STOCKS Week-on-week

DSEX	CSCX
▼ 0.22%	▼ 0.32%
4,118.49	8,027.52

COMMODITIES As of Friday

Gold ▼	Oil ▲
$1,368.10 (per ounce)	$108.61 (per barrel)

ASIAN MARKETS Friday closings

MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 1.53%	▼ 1.45%	▲ 0.29%	▲ 0.83%
19,270.06	13,860.81	3,048.35	2,139.99

CURRENCIES As on Thursday STANDARD CHARTERED BANK

	USD	EUR	GBP	JPY
BUY TK	77.25	100.27	118.61	0.72
SELL TK	78.25	104.27	122.64	0.79

Star BUSINESS

DHAKA SUNDAY SEPTEMBER 8, 2013, e-mail:business@thedailystar.net

COPING WITH NATURAL DISASTERS, ECONOMIC SHOCKS

UN urges united stand from Asia-Pacific

STAR BUSINESS REPORT

A comprehensive response is needed to fight economic crises and natural disasters in the Asia-Pacific region in the era of overlapping shocks, according to a new study of the United Nations released in Bangladesh yesterday.

The Asia-Pacific has been battered in recent years by a relentless series of shocks, said the study -- Building Resilience to Natural Disasters and Major Economic Crises.

Some of the shocks have been related to natural disasters, such as earthquakes, droughts or floods. Others, such as the 2008 financial crisis, have been caused by convulsions in global markets, the study said.

"The traditional approach has been to consider such events individually. This is increasingly unrealistic," said Sanjay Kumar Srivastava, regional adviser on disaster risk reduction of the United Nations Economic and Social Commission for Asia and the Pacific (UN-ESCAP).

STAR

***From left,* Debapriya Bhattacharya, distinguished fellow of Centre for Policy Dialogue; M Asaduzzaman, former research director of Bangladesh Institute of Development Studies; Rehman Sobhan, chairman of CPD; Saleemul Huq, senior fellow of London-based International Institute for Environment; and Mustafizur Rahman, executive director of CPD, attend a dialogue at Brac Centre Inn in Dhaka yesterday.**

He said governments across the region often find themselves dealing with overlapping shocks that demand a more comprehensive and systemic approach to building resilience.

The UN official said, for many policymakers this is a new territory as they are more accustomed to focusing on problems in particular economic or social sectors.

READ MORE ON B3

SIM REPLACEMENT

NBR to see a sharp cut in its tax claim

ABDULLAH MAMUN

Operators	Previously claimed amount with interest (Tk in crore)	Number of SIMs to be reviewed	SIM review completed till Aug 23	SIM with reg. problem (in %)	Total amount to be claimed (Tk in crore)
Grameenphone	1,580.43	1,400	620	12.26	194
Banglalink	774	1,200	1,200	4.83	37.38
Robi	654.99	1,200	1,129	3	19.65
Airtel	52.74	1,100	1,097	0.36	0.1898
Total	**3,062.16**				**251.21**

The amount of tax that the National Board of Revenue had claimed from four mobile operators for SIM replacement has come down drastically -- to around Tk 251 crore, according to interim reports of a review committee.

Last year the tax administrator had claimed Tk 3,062.16 crore from the operators -- Grameenphone, Banglalink, Robi and Airtel -- arguing that the operators had resold the SIM cards and dodged tax during July 2009 to December 2011.

The NBR claimed the amount, which includes 15 percent interest, examining only 20 SIM cards of the operators.

The operators have been refuting the claim saying the SIMs were issued as replacement for the lost or damaged ones. The dispute later moved to the apex court, which asked the NBR to resolve the issue.

Last month a review committee was formed having representatives from the telecom regulator, NBR, mobile operators and the Association of Mobile Telecom Operators of Bangladesh (AMTOB) to reexamine the replaced SIMs.

The committee took 4,900 SIMs of the four operators on a random basis and verified those in 20 ways to check whether the SIMs were used by the same users. Four subcommittees were formed to review the SIMs of the four operators.

The subcommittees reviewed almost all the SIMs of Banglalink, Robi and Airtel, and 44 percent SIMs of Grameenphone. However, the total payable amount may change after all the reviews are done.

The Daily Star obtained the copies of the interim reports of the subcommittees.

According to the interim reports, 12.26 percent SIMs of Grameenphone, 4.83 percent of Banglalink, 3 percent of Robi and 0.36 percent of Airtel had problems and were taxable, till August 23. The committees started the verification process on July 31 and submitted the interim reports on August 27.

