

Panel to review insurance laws

Insurers seek changes to the rules

STAR BUSINESS REPORT

Insurers yesterday formed a committee to review pros and cons of the laws, two years after their enactment.

"The committee will review the laws and turn in a report in three weeks mentioning the anti-insurance issues there," said Sheikh Kabir Hossain, president of Bangladesh Insurance Association (BIA), at a press meet at its office in Dhaka.

"When we get the findings, we will ask the government to raise the issues in parliament to bring changes to the laws," said Hossain.

The parliament on March 03, 2010 passed two insurance laws to strengthen the regulatory framework and make the industry operationally vibrant.

The new laws that came into effect on March 18, 2010 are: Insurance Act 2010 and Insurance Development and Regulatory Authority (IDRA) 2010.

Insurers were closely involved from concept to drafting and preparation of laws. But the insurance companies found a lot of anti-business elements into the

laws since IDRA started executing its authority in line with the new laws.

This seems to be normal in case of new laws, the BIA president said in reply about the length of time they took to review the laws.

The BIA also raised directorship issue, commission, banks' demand to make insurance companies enlisted with them, investments in stockmarket and treasury bonds and on state-owned insurance companies.

In line with the new laws, the IDRA issued a number of circulars that included barring an insurance director from becoming a director in other finance companies, imposing penalties for irregularities and increasing fire and marine tariff rates.

The other IDRA decisions that irked businesses include prohibition of directors and dependents' business with their respective insurance companies and providing details of all policies/cover notes and endorsements issued to their directors and their dependants.

"Non-life insurers will not pay any

commission unless the IDRA sets a rate and a policy for agents' appointment," said Hossain in his written statement.

The BIA president also asked the authority to allow them to invest huge amount of life fund (Tk 17,314 crore) into the speculative capital markets.

Hossain said commercial banks are not following the central bank's order of allowing micro-insurance subscribers to open bank account at only Tk 10, which he said is depriving poor people from getting claims.

Insurance companies also demanded to allow them to open merchant banks and asset management companies like banks.

There are 62 insurance companies operating in the country. Of which, 44 are general and 18 are life insurance companies. The last insurance law had been in place since 1938. The new ones came into effect in 2010.

Total income from premium for life and non-life companies was Tk 8,313 crore at the end of 2011, up by 19.47 percent than 2010.

Exports to India will cross \$1b mark: PM's adviser

STAR BUSINESS REPORT

The country's exports to India will cross \$1 billion mark this year on the back of duty benefits for Bangladeshi products in Indian market, said the foreign affairs adviser to the Prime Minister yesterday.

Gowher Rizvi said around 98 percent of Bangladeshi products now enjoy zero-duty benefit in the Indian market, which will double Bangladesh's exports to the country this year.

"Year after year, the exports of Bangladesh to India were hovering around \$300 million," said Rizvi. "But for the first time it crossed \$500 million last year and we expect it crosses \$1 billion mark this year."

He spoke at Canada Business Awards 2012, organised by Canada Bangladesh Chamber of Commerce and Industry in association with Canadian High Commission to Dhaka, at Radisson Hotel in the capital.

The adviser said Bangladesh has an extraordinary relationship with India. He urged Canadian companies to invest more in Bangladesh which will help Canadian

Bangladesh-born Lutfey Siddiqi named Young Global Leader

STAR BUSINESS DESK

Lutfey Siddiqi, managing director of Swiss bank UBS and adjunct professor at the National University of Singapore, has recently been named a Young Global Leader by the World Economic Forum (WEF), according to a statement.



Each year, the WEF recognises up to 200 young leaders below the age of 40 from around the world. The selection committee, chaired by Queen Rania of Jordan, screens thousands of candidates across a myriad of disciplines and sectors.

According to Klaus Schwab, founder and executive chairman of the WEF, Siddiqi was recognised for his record of professional accomplishments, commitment to society and potential to contribute to shaping the future of the world through his inspiring leadership.

A CFA charterholder, Siddiqi obtained his MSc in economics on scholarship from London School of Economics, a first-class BSc (honours) from University of York and the International Baccalaureate diploma from the United World College in Wales where he was a Prince of Wales scholar.

