



FAIR & LOVELY
Winners of Fair & Lovely's campaign "Buy Fair & Lovely Max Fairness and Win A Yamaha Bike Everyday!" pose at Yamaha showroom at Mouchak in Dhaka on Tuesday.

DCCI calls for wider tax net

STAR BUSINESS REPORT
The Dhaka Chamber of Commerce and Industry (DCCI) yesterday urged the government to expand the tax net and make the tax payment processes easy to bring in transparency.

The existing tax policies are complicated, as the same body - National Board of Revenue (NBR) -- formulates policies, collects tax and also hears the related appeals, the chamber said in its proposals for the upcoming budget for the fiscal year of 2011-2012.

"As a result, people face troubles while paying taxes. The policy formulating body should be separated from the tax collectors to ease the taxation system and ensure transparency," said Asif Ibrahim, president of DCCI, at a pre-budget press conference at the chamber office in the city.

In a country of 16 crore people, only 30 lakh hold the Tax Identification Number (TIN), and of them, the real number of taxpayers is below 10 lakh, which is ridiculous, said Ibrahim.

"We want expansion of the tax



DCCI
Asif Ibrahim, second from right, president of Dhaka Chamber of Commerce and Industry, speaks at a press conference on national budget 2011-12 at the chamber's office in the capital yesterday.

net and also increased tax-GDP ratio," the DCCI chief said.

The DCCI has already submitted 22 recommendations on income tax, 17 on imports and supplementary duties and 25 recommendations on value added tax to the NBR for the next fiscal year, Ibrahim said.

Among those recommendations, the chamber proposed the

government should reset the ceiling of tax-free income at Tk 225,000 for 2011-12 from an existing Tk 165,000.

The DCCI also proposed tax reduction for the listed companies to 20 percent from the existing 27.5 percent and for raising that for the banking sector and other financial institutions at 40 percent from the

existing 42.5 percent.

Ibrahim proposed the government should reduce corporate tax of cell phone companies to 42.5 percent from existing 45 percent and in case of listed mobile companies the tax should be 32.5 percent from existing 35 percent.

The rationale of reduction of corporate taxes of the

cellphone companies is that those companies are contributing significantly to the development of communication and in technologies.

"Also, more and more foreign direct investment will come in the telecom sector if the tax is lowered," he said.

Ibrahim also proposed that the government should extend the tax-holiday period up to 2015, as a measure of luring investment in different industrial sectors.

DCCI proposed zero duty on import of capital machinery, 12 percent on intermediary goods and 25 percent on import of finished goods as measures to protect the local industries and help them flourish.

He recommended the government withdraw duty on import of LPG mixture, cylinder, bulb and regulator to expedite use of LPG gas instead of burning the already meagre natural gas.

DCCI president suggested that the government should go for withdrawal of the existing price declaration system under the VAT regime and introduce VAT on sales value of goods.



A Rouf Chowdhury, chairman of Rangs Group; Sohana Rouf Chowdhury, managing director of Rangs Motors Ltd, and Somnath Bhattacharjee, executive vice president for sales, marketing and aftermarket of Volvo Eicher Commercial Vehicles Ltd, India, and Anupam Datta, vice president and head of international business, call on Dilip Barua, industries minister, in Dhaka recently for the development of Volvo-Eicher product in Bangladesh.

RANGS MOTORS

Light engineering to create huge jobs: experts

STAR BUSINESS REPORT

Light engineering can create considerable employment for the country's educated youths and save money spent on imports, speakers told a workshop yesterday.

Quoting a recent IFC report the speakers said there are about 50,000 micro enterprises and 10,000 small and medium enterprises in the light engineering sector that employs a staggering 600,000 people.

International Business Forum of Bangladesh (IBFB) organised the workshop on "Identifying regulatory impediments in the light engineering sector and improving transparency" with its president Mahmudul Islam Chowdhury in the chair.

Industry minister Dilip Barua attended the event as the chief guest and Paramita Dasgupta, regional business leader of International Finance Corporation of the World Bank Group, as the special guest.

Prof M Kamaluddin of Buet presented a keynote paper focusing on policy support to the sector as an import substituting industry. Former commerce

Hai made board member of BAT Bangladesh

STAR BUSINESS DESK

Zakir Ibne Hai has been appointed as a director in the board of directors of British American Tobacco Bangladesh Company Limited in a recent board meeting of the company held in Dhaka.

Hai has been serving BAT Bangladesh as head of corporate and regulatory affairs since 2009, said a statement.

He started his career in 1996 completing MBA from IBA, Dhaka University. He joined BAT Group in 2007 after working for subsidiaries of Reckitt Benckiser, Bayer and Axiata.

Hai has experiences in communication, regulatory and government relations, stakeholder management, marketing, media and public relations.



Zakir Ibne Hai

Stocks gain as Bangladesh Fund hits market today

STAR BUSINESS REPORT

Stocks gained after a three-day freefall as the Securities and Exchange Commission (SEC) finally approved the registration of Bangladesh Fund, which will enter the market today.

The benchmark general index of Dhaka Stock Exchange advanced 107 points, or 1.83 percent, to close at 5,973 points, while the selective categories index of Chittagong Stock Exchange gained 169 points, or 1.60 percent, to close at 10,730.

But the turnover at the Dhaka Stock Exchange (DSE) hit a three-month low as it stood at Tk 381 crore, down by Tk 71.60 crore from the previous day. The daily turnover was Tk 206 crore on January 25.

