

Mindset biggest NTB

Former Indian minister tells FBCCI meet

STAR BUSINESS REPORT
A former Indian minister has said the 'mindset' of people is the biggest non-tariff barrier (NTB) to expanding bilateral trade between the two countries.
Mani Shankar Aiyar, a former union minister for northeastern region development, also called upon the Bangladeshi businesspeople to change their mindset towards India and invest more in its northeastern region to reduce the trade gap between the neighbours.
"The Bangladeshi people see West Bengal as the entire India and do not look at the rest of the country," he said.
Aiyar was addressing both Bangladeshi and Indian businessmen at a meeting at the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) office in Dhaka yesterday.
Aiyar is leading an Indian delegation that includes more than 30 businessmen from IT, shipbuilding, cement and health care sectors.
Bangladesh has the opportunity to

achieve 2 percentage points more economic growth a year if its businessmen increase cross border trade with the northeastern region of India, he said.
Aiyar said the Indian government has earmarked Rs 14 lakh crore or 10 percent of its development budget for a period of 12 years for the northeastern states, which have only 4 percent of India's total population.
"You have the opportunity to get the due slice of the huge cake of expenditure by the Indian government."
Aiyar said he would sit in Agartala of India within the next six months to review the progress of investment for increasing the cross border trade.
He said an individual-level meeting of the businessmen of both the countries will be held at the Dhaka Sheraton hotel tomorrow to identify the tariff and non-tariff barriers.
First Vice President of FBCCI Jasim Uddin said the Bangladeshi businessmen can hardly export the duty-free eight million pieces of readymade garments to India due to different tariff and non-tariff barriers set by the Indian

government.
Monowara Hakim Ali, a tourism entrepreneur and director of the FBCCI, called for easing the visa rules at the Indian High Commission in Dhaka so people can travel between the two countries without hassles.
Abdul Muktaadir, a pharmaceuticals entrepreneur, stressed joint-venture investment to boost bilateral trade.
FBCCI President AK Azad moderated the meeting.
Meanwhile, the bilateral trade gap is heavily in favour of India.
India exported goods worth \$2.30 billion to Bangladesh in the July-March period of 2009-10 against its import worth \$240.48 million, according to FBCCI data.
In fiscal 2008-09 Indian exports stood at \$2.87 billion, while imports at \$276.58 million.
India exported goods worth \$3.39 billion in fiscal 2007-08, and imported products of \$359.18 million, leaving a trade gap of more than \$3 billion.



Qubee Chief Executive Officer Jerry Mobbs shakes hands with his Windmill Infotech Ltd counterpart Md Tanjirul Basher after signing a deal in Dhaka recently. Windmill Infotech, a call centre service provider, will manage telesales services for Qubee.

DSE turnover hits 3-month low

United Airways debuts in stockmarket

STAR BUSINESS REPORT
Daily turnover on the prime bourse yesterday shrank to 3-month low, as the market regulator has put a limit on share credit to contain the liquidity flow.
The Securities and Exchange Commission on Thursday directed merchant banks and stockbrokers to provide credit at 1:1 ratio, down from 1:1.5. The readjustment was enforced on Sunday.
The tightened credit facilities contracted the purchase power of investors, leading the daily turnover shrank to a record low in months, say market insiders.
The turnover tumbled more than 27 percent to Tk 1,169 crore on the Dhaka Stock Exchange yesterday. The turnover plunged Sunday too, by more than

25 percent.
The stocks however edged up with the benchmark index of the Dhaka Stock Exchange -- DSE General Index -- increasing 9.77 points, or 0.15 percent to 6,313.31.
Banks and non-bank financial institutions led the charge, followed by the engineering sector.
In contrast, the telecom sector led the list of bottom performers, followed by insurance and ceramics sectors.
The advancers beat the losers 126 to 115 with nine securities remaining unchanged on the floor.
The DSE traded more than 4.07 crore shares and mutual fund units.
Titas Gas, the state-run fuel company, topped the turnover leaders with more than 8.7 lakh shares worth Tk 94.90 crore being traded.

United Airways made its share trade debut yesterday, a first-ever move by an airline in Bangladesh.
The local private sector airline joined the stockmarket with 2 crore shares of Tk 100 each.
On the first day, each United share was traded between Tk 299 and Tk 200, before closing at Tk 235.75.
Chittagong stocks however closed almost flat, with the CSE Selective Categories Index increasing less than 1 point.
More than 62.75 lakh shares and mutual fund units changed hands on the Chittagong Stock Exchange on a value of Tk 87.10 crore.
Losers beat gainers 91 to 78 with eight securities remaining unchanged on the port city bourse.



Ahmed Al-Kabir, chairman of Rupali Bank, speaks at the bank's 24th annual general meeting in Dhaka yesterday. M Farid Uddin, managing director, is also seen.

