

PHILIPS LED PRO
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Assembled in Europe
EISA AWARD

Stocks	
DGEN	0.18% 6,201.49
CSCX	0.63% 11,798.74

Asian Markets	
MUMBAI	1.14% 17,774.26
TOKYO	0.45% 9,693.94
SINGAPORE	0.64% 2,869.99
SHANGHAI	0.69% 2,535.28

IDLC Index	
IDLC 50	0.41% 6,600.20

Currencies	
Buy Tk	Sell Tk
USD 68.73	69.73
EUR 83.69	87.86
GBP 101.96	106.28
JPY 0.75	0.80

Commodities	
Gold	\$1,254.00 (per ounce)
Oil	\$78.64 (per barrel)

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Sajeda opposes black money provision

UNB, Sangsad Bhabhan

Deputy leader of the House Syeda Sajeda Chowdhury yesterday opposed the provision to legalise undisclosed money in the national budget 2010-11.

Taking part in the general discussion on budget 2010-11, she said it is not possible to bring down corruption while there is scope to legalise undisclosed money.

In this connection, Sajeda said that technology could bring down corruption.

In the budget speech, the finance minister proposed the introduction of a provision for investment in bonds issued under Bangladesh Infrastructure Finance Fund (up to June 2012) upon payment of tax at a rate of 10 percent in a view to develop physical infrastructure.

This provision in the budget gives holders of what is popularly known as 'black money' scope to legalise untaxed money with a low rate tax.

"Black money is black money," Sajeda said.

She was also criticised Bangladesh Television as she finds it the worst to watch among other TV channels, mainly due to hazy picture under analogue technology.

"The number of viewers of BTB is still high. I propose digitising BTB from its current analogue system," she said.

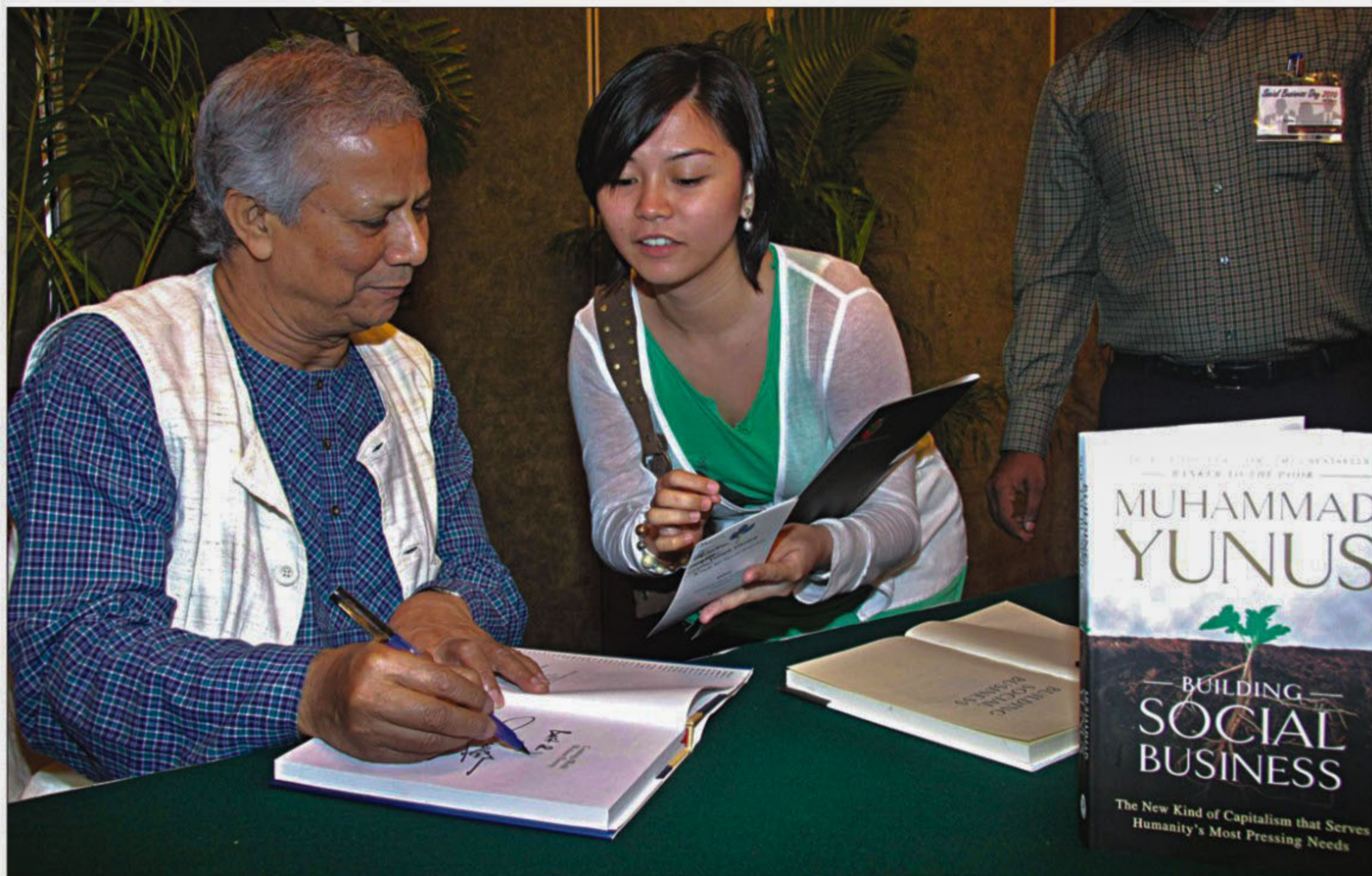
Sajeda also mentioned that there should be a specified allocation in the budget for the trial of war criminals.

