

3rd asset management firm gets SEC nod

SARWAR A CHOWDHURY

After a 10-year break the stock market regulator yesterday allowed the third asset management company, Venture Investment Partner Bangladesh Limited, for managing funds including mutual.

The approval came at a time when there is a huge demand for mutual funds in the market. Now, there are only 14 mutual funds on the country's stock exchanges.

SEC Executive Director Farhad Ahmed said the number of mutual funds will be increased in the stock exchanges following Venture

Investment's entry into the capital market.

The Venture Investment got its permission at a meeting of the Securities and Exchange Commission (SEC) with its Chairman Faruq Ahmad Siddiqi in the chair.

The contribution of the existing mutual funds in terms of market capitalization to the stock markets is around 3 percent, which is even more than 50 percent in many developed countries, according to experts.

Mutual funds are needed for sound stock market, they said.

The SEC executive director said usually an asset manage-

ment company requires at least Tk 1.25 crore as paid up capital, while the Venture Investment's paid up capital is Tk 12.50 crore.

Of the paid up capital of Venture Investment, 60 percent is sponsored by local financial institutions-- The City Bank, National Credit and Commerce Bank, Southeast Bank, National Life Insurance and Trims Consultant Limited that contributed Tk 1.5 crore each.

Non-resident Bangladeshis (NRBs) sponsored the rest 40 percent of the paid up capital of the Venture Investment. US Bangladesh Investment Group

Incorporation and Tera Resources Services Incorporation, two investment firms set up by the NRBs in the USA, jointly sponsored Tk5 crore.

At present, state-owned Investment Corporation of Bangladesh Asset Management Company Limited (ICB AMCL) and privately run Asset and Investment Management Services (AIMS) of Bangladesh Limited are the two other asset management companies.

The ICB AMCL is managing 11 mutual funds, while the AIMS is managing two mutual funds.

WB to provide \$250m for transport sector renovation

UNB, Dhaka

The World Bank, a multilateral international lending agency, will provide US\$250 million in credit to Bangladesh for renovation works in transport sector.

World Bank Country Director Xian Zhu made the assurance of financial assistance during a meeting with Communications Adviser Maj General (ret) Golam Qader at his ministry yesterday.

During the meeting, Xian Zhu said, "If necessary, the World Bank will provide more assistance in addition to 300 million dollars for construction of Padma Bridge."

Besides, the donor agency will give another loan amounting to \$300 million for six investment projects of Bangladesh Railways.



Economist Dr Wahiduddin Mahmud gestures as he speaks at a seminar on food crisis in Bangladesh, organised by Institute of Microfinance, in Dhaka yesterday. Mahabub Hossain (left), executive director of Brac, and Professor MA Baqui Khalily, executive director of the Institute of Microfinance, look on.

India bolsters economic ties with Myanmar

AFP, New Delhi

India will seek stronger economic ties with Myanmar during a visit starting Wednesday by the regime's number two general, while still nudging the junta towards democracy, officials and analysts said.

Vice-senior General Maung Aye was to spend four days in New Delhi for talks with Indian leaders centred on economic cooperation, security and energy.

During the visit, the neighbours would sign a deal for 130

million dollars of Indian investment in Myanmar's Sittoung port, a transport ministry official said.

The development would enable cargo vessels from India's Mizoram state to navigate the Kaladan River to Sittoung on the edge of the Bay of Bengal.

Dhaka-Yangon inconclusive meet won't affect offshore gas bidding

Says Petrobangla chief

STAR BUSINESS REPORT

Petrobangla Chairman Jalal Ahmed yesterday said the Bangladesh-Myanmar bilateral meeting that ended inconclusive will not impact the on-going offshore gas bidding conducted by Petrobangla.

"This meeting will not influence the offshore gas bidding. We will hold meeting with Myanmar before going for investigation into the four disputed blocks," Jalal told the BBC Bangla radio in an interview.

He also said that they have enough time to resolve this issue because the discussion with Myanmar will continue till June.

Few months ago, Myanmar opposed any exploration of gas in four blocks.

Local RMG unit in Ctg EPZ soon

UNB, Dhaka

Local company named M/S Delmas Apparels (Pvt) Limited will set up a garments manufacturing unit in the Chittagong Export Processing Zone with an investment of US\$2.5 million.

This 100 percent local owned company will produce 3,60,000 dozens woven garments items and will also create employment opportunity for 718 Bangladeshis, including 17 foreign nationals.

An agreement to this effect was signed between the Bangladesh Export Processing Zones Authority and the M/S Delmas Apparels (Pvt.) Limited in Bepza Complex, Dhaka yesterday.

