

# Country needs \$8b investment in energy sector: ICC-B

STAR BUSINESS DESK

As the country faces an acute shortage of power, it needs an investment of \$8 billion in the energy sector to fulfill the rising demand by 2025, said the International Chamber of Commerce-Bangladesh (ICC-B).

Staggering shortages and frequently interrupted supply of power is considered to be the main bottleneck for Bangladesh to achieve its desired level of development to become a middle-income country by 2015 or so, the chamber said.

"Had we been able to take appropriate steps for investment in the power sector over the last fifteen years, the country's per capita income by now could have been close to \$1,000 from the current level of \$599," the ICC-B said in its latest quarterly news bulletin released yesterday.

Quoting the energy industry experts, the chamber said Bangladesh is facing three roadblocks and three opportunities for the development

of energy sector. Lack of proper strategy to cope with the increasing demand for power supply, depleting natural gas reserves, and exorbitant world price hike of petroleum and food is a big challenge for the sector, while quick development of hitherto neglected ever increasing demand for power and gas for growth and investment and low operating costs of business are positives for the energy sector, it said.

Referring to the government's estimate of 13.54 tcf of proven and recoverable gas reserves, the chamber said Bangladesh is facing at least 100 million cubic feet of gas (mmcf) shortages a day, as the country can supply up to 1,738 mmcf of gas against daily demand of 1,833 mmcf.

"In order to achieve and maintain at least seven percent growth, the country would need supply of energy at a much higher rate to meet the increasing demand," it said.

According to latest official statistics, per capita power consumption in Bangladesh is

only 140 kilowatt hour (kwh) as compared to 325 kwh in Sri Lanka, 408 kwh in Pakistan and 663 kwh in India, it said, adding: "Moreover electricity is out of the reach of 70 percent people of the country. Besides, whatever is available is so erratic and irregular that nobody knows when it is going to come and go - it's like a hide and seek game."

The present installed capacity of power generation of the country is around 3500MW, against a demand of over 5000MW on an average. Even against the installed daily generation capacity of 3500MW, load shedding, which is a regular phenomenon, is in the range of 600MW to 1200MW. Out of this, 500MW to 600 MW is due to gas shortage. Stoppage or curtailment of gas supplies to industries or power plants have been aggravating the situation further, the ICC-B said.

Last year 87 percent of total electricity came from gas. Quoting experts, the chamber said ground reality of gas production does not suggest that

future generation can be continued based on mono primary energy, which is gas. The experts apprehend that the power crisis will not be over before the next 3-4 years. Worse still, the situation might worsen. This obviously hampers the much-needed growth of the industrial sector. Agriculture will also be affected severely due to power crisis, it said.

The power sector master plan suggests that Bangladesh requires 43,000MW electricity to ensure power for all by 2025. According to the plan, 76 percent of the requirement or 33,000MW will come from coal although now the percentage is only 5, the ICC-B said.

In USA, coal contributes to over 50 percent of the total power generation while in India it is 70 percent and the figure for the fast growing China is similar, it said.

On the other hand, the chamber said the Phulbari coal field, having a recoverable reserve of 572 million tonnes, has been forcibly stopped in the name of envi-

ronmental preservation and conservation of nature by vested quarters in order to block the economic use of this huge power reserve.

Energy is the biggest challenge for the country specially when the oil price reached \$146 per barrel and is apprehended to reach \$200 by the year-end. It is indeed an irony that despite being blessed with such an energy asset (coal and gas), Bangladesh is one of the most energy-starved countries in the world, lagging far behind in its development initiative, it said.

"It is painful to see that the successive governments utterly mismanaged the energy sector to the detriment of the country's growth potential. Nevertheless, like many positive and bold steps taken by the present caretaker government during its year and half in office, they should leave behind an applicable action plan for the next elected government to put in place immediately to action to achieve our desired level of growth and development," it concluded.

## Businessmen urged to pay income taxes regularly

Tax Payers' Service Centre opens

STAR BUSINESS REPORT

National Board of Revenue (NBR) Chairman Mohammad Abdul Majid yesterday urged businessmen and affluent people of the society to pay income taxes regularly to make the country financially self-reliant.

He was inaugurating a Tax Payers' Service Centre at Shegunbagicha in Dhaka.

"If taxes are paid regularly, the government will not need foreign funds on strict conditions. Only paying taxes regularly can bring us out of the burden of foreign loans and budget deficit," the NBR chairman said.

Welcoming the new service centre, Majid said it would increase availability of tax-related services and reduce harassment.

The Income Tax office of Zone 7 opened the centre as part of the national campaign for motivating taxpayers to self-assess their income tax and submit the pertinent document properly.

## Siemens posts strong results

AFP, Berlin

Engineering giant Siemens posted unexpectedly strong results and orders on Wednesday and tried to turn the page on a scandal over which it intends to seek damages from former directors.

Net profit for the third quarter of Siemens' 2007-2008 fiscal year reached 1.42 billion euros (2.21 billion dollars), a statement said.

