

# Realtors should work to earn consumers' trust: analysts

STAR BUSINESS REPORT

Real estate needs a facelift to stand by the consumers as a true service provider to drive growth of the sector, a Dhaka University teacher said yesterday.

"Along with other challenges, including scarcity and spiraling prices of lands and lack of utility connections to new commercial and residential projects, I think one of the main challenges for the sector is lack of trust among consumers," said Syed Ferhat Anwar.

Anwar spoke at a roundtable, "Real estate sector: challenges and opportunities" at the Bay's Galleria in Dhaka.

Bangladesh Brand Forum in association with Real Estate and Housing Association of Bangladesh (REHAB) organised the event.

Consumers often complain of harassments by the developers while getting delivery of flats in time, Anwar said, adding that some developers are also blamed for not providing the promised product to their buyers.

Sometimes consumers have to go to the court to solve these issues that takes a heavy toll on their patience and money, he said.

As the association of developers, REHAB should monitor these irregularities and take actions accordingly, he said.

"REHAB has to give the feeling of a reliable service provider to its consumers, although it may not have any authority to take legal actions against the accused developers," said Anwar.

Ashraf Kaiser, managing director of Benchmark Ltd, urged

REHAB to take necessary steps to create a reliable and trustworthy relationship between the consumer and developers.

Murad Iqbal Chowdhury, general secretary of REHAB, said the association set up a Customer Complain Cell last year to get complaints from customers and take actions to solve them mutually.

Chowdhury said they have received some complaints that are diverse and difficult in nature. "But we are trying our best to settle them mutually in shortest possible time."

The cell has so far solved 562 of the 1,400 complaints it received in 2011, he said.

Tanveerul Haque Probal, managing director of Building for Future Ltd, highlighted a number of challenges the sector is facing now.

"Along with all existing problems, we are also burdened with unrealistic government policies," he said.

Probal was critical of the government law that mandates at least 3 percent of total electricity consumption of residential buildings and 7 percent of commercial buildings should be fulfilled by solar power.

The cost of installing solar power systems is high, and the batteries that are used to store power can be hazardous to health, he said.

He recommended not using these solar systems in urban cities because of space constraints.

Enayetur Rahman, deputy director of the Board of Investment, and FR Khan, managing director of Bangladesh Technologies and Ideas Ltd, also spoke.

## HC to hear shareholding appeals Wednesday

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The High Court will hear all writ petitions on Wednesday, filed by directors of listed companies against the Securities and Exchange Commission's mandatory shareholding rules.

Justice Farid Ahmed and Justice Sheikh Hassan Arif set the court date.

The SEC on November 22 last year made it compulsory for directors to hold at least 2 percent stakes individually in their own companies.

The commission also made it mandatory for the directors of a listed firm to jointly hold a 30 percent stake in the firm.

The SEC set a six-month deadline that ends on May 22 for the directors to buy



Ilias Kanchan, executive director of Walton, inaugurates an exclusive distributor showroom of the company -- Monowara Enterprise -- at Meghna in Comilla recently.

## Ctg customs to set up e-payment system

STAFF CORRESPONDENT, Ctg

Chittagong Customs House plans to install an e-payment system as part of its effort to curb irregularities in trade through automation.

The customs house took a series of steps to upgrade the automation system in the last five months, Additional Commissioner of Chittagong Customs House Motiur Rahman said.

He spoke at a press conference organised in the port city ahead of NBR Chairman Nasiruddin Ahmed's visit to the Customs House today.

Ahmed is scheduled to attend a seminar on 'e-payment and Chittagong Customs House automation'.

The National Board of Revenue will launch the e-payment payment system on July 1 to enable importers and exporters to pay the duties online against their consignments from their own offices.

An online documentation processing system has also been installed at the treasury branch of Chittagong Customs House to check fraudulent practices, Rahman said.

The customs house has developed a dashboard so that both the customs and Chittagong Port authorities can jointly check the documents online to stop, if necessary, any suspicious delivery of

## The awards that add value to businesses

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The entrepreneur said the previous recipients of the award have set a benchmark for excellence. "And I feel it inspires us all to not only reach greater heights but also have the longing to be a role model for the younger generation of women entrepreneurs." Tanya also said the evaluation process is up to the mark.

