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**Stocks**

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**Asian Markets**

MUMBAI ▼ 0.68%  
17,590.17

TOKYO ▲ 1.01%  
11,097.14

SINGAPORE ▲ 0.15%  
2,933.39

SHANGHAI ▲ 0.15%  
3,128.47

**Currencies**

	Buy Tk	Sell Tk
USD	68.62	69.62
EUR	91.17	95.30
GBP	101.54	105.82
JPY	0.73	0.78

SOURCE: STANDARD CHARTERED BANK

**Commodities**

**Gold** ▼ \$1,110.75 (per ounce)

**Oil** ▲ \$82.17 (per barrel) (Midday Trade)

SOURCE: AFP

**News in Brief**

**DCCI and Katalyst to promote jute, jute goods**

UNB, Dhaka

Dhaka Chamber of Commerce and Industry (DCCI) and Katalyst, a market development project, will work together to promote jute, jute goods and small market entrepreneurs.

"DCCI and Katalyst will join hands to promote sectors such as jute, jute goods, awarding business journalism, encouraging intellectual property issues and sharing ideas to help each other towards a common goal for the development of small market entrepreneurs," said Katalyst General Manager James Blewett.

Blewett was speaking at a meeting with DCCI President Abul Kasem Khan on Monday at the trade body's office in Motijheel.

During the meeting, Blewett expressed his eagerness to collaborate with the DCCI in different fields, and expected to have DCCI as a partner in implementing their targeted programmes.

Welcoming the Katalyst boss, Abul Kasem Khan explained the trade body's activity plan for 2010.

**IFIC 1st Mutual Fund starts trade tomorrow**

STAR BUSINESS DESK

IFIC Bank 1st Mutual Fund is expected to start trade on bourses tomorrow.

The fund received the final approval for listing on Dhaka Stock Exchange and Chittagong Stock Exchange on Monday, according to a statement.

The size of the fund is Tk 120 crore, of which Tk 40 crore was raised through an initial public offer.

A record number of investors -- 11 lakh -- applied with Tk 703 crore, representing an over-subscription by more than 17 times.

The unaudited net asset value per share of the fund as of March 25 was Tk 11.65 at market. This implies a consolidated gain (realised and unrealised) of almost Tk 20 crore.

RACE Asset Management will manage the fund while the Investment Corporation of Bangladesh will be the trustee and custodian.

**MCCI suggests reduced duty on input import**

**Chamber leaders meet NBR**

STAR BUSINESS REPORT

The Metropolitan Chamber of Commerce and Industry (MCCI) yesterday asked the government to cut duties on the import of raw materials and intermediate goods in the next budget for 2010-2011.

In a meeting with the National Board of Revenue (NBR), MCCI leaders proposed cuts in import duty on basic raw materials to 2.5 percent from 7 percent. MCCI President Anis Ud Dowla led the team at the meeting at the NBR.

The business leaders urged tax authorities to reduce the corporate taxes of non-listed companies to 32.5 percent from 42.5 percent now.

They said the income tax rate for banks, non-bank financial institutions and insurance companies should match other rates for companies.

"Although the tax holiday scheme will be discontinued, we strongly feel a similar incentive package should be introduced to promote industrialisation," Dowla said.

The allowable limit for payment royalties, technical service fees, technical know-how fees and technical assistance fees should be fixed at 6 percent of turnover instead of profit, MCCI suggested.

He urged the government to withdraw the 15 percent VAT on commercial leases in the upcoming national budget.

After the meeting, the MCCI chief told The Daily Star that some uncertainties and stalemate still exist particularly due to power shortages, even though the country has tackled the financial crisis so far.

"Our industrial sector observed negative growth (5.9 percent) in 2008-09. But higher growth (6.9 percent) is expected in 2010-11," Dowla said.

He said there should be a generous allocation for the power sector, the development of which is essential for economic growth.

In the upcoming budget, certain policy issues should be addressed -- tariff anomalies faced by the local industries ought to be reviewed carefully, to help them improve their competitiveness, he said.



