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DHAKA TUESDAY AUGUST 28, 2012, e-mail:business@thedailystar.net

COMMODITIES

ADB signs \$150m for railway facelift STAR BUSINESS REPORT

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The Asian Development Bank (ADB) will provide \$150 million to Bangladesh to help improve capacity, efficiency and safety of the railway systems.

Iqbal Mahmood, senior secretary to the Economic Relations Division (ERD), and M Teresa Kho, country director of ADB's Bangladesh resident mission, signed a loan deal in Dhaka yesterday.

"The agreement is part of implementing the ADB's Bangladesh Railway Sector Improvement Project under Second Periodic Financing Request (PFR), where Bangladesh will receive the loan as Ordinary Capital Resources," Mahmood said.

He spoke at a signing ceremony organised by the ERD at its conference room at Sher-e-Bangla Nagar in Dhaka.

With the funding, Bangladesh Railway will com-

The fund will also cover

The interest rate of the loan is London Inter Bank Offered Rate (Libor) based with ADB terms and conditions, and the repayment period is 25 years with five years' grace period, he added.

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Indonesian President Susilo Bambang Yudhoyono receives Mahbubur Rahman, president of International Chamber of Commerce Bangladesh, as his special guest, at the fifth "Presidential Friends of Indonesia" programme 2012 that marked Indonesia's 67th Independence Day in Jakarta recently. Story on B3

Black money amnesty draws poor responses

SOHEL PARVEZ

Scope for legalising black money last fiscal year brought the government only Tk 38 crore in taxes, the lowest in four years.

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"It is a very negligible figure. The collection of such an amount is just an hour's business for the National Board of Revenue (NBR)," said Ahsan H Mansur, the executive director of Policy Research Institute.

fiscal 2011-12, and that too after a mere 82 people decided to do so by parking money in stocks.

"[The provision to legalise black money] creates moral hazard. Honest and regular taxpayers will be senior official of NBR, requesting the official.

law," said Mansur, a former economist of the International Monetary

no revenue justification," he said, stressing the need for stricter gover-The revenue authority incorpo-

rated a provision in the law, under which a person will be able to legalise undisclosed money by paying 10 percent penalty in addition to paying normal tax.

the Income Tax Ordinance 1984, widening areas for investment for undeclared money-holders, said a

In the past the NBR used to give the scope through statutory regula-

can be legalised via investment include the stockmarket, real estate, industry and BMRE (Balancing, Modernisation, Rehabilitation and Expansion). The rationale behind the inclu-

sion of the clause, the official said, is that a provision in law would encourage more people to come forward to declare their undisclosed wealth.

"Stability of law gives confidence to people. Anyone can disclose undeclared income anytime," said

Eminent citizens worried about Grameen Bank future

405 university teachers say the govt's stance tarnishes Bangladesh's image abroad

STAR BUSINESS REPORT

Three separate platforms of more than 650 persons from different professions yesterday expressed their grave concerns about the future and autonomy of the Grameen Bank.

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In a statement, 405 teachers under the banner of University Teachers' Association of Bangladesh said: "We are deeply interference in Grameen Bank, politics worried at the present government's ploy in the appointment of managing director of internationally renowned and Nobel winning Grameen Bank out of vendetta and animosity."

"We are also surprised at the amendment to the Grameen Bank Ordinance to prevent the impoverished, neglected and the poor women member-

borrowers of the bank from exercising their rights and to halt empowerment of the poor women."

They said the international commu-

nity is worried about the government's hostile attitude to Nobel Peace Prize laureate Dr Muhammad Yunus. "Bangladesh's image has been tar-

nished due to the government's naked of secret killing and the Padma bridge corruption," said the statement.

The signatories to the statement of the association include its President Prof AFM Yusuf Haider and Secretary General Prof Tahmina Akhter, and Abdul Aziz, Khalilur Rahman, M Farid Ahmed and Ashraful Islam Chowdhury.

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Govt mulls fee formula for Bhutan transit

REFAYET ULLAH MIRDHA

The government is working on a fee-based formula to give permanent transit for Bhutan in line with a framework agreement suggested by a panel, a senior official of the commerce ministry said yesterday.

The core committee on transit had originally recommended different fees tied to administrative costs, vehicle movement and port use in its report on transit to Nepal, Bhutan and India.

Initially, the Bhutan transit is being prepared to serve as a model for Nepal later. These two countries are entitled to access under the World Trade Organisation rules for being landlocked nations.