"Irrespective of positional authority, all of us have the opportunity to display leadership in our everyday lives. I'm delighted to be part of a network that will challenge my capacity to lead and to follow in appropriate doses," said Bangladesh-born Siddiqi in his reaction.

He was declared a Commercially Important Person by the Bangladesh government in 2009 and every year since then.

"The Young Global Leaders are a highly regarded and distinguished group of individuals. UBS is very pleased for Lutfey and his achievement and equally proud of the qualities he has been recognised for, as a senior member of the firm," said Sergio Ermotti, Zurich-based group chief executive officer of UBS.

"We are very proud of this distinguished recognition of Lutfey as a Young Global Leader. His commitment to excellence in his lecturing is characteristic of his desire to guide and nurture the next generation of leaders," Jin-Chuan Duan, professor at the National University of Singapore.

Siddiqi is a member of the Asia-Pacific Executive Committee of the Fixed Income, Currencies and Commodities division and the Global Foreign Exchange Management committee at UBS.

Prior to joining UBS in October 2010, he was a managing director at Barclays Capital. He started his career with Deutsche Bank in London.



Foreign Minister Dipu Moni attends the launch of a fly-ash unloading system located at Cemex's newly built river port in Narayanganj yesterday. Edwim Hufemia, managing director of Cemex, was also present.



Prime Minister Sheikh Hasina hands a cheque as financial assistance from Mutual Trust Bank to the families of two martyred army officers killed in the BDR carnage at Pilkhana, at a programme at Gono Bhaban in the capital recently. The bank's Chairman Arif Dowla was also present.

IATA suspends GMG Airlines from billing network

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Travel agents sell tickets across the globe and make financial transactions through global distribution systems (GDS) that use the BSP link.

In a letter to all BSP participants on Monday, Karthik S, IATA's country manager in Bangladesh, said, "BSP travel agents should stop immediately all ticketing and refund transactions through the GDS and BSP link and continue to remit funds to the BSP."

The letter also said that the IATA will be pursuing an agreement with the airline to formalise the ticket refund process.

Meanwhile, Asif Ahmed, director of marketing, HR and customer experience of GMG Airlines, said they issued payment for BSP at the end of last week but payment processing on the US end has taken longer time than usual.

"We are in touch with the IATA, and BSP should resume as soon as the payment clears," he told The Daily Star yesterday.

He also said, within this period, agents can book tickets through their internet booking engine or call their sales representatives and send emails.

When asked about the amount outstanding, Ahmed could not

Stocks end flat

STAR BUSINESS REPORT

Stocks ended flat yesterday with the lowest turnover in the last five weeks, as the investors adopted a wait-and-see policy to observe the pre-implement-tion stage of a special scheme announced by the government for affected small investors.

The benchmark General Index, DGEN, of the Dhaka Stock Exchange closed at 4,389.01 points, after adding 0.08 percent or 3.78 points.

Analysts said a group of investors were spreading rumour in the market about the special scheme to gain unethical benefits.

Most of the investors were waiting to see how the scheme is being implemented, they said.

The investors created some buying pressures during the last hour of trading after the monitoring teams of the DSE and Securities and Exchange Commission started to visit different brokerage firms, the analysts said.

The finance ministry on Monday issued a circular, suggesting a 50 percent waiver on the margin loan interest for small investors, in an effort to bring back normalcy in the market.

Although the special scheme was meant for the small investors only, the big investors also should support the market, said a stockbroker.

The DGEN lost 65 points within the first five minutes of trading and then started rising for the next one hour, reaching about 4,415 points. Turnover lost 34.2 percent, compared to the previous day.

The Chittagong Stock Exchange gained yesterday. The Selective Categories Index went up 0.10 percent or 8.29 points, to end the day at 8,115.11 points.

India's ban on cotton export to hurt spinners

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The Indian decision will further endanger the spinning sub-sector, which was just turning around from last year's price shocks stemming from the international market, he said.

The Bangladeshi spinners are still burdened with the unsold stockpile of yarn, churned out from costly cotton last year.

The spinners bought cotton at higher prices, mostly at \$2.35 per pound, from the volatile world market last year. But, the price came down suddenly with a fall in prices of yarn worldwide.

"Probably India wants to sell yarn to Bangladesh at higher prices, adding more value by processing the raw cotton," he added.