She also opposed the increasing of age limit for government service, saying it would create a jam in the job market.

"I hope there would be a proposal in this regard in the budget."

She said that there is no need to introduce an 'Industrial Police' separately and recommended that the existing Police and Ansar forces could be utilised to protect the industrial units across the country.

She blasted the contractors for digging roads during the monsoon season.



Nobel laureate Muhammad Yunus signs a copy for an enthusiast of his latest book, *Building Social Business: The New Kind of Capitalism that Serves Humanity's Most Pressing Needs*, at its launch in Dhaka on Social Business Day yesterday.

Insurance laws on back burner

Top official says chairman to be appointed soon

SAJJADUR RAHMAN

The insurance industry, growing by 15 percent for the past couple of years, sees no headway in implementation of the laws that will regulate the sector.

However, Shafiqur Rahman Patwari, secretary of the banking division of the finance ministry, said they could not implement the laws, particularly formation of the insurance authorities, as the government was busy with the national budget.

The government passed the new laws in March this year to replace the 72-year-old ones, but these are yet to see light.

"Nobody bothers about the insurance industry. It has been neglected for years," said Nasir A Chowdhury, managing director of Green Delta Insurance.

The government passed two laws -- Insurance Regulatory Authority (IRA) Act 2010 and Insurance Act (IA) 2010 -- in March.

HOW THE LAWS ADVANCE

July 2008
Cabinet approves Insurance Regulatory Ordinance 2008 and Insurance Ordinance 2008

October 2008
President promulgated the two ordinances

January 2009
New government was formed and declined to approve the ordinances

March 2009
Cabinet okays draft new insurance laws

September 2009
Standing committee on finance ministry finalised scrutiny

March 2010
President approves the insurance laws

With the IRA Act 2010 in place, the Department of Insurance will no longer exist and the sector will get rid of the Insurance Act 1938 once the IA 2010 comes into effect.

After implementing the IRA Act 2010, the authorities will formulate rules and regulations to govern the industry.

"We'll appoint a chairman for the authorities soon and the chairman will recruit four members,"

said Shafiqur Rahman Patwari. He said: "They will formulate the rules and regulations."

Patwari also said the chairman will be at least a secretary-status person and the members will be of additional secretary level.

However industry people said preparation of the regulations would take nearly one year.