Bepza general manager (Investment Promotion) and managing director of M/S. Delmas Apparels (Pvt) Limited signed the lease agreement on behalf of their respective organisations.

BB for tight forex reserve to pay future import bills

STAR BUSINESS REPORT

The central bank governor yesterday said it will be cautious in spending foreign exchange reserve in view of future demands for commodity imports.

"We'll have to spend the reserve cautiously as we'll have to meet increased payments for import of food and other commodities," Bangladesh Bank Governor Salehuddin Ahmed said while briefing newsmen after a meeting with the chief executive officers of financial institutions (FIs).

The BB governor was also asked why the government has decided to take hard-term loans from the Standard Chartered Bank for the Bangladesh Petroleum Corporation when the foreign exchange reserve level is stable.

The governor said interest rate of the loans from the Standard Chartered Bank is less than the Islamic Development Bank's.

"We have already given \$300 million loans to the BPC [Bangladesh Petroleum Corporation] to purchase

petroleum products," he said.

As of Tuesday, the foreign exchange reserve was US\$ 5.6 billion, which is equivalent to import payments for three months.

Asked about the IMF loan of \$220 million as emergency support, Salehuddin said the IMF loan would help avert unexpected pressure on the balance of payment as spending on imports have increased substantially in recent days.

Referring to the discussion with the financial institutions, the governor said two financial institutions have provisioned shortfalls against their classified loans while the classified loans of eight others have increased.

Sources said of the eight financial institutions, Saudi Bangladesh Industrial and Agricultural Investment Company Limited has 26.14 percent classified loan while it has a provision shortfall of Tk. 4.49 crore.

Industrial Promotion and Development Company of Bangladesh Limited has 21.68 percent classified loan.

Oman Bangladesh Leasing

and Finance Limited has 19.49 percent classified loan and its provision shortfall is Tk 3.9 crore, meeting sources said.

Far East Finance and Investment Limited has 17.88 percent classified loan, Bangladesh Finance and Investment Company Limited 13.59 percent, Bangladesh Industrial Finance Company Limited 12.26 percent, Premier Leasing International Limited 15.87 percent, and GSP Finance Company (Bangladesh) Limited 12.56 percent.

The BB governor said the meeting decided to form a committee to look into the delay in issuing IPOs of seven financial institutions in the capital market.

The committee will be formed with representations from central bank, the Securities and Exchange Commission (SEC), the Registrar of Joint Stock Companies and Firms, and the association of the financial institutions.

The meeting was told that the IPOs of the financial institutions could not be issued due to some complexities.

Price controls risk worsening inflation in China: WB

AFP, Beijing

Chinese price controls, introduced to rein in inflation which is now near a 12-year high, could backfire and lead to higher prices if they remain in place for too long, the World Bank warned Tuesday.

"It would worry us if the price controls start to be imposed for a longer period of time, then they start to have incentive effects," Louis Kuijs,

the bank's acting China lead economist, told reporters at a briefing.

One of the major worries is that prices held at artificially low levels could discourage companies from producing enough, making commodities scarce and driving up prices, according to the World Bank.

"When that happens, then the price controls will actually increase inflation down the road because they reduce sup-

ply," he said. "That would be an unfortunate development."

Price freezes may be useful in the short term to guide expectations and to guide the market to get where the government thinks it should be, he said.

But the benefits will eventually fade away if the controls remain too long without easing the underlying problems in the economy that lead to inflation, he added.

