



## New MD for Shilpa Rin Sangstha

STAR BUSINESS DESK

Md Mizanur Rahman, managing director of Bangladesh Shilpa Bank, has joined Bangladesh Shilpa Rin Sangstha as its managing director in addition to his present duties, says a statement.

Rahman joined Sonali Bank in 1978 and served the bank in various capacities. He was the chief executive officer of Sonali Bank in Kolkata branch in India.

He also served Janata Bank as deputy managing director for more than three years.

# NBR moves to net 4 lakh more taxpayers

UNB, Dhaka

The National Board of Revenue (NBR) is set to start a fresh tax survey from July 25 to net at least 400,000 more taxpayers within the next year.

At first, there will be tax survey in 15 places across the country as pilot project. Later, the survey will be expanded to other places.

The initial tax survey will take place in Uttara, Nikunja, Bonoshree, Basundhara-Baridhara Project Area, Savar, Dohar, Nawabganj, Keraniganj of Dhaka district, Louhojong of Munshiganj district, Patia, Sitakunda, Satkania, Hathajari, Mirershwari of Chittagong district, and Bianibazar of Sylhet district.

This survey will continue until September this year. A total of 17 teams will work for the tax survey with each team having six inspectors. One joint commissioner will supervise a team.

"After analysing the results that

will come from the pilot project, the NBR will go for a country-wide tax survey," an NBR high official told the news agency yesterday.

The government is in a desperate need of enhancing the revenue collection as the sources are shrinking, particularly due to the global economic crunch, while public spending is increasing.

The NBR official said they had already communicated with the Real Estate & Housing Association of Bangladesh (REHAB) and Dhaka City Corporation to have lists of house, flat, plot and land owners to get a good result from the survey.

"We hope to get the lists within a short time. We think, we will be able to start the pilot project by July 25."

He also said the NBR would gradually seek lists from other city corporations of the country to identify the eligible taxpayers.

Finance Minister AMA Muhith in his recent visit to NBR said the

size of tax evasion is huge in Bangladesh although other countries are also not free from this culture. "It's a shame for the nation as a huge number of people eligible to pay taxes are still out of the tax net. We'll have to come out of this situation."

From March 2007 the NBR conducted a tax survey in Dhaka city that continued until August 2008. Later, the survey was extended to Chittagong, Sylhet, Khulna, Rajshahi and Barisal divisional cities and Rangpur municipality. From that survey, NBR netted 65,000 new taxpayers.

A total of 48 teams were engaged in the tax survey covering businesses and professionals. Of them, 20 teams conducted the survey in the capital city and found 57 percent new taxpayers in businesses in the city's posh areas and business hubs in old Dhaka.

Currently, only around 800,000 people are paying taxes although the

number of taxpayer's identification number (TIN) holders is about 2.3 million.

The finance minister from the very beginning of his taking office as the custodian of the exchequer has been putting emphasis on increasing the number of taxpayers.

The government's apprehension about less revenue from import duty in the coming days is a major reason prompting the NBR drive to bring more sectors under the direct tax net.

The revenue generation from imports will have to suffer more as the World Trade Organisation (WTO) is heading towards a duty-free world, levelling the frontiers on the economic globe.

The finance minister, during his visit to the NBR, had emphasised on improving the collection from direct tax.

He also directed the NBR to find out the pockets from where the government could earn revenue.

## Business News in Brief

### German investor confidence posts surprise drop: ZEW

AFP, Berlin

Hopes that Europe's biggest economy could soon crawl out of recession were dampened Tuesday as the keenly-watched ZEW index of investor confidence posted a slight but surprise drop in July.

The index, which measures the mood of financial market players, snapped an eight-month winning streak, falling to 39.5 points in July compared to 44.8 in June.

The data also dashed the expectations of analysts surveyed by Dow Jones Newswires who had expected a small gain to 47.4.

The president of the ZEW institute, Wolfgang Franz, said the figures suggest Germany will not escape this year from its worst recession since 1945.

The data "confirm hitherto existing forecasts that economic performance will decrease by six percent this year," Franz said in a statement.

"The growth rates are likely to move around zero percent until the first months of 2010," he added.

However, providing some cheer, a separate indicator measuring investors' assessment of the current economic climate in Germany rose marginally to minus 89.3 from minus 89.7 in June.

Carsten Brzeski, a senior economist at ING Bank, said the figures would nonetheless encourage those who see light at the end of the tunnel for the German economy.

"Despite the decline, the ZEW index still remains clearly above its long-term average and should be grist to the mills of those who could not wait to proclaim the end of the recession," he said.

### British inflation dips under 2pc for first time since 2007

AFP, London

British 12-month inflation slowed to 1.8 percent in June, dropping under the Bank of England's 2.0-percent target for the first time in almost two years, official data showed Tuesday.

"Consumer Prices Index (CPI) annual inflation fell to 1.8 percent in June, down from 2.2 percent in May and the first time it has fallen below the government's 2.0-percent target since September 2007," the Office for National Statistics (ONS) said in a statement.

