

Star BUSINESS

E-mail: business@thedailystar.net

Benapole trade suspended as Indian traders enforce strike

UNB, Benapole

Export-import through the Benapole land port remained suspended yesterday as the Indian traders observed strike in response to call of ruling CPM in West Bengal.

Informed sources said the strike was enforced to protest the killing of Bongaon CPM leader and panchayet head Swapan Biswas who was shot dead by unknown extremists on Monday.

Customs officials said a few trucks loaded with fish crossed the border in the morning but remained stranded at Petrapole. About 100 trucks loaded with goods including jute, hessian, jute twine are waiting in the queue at Benapole.

Protection of ME migrant workers from slavery demanded

AFP, Doha

A conference on migration has called for Middle East countries to adopt measures to protect migrant workers from modern-day slavery, especially Asians on whom many states are reliant.

Delegates at the two-day forum held in Qatar's capital, a first for the oil-rich Gulf monarchies, said workers should be allowed to join trade unions and be "protected in the courts against torture and all forms of slavery."

A final statement issued late Monday said the home countries and host states must both "assume responsibility for protecting the rights and fundamental liberties of migrant workers", regardless of their nationality or legal status.

The two sides should coordinate closely through bilateral accords, was another key recommendation of the conference organised by Qatar's human rights commission and the International Federation for Human Rights (FIDH).

Etihad plans non-stop Singapore-Abu Dhabi service

AFP, Singapore

Etihad Airways, the national carrier of the United Arab Emirates, will begin non-stop services to Singapore in September, the carrier said Tuesday.

With three flights a week, Singapore will be Etihad's fifth Asian destination after Bangkok, Manila, Jakarta and Kuala Lumpur, it said.

"The new service will cater for the growing demand for air travel between the UAE and Singapore for business and leisure travellers, which is growing year on year," said James Hogan, Etihad Airways' chief executive.

Tk700cr tax dodging if duty on handsets increased

Mobile phone manufacturers fear

NAFID IMRAN AHMED

On implementation of the supplementary duty proposed in the national budget for the 2007-2008 fiscal, mobile phone manufacturers and importers fear, there will be a tax dodging of Tk 700 crore through marketing of illegal or 'grey' handsets. 'Grey' or unauthorised handsets are mobile phones that do not come through proper channels, evading taxes. These sets are also distributed through unauthorised dealers.

The government has proposed to increase customs duty on each imported set by Tk 300, bringing the total customs duty payable to Tk 500, irrespective of actual cost of the set. In other words, this would eventually affect the mobile phone users of the low-income group, according to industry insiders. The mobile phone manufacturers forecast that 7.5 million handsets would have been sold in the year 2007 under the present duty structure. However, if the proposed duty is implemented the overall market for handsets would decline by at least 2 million to 5.5 million, but illegally imported handsets would flood the market.

This would be counter productive to the government's objective of increasing revenue as well as fighting corruption. It is estimated that this increase in duty would give rise to money laundering to the extent of at least Tk 700cr annually.

At present at least 1 in every 5

handsets sold in Bangladesh is illegal having been brought into the country without proper approval.

"Bangladesh has been identified as one of the fastest growing markets globally, as the country's telecoms industry has shown tremendous growth in the last two years. This growth has been possible by the government's support to the industry and reduction in customs duties over the last 3 years to Tk200. With the proposed increase in duty we will see a slow down in the telecoms industry", Prem Chand, general manager, Nokia Emerging Asia, said, fearing that this duty would hit the consumers and put handsets out of their reach.

He said as 85 percent of the market is at the entry level, the duty will increase the cost of the handset by 12.5 to 15 percent.

"The government will also lose huge revenue in terms of duty out of those 2 million handsets if the market reduces by 1.5 -2 million units," said Engr. Anwar Hossain, secretary general of Bangladesh Mobile Phone Importers Association and managing director of Chemor Telecommunications Limited.

This duty will have a negative impact on the economy, although the budget is for a growing econ-

omy," said Neeraj Bansal, head of Market units, Bangladesh and Sri Lanka, Sony Ericsson Mobile Communications International AB.

He said, "The mobile phone is not a luxury item anymore in this country. It's more like a necessity and is very much needed for the development of small industries. It's actually the poor people who are going to be affected by the implementation of this duty."

Unlike most countries of the subcontinent, the duty on handsets in India is very low (closer to Tk 100), while there is no duty on handsets in Pakistan at all.

In 2006, the government took a pragmatic step when the duty on imported handsets was slashed down to Tk 200 from Tk 300. This dramatically reduced the 'grey' market from 54 percent to 26 percent. The manufacturers and importers believe that the government's objective to increase revenue would be better served by bringing down the duty to Tk 100 or less, instead of increasing it.

Year	2003	2004	2005	2006	2007 (w/tax)	2007(wo/tax)
% Grey	56%	70%	54%	26%	50%	10%
Duty (Tk)	1500	500	300	200	500	200

Incorporate CSR issues in business schools' curricula

Seminar urged

STAR BUSINESS REPORT

Speakers at a seminar yesterday stressed incorporating corporate governance issues in the academic curricula in business schools of the country in order to make future corporate managers sensitive on corporate social responsibility (CSR).

Today's business students are tomorrow's managers, and if they become aware of CSR issues they would be able to enforce it effectively at their workplaces, Farooq Sobhan, president of Bangladesh Enterprise Institute (BEI), said.

BEI, in association with Dhaka University Management Forum (DUBF), a platform of the Department of Management of DU, organised the seminar styled 'Corporate Governance for Bangladesh: New Skills for New Challenges' at the university campus.

