

Budget to stimulate inflation further

Says Shamunay

UNB, Dhaka

Shamunay, a think tank, yesterday described the proposed budget as "populist but reckless" and said the budget will stimulate inflation further.

"The proposed budget has come at a time when people are suffering from high inflation, severe food and employment crises. But the government's plan to overcome the huge deficit indicates that it'll only encourage inflation," Shamunay Chairman Dr Atiur Rahman said.

Dr Atiur made the remarks in a paper presented at a post-budget view-exchange meeting held at the Shamunay conference room in the morning.

According to Dr Atiur, the main features of the new budget included challenging revenue target, not fully compatible with PRS-2 and MDG targets, cut in development budget despite the highest-ever budget deficit.

He said the budget deficit is higher than development budget by Tk 4980 crore and borrowing from banking sources increased by 30 percent from the last year's revised budget.

The noted economist voiced concern that private investment may fall following the budget as high amount of loan from banks may create a crowding out problem.

"If the crowding out problem is created, private invest-

ments will lose their interest for investment. And for the same reason, if the rate of interest increases then production cost will be high which will increase inflation. Hence, there'll be a possibility of being harmed by the low income people," he said.

Dr Atiur was critical of the proposed budget for reduced allocation to several important sectors like electricity and energy, and transport and communication.

Welcoming the government's plan to procure 32 lakh tons of rice, the Shamunay chairman said Bangladesh should have a procurement plan of 40-50 lakh tons of rice.

He proposed having a food stock of at least 15 lakh tons for

the country's food security.

Dr Atiur said the government has declared subsidy of 540 crore Tk for the agriculture, but it has to ensure that the farmers will get the subsidy properly.

He urged the government to use the allocation under social safety net programme for the poor people living in coastal, char and haor areas.

Dr Atiur said ADP in the proposed budget is only 25.6 percent while the ADPs in 2000-03 fiscal years were up to 40 percent.

He expressed concern that the decreasing trend in ADP size will discourage employment and investment in the country.

Budget business friendly, not pro-poor: BSD

STAR BUSINESS REPORT

The budget, announced on Monday, is business-friendly, but not pro-poor, said Bangladesh Samajtantrik Dal (BSD) at a press conference in Dhaka yesterday.

"Violating the article 20 of the constitution, the government, once again, allowed legalising of black money. Tax holiday for industries will also continue. Business leaders are happy with the budget, indicating who will be actually benefited from the budget," said BSD Convener Comrade Khalequzzaman.

Big allocation in the budget for interest payment proves the bankruptcy of the government, he said.



British Airways appoints new manager in Bangladesh

British Airways has recently appointed Paul Beech as the manager of its Bangladeshi office, says a press release.

Prior to this appointment, he held the position of contact centre manager (South Asia) based in Gurgaon and was responsible for the airline's international call centre in India.

Paul Beech has been with the carrier for 10 years and held key positions in various sales and commercial teams.

New DMD of Bank Asia

SM Khorshed Alam took over as deputy managing director (DMD) of Bank Asia Ltd with effect from June 1, says a press release.

He joined Bank Asia as an executive vice president in November 2000, and was assigned as the zonal head for Chittagong and Dhaka.

Alam started his career with Pubali Bank as a probationary officer in 1979.

Unilever awards employees

OUR CORRESPONDENT, Ctg

Unilever Bangladesh Limited distributed 'Good and Long Service' awards to members of its staff and officers who are serving the company for a long period of time.

Chairman and Managing Director of the company Rakesh Mohan distributed the awards at a ceremony held at Unilever's factory at Kalurghat Heavy Industrial Area in Chittagong on Tuesday.

Rakesh urged all the officials and members of the staff to maintain the safety and quality of products and to double production by 2010.

BATB approves dividend

British American Tobacco Bangladesh (BATB) Company Ltd approved a dividend of Tk 7 per share at its 35th annual general meeting (AGM) held in Dhaka on Tuesday.

