

এসআইবিএল ইয়াং স্টার একাউন্ট

আকর্ষণীয় হারে মুনাফা প্রদান করা হয় (হিসাবায়নে ইসলামী শরীয়া'র মূদারাবা পদ্ধতি প্রযোজ্য)

০৯৬১২০১১২২ নাম্বারে ফোন করে এসআইবিএল-এর যে কোন শাখায় যোগাযোগ করুন

SIBL উৎসর্গে ডেভেলপড

Mobile handsets to get pricier

15pc VAT looms on imports of handsets

SOHEL PARVEZ

Mobile phone users may see a hike in the prices of new handsets in the coming fiscal year as the government is likely to slap a 15 percent value-added tax at the import stage, finance ministry officials said.

The move comes at a time when handset imports are rising with growing numbers of mobile subscribers.

The number of mobile phone subscribers rose to 11.56 crore in April from 9.06 crore two years ago, according to data from Bangladesh Telecommunication Regulatory Commission.

The number of mobile handset imports rose to about 2 crore in 2013 from 1.3 crore the previous year; and about 98 lakh mobile handsets were imported in 2011, according to BTRC.

Currently, a 10 percent customs duty is applicable on the import of mobile phones.

The move is planned in line with the goal to enforce the new VAT law from July 2015, when a flat 15 percent rate of VAT will be applicable at the import stage, revenue officials said.

Market operators said the mobile handset market is growing in terms of quantity, with a section of users switching to smartphones.

A specific duty of Tk 3,000 may be put on the import of gold bars weighing one bhoori or 11.66 grams under the baggage rules in fiscal 2014-15, rising from Tk 150 at present.

A senior customs official said gold imports have shot up under the baggage rules in the outgoing fiscal year after India,



one of the world's biggest consumers of gold, raised the duty to 10 percent on gold imports.

In July-March, Bangladeshi migrants or people travelling abroad brought home 1,016 kilograms of gold under the baggage rules. Besides, the seizures of smuggled gold also shot up in the outgoing fiscal year, compared to the previous years.

Some 673 kilograms of gold were smuggled into Bangladesh in July-March, according to National Board of Revenue.

"We expect that the increase in duty will reduce the use of Bangladesh as a transit for gold smuggling," said a senior official at Dhaka Customs.

Budget docs to be available online

Govt welcomes feedback to improve budget planning

STAR BUSINESS DESK

Detailed information on the budget and all relevant documents would be made available online for public feedback and comments to ensure people's wider participation in budgetary planning and development, the finance ministry said in a statement yesterday.

Individuals and organisations can comment on the budget and give suggestions by filling out a feedback form on the finance ministry's website at www.mof.gov.bd.

The budget for fiscal 2014-15 will be announced in parliament tomorrow.

The various websites that will provide budgetary information include mof.gov.bd, bangladesh.gov.bd, nbr-bd.org, plancomm.gov.bd, imed.gov.bd, bdpressinform.org, pmo.gov.bd and thedailystar.net.



Right, Roberto Azevedo, director general of World Trade Organisation, speaks at a meeting at Sonargaon Hotel in Dhaka yesterday. Commerce Minister Tofail Ahmed and BGMEA President Atiqul Islam are also seen.

Duty-free access hinges on Doha Round of WTO talks

WTO director general says positive outcomes may come from a meeting in Geneva in December

STAR BUSINESS REPORT

The duty-free access of Bangladesh's garment items to the US market largely depends on the successful completion of the World Trade Organisation's Doha Round of negotiations, WTO's director general said yesterday.

"I have already held meetings with the developed countries and asked them to successfully complete the Doha Round," Roberto Azevedo said.

He said they expect 'a good outcome' from a meeting in December in Geneva.

Azevedo, who is now in Dhaka on a two-day visit, was speaking at a meet-

ing with businesspeople at Hotel Sonargaon.

Currently, being a least developed country, Bangladesh enjoys duty-free access for 97 percent of its products to the US, but the country's main export item -- garments -- is not entitled to the privilege.

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Regulator scraps BTV's unused frequency

ABDULLAH MAMUN

The telecom regulator has cancelled the unused spectrum of state-owned Bangladesh Television in the 2,000-megahertz band as it was disrupting the 3G services of mobile operators.

The 2,000MHz band was allocated to mobile operators to roll out 3G services through an auction last year, but some frequency (around 5 MHz) of BTV in the same band was disrupting the 3G services, said an official of Bangladesh Telecommunication Regulatory Commission.

In September last year, BTRC allocated frequency to five mobile operators—Grameenphone, Banglalink, Robi, Airtel and Teletalk—in the 2,000MHz, popularly referred to as 2,100MHz, after an open auction.

Md Sarwar Alam, director of media and public relations of BTRC, said BTV uses optical fibre cables for its connectivity and it was not using the frequency; so the commission cancelled it.

Moreover, the 2,000 MHz or 2,100 MHz band is globally allocated for mobile technology in line with the policy of International Telecommunication Union, a UN body of telecoms.

Although BTV was not using the frequency from 2008, its related equipment (radio) was active; so, it was disrupting the 3G services mainly of Robi in Dhaka and Chittagong areas, according to a document of a BTRC meeting last month.