"CSR is a component that ensures corporate governance in

the corporate houses," Farooq added.

CSR is a very important issue for today's businesses, and I am aware that the Department of Management has incorporated CSR issues in its curricula to shoulder the new challenge, said Dhaka University Vice Chancellor SMA Faiz while speaking as chief guest.

Wendy Werner, a CSR expert, presented the keynote speech.

In her speech, Wendy said the corporate governance framework should ensure effective monitoring of management by the board and the board's accountability to the company and shareholders.

DU Business Faculty Dean M Serajul Islam, Management Department Professor Khondoker B Hoque, among others, were present at the seminar.

DSE tumbles amid late rush by individual investors

UNB, Dhaka

Shares at Dhaka Stock Exchange fell sharply for the second consecutive day yesterday amid late rush by individual investors after institutional investors.

The benchmark index dropped 25 points or 1.26 percent to close at 1961 points on the day while All Share Price Index fell about 30 points or 1.84 percent to close at 1597 points.

Of the total 193 shares traded, 58 registered gains, 117 incurred loss and 18 remained unchanged. The day's turnover was Tk 106.5 crore.

Market insiders said institutional investors sold shares during the first two days of the week to make profit, contributing to the declining trend, while individual investors rushed yesterday to intensify the price fall further.

SEC to allow stock dealers, brokers to do brokerage, dealership activities

STAR BUSINESS REPORT

The Securities and Exchange Commission (SEC) has decided to bring about changes in rules for allowing both the stock dealers and brokers to do brokerage and dealership activities.

The decision was taken yesterday at a meeting of the capital market regulator, SEC sources said.

The SEC will publish a draft amendment of the Securities and Exchange Commission (Stock Dealer, Stock Broker and Authorised Representative) Rules, 2000 in the daily newspapers within the next seven days inviting opinion on the amendment.

On receipt of opinions on the draft amendment, the SEC will scrutinise it and place the final

amendment to the commission's special body for approval. A gazette notification to that effect will be published after this approval.

In early March this year, the Consultative Committee of the SEC recommended to the commission to allow the stock brokers to run dealership activities. The committee also recommended for permitting the stock dealers to do brokerage activities.

This body has representations from Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Central Depository Bangladesh Ltd (CDBL) and SEC.

As per the present rules, the stock brokers having licenses from the bourses can buy and sell shares for its clients only, while the stock dealers can buy and sell securities for themselves only.



New SEC member appointed

STAR BUSINESS REPORT

Mansur Alam has been appointed a member to the Securities and Exchange Commission (SEC) for a three-year term, according to a notification of the establishment ministry.

He is the first SEC official who has been promoted as a member of the stock market regulator since its inception in 1993.

Mansur, currently an executive director of the SEC, joined the capital market watchdog on November 20, 1993 as deputy director.

He also served Bangladesh Shilpa Rin Sangstha in different positions during the period between 1978 and 1993.

Mansur completed his master's degree in finance from Dhaka University in 1974 and became a fellow of the Institute of Chartered Secretaries and Managers of Bangladesh in 2003.



PHOTO: ONE BANK

Chairman of ONE Bank Ltd Sayeed Hossain Chowdhury inaugurates the 26th branch of the bank on Court Hill Lane in Cox's Bazar recently. Directors, managing director and senior officials, among others, were present at the inauguration.

HeidelbergCement declares 21pc dividend

HeidelbergCement Bangladesh Ltd has declared a 21 percent dividend (16 percent cash and 5 percent stock) for the year 2006.

The dividend was announced at the 18th annual general meeting (AGM) of the cement manufacturing company held on Thursday in Dhaka, says a press release.

Managing Director of the company Jean-Claude Jamar presided over the AGM, which was also attended by directors and senior officials.

Islamic Finance approves 12.5pc cash dividend

Islamic Finance and Investment Ltd has approved a 12.5 percent cash dividend for the year 2006.

The dividend was okayed at the sixth annual general meeting (AGM) of the company held on Thursday in Dhaka, says a press release.

Chairman of the company Anwar Hossain Chowdhury presided over the AGM, which was also attended by directors, managing director and senior officials among others.

Citibank's workshop on int'l trade management

Citibank NA Bangladesh recently organised a workshop on 'International Trade Management' in Chittagong Export Processing Zone in a bid to make local trade practitioners well equipped for facing the global challenges.

As the global trade regime moves on from UCP (Uniform Customs and Practice for Documentary Credits) 500 to UCP 600 from July 2007, Citibank organised this session for the stakeholders concerned, says a press release.

Citibank has also launched end-to-end online trade solution for its clients in the port city.

Chang Sun Sohn, managing director of Youngone Group, at the workshop said, "Knowledge about the changing trends in international trade such as UCP 600 would greatly help the companies that are going forward."

A total of 90 executives from the leading business houses in Chittagong took part in the workshop conducted by Moinul Huq, head of Trade Product and Sales of Citibank NA Bangladesh, and Kazi Ashik of the Information Services Team, Global Transaction Services of Citibank NA Bangladesh.



PHOTO: HEIDELBERGCEMENT BANGLADESH

The 18th annual general meeting (AGM) of HeidelbergCement Bangladesh Ltd was held on Thursday in Dhaka. Managing Director of the company Jean-Claude Jamar presided over the AGM, which was also attended by directors and senior officials.



PHOTO: ISLAMIC FINANCE AND INVESTMENT

The sixth annual general meeting (AGM) of Islamic Finance and Investment Ltd was held on Thursday in Dhaka. Chairman of the company Anwar Hossain Chowdhury presided over the AGM, which was also attended by directors, managing director and senior officials among others.