Nicholas S Hales, chairman and managing director of the company, presided over the meeting, says a press release.

Directors and senior officials of the company, among others, were present at the AGM.

Biman to construct commercially viable structures

UNB, Dhaka

The re-born national airline Biman is going to construct various commercially viable structures on its own lands across the country for enhancing its revenue earning, accommodation of layover passengers and minimising operating cost.

As a part of this initiative, Biman Bangladesh Airlines Limited is to start construction of a 4-star hotel in Dhaka very soon, officials said.

The location of the hotel is Farmgate area where the Biman press, medical centre and poultry-display centre are situated. The total land area of the hotel will be 1.33 acres.

Biman authorities have already floated request for Expression of Interest (EOI) from interested eligible applicants.

The hotel might be operated under Build Operate and Transfer (BOT) or Build Operate Own and Transfer (BOOT) or Build Operate and Own (BOO) agreement, or any other such deal for that matter.

"Yes, we are going to construct a 4-star hotel. The Board of Directors of Biman Bangladesh Airlines Limited wanted to utilise such spaces at optimum level," Biman

Managing Director and Chief Executive Officer MA Momen told the news agency.

Well-placed sources in Biman confirmed that the Board of Directors of the national flag carrier also gave the consent to the plan for building a commercially viable structure at its Motijheel office.

"Yes, the Board has given the decision in this regard. We will aggressively step forward to make the Biman a very much commercially viable organisation like any other best airliner in the world," Momen said.

Biman presently owns three types of aircraft -- four DC10-30s, four F-28s, and three A310-300s. The manufacturing of DC10-30s and F-28s has been discontinued because of their lack of viability in business.

Biman got the nod to become public limited company in July last year and the government recently waived all the dues of Biman to Bangladesh Petroleum Corporation (BPC) under a bailout package.

But the Civil Aviation Authority of Bangladesh (CAAB) still claims Tk 1789.80 crore from the Biman, including surcharge. On April 21, CAAB in a letter claimed the money.

Rice, potato, onion prices continue rising

STAR BUSINESS REPORT

Prices of rice, potato, onion and edible oil further increased yesterday in Dhaka's markets that have been witnessing price hike for the past three days.

Coarse rice price saw a Tk20 rise per maund (37.32 kg) in the city wholesale markets yesterday. In the wholesale markets, coarse rice was selling at Tk 1,100-Tk 1,120 per maund yesterday against Tk 1,080 to Tk 1,100 a day ago. Only two days ago the price was Tk 1,050-Tk 1,070 per maund.

In retail stores, the coarse rice was selling at Tk 32-Tk 33 per kg.

Nijam Uddin of Badamtali-Babu Bazaar Rice Traders Association said the there had been a supply shortage in recent days in the wake of rains across the country that have affected the rice processing in mills.

Potato price again increased by Tk 1 to Tk 2 per kg in the whole and retail markets yesterday. Yesterday potato was selling at Tk 18 to Tk 20 per kg.

Onion saw a hike of Tk 1 per kg both in the wholesale and retail markets. Indian onion was selling at Tk 14 Tk 17 per kg and local variety at Tk 22-Tk 25 a kg.

Meanwhile, the price of non-brand soya bean oil further increased by Tk 10 per maund in the wholesale market and Tk 2 to Tk 3 per kg in the retail market. On Tuesday the wholesale price of edible oil increased by Tk 50 to Tk 80 per maund.

Budget reaction continues

STAR BUSINESS REPORT

Different organisations continue to come up with their reactions to the proposed budget, placed by the finance adviser on Monday.

UNNAYAN ONNESHAN Unnayan Onneshan, a local NGO, said the proposed budget aims to address some of the problems like price hike of oil, diesel, and food that require immediate solution. However, like the previous one, this budget lacks a long run vision of the economy.

The proposed measures, which would result in increased non-development expenditure and decreased development expenditure, would stimulate consumption expenditure and pull down the productive investment.

