

ইয়াং স্টার একাউন্ট
 এসআইবিএল
 আকর্ষণীয় হারে মুনাফা প্রদান করা হয়
 (হিসাবায়নে ইসলামী শরীয়া'র
 মদারাবা পদ্ধতি প্রযোজ্য)
 ০৯৬১২০০১১২২ নাম্বারে ফোন করে এসআইবিএল-এর
 যে কোন শাখায় যোগাযোগ করুন


Tofail asks Accord to pay workers of closed factories

STAR BUSINESS REPORT

Commerce Minister Tofail Ahmed yesterday asked Accord, a platform of 150 clothing retailers and brands mostly from Europe, to pay half of the salaries of the workers who lost jobs temporarily due to factory inspection.

The instruction came as Alliance, another such panel of 27 US retailers and brands, has started doing the same.

The minister was briefing reporters after a meeting with the officials of Accord, Alliance, Bangladesh Garment Manufacturers and Exporters Association and other stakeholders, at his secretariat in Dhaka.

The meeting was called to clear misunderstandings that arose out of the ongoing factory inspection.

So far, 1,000 factories were inspected and 16 were closed due to structural faults.

"The number (of closed units) is less than 2 percent of the total factories that were inspected. It's good news for us. Our factories are less vulnerable," the minister said, adding that no industrial accident took place after the Rana Plaza building collapse.

"So, this is also a good message for us that the owners have become more cautious about workplace safety."

Don't raise tax, widen the net

FBCCI stresses realising revenue through direct taxes

STAR BUSINESS REPORT

The apex chamber yesterday urged the government to widen the tax net instead of raising rates in the budget for the next fiscal year.

"If it is done, it will not put any pressure on the regular taxpayers," said Kazi Akram Uddin Ahmed, president of the Federation of Bangladesh Chambers of Commerce and Industry.

He said the upcoming budget should target realising revenue through direct taxes instead of relying on the indirect ones.

Ahmed made the demands as he presented a set of suggestions on tax, duties and value added tax at a consultation meeting of the National Board of Revenue at Sonargaon Hotel in the capital.

The consultation meeting, the FBCCI being its co-



Finance Minister AMA Muhith speaks at a pre-budget consultation meeting co-organised by the NBR and FBCCI at Sonargaon Hotel in Dhaka yesterday.

organiser, offers the businesses and chambers a last minute chance to suggest changes to tax, VAT and duty structures before the budget is announced in June.

Ahmed said the supplementary duties at the production level in all sectors should be withdrawn to keep the local industries competitive.

The chamber also demanded zero percent tax on turnover up to Tk 1 crore and 2 percent tax on turnover up to Tk 3 crore.

The chamber proposed raising the tax-free income ceiling to Tk 2.5 lakh from Tk 2.20 lakh now for individuals, to Tk 2.75 lakh from Tk 2.50 lakh for women taxpayers, and to Tk 3.75 lakh from Tk 3 lakh for

materials should be 10 percent in fiscal 2014-15, the chamber said.

It urged the government to impose 25 percent duties on the import of luxury goods.

The government should allocate Tk 300 crore for women entrepreneurs, Ahmed said.

The subsidies for the agriculture sector should be increased, as the farm sector is getting only 1 percent of gross domestic product as subsidies.

The apex chamber put forward a total of 617 proposals -- 287 are duty related, 175 income tax related and 155 VAT related, said NBR Chairman Ghulam Hussain.

Atiqul Islam, president of Bangladesh Government Manufacturers and Exporters Association, said

PROPOSALS

- Put emphasis on direct taxes, instead of indirect taxes
- Withdraw supplementary duties on all sectors at production stage
- No tax on turnover up to Tk 1cr, 2% tax on turnover up to TK 3cr
- Raise income tax-free ceiling to Tk 2.5 lakh for individuals
- Lower corporate taxes
- Retain agriculture subsidies
- Exempt e-commerce from value-added tax
- Lift duty on newsprint import & VAT on newspaper industry
- Avoid double taxation
- Target realistic ADP, GDP growth



Robert Ichord

Diversify power sources: US official

ABDULLAH MAMUN

Bangladesh should generate power from diversified resources to meet the growing demand and achieve the target of electricity for all by 2021, said a top US official.

