

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
▲ 0.57%	▲ 0.15%	\$1,169.70 (per ounce)	\$63.23 (per barrel)	▼ 0.17%	▼ 0.13%	▼ 0.34%	▲ 1.54%	BUY TK 77.15	84.56	116.29	0.60
4,617.70	8,633.95			26,768.49	20,460.90	3,333.67	5,023.10	SELL TK 78.15	88.56	120.29	0.63

এসআইবিএল ফ্যামিলি এমপাওয়ারফেস্ট ইসলামিক মাইক্রো ফাইন্যান্স

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সোস্যাল ইসলামী ব্যাংক লিমিটেড



Star BUSINESS

DHAKA MONDAY JUNE 8, 2015, e-mail:business@thedailystar.net



Business leaders meet Indian Prime Minister Narendra Modi at Sonargaon Hotel in Dhaka yesterday. PIB, INDIA

Garment makers seek to build warehouses in India

BGMEA aims to boost apparel exports to Indian market

REFAYET ULLAH MIRDHA

Bangladeshi garment makers yesterday demanded 50 acres of land in Gujarat to build warehouses to supply apparel items directly to retail shops across India.

Warehousing is necessary as Bangladesh seeks to boost its annual garment exports to the Indian market to \$1 billion in three years from about \$100 million now, Atiqul Islam, president of Bangladesh Garment Manufacturers and Exporters Association or BGMEA.

"So, we need direct marketing and warehousing will facilitate it," Islam said after a meeting with Indian Prime Minister Narendra Modi at Sonargaon Hotel in Dhaka yesterday.

Garment makers have readied a \$25 million fund to build the warehouses, according to Islam.

"India is a very big market for us. The annual retail market size of India is set to cross \$40 billion with the growing middle-class consumers," Islam said.

"It's an opportunity for us as the Indian government has started widening connectivity by liberalising trade policy," he said.

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Asian cities: top destinations for visitors

STAR BUSINESS REPORT

Asian cities continue to dominate a global list of leading destinations in attracting international visitors arriving by air, according to the annual MasterCard Global Destinations Cities Index.

Besides, seven out of the world's top 10 fastest growing destination cities are in the Asia-Pacific, which is a strong leading indicator of their continuing outstanding performance in the years to come, MasterCard said in a report yesterday.

Asian cities have made up half of the top 10, with Bangkok retaining its position at number two with 18.24 million international overnight visitors and catching up with the top-ranked London.

Singapore, Kuala Lumpur, Seoul and Hong Kong round off the top 10, taking seventh, eighth, ninth and tenth place respectively.

Driven by insights into travel patterns, the Global Destinations Cities Index provides a ranking of the 132 most visited cities from around the world.

More than just a travel tracker, the index provides an understanding of how people move around the world and the importance of the world's cities as homes, destinations and engines of growth.

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WB approves \$476m for private firms, farm sector

STAR BUSINESS REPORT

The World Bank has approved \$476 million for two projects to extend long-term and low-cost loans to private sector firms and improve agricultural productivity for one million poor farmers.

The two projects will support Bangladesh to reach middle-income status by strengthening the financial sector and ensuring greater food security, Johannes Zutt, World Bank's country director, said.

Of the amount, \$300 million are for the Financial Sector Support Project (FSSP) and \$176.06 million for the Second National Agricultural Technology Programme (NATPII).

The rate of interest on the loans, which are coming from the International

Development Association, the WB's concessional lending arm, would be LIBOR plus 3-4 percent.

The loans, which were approved last Friday by the WB board, have 38 years to maturity with a six-year grace period and carry a service charge of 0.75 percent.

The FSSP aims to improve financial market infrastructure, the regulatory and oversight capacity of the Bangladesh Bank, and the private firms' access to long-term financing, the multilateral lender said in a statement.

By providing access to long-term finance, the project will help to build a market for long-term lending in Bangladesh, said Shah Nur Quayyum, team leader of the FSSP.

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NBR to widen reach of withholding tax

SOHEL PARVEZ

The National Board of Revenue is set to expand its reach over half a dozen services sectors and impose up to 10 percent tax at source on their incomes.

The initiative seeks to properly define the sectors and specify the rate of tax that applies to them.

Also, the tax authority plans to impose specific at-source tax on foreigners based on their professions and types of services they provide. Employers will have to deduct 30 percent tax before making payments to foreign consultants, artists, singers and players.

For contractors, suppliers and companies engaged in oil and natural gas exploration, 5 percent and 5.25 percent tax rates have been proposed.

"We expect to log increased revenue after specifying the tax rates based on services provided by foreign individuals and firms," said a senior official of the

NBR, wishing to remain anonymous.

The imposition of source tax at certain rates on local services sectors will also ensure greater clarity for both service providers and recipients, he added.

Currently, the NBR collects source tax from 58 sectors, ranging from contractors, bank deposit holders, to exporters and importers of certain items.

Through the latest measure proposed by Finance Minister AMA Muhith for the next fiscal year, the tax authority expands its net of withholding tax, which accounts for more than half of total income tax collection.

Under the proposed plan, foreigners, who stay for a short period, will face 30 percent tax on their salaries or honorarium. The same tax rate will apply to acting artists, singers, players, consultants, and certification and pre-shipment inspection service providers.

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DSE calls for full tax exemption

STAR BUSINESS REPORT

The Dhaka Stock Exchange yesterday urged the government to provide a full tax exemption facility for five years, instead of the existing partial exemption at graduated rates, for sustainable growth and smooth operation of the bourse.

The premier bourse, which has been allowed to pay taxes at graduated rates from the current fiscal year, will have to pay 7.5 percent tax on its net profit in fiscal 2015-16.

Under a graduated rate, the bourses will get full tax exemption in the first year of demutualisation, 80 percent tax exemption in the second year, 60 percent in the third year, 40 percent in the fourth year, 20 percent in the fifth year; it will have to pay full taxes then on.

"We want full tax exemption for five years to continue the reforms under the demutualisation scheme and invest further in infrastructure development," said Swapan Kumar Bala, managing director of the DSE.

Before the demutualisation, stock exchanges were non-profit cooperatives owned by the exchange members, and were not subject to corporate tax.

But with the demutualisation, a way of separating the bourse management from ownership, the bourses were converted into profit-oriented companies in November 2013, owned by shareholders, and 35 percent corporate taxes apply to them as non-listed companies.

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Download Registration Form: www.bangladeshbrandforum.com

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