It added: "The largest downward pressure on the CPI came from food and non-alcoholic drink prices, which fell between May and June this year but increased over the same period last year."

The Bank of England is tasked by the government with keeping British annual inflation close to a 2.0-percent target.

CPI inflation increased by 0.3 percent in June on a monthly basis from May, the ONS added.

The data compared with economists' forecasts given by Dow Jones Newswires for an annual rise of 1.9 percent and monthly gain of 0.3 percent.

"June's UK consumer prices figures confirm that inflation is still on a firm downward trend," said Capital Economics economist Jonathan Loynes.



Employees of the Madrid Ritz Hotel demonstrate during a strike in front of the hotel in Madrid yesterday. Most of the Ritz Hotel employees are on a two-day strike after 17 of them were fired due to the current economic downturn.

### China probes 5 steelmakers in Rio case

AP, Beijing

Executives of five Chinese steelmakers are being questioned in a widening espionage probe of four detained Rio Tinto Ltd employees, news reports said Tuesday, as Australia pressed for details of the case.

The Rio employees, including an Australian, were detained July 5 amid iron ore price talks with Chinese steel mills. State media say they are accused of bribing Chinese steel company employees to obtain confidential information on China's negotiating position in the talks.

The chief iron ore negotiator for Baosteel Group, China's biggest steel producer, was questioned but allowed to return to work, the newspaper 21st Century Business Herald said. It gave no indication whether he was suspected of wrongdoing.

Executives of Anshan Iron & Steel Group, Laigang Group and Jigang Group also are under investigation, the China Daily newspaper reported. It gave no other details. An executive who oversees iron ore purchases for major steelmaker Shougang Group was detained last week, according to news reports.

Spokespeople for Shougang and Anshan said they had no information. Phone calls to Baosteel spokespeople were not answered.

### Tokyo prods BoJ to extend anti-recession measures

AFP, Tokyo

Japan's central bank faced pressure from the government Tuesday to extend emergency measures aimed at helping cash-strapped firms survive the recession as it began a two-day policy meeting.

Although conditions in credit markets have improved, "it would be safer if the Bank of Japan kept the policy" of buying commercial paper and corporate bonds, Finance Minister Kaoru Yosano told reporters.

The bank has been buying up corporate debt in an effort to unblock a credit crunch brought on by a severe global financial crisis.

Investors are watching to see whether the BoJ will extend those measures, although analysts say a final decision may be delayed until August.



M Ehsanul Haque, managing director of Prime Bank Ltd, and M Nasim Ali, managing director (South Asia) of Trans-Fast Remittance LLC, exchange documents after signing a deal in Dhaka recently. Prime Bank will now disburse the remittances forwarded by Trans-Fast Remittance from USA to Bangladesh.

## CSE launches upgraded trading software

STAFF CORRESPONDENT, Ctg

Chittagong Stock Exchange (CSE) here yesterday formally launched its upgraded version of software to facilitate smooth trade.

At a press conference marking the launch on the bourse, CSE President Nasiruddin Ahmed Chowdhury hoped that the adoption of this latest technology, stock trade would get a boost.

The more users-friendly new version would ensure an increased participation of investors from different locations, he added.

The latest software comprises 34 functionalities.

Brokers will be able to centrally monitor orders and exchanges of the investors through the newly updated internet trading service, the press meet was also told.

Exchanged scripts and indicators could now be displayed through graphs, the CSE chief said, adding that real time gainer and loser scripts would be displayed at all the trading workstations.

He said they would include more facilities in the internet trading service soon and it will remain a continuous process to modernise it.

CSE Chief Executive Officer AB Siddique, General Manager (Compliance) Md Atiquzzaman and Head of Compliance and Company Secretary Ahmad Dawood were also present at the conference.

## Irish GDP to shrink

AFP, Dublin

Ireland's Central Bank expects the country's recession-hit economy to shrink by 8.3 percent this year, according to its annual report published on Tuesday.

As the country continues to be hammered by the international financial crisis the bank has downgraded its forecast from its April quarterly bulletin estimate that Irish gross domestic product (GDP) would shrink by 6.9 percent in 2009.

# TCB to buy 25,000 tonnes edible oil

UNB, Dhaka

The government approved yesterday procurement of 25,000 tonnes of edible oil by state-owned Trading Corporation of Bangladesh (TCB) in a bid to keep the local market stable during the upcoming Ramadan.

Almost half of the total procurement (12,500 tonnes) is soybean and the rest are edible oils.

The state marketing outlet will now make the procurement directly from two local suppliers without

any tender.

In line with a commerce ministry proposal, after meeting all expenses, the price of per kilogram soybean oil will be Tk 65.30, while per kg palm oil will cost Tk 64.

Local importer Ampang Food Industries will supply 12,500 tonnes of soybean oil (American origin) at Tk 72.54 crore, while Prime Edible Oil Ltd will supply 12,500 tonnes of palm oil at Tk 71.25 crore.

Each tonne of soybean oil will cost \$835 (Tk 57,448) and palm oil Tk 57,000 as

quoted by the suppliers.

