

Allow import of up to 7 yrs old vehicles

Reconditioned vehicle importers urge government

STAR BUSINESS REPORT

Reconditioned vehicle importers yesterday urged the government to allow import of up to seven years old transports.

"Reconditioned pick-ups, trucks and delivery vans always played a very significant role in transporting goods for export-oriented industries as well as agricultural products within the country in the past. But present policy discourages import of these vehicles," said Abdul Mannan Chowdhury Khoshru, president of Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida), at a press conference in Dhaka yesterday.

He described the prevailing policy on importing reconditioned vehicles as inappropriate, and said it encourages the import of low-quality vehicles.

Besides, new vehicles are being imported after paying almost the same duty as that on reconditioned ones, he said. Taking advantage of the present pre-shipment inspection system, traders now can import new vehicles paying less tax than that on the reconditioned ones, he added.

Khosru said the present policy allows importers to import up to four years old cars and thus pushes prices of reconditioned cars abnormally high. The government should

allow import of up to six years old cars to help reduce the prices, he said.

Criticising present taxation policy, the Barvida president said in case of one year old car, the depreciation is estimated at 10 percent, five percent for two years while none for three and four years old vehicles. "So, the duties on a four-year old

and a two-year old vehicles are almost the same."

Citing an example, he explained duty on a 1300 Toyota Corolla Dx car was Tk 2.51 lakh in 2002 and its selling price was Tk 5 lakh. But duty on the same car is now Tk 4.27 lakh and it sells at Tk 9 lakh.

All these taxation policies are the main reasons for increasing the

prices of reconditioned vehicles, Khoshru observed.

M Habibur Rahman, vice-president, and Shah Mosharraf Hossain, secretary general of Barvida, were also present at the press conference.



PHOTO: STAR
Abdul Mannan Chowdhury Khoshru, president of Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida) yesterday speaks at a press conference in Dhaka. M Habibur Rahman, vice-president, and Shah Mosharraf Hossain (L), secretary general of Barvida, are also seen.

RFL Plastics to start export to India

RFL Plastics Ltd, producing plastic furniture and household items, has started exporting its products to India.

The company has recently exported plastic chairs, tools, bolls, jogs and mugs to the Indian state of Assam.

"We have a big market for different types of plastic goods in India. We exported various types of PVC products there before," said ATM Nasiruddin Mahmud, executive director of RFL Plastics.

The company has also a plan to export plastic and PVC goods to the Saarc countries, Africa and Middle East states, he said in a press statement.

RFL Plastics Ltd is a sister concern of Rangpur Foundry Ltd, a cast iron and PVC (polyvinyl chloride) pipe manufacturing company of the country.

Brac bank to launch ATM services

Brac Bank Ltd will introduce ATM service for its clients.

The bank has recently signed a tripartite agreement with Transaction Processing Systems, Pakistan (Pvt) Ltd and International Acumen Ltd for launching the service, said a press release issued by the bank.

Under the deal, TPS and International Acumen will provide Brac Bank with ATM, POS and other electronic banking facilities.

M Ehsanul Haque, chief executive officer and managing director of Brac Bank, Mohammed Sohail, chief executive of TPS (Pvt) Ltd, and Arup Roy, MD of International Acumen, signed the deal on behalf of their respective companies.

30 travel agents of Biman trained

BSS, Dhaka

The certificate awarding ceremony of a weeklong course on passenger fares and ticketing organised by Biman Bangladesh Airlines was held in Sylhet on Thursday.

Acting Managing Director of Biman M Mahmoodur Rahman gave away the certificates to 30 travel agents. Ataur Rahman, Sylhet zone president of Association of Travel Agents of Bangladesh (Atab), was present at the function.

This is the first ever course on airline marketing and sales held in Sylhet.

The objective of the training course was to improve services of the travel agents and bring discipline in the travel trade.

Manager of Biman Sylhet region, chief instructor (M&S) and resource persons from Bangladesh Airlines Training Centre (BATC) were also present.

Lamy chosen as next WTO chief

AFP, Brussels

Former European Union (EU) trade chief Pascal Lamy has been chosen as the next head of the World Trade Organization, a diplomatic source said Friday.

"There is no doubt. It is Pascal Lamy who has been chosen by the selection process as the next director general of the WTO," the source in Brussels told AFP.

The European Commission, of which Lamy was a member until last year, said Lamy was "uniquely qualified" for the job.



PHOTO: RAHIMAFROOZ
A prize is being handed over to a raffle draw winner at a prize giving ceremony under a promotional campaign launched by Rahimafrooz Superstores Ltd at Agora Moghbazar Mela in Dhaka on Wednesday.

British Airways annual profit soars but warns of higher fuel costs

AFP, London

British Airways announced on Friday an 80-percent rise in annual pre-tax profit helped by the controlling of costs and strong demand but hiked its forecast for fuel costs during the current financial year.

BA reported pre-tax profits of 415 million pounds (610 million euros, 772 million dollars) for the year ending March 31, compared with 230 million pounds during the 2003/04 financial season.

Analysts' consensus forecast was for pre-tax profit of 392 million pounds.

Annual net profit jumped 83.4 percent to 266 million pounds.

"These are good results driven by continued cost control and strong demand for our products," BA's outgoing chief executive Rod Eddington said in a statement accompanying the results.

