

Stocks	
DGEN	0.97% 5,569.64
CSCX	0.89% 10,574.49

Asian Markets	
MUMBAI	1.42% 17,714.40
TOKYO	1.10% 11,168.20
SINGAPORE	0.83% 2,963.19
SHANGHAI	0.94% 3,118.71

Currencies		
	Buy Tk	Sell Tk
USD	68.62	69.62
EUR	90.09	94.21
GBP	103.08	107.41
JPY	0.72	0.77

Commodities	
Gold	\$1,145.82 (per ounce)
Oil	\$85.76 (per barrel)

Cash incentive doubles for potato export

STAR BUSINESS REPORT
The government yesterday doubled cash incentive for potato export to 20 percent to encourage shipment of the tuber and narrow down the farmers' losses caused by low price amid a bumper output.

The increased incentive will be effective for the April-June period this year, according to a letter sent yesterday to the Bangladesh Bank from the finance ministry.

The government raised the cash incentive, as the country's 300 cold storages with a total preservation capacity of more than 20 lakh tonnes are already crammed.

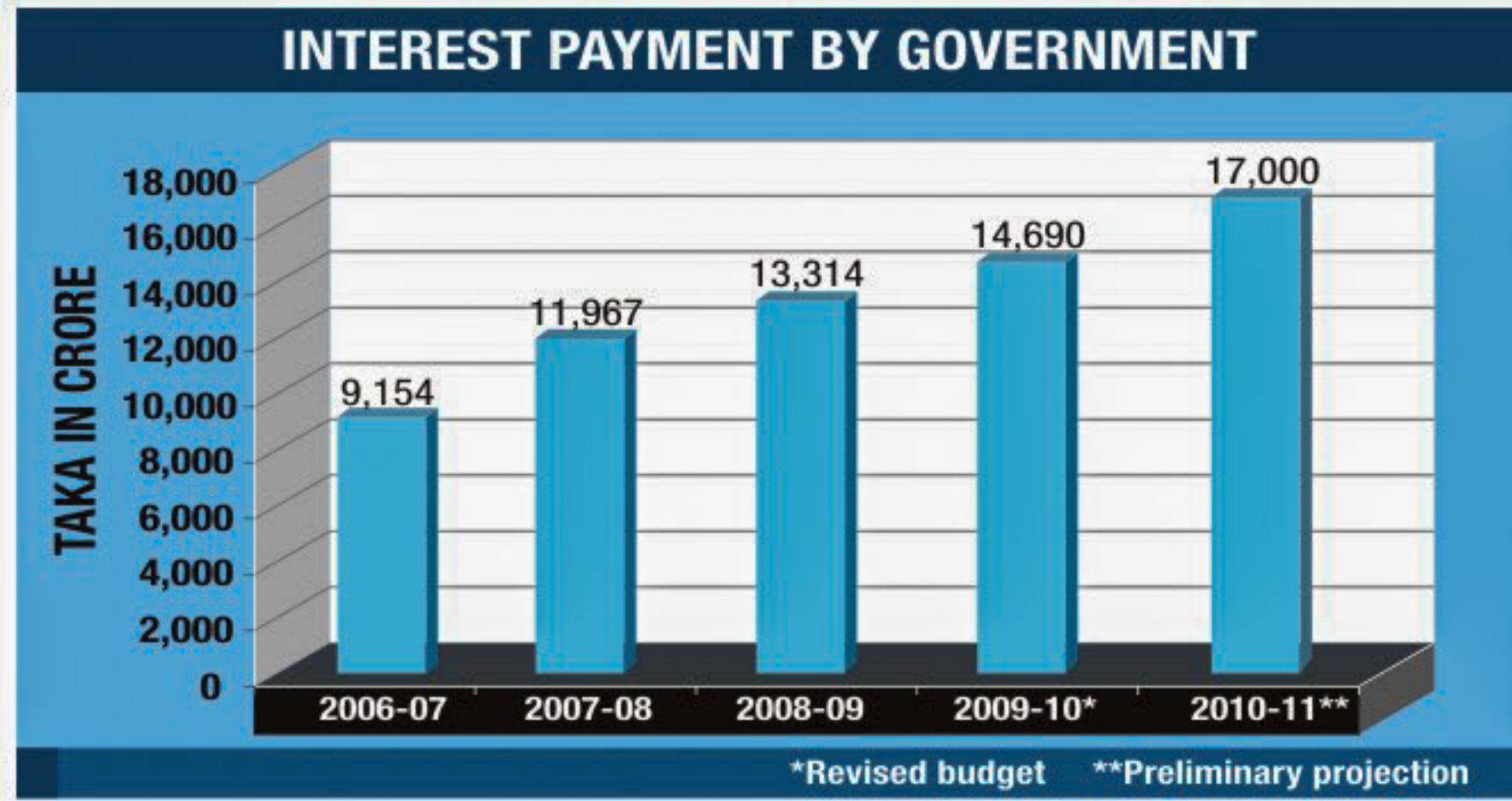
Many farmers are compelled to sell their produce much below their production costs or pile the tuber up in field or roadside, exposing those to the sun and rain.

