

# star BUSINESS

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## DSE sees big jump in foreign investment

**SARWAR A CHOWDHURY**

The stockmarket received around Tk 100 crore in foreign investment in the first month of the year, 19 times higher than in the same month last year.

Foreign investors bought shares worth Tk 136.48 crore in January, up around 97 percent from Tk 69.28 crore in the same month last year, according to Dhaka Stock Exchange.

In January, they sold shares worth Tk 36.75 crore, against the Tk 64.26 crore sold in the same month a year ago.

Overall, in January 2013, Tk 99.73 crore was received as foreign investment, while it was only Tk 5.02 crore in the same month last year.

Local stockbrokers, who trade on behalf of the foreign investors, said the stock prices came down to a lucrative level during the period, due to a bear run that started two years ago.

They expect more foreign investment in future, as the central bank recently allowed local stockbrokers to share profit on trading commission with the foreign stockbrokers, who trade from abroad on behalf of the foreign investors.

Previously, profit-sharing on trading

commission was not allowed, which discouraged foreign stockbrokers from participating in the country's capital market.

"This has opened the door," said Wali Ul Islam, chief executive officer of LankaBangla Securities, which initiated an aggressive marketing last year to attract foreign investment to the stockmarket.

He added: "The stockmarket is now an ideal place for investment."

The Bangladesh Securities and Exchange Commission, too, is working to find ways to increase foreign investment in the stockmarket.

Foreign investment, also known as portfolio investment, accounts for less than 1 percent of the total market capitalisation of the DSE.

In 2012, foreign investors bought stocks worth Tk 1,348.41 crore, while they sold shares worth Tk 555.8 crore.

Banks were the foreign investors' preferred sector, but non-bank financial institutions, power and energy, pharmaceuticals, multinational companies, telecom and IT also caught their attention.

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## Four women entrepreneurs win SME awards

**STAR BUSINESS REPORT**

The SME Foundation yesterday awarded four women entrepreneurs for their outstanding contribution to their regional economy.

Of 90 applications, three women entrepreneurs were awarded for micro, small- and medium enterprises and the fourth for lifetime achievement.

"I hope the awards will encourage more women entrepreneurs to come up with innovative businesses," said Industries Minister Dilip Barua at the National SME Women Entrepreneur Awards ceremony at Sonargaon Hotel in Dhaka.

"Bangladeshi women have been empowered a lot over the years. They are now contributing to the country's economy significantly," said Kazi Akram Uddin Ahmed, president of the Federation of Bangladesh Chambers of Commerce and Industry.

He assured the women entrepreneurs of arranging collateral-free loans with low interest rates.

Rokia Afzal Rahman, president



**AMRAN HOSSAIN**

Four winners of National SME Women Entrepreneurs Awards pose with Kazi Akram Uddin Ahmed, president of FBCCI; Rokia Afzal Rahman, president of MCCCI; Prof Ahmed Ismail Mustafa, chairman of Bangladesh Council of Scientific and Industrial Research; Sabur Khan, president of DCCEI; and SM Shaheen Anwar, deputy general manager of SME Foundation, at an awards ceremony at Sonargaon Hotel yesterday.

of the Metropolitan Chamber of Commerce and Industry, said the SMEs are "the engine of growth of a country".

"If women entrepreneurs use these engines, growth will be accelerated as women are committed, sincere and hard workers," she added.

The SME sector accounts for

around 40 percent of the national economy, said Md Sabur Khan, president of Dhaka Chamber of Commerce and Industry.

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## NBR sets tariff value for imported tyres

**STAR BUSINESS REPORT**

The National Board of Revenue has set tariff value for imported tyres of motor cars and three-wheelers to prevent duty evasion through under-invoicing.

The tariff value is the base price on which the customs duty is determined. Earlier, customs officials determined duty based on the assessable value certified by pre-shipment inspection firms.

The tariff value became effective from January 29 in line with a notification of the revenue administration.

The NBR, however, did not impose any tariff value for tyres of bus and trucks amid opposition from bus and truck owners.

"It will help reduce under-invoicing of imported tyres. From now, no importers can quote prices below the tariff value," an NBR official said, asking not to be named.

"We have taken the decision based on opinions of all stakeholders," the official said.

The move came amid objections from local tyre manufacturers that they face an unequal price competition with imported tyres because of under-invoicing by a section of importers.

