ASIAN MARKETS

TOKYO

MUMBAI

V 0.11%



পাঁচদোনা শাখা ইসফার টাওয়ার পাঁচদোনা মোড় নরসিংদী

DHAKA TUESDAY SEPTEMBER 30, 2014, e-mail:business@thedailystar.net

COMMODITIES

Tax returns deadline extended to Nov 2

STOCKS

DSEX

CSCX

0.53%

STAR BUSINESS REPORT

The National Board of Revenue yesterday extended the deadline for filing income tax returns for individual taxpayers to November 2 from September 30.

The time has been extended in the face of demands from trade and professional bodies that taxpayers might be unable to complete all the formalities before the September 30 deadline due to Hajj and two religious festivals, Eid-ul-Azha and Durga Puja, NBR said in a statement yesterday.

Extension of the deadline has been a common feature over the years. But last year, the tax authorities extended the timeframe several times due to political unrest and to give people more time to get electronic taxpayer identification number (e-TIN).

The tax administration introduced online TIN to clean up its database of TINs that were issued manually earlier. **READ MORE ON B3** BASIC goes aggressive to recover loans

REIAUL KARIM BYRON

The new management of BASIC Bank has made an aggressive move to realise classified loans from top 100 defaulters who account for 86 percent of the total bad loans of the troubled bank. Around 81 percent of the loans taken by

these defaulters were given through Gulshan, Shantinagar and Dilkusha branches, which were dubbed as the most corrupt ones during the previous management. The BASIC Bank board led by new chairman Alauddin A Majid has identi-

fied the errant borrowers and sought suggestions from the finance ministry on what action can be taken against them. As on July 31, these defaulters owed Tk 3,946 crore to the bank, with its total

classified loans being Tk 4,560 crore and outstanding loans Tk 11,237 crore. BASIC has also prepared an action plan to recover the loans and sent it to the

ministry. BASIC Bank Director Mojib Uddin Ahmed said they would send to the law enforcing agencies and the Anti-Corruption Commission the list of the borrowers who cannot be traced.

The bank will find out the beneficiaries of the untraceable borrowers and take legal action, he said.

"Both pressure and negotiations will be used to recover the loans," he said, adding that the bank officials who were involved in granting the loans have been

TOP 20 DEFAULTERS OF BASIC	
Delta Systems	Tk 123 cr
Amader Bari	Tk 109 cr
ARSS Enterprise	Tk 106 cr
New Auto Define	Tk 102 cr
Feaz Enterprise	Tk 94 cr
Techno Design and Development	Tk 92 cr
Shifan Shipping Line	Tk 89 cr
RI Enterprise	Tk 88cr
RK Foods	Tk 86 cr
Ma Tex	Tk 85 cr
Monica Trading International	Tk 84 cr
SA Traders	Tk 80 cr
S Resources Shipping Line	Tk 79 cr
Asian Food Trading & Co	Tk 79 cr
SFG Shipping Line	Tk 78 cr
Brothers Enterprise	Tk 76 cr
Western Housing	Tk 73 cr
Surma Steel & Steel Trading	Tk 70 cr
S Suhi Shipping Line	Tk 69 cr
Cox's Developer	Tk 68cr

assigned to recover those.

"These officials have been asked to remain in contact with the borrowers," Ahmed said.

The bank has already contacted 77 defaulters who owe it Tk 1,844 crore.

READ MORE ON B3

An embroidered piece of clothing is on display at a stall at an exhibition organised by the Synthetic and Rayon Textiles Export Promotion Council of India and the Indian High Commission at Sonargaon Hotel in Dhaka. India looks to export fabrics to Bangladesh

Two-day fair on Indian textiles comes to an end today

REFAYET ULLAH MIRDHA

CURRENCIES

0.69

SHANGHAI

Dinesh Modi and Suresh Modi, brothers and directors of Mumbai-based fabric maker Banbury, have been looking for a partner in Bangladesh to manufacture shirts and suits to be exported to customers in the West.

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"If we can find a good partner here, we can collaborate to supply the fabric and they will stitch the shirts and suits for our existing Western buyers," said Suresh at his stall at the two-day exhibition that started at Sonargaon Hotel in Dhaka yesterday.

India's Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) in association with the Indian High Commission in Dhaka, is organising the exhibition, where 22 Indian companies are participating to showcase their items.

"We are interested in Bangladesh because the labour costs in India are much higher," Suresh said. Banbury produces fabric worth \$36 million a year, mainly for shirts and suits, he said.

The Indian and Bangladeshi companies can do good business together as India is stronger in fabrics and Bangladesh is stronger in garment

manufacturing, he said. Indian fabric makers are looking to

has already proved its strength in the garment business worldwide. Fair participants also said their exports to Bangladesh have been on the rise for a high demand for fabric. Currently, local mills in Bangladesh can supply more than 80 percent of

partner with Bangladesh as the latter

raw materials needed for the knitwear sub-sector and 40 percent for the woven sub-sector. The remaining demand for knitwear and woven fabrics and raw materials is met mainly by imports from India and China. "India can play a big role by supplying fabrics to Bangladeshi garment

manufacturers as both countries have their own strengths," said Sanjeev Saran, convener of the Export such as polyester spun yarn, viscose Promotion Committee of India. Saran, the past chairman of

SRTEPC, said Indian companies can supply manmade textiles, polyester, viscose, acrylic and yarn.