A bumper output in the immediate past season has resulted in the present situation. Primary official estimates show net potato output would be over 80 lakh tonnes this year, an 18 percent rise compared to a year ago.

Stakeholders said the farmers usually keep around 40 lakh tonnes of potato at home for selling in the first half of the year and preserve more than 20 lakh tonnes in cold storages.

Potato Advisory Board last month suggested that the government launch a countrywide campaign for adding potato to daily meal, expedite potato export with 20 percent cash incentive and reopen all the four potato flake factories.

Govt's interest payment rises



REJAUL KARIM BYRON

The government spending on payment of interest rises by the year because of its dependence on internal borrowing to meet a budget deficit.

A preliminary estimate shows such spending is likely to reach Tk 17,000 crore in the next budget from Tk 14,690 crore in the revised budget of the current fiscal year.

The next budget deficit has been projected at Tk 39,000 crore, 54 percent of which is planned to borrow from local banks and savings instruments.

Around 55 percent of the Tk 31,039 crore deficit in the current year's revised budget is also being met by such borrowing. Although interest on savings instruments is high, the government had to double the borrowing through this source.

According to a Finance Division report, the rate of interest is on average about 1 percent in the case of foreign loans. On the other hand, the rate of interest on loans from local banks is 7.75 percent, while the savings instrument interest is 11.75 percent.

Up to fiscal 2008-09, the government's total loan stood at Tk 276,930 crore, which is about 45 percent of GDP (foreign loan is 24.3 percent of GDP).

The finance ministry officials say although the rate of interest on foreign loans is low, such loans and grants could not be utilised.

The government fails to get released a big portion of the amount pledged by donors every year. At present, \$8.5 billion foreign aid is in the pipeline, about half the amount is not being released, as the government cannot utilise it.

In the last two fiscal years, the donors pledged \$2.44 billion, but the disbursement was \$1.84 billion. In fiscal 2007-08, \$2.84 billion was pledged, but the government could get \$2.06 billion.

Officials see this amount as the highest disbursement in a single year in Bangladesh's history. They said normally \$1.4 billion to \$1.5 billion are disbursed in a year.

In the revised budget, the annual development programme (ADP) has been cut by Tk 2,000 crore. Of the amount slashed, Tk 1,545 crore is project aid.

Meanwhile, an official of the finance ministry hinted at lowering the interest on savings instruments from the next fiscal year in line with the measures taken by the government for such rate cut. A committee led by a deputy governor of the central bank is now working on it.

Brick kilns to get bank loan to go green

STAR BUSINESS REPORT

The central bank will provide each new and old brick kiln with Tk 2 crore loan at nine percent interest rate to help it become environment friendly.

Commercial banks will disburse the loan under a refinance scheme of the Bangladesh Bank, which has already formed a Tk 30 crore fund.

The BB yesterday informed the banks of the matter through a circular that said entrepreneurs who will use Hybrid Hoffman Kiln (HHK) or similar technology in their brickfields will get the loan.

Traditional brickfields cause a huge environmental pollution, the circular added.

It said the central bank has created the fund so the brick makers become interested to convert their traditional kilns into new technology-based ones to reduce pollution and carbon emission.

Bangladesh has about 6,000 authorised brickfields and numerous illegal ones.

However, Industrial and Infrastructure Development Finance Company Ltd (IIDFC) has so far funded four brick manufacturing units under the HHK technology.

A single kiln that runs on HHK technology produces 15 million bricks and cut carbon emission by 5,000 tonnes a year. A double unit kiln produces 30 million bricks and cut carbon dioxide (CO2) emission by 10,000 tonnes a year.

The brickfields in Bangladesh emit around 875 lakh tonnes of CO2 every year. Bangladesh also can earn foreign currency through reducing carbon emission by the brickfields.

Experts had said earlier that the country will be able to sell per tonne of saved carbon at \$15 after June this year.



Prime Minister Sheikh Hasina, 4-R, poses with the relatives of BEA Gold Award-2010 recipients at Osmani Memorial Auditorium in Dhaka yesterday. All the three awards were posthumous and the awardees were members of Bangladesh Economic Association (BEA). Asma Kibria, 5-R, wife of Shah AMS Kibria; Noorjahan Bose, 3-R, wife of Dr Swadesh Ranjan Bose; and Agriculture Minister Matia Chowdhury, 2-R, wife of Bazlur Rahman, received the awards on behalf of their husbands. BEA President Qazi Kholiuzzaman, 3-L, is also seen.

BEA awards three

STAR BUSINESS REPORT

Bangladesh Economic Association (BEA) yesterday awarded three personalities for their outstanding performance in their respective fields during their lifetime.