Under the new tariff valuation method, the value for each kilogram of imported tyres of motor cars, minibuses and pickups from Indonesia, China and Vietnam has been set at \$4.

The values for imported motorcycle tyres and three-wheeler tyres are \$3.75 and \$3.50.

For importing tyres of motor cars, motorcycles and three-wheelers from India, Thailand, Pakistan, Nepal, Sri Lanka and Malaysia, the value has been set at \$4.25, \$3.75 and \$4 each kg, according to the notification.

The tariff value for tyre imports from Korea, Japan, Taiwan and other countries has also been fixed.

"We hope under-invoicing will come down due to the tariff value. It will increase prices of imported tyres and bring parity," said Mamunur Rahman, commercial manager of Apex Husain Group, a local tyre maker.

Rahman said local tyre makers were in troubles to compete with imported tyres because importers charge prices below the prices of locally made tyres.

At present, three-four local firms make tyres, mainly for three-wheelers, minibuses, pickups and minibuses to cater to the growing domestic market.

Bangladesh needs around 10 lakh pieces of three-wheeler tyres a year. Of the requirement, local firms make 4-5 lakh, Rahman said. Currently, tyre importers have to pay a total of 61 percent as duty and taxes.

Mokhlesur Rahman, who heads the sales and marketing team of tyre at Rahimafrooz, said they are yet to calculate whether the prices of tyres will increase following the move.

## Make VAS prices clear to customers

### Telecom regulator asks mobile operators

**ABDULLAH MAMUN**

The telecom regulator has asked mobile operators to inform customers about the regular tariff of their SMS-based value added services when the promotional period of a particular service ends.

The regulator also directed the operators to let the customers choose whether they want to continue receiving the service at the regular tariff.

The VAS users often face "bill shocks" after unknowingly continuing the service beyond the promotion schedule, said Bangladesh Telecommunication Regulatory Commission (BTRC) in a directive on Thursday.

The BTRC said the operators were also found not complying with a previous directive issued in August 2012 on SMS-based premium rate services on health care, agriculture.

The BTRC said the operators should follow the directives to ensure a healthy competition in the market and help customers avoid the bill shocks.



However, the operators said the new order surprised them as a consultation has been going on between them and the regulator on the 14-point directive issued in August.

However, so far both the parties have agreed on 11 points of the directive, said Mahmud Hossain, chief corporate officer of Grameenphone.

But the operators oppose the BTRC move to reduce the tariff for internet packages like "pay as you go" from Tk 0.02 per kilobyte to Tk 0.01, he said.

The regulator also asked the operators

to introduce a system, which will enable users to close all value-added services, if they want, using a single keyword.

But Hossain said there are some technical problems to comply with the directive.

The operators also oppose the regulator's call to use same keywords for a particular type of service of all operators, he said.

BTRC Chairman Sunil Kanti Bose said the commission is open to receive opinions from the operators.

The regulator may consider the directives which the operators will feel impossible to follow, he said.

The Association of Mobile Telecom Operators of Bangladesh on Sunday requested the BTRC to hold further discussions, said TIM Nurul Kabir, secretary general of the association.

However, an official of another mobile operator said, once a customer gets registered for a service during the promotional period, he remains 'on' until he asks the operator to stop the service.

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## Jamuna Group gets Marriott as hotel partner

**STAR BUSINESS REPORT**

Jamuna Group will build a five-star hotel to be operated by international luxury hotel chain JW Marriott.

The hotel sited at Jamuna Future Park at Progoti Sarani in Dhaka will open in 2015.

Jamuna will have a 100 percent stake in the 700-room hotel, while Marriott will work as the management partner.

"Marriott will help with the construction and interior designs of the hotel," said Mohammad Alamgir Alam, marketing, sales and operations director of Jamuna Group.

The agreement between the two parties will be signed in Dhaka today.



## Remittances rise 7.6pc in January

**BUSINESS REPORT**

Migrant workers sent 7.6 percent higher remittances in January as more jobs were created abroad for Bangladeshi workers.

Remittance inflows rose to \$1.31 billion in January from \$1.22 billion the same month a year ago, according to Bangladesh Bank.

The amount in January was the second highest in the current fiscal year.

In October, Bangladesh received the highest amount of remittances at \$1.45 billion.

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