

No unapproved projects on show: REHAB

STAR BUSINESS REPORT
The Real Estate and Housing Association of Bangladesh (REHAB) yesterday claimed the ongoing summer fair in the capital is not showcasing any unapproved land project.

If any such case is found, REHAB will cancel membership of the company involved, said the industry lobby group.

The comments came a day after different newspapers reported that more than 200 projects with no approval from Rajdhani Unnayan Kartripakkha are displaying their products at the REHAB Summer Fair 2011 at Bangabandhu International Conference Centre in Dhaka.

"There are no such companies that are showcasing unapproved

projects at the fair," said Murad Iqbal Chowdhury, general secretary of REHAB, at a press conference at Ruposhi Bangla Hotel in the city.

"We have started examining following the allegations. If we find out any such irregularities, we will take action instantly."

Dismissing a report published in a Bangla-language daily as "factually flawed", Chowdhury said: "There is a difference between companies and projects, and we do not allocate stalls to projects, but to companies. But the newspaper reported that the fair is displaying unapproved projects."

"A company may have several projects, and one or two of them may not have approval from Rajuk. But as an association, we

ensure that no company showcases any unapproved project at the fair," he claimed.

The High Court on Thursday asked Rajuk and REHAB to ensure that no unapproved housing and land development projects can take part in the fair.

The HC bench passed the order following a writ petition filed by a number of organisations, including Bangladesh Environmental Lawyers Association, Ain O Salish Kendra and Bangladesh Paribesh Andolan.

The court also ordered a stop to airing television commercials of unapproved housing projects, and sought a list of the companies which are advertising their projects.

According to REHAB, of the

263 companies participating in the four-day fair, 43 have land projects, 37 have both land and apartment projects and the rest have apartment projects.

Sayed Nazrul Biddut, vice president of REHAB, said the association follows its code of conduct while accepting requests from different companies and allocating stalls.

"We follow the code of conduct while scrutinising applications for taking part at the fair. A company has to attach the photocopy of the forwarding letter of Rajuk approval with the application," he said.

He said the association has full respect and support to the recent government directives. "We also feel that companies without approval should not be

allowed to showcase their product, as that risks the reputation of those who are doing business honestly."

Biddut also said the association is working to make a new guideline that will ensure that companies lacking proper permissions cannot launch, advertise and sell their products in the market.

"But here only the government has the administrative power to punish culprits."

Mohsin Mia, convener of fair committee, said the recent press coverage has dealt a blow to responses from potential buyers at fair to some extent.

He said nearly 10,000 visitors came to the fair on Friday.

The four-day fair ends today.

Planning minister defends budget

STAR BUSINESS REPORT
Planning Minister AK Khandker yesterday defended the proposed budget for the next fiscal year and said it is a realistic one.

The minister said the budget deficit of Tk 45,000 crore will be met from banking, stockmarket and the export sectors.

Khandker said exports will see a boom with the recovery of the global economy from recession.

The problems in the Middle East would go soon; the government is serious about exporting manpower to African countries, he added.

Considering all these things, the government has proposed the budget, Khandker said.

The minister was speaking at a discussion on economic outlook and review of budget, jointly organised by Bangladesh Institute of Development Studies (BIDS) and PROGATI project of the United States Agency for International Development (USAID).

A number of lawmakers also participated in the programme.

Khandker said the fund allocated for implementing the annual development programmes (ADP) from domestic sources is always spent in time, but the foreign aid cannot be used up due to a delay in appointment of consultants.

The minister said he would sit with foreign aid groups to find a solution to the problem.

The bureaucratic system cannot facilitate the desired development of the government, he added.

"Decentralisation would be the only way to achieve the goal."

Lawmaker Mohammad Fazlul Azim said social safety net programmes are necessary, but there should be a formula how the money would be spent, otherwise the whole process would falter.

He blamed the recent debacle in the stockmarket on the unawareness of the government agencies including the Bangladesh Bank. Private banks and Z category companies invested in the stockmarket violating rules and regulations, he said.

Another lawmaker Tazul Islam said the inflationary pressure will come under control with the release of \$11 billion foreign aid that is in the pipeline now. The devaluation of the taka would fuel inflation further and bar the efforts to attain a 7 percent GDP growth, he said.

