

Workers demand upgrade of labour law to ILO standards

STAR BUSINESS REPORT

A workers' forum yesterday demanded the government amends the Bangladesh Labour Act 2006 in line with International Labour Organisation's conventions.

The forum, known as Shramik Karmachari Oikyo Parishad (SKOP), demanded at least Tk 7,000 as minimum wage and 20 percent dearness allowance -- to help them cope with the recent price hike of essentials.

The platform also urged the government to remunerate the employees of Hall-Mark Group with Tk 15,000 each.

The forum organised a human chain in front of the National Press Club, where Hall-Mark's workers were also present, to press home their demands.

"In the free market economy, prices of essentials may increase anytime so the real wage of workers must also be adjusted to the price hike," said Wajed-ul Islam Khan, convener of SKOP.

Khan, also the secretary of Bangladesh Institute of Labour Studies, demanded an amendment to the Bangladesh Labour Act to international standards, and urged the government to organise training for Bangladeshi workers.

"The government should introduce a ration system by providing essential commodities at a low price," he said.

Khan also suggested implementing a quota system to ensure job access for women. The industry owners should provide child care facilities for women workers, he added.

The existing minimum wage for the readymade garment workers failed to provide for their living costs, which has doubled in recent times, said Sukur Ahmed, president of Jatiya Shramik League.

He stressed the need workers to be part of a trade union, as the union would facilitate settlement of disputes between the workers and factory owners.

Stocks fall for third day

STAR BUSINESS REPORT

Stocks declined for the third day as investors lost confidence on market thanks to the bearish trend of last few days.

DGEN, the benchmark General Index of Dhaka Stock Exchange, finished the day at 4,161.19 points, after falling 65.22 points or 1.54 percent.

Turnover declined 10.19 percent to Tk 227 crore, compared to the previous day, which is the lowest in last three and a half months. On August 6, the DSE recorded Tk 239 crore in turnover.

"Lack of fundamental base of the rally and recent quarter-end deteriorated earnings of the listed companies triggered the market to cool down from the recent peak. As the smash continued for 11 sessions out of last 15 sessions, confidence level evaporated and fear took over the bourse, causing panic sale, which continued till date," said IDLC Investments in its regular market commentary.

"Market declined continuously due to lack of retail and institutional investor's participation and lacklustre earnings prospect in the short run by bellwether

sectors has weighed investors' sentiment," said LankaBangla Securities in its daily market analysis.

Recent call money rate has fallen below 8 percent, indicating flexible liquidity in the money market, the stock-broker said.

A total of 0.71 lakh trades were executed with 6.38 crore shares and mutual fund units changing hands on the Dhaka bourse.

Of the 272 issues traded on the DSE, 211 declined, 44 advanced and 17 remained unchanged.

Among the major sectors, telecomm, which lost by 2.42 percent, was the worst losing sector. Power declined by 1.69 percent and non-banks financial institutions 1.64 percent. Pharma 1.54 percent and banks 0.64 percent also ended in the red.

United Airways featured in the most traded stocks chart with 1.13 crore shares worth Tk 23.50 crore changing hands.

Titas Gas and Jamuna Oil were the next popular stocks of the day.

Al-Haj Textile was the biggest gainer of the day, posting gains of 9.60 percent, while Fu Wang Food was the worst loser, slumping by 17.55 percent.



Soon Woo Lee, chief executive officer of Woori Bank, meets Atiur Rahman, governor of Bangladesh Bank, at the latter's office in Dhaka yesterday. Different issues related to banking, industry, trade and economy were discussed.



Md Abdur Razzak, food minister, inaugurates the 990th branch of Bangladesh Krishi Bank (BKB) at Sholakuri Bazar of Madhupur in Tangail recently. Khondker Ibrahim Khaled, chairman of BKB, was also present.

NRBs to invest directly in Bangladesh Fund

FROM PAGE B1

The open-ended mutual fund, a professionally managed collective investment scheme with unlimited lifetime and size, was approved by the SEC on May 4 last year and the public subscription started in October the same year.

The fund manager pools money from many sponsors or investors through its selling agents and invests it in stocks, bonds and short-term money market instruments, and pays out dividends to the unit holders annually.

At yesterday's meeting, the SEC formed two separate committees to modify public issue and rights issue rules.

The panels will advise the commission within the next one month which changes should be brought to the rules.

The two-member committee on public issue rules comprises the commission's Executive Director M Hasan Mahmud and Director Mohammad Rejaul Karim, while the two-member committee on rights issue rules comprises directors Kamrul Anam Khan and Prodip Kumar Basak.