"Because the jury is made up of recognised and respected members of the society as well as the business community who deliberate not only on the basis of financial achievements but also professional excellence, before they finally decide."

Tanya is now designing several commercial and residential projects, as well as interior designs for offices and apartments and one or two landscape projects.

Alihussain Akberali, chairman of BSRM Group, said: "I feel the award is an enormous recognition of the private sector even though such awards should be given by the government as it earns a huge amount of revenue from genuine businessmen."

BSRM Group, which has been in operation for the last six decades, won the Enterprise of the Year Award last year for its historic presence in the steel industry.

Ever since this award has been given to the company, the BSRM family is looked upon with esteem by the fellow countrymen, Akberali said.

"This award has also made others try and achieve what we have done in our lives."

"The award made us more vigilant and aware of our standing in the business community. Thus we perform more and more efficiently and transparently," Akberali said.

With the award, the company is under pressure to consistently perform with honour and dignity, he said. "And it is my earnest zeal to be the best."

This year Bangladesh Business Awards stepped into the 12th year of its journey that began in 2000. The award has become the country's premier recognition of businesses that have made major strides in economic development.

The Daily Star, the country's most-read English newspaper, and DHL Express, the world's leading logistics company, introduced the award to honour the country's best businesses and the people behind them.

This year's awards ceremony will be held at

## Exports fall further on EU debt crisis

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"The decline is absolutely due to the global financial turmoil," said Shafiul Islam Mohiuddin, president of Bangladesh Garment Manufacturers and Exporters Association, a platform of the garment makers and exporters.

"If the EU debt crisis prolongs further, the exports will be affected much," he said. The 27 countries in the EU bloc are the largest market, while the US is the single largest export destination for Bangladesh.

AKM Salim Osman, president of Bangladesh Knitwear Manufacturers and Exporters Association, said the prices of per unit of knit product declined to an extent because of the fall in the prices of raw materials globally.

As a result, the accumulated value of knitwear products is showing a declining trend, he said, adding that the prices of yarn and cotton came down this year.

"Moreover, the knitters are taking limited orders due to power crisis in the industrial units," he said.

The commerce ministry set the export target for the current fiscal year at \$26.50 billion, which is 14.50 percent higher than the amount earned in fiscal 2010-11.



Mahmudur Rahman, executive vice president of Robi, and Md Nader Khan, chairman of Lion Mukhlesur Rahman Foundation, sign a deal on Sunday under which Robi and Zero Clubfoot, a non-profit health project of the foundation, will provide free clubfoot treatment in Chittagong region.



Md Mobarak Hossain, centre, managing director of Paradise Group, receives the KEMA certificate for highest quality perfection of products from Guus Mackenbach, special representative of KEMA-KEUR, at a programme at Radisson Blu Water Garden Hotel in Dhaka recently. GM Quader, second from right, commerce minister, is also seen.

## Govt promises uninterrupted power to economic zones

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The government will ensure uninterrupted in-built electricity to industrial units in the proposed special economic zones, the executive chairman of Bangladesh Economic Zones Authority said yesterday.

"We will ensure in-built electricity generation in each SEZ to be set up in the coming days to cut dependence on the national grid," M Mosharraf Hossain Bhuiyan said.

All investors, including foreign and local entities, can set up power plants at the SEZs through public-private partnership.

"We shall invite investors from home and abroad, who are interested to set up power plants, but the electricity tariff will have to be reasonable," he said.

Bhuiyan spoke as the chief guest at a seminar on 'National Budget for FY 2012-13 from Investors' Perspective' at Sonargaon Hotel in the city. The Board of Investment and BUILD (Business Initiative Leading Development) in cooperation with Dhaka Chamber of Commerce and Industry organised the event.

The concept of SEZs is to promote the economic growth led by the private sector and domestic investors will get priority while plots are allotted in the zones, Bhuiyan said.