CSE Chittagong Stock Exchange (CSE) hailed the proposed

budget, saying the incentives proposed in the budget will contribute towards industrialisation and consequent growth in securities market.

"The government's decision to off-load its shares in 21 SoEs in power, industries and telecommunications sectors would, in addition to contributing towards employment generation and industrialisation, boost country's capital market through mitigating the persistent demand for quality shares in the stock market," CSE President Nasir Uddin Ahmed Chowdhury said in his formal reaction to the budget.

He also requested the government to hasten the off-loading procedure by passing necessary administrative orders.

The CSE president thanked the finance adviser for rescinding Section 16 CC of Income

Tax Ordinance -- under which all companies, regardless profit earning or loss making, had to pay a minimum tax -- and said that through the step, a flaw in tax law has been removed.

Chowdhury said, "Slashing tax on both listed and non-listed companies by 2.5 percentage point would highly encourage the corporate sector, especially under the prevailing condition of worldwide economic recession and increased energy cost".

BFVAPEA Hailing the budget proposal, President of Bangladesh Fruits, Vegetables and Allied Products Exporters Association (BFVAPEA) SM Jahangir Hossain said the export of fresh vegetable, fruits and betel leaves will be doubled this year due to government's special attention to the agricultural sector.

BFEEA

Terming the proposed budget as industry and business friendly, President of Bangladesh Frozen Foods Exporters Association (BFEEA) Kazi Belayet Hossain urged the government to withdraw 5 percent tax on cash incentive and reduce tax on export at source to 0.15 percent.

The present caretaker government has proposed a budget amounting to Tk 99,962 crore, which is 16.1 and 25.6 percent higher than that of the revised and actual budget of last fiscal, for the 2008-09 fiscal. The proposed revenue is estimated at Tk 69,382 crore, a 14.6 percent increase compared to that of the revised budget of the last fiscal. The proposed budget deficit stands at 5 percent of GDP. Of this, 2.2 percent will be financed from foreign resources, while the rest will be borrowed from the domestic sources.

Bata launches exclusive collections of Nike shoes

STAR BUSINESS REPORT

Bata launched exclusive collections of Nike shoes, the world famous sportswear brand, in Bangladesh at a simple ceremony in Dhaka yesterday.

Bata Shoe Company (BD) Ltd has signed an agreement with Nike Singapore Pre Limited. Under the agreement, Bata Shoe (BD) Ltd has been appointed as the official distributor of Nike products in Bangladesh.

Initially the company will introduce the latest Nike brand shoes for running, soccer, tennis, basketball and other sports.

The shoes will be available in five top outlets of Bata at Gulshan 1, Banani, Rapa Plaza, Bashundhara City and Elephant Road in Dhaka.

Jorge Carbajal, managing director of Bata Emerging Markets (West), and JD Hearn, managing director of Bata Shoe Company (BD) Ltd were present.

Water management seen key to S Asian food security

STAR BUSINESS REPORT

A regional seminar in Dhaka yesterday emphasised better water management in South Asia to ensure food security in the region.

An efficient water management policy in the region is needed so that Bangladesh can get its due share of Ganges water as per international laws, said Justice Muhammad Habibur Rahman, former chief adviser to the caretaker government.

Long-term strategies are also needed to reform land for food autonomy, added Rahman as he addressed the seminar on 'Food Security and Water Issues in South Asia, organised by Imagine a New South Asia (INSA).

Rahman, also the chief adviser to the INSA, said good and effective bilateral and

multilateral relations among the countries are important ingredients for ensuring food security.

Rasheda K Choudhury, education adviser to the caretaker government, said, "Land reforms issue had been overlooked by different government."

"Food import and getting the due share of water of the Ganges pertain to food security," she said.

According to the FAO, Bangladesh usually imports around 20 lakh to 24 lakh MT of food grains a year, but because of the production shortfall this year, the import will soar to around 35 lakh MT.

Matia Chowdhury, former agriculture minister, emphasised on water sharing issue.