Expression of Interest for Financing BMRE Project of Eastern Refinery Limited

The Bangladesh Petroleum Corporation (BPC)/Eastern Refinery Limited (ERL) (Lead Agency) under the Ministry of Power, Energy & Mineral Resources/Energy & Mineral Resources Division (Lead Ministry) intends to increase its present capacity from 1.5 million TPA to 4.5 million TPA through BMRE project. The project has already been approved by the Government of Bangladesh. The consumption of petroleum oil products in Bangladesh at present is around 3.8 million metric tons per annum. ERL, the only petroleum refinery of Bangladesh is meeting around 30% of country's petroleum products consumption whereas 70% of the products are being imported as finished products.
BMRE of ERL is necessary in the light of the following:
-To provide desired energy security.
-To produce eco friendly fuels, complying with Euro-III specification.
-To reduce the petroleum products deficit of national demand.
A feasibility study for BMRE of ERL has been carried out recently by international consulting firm with IDB financing. The proposed BMRE project will be installed in existing ERL area. Utilization of existing infrastructures and sharing of common facilities, storage etc., will result in reducing investment cost.
ERL BMRE project will be implemented in around three (03) years time.
The feasibility study indicates that estimated cost of ERL BMRE project is US\$ 867.00 million for the capacity of 3.00 million metric tons per annum. Out of this cost US\$ 709.00 million will be in foreign currency and remaining US\$ 158.00 million in local currency.
The financial and economic analyses have been carried out for ERL BMRE project considering three different crudes and crude mix processing options. The results of financial and economic analysis show that the project is highly attractive. The project generates an after tax return on fixed capital cost of 16.6% (20 years average), while IRR & IERR are around 20% and 23.5% respectively. The average annual foreign currency saving is US\$ 220 million. The payback period of the investment is 4.5 years.
For smooth reception of crude oil, the existing system for crude oil unloading is not sufficient, so a Single Point Mooring with pipelines (SPM) is essential. Estimated cost of SPM project is USD 136.00 million. Islamic Development Bank has already signed an agreement with Government of Bangladesh to finance USD 129.00 million and remaining USD 7.00 million will be financed by GOB for this SPM project. For SPM project, selection of Consultant is under process and expected completion time of the SPM project is December 2012.
In order to prepare a shortlist for financing of BMRE project, interested national/international bidders are requested to submit their proposal on any of the following options:
i) Build-Own-Operate & Transfer (BOOT).
ii) Public Private Partnership (PPP).
iii) Financing only.
iv) Any other suitable option.
Interested bidders may obtain executive summary of feasibility study report from ERL.
Expressions of Interest to be submitted to the address below by 10th August, 2010 clearly marked as "Expressions of Interest for Financing BMRE Project of Eastern Refinery Limited".
Managing Director
Eastern Refinery Limited
North Patenga, Chittagong
Bangladesh
Tel: 88-031-2501260-7, Fax: 88-031-2501269
www.erl.gov.bd



New chief of Pubali Bank Securities

STAR BUSINESS DESK
Pubali Bank Securities Ltd, a subsidiary company of Pubali Bank, has elected Moniruddin Ahmed and SK Wahidur Rahman as chairman and vice-chairman, says a statement released yesterday.
Both Moniruddin and Wahidur have been directors of Pubali Bank Ltd since 1985.

India industrial output growth slows in May

AFP, New Delhi
India's industrial output growth slowed unexpectedly to 11.5 percent in May, official data showed Monday, as factories and mines ran into capacity constraints after months of breakneck expansion.
Analysts said the data signalled a return to sustainable levels of industrial growth and predicted the central bank would hike interest rates again later this month to cool the economy.

Taiwan wins trade dispute with EU

ANN/THE CHINA POST
Taiwan has reportedly won a trade dispute with the European Union over a tariff imposed on LCD panels, a victory that may help Taiwanese manufacturers save as much as NT\$19.6 billion (US\$611.5 million) a year.
The case was launched jointly by Taiwan, Japan and the United States to the Dispute Settlement Body of the World Trade Organization (WTO), with Taiwan suing EU over a 14-per cent tariff imposed on LCD panels. This marked the first case Taiwan has brought to the WTO ever since its accession into the world trade body eight years ago.

Call for investment-friendly atmosphere in Rajshahi

BSS, Rajshahi
Infrastructure development, creation of investment-friendly atmosphere and availability of updated business information could help flourish different industries in Rajshahi.
Talking to the news agency, some chamber and business leaders here stressed yesterday the need for creating business-friendly atmosphere in the region for bolstering its economic position.
They said economic condition of the region could not be taken to an expected level unless its requisite business infrastructure is ensured.
President of Rajshahi Chamber of Commerce and Industry Abu Bakker Ali underscored the need for business expansion through establishing the potential industrial units here for the sake of its economic solvency.
Reviewing the existing problems with regard to setting up local enterprises and possible solutions to those, he sought cooperation of all the authorities concerned for flourishing industrial sector.
He dwelt on various issues like

trade and business, industry, agriculture, power supply, import and export, SME development and expansion and bank interest rate.
Highlighting the enormous potential of the silk along with establishing agro-processing industry, he said the business promotion organisations could extend financial and technical support to this sector for proper utilisation of the agro-products.
Referring to the agriculture sector, he observed that surplus production of vegetables and other seasonal fruits could be utilised properly through setting up agro-based export-processing zone in the region.
For which, he suggested supply of pipeline based gas to this region. The chamber leader urged both the local and foreign entrepreneurs to set up potential industries in the region by taking the advantage of facilities being provided by the government to raise the production of tradable items for creating more scopes for employment.
With vast fertile lands, excellent communication network and

