

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
0.03%	0.01%	\$1,306.60	\$104.83	0.30%	0.48%	0.18%	1.34%	BUY TK	77.00	101.86	128.24	0.75
4,486.19	8,492.42	(per ounce)	(per barrel)	25,589.01	15,232.37	3,314.22	2,187.67	SELL TK	78.00	105.85	132.19	0.79

**সমৃদ্ধির (শেপান) বিশ্বপণ আয়ের শ্রেষ্ঠ উপায়**

স্বাধীন প্রযুক্তি ও সর্বোচ্চ ব্যর্থিক সেবায় আমানত বিশ্বপণ করুন স্বল্পসময়ে

ইসলামী শরী'আহ মূদারাবা নীতির ভিত্তিতে পরিচালিত

বে ক্রেন প্রয়োজনে ০৯৬১২০০১১২২



# Star BUSINESS

DHAKA FRIDAY AUGUST 8, 2014, e-mail:business@thedailystar.net



Activists of the ruling Awami League beat up a Tuba Group worker in the capital yesterday as workers demonstrated for arrears. AMRAN HOSSAIN

## End Tuba Group workers' woes

Women activists urge govt and BGMEA

**STAR BUSINESS REPORT**

A group of civil society organisations yesterday urged the government and garment factory owners' association to resolve the standoff over unpaid wages of Tuba Group workers without any further delay.

Otherwise, the hunger strike enforced by the workers for two weeks now could snowball into a nationwide movement, they said.

"If a countrywide movement is formed, things might go out of control," said Farida Akhter, executive director of Policy Research for Development Alternative or UBINIG, a nongovernmental organisation.

The rights activist spoke at a press briefing at Dhaka Reporters Unity in the city. Songkhubddho Nari Samaj, a platform of more than a dozen civil society organisations and rights groups, organised the programme to express solidarity with the workers of Tuba Group. Some of the workers of the garment maker have been on hunger strike since July 28 to realise wages of the past three months, overtime dues and Eid bonuses.

They alleged that the wages and other benefits were unpaid purposefully to compel the workers into the protest movement to free Tuba Group Managing Director Delwar Hossain from jail.

Hossain had been detained until Tuesday in a case linked with a 2012 fire that killed 112 people at Tazreen Fashions, a garment unit of Tuba Group in Ashulia.

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### TUBA GROUP CRISIS

# Pay by Sunday or face legal action

State minister Mujibul Haque Chunnu warns Tuba owners

STAR BUSINESS REPORT

The government will take legal action against Tuba Group should it fail to clear its workers' dues by Sunday, State Minister for Labour and Employment Mujibul Haque Chunnu said yesterday.

Factory owners have to clear their payroll for a calendar month within the first ten days of the following month as per the labour law, he said at a press conference yesterday at the Bangladesh Garment Manufacturers and Exporters Association's office.

Tuba Group workers are yet to be paid their salaries for the month of July along with Eid bonuses. "We expect Tuba Group will comply with the rule and pay off its workers by August 10."



Tuba Group workers break down in tears as police forced them out of the factory compound in Badda, Dhaka yesterday. AMRAN HOSSAIN

"We will not consider any excuses," said Shipping Minister Shajahan Khan, while suggesting the disgraced garment manufacturer to either borrow from banks or sell off its assets if it needs to.

Chunnu said that labour ministry officials have already met with Tuba Group's owner, Delwar Hossain, to inform him of the government's plan of action should he fail to pay off the workers by the deadline.

All of Tuba Group workers have collected two of their three months' outstanding salaries from the BGMEA headquarters at Karwan Bazar, according to Atiqul Islam, president of the association. Meanwhile, the government and the BGMEA have urged the trade unions and workers to refrain from any strike. "Workers have already got their

two months' salaries and they will get the other month's salary on Sunday. So it is illogical to call a strike," Chunnu said.

The BGMEA chief also called upon labour leaders to refrain from doing politics in the garment sector for the sake of the country's best interests.

"The problem of Tuba Group has been resolved as almost all workers have taken their salaries," said Islam, adding that many workers were unable to come to the association office on Wednesday to draw their salaries as a "vested quarter was playing games with innocent workers".

He said the workers could not collect their ID cards from factories as they were caught up at Badda's Hossain Market that houses three factories of the group.

Meanwhile, salary distribution at the BGMEA office started at 9am yesterday but it got momentum after noon, when hundreds of workers flocked in, with a long queue seen after 4pm.

