

PHILIPS Bluray Player

- Pure aluminum casing with touch-panel controls
- 7.1 Channel Audio Output with DTS Master Audio
- DVD Video up-scaling to Full HD 1080p
- High quality HDMI Cable - absolutely free

Now at BDT 35,500/-

TRANSCOM DIGITAL

think electronic. think DIGITAL

Stocks

DGEN	▲ 1.05%	6,743.21
CSCX	▲ 2.07%	12,937.76
(Week-on-week)		

Asian Markets

MUMBAI	▼ 0.29%	18,401.82
TOKYO	▼ 1.96%	9,179.38
SINGAPORE	▼ 0.35%	2,936.48
SHANGHAI	▼ 1.70%	2,642.31
(Friday closings)		

Commodities

Gold	▼	\$1,223.50
(per ounce)		
Oil	▲	\$74.57
(per barrel)		
SOURCE: AFP (As of Friday)		

Contact Us

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

Private river port by June

MEHDI MUSHARRAF BHUIYAN

A home-grown cargo handler is racing to set up the country's first privately run river container port.

The port, in Munshiganj, will handle sea freight between Chittagong and Dhaka.

Summit Alliance Port Ltd (SAPL), a venture of local conglomerates Summit Industrial, Mercantile Pvt Ltd and Alliance Holdings Ltd, said its project is named Cemcor.

Construction of the river port on 14.5 acres in west Mukterpur on the Dhaleshwari river may be complete by next June, said officials.

The terminal will handle up to 1.20 crore TEUs (twenty-foot equivalent units) each year, "significantly" reducing cost for goods moved between the two trading hubs, said Nasser Rizvi, deputy managing director of SAPL.

The Tk 236.4 crore project cost includes Tk 165 crore jointly funded by the Investment Promotion and Financing Facility, the World Bank and a syndication of financial institutions.

The Industrial and Infrastructure Development Finance Co Ltd (IIDFC) will lead the financing and

CARGO CONTAINERS CLEARED IN AND OUT OF CHITTAGONG PORT



represent the project.

Summit Alliance, first publicly listed off-dock container yard in Bangladesh, has been in the cargo import and export since 2003.

The fully customs-bonded inland container terminal with a container freight station will compete with road and rail routes, the main mode for transporting seabound goods between Dhaka and Chittagong now.

Md Asaduzzaman Khan, managing director of IIDFC, said it will aim to slash the cost of shipping freight overseas while creating jobs and developing local infrastructure.

Fully 1.9 crore tonnes of dry cargo and containers were cleared through Chittagong in 2006-07. One TEU goods costs Tk 12,000 from Dhaka to Chittagong in covered vans.

While 70 lakh tonnes went via roads, only 33 lakh tonnes used the slower waterways.

"It is possible to load a far larger amount of cargo at a time through a river transport like barge, which easily makes up for the extra time required for shipment through waterways," Rizvi said.

"Keeping that in mind, we would initially procure four specially built barges, each with a capacity of 100-120 TEUs to transport containers to Chittagong," he said.

"For imported cargo, the river terminal will be used as a hub for unloading the containers for delivery to the greater Dhaka area."

SAPL bought the project site from cement manufacturer Holcim.

Danish port consultancy Seaport Innovations Ltd is advising SAPL on vendor selection for machinery and equipment.

The project will create construction and port jobs, and may stabilise the commodity prices, as the cost of transport affects retail prices, said the project officials.

The port will also increase local demand for goods and services, said Rizvi.

mehdi@thedailystar.net

Tax on local garments irks boutiques

MD FAZLUR RAHMAN

Customers of local fashion boutique houses pay more than those who buy garments from entirely import-based stores, manufacturers-cum-retailers claim because of the value added tax (VAT).

The government in June tripled the VAT on homegrown boutique items to more than 5 percent, while levies on imported items were raised to 2 percent.

Before the tax hike came into effect, both the fashion houses that promote made-in-Bangladesh garments products and the import-based stores paid a VAT of 1.5 percent.

Local manufacturer-retailers said customers complain about the VAT rates. They urged the government to lower the rate.

However, Abdul Mannan Patwary, a member of National Board of Revenue, said the levy for branded items are mainly higher because they charge higher prices than non-branded items.

The importers pay 3 percent tax when importing; but no additional tax if they also retail and their mark-up at retail is 20 percent or less.

Retailers who do not import pay 2 percent, for a total of 5 percent VAT by consumers.

