



Finance Minister AMA Muhith hands over crests to top taxpayers of fiscal 2014-15 at an event organised by the National Board of Revenue at Pan Pacific Sonargaon in Dhaka yesterday.



Govt aims to treble taxpayers by 2019

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When you pay taxes, you carry out your responsibility to the state. Without your support, the state cannot run," he said.

Referring to the Tk 295,100-crore budget for fiscal 2015-16, he said everyone will benefit from it.

Abdul Matlub Ahmad, president of the Federation of Bangladesh Chambers of Commerce and Industry, said businesspeople used

to fear the NBR in the past. "But the NBR has changed now," he said.

Ahmad also demanded the government give the Commercially Important Person (CIP) status to top taxpayers at the district level.

NBR Chairman Md Nojibur Rahman said the time has come to provide incentives to increase tax compliance and encourage people to pay taxes.

There are 30 lakh taxpayers in

Vietnam that has a population of 9.6 crore, he said.

Income or direct tax became the biggest source of revenue in fiscal 2014-15. It accounted for 36 percent of revenue worth Tk 136,723 crore last fiscal year.

The tax collector aims to meet 37 percent of the revenue target for this year at Tk 176,370 crore through income taxes, according to the NBR.

Jaguar Land Rover sales will rise in 2015 despite China drop: CEO

REUTERS, Frankfurt

Luxury carmaker Jaguar Land Rover expects sales this year to exceed those in 2014, with Britain, Europe and the United States compensating for a sharp decline in the Chinese market, its chief executive said.

Jaguar Land Rover sales are down 1 percent so far this year due to a 29 percent fall in China, the world's largest car market, where an economic slowdown, stock market slump and currency devaluation have hit demand for cars.

But CEO Ralf Speth said that sales will rise this year compared to the 462,678 models the firm sold in 2014, with other regions able to compensate for the fall.

"Other markets can neutralise... (such as) the UK, Europe and the US," he told journalists at the Frankfurt Motor Show.

"We expect that sales are definitely bigger in 2015 than 2014...but it would be too early to give you the exact number." China was Jaguar Land Rover's fastest growing market last year, with sales up 28 percent, but volumes have fallen this year, driving global sales so far this year down 1 percent to 301,778 cars.

Speth said that Jaguar Land Rover would benefit from ramping up production in the country but that the "new normal" of slower growth in the Chinese market had come faster than anyone had predicted. "The time of the two-digit growth is over. We will see a normalised figure of, let's say, in between 4 and 7 percent, that depends on who is calculating it," he said.

Govt to crack down hard on importers of illegal handsets

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All legally imported handsets already have their IMEIs registered with the Bangladesh Telecommunication Regulatory Commission, he said. Bangladesh currently imports more than 2.5 crore mobile handsets every year through legal channels, importers said.

The regulator is also working on formulating a guideline on handset import with regard to proper IMEI numbers, telecom division officials said. Recently, law enforcers confiscated thousands of illegal mobile sets during a raid on Bashundhara City, a large shopping mall in the capital.

Earlier in August, mobile manufacturer Samsung won an unprecedented writ from the High Court dictating immediate action against illegal import of gadgets.

Hamidul Mishbah, lawyer for Samsung, said the court has ordered the government to ensure only legal import of handsets and the government has already taken some action.

Carmakers curb China output as sales growth stalls

REUTERS, Frankfurt/Beijing

Volkswagen and other major carmakers have begun reining in Chinese output, wages and other costs, industry sources told Reuters, as executives at the Frankfurt auto show put a brave face on a sharp slowdown in the world's biggest vehicle market.

The German car giant's Chinese joint venture, FAW-VW, is cancelling staff bonuses and cutting shifts at its plants near Changchun, northeastern China, people with knowledge of the matter said. The bonuses being scrapped typically account for more than half of the assembly-line workers' take-home pay.

Volkswagen's high-end Audi brand also said it had cut output at its Chinese plants, trimming the working week to

five days from seven in response to lower demand for models such as the A6 saloon. And German rival BMW said on Tuesday it had reduced output of its locally produced 3 and 5 series models. "We reacted relatively fast," Chief Financial Officer Friedrich Eichner told journalists. "We are not stockpiling."

Car sales in China, until recently the profit engine for automakers around the world, have been hit by a cooling economy and a plunging stock market. Demand was flat in the first eight months of the year and could drop in 2015 for the first time since the market took off in the late 1990s.

At the opening day of the Frankfurt auto show on Tuesday, industry executives expressed confidence about the long-term growth potential of the

Chinese market, and said any short-term hit could be offset by a strengthening recovery in Europe. Industry data showed European car sales jumped 11.5 percent year-on-year in August.

But some analysts said the Chinese slowdown was coming at a time when carmakers are still opening factories in the country -- creating an excess of capacity that could weigh on profits.

Leading research group IHS Automotive expects carmakers' capacity utilization rates in China to drop to 65 percent from last year's 70 percent, a key profitability threshold.

