

# Indian minister backs cuts in export prices of onion

PALLAB BHATTACHARYA, New Delhi

Indian Agriculture Minister Sharad Pawar yesterday pitched for slashing the \$600 per tonne export benchmark price for Indian onions and favoured lifting of the ban on export of rice, wheat and sugar.

Pawar said the present minimum export price (MEP) of Indian onions is double the prevailing rate on the international market and made them uncompetitive.

"I have enquired from the states from where onions are exported to different countries and got information that the prevailing international export

price is around \$250-300, but our MEP, at \$600 per tonne, is almost double," Pawar told reporters here.

"This (higher MEP) will create obstacles in exporting onions from India," said Pawar on the sidelines of an agriculture function.

"I think it is a fit case for giving a second thought to bring down MEP to make Indian onions internationally competitive," he said.

Pawar expressed confidence that the Empowered Group of Ministers (EGoM) meeting later this week will give serious thought to the issue of lowering MEP.

The government had last week decided to lift the ban on

exports of onions following farmers' protest over crash in domestic prices within two months of touching Rs 80 a kg.

But as a precautionary measure against the possibility of prices shooting again, the EGoM decided to allow shipments of onion at a Minimum Export Price (MEP) of \$600 per tonne.

Earlier, Pawar and Maharashtra Chief Minister Prithviraj Chavan had approached Commerce and Industry Minister Anand Sharma to open onion exports in view of farmers' agitation in the main producing state Maharashtra due to crashing of prices as a result of oversupply.

The government had banned

onion exports in the last week of December, 2010, to augment domestic supply and contain onion prices, which had touched Rs 70-80 a kg.

Prior to the ban, India exported 11.58 lakh tonnes of onion mainly to Gulf countries, Sri Lanka and Malaysia during April-November of this fiscal year.

The government should give a serious thought to allowing exports of wheat, rice and sugar looking at bumper production and comfortable stock position, Pawar said.

"Our stock position is good whether it is rice, whether it is wheat or whether it is sugar. I think this is the time when gov-

ernment has to give a serious thought and allow certain exports," he said when asked if he supports wheat, rice and sugar exports.

Pawar favoured wheat exports to cash in on high prices and short supply in global markets. There have been reports that China wheat crop might decline due to drought conditions.

The exports of wheat and non-basmati rice were banned in February 2007 and April 2008, respectively, to control high inflation.

Recently, exports of 1.5 lakh tonnes of three superior varieties of non-basmati rice were allowed.



**ADCOMM**  
Mostofa Azad Chowdhury Babu, vice-president of Federation of Bangladesh Chambers of Commerce and Industry, inaugurates a showroom of Banthai Furniture on Station Road in Rangpur recently. Abu Rusdh Tarek, director of Banthai Furniture, was also present.

## Germany's Wintershall stops Libyan oil production

AFP, Berlin

German oil firm Wintershall said Wednesday it had stopped oil production in Libya due to the security situation in the violence-hit country, a spokesman said.

The production at Wintershall's eight oil fields in the country has been stopped "due to security reasons," the spokesman told AFP.

The company which has 400 employees there, mostly Libyans, had earlier said its daily production of 100,000 barrels per day would be reduced, but that a small group of core workers would remain on site.

According to the International Energy Agency (IEA), Libyan oil makes up 7.7 percent of Germany's supplies, making it the fifth biggest supplier.

An economy ministry spokeswoman told a regular briefing earlier Wednesday that Europe's top economy has plentiful reserves and there was "no reason for concern."

Earlier Wednesday, French energy giant Total, which produced an average of 55,000 barrels per day (bpd) from its Libyan wells in 2010 or 2.3 percent of the giant's pro-

## Bank of England moves toward raising interest rates

AFP, London

The Bank of England moved closer to raising interest rates on Wednesday, as minutes showed that three policymakers voted earlier this month to hike borrowing costs due to concerns over high inflation.

Three members of the nine-strong Monetary Policy Committee (MPC) called for the central bank to lift rates from a record low level, according to minutes from the February meeting. That compared with two rate hawks in January.

However, the MPC voted 6-3 to keep the central bank's key interest rate at just 0.50 percent, where it has stood since March 2009, as it balanced inflation concerns with worries over the fragile economic recovery.

Economists seized on the news as evidence that the Bank of England had jumped one step closer towards lifting borrowing costs.

"Our overall sense from the minutes is that the MPC is inching its way towards starting to raise rates, but a move remains dependent on the strength of the incoming data and could yet be derailed by bad news," said Barclays Capital analyst Simon Hayes.

"We continue to forecast the first rate rise to be in

## China becomes top Myanmar investor

AFP, Yangon

Myanmar's close ally China has become the biggest foreign investor in the military-ruled country, an official from the business community said Wednesday.

Mainland China's cumulative investment reached \$9.60 billion in January, ahead of Thailand's \$9.57 billion, said the official from the Union of Myanmar Federation of Chambers of Commerce and Industry, who declined to be named.

China is a key buyer of natural resources in Myanmar, which remains one of the world's least developed countries despite an abundance of precious stones, oil, gas and other treasures.