"We plan to allow permanent transit to Bhutan first. If it works well, Nepal will also come under the same protocol," said Shahabuddin Patwary, member while a second is scheduled for tomorrow. secretary to the committee on transit to

Bhutan after its first meeting at the commerce ministry.

At present, Bangladesh and Bhutan renew their transit deal through consultation under the guidelines of Trade and Transit Protocol and a Technical Cooperation Agreement signed in 1984.

later, as the government is now working on the core committee's recommendations," he said. The six-member core committee headed by Mozibur Rahman, then chief of

"Indian transit will be decided on

Bangladesh Tariff Commission, submitted its report to the government last year.

Rahman later became head of the government's committee for preparing a protocol for Bhutan's transit facility.

Rahman convened the first meeting of the committee at the ministry yesterday,

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Omnibus accounts to give way to separate BO accounts

GAZI TOWHID AHMED

The omnibus accounts of merchant banks will be replaced with separate beneficiary owner accounts, merchant bankers said yesterday.

"We have agreed to open new separate BO [beneficiary owner] accounts for our clients, replacing omnibus accounts, for the best interests of the market," said Mohammad A Hafiz, the president of Bangladesh Merchant Bankers Association.

The merchant banks will proceed with the plan of action after receiving the green light from the securities regulator, Hafiz said.

An omnibus account is a specific kind of stock holding account in which the transactions of multiple individual account holders are combined for easier management.

The use of such accounts is common practice among merchant banks the world over due to quicker distribution of dividends and information regarding the stock.

Following the stock market crash

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ties recommended closure of the omnibus accounts, which the Security and Exchange Commission

(SEC) took on board. Earlier, the merchant bankers told the SEC it would not be possible

Following the stock market crash of early last year many vested parties recommended closure of the omnibus accounts, which the Security and Exchange Commission (SEC) took on board

to provide the individual client information needed to open separate BO accounts.

Some SEC officials, too, are not in favour of discontinuing with the practice of omnibus accounts, a of early last year many vested par- SEC official who preferred to remain gazitowhid@gmail.com

unnamed said.

But the merchant bankers' position changed upon insistence from SEC following report from the probe committee on the stockmarket crash headed by Bangladesh Krishi Bank Chairman Khondkar Ibrahim Khaled, the official said.

"The merchant banks should keep their clients' shares in separate BO accounts in compliance with the related securities rules for the sake of transparency and accountability," the probe committee said.

In a new proposal submitted to the SEC, the merchant bankers asked for a waiver of the initial cost of transferring the shares to separate BO accounts, along with authorising them as custodians of the clients' shares.

The stockmarket regulator has acquiesced to the merchant bankers' conditions, the BMBA president said, adding that the merchant bankers would work to ensure transparency and accountability in the market.

Unilever sees 'return to poverty'

according to a newspaper report Monday.

Dubai welcomes you to the fun Say Hello to the home of tomorrow. Now fly Emirates to Dubai 19* times a week and soak up blue skies, endless sun, perfect sandy beaches and dive into fun-filled water parks. **Emirates** lello Tomorrow "Poverty is returning to Europe," the head of Unilever's European business, Jan Zijderveld, told the

Financial Times Deutschland in an interview. *Additional flights from September. Terms & Conditions apply. For more details visit emirates.com/bd or call Emirates on Unilever would therefore use marketing strategies 9892801 (Dhaka), 725647-8 (Chittagong), 711200-711300 (Sylhet). Discover frequent flyer benefits at skywards.com that it used in developing countries in Asia, he suggested.

AFP, Frankfurt টাকার অংকে মেয়াদান্তে প্রদেয় Dutch food and cosmetics giant Unilever expects poverty to rise in Europe as a result of the eurozone crisis and is therefore rethinking its marketing,

মাসিক কিন্তি বছর b 00.000,000.00 52,060.00 00.006,08 90 00,000,000.00 00.006,60 25 00.000,000.00 00.008,66 20 00.000,000.00 00.00 94 00.000,000.00 20 00.000,000.00 3,950.00 জমাকৃত টাকার ৯০% পর্যন্ত ঋণ সুবিধা রয়েছে।

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plete double-tracking of 64 kilometres of railway lines between Tongi and Bhairab Bazar, and improve signalling system of 11 stations in Darshana- Ishwardi section, said Mahmood.

the cost of rehabilitating yards and extending loops in the Darshana-Ishwardi-Sirajganj Bazar section, and supervision of consultancy services, he said.

Only Tk 382 crore was legalised in

discouraged to comply with the not to be named.

"The whole thing is unjustified

on the economic ground. It also has

The provision has been added in

tory orders. The areas where black money

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