That was a drop of 31 percent from the equivalent figure a year earlier, but it exceeded the expectations of analysts polled by Dow Jones Newswires, who had forecast an average net profit of 948 million euros.

## NBR lists professionals to expand its income tax base

UNB, Dhaka

The National Board of Revenue (NBR) is making a list of various professional groups at district and upazila levels to expand its income tax base.

Taking the advantage of the National ID Card, the government agency has engaged the civil administration to find out how many of the professionals with taxable income have Tax Identification Number (TIN).

"We have engaged the civil administration to make a list of doctors, lawyers, businessmen, contractors and artists to find out how many of them have TIN numbers," NBR Chairman Muhammad Abdul Mazid said.

The NBR Chairman said people are fearful of the NBR officials as he defended the new approach.

"To ease that fear we have changed the method of con-

ducting the survey," Mazid said.

The agency has also moved to strengthen the activities of its Central Intelligence Cell (CIC) to identify people who evade income taxes.

NBR chairman said that from now on, they would give priority to intelligence activities for enhancing tax collection.

Mazid said that the new way of collecting tax related information by using the civil administration is to bypass the taxmen who are suffering from an "image crisis".

The NBR chairman said he has taken some measures to make the agency more effective and people-friendly, adding that the new method is part of the plan.

Currently, the country has about 26 lakh registered taxpayers, of which, only about 6 lakh submitted tax returns in the previous fiscal.

## ICB declares dividends on 8 mutual funds, unit fund

STAR BUSINESS DESK

Investment Corporation of Bangladesh (ICB) yesterday declared dividends on its eight mutual funds and on the unit fund for the year 2007-08.

The ICB declared 265 percent dividend on the first mutual fund, while 75 percent for the second, 65 percent for the third, 60 percent for the fourth, 45 percent for the fifth, 30 percent for the sixth, 30 percent for the seventh and 25 percent for the eighth mutual fund and Tk 20 per unit on unit fund for the year that ended on June 30, 2008.

The dividends were approved in a fund related meeting of the board of direc-

tors of the corporation held in Dhaka, said a press release.

The release said the dividends are higher than the dividends paid on the respective funds in 2006-07.

During 2007-2008, the distributable profit of the first mutual fund was Tk 473.89 lakh, second mutual fund was Tk 149.69 lakh, third mutual fund was Tk 221.12 lakh, fourth mutual fund was Tk 216.20 lakh, fifth mutual fund was Tk 151.21 lakh, sixth mutual fund was Tk 306.69 lakh, seventh mutual fund was Tk 212.69 lakh, eighth Mutual Fund was Tk 212.99 lakh and ICB unit fund was Tk 12,019.00 lakh respectively.



Sanjay Prakash, chief executive officer of HSBC Bangladesh, inaugurates the bank's new customer service centre in Mirpur, Dhaka. Other high officials were also present.

## India favours slow growth to curb inflation

PALLAB BHATTACHARYA, New Delhi

The Reserve Bank of India (RBI) sent a clear message on Tuesday that it wants to cool the double-digit inflation even if it means a slower economic growth by increasing both Cash Reserve Ratio (CRR) and repo rate for the third time in two months, analysts said.

CRR is the portion of deposits commercial banks must keep with central bank, while repo rate is the rate of interest at which the central bank lends funds to banks.

The RBI's decision will undoubtedly bring pressure on commercial banks to further hike their lending rates, which in turn will discourage impact borrowers and markets already hit by a 11.89 percent inflation, a 13-year high, they pointed out.

The Prime Lending Rate (PLR) of most state-owned banks in India ranges from 12.75 percent to 13.25 percent, while private banks charge much higher with PLR of over 15 percent.

## Steel maker BSRM submits IPO prospectus

STAR BUSINESS REPORT

BSRM Steels Ltd, the country's only manufacturer of 500 grade steel rod, has submitted draft prospectus of initial public offering (IPO) to the Securities and Exchange Commission (SEC), according to sources.

The leading steel maker eyes to raise Tk 20 crore from public to fund further expansion of its business.

If approved, BSRM will float 20,00,000 ordinary shares of Tk 100 each to raise the Tk 20 crore, which will be added to its existing paid up capital of Tk 125 crore. The authorised capital of the company is Tk 200 crore.

"We have received the IPO prospectus and we are working on it," said Farhad Ahmed, executive director of SEC.

The sources, however, said

almost all the necessary works have already been done and the proposal may be placed before the upcoming commission meeting of the SEC.

The company, which started production in March at its new Tk 370 crore Chittagong plant, is part of the BSRM Group, the largest rod manufacturer in the country.

The plant currently has an annual production capacity of 3.75 lakh tonnes and is one of the largest mills of its kind in South Asia.

With the existing prices of rod, the company's annual turnover may reach at Tk 1500 crore after one year, when the company expects to go into full phase production.

Now, BSRM holds around 12 percent of the market for rod, a key material in the construction industry.



City Bank recently opened its 1st CityBizness centre in Dhaka. Hossain Khaled, president of Dhaka Chamber of Commerce and Industry, inaugurated the centre. K Mahmood Sattar, managing director and chief executive officer of the bank, and other high officials were also present.