While Western countries have imposed sanctions on Myanmar owing to its lack of democratic reform and human rights abuses, Asian nations have overlooked the political situation to invest in its ample



**EBL**  
Ali Reza Iftekhar, managing director of Eastern Bank, hands a dummy cheque book to a student at the launch of EBL Junior, a savings account for students, at Rajuk Uttara Model College in Dhaka yesterday. Colonel ASM Mushfiquur Rahman, principal of the college, was also present.

## EBL unveils savings account for students

STAR BUSINESS DESK

Eastern Bank Ltd (EBL) yesterday launched a savings account for students to rope in the young population under banking umbrella, helping them understand benefits of savings.

Ali Reza Iftekhar, managing director of EBL, unveiled the new product of the bank at Rajuk Uttara Model College, said the private commercial bank in a statement.

The new savings account 'EBL Junior' offers 6 percent interest on daily balance to be paid semi-annually.

Students aged between 11 and 17

years will be eligible for opening the account at EBL branches, individually or jointly with parents. The account holder will enjoy facilities such as internet banking and ATM.

The account will instill savings habit into the students and familiarise them with modern banking, the bank said.

Parents can use the account to save for the future expenses of their children, such as higher education, marriage or any other purpose.

AKM Mushfiquur Rahman, principal of Rajuk Uttara Model College, and Muklesur Rahman, deputy managing director of EBL, were also present at the ceremony.

# Bdjobs.com awards best employers

STAR BUSINESS REPORT

Bdjobs.com, the country's first online job portal, yesterday announced awards for seven best employers in Bangladesh to recognise their contribution in the economy and job creation.

The winners of the "Bdjobs.com Best Employer Award 2010" are HSBC in banking, Grameenphone in telecommunication, BRAC in development, Unilever in FMCG, ATN Bangla in media, Graphic People in IT and H&M in garments and textile.

"The main objective of the award programme is to encourage all types of organisations in the country for benchmarking their employee management and development policies and practices," said AKM Fahim Mashroor, chief executive officer of the company, at a press conference



**AKM Fahim Mashroor, chief executive officer of Bdjobs.com, a job portal, speaks at a press conference where the organisation announced the winners of Bdjobs.com Best Employer Award 2010, at Sonargaon Hotel in Dhaka yesterday.**

at Sonargaon Hotel in Dhaka.

Around 4,500 users of the job portal participated in an online perception survey conducted for the duration of six months from July to December 2010 to

select seven best employers in the selected seven industries based on their importance in the national economy and overall employment generation.

Bdjobs.com that launched

the bi-annual best employer award in 2008 has 5,000 registered employers and is linked with more than 300 global recruiting agents. They can supply manpower to the global

market, free of cost.

Around 30,000 jobseekers visit the job site a day and nearly 1.5 lakh people have been employed through the site in the last 10 years. Of the people employed, 1,500 now work abroad.

During the survey, the participants gave their choice on the best employer against five pre-defined perception areas: work environment, management culture and practices, career prospects for the employees, competitive salary and other benefits and brand image of the organisation, said Ahmad Islam Muqit, director of Bdjobs.com.

Muqit said they will hand over a crest to the representatives of the winning organisations by the next month.

Later, they also gave away a mobile set each to the 10 participants of the survey following a lottery.

# Shipbuilders seek policy support



**IBFB**  
International Business Forum of Bangladesh (IBFB) organised a meeting titled "Identifying Regulatory Barriers and Improving Transparency in Shipbuilding Industry" at its office in Dhaka yesterday. ABM Khorshed Alam, additional industries secretary; Saiful Islam, chairman of Western Marine, and Mahmudul Islam Chowdhury, president of IBFB, attended the programme.

STAR BUSINESS REPORT

Shipbuilders yesterday called upon the government to formulate a separate policy and assign a line ministry to the export-oriented industry to help it flourish.

The call came at a meeting titled "identifying regulatory barriers and improving transparency in shipbuilding industry" organised by International Business Forum of Bangladesh (IBFB) at its conference room.

Md Sakawat Hossain, managing director of leading shipbuilder Western Marine Services Ltd, said the industry now faces problems regarding regulations and bank guarantee.

For quality control and other compliance issues, International Maritime Organisation is the only authority in the

world, he said, adding that the government should focus on reducing the bank interest rate for the sector.

According to Hossain, it will take long time to develop a single uniform policy for shipbuilding.

"Now we fear the interest rate that was 12 percent last year and 15 percent this year," he added.

ABM Khorshed Alam, additional secretary to the industries ministry, said most of the time businesspeople criticise the government.

He stressed more dialogues between the government and the business community to clear the current misunderstandings.

Saiful Islam, chairman of Western Marine, said they are going to lose competitiveness in the international market due

to high bank rates.

"As a thrust sector, we are eligible to a 0.5 percent reduction at source but we didn't get such benefit," he added.

IBFB Research Director ABM Mofizur Rahman presented a paper on the title of the meeting.

The paper recommended that the banks should reduce interest rate to less than 10 percent for working capital loan.

It also suggested withdrawing the terms "sacrifice of duty drawback facility" from the bailout proposal for the shipbuilding industry.

President of IBFB Mahmudul Islam Chowdhury presided the meeting and said the government should provide intensive to the shipbuilders for the betterment of the industry.

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