"In the past, we used to absorb the 1.5 percent VATs instead of passing onto the customers, as the amount was too small," said Riyad Siddiqui, a director of Cats Eye, a leading fashion house.

"Now we are forced to pass on the taxes, as the increase is too high for us to afford,"

said Siddiqui. "At the end of the day, it is the customers who are shouldering the burden of paying extra."

Hundreds of boutique houses directly import or buy from importers, and then sell the products in their outlets, local manufacturer-retailers said.

"We don't have any problem against them, but the reality is our customers are paying more despite buying the made-in-Bangladesh garments [...] and helping local industries thrive," Siddiqui said.

Set up in 1980, Cats Eye sells a total of four lakh units of shirts, pants, T-shirts and warm clothes per year in 34 outlets in the capital, Chittagong and Sylhet, and plans outlets in Khulna and Bogra.

Unlike the imported fashion houses, local brands such as, Aarong, Artisti, Ecstasy, Yellow, Westecs, Kay Kraft, Deshal, O₂ and OG have manufacturing facilities and rely on their own designs.

"It seems unfair when we are forced to charge our customers more to match our foreign-products-based houses," Siddiqui said.

Hundreds of fashion houses have sprung up in the last few years across the country. Some big boutique houses have grown by 8 percent annually. The capital's Aziz Super Market alone houses over 200 fashion boutique stores. Some of the small houses report 30 per cent annual sales growth.

fazlur.rahman@thedailystar.net

"It seems unfair when we are forced to charge our customers more to match our foreign-products-based houses."

Committee for bankers' promotion

STAR BUSINESS REPORT

The government has formed a four-member committee to recommend the officials of state banks for promotion to general manager.

In a letter last week, the finance ministry directed the committee to select eligible candidates after interviews and send the recommendations to the government for promotion.

Bangladesh Bank Governor Atiur Rahman will head the committee.

The committee will recommend the deputy general managers of Rupali Bank, Krishi Bank, Rajshahi Krishi Unnayan Bank, Bangladesh Development Bank and Investment Corporation of Bangladesh for promotion to general manager.

For Agrani, Janata and Sonali Bank, now corporatised, the banks' boards will decide on promotions of bankers.

Pleasure of launching

50th Branch

MTB CENTRE CORPORATE BRANCH

MTB Centre, 26 Gulshan Avenue

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

www.mutualtrustbank.com

Google to hire 200 in Ireland

REUTERS, Dublin

Google Inc plans to hire 200 people in a new operations center in Dublin. Google already employs 1,500 in the Irish capital where its European headquarters are based.

Standard Chartered

Get **3%** Cash Back

This Ramadan, get 3% Cash Back everytime you use your Standard Chartered Credit Card for any retail purchase.

Call 8961151, 01819 399999

Conditions apply

Here for good
standardchartered.com/bd

Recognising local efforts for a global concern

Species: Neolamarckia Cadamba
Location: Southeast Asia
Threats: Habitat loss, climate change

Google to hire 200 in Ireland

REUTERS, Dublin

Google Inc plans to hire 200 people in a new operations center in Dublin. Google already employs 1,500 in the Irish capital where its European headquarters are based.

HSBC - The Daily Star Climate Awards 2010

HSBC, the first carbon neutral bank in the world, seeks to promote environmental preservation through worldwide projects and programmes. The Daily Star, the country's largest English newspaper, is also committed to the cause of managing climate change in Bangladesh.

Open to majority owned Bangladeshi companies and Bangladeshi individuals, the awards will be given in four categories:

- Climate change adaptation: for public, private sectors, NGO/CBOs etc.
- Climate change mitigation: for public, private sectors, NGO/CBOs etc.
- Climate change research and knowledge management: for educational/research institutes, researchers, public, private sectors, NGO/CBOs etc.
- Green Business Entrepreneurships: mainstream businesses with environment friendly operations

Nomination forms and programme details can be found in www.hsbc.com.bd and www.thedailystar.net. Nominations must be submitted to The Daily Star on or before 31 August 2010. The knowledge partner for this initiative is **Waste Concern**.

The Daily Star

HSBC The world's local bank

MITSUBISHI Sportero

Fulfilling all the roles of SUV

2500/3200 CC, Fully loaded, Turbo diesel, Double cabin, Manual / Automatic, Sunroof, Leather seats, Alloy rims

Canopy & accessories are optional

Sole distributor **RANGS LIMITED**

Visit our showroom : 215 Tejgaon I/A, Dhaka.
Call: 01713016592, 01713142045, 01713142056(ctg)