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Second from left, Shaheen Anam, executive director of Manusher Jonno Foundation, speaks at a press conference organised by a group of civil society organisations at Dhaka Reporters Unity yesterday. STAR

## Forex reserves hit record: \$22b

STAR BUSINESS REPORT

The country's foreign exchange reserves reached a new high yesterday, crossing the \$22 billion-mark for the first time in the nation's history.

Reserves stood at \$22.05 billion, according to data from the Bangladesh Bank. On June 16 this year, the reserves crossed the \$21-billion mark.

The central bank attributed the extraordinary rise to the significant increase in remittance, steady export growth and an increase in corporate borrowing from foreign sources.

Kazi Sayedur Rahman, general manager of BB's foreign exchange and treasury management department, tipped the reserves to grow further this month as there is no payment pending with the Asian Clearing Unit.

BB officials also said the central bank's resolve to maintain a stable taka-dollar exchange rate and stimulus to exporters

FX RESERVE MILESTONES



including the expansion of the export development fund drove the reserves to a record high.

Zahid Hussain, lead economist at the World Bank's Dhaka office, said: "The good news is that the surplus in the balance of payments has been sustained despite a remittance decline in fiscal 2013-14."

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## Most insurers see a hike in profits

GAZI TOWHID AHMED

Most of the insurance companies saw a hike in their profits in the six months to June, thanks to a rise in premium income and dividend from investment.

A total of 33 companies disclosed their half-yearly profits as of yesterday. Of them, 23 saw a rise and 10 a fall.

Reliance Insurance's profit rose 10 percent to Tk 13.97 crore in the January-June period from the same time a year ago.

"Our income from policy premium went up 10 percent to Tk 90 crore this year due to an increase in new policies," said Akhtar Ahmed, an adviser to the insurer.

The interest income from investment such as fixed deposit also raised profits, Ahmed said.

Profits would have been higher, had there been no political crisis in the country, he said.

Reliance's earnings per shares (EPS) stood at Tk 2.34 in the last six months.

"But, we are facing difficulties in doing business due to unethical practices in paying commission to sales agents," Ahmed said.

Some insurers are paying higher commission -- up to 60 percent -- to rope in clients, according to insurers.

The agency commission is a fee paid to an agent or an insurance salesperson as a

percentage of the policy premium.

The regulator, Insurance Development and Regulatory Authority, has set the ceiling of commission at 15 percent in March 2012 to ensure strict compliance and ethical business practices.

The unethical practices in paying commission encourage corruption and generate black money, Ahmed said, adding: "The government gets poor tax for this."

This should be stopped for the interest of the insurance industry, he said.

Central Insurance's profits soared 33.6 percent to Tk 6.53 crore in the first half of the year compared with the same period last year, thanks to an increase in insurance policy, said Zahid Anwar Khan, managing director of the company.

"We settle insurance claims in time and so clients are gaining confidence," Khan said. "Our income from fixed deposit also increased our profits."

The insurance business will get a boost if the economy sees vibrancy, he added.

The pace of opening letters of credit is slow and commercial banks are sitting on idle money in absence of investment, Khan said.

Insurers will lose business if the political situation gets worse, he added. Central Insurance's EPS stood at Tk 1.57 during the first half this year.

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## Shahjibazar shares defy regulator's efforts to control prices



**SARWAR A CHOWDHURY**


The stock market regulator's effort to hold back the unusual price hike of the newly-listed Shahjibazar Power Company looks to be in vain, with the power company's share price rising 26 percent in the past four days.

Between its debut on July 15 and July 24, Shahjibazar's share price soared 61 percent to Tk 58.7. The abnormal rise prompted the Bangladesh Securities and Exchange Commission on Sunday to form a two-member panel to investigate the matter.

But the share price yesterday rose to Tk 85.1 from Tk 64.5 on Monday. Furthermore, not once did the Shahjibazar share price fall during the four days.

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Powersource Projects Limited operate through multiple distributors but need to advise all their customers and potential buyers in Bangladesh that it has come to our notice that generating sets purporting to be Powersource gensets have been supplied in the Bangladesh market.


The sets concerned bear markings and ratings plates that are fraudulent copies of our company name, products and documentation.

Any company concerned that they may have taken delivery of such a genset should contact us for clarification and we will be pleased to check and verify the model and support route. Further any sets found to be counterfeit should be immediately returned to the Bangladeshi supplying company and a full refund demanded.

Powersource Projects Limited- PowerPro brand are proud of their build quality and reputation as a supplier of exclusively UK manufactured and assembled Generator sets.

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**Powersource Projects Ltd**

PowerPro House, Capital Park Industrial Estate, Combe Lane, Wormley, Surrey, GU8 5TJ, United Kingdom.

Tel: +44 1428 684 980

Web: www.power-source-pro.co.uk

