

Stocks suffer big jolt on SEC move

STAR BUSINESS REPORT

Fresh regulatory moves on single borrower exposure shook up share-trading yesterday, leading stocks to a steep fall.

The benchmark index of Dhaka Stock Exchange --DSE General Index-- plummeted 90.23 points, or 1.38 percent, to 6,404.98.

Operators said the latest regulatory intervention created a sell-off wave, leading to a downtrend, which may continue in the days ahead.

The fresh SEC order that curbed single borrower exposure to stocks sent the market in the red, said Race Asset Management in its regular market analysis.

The Securities and Exchange Commission on Wednesday tightened share credit by limiting it for all the clients of merchant banks and brokers.

The latest measure that comes into effect on Sunday will not allow merchant banks to provide more than Tk 10 crore in

margin loans to a single client, while the stockbrokers cannot provide more than Tk 5 crore in credit to a single client.

The SEC also decided that directors of merchant banks and stockbrokers cannot receive any credit for share purchase from their own firms.

The SEC also set August 31 as the deadline for adjusting the margin loan for those clients whose credit exposure is over Tk 5 crore. The directors of merchant banks and stockbrokers will also have to adjust their loans within this time.

The four major sectors -- banking, non-bank financial institution, fuel and power, and engineering -- were mostly associated with the causes behind the dip in the market.

A total of 12 sectors out of 17 were in the negative territory on the premier bourse.

The day's three positive performers were services and real estate, mutual fund and ceramics.

Losers outnumbered advancers 167 to 78. However, One Security remained unchanged on the DSE, which traded more than 7.13 crore shares and mutual fund units on a turnover of Tk 1,784.94 crore.

Titas Gas, the state-run fuel company, topped the turnover leaders with more than 11.61 lakh shares worth Tk 126.79 crore.

Chittagong stocks also marked a sharp fall with the CSE Selective Categories Index declining 122.73 points, or 0.99 percent, to 12,270.31.

More than 94.74 lakh shares and mutual fund units worth Tk 132.41 crore changed hands on the Chittagong Stock Exchange.

Losers beat gainers 139 to 49, with one scrip remaining unchanged on the port city bourse.

Beximco Ltd topped the turnover leaders with more than 3.64 lakh shares worth Tk 10.92 crore being traded on the floor.



Ilias Mollah MP, Akku Chowdhury, executive director of Transcom Foods, singer Tishma, actress Opi Karim and singer Topu pose after launching an outlet of KFC at Mirpur in Dhaka yesterday.

KFC comes to Mirpur

STAR BUSINESS DESK

Transcom Foods, the franchisee of international restaurant chain KFC for Bangladesh, launched its seventh KFC outlet in Mirpur, Dhaka yesterday.

Lawmaker Ilias Mollah inaugurated the outlet where, Akku Chowdhury, executive director of Transcom Foods, was also present, the company said in a statement.

"I am delighted to launch KFC in Mirpur, an area of Dhaka which has a

rich culture and heritage. I hope the people of Mirpur will welcome us warmly," said Chowdhury at the launch.

Transcom Foods, a sister concern of Transcom Group, introduced Pizza Hut in 2003 and KFC in 2006 in Bangladesh.

"Our vision is to be the highest quality of quick serving experience in Bangladesh, where friends and families can enjoy a great tasting food at affordable prices," he added.

Due to the shortage of power, the

branch of the international restaurant chain will take few more months to operate in full capacity and it will be open for business from 3pm-10pm until October, the company said.

"I ensure the food lovers will enjoy our 11 secret spices recipe, first-rated services and overall outstanding dining experience."

To provide the required back up power, KFC Mirpur installed generators and a 2KVA hybrid solar power system to meet its needs.



Paradise Cables Ltd recently won the QMS and production certification licence from British Approvals Service for Cables (BASEC) that provides product certification services for electrical cables, data/signal cables and ancillary products. Graham O'Geran, a BASEC official, handed the certificate to Md Mobarak Hossain, managing director of Paradise Cables, at Sonargaon Hotel in Dhaka on Wednesday. Faruk Khan, commerce minister, is also seen.

