

**Washing Machine**  
**TRANSCOM ELECTRONICS**  
 Dhaka: 8110163, 9882192, 9896285, 9896613  
 Chittagong: 637669, 653758, Bogra: 66215  
 Khulna: 720304, 723695

**Air Conditioners**  
**TRANSCOM ELECTRONICS**  
 Dhaka: 8110163, 9882192, 9896285  
 Chittagong: 637669, 653758, Khulna: 720304, 723695, Bogra: 66215

## Money laundering thrives on legal loopholes

BoI asks ministry to discourage registration of foreign, joint venture cos until amendment to law

TASIM UDDIN KHAN

A number of fully foreign-owned companies and joint ventures having negligible capital base are taking advantage of the weaknesses in the Companies Act 1994 to indulge in money laundering, officials at the Board of Investment (BoI) said.

In a bid to control such activities, the commerce ministry to discourage the registration of 100 percent foreign-owned and joint venture companies until necessary amendments are made to the existing law.

The BoI in a letter to the ministry issued on April 5 observed that some of the foreign entrepreneurs are doing export-import and other trades in the country without having any direct foreign investment.

The entrepreneurs, mainly from

China, Pakistan and India, are concentrating on buying house, freight forwarding and other trading businesses where they need a small amount of investment, a BoI official said.

"These people gain a lot of profit within a short period of time and send back the amount to their countries through illegal channels, causing money laundering," the official said preferring anonymity.

The BoI requested the ministry to ask the Registrar of Joint Stock Companies (JSC) to discourage registration of such firms until necessary changes are brought in the Companies Act 1994.

The BoI letter said such foreign and joint venture companies without having any acceptable paid-up capital and permanent property also receive huge amount of loans

from different commercial banks.

"Such trading poses a serious threat to the real businesspeople who have enough paid-up capital," the BoI letter noted. It said the foreign firms have a huge difference between their mentioned authorised capital and paid-up capital.

"Some of the foreign and joint venture companies have got registration from the JSC even showing only Tk 300 as paid-up capital," the BoI mentioned in the letter.

The BoI earlier proposed to fix US\$ 50,000 as minimum paid-up capital required for registration of joint venture companies. It also proposed amendment to the Companies Act 1994 incorporating this requirement.

Meanwhile, the Registrar of JSC in a letter informed the BoI that

there is no minimum limit for paid-up capital in forming as well as registering a company as per the existing Companies Act.

"In case of registering foreign companies, there should be a reasonable and minimum limit of paid-up capital," the Registrar of JSC said.

According to the JSC, a total of 45 joint venture and 24 wholly foreign owned companies obtained registration from January to April 10 this year. Most of these companies have high authorised capital but they maintain very low paid-up bases.

An official of JSC said a foreign firm got registration on March 12 with an authorised capital of Tk 2 crore but its paid-up capital is only Tk 30,000. Another joint venture firm with an authorised capital of Tk 18 crore has Tk 2 lakh as paid-up capital, he added.

## BGMEA seeks duty-free access to China

BDNEWS, Dhaka

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has asked China to provide Bangladesh garments with duty-free access to its market.

BGMEA leaders made the request when they called on Chinese Ambassador in Dhaka Chai Xi at his office. BGMEA leaders also sought technical support and training from China. Besides, BGMEA leaders sought simplification of visa procedure to China for Bangladesh exporters.

BGMEA President Annisul Huq led the delegation.

## United Leasing approves 60pc dividend, 100pc bonus share

United Leasing Company Ltd has declared 60 percent dividend and 100 percent bonus share for its shareholders for the year 2004.

The dividend approval came at the 16th annual general meeting (AGM) of the company held in Dhaka on Monday, says a press release.

Kafiluddin Mahmood, chairman of the company, presided over the AGM.

## Prime Finance okays 20pc cash dividend

Prime Finance and Investment Limited, a local financial institution, has approved a 20 percent dividend for its shareholders for the year 2004.

The dividend was okayed at the 9th annual general meeting (AGM) of the company held recently in Dhaka, says a press release.

Md Nader Khan, chairman of the company, presided over the AGM attended, among others, by Managing Director Tapan K Podder and representatives of financial shareholders.

## National Bank to collect AKTEL subscribers' bills

Subscribers of AKTEL mobile phone will be able to pay their monthly bills through the branches of National Bank from now on.

An agreement to this effect was signed between AKTEL and National Bank Limited in Dhaka on Sunday.