Lawmaker MA Mannan came down on the government's decision to reduce farm sector subsidy in the proposed budget. He said the subsidy should continue as it brought good yields in the past few years.

Mannan also stressed the need for framing budget at local government level.

Monzur Hossain, research fellow of BIDS, presented a review of the budget, saying the budget seems consistent with the growth target. High inflationary pressure remains a threat to the proper implementation of the budget and achieving high economy growth, he said.

If the Bangladesh Bank maintains contractionary monetary policy, it would not be consistent with expansionary fiscal policies, he said. "Therefore, accommodative monetary policy should be formulated."

The programme was presided over by Dr Mustafa K Mujery, director general of BIDS. Research Director of the organisation Zaid Bakht and lawmakers MS Akbar, Abul Quasim, Golam Mawla Rony, Ashrafunnessa Mosharaf, Momtaz Begam, ABM Ghulam Mostafa, Hafiz Mazumder and Asma Zarin Jumu also spoke.

Back-office software XBroker compliant with bourses: Cygnus

STAR BUSINESS DESK
Cygnus Innovation Ltd, an IT solution provider, said its brokerage back-office application, XBroker, is compliant with all requirements of Dhaka and Chittagong stock exchanges.

XBroker is a brokerage back-office application that enables brokerage teams to establish and retrieve all information related to transactions, funds, clients, accounts and trades.

"XBroker is a state-of-the-art market data delivery application and is the leading and most comprehensive tool in the brokerage market," Cygnus said in a statement.

Cygnus has already delivered the software to Multi-Securities, Islami Bank, Green Delta and Mona Securities.

Cygnus said it specialises in development of complex financial software systems designed for asset management companies, brokerages, merchant banks and other financial institutions.

Lankan food festival kicks off in Ctg

STAFF CORRESPONDENT, Ctg
A Sri Lankan food festival was held at The Peninsula Chittagong in the port city on Friday.

The four-star hotel organised the festival at its Zinnia Hall with a slogan "enjoy the Sri Lankan culture and the traditional food" for the first time to promote Sri Lankan traditional food items and cultures in Bangladesh.

A total of 30 Sri Lankan food items were displayed at the festival.

Engineer Mosharaf Hossain, Awami League lawmaker and chairman of the hotel, inaugurated the event.

"Sri Lankan cultures and traditions are similar to Bangladeshi ones," said

Mushtak Luhar, assistant general manager of the hotel who hails from Sri Lanka.

"Sri Lankan cuisine is popular for its flavour, species and diversity. A festival of its kind will promote Lankan cultures and strengthen the relations between the two countries."

The festival started with the solo performance of the Sri Lankan artiste Rukshan Liyanage.

The festival has tried to showcase the delicious and favourite food items of the country so that the countryman as well as Sri Lankan community residing in our country can easily get the taste of their traditional gastronomic, said Shahid-Un-Nabi Joy, assistant marketing manager of the hotel.



A woman visits a Sri Lankan food festival at the Peninsula hotel in the port city of Chittagong on Friday.

Bad weather disrupts economic life in Ctg

STAFF CORRESPONDENT, Ctg
Persistent downpour and tidal surges battered economic activities in Chittagong while rough sea forced the authorities to suspend cargo handling at the outer anchorage of the port in the last two days.

Traders in Chaktai and Khatunganj now fear a repeat of inundation that hit stores and warehouses in October, when water entered a number of shops at the Khatunganj wholesale market damaging food stocks.

Different low-lying areas and the streets at Khatunganj and Chaktai went under water, traders said.

Wholesalers at the two markets have slowed storing of goods fearing inundation.

Traders were found passing idle time as business activities were not normal. They alleged the supply of goods was hampered due to the rains.

Syed Sagir Ahmad, general secretary of Khatunganj Trade and Industries, said sales were hampered as buyers from the rural areas could not arrive.

Following last year's deluge many traders heightened the spaces used for storing goods in shops. But those who could not do so fear the most.

