

NBR plans to collect tax at source from more sectors

STAR BUSINESS REPORT

The National Board of Revenue (NBR) plans to collect tax at source from more sectors.

Imposition of tax on net profit earning of taxpayers is not simple and hassle-free, NBR Chairman Khairuzzaman Chowdhury said yesterday.

"The NBR this year imposed minimum tax on readymade garment exporters and share brokers at source to make the tax payment simple and hassle-free," he said adding that more sectors will be brought under new method soon.

The NBR chairman was speaking

at a seminar on income tax ordinance, organised by Institute of Chartered Accountants Bangladesh (ICAB) in Dhaka. ICAB President Sheikh A Hafiz presided over the seminar.

The NBR chairman said the method to collect tax at source is yielding good results as the NBR expects around Tk 100 crore from readymade garment sector where the revenue collection was Tk 15 crore last year.

Chowdhury also said 30 percent of Bangladesh's national gross domestic products is out of the tax net, which hinders the annual GDP growth.

He said the NBR is trying to bring more changes in rules and regulations

to make tax payment system easy.

He urged the chartered accountants to provide tips to stop tax evasion by corporate clients.

NBR Member AS Zahir Mohammad said around 82,000 more people submitted income tax returns this year.

He said the NBR has set a target to earn Tk 7000 crore from income tax and the board is hopeful that the target will be fulfilled.

He said the board earned Tk 5,700 crore income tax in the fiscal 2004-05, which was a 20 percent growth.



Khairuzzaman Chowdhury, chairman of National Board of Revenue (NBR), speaks at a seminar on income tax ordinance yesterday in Dhaka. The Institute of Chartered Accountants Bangladesh (ICAB) organised the seminar, which was presided over by ICAB President Sheikh A Hafiz.

Exports from EPZs up 14.38pc in FY05

UNB, Dhaka

Exports increased by 14.38 percent, employment 56.90 percent and investment 3.02 percent from the Export Processing Zones (EPZs) in the last fiscal 2004-05.

The enterprises of the EPZs exported goods worth of US\$ 1548.68 million during the last fiscal year against the target of \$ 1400 million, exceeding the target by \$ 148.68 million and crossing the billion dollar mark for the 5th consecutive year.

Export earnings from Chittagong EPZ for the year stood at US\$ 772.39 million while that of Dhaka EPZ \$

757.73 million, Comilla EPZ \$ 9.66 million, Mongla EPZ \$ 7.83 million and from Ishwardi EPZ \$ 1.09 million.

The amount was \$ 1353.91 million in the previous fiscal year (2003-04). Thus the exports from the EPZs in FY 2004-05 at \$ 1548.68 million was \$ 194.77 million or 14.38 percent more.

A Bepza press release said the operating industries of six EPZs have generated new employment for 15,802 Bangladeshi nationals during the last financial year. Of them, 8,721 persons are employed in Chittagong EPZ, 7,310 in Dhaka EPZ, 320 in Comilla EPZ and 20 in Ishwardi EPZ.

The number of people employed

in the last fiscal year showed an increase of 56.90 percent over 10,071 persons in FY 2003-04.

The release added that \$ 118.52 million more were invested in the six EPZs of the country during the last 2004-05 fiscal year. Of the amount, investment in Chittagong EPZ increased to \$ 45.31 million, that of Dhaka EPZ \$ 51.35 million, Comilla EPZ \$ 19.59 million, Mongla EPZ \$ 1.49 million, Uttara EPZ \$ 720,000 and Ishwardi EEPZ \$ 50,000.

The investment was \$ 115.04 million in FY 2003-04; thus the investment in the last fiscal year showed an increase of about 3.02 percent.

MEGHNA LIFE SHARES SEC cancels 28,000 fake applications

BDNEWS, Dhaka

The Securities and Exchange Commission (SEC) has cancelled over 28,000 applications, opened through beneficiary owners (BO) accounts by three merchant banks to purchase primary shares of the Meghna Life Insurance Co Ltd.