Md Nasir Bin Baharom, managing director of AKTEL, and Md Abdur Rahman Sarker, deputy managing director of National Bank, signed the deal on behalf of their organisations, says a press release.

## SME fair raffle draw held

BDNEWS, Dhaka

Raffle draw of the coupons of SME Fair 2005 was held yesterday at the FBCCI conference room in Dhaka.

Coupon number 017916 won the first prize of Dhaka-Doha-Sicily-Dhaka air ticket while coupon number 002024 won the second prize of Dhaka-Singapore-Dhaka air ticket and coupon number 046931 got the third prize of Dhaka-Kathmandu-Dhaka air ticket.

The awards are sponsored by Qatar Airways, Victoria Ltd and Asian Textile Mills Ltd respectively.

Besides, the organisers also announced ten special prizes. The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) will announce the names of the winners through newspapers. The winners are asked to contact the FBCCI within 15 days.

## Shoppers World mall joins Dutch Bangla Bank merchant network

Shoppers World, a shopping mall in Dhaka, has joined the 'point of sale' (POS) merchant network of Dutch-Bangla Bank Ltd recently.

From now on, DBBL Nexus cardholders will be able to purchase any item from Shoppers World by using their cards through POS terminals, says a press release.

To this effect Abul Hashem Khan, deputy managing director (Operation) of DBBL, handed over POS terminals to Yeasir Ahmed Khan, managing director of Shoppers World, at a function in Dhaka.

## Govt mulls lifting PSI system

NBR chief tells Ctg chamber members

STAFF CORRESPONDENT, Ctg

The government is considering discontinuing pre-shipment inspection (PSI) system by this year to stop 'harassment' of businesspeople, National Board of Revenue (NBR) Chairman Khairuzzaman Chowdhury said yesterday in Chittagong.

The NBR chairman was exchanging views with the members of Chittagong Chamber of Commerce and Industry (CCI) at the chamber auditorium here.

There will be no tax holiday for the business community in future, but they will enjoy more opportunities, he said.

"The government is also planning for reforms in NBR administration including setting up a permanent and full-fledged bond commissionerate in Chittagong," the NBR chief said.

The NBR chairman assured the business leaders of bringing freight forwarders under licensing system at a discussion of Chittagong chamber, customs and BGMEA. He also suggested for realising income tax at source in garment sector to free the exporters and importers from 'harassment'. CCCI President Saifuzzaman Chowdhury described various 'harassment' incidents and favoured discontinuation of PSI system.

The chamber president called for providing agro-based multiple sectors including horticulture and poultry with duty rebate. He urged the government to facilitate setting

up of backward linkage industries for export-oriented industries in the post-MFA era.

NBR Member (Customs) ATM Sarwar Hossain, Member (Income tax) Zahir Mohammad, Chittagong Customs Commissioner AM Mashrur Ahmed, Commissioner (Customs, Excise and VAT) Noor Mohammad Mia, and Chittagong Port Authority (CPA) Member (Finance) Ahmed Abdul Quasem were also present at the meeting.

CCI Senior Vice-president SM Nurul Haq, Director SM Nuruddin, PHP Group Chairman Sufi Mizanur Rahman, C&F Agents Association President AKM Akter Hossain and International Freight Forwarders Association of Bangladesh President Amrul Islam Chowdhury Mizan also spoke at the meeting.



Canadian High Commissioner in Dhaka David Sproule calls on MCCI President Kutubuddin Ahmed at the latter's office yesterday. Other members of Metropolitan Chamber of Commerce and Industry (MCCI) were also present.

## Dhaka becomes more cost competitive for investment

Says JETRO survey

STAR BUSINESS REPORT

Dhaka has become a little more cost competitive for investment, reveals the latest survey by Japan External Trade Organisation (JETRO).

The survey on 'Investment Related Cost Comparison' said Bangladesh is the cheapest place among 21 places in Asia in terms of eight investment components, which include office rent and taxation on remittance of profit.

The 15th survey, completed in March 2005, said the scenario of rental fee in industrial estates, charges of overseas telephone call, cost of water for general use and cost of petrol have also improved.

The purpose of the annual survey is to offer relevant information to potential Japanese investors who are

considering overseas investment and need to know in which country the investment cost is high or low.

The survey also said Bangladesh is in a favourable position compared to other Asian countries in the areas of workers' wage, office rent, rental of industrial estates, water and electricity charges, monthly basic cost for fixed telephones and rate of personal income tax.

The survey report also mentioned that issuance of work permit for foreigners and introduction of visa on arrival will contribute to increase of foreign investment in the country.