The SEZs will not be like EPZs (export processing zones) as domestic entrepreneurs will be given priority in the industrial parks, he said.

"We will ensure maximum participation of the domestic private sector," Bhuiyan said. "If the domestic entrepreneurs can take up all plots, they will not go for foreign investors."

The government decided to set up five economic zones in the country on April 18 to expand industrialisation and enhance the living standards of

rural people by creating jobs.

The economic zones will be set up in Anwara and Mirsarai of Chittagong, Sherpur of Moulvibazar, Mongla of Bagerhat and in areas near Bangabandhu Bridge in Sirajganj.

On budget allocation for the SEZs, the BEZA chief said if the government approves the policies taken for the SEZ project implementation, they will not require budget allocation. "We're trying to acquire government lands in five areas."

Commenting on the banking sector, Bhuiyan said banking business has emerged as an industry in the country. "If bank business emerges as an industry, the country's economic progress won't be sustainable."

Bangladesh needs development led by the private sector, and trade bodies can play significant role in this process, Bhuiyan said.

Jashim Uddin, FBCCI's first vice president, identified the absence of industrial parks, required gas and electricity supply and lack of adequate human resources as three major problems and sought special attention to these areas in the next budget.

He demanded adequate allocation for infrastructure development in the coming budget.

Asif Ibrahim, DCCI president, sought an enabling environment for the private sector in the next budget so that it can play its due role in strengthening the economy.

He underscored proper implementation, transparency and accountability and political will to ensure success in each step taken by the government.

Local investors also urged the government to set up one investment promotion agency rather than multiple bodies to ensure proper coordination.

Nabhash Chandra Mandal, BoI executive member, also spoke.

## Govt to set up textile village on lands of closed cotton mill

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The ministry has primarily estimated the price of the lands at Tk 159 crore but it may bring more money if the industrial plots are sold through competitive bidding, the proposal said.

Chittaranjan Cotton Mills was nationalised in 1972 and since then had been running under Bangladesh Textile Mills Corporation (BTMC).

But the mill was shut down in 1997 in the face of huge losses.

An official of the BTMC said, after remaining closed for about nine years, the mill was given to

the Privatisation Commission in 2007 for denationalisation.

The official said the Privatisation Commission could not denationalise the mill and the textile and jute ministry took it back from the Commission early this year.

After the yesterday's cabinet meeting, an official at the Cabinet Division told The Daily Star that many local and foreign investors are failing to make investment in the country due to a lack of lands.

The official also said there are more state owned industries which are neither being properly

run nor being denationalised.

He said the lands can be made available to the private sector.

The ministry's proposal said, if the 33 acres of land are sold to one entrepreneur, the possibility of making it financially profitable by the entrepreneur is slim.

But if the land is divided into small plots, it will create more employment and the textile village can be made environment friendly by setting up a central effluent treatment plant and a separate power plant for the village, the ministry said.

## Cabinet panel okays two guidelines for PPP projects

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A finance ministry official said the VGF assistance will be given to projects which have high economic and social viability but are not commercially profitable.

Besides, the VGF money will be released on the basis of the equity of private entrepreneurs, and will be given on a month, quarter, half-year and year basis.

According to the guideline,

the VGF assistance will be given to only those projects which will be completed on a build, operate and transfer basis.

For getting such assistance, the bidder must be selected through competitive bidding and the economic rate of return of the project must be equal or more than the level fixed by the PPP unit of the Finance Division.

Earlier, the government

issued the Policy and Strategy for Public-Private Partnership 2010. Under the policy, a separate PPP office was established. A chief executive officer was appointed to the PPP office.

Besides, a PPP unit was formed at the Finance Division that would work for providing technical assistance and VGF to the PPP projects on the basis of the demand of the PPP office.



Moin Imran Chowdhury, managing director of Taurus International, and Altaf Hossain, executive director of Akij Food and Beverage Ltd (AFBL), sign a deal recently to export AFBL beverages to Ghana, Sierra Leone and Nigeria. Taurus will act as an agent of the importer GYK Pharma Ltd UK in Bangladesh.

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