Md Jasim Uddin Akond

ICMAB elects top brass for 2020

STAR BUSINESS REPORT

The Institute of Cost and Management Accountants of Bangladesh (ICMAB) has elected its top management for 2020.

Md Jasim Uddin Akond, comptroller of the Bangladesh University of Engineering and Technology, was made president, says a press release. Md Munirul Islam, head of human resources of Aristopharma, was elected secretary while Md Ali Haider Chowdhury, managing director of Aloha Bangladesh and director & CEO of Unicom Group, treasurer.

Abu Bakar Siddique, executive vice president and chief financial officer of Kohinoor Chemical Co (BD) and Group Reedisha, and Md Mamunur Rashid, deputy managing director of X-Index Companies and an independent director of West Zone Power Distribution Company and Nitol Insurance, were elected vice-presidents.

Makers of Tang get new country distributor

STAR BUSINESS REPORT

International Distribution Company Bangladesh has been appointed as the distributor of Mondelez Bangladesh, the country unit of snack maker Mondelez International, whose brands include Tang, Cadbury, Bournvita, 5 Star, Perk and Oreo.

Kallappa Pattanashetti, country lead of Mondelez Bangladesh, handed over the rights from the former distributors through a programme at Le Méridien Dhaka yesterday, says a press release.

Bashir Ahmed and Ashraf Bin Taj, chairman and managing director respectively of the international distribution, were present.

G4S Bangladesh gets new MD

STAR BUSINESS REPORT

Security solutions provider G4S Bangladesh has appointed a new managing director with effect from last Wednesday.

KM Iqbal will be reporting directly to the regional CEO for Asia Pacific, says a press release, adding that he brings 11 years' experience in sales and marketing.

Amazon, Flipkart challenge new Indian tax on online sellers

REUTERS, *New Delhi*

Amazon and Walmart's Flipkart are among online retailers demanding that India scale back a proposed tax on third-party sellers on their platforms, saying the burden of compliance will hurt the fledgling industry, according to a document seen by Reuters.

The online retail industry is braced for a possible 1 per cent tax on each sale made by sellers on their platforms from April if the proposal is approved by parliament next month.

The move is part of a broader plan by Prime Minister Narendra Modi's government to increase tax revenues and counter a sharp economic slowdown due to weakening consumer demand.

But the tax will hurt the country's fledgling e-commerce sector, according to a presentation prepared by the Federation of Indian Chambers of Commerce and Industry (FICCI) for the government and reviewed by Reuters.

"(It) would cause irreparable loss to the entire industry with increased compliance burden," the lobby group said on behalf of e-commerce companies. "This will also lead to reduced trading activity."

Amazon declined to comment. A spokesman for Bengaluru-based Flipkart said it was working with industry chambers to voice sellers' concerns and highlight the increased cost of compliance. The Finance Ministry declined to comment.

Some third-party sellers are also pushing back against the tax, arguing it would negatively impact their working capital, adding that they already contribute to a nationwide sales tax.

This tax will be "extremely detrimental to the growth and sustenance" of small online sellers and make the model "unviable", Unexo Life Sciences, a seller of healthcare products on Amazon's India website, said in an email to the Central Board of Direct Taxes that was reviewed by Reuters.

Online vendors, or sellers with revenue of less than half a million rupees in the previous year, as well as brick-and-mortar retailers, will be exempted from the new tax, although they are subject to the nationwide sales tax.

India's e-commerce sector is expected to reach $200 billion by 2026 as rising smartphone use and cheap data help hundreds of millions to shop online for everything from groceries to furniture. But companies such as Amazon and Flipkart have also had to face tighter regulations and an antitrust probe.

The tax would apply to the income of drivers on ride hailing firms such Uber and Ola as well as sales on restaurant aggregators including Zomato and Swiggy.

Ola and Uber declined to comment, while Swiggy and Zomato did not respond to requests for comment.

Modi is pushing to expand India's tax base to hundreds of thousands of manufacturers, food sellers and cab drivers who currently do not pay income tax, a senior Finance Ministry official said. Modi has said just about 15 million of India's 1.3 billion Indians people pay income tax.

New Delhi expects to collect about 30 billion Indian rupees ($419.46 million) through the tax, the Finance Ministry said. It will also provide data on billions of dollars in sales.

