

STOCKS		COMMODITIES		ASIAN MARKETS		CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	USD	EUR	GBP	JPY
▲ 0.81%	▲ 0.58%	\$1,237.10	\$93.10	▲ 0.24%	▲ 0.25%	BUY TK 76.85	97.52	122.84	0.71
4,713.58	8,809.04	(per ounce)	(per barrel)	27,061.04	15,948.24	SELL TK 77.85	101.53	126.84	0.75

Star BUSINESS

DHAKA MONDAY SEPTEMBER 15, 2014, e-mail: business@thedailystar.net

জীবনে ধরোজন আরো বেশি স্বাচ্ছন্দ্য
 সর্বাধুনিক প্রযুক্তি সম্বলিত ব্যাংকিং সেবায় মাসিক আয়ের সাথে বাড়তি আয় যোগ করুন আর জীবন করুন সুসমৃদ্ধ।

যে কোন প্রয়োজনে ০৯৬১২০০১১২২
 ইসলামাবাদ শরীয়াহ'র মুনাব্বা নীতির ভিত্তিতে পরিচালিত



NBR's online tax system floundering

SOHEL PARVEZ

With much enthusiasm, a big foreign bank filed its tax returns online just after the Large Taxpayer Unit (LTU) launched its electronic system in 2009.

Three years later, it returned to the manual system.

That was not a unique case. Most companies that had signed up for the e-filing system at LTU of the National Board of Revenue returned to the old method.

About 11 firms submitted returns online last fiscal year, according to NBR, down from 33 in fiscal 2009-10, when the LTU scheme was launched to ease taxpayers' hassles.

Similar is the fate of another e-filing initiative launched by one of NBR's field offices, Tax Zone-8, in 2010. The venture had initially attracted a good number of taxpayers, but Finance Minister AMA Muhith is the only person who still uses it.

Separately, the NBR opened an e-payment

portal in May 2012 to save taxpayers from going to the bank to pay taxes. The system, inaugurated by Prime Minister Sheikh Hasina, failed to attract warm responses from individuals or companies.

Most payments made through the portal were related to income taxes, while payments related to customs duty and VAT remained negligible as scope to pay directly from the taxpayer's accounts is yet to be put in place, said taxmen and other stakeholders.

So far, taxpayers, mainly individuals, paid Tk 2.17 crore through the e-payment mechanism, according to NBR.

The e-ventures taken in the past five years pulled in new attention from taxpayers, as the NBR observes Income Tax Day today ahead of a weeklong tax fair in Dhaka and other divisional cities. Except for online registration of taxpayers identification numbers (TIN), most of the initiatives were half-hearted.

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BASIC managers take pay cuts

REJAUL KARIM BYRON

In an extraordinary move, BASIC Bank's top managers have forfeited a certain portion of their monthly gross salaries in a bid to minimise the operating costs in the face of financial tribulations.

The bank's six deputy managing directors have given up Tk 30,000 each from their gross monthly salaries and the 12 general managers Tk 20,000 each -- a first in the country.

"The management voluntarily took the initiative. There was no pressure from the board, but they appreciated the decision," Mojib Uddin Ahmed, a director of the bank, told The Daily Star yesterday.

The move is part of the action plan that BASIC sent last week to the finance ministry to rescue the ailing bank by 2016.

Presently, the state-run bank's

BASIC BANK'S STEPS

Cuts salary for top managers

Resolves to get bank back to the green by **2016**

Seeks emergency funds of **Tk 1,372 cr** from govt

Introduces special audit for loans above **Tk 1 cr**

bank's top officials in phases.

In return for the action plan, the bank sought Tk 1,372 crore on an emergency basis from the government fund to meet its capital shortfall. As of June, the bank had a capital shortfall of Tk 1,675 crore.

The specialised bank in the action plan said due to its capital shortfall and the overwhelming negative image, many international banks are not accepting its letters of credits (LCs).

