

Stocks	
DGEN	▲ 1.49% 5,691.02
CSCX	▲ 1.35% 10,851.72

Asian Markets

MUMBAI	▼ 0.19% 16,255.97
TOKYO	▼ 1.48% 10,198.83
SINGAPORE	▼ 0.73% 2,762.14
SHANGHAI	▲ 1.33% 3,022.18

Currencies

	Buy Tk	Sell Tk
USD	68.65	69.65
EUR	91.58	95.72
GBP	104.68	109.04
JPY	0.74	0.79

SOURCE: STANDARD CHARTERED BANK

Commodities

Gold	▼	\$1,093.00 (per ounce)
Oil	▼	\$78.93 (per barrel)

Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at business@thedailystar.net

Chittagong, Penang ports up for link-up



Ships line up at Chittagong port. The seaport, which handles more than 90 percent of the country's \$35 billion annual foreign trade, has received a positive response from Malaysia's Penang Port to work as a sister port.

JASIM UDDIN KHAN

Malaysia's Penang Port has finally agreed to work with Chittagong Port as a sister port to increase mutual trade from next year.

Tan Cheng Liang, Penang Port Commission chief, in a letter last week to Commodore RU Ahmed, chairman of the Chittagong Port Authority, informed about their consent in this regard.

Liang informed her counterpart that an agreement in this connection will be signed on the sidelines of the next Organisation of Islamic

Conference (OIC) Economic Forum meeting, due in Kuala Lumpur on May 18-20.

An agreement will officially link the two seaports in shared efforts to increase traffic and operational efficiency.

Besides, it will introduce chances of free exchange of information pertaining to cruise and cargo operations, statistical information and general market research between the two seaports.

Such agreement will be part of cooperation between the two ports that already share common carriers.

Bangladesh initiated the process of signing an agreement with Penang Port as sister port seven years back, but the proposal was not finalised by the Penang Port Authority because of Bangladesh's political changes in the last few years.

The move advanced fast after Shipping Minister Shahjahan Khan visited Malaysia last month.

A Chittagong Port high official yesterday said this type of strategic partnership with Malaysia would help modernise Bangladesh's main gateway by sea.

"This relationship will help share expertise on how to operate the port in a more efficient way," he added.

Penang previously signed a sister port pact with Siam Seaport in Thailand, while the Penang Port will be Chittagong's first sister port, if such an agreement is signed.

Penang Port made a steady progress since its privatisation in 1994.

Chittagong Port, Bangladesh's key economic lifeline, handles more than 90 percent of the country's US\$ 35 billion annual foreign trade.

India trade fair begins today

STAR BUSINESS REPORT

The first Bangladesh-India joint trade show starts in Dhaka today with a special focus on trade and investment between the two countries.

Finance Minister AMA Muhith is scheduled to inaugurate the three-day fair at Dhaka Sheraton Hotel -- to be joined by a number of high-profile government delegates from the four northeastern states of India.

"This is going to be the first ever joint trade show and will host a significant discussion on trade and investment between the two countries, which will enhance trade between the two neighbours," said Abdul Matlub Ahmad, president of India Bangladesh Chamber of Commerce and Industry (IBCCI).

"We hope the fair will help us achieve our target of exporting goods worth \$1 billion to India by 2011. At the same time, we are optimistic about attracting 100 joint ventures into the country in the next three years," he added.

He was speaking at an IBCCI press conference at Sonargaon Hotel in Dhaka yesterday to announce the India Trade Fair 2010.

IBCCI is organising the exposition with support from the Indian High Commission in Dhaka and Indian Chamber of Commerce (ICC).

Dr DD Lapang, chief minister of Meghalaya, Manik Lal Sarker, chief minister of Tripura, and Mukul Sangma, deputy chief minister of Meghalaya, will join the programme with a number of high government officials from north-eastern Indian states and a large business delegation from parts of India.

Business between the two countries came up for discussion during Prime Minister Sheikh Hasina's official visit to India in January.

"We have to utilise the opportunities that Bangladesh is entitled to as a least developed country (LDC) in export to other nations, including India," said the IBCCI chief. "We will also discuss the potential of our products in the north-eastern states of India and the way out of the problems that our exporters face at the conclave."

At present, Bangladesh imports goods, including vehicles, chemicals, food items, fabrics, cotton and machinery worth more than \$3 billion from India. Exports to India account for nearly \$400 million.

Bangladeshi manufacturers began brick exports to India last week, which is a new item on the export list. Bangladesh will initially export 400 million bricks worth \$40 million to Tripura.

A high-profile discussion -- Bangladesh-Northeast India Trade and Investment Conclave -- will be held in two sessions, while IBCCI is organising two fashion shows. The fair will remain open from 10am to 8pm with an entry fee of Tk 20 per person.

NBR moves to settle tax cases out of court

SAYEDA AKTER

The National Board of Revenue (NBR) is set to introduce the Alternative Dispute Resolution (ADR) system next fiscal year to ensure recovery of the Tk 8,000 crore stuck in lengthy court procedures.