The stockmarket regulator also formed another two-member panel on formulation of a guideline on asset revaluation of listed companies.

The committee, comprising SEC directors Mahbulul Alam and Abul Kalam, will submit a set of recommendations on the guideline to the commission within the next one month.

The SEC also formed a two-member inquiry committee to investigate the irregularities of NBL Securities.

Earlier, the Dhaka Stock Exchange

through an investigation found irregularities in the NBL Securities and sent a probe report to the commission.

At the meeting, the regulator also imposed a Tk 1 lakh fine on each managing directors and each directors of Bangla Process Industries and Mita Textile for failing to submit audited financial reports for the year that ended in June 2011 to the commission.

The SEC also gave permission to Baizid Steel Industries, Kores (Bangladesh) and Popular Pharmaceuticals to raise their paid-up capital.

Baizid Steel Industries will issue three crore ordinary shares of Tk 10 each to raise its paid-up capital by Tk 30 crore to Tk 40 crore, while Kores (Bangladesh) will issue 1.3 crore ordinary shares of Tk 10 each to increase its paid-up capital by Tk 13 crore to Tk 23 crore.

Popular Pharmaceuticals will issue 64.61 lakh ordinary shares of Tk 100 each to raise its paid-up capital by Tk 64.61 crore to Tk 119.71 crore.

The SEC also gave a go-ahead to Sk Akijuddin to raise Tk 100 crore through issuing subordinated non-convertible unsecured bond.

With a two-year time for full redemption, only banks and non-banking financial institutions can buy the bond through private placement.

Face value of each unit of the bond will be Tk 1 crore. Race Portfolio and Issue Management is the sole lead arranger of the bond.

At yesterday's meeting, the SEC also extended the subscription period of MTB Unit Fund to January 31 next year.

Set up finance commission for local government bodies

FROM PAGE B1

He is totally against the continued expansion of Dhaka, which has already been termed as one of the top most unliveable cities in the world.

"Although urbanisation is a reality we have to be tough on urbanisation. We have to have a long-term effective vision," Mahmud said.

Akbar Ali Khan, a former caretaker government adviser, said nobody can stop urbanisation.

"So, we have to think about it afresh. We have to be prepared."

He said it is not true that people do not want to pay for the services they get from the local governance bodies.

"In many parts of Dhaka we are seeing dwellers take private initiatives to avail the civic amenities."

ABM Mirza Azizul Islam, a former finance adviser to caretaker government, said the problems regarding urbanisation are well-known and solutions, in most cases, are also known.

"But we do not see their implementation."

He said different government agencies -- and not the local governance system -- provide services in the urban areas and they lack co-ordination among them, either in planning or in service delivery.

However, he said, there are both good and bad news for Bangladesh when it comes to urbanisation.

"The good news is: Bangladesh is still one of the least urbanised countries in the world, as only 22 percent of the country's population live in the cities. So, there is a potential for balanced growth."

"And the bad news is: Dhaka is the second most unliveable city in the world. So, there is a need for decentralisation of services, management, and administrative system."

Mahabub Hossain, executive director of BRAC, the world's largest non-governmental organisation, said it is universal true that whenever there is any economic growth there will be urbanisation.

He said the services provided by the local governance bodies could be privatised.

"The sooner we privatise them the better services the citizens will receive."

Hossain said that he does not understand why building the mass

transit system is taking so much time.

"We have been hearing about this for years. We need a strong will to complete the project, which will allow us to largely avoid the greatest wastage -- people's time."

Mustafa K Mujeri, director general of Bangladesh Institute of Development Studies, described it as a collective failure as the country could not give adequate importance to the urbanisation issue on time.

"As a result, the problems have become very complex. It would be a challenge to solve them."

He said urbanisation could not be seen as a piecemeal issue; time has come to look at it from a comprehensive approach.

The former central bank chief economist said Bangladesh would see rapid urbanisation in its development process in the next one or two decades.

"We need to have urbanisation that supports growth."

Prof Jamilur Reza Choudhury, vice-chancellor of the University of Asia Pacific, supported immediate implementation of the mass road transit (MRT) project.

He said there are many low-investment solutions which can solve the city's notorious traffic system greatly, but neither the government nor the private sector pays any heed to them.

Prof Nazrul Islam, an urban specialist, said the World Bank should broaden its urbanisation strategy beyond Dhaka and Chittagong.