Ahmed said the matter has been taken care of. "It happened for a short period. The problem is over now -- there is nothing to worry about."

He said the bank management sat down with those who hesitated in doing business and reassured them that they are now dealing with a new, improved and upright BASIC Bank.

Meanwhile, in the action plan sent to the bank and financial insti-

tutions division, BASIC said by 2016 it will: realise default loans amounting to Tk 1,000 crore, bring down the default loan volume to less than 35 percent and aim to make net profits of Tk 150 crore.

In December last year, the bank's net loss stood at Tk 53 crore.

It also set a target of increasing private deposit, which now stands at only 11 percent of the bank's deposits, to 25 percent in the next two years.

Some 250 proposals approved by the previous board have been suspended and the management asked to bring fresh proposals on a case-by-case basis.

The action plan also mentioned that efforts are being made to bring back the bank's 50 good borrowers who left due to the rampant corruption culture during the previous board's regime.

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Special cards for 402 top taxpayers today

STAR BUSINESS REPORT

The National Board of Revenue will honour 402 top and long-term taxpayers today, in an effort to encourage better compliance and boost income tax collections.

Forty taxpayers, comprising companies and individuals, will be honoured for paying the highest tax at the national level in fiscal 2012-13 and fiscal 2013-14.

The NBR will also honour 362 taxpayers

from 64 districts and nine city corporations.

The payers will get 'tax cards' for paying highest tax nationally. AMA Muhith, finance minister, is expected to hand out the cards at a programme at Sonargaon Hotel in Dhaka.

"It is an initiative worth continuing. It may encourage taxpayers to be recognised for their compliance," said Ahsan H Mansur, executive director of Policy Research Institute.

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CSR guideline drafted

Banks, non-banks must spend 2.5pc of profits on CSR; education on top

SAJJADUR RAHMAN

Banks and non-bank financial institutions will soon have to spend 2.5 percent of their net profits on corporate social responsibility (CSR) activities, as per the guideline prepared by the central bank.

The draft of the guideline, which is now awaiting formal approval, however, has exempted banks and NBFIs that are making losses, facing capital deficit or provisioning shortfall.

The move comes as part of Bangladesh Bank Governor Atiur Rahman's efforts since 2009 to get

financial institutions to contribute to the wider society that they operate in.

In what will be a landmark move, the guideline has also specified areas for CSR expenditure and imposed a ceiling on sectoral allocation.

Education must get at least 30 percent of the CSR funds and no other sector will be allowed to enjoy more than 15 percent of funds a year.

In the absence of a guideline, some institutions spent at will in the name of CSR. The finance ministry has recently suspended the

CSR activities of four state banks upon allegations of irregularities.

"We are at the final stage of formulating a well-documented policy on CSR. Things will fall in place after the policy is issued," Rahman told The Daily Star.

He said the abuse of CSR option in some banks might have taken place for want of a proper policy guideline.

Since 2008, banks and NBFIs have been running their CSR activities based on a notice issued by the department of off-site supervision of the central bank in June 2008.

It suggested some priority areas

such as self-employment and renewable energy programmes, promotion of folk crafts, music and performing arts, but BB could not take any punitive action if the spending diverged from these areas as compliance to the notice was not mandatory.

Last year, banks spent around Tk 442 crore on CSR activities, up 45.12 percent year-on-year. Some Tk 138.58 crore was spent on humanitarian and disaster relief, the highest, followed by education at Tk 129.52 crore.

Islami Bank Bangladesh spent the highest on CSR -- Tk 47.6 crore.

Govt rolls out project to make economic plans pro-poor

STAR BUSINESS REPORT

The government has launched a project to give a pro-poor bent to key state institutions responsible for formulating economic policies.

Called the Support to Inclusive and Sustainable Planning (SSIP) Project, the \$4.7 million-worth scheme is meant for implementation between June 2013 and December 2016.