"The situation of our country is that when we need water

in dry season we don't have enough water and when we don't need water there is a flood," she said, adding that the situation is caused by not getting the share of Ganges water as per the water sharing treaty between the Govt. of Bangladesh and the Govt. of India.

Dr. Quazi Kholiqzaman Ahmed, president of Bangladesh Economic Association, said there is no alternative to land reforms and it takes an effective land management policy to solve food shortage in the country.

Farah Kabir, country director of Actionaid Bangladesh, and Dr. Osman Farruk, former education minister, were present at the seminar.

Representatives from India, Pakistan, Sri Lanka and Nepal were also present at the seminar.



Nicholas S Hales, chairman and managing director of British American Tobacco Bangladesh (BATB) Company Ltd, presides over the 35th annual general meeting (AGM) of the company in Dhaka on Tuesday. Directors and senior officials are also seen.

PHOTO: BATB

Office of the Chief Engineer University of Dhaka Invitation for Tender

Tender No. Prokousol(Circle-1)/2007-08 Dated: 08/06/2008

01	Ministry/Division	Ministry of Education.
02	Agency	University of Dhaka.
03	Procuring entity name	Executive Engineer-4, University of Dhaka.
04	Invitation for	Construction of 3rd floor over 2nd floor (with electrification) at Institute of Information Technology, University of Dhaka.
05	Invitation Ref No.	Prokousol(Circle-1)/2007-08
06	Date	8/6/2008

KEY INFORMATION

07	Procurement method	OTM
FUNDING INFORMATION		
08	Budget and source of funds	Development.

PARTICULAR INFORMATION

09	Tender publication date	9/6/2008
10	Last date & time for selling of tender document	29/06/2008 up to 4.30pm.
11	Date & time for closing of tender	30/06/2008 up to 12.00 noon.
12	Date & time for opening of tender	30/06/2008 up to 12.30pm.
13	Selling tender documents	(a) Treasurer's Office, University of Dhaka. (b) Registrar's Office, University of Dhaka. (c) Chief Engineer's Office, University of Dhaka.
14	Receiving tender documents	(a) Treasurer's Office, University of Dhaka. (b) Chief Engineer's Office, University of Dhaka. (c) Executive Engineer-4, University of Dhaka.
15	Opening tender document	Director of Planning and Development's Office 30/06/2008 at 12.30pm.

INFORMATION FOR TENDERER

16	Eligibility of tenderer	Tenderer having experience of similar work of amounting to Tk 45.00 lac in a single work order, VAT registration certificate, up-to-date trade licence, IT, yearly turnover Tk 2.24 crore liquid asset (minimum), Tk 37.27 lac and experience certificate (last 5 years) from an officer not below the rank of an Executive Engineer with work order & satisfactory completion certificate must be submitted along with tender.
17	Brief description of works and related services	Construction work.
	Price of tender document	Tk 3000/- (three thousand) only, (non-refundable) to be deposited in A/C No-36000392, Janata Bank, TSC Branch, University of Dhaka.

Lot No.	Identification of lot	Location	Earnest money (BDT)	Completion time in month	
19	01	Construction of 3rd floor over 2nd floor (with electrification) at Institute of Information Technology, University of Dhaka	University of Dhaka	Tk 1,93,000/=	04 (four) months

PROCURING ENTITY DETAILS

20	Name of official inviting tender	Golam Mohammad.
21	Designation of official inviting tender	Executive Engineer-4, University of Dhaka.
22	Address of official inviting tender	Engineering Section, University of Dhaka.
23	Contact details of official inviting tender	Telephone No-9661920
24	Special instructions	The procuring entity reserves the right to accept or reject any or all tenders without assigning any reason. Public Procurement Act-2006 tender form, schedule of items of work, tender notice and special terms & conditions, etc. will be the integral part of the tender. The tenderer should write the name of the work and their firms name top of the envelope clearly.

GD-2778

Executive Engineer-4
Dhaka University