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Hatil breaks into US market

STAR BUSINESS REPORT

Paul Robert Inc, a furniture wholesaler in the US market, will buy furniture from Hatil Complex Ltd, a local furniture maker.

The US furniture seller that imported products from China is now looking to Bangladesh as the cost of doing business is rising in China.

"Bangladesh will be the best option for sourcing furniture due to its cost efficiency and high quality," said Daniel York Dickinson, vice president of Paul Robert Inc.

Paul Robert that also sells furniture in Europe and the Middle East signed a "global supply agreement" with Hatil at Ruposhi Bangla Hotel in the city on Thursday.

"I am confident about the skills, commitment and dedication of Hatil as a supplier to the world," he added.

Paul Robert selected Hatil as its manufacturing partner in Bangladesh after long research, design and product development, and capacity development programme, said Selim H Rahman, chairman and managing director of Hatil.

Hatil recently forayed into the global market by opening its showroom in Sydney, Australia, said Rahman, also chairman of Bangladesh Furniture Industries Owners Association.

The supply agreement with the American company is another break-

HATIL

Daniel York Dickinson, vice president of Paul Robert Inc, and Selim H Rahman, managing director of Hatil, attend the signing of a global supply agreement at Ruposhi Bangla hotel in Dhaka on Thursday.

through for both Hatil and the furniture industry of Bangladesh, he said.

Hatil's relentless efforts to improve quality, design and functionality of its furniture has enabled the company to achieve such success in the global arena, he added.

The furniture sector will become the second export-oriented industry after ready made garment sector in Bangladesh, said Shubhashish Bose, vice-chairman of Export Promotion Bureau of Bangladesh.

The furniture makers should diversify the export basket to compete in the world market, Bose said. Recently, Hatil also received an export order from Thailand.

Established in 1989, Hatil has annual sales turnover of Tk 75 crore, with its factory in Gazipur capable of producing around Tk 200 crore worth of furniture a year.

At present, 17 companies that include Otobi, Akhtar, Hatil, Brothers, Partex, Navana, Legacy and Furnitec are involved in furniture exports.

They raked in around Tk 245 crore from exports last fiscal year, up 15.73 percent from fiscal 2011-12, according to data from the Export Promotion Bureau.

Furniture is one of the country's rapidly growing sectors, with around 19 percent annual growth in turnover. It currently employs about 30 lakh people.

Foreign investment in stocks drops further

SARWAR A CHOWDHURY

Foreign investment in the capital market declined for the second month in August due to the increase in settlement period.

"There were plenty of buy orders from the foreign investors' side, but we needed more days to execute the orders," said Mohammed Rahmat Pasha, chief executive officer of Brac-EPL, a stockbroker. It used to take 1-2 days to execute the orders in 2010, but now it takes 4-5 days, he said.

In August, foreign investors bought shares worth Tk 220.36 crore and sold stocks worth Tk 64.95 crore to take their net investment for the month to Tk 155.41 crore, down 17.57 percent from July's Tk 188.54 crore, according to data from Dhaka Stock Exchange.

Although the foreign investors remain updated about the country's political situation, they are not concerned about it, according to Pasha. "Basically, they make their investment decisions based on company fundamentals."

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

Also known as portfolio investment, foreign investment accounts for around 1 percent of the DSE's total market capitalisation.

Between January and August, foreign investors bought shares worth Tk 1,717.42 crore and sold stocks worth Tk 462.7 crore, showing net investment of Tk 1,255.72 crore, according to DSE data.