Ease tax payment system

Say women entrepreneurs at a workshop

STAFF CORRESPONDENT, Sylhet

The government should ease tax payment procedures and reduce hassles for payers, said speakers at a workshop in Sylhet.

A complex payment system discourages businesspeople, especially women, from paying taxes, they added.

Women Business Forum, Sylhet and the office of commissioner of taxes organised the workshop in Sylhet on Wednesday, focusing on income tax and motivation.

Lawmaker Shafiqur Rahman Chowdhury said more interaction

between government and private offices is required to change the system.

"We should convince people about the benefits of paying taxes. But simplifying the process is a must."

Arifa Shahana, tax commissioner, said: "Things have already been simplified."

Shahana said her office is ready to extend all-out services and assistance to businesspeople.

"Nobody will be harassed. We'll provide TIN certificates to women entrepreneurs in 15 minutes."

Rona Begum, general secretary of

Women Business Forum, said most businesswomen have no tax identification numbers. Harassment by taxmen is one of the reasons behind it, she added.

The commissioner also called upon officials to create a better working atmosphere.

Md Masud Rana and Shahena Akhtar, deputy commissioners of taxes, spoke on the procedures of submitting income tax returns and getting TIN certificates.

Swarnalata Roy, acting president of Women Business forum, Sylhet, chaired the programme.

Govt to upgrade Mongla port

UNB, Bagerhat

Mongla port will be upgraded to international standard soon.

The government took the initiative to boost the country's economic growth, particularly in the south-western region.

An agreement to this effect has already been signed between the port authorities and David Wignal Associate, a Singapore-based consultancy for maritime industry.

Mongla Port Authority Chairman Commodore M Faruk said the consultancy firm is now carrying out feasibility study on the Tk 21,000 crore project.

The project works include construction of international standard jetty, a power generation plant, industrial park and container terminal.

As per the agreement, the project is scheduled to be complete within 2030.

Rupali, Khan Brothers sign deal

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Khan Brothers Shipbuilding has signed a Tk 31.25 crore loan agreement with Rupali Bank to finance the shipbuilder's capacity building.

The money will help the shipbuilder construct its shipyard off Meghna river at a cost of Tk 71.80 crore on 100 acres.

The deal was signed between Rupali Bank Managing Director M Farid Uddin and Khan Brothers Group Managing Director Tofayel Kabir Khan at Dhaka Sheraton Hotel on Wednesday.

Bangladesh Bank Governor Atiur Rahman was present as chief guest.

Khan Brothers will make ships of 3,000 to 15,000 DWT (deadweight tonnage) capacity from its shipyard by processing 7,000 tonnes of steel.

The shipbuilder expects to earn around Tk 315.77 crore a year from ship exports, Rahman said.

The central bank chief added that Bangladeshi financial institutions should increase its negotiation skills to reduce the fees and commissions charged by its foreign counterparts for financial services, as the country has a good credit rating.

The sector will contribute to the national exchequer at a rate of nearly 3-4 percent of GDP by 2015, he added.

Industry people identify financing costs as the major obstacle for the sector, as the interest rate in the field is around 12-13 percent.

The central bank chief mentioned that Bangladesh Bank would create a special fund for the shipbuilding industry.

AmEx regional head due on Monday



STAR BUSINESS DESK

Kula Kulendran, head of Global Network Services (GNS) for Japan, Asia Pacific and Australia region of American Express International, is scheduled to visit Dhaka on Monday.

Kulendran, also the executive vice president of American Express International, will launch the City Bank American Express Lounge at Hazrat Shahjalal International Airport.

He is responsible for managing and building strategic alliances with business partners and financial institutions that issue cards on American Express' global merchant network.