Of the sum, the United Nations Development Programme (UNDP) will provide \$2.2 million, the UN Department of Economic and Social Affairs \$300,000 and the UN Poverty and Environment Initiative \$200,000.

The remaining \$2 million is yet to be mobilised, according to a presentation made at a workshop at the National Economic Council yesterday.

Under the project, the capacity of the national planners at the General Economics Division (GED) of the planning commission, the finance ministry, Bangladesh Bank and Bangladesh Bureau of Statistics will be enhanced, said Shamsul Alam, a member of the GED.

Planning Minister AHM Mustafa Kamal said the project is linked with accelerating economic growth and achieving Millennium Development Goals. "Development goal is the central target of the project, so we can serve the people."

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Fresh funds in stocks buoy turnover to 7-month high

STAR BUSINESS REPORT

Turnover on the Dhaka Stock Exchange reached Tk 838 crore, a seven-month high, as investors yesterday injected fresh funds into stocks amid growing confidence.

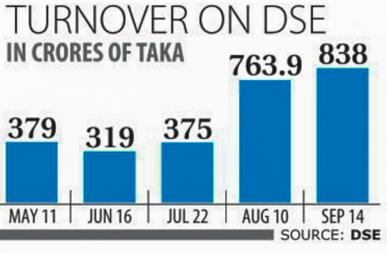
DSEX, the benchmark general index of the DSE, gained 37.66 points or 0.80 percent, to close at 4,713.58 point, the highest in four and a half months.

The shariah index of Dhaka bourse, DSES, went up 11.30 points or 1.03 percent, to close at 1,112.62.

Market turnover rose 22 percent from the previous day as some large-cap stocks from oil, pharma and cement saw vast buying interests, said LankaBangla Securities.

"Investors' confidence as well as injection of fresh funds continued the market momentum for the fourth consecutive session," said IDLC Investments. Large-cap shares continued to charm the investors, the investment bank said.

Among the mostly traded sectors: information technology generated the highest return of 4.5 percent followed by cement with 3.9 percent, engineering 2.4 percent and tannery 1.6 percent.



A total of 1.57 lakh trades were executed, with 15.41 crore shares and mutual fund units changing hands on the premier bourse.

Of the 301 issues that traded on the DSE, 125 advanced, 147 declined and 29 remained unchanged.

MJL Bangladesh was the most liquid stock of the day, with 58.89 lakh shares worth Tk 76 crore changing hands, followed by BSRM Steels, Lafarge Surma Cement and ACI.

Most of the life insurances' share also saw a price hike with Delta Life Insurance leading as the gainers' chart with its 9.96 percent rise, followed by Popular Life Insurance at 9.84 percent, Sandhani Life Insurance 9.78 percent and Rupali Life Insurance 9.33 percent.

Far Chemical Industries was the worst loser, plunging by 19.88 percent.

Chittagong Stock Exchange also gained yesterday with its selective categories index, CSCX, edging up 51.18 points to close at 8,809.

Losers took a strong lead over gainers with 125 to 87, while 17 issues remained unchanged on the port city bourse that traded 1.11 crore shares and mutual fund units with Tk 52 crore in turnover.

Internet literacy a must for future

Mozilla Foundation chief says

ABDULLAH MAMUN

Anybody can develop mobile applications just in seconds by learning computer programming codes available on the internet, said Mark Surman, executive director of Mozilla Foundation.

The simple methods to make an app are available on Mozilla's website, Surman said at a session at the CTO Forum that ended in the capital on Wednesday.



Mark Surman

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Date: 20 September (Saturday)
Time: 08:00 AM - 06:00 PM
Venue: Utshab, Radisson Blu Water Garden Hotel, Dhaka

Information & Registration:
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- Mobile Advertising - Opportunities and Challenges
- Digital Marketing in Bangladesh - A Case Analysis
- Story Telling in a Virtual World

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