Echoing the view of Haider, Chairman and Chief Executive Officer of Purbani Group Abdul Hai Sarker said the sector was returning from last year's price shocks as the demand

for local yarn was increasing, but the Indian ban will again destabilise the market.

"Of course, the decision will have a negative impact on our spinning sub-sector," he said.

The Bangladesh government should move fast so that such Indian policies do not hurt local industries, he said.

The spinning sub-sector with nearly 10 percent year-on-year growth now supplies 90 percent raw materials to the knitwear and 40 percent to the woven garment makers from 385 spinning mills, 721 fabrics manufacturing units and 233 dyeing, printing and finishing units.

Jahangir Alamin, president of Bangladesh Textile Mills Association, said such a ban is taking place regularly over the last few years, taking a toll on the Bangladeshi industries.

He said he fears a shortfall of raw materials due to the Indian decision.

"I urge the government to stop import of Indian sub-standard yarn as a section of traders will try to make a brisk business cashing in on the ban," he said.

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BANGLADESH ELECTRONIC SPORTS ASSOCIATION
Rafiqul Islam Newton, chairman of Bangladesh Electronic Sports Association, attends an annual general meeting of the association recently. Sharif M Abdullah, member secretary of the convener committee of the association, was also present.



Oliver Boehm, country manager for Asia's development markets of Proctor and Gamble, speaks at the launch of a health and hygiene programme of the company at Bangladesh Bank Adorsha High School in Faridabad recently. Zea Uddin Ahmed, executive director of Bangladesh Bank, was also present.

Bangladesh House Building Finance Corporation			
Establishment & Common Service Department			
Head Office, 22, Purana Paltan, Dhaka-1000			
Notice for Tenders			
1	Ministry/Division	Ministry of Finance.	
2	Procuring entity name	Bangladesh House Building Finance Corporation.	
3	Invitation for	Tender for works.	
4	Invitation Ref No. date	HB/HO/Bldg/Conference/462.	
5	Procurement method	Open tendering method (OTM).	
6	Source of funds	BHBFC's own fund.	
7	Tender last selling date & time	08/04/2012 up to 3.00pm	
8	Date & last time for submission of tender document	09/04/2012 at 12.00 noon.	
9	Tender opening date & time	09/04/2012 at 2.30pm.	
10	Name & address of the office selling tender document	Office of the DGM (Establishment & Common Service Department), Head Office (1 st Floor), BHBFC, 22, Purana Paltan, Dhaka.	
11	Name & address of the office(s) receiving tender document	1. Office of the DGM (Establishment & Common Service Department), Head Office (1 st Floor), BHBFC, 22, Purana Paltan, Dhaka. 2. Office of the Divisional Commissioner, Dhaka Division Commissioner Building, Segunbagicha, Dhaka.	
12	Place of opening tender document	Office of the Deputy General Manager (Establishment & Common Service Department), Head Office (1 st Floor), BHBFC, 22, Purana Paltan, Dhaka.	
13	Eligibility of tenderer	Contractors of govt, semi-govt, autonomous organization having experience in constructing Conference Rooms/Auditoriums/Training Centres especially interior and furnishing works of Taka 20.00 (twenty) lac in a single work order within last 5 (five) years.	
14	Special instruction	1. If the tenderer submits any false/incorrect or forged certificate, the tender security may be forfeited. 2. If the office remain closed on tender receiving and opening date due to govt decision, the tender will be received and opened on next office working day on the same time. 3. The procuring entity reserves the right to accept or reject any or all tenders, contract agreement.	
15	Price of tender document (Tk)	Tk 1000.00/= (one thousand) only (non-refundable).	
16	Name of work	Location	Tender security amount (Tk) Completion time in days
	Construction of Training Centre cum Conference Room cum Auditorium at the existing space on 2 nd floor (north side) of BHBFC, 22, Purana Paltan, Dhaka.	2 nd Floor (North), BHBFC, Head Office Building, 22, Purana Paltan, Dhaka	Tk 50,000/- (fifty thousand) only 100 (one hundred) days
17	Contact details of official inviting tender	Executive Engineer, BHBFC, 22, Purana Paltan, Dhaka-1000. Mobile: 01711278712	
GD-1007		Md. Abdul Matin Shikder Deputy General Manager	