The recipients of BEA Gold Award-2010 are late finance minister Shah AMS Kibria (posthumous), economist Dr Swadesh Ranjan (SR) Bose (posthumous) and former editor of Bengali daily the Sangbad Bazlur Rahman (posthumous).

All the winners were the lifetime members of the BEA and were students of economics.

The BEA awarded them on the occasion of the association's 17th biennial conference at Osmani Memorial Auditorium in Dhaka.

Prime Minister Sheikh Hasina handed the medals to the relatives of the winners at the inaugural session of the three-day conference that began yesterday.

Asma Kibria, wife of Shah AMS Kibria, received the medal on behalf of her husband, Noorjahan Bose and

Jasim Ahmed, wife and son of SR Bose, received the medal on behalf of SR Bose and Agriculture Minister Matia Chowdhury received the medal on behalf of her husband Bazlur Rahman.

Kibria was the finance minister of Bangladesh from 1996 to 2001. He did his MA in economics from Dhaka University. He joined Pakistan foreign services in 1954 and had worked as a diplomat in many countries since 1957.

SR Bose was a successful researcher at former Pakistan Institute of Development Economics and the Bangladesh Institute of Development Studies.

An MA in economics from Dhaka University, journalist Bazlur Rahman started his career in 1961 as an assistant editor of the daily Sangbad. He also worked for the daily Ittefaq.

Finance Minister AMA Muhit attended the inaugural ceremony as a special guest while BEA President Qazi Kholiuzzaman Ahmad chaired the session.

RELATED STORY ON B3

Bangladesh to join world's largest fair

KAWSAR KHAN

Bangladesh will focus on exports and migrant workers by participating in the 'Shanghai World Exposition', which is expected to be the world's largest by the number of visitors.

Over 200 countries will join the exposition in China from May to October. Around 50 international organisations, including the United Nations, will also take part in it.

"Over seven crore visitors are expected to participate in the fair, and due to its sheer size, it is now being termed the Commercial Olympics of China," said Nazrul Islam, member of parliament, commissioner general of the fair for Bangladesh.

Every participating country will have a separate stall while corporate organisations will have to participate under their country banner.

The fair authorities will hand over the Bangladesh stall to the authorities tomorrow.

Besides showcasing its exportable products, culture and heritage, participating countries will also be on display during the show. China is spending over \$3 billion for the fair, Islam told The Daily Star the night before flying to China to take charge

of the Bangladesh pavilion.

China gave Bangladesh \$6.5 lakh (Tk 4.48 crore) in financial support to prepare for the fair, while the government allotted Tk 1 crore for this purpose. The Export Promotion Bureau (EPB) was given the responsibility for the Bangladesh side.

Under the theme 'Better City Better Life', the fair will display China's emergence as a superpower in the 21st century and the glitz of the mega city Shanghai.

The participating countries are decorating their stalls with their distinctiveness, focusing especially on culture, heritage and urban issues.

Countries, including China, New Zealand, Finland, Russia and some African countries, have already announced their plans on showcasing their stalls.

Bangladesh plans to showcase its stall highlighting the Liberation War monuments, tourist attractions, such as Cox's Bazar and the Sundarbans, culture and art.

EPB is now working to produce two documentaries -- one on culture and heritage of Bangladesh and the other on economy and export -- to show at the fair.

A 20-member cultural team will also perform at the show on September 20, Bangladesh Day.

kawsar@thedailystar.net

Companies asked to make public their financials

SOHEL PARVEZ

The Dhaka Stock Exchange (DSE) has asked all listed companies to put on view their latest financial statements including balance sheet, income and cash flow.

The move is aimed at creating a wider access to information for investors and helping them take their investment decisions based on facts.

The prime bourse has also asked all the listed companies and securities to link their websites with that of the DSE to allow investors' easy access to those company sites.

The directive comes as many investors are believed to make their investment decisions influenced by rumours and speculations.

"We have taken the decision so the

investors don't go for rumour-based decisions and make informed judgement before investing," said Satipati Moitra, chief executive of the DSE.

The bourse brought changes to its listing regulations and also issued a notification last month -- a move to ensure compliance by all the listed issuers.

It has also asked the listed issues to update their sites with their annual and interim financial statements and all price sensitive information.

"The new rules will be applicable to all the listed companies," said Satipati.

However many listed companies out of 429 do not have any website, while some of the companies are out of operation.

As of February 2010, 239 companies are listed on the bourse.

DSE officials said all the listed issues will have to comply with the directive soon to ensure the investors' access to the companies' financials.

"On our (DSE) website, an investor gets some selected information or summary of a listed issue, such as earning per share, net profit, net asset value and price earning ratio. But by logging into the site of a listed issue, the investor will get more information," said Satipati.

"It will enable the investors to go for extensive analysis of any listed company before taking any investment decision," he added.

The DSE chief executive expected that the investors will depend less on rumours if they have access to authentic and primary information of the companies.

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