"The country should not just produce the electricity; it should use the power in efficient ways too," said Robert F Ichord Jr, deputy assistant secretary in the Bureau of Energy Resources in the US.

Bangladesh government's vision to provide electricity for all by 2021 is very ambitious, while the global target is by 2030, he said.

He discussed various aspects of power generation with reporters at the American Club in Dhaka yesterday.

Ichord is responsible for promoting the transformation of energy systems to achieve greater efficiency and cleaner performance through use of market forces and innovative financing approaches.

READ MORE ON B3

Withdraw duties on newsprint imports

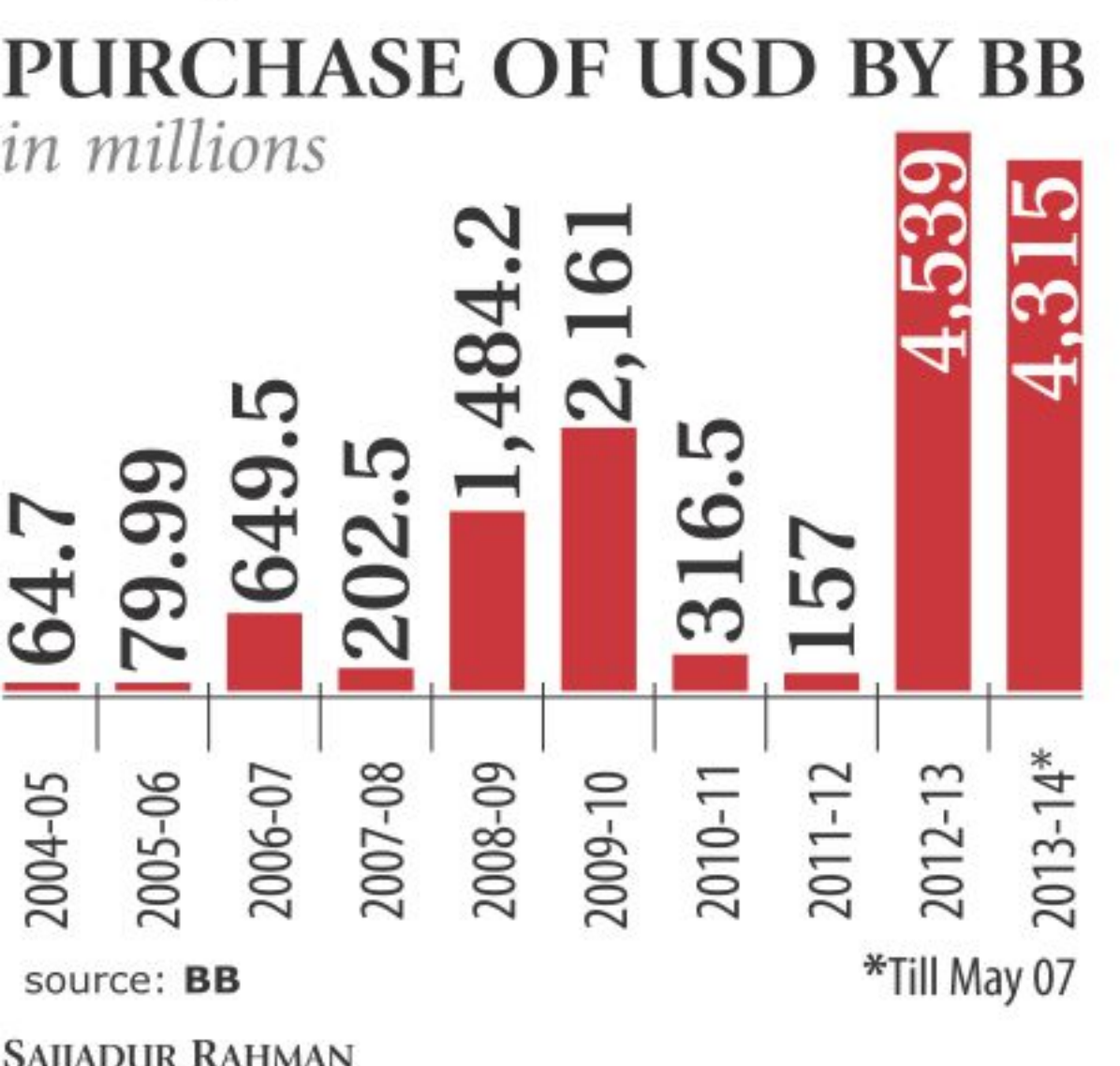
STAR BUSINESS REPORT

Business leaders called for withdrawal of import duties on newsprint and related materials and value-added tax on the struggling newspaper industry.