3G auction today, at last

STAR BUSINESS REPORT

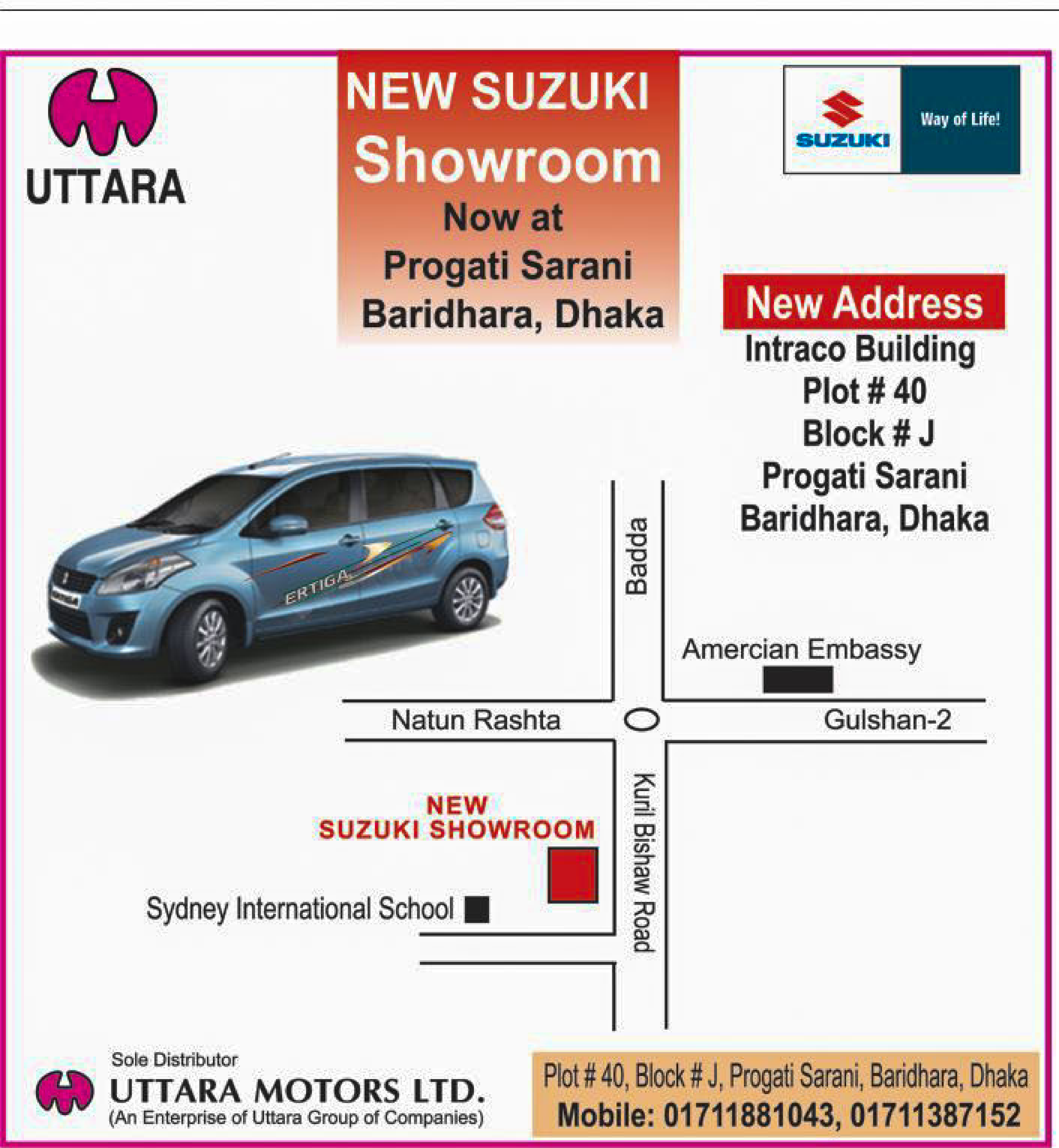
The long-delayed 3G auction will finally be held today, with participation from the four private mobile operators.

The government has reserved a total of 40 megahertz (MHz) of spectrum from the 2,100 MHz band for the auction.

The bid for each MHz of spectrum will start at Tk 155 crore, with the four private mobile operators—Grameenphone, Banglalink, Robi and Airtel—having the option to acquire spectrum in chunks of 5, 10 or 15 MHz.

Citycell, the oldest operator, is sitting out of the auction due to failure to gather the necessary funds. The state-owned Teletalk, which has already been running 3G services, will pay for its allocation once the final price of per MHz of spectrum is determined at the auction.

3G, short for third generation of mobile telecommunication technology, allows high-speed internet access and video telephony from one's handset. The four operators are aiming to roll-out the service by year-end.



Common checklist on factory inspection

STAR BUSINESS REPORT

Three separate platforms formed to inspect Bangladesh's garment factories have agreed in principle to follow a common set of standards, Labour Secretary Mikail Shipar said yesterday.

Of the three, two are global initiatives—one led by IndustriALL, a global union federation, and the other by North American Alliance (NAA), a platform of 20 US-based retailers.

The third, the National Action Plan, initiated by the government, will be led by Bangladesh University of Engineering and Technology.

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