Bangladesh Power Development Board Invitation for International Tender				
1	Ministry/Division	Ministry of Power, Energy & Mineral Resources/Power Division.		
2	Agency	Bangladesh Power Development Board (BPDB).		
3	Procuring entity name	Director, Purchase, BPDB, Dhaka.		
4	Procuring entity code	Not used at present.		
5	Procuring entity district	Dhaka, Bangladesh.		
6	Invitation for	Procurement of Hydrogen Compressor for Hydrogen Plant of Sikabaha 60MW Power Station, BPDB, Chittagong.		
7	Invitation Ref. No.	Pur-348/2007.		
8	Date	Date: 27.03.2008.		
KEY INFORMATION				
9	Procurement method	Open tendering method.		
FUNDING INFORMATION				
10	Budget and source of funds	Revenue Budget (Cash Foreign Exchange Allocation) of BPDB.		
11	Development partners (if applicable)	Not applicable.		
PARTICULAR INFORMATION				
12	Project/programme code (if applicable)	Not applicable.		
13	Project/programme name (if applicable)	Not applicable.		
14	Tender package No.	187 (FY 2007-2008).		
15	Tender package name	Procurement of Hydrogen Compressor for Hydrogen Plant of Sikabaha 60MW Power Station, BPDB, Chittagong.		
16	Tender publication date	Date: 27.03.2008.		
17	Tender last selling date	12.05.2008 up to 5.00pm.		
18	Tender closing date and time	On 13.05.2008 at 11.00am (BST).		
19	Tender opening date and time	On 13.05.2008 at 11.30am (BST).		
20	Name & address of the office(s)	Directorate of Purchase, BPDB, WAPDA Building (9th Floor), 12, Motiheel C/A, Dhaka.		
	Selling tender (principal)	Directorate of Purchase, BPDB, WAPDA Building (9th Floor), 12, Motiheel C/A, Dhaka.		
	Selling tender document (others)	Nil.		
	Receiving tender document	Directorate of Purchase, BPDB, WAPDA Building (9th Floor), 12, Motiheel C/A, Dhaka.		
	Opening tender document	Directorate of Purchase, BPDB, WAPDA Building (9th Floor), 12, Motiheel C/A, Dhaka.		
21	Place/date/time of pre-tender meeting (optional)	Nil.		
INFORMATION FOR TENDERER				
22	Eligibility of tenderer	As per tender document.		
23	Brief description of goods or works	Procurement of Hydrogen Compressor for Hydrogen Plant of Sikabaha 60 MW Power Station, BPDB, Chittagong.		
24	Brief description of related services	As per tender document.		
25	Tender document price	Non-refundable BD Taka 1,000/- (one thousand) only in the form of Pay-Order in favour of Directorate of Purchase, BPDB, Dhaka.		
	Lot No.	Identification of lot	Location	Tender security amount
26	1	Procurement of Hydrogen Compressor for Hydrogen Plant	Sikalbaha 60MW Power Station, BPDB, Chittagong	USD 1,000.00 or BDTK-70,000/-
27	N/A	N/A	N/A	N/A
PROCURING ENTITY DETAILS				
30	Name of official inviting tender	Md. Abduhu Ruhullah.		
31	Designation of official inviting tender	Director.		
32	Address of official inviting tender	Directorate of Purchase, BPDB, WAPDA Building (9th Floor), 12, Motiheel C/A, Dhaka.		
33	Contact details of official inviting tender	Tel. 7126144 Fax: 7126151.		
34	The procuring entity reserves the right to accept or reject all tenders.			
Md. Abduhu Ruhullah Director Directorate of Purchase BPDB, Dhaka				

Japanese business confidence hits four-year low

Survey finds

AFP, Tokyo

Japanese business confidence has slumped to the lowest level in more than four years as executives worry about a stronger yen, a weak US economy and high oil prices, a central bank survey showed Tuesday.

Confidence among major manufacturers tumbled to 11 in March from 19 in December, according to the Bank of Japan's quarterly Tankan survey. Market forecasts, on average, had been for a figure of 12.

It was the second straight quarterly decline, pushing sentiment down to the worst level since the fourth quarter of 2003, according to the survey, which covers a total of more than 10,000 companies.

Major manufacturers predict a further deterioration in business conditions to a figure of seven in June.

The index represents the percentage of firms experiencing favourable business conditions minus the percentage of those seeing unfavourable conditions.

Confidence among large non-manufacturers fell to 12 from 16 in the December.

Japan's corporate sector has been a key driver of the recovery in the world's second largest economy after a decade-long slump.

Helped by a weak yen and brisk exports, companies have racked up record earnings in recent years that allowed them to invest heavily in new equipment and factories.

But many firms are now looking to scale down capital

spending to cope with an expected drop in earnings amid fears of a US recession and financial market turmoil that has pushed the yen sharply higher against the dollar.

Large manufacturers and non-manufacturers plan to cut their capital spending by 1.6 percent in the new fiscal year that began on Tuesday, while firms of all sizes and industries anticipate a reduction of 5.3 percent, the survey showed.

The combined current profit of all the companies is expected to rise by 2.4 percent in the fiscal year to March 2009, after a 1.6 percent drop in the previous year, the Bank of Japan reported.

\$12.7b loan approved for Thai farmers

AFP, Bangkok

Thailand on Tuesday approved a 399.6-billion-baht (12.7-billion-dollar) loan scheme for farmers, in the government's latest effort to shore up the economy, the finance minister said.