skilled manpower, the chamber leaders pointed out that the region has a bright future of exporting fresh vegetables and processed fruits through setting up agro-based industries.
RCCI Director Kabirur Rahman Khan called for upgrading the Rajshahi airport as an outlet to export fresh vegetables and fruits, protecting the existing archeological and historical structures and providing adequate infrastructural supports to the development of tourism industry in the region.
Besides, Khan suggested installation of coal-based power plants as they could ensure uninterrupted power supply at reasonable rates to the industrial units, making those profitable and sustainable.
Referring to the enormous processing prospects of some agro-products like potato, tomato and mango, he urged the entrepreneurs to set up agro-based and agro-processing small and medium enterprises here for the best uses of the products.



Senior StanChart official due today

STAR BUSINESS DESK
Head of Global Markets for South Asia for Standard Chartered Bank Hemant Mishr arrives in Dhaka today on a two-day visit, the bank said in a statement.
During the visit, Mishr will meet senior officials of Bangladesh Bank, finance ministry and external stakeholders of StanChart in Bangladesh.
As a co-head of the bank's wholesale banking in India, he is jointly accountable for the wholesale strategic leadership and performance, and corporate governance.
In India, Mishr also deals with trading and sales across assets, like fixed income, credit, commodities and equity and is also responsible for debt capital markets and management of the bank's balance sheet.

Minister says new RMG wage soon

BSS, Dhaka
Labour and Employment and Expatriate Welfare and Overseas Employment Minister Khandaker Mosharrar Hossain yesterday said the government would re-fix minimum wage for the readymade garments (RMG) workers soon.
"We have already held fruitful discussions with the government bodies, garment owners and workers and hope we will be able to declare an acceptable minimum wage soon."
The minister told this at a meeting with US Ambassador to Bangladesh James F Moriarty at his secretariat office.
Various matters related to bilateral issues and mutual interest came up for discussion.
The government also formed a wage board headed by District And Sessions Judge Ikhtedar Ahmed for an acceptable minimum wage in the backdrop of recent unrest at different RMG units in the country.
So far, the government has fixed the minimum wage for three times, first at Tk 600, second at Tk 975 and for the last time at Tk 1,662.
Mentioning that the government clarified the recent RMG unrest as isolated incidents, the labour minister said such a situation could arise any time in the sector involving 40 lakh labourers at 3,500 units.
He informed the US envoy that the government considers forming trade unions at the RMG industries to ensure labour rights.
Hossain also added the government formed a task force and introduced smart cards to check human trafficking, especially women and children.
The government has taken a project to build 30 new technical training institutes and five marine training centres to send more skilled manpower abroad, he said.
Moriarty lauded the government's move in re-fixing the minimum wage and hoped that the labour rights would be secured at every sector in Bangladesh.

China's property prices slow in June

AFP, Beijing
Property prices in China rose at a slower pace in June from a month ago, government data showed Monday, in a further sign that Beijing's efforts to cool the sizzling real estate market were kicking in.
Housing prices in 70 major cities rose 11.4 percent year-on-year in June, the National Bureau of Statistics said on its website, down from the 12.4 percent rise seen in the previous month.
The figure hit 12.8 percent in April, the biggest on-year rise for a single month since July 2005, when the survey was widened to 70 cities from 35.
Chinese authorities have issued a slew of measures in recent months as they seek to prevent the property market overheating and causing a bubble that could derail the world's third-largest economy.
The authorities have so far tightened restrictions nationwide on advance sales of new developments, introduced curbs on loans for third home purchases and raised minimum down-payments for second homes.

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2. Executive Development	July 18-29 Dhaka 09:30-14:00	Tk. 5,000/-	A.H. Mostafa Kamal Khan
3. Marketing, Sales Management and Salesmanship	July 18-Aug 5 Dhaka 17:00-22:00	Tk. 7,500/-	Abdus Samad Chowdhury Cell: 01714-395646
4. Implementing Human Resource Information Systems (HRIS)	July 26 Dhaka 09:30-17:30	Tk. 1,500/-	Mohammad Sayedur Rahman Cell: 01819-231219 E-mail: sayedur19@gmail.com
5. Salesmanship for the Sales Representatives and Sales Officer	Aug. 01-05 Khulna 17:00-21:30	Tk. 3,300/-	Dr. Uttam Kumar Datta Cell: 01715-782054 E-mail: ukdatta@gmail.com
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8. ERP Solutions: Challenges & Best Practices	Aug. 07 Dhaka 09:30-17:30	Tk. 1,500/-	Mohammad Sayedur Rahman Cell: 01819-231219 E-mail: sayedur19@gmail.com

Courses mentioned above are suitable for Managers/Executives of public and private sector organizations NGOs and Individuals. The course is also suitable for the people not yet in service. Interested person/organization may apply. Respective course coordinators will be happy to respond to any query.

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