M Anis Ud Dowla, chairman of ACI Ltd, and Masaru Maruo, associate director for Panasonic Corporation Japan, are seen at the inauguration of a 'master showroom' of Panasonic at Motijheel in Dhaka recently. ACI is the local distributor of Panasonic electronics.

Government of the People's Republic of Bangladesh
Office of the Project Director
The Construction of a Concrete Grain Silo at Mongla Port with Ancillary Facilities (50,000 mt capacity) Project
Directorate General of Food
16, Abdul Ghani Road, Dhaka-1000.
www.dgfood.gov.bd

Memo no. MSCP-18/2010/153 Date: 20/07/2010.

Invitation For Unpriced Technical Proposals

As per the provision set forth in the approved DPP, We, The Procuring entity, are to use Two-Stage Tendering Method for the procurement of a large and complex contract namely the Construction of a Concrete Grain Silo at Mongla Port with Ancillary Facilities (50000 MT Capacity). Thus we invite as per Rule 65 of PPR-2008 an unpriced technical proposal from a Joint venture, consortium or association, JVCA, comprising of two firms both national and foreign which shall outline a conceptual design and/or specific performance requirements. The conceptual design would focus mainly upon the presentation of a functional design that shall provide the following information:

- Stipulated performance specifications (Applicable for the foreign firm).
- Technical specifications (Applicable for the foreign firm).
- Visual and operational details of the required procurement objects. (Applicable for the foreign firm).
- The relative managerial, financial and technical competence of the tenderer. (Applicable for the local firm).
- the effectiveness and future adaptability of the proposal submitted by the tenderer (Applicable for both the firms)

As per Rule 54 of PPR-2008 the Joint venture shall satisfy the following conditions:

- A contract agreement shall be submitted on a non judicial Stamp of value Tk 300/- (Three Hundred) signed by the legally authorized representative of both the firms.
- Each of the firms of Joint venture shall be jointly and Severally liable to the client for all the contractor's obligations under contract.
- A representative shall be nominated jointly authenticating him/her to perform all duties and activities relating to the implementation of the project and receive all dues relating thereto
- Performance Security as to be specified in the particular conditions of contact shall evenly (fifty-fifty) be shared by both the firms and submitted in Bangladesh currency from any scheduled Bank of Bangladesh.
- For any fault following a dispute or resulting from the implementation, supply and/or commission works committed by any party of the joint venture, legal action shall be taken against both the parties or the party available. In case of any untraceable party, the party available shall have to reply in favour of the joint venture. The penalty of legal proceeding that would be imposable on both the parties shall be applied on the party available.
- A joint venture or any such initiative once agreed upon shall not be altered without prior approval of the procuring entity

Some of the requirements for the lead firm (local firm):

- The principal professional Staff as set forth in the Tender document shall have the permanent position in the lead firm
- Curriculum vitae for each professional staff shall be signed by the staff individually with date.
- The authentication of curriculum vitae shall be ensured by the lead firm and the commitment of professional staff shall be attached with the proposal
- Last five year (from the date of proposal submission) turn over with supporting documents shall be submitted
- liquid asset shall be supported by the authenticated and up dated document, for instance, Bank statements and / Or document from a reputed Chartered accountant firm. The audit report shall contain the yearly receipt and expenditure statement showing the closing balance of 30th June 2010.
- Up dated Income tax clearance certificates.
- Experience of similar assignment (with works and / or goods contract completion certificate).

Some of the requirements for the foreign Firm:

- At least one assignment similar in nature and magnitude completed by the firm during the past five years shall be submitted with adequate and most appropriate documents.
- Last 5 (five) years turn over supported by authentic documents shall be submitted.

- A document for facilitating proposal submission is available at the office the undersigned at a cost of Tk 500/- in cash.
- The proposal shall be submitted by 05/09/2010 on office hours in sealed envelope to be delivered to Project Director, Room no. 321 (3rd floor), Khadya Bhaban, 16 Abdul Gani Road, Dhaka.
- The Procuring Entity reserves the right to accept any or reject all Proposals.

Yours sincerely,

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