

Realtors want changes in DAP

Four-day REHAB Summer Fair kicks off

STAR BUSINESS REPORT
Realtors yesterday said the detailed area plan (DAP) needs to be modified in a way that will ensure growth of the real estate sector.

The government should also think of alternative ways to save wetlands inside the city, while the directions kept in the DAP to save wetlands are not practical any longer, said president of Real Estate and Housing Association of Bangladesh (REHAB).

"Actually, the DAP was prepared on the basis of a design made in 1992, but the city in the design and the today's city is not the same any more. In the meantime, 21,000 industrial units have

been set up, and the number of people has increased," said Nasrul Hamid.

"And the ways the government plans to save the wetlands across Dhaka and its neighbouring areas are not practical. You cannot destroy any building overnight to revive a canal or river," he said.

Hamid termed the DAP a shortsighted plan, as it will expire in 2015.

"So the government needs to formulate a master plan with a long-term vision," said Hamid at the inauguration of four-day REHAB Summer Fair 2011 at Bangabandhu International Conference Centre in Dhaka.

Hamid's comments came at a time, when the implementation

of the DAP has been delayed for more than a year and demands have arisen from different quarters to figure out the hurdles.

Hamid, also a lawmaker, suggested the government ensure a balance between protecting environment and the interest of the real estate sector as well.

He also said the DAP needs more detailed assessment to make it compatible with the present conditions of the capital and industries.

In response to a question, Hamid said the association cannot take any steps against realtors who deal with unapproved land and apartment, saying, "We are neither a regulatory authority, nor we have any administrative power to

punish anybody."

"But, we advise our clients to verify projects before they go for any booking."

Abdul Mannan Khan, state minister for housing and public works, warned illegal developers and owners of unapproved land and apartment projects, saying the government will take harsh measures against them.

"If the realtors work in line with the existing laws and run clean business, the government will support them by all means. Otherwise, we will form a social movement against the corrupt businessmen," he said.

Terming Rajdhani Unnayan Kartripakkha (Rajuk) a 'corrupt' organisation, the minister said, "It needs to be corruption free,

and we are trying hard to make it more consumer friendly."

Mohammad Nurul Huda, chairman of Rajuk, said the real estate sector has to follow all the government regulations while developing projects.

He also urged the realtors to develop low-cost products for the low- and middle-income groups of people.

A total of 264 organisations are participating in the fair, which will remain open from 10am to 8pm with a fee of Tk 50 for single entry and Tk 100 for multiple entries (four-times). The ticket proceeds will be donated to the poor, said organisers.

Mohsin Mia, convener of the show, also spoke at the inauguration.



AIRTEL
Adil Hossain Noble, head for corporate and SME sales of Airtel Bangladesh, and Aminul Karim, director of MEB Group, ink a deal at the head office of MEB in Chittagong yesterday under which MEB Group will enjoy customised call tariff and value-added services of Airtel.



STANCHART
Jim McCabe, chief executive officer of Standard Chartered Bank, Bangladesh, and KM Ahsan Shamim, director of Khanjahan Ali Power Company Ltd, sign a \$20 million five-year term financing deal at a programme in Dhaka recently.

KKT unpacks Teatulia at UK's Harrods

STAR BUSINESS DESK

Bangladeshi company Kazi and Kazi Tea Estate Ltd has launched its international tea brand Teatulia in Harrods, a luxury department store in the United Kingdom.

"This is probably the first time that Harrods has carried any brand from Bangladesh," said Dr Kazi Anis Ahmed, chief executive officer of Kazi & Kazi Tea Estates.

"This is not only a great break for Bangladeshi tea, but for all Bangladeshi brands looking to go international."

"Teatulia" tea was first launched in the US in 2008 and is currently being sold in over 100 food chain stores, the company said in a statement.

After the success in the US market, "Teatulia" tea now enters the European market through Harrods with its full range of products. The company clocked 38 percent growth in USA in 2010. The growth rate was 42 percent in USA and UK in 2011.