Of the total 243 issues traded on the DSE floor, 216 advanced, 26 declined and one remained unchanged.

Meanwhile, the SEC approved the registration of Bangladesh Fund yesterday. As a result, the Investment Corporation of Bangladesh (ICB) will be able to invest the fund to buy shares.

"We finally approved the registration of the Bangladesh Fund for the interest of

the market," said Yasin Ali, an SEC member. "Bangladesh fund will play a good role to stabilise the market," he added.

Md Fayekuzzaman, managing director of ICB, said: "We received the document of the registration from the SEC."

The ICB will invest the fund from today, he added. Earlier on March 6, the ICB, along with seven other state enterprises, decided to give a massive liquidity support to the shrivelling stockmarket by forming a Tk 5,000 crore fund.

Eight state-owned financial institutions will sponsor Tk 1,500 crore, while the rest of the fund will be raised from institutions and individuals.

Yesterday, most of the investors started buying shares, hoping that share prices will gain when the Bangladesh Fund starts to roll, said a market insider.

However, seven companies failed to submit their quarterly accounts for the third quarter that ended on March 31: BDCOM Online Ltd, Bangladesh Shipping Corporation, Imam Button Industries Ltd, Jamuna Oil Company Ltd, Meghna Petroleum Ltd, Miracle Industries Ltd, and Northern Jute Manufacturing Company Ltd.

Shipbreaking policy soon: Hasina

BSS, Dhaka

Prime Minister Sheikh Hasina yesterday said the government is going to formulate a policy soon for the country's shipbreaking industry to protect the environment.

"Modern and sophisticated technology has to be used in the shipbreaking industry so that it does not cause any harm to the environment," she said when the newly elected Board of Directors of Chittagong Chamber of Commerce and Industry (CCCI) called on her at her office.

She said the government would set up seven separate special economic zones in the country's seven divisions for decentralisation of industries. The government has declared shipbreaking as an industry and will do whatever is necessary for its development with protection of the environment, the prime minister said.

CCCI President Morshed Murad Ibrahim led the delegation that included lawmaker MA Latif. The Prime Minister's Press Secretary Abul Kalam Azad briefed

newsmen after the meeting.

The government headed by Bangabandhu in the post-independence era had taken a step to set up Bangladesh Small and Cottage Industries Corporation (BSCIC) in each district across the country and the successive governments later suspended the project, said Hasina.

Describing Chittagong as the lifeline of the country's economic activities, Sheikh Hasina said her government has undertaken massive programmes for development of the port city through facilitating the country's trade and commerce.

She said her government has a plan to construct a tunnel under the Karnaphuli river and carry out dredging in the river.

Hasina thanked the businessmen for their cooperation in keeping the prices of essential commodities stable. The CCCI leaders apprised her of various problems faced by the Chittagong businessmen. Hasina assured them that her government would do whatever necessary for solving those problems.

Her Principal Secretary MA Karim, among others, was present on the occasion.



AIRTEL
Airtel Bangladesh has recently signed a deal with Show Motion Ltd (Star Cineplex) at Airtel's office in the capital under which Airtel subscribers will get popcorn or drink for free while purchasing movie tickets at Star Cineplex. Nauman Fakhar, head of marketing of Airtel Bangladesh, and Khaled S Shammi, executive director of Show Motion, inked the deal.



MRDI
Nasiruddin Ahmed, chairman of National Board of Revenue, receives Management and Resources Development Initiative's (MRDI) recommendations on statutory regulatory order from Hasibur Rahman, executive director of MRDI, at a programme in Dhaka yesterday.

Indo-Bangla trade fair begins today

STAR BUSINESS DESK

The second Indo-Bangla trade fair 2011 will begin at Pan Pacific Sonargaon hotel today.

India-Bangladesh Chamber of Commerce and Industry will organise the event, said a statement.

Industries Minister Dilip Barua will inaugurate the fair. S Hiato, minister for industry and government of Mizoram, India, AK Azad, president FBCCI, and Rajeev Singh, director general of Indian Chamber of Commerce, will be present as the special guests, while Rajeev Mitter, Indian high commissioner to Bangladesh, will attend the ceremony.

More than 40 leading Indian and Bangladesh companies will display their products and services at the fair.

A seminar on "Strengthening Indo-Bangladesh Business Ties: North-East India Perspective" will be held today on the sidelines of the show.

The fair will remain open for visitors from 10am to

Govt asked to encourage companies to invest in CSR

STAR BUSINESS DESK

The government should encourage companies to invest in corporate social responsibility (CSR) initiatives by giving more tax incentives and expansion of areas for CSR coverage, experts said.

The government may consider incentivising CSR activities through tax incentives, creating a market for CSR credits and bringing more areas under the purview of CSR tax relief, they added.

The view came from the findings of a brief survey conducted by Management and Resources Development Initiative (MRDI) to review the statutory regulatory order (SRO) 270-Ain/Income tax/2010 spelling out the areas and modalities for the companies and business entities for availing themselves of the CSR-related tax exemptions.

The MRDI yesterday handed over the recommendations to the Chairman of National Board of Revenue Nasiruddin Ahmed, according to a statement.

"The NBR wants to work in partnership with MRDI to monitor the CSR initiatives and ensure proper implementation and financial management," said Ahmed.

Md Aminur Rahman, member, Income Tax Policy of the NBR, and Hasibur Rahman, executive director of MRDI, were also present during handing over the proposals.