

Knitwear makers demand 10pc export bonus

STAR BUSINESS REPORT

Knitwear manufacturers yesterday demanded a 10 percent export performance bonus for all readymade garments to be more competitive in the time of global recession.

Citing different stimulus packages already offered by the competing countries, Fazlul Hoque, president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said any delayed stimulus package might not work effectively for Bangladesh to offset the losses of recession.

He said there is a fear of losing the existing markets of Bangladesh if the government makes further delay in offering a stimulus package as the competing countries would be more competitive.

Hoque was speaking at a press conference at the BKMEA office where he also forecast a gloomy future of the country's RMG sector due to the recession. The RMG sector is not only affected by the recession, but a 50 percent cut in power and gas is also taking a heavy toll on the largest export sector, he said.

"We have been facing frequent

outage and reduced gas pressure from the very beginning of the summer. The government must improve power and gas supply for smooth running of the factories," Hoque said.

He said 70 percent of RMG factories are located in Narayanganj, Chittagong and Gazipur, but the severe problem of power and gas supply started from those areas.

The BKMEA chief said attaining a 26.17 percent export growth in seven months (July-January) does not reflect the actual export of the sector as many deferred payments were realised during this period. "But the real slowdown in apparel export will be felt from now," Hoque said.

He said India offered \$8.1 billion stimulus package (between December '08 and January '09), devalued its currency by 26 percent (January '08-January '09), provided 6.0 percent subsidy in research and development, reduced bank interest rate from 7.5 percent to 6.5 percent for reinvestment and gave 3.0 percent interest subvention on the credit taken for the spinning sector.

The Vietnamese government plans to provide producers with around 40 dong for each dollar earned from export and has already pledged \$17.2 billion to fight global recession, Hoque said.

The Philippines reduced interest rate from 9 percent to 3 percent, Hoque said.

the subsidy to \$29 billion on \$177 billion yearly textile and garment export, Hoque said.

The tax rebate has already been increased to 17 percent from its previous 11 percent in China, he said.

China being the largest RMG supplier in the world injected \$586 billion to its economy in November 2008 to fight the recession, Hoque said.

He said in December 2008 India announced an additional allocation of Rs1,400 crore under technology upgradation fund scheme and interest sops.

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Obama shifts to more upbeat economic message

AP, Washington

President Barack Obama is shifting to a more upbeat economic message as he talks of working to create a "post-bubble" model for solid economic growth once the recession ends.

But first, Obama cautions, "We've got to get through this difficult period."

The days of overheated housing markets and "people maxing out on their credit cards" are over, Obama said Friday in describing that "post-bubble" model.

Lawrence Summers, Obama's top economic adviser, said there were "modestly encouraging signs" on the economy including indications that consumer spending had stabilized after taking a dive over the holiday season.

White House attempts to be positive matched a fourth day in a row of stock market gains. The Dow Jones industrials gained 53.92 points Friday to cap Wall Street's best week since November.

Administration officials

were criticized earlier this year for painting too dark a picture of the economy in an effort to win congressional passage of the president's \$787 billion stimulus package. But more recently, the president and others on his team have tempered their comments in hopes of building confidence, including the president's suggestion last week that it was a good time for those with a long-term perspective to buy stocks.

Despite the new enthusiasm at the White House and on Wall Street, there was little solid evidence to suggest an end was in sight to the severe recession that has already cost four million American jobs, driven home values down and sent foreclosures soaring.

And there were fresh signs of financial stress.

The Commerce Department reported Friday that the US trade deficit plunged in January to the lowest level in six years as the economic downturn cut America's demand for imported goods.

Also, China's premier, Wen Jiabao, expressed concern over the US economy and the value of his own nation's vast holdings in Treasury bonds.

China is Washington's biggest foreign creditor, holding an estimated \$1 trillion in US government debt.

Currently, TIN is mandatory for purchasing land, apartment, house, car and getting credit card.

The matter of fake TINs surfaced during the submission of application for housing plots in Uttara and Purbachal with innumerable people queuing up in front of designated banks to stake a claim.

Later, the NBR sat with Rajuk to stop the use of fake TINs in applying for plots and April 30 is the last date for submitting application for Purbachal and Uttara plots.

The survey shows fake TINs used in about 33 percent cases of car purchase, 2.38 percent for opening LCs and 3.92 percent for availing of bank loan amounting to over Tk 5 lakh.

NBR conducted the survey in the offices of Bangladesh Road Transport Authority (BRTA) in Mirpur and Keraniganj, sub-registrar offices in Uttara, Gulshan, Badda, Dohar, Sutrapur, Keraniganj, Nawabganj,

Demra, Tejgaon, Khilgaon, Mohammadpur, Mirpur and Savar, and different branches of banks that issue credit cards.

The NBR data showed the number of TIN holders till October 31 of this year as 2,262,885 although only 676,100 people submitted their tax returns for fiscal 2008-09, prompting the agency to go tough to net the tax-dodgers for giving a boost to income-tax collection.

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Latifur Rahman (left), chairman of Transcom Beverages, gives gifts to Raghunath Medge (middle), president of New Mumbai Tiffin Box Suppliers Association, and another association member in Dhaka yesterday. Transcom Beverages organised a presentation on the "Dabbawalas of Mumbai" to celebrate the PepsiCo Bottler of the Year Award 2008. (Story on B4)

China 'worried' about US Treasury holdings

AP, Beijing

China's premier didn't say it in so many words, but the implied warning to Washington was blunt: Don't devalue the dollar through reckless spending.