The Cabinet Committee on Public Purchase yesterday at a meeting, presided over by Finance Minister AMA Muhith, approved this purchase proposal of the commerce ministry.

After the meeting, Cabinet Secretary Abdul Aziz said the TCB is going to purchase the edible oils mainly to check "artificial crisis by unscrupulous traders" during the holy month of Ramadan when normally demand for edible oil goes up.

Countrywide monthly

demand for edible oil is about 100,000 tonnes.

Aziz said TCB would get the supply within mid-August.

Officials said earlier the cabinet body on June 22 had approved a similar proposal of the commerce ministry for purchasing 25,000 tonnes of edible oil from two suppliers.

But, as those two suppliers somehow failed to make the supply, the TCB had to go for selecting the new ones. The cabinet body had to approve the fresh proposals again, they said.



Shafiuddin Ahmed, senior vice president of Premier Bank Ltd, and Manju Upadhyay Paudel, director of Everest Money Express SDN BHD, exchange documents after signing a deal in Malaysia recently. Premier Bank will now disburse the remittances forwarded by Everest Money Express from Malaysia.

# Thailand eyes fruitful investment: Envoy

STAR BUSINESS REPORT

Ambassador of Thailand in Bangladesh Chalermphol Thanchitt said yesterday that the Thais had been asked by the government of the south Asian to come forward to invest in Bangladesh, which would help build stronger trade ties between the two countries.

He was speaking at a press conference on his embassy premises in Dhaka, ahead of the 'Destination Thailand Fair-2009' beginning tomorrow.

The envoy also acknowledged that as Bangladesh has relatively cheap labour, vast resources and quotas for exporting goods to developed nations, investment in Bangladesh would be fruitful for both countries.

The 3-day fair, co-organised by the Royal Thai Embassy, Thai Trade Centre in Dhaka, and Tourism Authority of

Thailand and Thai Airways International, will be the first event in the country that primarily focuses on promoting Thai tourism.

While speaking on why people would choose Thailand as a holiday destination, Thanchitt said tourists from Bangladesh would be delighted to see the natural beauty, culture and architecture in Thailand, while people seeking medical services, business or higher education, would find value for their money.

Tourists would also be able to splurge on shopping, adventure rides, Thai cuisine and fruits, hoped the ambassador.

There will be more than 35 participants from leading companies in Thai healthcare, tourism, education and food industry in the fair.

Talking to The Daily Star on the

hassles with obtaining visas, Thanchitt said the Royal Thai Embassy has set up a one-stop centre to speed up delivery processes and assure that medical applicants get more preference.

At the fair, visitors can apply for on-the-spot visas and also win prizes, like a free return ticket to Thailand. They will also be awarded a lucky coupon on every Tk 500 they spend at the fair.

The Thai Food Festival, which is also being organised by the Thai embassy, is to be held at The Westin Dhaka on July 15-25, the press meet was also told.

The fair will be inaugurated by Civil Aviation and Tourism Minister GM Quader and is open to the public from 10 am to 8 pm without any entry fee.

Usa Wijarun, director of Thai Trade Centre, and Kitpong Manityakal, general manager of Thai Airways International, were also present.

## Barisal City Corporation announces Tk 272cr budget

OUR CORRESPONDENT, Barisal

The Barisal City Corporation (BCC) yesterday announced a Tk 272.78 crore budget for the current fiscal year without imposing any new tax.

About two thirds of the projects in the last budget remained unimplemented and have been added to the current budget.

The BCC-proposed budget is based on an expected Tk 50.09 crore revenue income from its own sources and Tk 222.67 crore in grants from outside.

Advocate Shawkat Hossain Hiron, mayor of BCC, announced this proposed budget in the presence of ward commissioners, BCC officials said.

The mayor in his budget speech said he would be able to ensure better services for the city dwellers and the corporation will be able to earn Tk 50.09 crore in revenues, if they pay their holding tax and other taxes regularly.

In the expenditure side, Tk 50.09 crore was allocated for expenditure in the revenue sector and other expenses on health, sanitation, welfare, repair, maintenance and citizen services.

The mayor also said they plan to develop the education sector. But the budgetary allocation for the education and culture sector is only Tk 25 lakh, which is 0.09 percent of the proposed budget.

## Shilpa Bank realises Tk 90.74cr loans

UNB, Dhaka

Bangladesh Shilpa Bank has realised loans of Tk 90.74 crore in cash during fiscal year 2008-09.

Of the total amount, Tk 8.83 crore was realised from classified and Tk 13.72 crore from write-off loans, said a press release yesterday.

Managing Director of the bank Md Mizanur Rahman disclosed this Monday at a meeting of Board of Directors of the bank.

He said the bank sanctioned loans of Tk 53.34 crore, including long term loans of Tk 51.21 crore, for different projects during the same period.

Rahman said the bank also disbursed Tk 76.70 crore including long term loans of Tk 74.62 crore for different projects during the same period.

He hoped that on completion of these projects, employment opportunities would be created for around 1041 persons.