## Bangladesh Lamps Limited

Sadar Road, Mohakhali, Dhaka - 1206

### Half Yearly Report - 2008

Based on the SEC directives, this is notified for general information that the statement of unaudited half yearly results of the Company as on 30th June 2008, has duly been despatched to all our shareholders and also the SEC, DSE and CSE within the stipulated time.

Dhaka  
July 31, 2008

Abdullah Ismail  
Company Secretary

Official Licensee of Philips Electronics N.V.  
for lighting products

PHILIPS



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### Half Yearly Accounts (Un-Audited)

This is for information of all concerned that in compliance of the directives and as per Rule 13 of Securities and Exchange Commission Rules 1987, Un-audited Accounts of People's Leasing and Financial Services Limited for the Half-year ended June 30, 2008 have already been dispatched to the shareholders, Securities and Exchange Commission and Stock Exchanges.

A.K.M. Abdus-Sobhan  
Company Secretary  
July 31, 2008



## PUBALI BANK LIMITED

HEAD OFFICE, 26, DILKUSHA C/A, DHAKA-1000

### Price Sensitive Information

The Board of Directors of Pubali Bank Limited in its 669<sup>th</sup> Meeting held on 30<sup>th</sup> July 2008 at 3.30 P.M. recommended 2(two) Bonus shares for every 5(five) Ordinary shares held as on Record Date, for the year ended 31<sup>st</sup> December 2007. It was also decided in the aforesaid Meeting that the 25<sup>th</sup> Annual General Meeting of the Bank will be held on 25<sup>th</sup> September 2008 at 11.00 A.M. at Bank's Auditorium (13<sup>th</sup> floor), Head Office Building, 26 Dilkusha C/A, Dhaka-1000. The Board further approved 25<sup>th</sup> August 2008 as "Record Date". The Shareholders whose name(s) will appear in the Share Register of the Company/Depository on the Record Date will be entitled to the Stock Dividend (Bonus Shares).

By order of the Board  
Sd/-  
(AFM Asaduzzaman)  
General Manager &  
Company Secretary

Dhaka, 30<sup>th</sup> July 2008

Biman BANGLADESH AIRLINES	
ZIA INTERNATIONAL AIRPORT, KURMITOLA, DHAKA, PHONES: 8914771-9, 8912700-9, CABLE: AIRBANGLA, TLX: 642649 DABG BJ	
Ref: DACPP/INTL RE-TENDER/013/2007-2008 Date: 28-07-2008	
Invitation for International Tender	
1 Organization	Biman Bangladesh Airlines Ltd.
2 Procuring entity name	Central Purchase Committee.
3 Invitation for	Procurement of Disposable Cutlery Pack 11-in-1 Qty-3500000 Pack. (Details specifications available in tender schedule)
4 Invitation Ref No.	DACPP/INTL RE-TENDER/013/2007-2008
5 Date	28-07-2008
6 Procurement method	Open tendering method.
7 Budget and source of funds	Biman own funds.
8 Tender package name	Disposable Cutlery Pack 11-in-1.
9 Tender documents last selling date	27-08-2008.
10 Tender closing date and time	28-08-2008 at 11:00 hrs BST.
11 Tender opening date and time	28-08-2008 at 14:00 hrs BST.
12 Name & address of the office(s)	Address
Selling tender document (principal)	a. Asst. Manager Accounts, Cash & Banking, Balaka Bhaban, Biman, ZIA, Dhaka. b. Office of the Divisional Commissioner (1 <sup>st</sup> 12-storied Govt. Office Building, Room No. 205), Segunbagicha, Dhaka.
Selling tender document (others)	Finance Manager, Biman Bangkok, Hong Kong, Singapore, Dubai, London, Rome & New York.
Receiving tender document	a. Foreign Purchase Sec., Admin Building, Biman, ZIA, Dhaka. b. Biman Press Building, Farmgate, Dhaka. c. Office of the Divisional Commissioner (1 <sup>st</sup> 12-storied Govt. Office Building, Room No. 205), Segunbagicha, Dhaka.
Opening tender document	Conference Room (1 <sup>st</sup> floor), Admin Building, Biman Bangladesh Airlines, ZIA, Dhaka
13 Eligibility of tenderer	This invitation for tenders is open to eligible tenderers from all countries, except for any specified in the TDS (tender data sheet).
14 Brief description of goods or works	Disposable Cutlery Pack 11-in-1.
15 Price of tender document (TK)	BDT 3000.00 or equivalent USD (non-refundable).
16 Name of official inviting tender	AZ Sayedur Rahman.
17 Designation of official inviting tender	Dy. General Manager (Purchase).
18 Address of official inviting tender	Biman Admin Building, ZIA, Dhaka.
19 Contact details of official inviting tender	8914397
20 The procuring entity reserves the right to accept or reject all tenders.	
Also visit Biman website: <a href="http://www.bimanair.com">www.bimanair.com</a>	
AZ Sayedur Rahman Dy. General Manager (Purchase)	
GD-3438	