Atiur Rahman, governor of Bangladesh Bank, walks past an eight-kilowatt solar power system installed on the building's rooftop in Dhaka yesterday. Rahman described the move as indicative of the central bank's seriousness to increase power generation through renewable sources.

**Solar power lights up BB**

STAR BUSINESS REPORT

Central bank governor Dr Atiur Rahman yesterday urged banks, business organisations and households to go for green power systems to make their respective offices and residences environment-friendly.

Rahman made the call while addressing the inaugural ceremony for installing an eight-kilowatt solar power system on the Bangladesh Bank (old building) rooftop.

"I call upon organisations and households to install solar power systems with the BB's refinancing loan scheme," he said.

Late last year the BB allocated Tk 200-crore low-cost revolving fund for refinancing commercial banks' green power projects.

The governor expressed hope that the BB move would particularly encourage the com-

mercial banks to set up solar power systems at least at their headquarters if not at all offices.

He said the BB would help its own employees to install solar panels in their houses.

The governor said the move is indicative of the BB's seriousness about increasing power generation through renewable sources at a time when conventional sources such as gas and coal are becoming scarcer.

"From economic point of view it is not a big project," Rahman told reporters. "But, psychologically it is a big success."

Rahimafrooz Renewable Energy Ltd, the leading solar power system provider in the country, has installed the system for the BB at a cost of around Tk 1.35 crore.

Initially, the governor's secretariat, guest lounge, board and conference rooms and the lights of the BB's boundary walls will get power

from the newly installed solar power system.

The system has 116 panels, 48 batteries, five charge controllers and four inverters.

The panels will get warranty services for 20 years, while batteries and other equipment five years.

Senior BB officials and managing directors of commercial banks were present at the programme.

Currently renewable energy contributes less than one percent to overall power generation in the country, with solar home systems being installed mainly in the off-grid areas and leading the green energy segment.

More than four lakh houses across the country have now been powered by solar energy with a capacity of generating over 20 megawatts, according to state-owned Infrastructure Development Company Ltd.



HP Kumar, second from right, chairman of India's National Small Industries Corporation, and M Matiul Islam, left, chairman of Industrial and Infrastructure Development Finance Company Ltd, exchange documents after signing a deal over technical support, in Dhaka yesterday. The deal has been designed to help ICT entrepreneurs in the private sector to invest in an ICT village in Bangladesh. Mashiur Rahman, second from left, the prime minister's adviser on economic affairs, and Rajet Mitter, extreme right, Indian high commissioner to Bangladesh, are also seen.

**IIDFC signs deal with Indian company over ICT village**

STAR BUSINESS REPORT

Industrial and Infrastructure Development Finance Company (IIDFC) Ltd yesterday signed a deal with India's National Small Industries Corporation (NSIC) Ltd to get technical support to help set up the first private sector ICT village in Bangladesh.

Also, IIDFC, a non-bank financial institution, plans to provide financial support to ICT entrepreneurs in the private sector to invest in the ICT village.

HP Kumar, chairman of NSIC, owned by the Indian government, and M Matiul Islam, chairman of IIDFC, signed a memorandum of understanding in Dhaka.

"As part of efforts to facilitate the ICT park, a team including IIDFC officials will visit India next month to gather first-hand experience from an ICT park there. Then we will begin work to establish it," said Md Asaduzzaman Khan, managing director of IIDFC.

The plan will require Tk 20-30 crore, excluding the cost of land, to set up the ICT park. "But it won't be a difficult job for us," Khan said.

He believed that entrepreneurs would get land allocation from the government in this regard.

"Although the initial focus is on a cluster village for ICT, more areas will be covered under the agreement -- in phases," he added.

Under the MoU, NSIC that has been facilitating small enterprises in India since 1955 will extend its cooperation, assistance, and expertise to IIDFC to help development of small and medium enterprises (SMEs) in Bangladesh.