At present, there are 3 percent duties on newsprint imports and 15 percent VAT on the industry.

"It costs Tk 15 to Tk 16 for printing a piece of newspaper. But we can sell it at Tk 8. Due to high import duty, all but only two to three newspapers are loss-making," said AK Azad, a former president of FBCCI. "Besides, there is a 15 percent VAT. So, it is not possible for them to survive. The duties and VAT should be withdrawn."

Dollar erodes 5pc despite BB efforts



The US dollar has lost over 5 percent in value against the Bangladesh taka over the two years in spite of the central bank's greenback buying spree to keep the exchange rate stable.

The inter-bank dollar-taka exchange rate stood at Tk 77.65 yesterday, down from Tk 81.85 exactly two years ago, according to data from Bangladesh Bank.

Analysts and bankers said if the central bank had not purchased the greenback, its price could have gone down to around Tk 75 a dollar, as demand for the foreign currency has been on a declining trend for the past one and a half years. Demand for the dollar is still low against the supply, said a treasury official of a private bank asking not to be named.

Though import is growing slowly, exports and remittances are growing at modest rates, making the supply of the greenback abundant, he added.

READ MORE ON B3

Expos shed light on medical, pharma tech



A tablet dissolution apparatus is on display at an exposition on medical equipment and pharmaceutical industry at Bangabandhu International Conference Centre in Dhaka yesterday. A dissolution test is a means of identifying active drug materials in their delivered forms.

STAR BUSINESS REPORT

Two international expositions on the medical and healthcare industry began yesterday to showcase equipment, devices and machinery to medical professionals, doctors and surgeons in Bangladesh.

CEMS Bangladesh, a conference and exhibition service company, organised the expositions at Bangabandhu International Conference Centre.

The Meditex expo is the country's biggest exhibition on medical equipment, surgical instruments, and healthcare equipment, while the pharma expo is an international exhibition on machinery, equipment, materials and services for the pharma sector.

"I hope these exhibitions will bring state-of-the-art equipment and devices for Bangladeshi medical professionals, doctors and surgeons and give them insights into new technology," said HT Imam, prime minister's political affairs adviser.

Imam inaugurated the three-day event, where 70 participants from 24 countries opened more than 100 stalls.