REUTERS/FILE

People move past a hoarding of Amazon India outside a metro rail station in New Delhi.

INCEPTA PHARMACEUTICALS

The opening of a furniture showroom and design studio of BOHU Bangladesh at 204/B, Bir Uttam Shawkat Sharak in Dhaka on Friday. Hasnain Muktadir, vice-chairman of Incepta Pharmaceuticals, was present as chief guest.

EU launches anti-dumping investigation on China aluminium products

REUTERS, *London*

The European Commission has opened an investigation into whether China is dumping aluminium extrusions, products widely used in transport, construction and electronics, in the European Union, it said on Friday.

A notice in the EU's Official Journal said it was acting on a complaint filed last month by industry group European Aluminium representing seven producers.

"The evidence provided by the complainant shows that the volume and the prices of the imported product under investigation have had, among other consequences, a negative impact," the Commission said.

European Aluminium welcomed the move, calling for an urgent launch of anti-dumping duties.

"In the past year, production lines and entire plants closed, with significant job losses as a result. We ask the EU to be proactive rather than wait until it is too late," Gerd Götz, director general of European Aluminium, said in a statement.

Aluminium extrusions from China are already subject to anti-dumping duties in the United States, Canada, Australia and Vietnam, the statement added.

Aluminium extrusions are used for engine blocks and chassis in autos, to house coaxial cables for electronics and as building facades in construction.

Wen Xianjun, vice chairman of the China Nonferrous Metals Industry Association, who previously led aluminium anti-dumping negotiations with the United States, said his department opposed the EU investigation and was studying it.

"It will further increase global trade protectionism. We will organise related companies to actively respond to the complaint," said Wen, who is also an independent non-executive director at China's top aluminium extruder China Zhongwang Holdings Ltd. Members of European Aluminium include Norsk Hydro, Rio Tinto and Alcoa.

They are battling a weak market impacted by a lack of demand, including from the auto sector.

REUTERS/FILE

A European Union flag flies outside the European Commission headquarters in Brussels, Belgium.

Int'l incoming call rate slashed 66pc

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The government considered this move for two other reasons as well: to help save the IGW industry and control the illegal termination rate.

International call termination was one of the government's main sources of revenue just five years ago. However, earnings from the sector has shrunk substantially in recent years.

In fiscal 2014-15, the government's earnings from international calls was Tk 2,075.62 crore, which declined to Tk 1,387.37 crore, Tk 967.63 crore, Tk 900.35 crore and just a few hundred crore in successive years, according to BTRC officials.

Voice calls made through free applications is a result of the rise of smartphones and mobile broadband coverage, Jabbar said.

"We need to embrace this development of smartphones for the sake of digitisation. There is no debate on that, but at the same time we also have a responsibility to save our operators as well," he added.

Although the number of active internet connections reached ten crores, the true number of internet users' is about four crore. Almost all of them use communication applications even for local calls, industry insiders said.

Currently, Bangladesh has 24 IGW operators, of which, six lost their licenses for failing to pay unpaid dues.

The latest decision also means that IGW operators will share their revenues based on the declared floor price regardless of how much they actually charge for calls.

Economy revs up on rural strength

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He spoke at the launch of a book titled "Institutionalising Microfinance in Bangladesh: Players, Games & Outcomes" written by Lila Rashid, general manager for the SME and special programmes department at Bangladesh Bank.

Prof Rehman Sobhan, chairman of the Centre for Policy Dialogue, formally launched the book at the event at the Bangladesh National Museum in Dhaka.

"Around 3.30 crore people have taken services from microfinance institutions and the number is growing," Rahman said, adding that the sector is mostly free from graft and irregularities.

There are about seven crore recipients of mobile financial services, which also helped deepen financial inclusion and strengthen the base of the economy, he said.

"The government on several occasions let non-governmental organisations experiment with different economic systems and that has worked out. And that is how Bangladesh has turned into a big social laboratory," Rahman added.

The Microcredit Regulatory Authority is the first of its kind in the world, he said, adding that the regulator should be smarter as the sector is getting enormous.

The author said the book tried to portray how microfinance evolved in the country and gradually took a shape.

MA Baqui Khalily, a former professor at the department of finance at Dhaka University; Md Akhtaruzzaman, director general of the Bangladesh Institute of Bank Management; Zahida Fizza Kabir, CEO of SAJIDA Foundation; Mahrukh Mohiuddin, managing director of the University Press Ltd, the publisher of the book, also spoke.