Cluster approach in developing SMEs will also be encouraged under the agreement, including establishing incubation centres. NSIC will focus on engineering, electronics and non-traditional sectors.

Mashiur Rahman, adviser to the prime minister on economic affairs, Atiur Rahman, Bangladesh Bank governor, Rajet Mitter, Indian high

commissioner to Bangladesh, also attended the ceremony.

Mashiur Rahman told the function that this was the first venture of cooperation between Bangladesh and India after Prime Minister Sheikh Hasina's visit to India earlier this year.

The BB governor said Bangladesh seeks to first-track the SME sector and the government for the first time laid out an SME loan policy.

"Like India, we also believe in cluster development," he said, adding that many clusters had developed in the country over the years without any government support. He urged banks to support linkage programmes.

Matiul Islam said Bangladesh should develop the cluster concept to boost the SME sector as practised in India.

"I do hope that our cooperation with NSIC will bring in immense benefit for the SME sector in Bangladesh."

**Indian court asks Lafarge to get fresh assessment**

PALLAB BHATTACHARYA, New Delhi

The Indian Supreme Court has asked cement maker Lafarge to get a fresh environment impact assessment (EIA) for its limestone mines in the forests of Meghalaya state, meant for its Bangladesh project.

The court refused to grant permission for mining.

A forest bench comprising Chief Justice KG Balakrishnan and Justice SH Kapadia and Justice Aftab Alam said on Monday it would not permit mining without a new assessment.

"We don't permit without EIA," said the bench snubbing a request from Indian Attorney General GE Vahanvati to grant permission to Lafarge to mine until the assessment is complete.

The court has directed Vahanvati to prepare a draft about the modalities on EIA and the conditions imposed on Lafarge and submit it at the next hearing on April 9.

"Lafarge must comply. EIA has to be done, as it is an eco-sensitive zone. No-one had ever examined that the project is in the heart of the forest of Meghalaya," said Harish Salve, an amicus curiae in the case.

On February 5, a special forest bench headed by Chief Justice Balakrishnan stayed mining on the basis of the Indian Ministry of Environment and Forest report that said the company was extracting minerals from the land in the forest area.

Prior to the stay, Lafarge was mining in Meghalaya to carry limestone to its cement plant in Bangladesh over a 17km conveyor belt.

**Overseas job loan, not so popular**

SAJJADUR RAHMAN

Sheikh Masum, 30, came to know one year ago that banks will give loan to bear his costs for overseas employment. He went to a bank branch with a high hope that he would not need to mortgage his land or borrow from the village lenders.

But he came out of the bank only with frustration. "The bank also wants collateral. They (bankers) want two guarantors also, and all the documents of the overseas job," said Masum of Gopalganj district.

He later decided to mortgage his land to his cousin because of security and 'no hassles' in getting the land back.

The banks' overseas employment loan scheme got little response from the prospective jobseekers.

Many branch managers of the respective banks that have the product do not even know about it. Some said their branches do not have allocation for the purpose.

"We haven't given any loan under the scheme," said a branch manager of Agrani Bank in Gopalganj.

Another branch manager of the same bank said he has no fund to give such loan.

"The applicant must give collateral for getting the loan," said the branch manager of Mercantile Bank at Faridganj in Chandpur.

But the managing directors of Agrani and Pubali banks said they do not demand collateral.

"As I know there is no need for collateral for a loan up to Tk 3 lakh," said Syed Abu Naser Bukhtear Ahmed, managing director of Agrani Bank.

Helal Ahmed Chowdhury, managing director of Pubali Bank, said the same.

"We want just two personal guarantors," said Chowdhury. He said a chairman or member of a union council or a teacher of a school can be the personal guarantor.

Pubali introduced such a product in 2007 at 13 percent interest rate. Then, two other banks -- state-run Agrani and private Mercantile -- followed suit.

Pubali has so far lent around 100 people in the last three years, but the other two banks funded a very few people sajjad@thedailystar.net

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