Premier Wen Jiabao's message is unlikely to be misunderstood at the White House, which responded by asserting there is no safer investment in the world than the United States.

It is counting on Beijing to help pay for its stimulus

package by buying U.S. bonds. China already is Washington's biggest foreign creditor, with an estimated \$1 trillion in U.S. government debt. A weaker dollar would erode the value of those assets.

"Of course we are concerned about the safety of our assets. To be honest, I'm a little worried," Wen said at a news conference Friday after the closing of China's annual legislative session. "I would like to call on the United States to honour its



Champions of the Dettol Safe School Handwash Campaign 2008 pose with their awards at a ceremony in Dhaka yesterday.

Office of the Executive Engineer		
Drainage (E/M) Division Dhaka WASA, Segunbagicha Dhaka-1000		
Memo No: TA/19/28/08-09/Dr(E/M)Div.		
Date: 05/03/09		
Invitation for Tender		
01	Ministry/Division	Local Government Rural Development & Co-operative.
02	Agency	Dhaka WASA.
03	Procuring entity name	Executive Engineer, Drainage (E/M) Division, Dhaka WASA.
04	Invitation for	Supply and installation of 1250 KVA Sub-station at Rampura Storm Water Pumping Station, Dhaka.
05.	Invitation Ref No.	
KEY INFORMATION		
06	Procurement method	Open tendering method.
FUNDING INFORMATION		
07	Budget and source of funds	Dhaka WASA Capital Head.
PARTICULAR INFORMATION		
08	Tender last selling date	29/03/2009 (during office hours).
09	Tender closing date and time	30/03/2009 at 12:00 noon.
10	Tender opening date and time	30/03/2009 at 1:00pm.
11	Name & address of the office(s)	
	- Selling tender document (principal)	Janata Bank, Kawran Bazar Corporate Branch, Dhaka.
	- Selling tender document (others)	Agrani Bank, WASA Branch, Dhaka Office of the Chief Accounts Officer, WASA Bhaban (4th Floor), Kawran Bazar, Dhaka.
	- Receiving tender document	Office of the Executive Engineer, Drainage (E/M) Division, Dhaka WASA, Segunbagicha, Dhaka-1000.
	- Opening tender document	Office of the Executive Engineer, Drainage (E/M) Division, Dhaka WASA, Segunbagicha, Dhaka-1000.
INFORMATION FOR TENDERER		
12	Eligibility of tenderer	<ul style="list-style-type: none"> i) As per PPR-08 and tender document. ii) The tenderer shall have experience in supply & installation of electrical sub-station, one of which capacity not below 1000 KVA and contract value should not less than Tk. 50 (fifty) lakh during the last 5 (five) years. Experience certificate will not be issued below the rank of Executive Engineer of any govt./semi-governmental organization. iii) Shall have at least "A" category licence from Electrical Licensing Board.
13	Brief description of works	Supply and installation of 1250 KVA Sub-station at Rampura Storm Water Pumping Station, Dhaka.
14	Price of tender document	Tk. 2,000/- (two thousand) only.
15	Tender security amount	Tk. 2,50,000/- (two lakh fifty thousand) only.
16	Time for completion of work	45 (forty-five) days.
PROCURING ENTITY DETAILS		
17	Name of official inviting tender	Mihir Kumar Datta.
18	Designation of official inviting tender	Executive Engineer.
19	Address of official inviting tender	Drainage (E/M) Division, Dhaka WASA, Segunbagicha, Dhaka-1000.
20	Contact details of official inviting tender	Telephone No: 9553033.
21	The procuring entity reserves the right to accept or reject all tenders.	
Mihir Kumar Datta Executive Engineer Drainage (E/M) Division Dhaka WASA		



NBR Chairman Muhammad Abdul Mazid attends the discussion on 'CSR and Corporate Philanthropy: Two Sides of the Same Coin' at Brac Centre in Dhaka yesterday.

Top revenue collector terms corporate tax high

STAR BUSINESS REPORT

rebate from next financial year.

Organised by the Bangladesh Freedom Foundation, the discussion on 'CSR and Corporate Philanthropy: Two Sides of the Same Coin' was attended by prominent corporate personalities, academics and development workers.

However, the NBR chief made a reminder that companies should perform their CSR obligations only after paying reasonable salaries to its employees, paying due taxes to the government exchequer and meeting its environmental obligations.

"Your ties with the government will be strengthened by paying tax because the money will be utilised for citizens' welfare," Mazid added.

Samson H Chowdhury, chairman of Square Group and member trustee of Bangladesh Freedom Foundation, chaired the session. In his keynote paper, Monzurul Haque, chairman of Aims of Bangladesh, described CSR as 'not charity, rather a good business that goes beyond philanthropy.'

CSR is an activity that requires transparency, integrity and honesty, but moral degradation is a reason

behind the slow progress of CSR in the country, Niaz Rahim, director of Rahimafrooz Group, pointed out.

"If we want to put poverty in museum we have to generate employments for the rural poor, which calls for a considerable amount of investment," said Golam Morsed, managing director of Hathay Bunano, a hand knitted children's toy manufacturer, urging the investment of CSR money in rural areas.

Hafiz G Siddiqui, vice chancellor of North South University, among others, was also present at the function.

He said keeping this fact in mind the government decided that the corporate houses spending a certain amount of their profit on corporate social responsibility (CSR) would get 10 percent corporate tax