

DHAKA WEDNESDAY DECEMBER 26, 2012, e-mail:business@thedailystar.net



Tourists sit under beach umbrellas in Cox's Bazar. Fears of political turmoil have depressed the 2013 outlook for tourist arrivals from abroad.

## Political strife casts shadow on tourism outlook

**SOHEL PARVEZ**

The good times the local tour operators saw in 2012 are unlikely to roll into 2013 due to political turmoil, tour operators said yesterday.

A relatively stable political environment in the first half of the current year and the improving economic outlook in Eurozone augmented tourist arrivals in Bangladesh in 2012.

"The market has been good this year as the flow of foreign tourists was higher. But it has begun to slow progressively because of political unrest," said Wahid Ullah, managing director of Silver Wave Tours Ltd, which facilitates inbound tourism.

The overall market grew by 10-15 percent year-on-year in 2012, he said.

"But 2013 will most definitely be a bad one. Afraid of being caught up in political turbulence, arrivals of foreign tourists have already dropped."

Five groups of Japanese tourists, who were scheduled to visit Bangladesh in the December-January period through Silver Wave, have already cancelled their trips.

The tour operators fear a slump akin to 2006 levels, when political bitterness deepened between the then ruling party, BNP, and the opposition Awami League over voter lists and formation of caretaker government for parliamentary elections.

This time, a lingering row between the ruling AL and the opposition BNP over the caretaker system led to a series of hartals and demonstrations enforced by BNP and its allies.

"Foreigners are repeatedly asking us whether there will be hartals when they want to visit Bangladesh next year," said Faridul Haque, managing director of Tours Planners Ltd.

Tourism flourishes faster in those areas where peace prevails, as tourists show reluctance to visit a country where their mobility is impeded by political unrest, he said.

The best example is Egypt, where the tourist flow slumped after political turmoil broke, Hoque said.

Around 600 foreigners used the services of Tour Planners in 2012, up from the previous year's 500.

The gloomy outlook comes at a time when tourism's contribution to the Bangladeshi economy is fast rising, after years of stagnation.

READ MORE ON B3

## Muhith: 3G auction in February

**STAR BUSINESS REPORT**

The 3G licence auction will be held in early February, Finance Minister AMA Muhith said yesterday.

There are some issues which remain to be settled with the mobile operators, but Muhith expects them to be done by January, after which the auction would take place.

"All the measures for the mobile broadband service will be completed by January. So, the auction will most likely take place in the first half of February," he said.

Muhith said he needs to know the position of the telecom regulator to solve the issues with the operators.

The proposed base price -- \$20 million per Megahertz spectrum -- for the 3G spectrum auction is at the desk of the finance ministry now.

After the ministry's approval, the regulator will initiate the auction.

The government will provide four licences in the private sector for 3G, while the state-owned Teletalk has already introduced the service on a test basis.

The finance minister was addressing the inaugural ceremony of the five-day IT exposition organised by Bangladesh Computer Samity at the Bangabandhu International Conference Centre in Dhaka.

RELATED STORY ON B4

## Now foreign firms will audit mobile operators

**ABDULLAH MAMUN**

The telecom regulator is due to appoint a foreign accountancy firm to audit the mobile operators' records by early next year, following disputes over its previous appointment of local firms.

"We are now working on the international bidding process, due for January or February," said Sunil Kanti Bose, chairman of Bangladesh Telecommunication Regulatory Commission (BTRC).

"We want an international firm to carry out the auditing to prevent anyone questioning the quality and integrity of the findings," said Bose, adding that the regulator does not want to be caught up in legal disputes with operators.

In 2011, the BTRC took the initiative of auditing the books of the mobile operators for any sign of creative bookkeeping to hold

back revenue from the government.

The exercise kicked off with the country's top two operators, Grameenphone and Banglalink, with MA Fazal and Co, and Aziz Halim Khair Chowdhury being the respective auditors.

The BTRC's first auditor for Banglalink backed out within a week; another firm, Ahmed Zaker and Co, was appointed, but they, too, were unable to start the proceedings.

Grameenphone's audits were completed, but the operator called into question MA Fazal and Co's report, and took the issue to the High Court where the case is still pending.

Regarding Grameenphone, Bose said: "There is no scope to comment if the previous audit was correct or not as the issue is in court."

READ MORE ON B3

## Stock regulator hunts for unpaid fines

**GAZI TOWHID AHMED**

Bangladesh Securities and Exchange Commission (BSEC) will take action against 128 listed companies, who have failed to pay a total of Tk 530 crore fine slapped by the regulator on different occasions.

The regulator, which recently changed its name to Bangladesh Securities and Exchange Commission, from Securities and Exchange Commission, will also form a three-member committee to realise the amount.

A commissioner, Salam Sikder, will head the committee, which will prepare a sector-wise list to realise the fines imposed between 1996 and December 15 this year, he added.

"The BSEC has taken the initiative after the government has recently finalised the Securities and Exchange (Amendment) Act, 2012," a BSEC official

told The Daily Star.

The fines were for violation of securities rules such as unusual trading of shares and mutual fund units, failure to submit financial statement on time, irregularity in dividend declaration and selling assets without permission, the official said.

The amount of fine slapped on 17 textile companies was the highest at Tk 132 crore, followed by Tk 117 crore on 32 insurance companies.

The fine on the companies that traded in over-the-counter market, a separate trading floor for junk shares, was Tk 103 crore.

Among the other sectors, banks were supposed to pay Tk 13 crore, pharma and chemicals Tk 87 crore and food and allied Tk 7 crore, in fine to the regulator.

The regulator will also take action against some directors, who did not pay the fine on time, the BSEC official said.

READ MORE ON B3

## New menace: stock info on Facebook

**SARWAR A CHOWDHURY**

Facebook has become a means of abuse as some people use the social networking site to spread price sensitive information and give advice on the stockmarket.

Though such a practice is prohibited by securities rules, miscreants with numerous Facebook accounts opened with fake identities often mislead investors.

Investors can find hundreds of such accounts at every search using the stockmarket keywords such as stock, DSE, CSE, investor, share, bull or bear.

These accounts mainly predict the market trends and disclose price sensitive information such as dividend, quarterly- and half-yearly earnings.

Thousands of investors are linked with these accounts, and willingly or unwillingly follow the easy-to-get advice made on the walls.

TK Das, a retail investor, is one of the victims. Lured by a tip-off, he poured money into a travel and leisure stock, but finally incurred huge losses.

"I fell victim to rumours," he said, admitting that he should not have relied on such information.

Bangladesh Securities and Exchange Commission, the stockmarket regulator, is also aware of the menace.

But the regulator has no weapon or mechanism to combat it, except for giving reminders.

Through its latest directive in September, the commission warned of taking legal actions against those who spread rumours or price sensitive information of listed companies through different social media networks, including Facebook.

READ MORE ON B3

**INSIGHT HYBRID**

**GO FURTHER ON A SINGLE REFILL!**

**HONDA**

**STARTING FROM 30.90 LACS**

**FUEL ECONOMY**

**DHS MOTORS**

Call us for a test drive (Dhaka/Chittagong) | Colors Available | Made in Japan | Model 2012

Showroom: 11, Mohakhali C/A, Dhaka-1212. Tel: 01713142059, 01199845368, 01670668511, 01611500030