Coronavirus fears rattle Asia traders

AFP, *Hong Kong*

Fears over the new coronavirus rattled investors in Asia Friday as they struggled to work out if the China epidemic was worse than being reported by authorities.

A dramatic rise in the number of deaths and new cases of the virus on Thursday fuelled global suspicions that Beijing was concealing the true scale of the illness.

Concern turned to confusion on Friday, however, as the death toll was lowered to 1,380 after authorities said they had double-counted some fatalities.

The uncertainty came as Vietnam quarantined more than 10,000 people in a cluster of villages after six virus cases were detected and Japan reported its first death.

"There are still some lingering concerns hanging like a cloud over the market that we could still get a surprise secondary transmission cluster," said Stephen Innes at AxiCorp. "But the intensity and market de-risking is nowhere near the feverish pitches of last Friday." Hong Kong fell 0.11 percent at the open before recovering as investors weighed up the possibility that Thursday's sharp increase -- triggered by a change in the way Chinese officials count new infections -- was a one-off.

Mainland China's benchmark Shanghai Composite Index was 0.59 percent higher after dipping into the red at the open.

Tokyo was down 0.52 percent amid concerns over the economic impact from the virus. Elsewhere, Sydney put on 0.44 percent, Seoul added 0.78 percent and Taipei gained 0.35 percent.

The surge in virus numbers sent Wall Street into the red on Thursday -- a reversal from the previous day when the three main indexes closed at record highs.

In Britain, the resignation of finance minister Sajid Javid sent London's benchmark FTSE 100 index down as other major European markets posted narrower losses over fears about the epidemic's global economic impact.

China has been praised by the World Health Organization (WHO) for its transparent handling of the outbreak.

There is still scepticism among the global public, with suggestions that Beijing may be concealing the extent of the virus the way it did during the 2002-2003 SARS epidemic. Senior White House official Larry Kudlow said Thursday that the US was "a little disappointed in the lack of transparency" from China, which he said had refused American help.

Under criticism at home over the handling of the crisis, China's top leadership on Wednesday called for efforts to minimise the impact of the outbreak and pledged measures to help firms deal with the economic fallout.

Non-food inflation hits a 49-month peak

FROM PAGE B4

Food inflation dropped to 5.12 per cent in January from 5.88 per cent in December, according to BBS's Consumer Prices Index (CPI), which reflects the average change over time in the prices of a specified set of final commodities and services.

In case of food prices, people in rural areas saw less spiral than those living in towns and cities.

Food inflation in urban areas dropped to 5.03 per cent in January from 5.73 per cent a month earlier. Rural residents saw a decline in food inflation by 96 basis points to 5.16 per cent, according to BBS.

The statistical agency calculates CPI based on the prices of 318 goods and services in rural areas and 422 commodities in urban areas. It computes the CPI at the national level by combining the urban and rural indices using weight factors.

With the inflation marking an upward trend in January, the overall growth of nominal wages was 6.56 per cent in January, which was higher than the rate of inflation of 5.57 per cent the same month.

This shows that the purchasing capacity of workers in general did not erode.

In January, wages in manufacturing and agriculture grew at a higher pace than inflation.

But the growth of nominal wages in fishing and construction sectors fell below the rate of inflation, meaning that real wages of workers in the two sectors fell as inflation rate exceeded the rise in their nominal wages, according to BBS's Wage Rate Index.

GREEN DELTA INSURANCE COMPANY

Abdul Hafiz Choudhury, newly elected chairman of Green Delta Insurance Company, delivered the inaugural speech at its 34th Annual Business Conference in the capital last Wednesday.

From going hungry to offering jobs

FROM PAGE B4

Meanwhile, she has been able to get her husband Humayun Kabir a job in Dubai and, coupled with the remittance he sends, has already repaid the Tk 80,000 she borrowed for the migration from her father and a local lender.

One of Taslima's employees, Tanzina Islam, works part time to bear her educational expenses.

Another, Ambia Aktar, terms Taslima a local icon. "We are earning and maintaining our educational expenses by working here. She is contributing a lot for the society," she said.

Authorities at the youth and women affairs training centres too were all praises about Taslima.