Meanwhile, India itself can be a big market for Bangladesh as the country currently enjoys duty-free access to the

Indian market for garment items, he said. He imports apparel items worth \$5

million from Bangladeshi brands to reexport to Scandinavian countries. But the businesses of both countries

should be meaningful, he said. "We want a win-win business relationship between the two countries." "We are here in Bangladesh as col-

laborators, not competitors. Bangladesh has a vibrant garments sector and India is a big destination for backward integration." V Anil Kumar, a participant at the

exhibition, said it is time for Bangladesh to move to high-end, value-added items as it has already done well in cotton items.

India can supply manmade fabrics to Bangladeshi garment makers at competitive rates, he added.

A wide range of textiles products, yarn, suiting clothes, ladies' dress fabrics and home textile fabrics are being displayed by the Indian companies at the seventh edition of the exhi-

In the past five years, exports of synthetic and blended textiles from India to Bangladesh rose from \$124 million in 2009-10 to \$237 million now, he said.

State banks to give more loans to tanners

REJAUL KARIM BYRON

State-owned commercial banks are set to disburse 17 percent more loans to tanners this year than the last to shore up the leather sector.

Sonali, Janata, Agrani and Rupali, which account for 90 percent of the loans extended to the leather sector, plans to disburse Tk 502 crore this year. Sonali may distribute Tk 140 crore, Janata Tk 222 crore, Agrani Tk 90 crore and Rupali Tk 50 crore.

Officials of the state banks said they would be strict in giving out are traded on the day of Eid.

loans and no credit would be granted to defaulters.

A high official of Sonali Bank said the bank would disburse Tk 58 crore ahead of Eid-ul-Azha to procure raw hide; the remaining amount would be handed out during the course of the year.

Those who defaulted last year would not be given any credit this year, he added.

Shaheen Ahmed, chairman of the Bangladesh Tanners Association, said the loan amount would not be enough, as raw hide worth about Tk 4,000 crore

"However, there is no pressure on the banks from our side to give out more loans than what they intend to."

The price of rawhide is very low this time, he said. Rawhide is trading at Tk 2,000 apiece this year, down from Tk 2,500 last year. The price of leather goods in the international market has also fallen.

The central bank made a guideline on giving loans to the leather sector about five years ago. The banks have been strictly following the policy and are subsequently facing much less pressure now.



Extreme left, Nobel laureate Muhammad Yunus launches Grameen America Inc's branch in Harlem, New York City, on Thursday. Andrea Jung, chief executive of Grameen America, was also present.

Grameen America opens new branch in New York

STAR BUSINESS REPORT

Grameen America has opened a new branch in Harlem in New York City to serve low-income women.

Nobel laureate Muhammad Yunus inaugurated the Grameen America Inc's (GAI) new branch on Thursday, yesterday.

This is the seventh GAI branch in Harlem through 2020. New York City. The other branches are located in Jackson Heights, Queens,

Brooklyn, Bronx and Manhattan.

GAI currently operates 19 branches in eight US cities targeting the women from low-income groups.

Earlier in the week, Prof Yunus and former US secretary of state Hillary Rodham Clinton jointly announced GAI's commitment to Yunus Centre said in a statement invest \$50 million in over 7,000 women-owned businesses in

Yunus was in New York to participate in the 10th annual Clinton

Global Meeting and UN Secretary General Ban Ki Moon's Millennium Development Goals Advocacy Group Meeting from September 20-29.

Andrea Jung, chief executive of GAI, and potential clients were present at the branch opening.

Founded by Yunus in 2008, GAI provides loans, savings programmes, financial education and credit establishment to women who live in poverty in the US. All loans must be used to build small businesses.

NBR cranks up heat on brick makers

SOHEL PARVEZ

In a bid to ensure tax coming to the administrator properly, the National Board of Revenue has made submission of tax clearance certificate compulsory for licence renewals and environmental clearance of brick kilns.

The NBR yesterday asked all deputy commissioners to issue permit renewals in favour of brick field owners by checking tax clearance certificates.

It also informed the Department of Environment (DoE) that brick field operators will have to submit tax clearance certificates for taking environmental clearance.

"We have taken the step to plug in the scope of tax evasion. Brick makers did not have the obligation to submit tax clearance certificates for permit renewals and environmental clearance," a senior NBR official said, seeking to remain unnamed.

READ MORE ON B3

Govt to assess state banks' performance

STAR BUSINESS REPORT

....... The government will assess performance of state-owned banks and financial institutions every three months to make their boards more accountable.

"So far their activities have not been accountable. Now they will have to be so," Banking Division Secretary M Aslam Alam told reporters after a meeting at the secretariat in Dhaka yesterday.

He also said the finance ministry would sit with the state-run banks and financial institutions every two months to discuss administrative issues.

Alam yesterday met with managing directors of Sonali, Agrani, Janata, Rupali, BASIC and Bangladesh Development Bank

Securities and Exchange Commission their affairs.

and the Insurance Development and Regulatory Authority were also pres-

The move came after a number of scams in state-run banks such as Sonali and BASIC in recent years. The financial irregularities have put the role of boards of the scamhit banks under question.

The state-owned commercial banks were corporatised in 2008. "We had thought they would function well if they are allowed to work independently," Alam

"But their condition did not improve, rather deteriorated further. The decision to make the financial institutions more accountable has been taken from the recent experiences," he said.

He said the central bank oversees the banks and financial insti-Representatives from Bangladesh tutions but does not go deeper into



MTB Securities Tejgaon Branch has relocated to

MTB Tower 111 Kazi Nazrul Islam Avenue Bangla Motor, Dhaka.



A Mutual Trust Bank Company www.mtbsecurities.com