"The mood is very depressed at VW, BMW or GM," said Clemens Wanser of Austrian automotive consultancy EFS, which advises several German carmakers in Asia.

Crisis-hit Brazil unveils \$17b austerity package

AFP, Brasilia

Brazil announced a massive \$17 billion austerity package Monday in a bid to boost its ailing economy amid a deepening crisis that already caused a downgrade of the country's credit rating.

The package -- announced at a news conference by Planning Minister Nelson Barbosa -- includes freezing public sector salary raises and hiring, entirely eliminating 10 of 39 ministries, cutting 1,000 jobs and slashing housing and health-related social spending. "These are major corrections," Finance Minister

Joaquim Levy said.

Just a few years ago, Brazil was in carnival mode as one of the BRICS group of emerging giants, winner of hosting rights to both the 2014 World Cup and 2016 Summer Olympics.

But the government of Latin America's largest country announced in August that the economy -- the world's seventh largest -- was officially in recession and that the contraction could extend through 2016, becoming the longest recession since 1931.

Last week's shock downgrade of Brazil's sovereign credit rating to junk status by Standard & Poor's sent the government scrambling to pre-

vent an exit of foreign capital and to balance the books in an economy already suffering from plummeting commodity prices and the effects of a huge corruption scandal.

With deep recession, the country's first ever deficit budget, a corruption scandal of surreal proportions at state oil company Petrobras, and political paralysis, S&P didn't have to look far to justify its cut.

Brazil's score is now even lower than Russia's, which faces powerful Western sanctions over the war in Ukraine. For the markets, news of the austerity measures was expected and not necessarily seen as being pro-growth.

New five-year plan rests on private sector's shoulders

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None of the average GDP targets in the previous five-year plans were achieved.

During the new plan's tenure, infrastructure will get much attention, with the government aiming to complete the Padma Bridge and the 26km Dhaka elevated expressway.

About 856 kilometres of new rail-tracks will be laid and electricity from the Rooppur Nuclear Power plant generated.

The waterways and rail will be pushed for transportation of goods, as these are environment-friendly and cost-effective.

Building a deep-sea port and the Payra seaport, the MRT-6 project and the liquefied natural gas terminal will be given emphasis under the plan.

For investment, getting energy easily is a precondition.

In the next five years, 12,584 megawatts of electricity will be generated, 61 percent of which will come from the public sector and 39 percent from private sector.

Electricity will be produced from the big public sector plants instead of signing agreements with the new quick rental ones. In future, the energy demand for household consumption will be met from coal and LNG.

The contribution of agriculture to the GDP will be brought down to 12.99 percent in 2020 from 16.1 percent in 2014.

The industries' share will increase from 27.6 percent to 33 percent in 2020, while that of the service sector will drop to 54.1 percent from the existing 56.3 percent.

In the new five-year plan, the target for new employment generation has been set at 1.29 crore, although 99 lakh new people will be added to the workforce during the period.

The export target has been set at \$55.1 billion and remittance at \$25.39 billion.

Time for feed-in tariff to boost renewable energy

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The regulator should form a fund where 1 percent of the tariff would be deposited, which will be used to promote the renewable energy sector, he added.

Prof Shamsul Alam, energy adviser to Consumers Association of Bangladesh, said a provision has to be affixed in the feed-in tariff regulations, outlining that if a licence fails to begin commercial production of renewable energy in the stipulated time, the permit will be cancelled.

Munawar Misbah Moin, managing director of Rahimafrooz Renewable Energy, said the government has to come up with regulations that will help it attain goals and encourage the private sector to invest. "The regulations need to be simple, clear and transparent."

Saiful Huque, director of Institute of Energy of Dhaka University, said the feed-in tariff scheme will be important for Bangladesh. Asma Huque, chairperson of Purobi Green Energy Ltd, which set up the country's first mini solar grid in 2010, said the tariff must be guaranteed.

AR Khan, chairman of BERC, said the regulator would try to come up with a tariff that is business-friendly.

Ecneec approves projects of Tk 5,040cr

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This would open up a new channel for transportation of goods from urban to rural areas, the proposal added.

Another approved project involves setting up a chancery complex in Islamabad at a cost of Tk 51.79 crore. The Pakistani government allotted the land in 2003.

The main objective of the project is to strengthen economic and trade relations between Bangladesh and Pakistan, according to the proposal.

Under the project, various buildings will be constructed on 11,498 square metres, including two-storied chancery and multi-purpose hall, residence for the high commissioner, deputy high commissioner and the defence adviser, and quarters for officers. The Bangladesh High Commission in Pakistan currently operates from a rented house.



Pema Choden, Bhutan's ambassador, along with a five-member delegation, visits the production units of Walton Hi-Tech Industries at Chandra in Gazipur on Sunday.



Winners of MoneyGram's Ramadan campaign pose at a prize giving event organised by the company at The Daily Star Centre in Dhaka yesterday. Customers were awarded with motorbikes and TV sets at the programme.