The available flavours of Teatulia are Black, Green, White, Earl of Bengal, Bengal Breakfast, Neem Nectar, Tulsi Infusion, Ginger, and Lemongrass Tea. "These products have been priced at £7.95-£8.50 which makes it one of the highest priced teas in the world," the statement added.

Linda Lipsius, CEO of Teatulia, and senior staff of Harrods were also present.



KAZI AND KAZI TEA
Kazi and Kazi Tea Estate Ltd has recently launched its international tea brand Teatulia at Harrods, a luxury department store in United Kingdom.

Exports will take a hit from tax rise: DCCI

STAR BUSINESS REPORT

The Dhaka Chamber of Commerce and Industry (DCCI) yesterday urged the government not to impose 1.5 percent tax at source on exportable goods, saying it will hamper the growth of export-oriented sectors.

They said export-oriented industries, especially garment and footwear, will lose competitiveness due to imposition of higher tax at source.

In the budget for 2011-2012, the government announced 1.5 percent tax at source on exportable goods, which is a 275 percent rise from the current fiscal year.

"The government should bring down the tax rate to 0.25 percent so that export-oriented industries remain competitive in the global market," said DCCI President Asif Ibrahim at a post-budget press conference in the city.

"In the proposed budget, there are some features that deserve appreciation. But some of the proposals will play negative role instead of favoring trade and commerce," said Ibrahim.

He urged the government to allow investment of undisclosed money in the stockmarket. "The instability that exists in the stockmarket now will go if the undisclosed money is allowed to invest."

The DCCI chief said the proposed tax hike on brokerage commission would ultimately be passed onto the investors,

which might create problems in the jumpy market.

He opposed imposition of 10 percent surcharge on total paid tax for those who have assets worth Tk 2 crore or above, hike in fee for commercial building registration, and increase of tax at source on stock brokerage.

Ibrahim expressed dissatisfaction as the proposed budget lacks specific indication on transit. "A policy was supposed to be formulated and it should be done with prior discussion with private sector."

He stressed for an integrated energy policy to address the crisis of natural resources, and demanded continuation of subsidy on diesel and furnace oil, introduction of Green Tax rebate on green technology and immediate announcement of coal policy.

He said the tax-free income limit could have been fixed at Tk 2.25 lakh instead of the proposed Tk 1.80 lakh considering the soaring inflation and price hike of essentials.

Ibrahim said the proposed 5 percent tax on poultry farms would further increase the prices of poultry products. He urged the government to keep the sector tax-free.

He said textile sector would have to be brought under tax holiday facility. "Some trust sectors mentioned in the Industrial Policy were not brought under the facilities, but they need waiver."

StanChart to finance 40MW power plant

STAR BUSINESS DESK

Standard Chartered Bank has become the sole provider of a \$20 million five-year term financing to Khanjahan Ali Power Company Ltd, the bank said yesterday.

The amount will be spent for a 40-megawatt power plant in Noapara, Jessore.

Jim McCabe, chief executive officer of Standard Chartered Bank, Bangladesh, and KM Ahsan Shamim, director of Khanjahan Ali Power Company Ltd, signed the deal at the head office of United Group in Dhaka recently.

"We are proud to be the sole financier for this 40 megawatt power plant and once again be a partner in progress for Bangladesh," said StanChart CEO.

"We are very pleased to have contributed to country's power supply and we thank Standard Chartered Bank who came forward to finance a viable project and has provided us the right financial package with pertinent currency and interest rate hedging tools," said Hasan Mahmood Raja, chairman of United Group.

"My gratitude to Board of Investment as well to have considered foreign currency loan for the betterment of the project."



PHOENIX INSURANCE
Mohammad Shoeb, chairman of Phoenix Insurance Company Ltd, presides over the company's 25th annual general meeting at Officers' Club in Dhaka on Wednesday. The company declared 25 percent stock dividend and 25 percent right shares for 2010. Md Jamirul Islam, chief executive officer, was also present.



