooperation continued, the country would be able to face the challenges of the year 2005 to a great extent.

He said the textile mills are meeting the cent per cent requirement of the total demand for 110 metres of fabric. At the same time, the sector is providing 26 crore metres of cloths out of the total demand for 130 crore metres to the local garment exporters.

ReadyCash Raffle Draw Winners

The latest draw of the fortunate prize winners took place at New Generation at Alta Plaza in Dhanmondi on Thursday, says a press release.

Mahbub Rahman, proprietor of the store, chose the winners at a simple ceremony.

This is part of the commitment ReadyCash undertakes to reward valuable and loyal cardholders.

Prizes for new cardholders

Prizes

Name of Winners	Card No
Pearl Restaurant Free Lunch for Two	504798000000778
Federal Express Free Shipment	5047980000007814
Great Wall Restaurant Free Lunch for Two	5047980000007824
Yantai Chinese Restaurant Free Lunch for Two	5047980000007340
Pizza Inn Free Lunch for Two	5047980000007846

Prizes for card use

Name of Winners	Card No

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