But BA chairman Martin Broughton noted: "Fuel costs, net of hedging, are now expected to be about 400 million more than last year, up from (an original estimate of) 300 million due to recent price

rises."

Traded oil prices rocketed to fresh historic high points last month of 58.28 dollars per barrel in New York and 57.65 dollars in London on fears about possible supply shortages amid strong global demand for energy.

They stood at below 49 dollars per barrel on Friday. BA has offset some of the increase in energy costs by raising fuel surcharges on tickets.

"For the year to March 2006, total revenue was expected to improve by 4-5 percent, up from 3-4 per cent due to the impact of the latest fuel surcharges," Broughton said.

The airline's soaring pre-tax profits were achieved on the back of a 3.3-percent increase in turnover to 7.82 billion pounds with traffic up 4.7 percent.

BA's share price rose 1.77 percent to 258.5 pence in early London dealing, outperforming the capital's FTSE 100 index of leading shares which fell 0.29 percent to 4,879.20 points.

Senior executives of Bank Alfalah arrive in Dhaka today

Senior executives of Bank Alfalah arrive in Dhaka today in connection with opening of the bank's first branch in Bangladesh.

The executives include Bashir A Tahir, advisor to Sheikh Hamdan Bin Mubarak Al Nahyan, Mohammad Saleem Akhtar, president and chief executive officer of Bank Alfalah Ltd, and Parvez A Shahid, executive in charge.

The officials will have meetings with finance minister, governor of the central bank, BTRC chairman and finance secretary and other corporate heads, said a press statement issued by Bank Alfalah Limited.

The bank's president will attend a dinner on May 16.

It may be mentioned that Abu Dhabi Group has decided to invest in financial, telecommunication and real estate sectors in Bangladesh.

The Bank Alfalah will start operation from May 16 at the former premises of Shamil Bank, which they have taken over.

Merge small, medium factories to survive in quota-free era

Speakers recommend at discussion

STAFF CORRESPONDENT, Ctg

Speakers at a discussion yesterday underscored the need for taking steps for merger of small and medium factories under strong management so that they can survive in the quota-free regime.

They urged the government to allow central bonded warehouse to facilitate supply of raw materials of

garment factories.

Bangladesh Independent Garments Union Federation (BIGUF) organized the discussion at Woodland Park Community Hall in Muradpur area in Chittagong. Stressing the need for setting up backward linkage industries, speakers urged finance, industry and commerce ministries to work jointly and take necessary steps for the

garment sector.

Speakers also put emphasis on ensuring rights and facilities of the workers to maintain good working environment in the factories and increase production.

A panel of discussants representing both the ruling and opposition parties discussed present situation of the garment sector and made recommendations to over-

come the adverse impacts of quota-phaseout.

Organized in collaboration with Solidarity Center and the International Republican Institute, the meeting was participated by some five hundred garment workers.

Comprehensive policy is needed to extend financial assistance for encouraging the entrepreneurs to set up backward linkage industries and provide loans at low interest, they suggested.

However, there should also be a policy for making the best use of the low interest bearing loans.

They also urged the government to work for availing duty and quota free access to some major global markets.

They called for proper implementation of labour laws and existing rules to ensure the rights of the workers.

They emphasised the role played by the trade union leaders to ensure the rights and facilities of the workers.

Abdul Mannan, secretary general of Bikalpa Dhara Bangladesh, Mohiuddin Khan Alamgir of Awami League, Golam Sarwar Milon MP of Bangladesh Jatiya Party (BJP - Monju), Shah Mohammad Abu Zafor of ruling BNP, Habibur Rahman of Jatiya Party (Ershad), Sadeq Siddiqui of BJP and Professor Ahsan Ullah, Nayebe Ameer of Jamaat-e-Islami of Chittagong, among others, spoke at the discussion conducted by BIGUF President Asma Haque and General Secretary Nazma Akter.

Indian cos win 5 out of 7 Golden Peacock awards

PTI, London

Symbolising their growing economic clout, Indian companies have won five of the seven Golden Peacock Awards instituted by World Council for Corporate Governance for their outstanding performance.

Announcing the awards, Robert Hiscox, director (Communications) of World Council for Corporate Governance said the seven companies were chosen from out of 225 companies nominated.

Pritish Nandy Communications PTV, the first publicly traded motion picture company in India, received the award in the category of emerging economy in the private sector while Oil and Natural Gas Company (ONGC), one of the largest in the world, was selected for the award for its stellar role in the public sector in India.

The National Thermal Power Corporation, the largest power company in India, also received the

award in the emerging economy in public sector.

Indian Tobacco Company (ITC), one of India's foremost private sector companies, which has moved from tobacco to paper, food, hotel, agricultural exports and forestry to apparel and LIC were chosen for the Golden Peacock Awards in the category of Corporate Social Responsibility.

Ola Ullsten, former prime minister of Sweden and chairman of the World Council for Corporate Governance, and Madhav Mehra, president of World Council for Corporate Governance, jointly presented the awards to the winners here at Thursday night.

UK-based Scottish Power was declared the global winner in corporate governance while BT (British Telecommunications), the world's oldest communications company, was chosen for the award in the category of Corporate Social Responsibility.