"It will take around a year," said Nasir A Chowdhury.

The insiders said the industry is facing problems to raise paid-up capital, as the new laws are not being implemented.

Other issues -- introducing a mandatory solvency margin, separating general insurance from life and Islamic insurance, limiting commission expenses and reducing the number of directors in the respective boards -- are also hanging on.

Foreign investment in general insurance companies, allowed by the new law, is also making no progress.

There are 62 insurance compa-

nies in operation under the private sector in Bangladesh, of which 17 are life insurance companies and 43 are general. The government owns two companies -- Sadharan Bima Corporation and Jiban Bima Corporation.

The industry generated premium income worth nearly Tk 1,500 crore in 2009.

The approved laws proposed an increase in paid-up capital for both general and life insurance companies. The amount of paid-up capital for a general insurance company has been raised to Tk 40 crore from Tk 15 crore, and for a life insurance company, it was raised to Tk 30 crore from Tk 7.5 crore.

"The government is looking for competent people for the posts of chairman and members for the authorities," said AKM Rafiqul Islam, chairman of Bangladesh Insurance Association and managing director of Pragati Insurance.

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Sazzadur Rahman, second from left, Sababa Islam, third from left, and Siffat Sarwar, second from right, receive the prize money at the HSBC Young Entrepreneur Awards 2010 in Kuala Lumpur yesterday. The team that won the Diamond Award is from the Institute of Business Administration, Dhaka University.

Bangladeshis win regional awards

REFAYET ULLAH MIRDHA, from Kuala Lumpur

A Bangladeshi team yesterday bagged the Diamond Award at the HSBC Young Entrepreneur Awards 2010 in Kuala Lumpur for presenting business plans to mitigate the waste of urea fertiliser and increase productivity of soil fertilisation.

The team is second only to Hong Kong that bagged the Platinum Award. The Philippines finished third and received the Jade Award.

Now in its 10th year, more than 1,000 teams from six Asian countries took part this year in the regional business plan competition. Two to three university students formed the teams.

HSBC hosted this year's regional finale in Kuala Lumpur, where the best teams from each country battled.

The Bangladeshi winning team comprises three students: Siffat Sarwar, Sababa Islam and Sazzadur Rahman from the Institute of Business Administration, Dhaka University.

The Bangladeshi students attributed their success to the fact that their plan focused on the practical, grassroots realities in Bangladesh.

The team received HK\$20,000 (Tk 1.78 lakh) in prize money, in addition to their winning trophies. The prize money for the first and third position is HK\$100,000 and HK\$10,000.

In the race to the finale, the best

Bangladeshi team was selected from among 375 teams from different public and private universities.

Outperforming other teams in multiple rounds and based on rigorous, detailed parameters, the best team eventually reached the regional stage.

The other competing teams came from Brunei, the Hong Kong SAR, Malaysia, Philippines and Thailand. The teams from City University of Hong Kong and Ateneo de Manila University of the Philippines won the Platinum and Jade awards.

Mukhtar Hussain, HSBC chief executive officer in Malaysia, who is also the bank's global head of Islamic Banking Awards, handed over the awards as the chief guest.

Paint makers want 10pc duty to go

STAR BUSINESS REPORT

Paint makers have demanded the government withdraw supplementary duty imposed on local paint items in the new budget.

In the budget for fiscal 2010-11, the government has proposed a 10 percent duty on locally-made paints, an essential element of the construction industry.

"The government generally imposes supplementary duty on luxuries. But paint is no luxury, as it helps save buildings from erosion," said Mohsin Habib Chowdhury, vice president of Bangladesh Paints Manufacturers' Association. "At the same time, this duty will leave an adverse impact on the local paint industry, as the cost of production will go up and so will the prices eventually."

With the new duty in place, the prices of local paints will increase by 11.5-13 percent, which will eventually dampen the consumption of such products, he said.

The market size of the locally manufactured paint industry stands at Tk 1,200 crore a year, while 34 companies are making paint items.