The survey report, however, placed some recommendations for bringing favourable investment climate including reduction of broadband internet service charge, connection fee for fixed telephone and ISD mobile phone,

container transportation cost and corporate tax.

It said even after offsetting the proportional cost due to geographical longer distance, the cost of transportation from Chittagong Port is higher than that from Mumbai Port. Large container ships cannot come to Chittagong Port due to its shallow draft and, therefore, transshipment of containers becomes necessary either in Singapore or in Colombo.

"The cost of container transport is a big element that affects the export competitiveness of a commodity. The construction of a deep sea port in Bangladesh should perhaps be considered seriously," the report suggested.

It said the corporate tax in Bangladesh, being 37.5 percent for general enterprises, is one of the

highest in Asia.

The report suggested that after withdrawal of tax holiday facility, the enterprises will have to pay the high corporate tax, causing difficulties to investors.

The survey report said Bangladesh should pay attention to improvement of infrastructure facilities and ensure speedy and transparent approval process to reduce investment cost.

"If foreign investments are considered essential for the economic development of the country, the government has to introduce much more attractive incentives compared to those given by China, Vietnam and other Asian countries," the report recommended.

## Local co teams up with Tommy Mia to produce food items

STAR BUSINESS REPORT

A local company yesterday announced that it will use cooking expertise of master chef Tommy Mia to produce food items for domestic and international markets.

One Consumer Products Ltd, a subsidiary of One Group, in association with the Bangladesh-born Briton will go for commercial production of cookies, candy, peanut, chutney, noodles, shemai, chanachur, ghee, honey, chira and mui.

"Within next three months we will come up with food items in the market," said Giasuddin Al-Mamoom, managing director of One Group and One Consumer Products.

"Besides supplying the food products in the local market at a cheap price, our target is to export the items in the international market especially in the UK, USA and Middle Eastern markets," he said while speaking at a press conference in Dhaka yesterday.

Among others, master chef Tommy Mia, who also runs a restaurant named Heritage in Gulshan area attended the function.



Master chef Tommy Mia (centre) speaks at a press conference, organised by One Consumer Products Ltd, yesterday in Dhaka. The company announced that it will use cooking expertise of Tommy to produce food items.

## Bush eyes interim China step on currency

REUTERS, Washington

US President George W Bush said Tuesday that China was considering taking an interim step toward easing its rigid currency regime and that Washington wants action as soon as possible.

An interim move could help ease rising Sino-US tensions, but Bush said the United States would still keep the pressure on Beijing to "eventually" let markets set the value of the yuan currency.

Some US lawmakers are threatening to penalize Beijing with punitive tariffs, but administration officials say they cannot support such provocative legislation at this point.

There have been some indica-

tions that they're thinking about ... an interim step toward floating the currency. We're constantly urging them, if they're going to take that step, to take it as soon as possible and eventually get to ... a currency which floats, Bush said in an interview with CNBC.

The US administration has been offering an increasingly blunt critique of relations with China in recent days, singling out the currency dispute and threats against Taiwan.

Bush sought Tuesday to play down concerns that China was trying to crowd the United States out of energy markets. "I don't think there's a ... kind of economic war plan," Bush said. "I do think they're trying to ... satisfy a huge appetite for

a massive economy growth, a fast-growing economy."

US manufacturers blame China's long-held policy of tying its currency to the dollar for the bulk of the US trade deficit with China, which hit a record \$162 billion last year.

They argue the currency peg makes US imports more expensive and Chinese exports cheaper, giving Chinese companies an unfair price advantage of 25 to 40 percent.

"Obviously we're at a competitive disadvantage to the extent that their currency won't float," Bush said in the interview, which was taped on Monday. But he added: "It's ... certainly not going to be a panacea to get them to float the currency."

## Malaysian auto sales hit record high

AFP, Kuala Lumpur

Malaysia's vehicle sales rose 21.6 percent year-on-year in March to an all-time high of 50,558 and are likely to accelerate as consumers rush to buy in anticipation of higher car prices, reports said Wednesday.

## Asian, African ministers talk trade partnership

AFP, Jakarta

Thai, Foreign ministers from Asia and Africa held talks in the Indonesian capital Wednesday with the aim of drafting an agreement on a strategic alliance ahead of a weekend summit of leaders from both continents.

Ministers representing more than 80 nations were due to deliver a joint statement on their accord, likely to focus on lowering poverty, improving trade links and reversing the marginalisation of developing nations, later Wednesday.