"We will be able to settle issues out of court and collect dues from the disputed cases thanks to the ADR system," said Nasiruddin Ahmed, chairman of NBR.

"We met the law minister and discussed the matter with the Law Commission on Monday. The commission is now reviewing structures practised in different countries, including India, Pakistan and South Africa."

The NBR chief said the ADR system is likely to be approved through the finance bill for 2010-11.

ADR is an out-of-the-box legal framework that enables authorities to resolve cases through mutual understanding and across the table

negotiations. In this system, both parties compromise on certain aspects to strike a balance.

At present, around 20,000 NBR-related cases, involving around Tk 8,000 crore in revenues, are pending with courts.

In response to queries over whether ADR can lead to a loss of a significant amount of revenue, as the process involves sacrificing some legal taxes in exchange for quick resolution of the cases, Ahmed said: "It will be better than the present situation."

"Many tax cases have been pending with the Higher Court for decades without any result, which makes us miss out on huge revenues every year," he said. "Besides, there is no time frame for these cases that further complicates the situation."

"We need to develop our own resources and expertise to rescue dues. Initially, we may need to engage experts from the private sector, who can help us negotiate in collecting VAT, customs duties and income taxes from the disputed

cases," he said, explaining the way out.

Ahmed said the board is set to start talks with stakeholders, including businessmen, civil society and present and former revenue board officials in March to shape up a flawless ADR system.

NBR identified 620 major cases pending with its customs, income tax and VAT departments, of which around 200 income tax cases account for nearly a quarter of the total dues.

In addition, the government moved to set up two dedicated benches at the High Court Division to try tax-related cases, which is likely to come into effect from April, Ahmed said.

Initially, 600 tax-dodge cases will be placed at these two benches.

The government has been trying to resolve tax related disputes for many years now, and formed several bodies, including the 'tax settlement commission' in 1994 and 'tax ombudsman' in 2005 to settle disputes.

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Stocks bounce back

STAR BUSINESS REPORT

Benchmark index of Dhaka Stock Exchange bounced back yesterday, steered by Grameenphone (GP) shares.

Majority of the stocks were however in the red, with losers beating advancers 134 to 98. Nine securities however remained unchanged.

The DSE General Index rose 83.66 points, or 1.49 percent to 5,691.02. The broader DSE All Share Price Index also gained 64.29 points, or 1.39 percent to 4,659.15.

GP, the lone player in the telecommunication sector, was the main reason behind the gain, said Argus Research, a stock market research division of Race Asset Management, in an analysis.

The GP shares continued gaining for a second day with advancing

7.22 percent to Tk 366.50.

"Once again GP was the driving force, keeping the market on positive track, while other major sectors -- banks, non-bank financial institutions (NBFIs), pharmaceuticals and fuel and power -- continued to fall," according to a market analysis by BRAC-EPL, an investment firm.

The banking sector lost for a third straight session with 24 banks, out of 29, going down. Among the gainers, Prime Bank had the highest gain of 0.81 percent following its dividend declaration of 30 percent stock and 10 percent cash for 2009.

The NBFIs also declined with all the companies, except for three, going down. Prime Finance, IDLC and ICB were the biggest losers with 2.94 percent, 2.02 percent and 1.22 percent loss.

The pharmaceutical sector was down with majority of the companies declining, including Square Pharma, Beximco Pharma and ACI. Marico, GlaxoSmithKline and Renata were among the few gainers.

The fuel and power sector also slid. A total of 4,31,61,446 shares worth Tk 1,073.47 crore were traded on the premier bourse.

The Chittagong stocks also posted a rise. The CSE Selective Categories Index gained 145.16 points, or 1.35 percent to 10,851.72. The CSE All Share Price Index increased 209.26 points, or 1.27 percent to 16,560.43.

A total of 65,28,722 shares worth Tk 97.96 crore changed hands on the Chittagong Stock Exchange. Of the traded securities, 61 advanced, 96 declined and six remained unchanged.

Freddie Mac posts \$21.5b loss

AFP, Washington

Embattled US mortgage finance giant Freddie Mac said Friday it posted a net loss of 6.5 billion dollars in the fourth quarter to cap a whopping full year deficit of 21.55 billion dollars.

Freddie Mac, which was seized by the government and placed into conservatorship along with rival Fannie Mae in 2008 after a home mortgage meltdown that triggered the financial crisis, said however that it was not seeking further state aid.

Visit

A Joint India-Bangladesh Trade Show & North East India Conclave

India Trade Fair 2010

DHAKA

See for yourself various products & commodities by leading exporters & importers of **India & Bangladesh**

Venue : Winter Garden of Dhaka Sheraton Hotel

Date : February 25, 26 & 27, 2010

Time : 10 am to 8 pm

Entry Fee : 20/=

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India-Bangladesh Chamber of Commerce & Industry (IBCCI)

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