RAHIMAFROOZ
Feroz Rahim, group managing director of Rahimafrooz Ltd, opens the group's fifth multi brand electronic outlet on Darussalam Road at Mirpur in Dhaka recently.

Banglabandha trade comes to a halt as workers block road

OUR CORRESPONDENT, Thakurgaon

Trading through Banglabandha and Phulbari land ports came to a halt yesterday after a labour union blocked Banglabandha-Panchagarh road, demanding work opportunities at the port.

The agitation programme left about 50 goods trucks stranded on the borders of India, Nepal and Bangladesh.

The angry workers besieged Abul Hashim Prodhan, assistant revenue officer at Banglabandha LC Station, for hours.

A section of workers of Tentulia formed an organisation, Tentulia Load-Unload Kuli Mojdur Sramik Union, in 2003, but members of the union never got an opportunity to work at the port due to shortage of work, said C&F agents of Banglabandha port.

As business activities at the port have increased recently, they went to the port and demanded work.

Contacted Md Alam, general secretary of Tentulia Load-Unload Kuli Mojdur Sramik Union, said the agitation programme will continue until the authorities provide work opportunities for their members.

A negotiation meeting was held at Banglabandha Dakbanglo on Thursday that ended without any agreement. The meeting however decided to sit

Maruti mulls shift from strike-hit India plant

AFP, Mumbai

India's largest passenger car maker Maruti Suzuki India is considering moving production from a strike-hit factory to minimise losses, a company source told AFP on Thursday.

"It is an option we're looking at to reduce production losses but the cost, technology-shift and logistics are big issues," the source said.

Nearly 2,000 workers at the firm's plant in Manesar, in the northern state of Haryana, walked out on June 4 after the management refused to recognise a new union. But talks aimed at ending the strike are deadlocked.

A Maruti spokesman said the company had lost nearly \$93 million since the start of the strike, with the walkout expected to hit the production of about 12,600 cars by Thursday night.

Bosses have said that the strike is illegal as no notice was given. Union leaders say they will not back down unless their demands are met.

The company source said the possible shift in production of cars like the Swift Dzire and the SX4 would be to the firm's other plant in Gurgaon, where production is unaffected.

Maruti produces 850,000 cars from Gurgaon and 350,000 from Manesar.

The strike comes as Maruti car sales grew at their slowest pace in nearly three years, with demand in India moderating due to rising input costs, fuel prices and costlier auto loans.

Senior political leaders in Haryana, including the chief minister, have been in talks with Maruti bosses to prevent the industrial action spreading, after workers in dozens of local factories pledged

Alibaba splits online shopping unit Taobao

AFP, Shanghai

China's largest e-commerce company Alibaba Group announced Thursday it has split its consumer online shopping platform Taobao into three firms to adapt to an increasingly competitive landscape.

Privately-held Taobao has been split into Taobao Mall for consumers to shop from brand-name stores, Taobao Marketplace for individuals to buy and sell goods and eTao for shopping-related searches, Alibaba said in a statement.

The reorganisation will "create more value for the company and shareholders", group chairman and chief executive Jack Ma said in a letter to employees announcing the restructuring.

"Over the past two years, search, social networking and e-commerce have witnessed disruptive changes catalysed by the development of open platform and social trends, while countless new companies have popped up," Ma said.

"We hope the shopping search of eTao, the social networking innovations of Taobao Marketplace, and the quality and sophistication of Taobao Mall will give consumers a variety of brand-new experiences."

As part of the reorganisation, Jonathan Lu will step down as the chief executive officer of Taobao to focus on his role as chief executive of Hong Kong-listed Alibaba.com, the group's business-to-business unit.

Each of the three Taobao companies will be managed by their own president, Alibaba said.

Ma added he would not rule out the possibility of taking Alibaba Group public in the future "as a way to reward our employees and shareholders who