Yunus happy over responses to social business model

STAR BUSINESS REPORT

Nobel laureate Muhammad Yunus has said he is happy to see his social business model attracting many, from youths to academics, giant businesses and governments in different countries.

He is also confident that such non-dividend business model could make up for a missing link in today's economic theories that are fundamentally flawed and unable to deal with issues like financial, food and energy crises.

"Social business is a thing that can make the world a much better place," Prof Yunus told a discussion to celebrate Social Business Day in Dhaka yesterday.

The day that coincides with Yunus's birthday was observed in some other countries in the globe. Yunus's latest book 'Building Social Business: The New Kind of Capitalism that Serves Humanity's Most Pressing Needs' was also launched yesterday.

Held at Sonargaon Hotel, the discussion was jointly organised by AIESEC, the world's largest student-run organisation, and Chittagong-based Asian University.

Diplomats, professionals, business leaders, students and academics attended the programme.

In his speech, Yunus mainly focused on how the concept of 'social business' had got massive responses around the world. He said the response he got has surpassed his expectation.

"The young people worldwide are the biggest respondents," said Yunus, also known as microcredit pioneer for founding and successfully running Grameen Bank.

He said business schools of different universities in Europe, America and Asia have adopted the concept and introduced a subject on social business.

Involvements of French-based dairy giant Danone and Germany-based chemical giant BASF in social business have had a great influence on the model, Yunus said.

Companies like Adidas, Otto, Veolia and Intel have also tied up with Grameen social businesses.

He said some countries and business organisations are now mobilising social business funds. He cited examples of Credit Agricole and Danone funds in this regard.

"India is also going to launch a social business fund soon," Yunus also informed the function.

He said Albania, Columbia and Haiti and cities like Milan and Moscow launched government type of social businesses.

Yunus also laid bare Grameen's plan on social businesses. Developing a 13-acre industrial park in Gazipur to set up different social business enterprises is part of this plan.

"We've a plan to produce 1,000 nurses per year from existing 38," he said. "A chain of nursing colleges will be built at different cities in Bangladesh."

Dr Barbara Parfitt, head of the Grameen Caledonian College of Nursing, hoped that the college would be able to build up nurses of international quality.

"It will be a self-sustaining nursing college," she said.

Saria Sadique, chief executive officer of BASF Grameen pointed out that social business improves the living condition of disadvantaged people.

Jonathan Shaw, director of Bangkok-based Asian Institute of Technology, said his team is going to take up a number of educational initiatives on social business and poverty reduction.

Corinne Bazina, executive director of Grameen-Danone Foods, Kazi I Huque, chief executive officer of Grameen-Intel, Shahid Ahmed, managing director of Bahrain-based IES Alliance, Zarina Hossain of Asian University for Women, Hiromi Inayoshi, a corporate identity designer and Rubayat Khan of AIESEC Bangladesh also spoke on the occasion.

Power glitch delays Dhaka stock trade

STAR BUSINESS REPORT

An electric short circuit hampered trade on Dhaka Stock Exchange for half an hour yesterday.

Trading on the DSE started at noon, instead of the usual 11am, and continued until 3:30pm, instead of 3pm.

In a statement, the premier bourse said an electric short-circuit triggered a fire on overhead cables around 6am in front of Ispahani Building in Motijheel.

The fire damaged the data transmission cable, HT power cable, network service providers' cable and internet service providers' cable. Most brokerages located outside the DSE main building were cut off from the main trading server.

The disconnected brokerage houses were however able to log on to the main trading server with the help of a 'backup dialling system'. Share trading began an hour late.

The market edged down with the benchmark DSE General Index declining 11.21 points, or 0.18 percent, to 6,201.49.

Losers beat advancers 158 to 81, with five securities unchanged on the DSE. More than 5.20 crore shares and mutual fund units were traded on the premier bourse at a turnover of Tk 1,567.12 crore.

Chittagong stocks also marked a slight fall yesterday with the CSE Selective Categories Index decreasing by 75.61 points, or 0.63 percent, to 11,798.74.

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