Star BUSINESS

DHAKA THURSDAY MARCH 8, 2012, e-mail:business@thedailystar.net

Bill on course to bust market syndicates

GM Quader proposes law in parliament to set up Competition Commission

STAR BUSINESS REPORT

Commerce Minister GM Quader yesterday placed a bill in parliament seeking to enact a provision to ensure and encourage healthy competition in business by busting syndicates that manipulate and control markets.

Quader proposed to set up a body -- Bangladesh Competition Commission -- that will oversee the market situation and take necessary measures against unscrupulous businesses and organisations.

The commission consisting of a chairman and a maximum of four members may investigate any allegation on its own or on receiving complaints.

It will have its own secretariat with necessary manpower. The commission will be headquartered in Dhaka, but can set up branch offices outside the capital if needed.

An individual may be punished with a jail term of a maximum of one year for violation of any order of the commission or a fine of Tk 1 lakh per day for the number of days it fails to comply with the order, according to the details of the bill.

The proposed legislation also imposed a bar on any individual from signing any agreement with a producer of any commodity or service that may have a negative impact on completion or create a monopoly or oligopoly.

If the commission is satisfied upon investigation, it can order the individual to refrain from signing such an agreement or misusing any power. It may also impose a fine on individuals if found guilty.

In defence of the proposed legislation, the minister said some unscrupulous trading organisations through written or unwritten agreements may manipulate the supply of a commodity to the market by price fixing in absence of a law on competition.

"Many believe such unscrupulous trading activities were responsible for the unjustified price hike in the last few years," Quader said in a written statement tagged with copies of the bill.

The minister said big companies may also abuse their dominating position to control the market and create obstacles to the entry of new entities. "But it is very difficult to prove this."

The minister said the proposed legislation will contribute to ensure a healthy atmosphere in the market.

The bill was sent to the parliamentary standing committee for scrutiny and will place the report in parliament in a month.

BANGLADESH BANK

Bangladesh Bank yesterday released three banknotes of Tk 10, Tk 20 and Tk 50 denominations with the image of Bangabandhu Sheikh Mujibur Rahman to mark the historic 7th March.

Separate pay scales for BB, state banks by June: Muhith

STAR BUSINESS REPORT

Finance Minister AMA Muhith yesterday said separate pay scales for the staff of Bangladesh Bank and state-owned commercial banks would be finalised by June.

The assurance came after long dithering over the issue.

"I am guilty for it (the delay)," Muhith told reporters at his secretariat office after a meeting with officials of the state banks.

The central bank has made a proposal on the separate pay scale, while the state banks have prepared another. The committee formed by the government has prepared yet another proposal, the minister said. A structure will be finalised based on the three proposals, he said.

During the previous BNP rule, an initiative was taken to give a separate pay scale for the staff of the central bank and state banks under a banking sector reform programme.

Dr Fakhruddin Ahmed, the then governor of the central bank, pursued the government for long, without any success. Even when he became the chief adviser of caretaker government, his attempt failed due to strong opposition from government officials.

After the present government came to power, Muhith pledged that a separate pay scale would be in place, following persuasion by Bangladesh Bank Governor Atiur Rahman.

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SEC fines six individuals for insider trading

STAR BUSINESS REPORT

The Securities and Exchange Commission yesterday fined six individuals Tk 3.31 crore on charges of insider trading.

The market watchdog took the action at a meeting presided over by its Chairman Prof M Khairul Hossain.

Sujit Saha, chairman of Fine Foods Ltd, was fined Tk 50 lakh as he provided news of 10 percent bonus shares for 2011 before the company's annual general meeting to his five relatives for taking unethical benefits, said an SEC official.

Jutan Saha will have to pay a Tk 44 lakh fine, Khoma Saha Tk 1.85 crore, Sheuli Saha Tk 17 lakh, Joydev Saha Tk 10 lakh and Shipra Saha Tk 25 Lakh.

The fines were equivalent to the profits they made from the shares they bought before the AGM in low prices, the official said. "We are very serious to stop insider trading for the development of the market."

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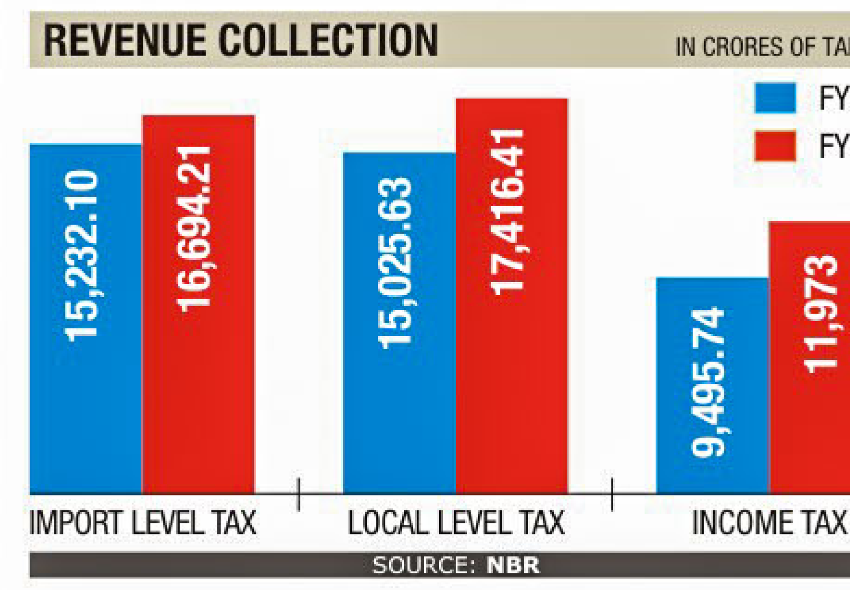
NBR logs 16pc revenue growth



SOHEL PARVEZ

Revenue collections by the National Board of Revenue (NBR) rose 16 percent in the seven months through January from a year earlier, driven by higher growth of income tax receipts.

Revenue collections rose to Tk 46,349 crore between July and January of fiscal 2011-12 from Tk 40,004 crore a year ago, according data from the NBR.

The tax authority will have to collect Tk 45,521 crore in the next five months of the fiscal year to achieve its full-year target for Tk 91,870 crore.

"We will be able to achieve our revenue collection target for the year. We have taken a number of steps to boost collections," said Nasiruddin Ahmed, NBR chairman.

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