Abu Alam Md Shahid Khan, secretary of local government division, said the civic voice should be stronger and not bow down to any pressure in implementing the MRT project.

Tofail Ahmed, a former member of local government commission, said there is no financial discipline in the local governance bodies.

"We have to give them [the local authorities] power so that they can run on their own."

ATM Nurul Amin, a professor of North South University, said Bangladesh should construct the mass transit system on a priority basis to rid the city of congestion.

"The project should get priority over the Padma Bridge."

IMF deal reached on \$4.8b loan for Egypt

AFP, Washington

The International Monetary Fund said Tuesday it had reached a deal with Egyptian authorities on a 22-month loan totalling some \$4.8 billion to help the country overcome economic difficulties.

The staff-level agreement is expected to be submitted to the IMF's executive board for approval in a few weeks, a statement said.

"The Egyptian authorities have developed a national programme that seeks to promote economic recovery, address the country's fiscal and balance payments deficits, and lay the foundation for rapid job creation and socially balanced growth in the medium term," said IMF official Andreas Bauer, who led the Washington-based lender's mission to Cairo.

"The policies contained in the authorities' programme will help address Egypt's pressing economic and social challenges, and reduce vulnerabilities," he added.

The so-called Stand-By Arrangement will support the government's economic programme through the 2013/2014 fiscal year and support an economy left battered by the 2011 uprising that toppled Hosni Mubarak's regime.

Egyptian Minister of Planning and International Cooperation Ashraf al-Arabi said the agreement would be presented to the cabinet on Wednesday as a matter of procedure.

Myanmar orders businesses to repay 'embezzled' cash

AFP, Yangon

Myanmar has ordered state loans totalling tens of millions of dollars to be clawed back from private businesses, in a rare public move to tackle graft in one of the world's most corrupt nations.

The order comes after the auditor general found dozens of cases of "misuse and dishonest actions" involving 15 ministries that resulted in nearly \$65 million in loans leaving government coffers over the 2011-12 fiscal year.

Around \$20 million has been repaid, but \$45 million was still owed by "private businessmen" loaned the cash by the ministries, the financial watchdog said in a report to parliament submitted earlier this month and seen by AFP Tuesday.

Scores of businessmen have until March next year to refund the embezzled money or face further legal action.

"If the loans cannot be settled within this period, there will be fines and lawsuit will be made," the

Private banks sitting on surplus funds

FROM PAGE B1

"Disbursements are substantially lower than the credit facility in place," said Anis A Khan, managing director of the bank.

His bank's surplus money is at around Tk 700-800 crore.

Khan said the government's borrowing from the banking sector has declined in the last 4-5 months. He sees the central bank's measures regarding the PD banks have also reduced the liquidity pressure on them.

Helal Ahmed Chowdhury, managing director of Pubali Bank, said a rise in remittances and a fall in imports have created some additional funds for the banks.

Chowdhury said his bank has nearly Tk 1,000 crore unused funds now.

SA Farooqui, managing director of Standard Bank that has Tk 800 crore unused funds, said a substantial reduction in import of food grains and 'any purpos loan' has contributed to an increase in the banks' funds.

Shafiqul Alam, additional managing director of United Commercial Bank that has Tk 1,000 crore in surplus funds, said they have been facing a shortage of borrowers in the call money market.

The call money rate, which was 10.21 percent on November 5, went down by nearly 2 percentage points to 8.26 percent on Monday.

Central bank data shows excess reserves, which are equal to the balance of the scheduled banks' deposits held with the BB minus their cash reserve requirement or CRR, have also increased to Tk 18,011 crore as on Monday from Tk 14,520 crore on Tuesday last.

Muklesur Rahman, deputy managing director of Eastern Bank, explained the situation a bit differently.

"Banks have concentrated more on recovery than lending. They are busy with their housekeeping," Rahman said.



Md Siddiqur Rahman, deputy managing director of Sonali Bank, receives the "remittance award" on behalf of the bank from AB Mirza Azizul Islam, former adviser to the caretaker government, at a ceremony held in Dhaka recently. The award was given by the business weekly, The Industry.

ফ্যাটি/গাড়ী কিনবেন?

সহজ শর্তে, স্বল্প সময়ে ঋণ পেতে যোগাযোগ করুন।

HOTLINE : 01914-252462

01914-252454
01914-067418

FAS Finance & Investment Ltd
Suvastu Imam Square (4th Fl.), 65 Gulshan Avenue, Dhaka.
Telephone : 9881524, 9881624, 8821736