Bangladesh Mutual Securities Ltd, Capital Markets Services Ltd and Rasipit Securities and Management Ltd were the merchant banks that used fictitious names and addresses to open these accounts to obtain primary shares of Meghna Life, an SEC statement said yesterday.

Of the three merchant banks, Bangladesh Mutual Securities opened 23,200 accounts, Capital Market Services over 3,300 and Rasipit Securities opened 1486 accounts, sources said.

SEC sources said the commission detected these accounts after a probe into the BO accounts of the merchant banks.

Based on the probe report, the SEC postponed the lottery for Meghna Life shares, which was scheduled for August 4.

The SEC instructed the company to conduct the lottery on August 11 excluding the applications opened through BO accounts with the three merchant banks.

"We have cancelled all the applications, because most of those were fake," a senior SEC official told the news agency, requesting anonymity.

Meghna Life received a total of 1,27,156 applications for primary shares worth Tk 705.45 million as against shares worth Tk 45 million floated for public subscription.

US eager to assist Ctg port development

BDNEWS, Ctg

The US has expressed its eagerness to assist the development of Chittagong Port.

Manager for Asia of US Trade and Development Agency (USTDA) Stecci E Bonnafons expressed the eagerness at a meeting with directors of Chittagong Chamber of Commerce and Industries (CCCI) at the Chamber auditorium.

Stecci E Bonnafons also promised assistance in the development of the power sector, software and other sectors.

He said the USA is seeking to promote trade around the world.

The CCCI also asked Bonnafons to take quick decisions on setting up a commercial center in Chittagong and allowing duty-free access of Bangladeshi products across to the US market.

CCCI directors Amirul Haque and Mahbub Ali were present at the meeting.

Dhaka Bank's new head of Syndications



Salahdin Imam has recently taken over as the head of Syndications and Structured Finance of Dhaka Bank Ltd.

Imam started his banking career as Credit and Marketing officer of Grindlays Bank (now Standard Chartered Bank), says a press release.

Educated at Harvard University, Cambridge and Massachusetts Institute of Technology in USA, Imam worked for over 20 years as a senior international banker in Jeddah, Madrid, Paris and other countries.

Yahoo takes 40pc stake in China Alibaba

REUTERS, Beijing

Yahoo Inc will pay \$1 billion for 40 percent of Chinese Web auctioneer Alibaba.com, taking on eBay and search firm Baidu.com as it extends its reach in the world's second-biggest Internet market.

The highly anticipated cash deal announced on Thursday also merges Yahoo's search operations - China's second-largest after Baidu - and Alibaba's business-to-business and consumer Web auction operations, which trail only eBay's.

Yahoo will also fold its Chinese mail, messaging and other operations into Alibaba.

The newly merged entity is valued at \$4 billion, and will be headed by Alibaba chief executive Jack Ma. Yahoo gets 35 percent voting rights, with co-founder Jerry Yang taking a seat on a new four-member board.

Local exporters watch closely Indian move on textile import

BDNEWS, Dhaka

Local textile exporters are watching closely the Indian move regarding textile import from Bangladesh as Indian Prime Minister Manmohan Singh is to sit in a meeting next week about removal of specific duties that are imposed on imported textiles from Bangladesh.

Singh will sit to discuss simplifying the duty structure in the meeting of Trade and Economic Relations Committee (TERC) in New Delhi, according to an Indian wire service.

If the Indian prime minister decides to remove specific duties, textile apart jute, fruits and dry fruit imports from Bangladesh as well as

from Pakistan will be cheaper for the entrance in Indian market, as they will be replaced with simple duties, the wire service added.

Meanwhile, in Dhaka, textile and cloth exporters are very much enthusiastic about the meeting as they said "it is a good news that access to a big market like India is going to be much easier."

At present, local producers have to give at least 32 percent duty to export textile to Indian market, according to an industry source.

According to the present duty structure of India, specific duty is assessed on the basis of units of quantity (per piece) or weight, which generally turns out costly.