Earlier, the spectrum management committee, a government panel looking after frequency allocations and cancellations, decided to withdraw the frequency and made recommendations to BTRC.



Nobel laureate Prof Muhammad Yunus poses with Canadian Finance Minister Joe Oliver at a meeting in Ottawa last week. They discussed the prospects of implementing social business in Canada.

5 economic zones get green light

SARWAR A CHOWDHURY

The government will develop five special economic zones in the next two years to attract both foreign and domestic investments.

Four SEZs will be set up under the government's Bangladesh Economic Zones Development Project at a cost of Tk 81.95 crore in Mongla, Moulvibazar and Chittagong's Anwara and Mirersorai areas.

Of the total cost of the four SEZ projects, the government will contribute Tk 2.25 crore. The rest Tk 79.70 crore will come from project aid: the International Development Association, World Bank's soft-lending window, will provide Tk 65.35 crore, while the Department for International Development (DFID) will provide Tk 14.35 crore.

"The funds will be used in land development, construction of office buildings and other infrastructure in the project sites," said Md Nurannabi Mridha, project director of Bangladesh Economic Zones Authority (BEZA), the project's imple-

LOCATION	SIZE IN ACRES OF LAND
Mongla	205
Bagerhat	
Anwara	611.47
Chittagong	
Mirersorai	6,615.12
Chittagong	
Moulvibazar	354.99
Sylhet	
Sirajganj	1,041.41

menting authority.

The fifth SEZ will be developed in Sirajganj with the government's own funds.

"All the five projects may create jobs for 1.5 crore people by 2021," Mridha said.

The five projects were approved by the Executive Committee of the National Economic Council yesterday.

Western Marine goes for IPO

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission yesterday gave the go-ahead to Western Marine Shipyard to raise Tk 157.50 crore from the capital market.

Following the fixed price method, the company is set to float 4.50 crore of ordinary shares worth Tk 10 each at Tk 35, including Tk 25 as premium.

The shipbuilder will use the fund from the initial public offering for infrastructure development and bank loan repayment, the regulator said in a statement.

The company's five year's weighted average earnings per share, as of June 2013, stood at Tk 3.87, with a re-valued net asset value per share of Tk 40.27.

Prime Finance Capital Management, ICB Capital Management and EC Securities would be the issue managers of the IPO.

AAA Consultants and Financial Advisers will manage the IPO, prospectus of which was approved at a meeting presided over by BSEC Chairman Khairul Hossain.

Meanwhile, the BSEC formed a two-

member committee to investigate the abnormal share price hike of Wata Chemicals and submit a report in the next ten days.

Following its announcement of 30 percent stock dividends for 2013 on Monday, the company's share price leapt more than eight times to Tk 487.

Wata Chemicals's net profit in 2013 rose 48.5 percent year-on-year to Tk 2.97 crore. At the end of last year, its earnings per share stood at Tk 6.13 and net asset value per share at Tk 119.82, against Tk 4.12 and Tk 110.86 respectively in 2012.

But after being re-listed on May 14, the company was traded for only one day on May 29 at Tk 59.80 a share. Only 5,200 shares traded on that day.

Before the re-listing, Wata Chemicals remained on the over-the-counter market for four and a half years. In 2009, the DSE had transferred the company to the OTC, a separate trading floor for junk shares.

The BSEC also formed a three-member body to prepare guidelines on venture capital and private equity, and instructed the panel to submit a report within the next one month.

Return of political crisis will stunt growth: IMF

STAR BUSINESS REPORT

The main risk in the near future that would lower economic growth, push inflation up and put pressure on the foreign currency reserve is a resurgence of political crisis, International Monetary Fund said yesterday.

IMF released a report on Bangladesh's macroeconomic situation after approving the instalment of the extended credit facility, a financial scheme that helps countries improve their balance of payments.

After prolonged political unrest, calm returned following the January 5 elections; activities and domestic demand are expected to pick up and the trend will continue into the next fiscal year, IMF said.

However, IMF analysed various risks and said further violence and uncertainty, without mentioning a cause, will again affect investment.

"Growth prospects could be affected by a loss of confidence and a slump in investment and consumption," the report said.

IMF has projected the economy will grow by 6.25 percent in the next fiscal year, while the government aims for 7.3 percent growth.

Pressures on the balance of payments could emerge from a loss in export production and fiscal consolidation could be at risk, according to the report.

Indicating various benefits to be given to exporters to make up for the loss caused by political unrest, IMF said the government needs to resist the pressure to give tax benefits and cash subsidies that undermine fiscal discipline and counter their efforts to strengthen fiscal revenue under the ECF programme.

To reduce the subsidy burden, IMF recommended a hike in the prices of

fuel and electricity. "The authorities remain committed to containing energy subsidies and adjusting domestic price accordingly."

Subsidies should gradually be replaced by well-targeted social transfers, IMF said.

In addition, to reduce energy costs, the rental power plants should be subject to tighter pricing rules and gradually be replaced by base-power plants, the IMF report added.

IMF urged the government to make the new VAT law effective by July 2015 and said Bangladesh has one of the lowest tax-GDP ratios in the world. "It is critical to strengthen revenue in relation to GDP, so as to broaden fiscal space for priority spending."

Highlighting various weaknesses of the state banks, IMF recommended the government make the banks comply with the conditions imposed on them.

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