The project's centrepiece is a 325-billion-baht loan scheme for farmers to start growing crops like palm oil and cassava, which would be used to make biofuels, Finance Minister Surapong Suebwonglee told reporters.

Despite the ambitious scope of the biofuels project, Surapong gave few details on how it would work.

Office of the Superintending Engineer, Sewer (R&D) Circle & Project Director Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA WASA Bhaban 9th floor 98, Kazi Nazrul Islam Avenue, Kawan Bazar, Dhaka-1215 Tender No-07/IUSERP Date: 27/03/2008				
Invitation for Tender				
1	Ministry/Division	Local Government Division (MOLGRD&C)		
2	Agency	Dhaka Water Supply & Sewerage Authority		
3	Procuring entity name	Project Director, Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA		
4	Invitation For	Construction and rehabilitation of different dia sewer line in different areas of Dhaka city		
5	Invitation No	Tender No. TA-07/IUSERP.		
6	Date	27/03/2008		
KEY INFORMATION				
7	Procurement method	Open Tendering Method (OTM)		
FUNDING INFORMATION				
8	Budget and source of funds	GOB.		
PARTICULAR INFORMATION				
9	Tender package no	4 (Four) Package		
10	Project/programme name	Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA.		
11	Tender publication date	27/03/2008		
12	Tender last selling date	23/4/2008		
13	Tender closing date and time	24/4/2008 Time 12.00 Noon		
14	Tender opening date and time	24/4/2008 Time 2.00 PM		
15	Name & address of the office	Md Alkas Uddin, Superintending Engineer & Project Director, Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA, WASA Bhaban 9th Floor, Dhaka-1215.		
16	- Selling tender document (principal)	1. Janata Bank, Kawan Bazar Corporate Branch/Fakirapool Branch/Posta Branch/Mohammadpur Corporate Branch/Mirpur Section-1 Branch/Mohakhali Corporate Branch. 2. Agrani Bank, WASA Branch, Dhaka 3. Uttara Bank, Kawan Bazar Branch, Dhaka 4. One Bank Limited, HRC Bhaban, 64, Kawan Bazar, Dhaka		
17	- Receiving tender document	Superintending Engineer & Project Director, Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA, WASA Bhaban 9th Floor, Dhaka-1215. Time 12.00 Noon, Date 24/04/2008		
18	- Opening tender document	Superintending Engineer & Project Director, Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA, WASA Bhaban 9th Floor, Dhaka-1215. Time 2.00 PM, Date 24/04/2008		
19	Eligibility of tenderer	The tenderer must have minimum 5 (five) years over all experience in construction & rehabilitation of sewer/storm sewer line		
INFORMATION FOR TENDER				
20	Brief description of goods or works	Construction and rehabilitation of different dia sewer line in different areas of Dhaka city.		
21	Brief description of related services N/A	Describe below		
22	Price of tender document	Tk. 500/- (five hundred) only of each package		
23	Package No	Identification of the works	Location	Tender security amount
a.	Package No-1	Construction & rehabilitation of 300, 250 & 200mm dia PVC Sewer at SK Das & Distillery Road Gandaria area under Job No-S-627/08	Gandaria	Tk. 42,500/-
b.	Package No-2	Construction & rehabilitation of 300, 250 & 200mm dia PVC Sewer at SK Das & Distillery Road by Lane Gandaria area under Job No-S-627/08	Gandaria	Tk. 34,000/-
c.	Package No-3	Construction & rehabilitation of 300, 250 & 200mm dia PVC Sewer line at Sarafatganj Road by Lane H/No-18 to 45/3, Gandaria under Job No-S-627/08	Gandaria	Tk. 40,000/-
d.	Package No-4	Construction & rehabilitation of 300, 250 & 200mm dia PVC Sewer line at Sarafatganj Road by Lane H/No- 21/Uma to 18, Gandaria under Job No-S-627/08	Gandaria	Tk. 42,000/-
PROCURING ENTITY DETAILS				
24	Name of official inviting tender	Md Alkas Uddin		
25	Designation of official inviting tender	Superintending Engineer & Project Director, Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA		
26	Address of official inviting tender	Superintending Engineer & Project Director, Interim Urgent Sewerage Expansion and Rehabilitation Project, Dhaka WASA, WASA Bhaban 9th Floor, Dhaka-1215.		
27	Contact details of official inviting tender	Tele No-8121845 Fax No-880-2-8121845		
28	Special condition: The procuring entity reserves the right to accept or reject all tenders.			
WASA-P1-282/2008 GD-1539				
Superintending Engineer & Project Director IUSERP Project Dhaka WASA				