The resolution on a "new Asia-

Africa strategic partnership" is expected to be signed at the climax of the April 22-23 Asia-Africa summit in Jakarta, when government leaders will converge on the Indonesian capital.

The weekend event, jointly hosted by South Africa, marks the golden jubilee of the first Asia-Africa summit held in 1955 in the city of Bandung, southeast of Jakarta, which gave birth to the Non-Aligned Movement.

It is hoped the new partnership will help revive some of the principles laid down in the original conference and strengthen the bonds

between the two continents, which are home to 73 percent of the world's population.

Opening Wednesday's talks, Indonesian Foreign Minister Hassan Wirayuda called on Asia and Africa to find concrete ways to alleviate poverty and increase their global clout.

"Over the years, there are aspects of the 'Bandung spirit' that have not been commensurately served by the nations of our two great continents, largely because we have not been able to develop an appropriate and effective mechanism for inter-regional cooperation," Wirayuda said.

**Government of the People's Republic of Bangladesh**  
 Central Medical Stores Depot (CMSD)  
 Department of Health Services, Ministry of Health and Family Welfare, Dhaka

### Tender for Goods (Single Lot)

Ref. No: CMSD/G-493/2004-2005/MD/30 Dated: 06/04/2005

| KEY INFORMATION                                 |   |
|---|---|
| 1. Procurement method/document                  | NCT Open.   |
| FUNDING INFORMATION                             |   |
| 2. Source of funds                              | Revenue Budget (Government).  |
| 3. Development partner                          | Not applicable.   |
| PARTICULAR INFORMATION                          |   |
| 4. Project/programme code                       |   |
| 5. Project/programme name                       | Not applicable.   |
| 6. Tender package no.                           | G-493.  |
| 7. Tender package name                          | Arthroscopy Machine with Hand Instrument Set.   |
| 8. Tender publication date                      | 14-04-2005.   |
| 9. Tender last selling date                     | 05-05-2005.   |
| 10. Tender closing date and time                | 05-05-2005, 11:00 AM.   |
| 11. Tender opening date and time                | 05-05-2005, 11:30 AM.   |
| 12. Name and address of the office(s)           |   |
| -- Selling tender document (principal)          | Central Medical Stores Depot (CMSD), 30 Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka-1208.  |
| -- Selling tender document (others)             | Not applicable.   |
| -- Receiving tender document                    | Central Medical Stores Depot (CMSD), 30 Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka-1208.  |
| -- Opening tender document                      | Conference Room, Room No. 115, Central Medical Stores Depot (CMSD), 30 Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka-1208.   |
| 13. Place/date/time for pre-tender meeting      | Conference Room, Room No. 115, Central Medical Stores Depot (CMSD), 30 Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka-1208, 21/04/2005, 11:30 AM.   |
| INFORMATION FOR TENDERER                        |   |
| 14. Eligibility of tenderer                     | Any individual(s) from any country having diplomatic relationship with Bangladesh, who fulfill the qualification criteria stipulated in the tender data sheet and other condition of the tender(s) document(s). Payment will be in Bangladesh Taka. |
| 15. Brief description of goods or works         | Arthroscopy Machine with Hand Instrument Set.   |
| 16. Brief description of related services       | Not applicable.   |
| 17. Tender document price                       | B Taka 750.00 (Bangladesh Taka seven hundred fifty) only.   |
| Lot no.   | Identification  |
| 1   | Arthroscopy Machine with Hand Instrument Set  |
|   | Location  |
|   | Tender security amount  |
|   | Completion time in weeks/months   |
|   | in Taka   |
|   | 8 (eight) weeks from signing of contract  |
| PROCURING ENTITY DETAILS                        |   |
| 18. Name of official inviting tender            | Brigadier General Dr Md Abdus Sakhid Khan   |
| 19. Designation of official inviting tender     | Director, Stores & Supplies.  |
| 20. Address of official inviting tender         | Central Medical Stores Depot (CMSD), 30 Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka-1208.  |
| 21. Contact details of official inviting tender | Tel No: Central Medical Stores Depot (CMSD), 30 Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka-1208. Fax: Tel: 8115479; 9114085; Fax: 9126547 E-mail: cmsd@deko.net.bd; cmsd-doh@btbt.net.bd  |

The procuring entity reserves the right to accept or reject all tenders.

Brig Gen Dr Md Abdus Sakhid Khan  
 Director Stores & Supplies  
 Dte Gen of Health Services  
 CMSD, Tejgaon, Dhaka-1208.

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