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RMG exports defy odds

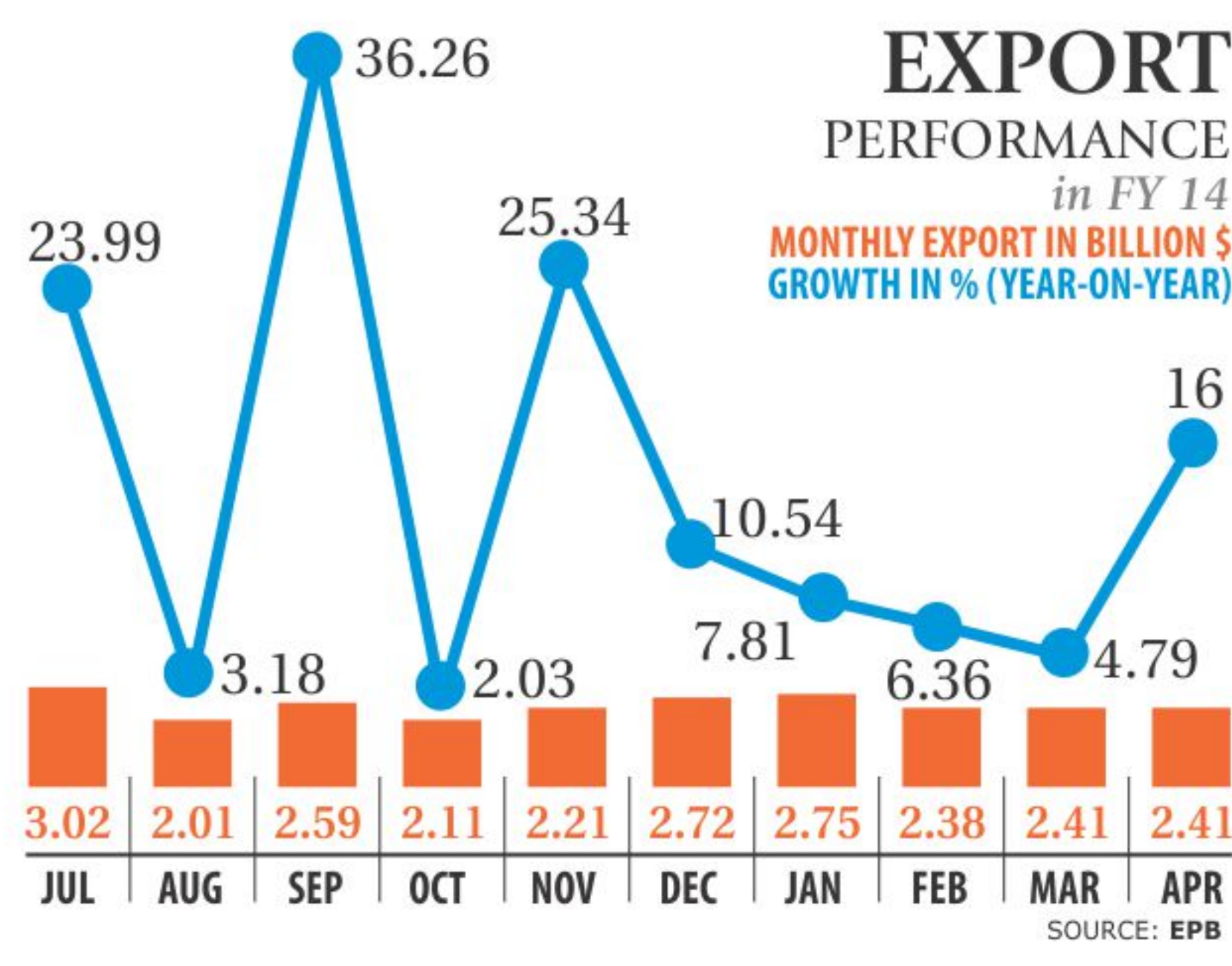
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Garment exports continue to go from strength-to-strength one year after the Rana Plaza disaster, rising 17.79 percent year-on-year in April to \$1.92 billion.

It fetched \$19.97 billion in the first ten months of the fiscal year, up 15.37 percent year-on-year, according to data from Export Promotion Bureau.

Shahidullah Azim, vice-president of Bangladesh Garment Manufacturers and Exporters Association, however, expressed reservations about the figures, attributing the good performance to the release of backlogs.

Many factories, particularly those housed in shared buildings, are



Invest to cut energy cost: consultant

STAR BUSINESS REPORT

Tetra Tech, a consultant and engineering firm on energy, water and environment, yesterday suggested 120 companies make a total investment of \$140 million to eventually save energy worth \$46 million a year.

Tetra Tech has audited 120 companies in textiles and leather, chemicals, jute, agro industries, cement and ceramics sectors, and suggested the investment with a three-year payback time.

The consultant conducts audits by first studying the entire energy consumption of the firm and then makes suggestions on system upgrades, machinery replacement and capacity building. They also evaluate the total funds required to make the upgrade and arrange credit, if needed, from lenders.

The audit was conducted under a technical assistance agreement signed between Industrial and Infrastructure Development Finance Company and Asian Development Bank, to identify bankable energy efficiency projects.

Energy efficiency has been identified as one of the feasible solutions in the context of energy crisis in Bangladesh, said Asaduzzaman Khan, managing director of IIDFC.

ADB designed the Bangladesh Industrial Energy Efficiency Finance programme, considering the immense potential in saving energy in industries, Khan added. The workshop was organised by ADB and IIDFC at Ruposhi Bangla Hotel in Dhaka.

ADB created a fund of \$30 million to be disbursed through financial institutions to the running industrial units to implement energy efficiency measures identified through energy audits. Of the total fund, \$6 million has been allocated for IIDFC.

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