If Singh agrees, for instance, imports, which are now charged Rs 25 to Rs 125 per piece of specific import duty, a flat rate of up to 15 percent will be mooted under simple duty structure.

President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Anisul Huq said, "The Indian move is undoubtedly a very positive one as India is a very big market for us."

"But we must complete withdrawal of all sorts of duties on export to India," Huq said.

According to Bangladesh Knitwear Exporters Association (BKMEA) President Fazul Hoque it is also a good news as "it is an

opportunity for the knitwear exporters to get a slice of the big Indian market."

Local textile millers also praised the Indian move, saying that at last the biggest neighbour is changing its mindset.

MA Awal, chairman of the Bangladesh Textile Mills Association, said "It is appreciable and encouraging that India is taking steps for bigger regional market but the scenario will be clear after the official announcement."

"It is a very positive move from Indian side as it might boost the regional co-operation," he said.

Furniture fair kicks off August 16

STAR BUSINESS REPORT

In a bid to familiarise local customers with the latest progress in the country's furniture industry, a five-day national furniture fair is going to start in Dhaka on August 16.

The announcement came yesterday at a press conference at National Press Club where KM Akhtaruzzaman, chairman of Bangladesh Furniture Industries Owners Association (BFIOA), briefed on the second national fair.

The BFIOA chairman said Commerce Minister Altaf Hossain choudhury is expected to inaugurate the fair where Commerce Ministry

Adviser Barkat Ullah Bulu will also be present.

BFIOA and Communicare Dot Events, an event management company, will jointly organise the fair at Bangladesh-China Friendship Conference Centre. Navana furniture will be an event partner of the show.

The main objective of the fair is to tap the potential of furniture industry and apprise people of the recent progress Bangladesh has made in this sector, organisers said.

Akhtaruzzaman said some seminars will be organised on the sidelines of the fair and 30 renowned personalities will be declared 'Celebrity in the Fair' on the occasion.

He said Bangladesh is now able to make world-class furniture. Malaysia, China, Indonesia and Thailand have earned huge foreign exchange by exporting furniture.

"We also have huge export potential if the government comes forward to flourish this sector," he added.

"We sold furniture worth Tk 2 crore in the first furniture fair last year," said BFIOA chairman envisaging that this year the sale will be doubled.

A total of 56 companies will display wooden, cane and plastic furniture, wooden floors, and furniture for children in 110 stalls at the fair.

The Daily Star, ATN Bangla and munshigi.com are the media partners of the fair, which will remain open from 10am to 9pm every day without charging any entry fee.

Abul Hashem, BFIOA chief adviser, Nazim Shafkat Choudhury, COO of Studio-45, Mujibur Rahman Khan, managing director of Khan and Sons Furniture, and Eleais Sarker of Brothers Furniture also spoke at the press conference.



Bangladesh Furniture Industries Owners Association (BFIOA) organised a press conference in Dhaka yesterday to announce the five-day national furniture fair, which is going to start in Dhaka on August 16. BFIOA Chairman KM Akhtaruzzaman was present at the press briefing.

Capacity of Ctg port up but users still unhappy

BDNEWS, Ctg

Although the capacity of the Chittagong Port increased and the average period of stay of the ships reduced in the last fiscal (2004-2005), port users are unhappy with the quality of service there.

Chittagong Port Authority (CPA) sources said container handling soared by 14.05 percent in 2004-

2005 fiscal. Besides, cargo handling also increased by 5 percent.

The average period of stay of ships at the port decreased to 3.9 days while the average period of stay of ships was 4.5 days in 2003-2004.

Sources said 6,46,259 TEUS containers were handled last year and 2,43,87,389 metric ton cargos were handled while the quantity was

5,59,257 TEUS and 1,93,91,296 metric ton in 2003-04 fiscal.

Describing the activities of the port in the previous year CPA Director (Traffic) Ahsanul Kabir said some machinery including rubber gantry crane was brought and one stop service was introduced during the period, which increased the port's goods handling capacity several times.