Bulk cargo handling -- loading and

unloading of food grains imported in open cargo -- was also hampered at the port in the last two days due to the rainfall, and the small sized lighter vessels faced problems in movement for the violent sea.

Water Transport Cell, an organisation that allocates lighter vessels used in transporting goods, did not allocate any vessel to unload goods from mother vessels at the outer anchorage of the port in the last two days. As a result, no lighter vessel could leave the jetties as the sea remains rough, said officials of the cell.

Chittagong Port officials said activities remained stopped at all the 45 vessels at the outer anchorage till yesterday afternoon due to the foul weather.

Of the 45 vessels, eight are loaded with food-grains, 25 with cement clinker, four with fertiliser, two with sugar, two with salt and four others with general cargoes and containers.

However, loading and unloading of goods-laden containers at the port jetties were going on as usual, said Chittagong Port Authority Secretary Syed Farhad Uddin Ahmed.

According to CPA, 1,555 twenty-foot equivalent units import containers were unloaded while 2,094 TEUs export containers were unloaded in different jetties in the last 24 hours till 6.00am yesterday.

Garment accessories makers oppose plan to hike tax

STAR BUSINESS REPORT
Garment accessories makers yesterday urged the government to fix tax at source at 0.25 percent instead of increasing it by three-fold.

"We will be able to contribute more to the economy than the government hopes to earn by imposing the tax three times the present rate," said Rafez Alam Chowdhury, president of Bangladesh Corrugated Carton Accessories Manufacturers and Exporters Association, at a press conference in the city.

Finance Minister AMA Muhith has proposed 1.5 percent tax at source for export-oriented industries for fiscal 2011-2012, up from 0.50 percent in the outgoing fiscal year.

The association represents over 1,000 members that produce export-oriented garment accessories and packaging products. Its sectors include polybag, button, zipper, hanger, elastic, carton, neckboard, backboard, swingthread and embroidery.

Bangladesh fully relied on imports of accessories even two decades ago to feed its growing garment industry. But the sector has helped the country become a self-sufficient in backward linkage in garment accessories.

The sector fetched \$1.8 billion in direct and indirect exports in last fiscal year. Its

contribution to the total garment exports could reach \$2.7 billion in the current fiscal year of 2010-2011, according to the association.

"We have so far met the domestic demand only, but following hike in production cost in China, we see more opportunities for us in the international arena," Chowdhury said.

He said the sector could contribute more to the national economy if the government extends policy support. "The cost of production has gone up due to soaring raw material inflation, high interest rates and inadequate supply gas and electricity."

"The tax at source has been increased at a time when the whole industry is struggling to remain in the business," he said, urging the government to cut the tax by half from the existing 0.5 percent rate.

Unlike many other export-oriented industries in the country, the garment accessories makers have not received any cash incentive from the government, Chowdhury said.

The decision to impose 9 percent VAT on rented buildings would also not bode well for the industry, as the factory rent has increased steeply in the capital city. "We are already being forced to rent more space to be a compliant firm, which has increased our cost of production. So, the government should withdraw the full VAT."



Samuel S Chowdhury, vice chairman of Square Textiles, presides over the company's 16th annual general meeting at its factory premises in Gazipur on Thursday. The company declared 16 percent cash and 20 percent stock dividends for 2010. Tapan Chowdhury, managing director, was also present.



Mohiuddin Khan Alamgir, MP, chairman of the parliamentary standing committee on public accounts, speaks at a workshop, organised by the International Business Forum of Bangladesh (IBFB), on public financial management at Sonargaon Hotel in Dhaka yesterday. Mahmudul Islam Chowdhury, president of IBFB, was also present.

Britain plans to hike public sector retirement age to 66

AFP, London
The British government Friday unveiled plans to raise the retirement age for most public sector workers by six years to 66 and make them pay more towards their pensions, provoking fury from trade unions.

Chief Secretary to the Treasury Danny Alexander, a senior minister in the finance ministry, warned state workers that it would be a "colossal mistake" to spurn the government's pensions deal.

"Our offer is by far the best that is likely to be on the table for years to come," he said in a speech in London.

Alexander added that it was "unjustifiable to ask the taxpayer to work longer and pay more so that public sector