

BB's e-tender cuts muscle power, time

BSS, Dhaka

The introduction of e-tender at Bangladesh Bank enables bidders to take part in the bidding freely in a process that eliminated domination of muscle power and shortened the procurement cycle.

Since its introduction in May 2010, the banking regulator gave 350 contracts out of 400 to winning bidders for procurement of goods through e-tender, a central bank official said.

"With this online system, the entire tender process for procurement of goods and services starting from creation of a purchase requisition through to the award of contract is being done in a transparent and fair manner," said Nazneen Sultana, deputy gover-

nor of Bangladesh Bank.

She said e-tender minimises the use of paper, hassles in communication and administration and labour-intensive tasks of receipt, recording and distribution.

In fact, the e-tender tool transforms a rigid, process-driven environment into a flexible, result-driven landscape, Sultana said.

Some 100 tenders are waiting for evaluation and contracts are expected to be awarded soon, said Mohammed Ishaque Miah, senior systems analyst.

The BB developed the electronic tender system software with own expertise and resources for tender call, collection and evaluation to quicken its procurement process.

Now, the software became a model in the country's bidding

process that often triggered unbridled corruption and snatching of tender box in the manual system, he added.

Ishaque said the Bridge Division, Rupali Bank, Security Printing Press and some other organisations will introduce e-bidding with the software.

The user-friendly software has been developed considering the country's socio-economic and literacy condition, said Kazi Nasir Ahmed, another IT expert of BB.

Users will have to sign up for the e-tender system with valid email addresses. A user can log into the system with an ID and password. Unregistered users who want to participate in the bidding have to click the link 'Register Now' of the tender site.

Stocks slightly down

STAR BUSINESS REPORT

Stocks closed marginally lower yesterday. The benchmark General Index, DGEN, the indicator of Dhaka Stock Exchange, closed at 5,099.04 points, after falling 7.72 points or 0.15 percent.

Market analysts said investors remained optimistic as there was no negative impact of a High Court rule on the Securities and Exchange Commission's directive on minimum shareholding by sponsors.

Selling pressure by investors for profit-booking pushed down the market.

Market jitters might somewhat have eased as the DSE authorities met Attorney General Mahbubey Alam to discuss a writ petition filed by a contender for NCC Bank's directorship with the HC, the analysts said. Abdul Momen, the petitioner, challenged the

SEC's directive.

Alam said he would back the SEC's directive for sponsors to hold a minimum of 2 percent stakes individually as the notice had been issued to safeguard greater interest of the stockmarket, which made investors optimistic.

Turnover stood at Tk 688 crore, which was 1.33 percent higher compared to the previous day.

A total of 15.74 lakh trades were executed with 11.42 crore shares and mutual fund units being traded on the Dhaka bourse.

Of 256 issues that traded on DSE, 162 declined, 83 advanced while 11 remained unchanged.

Among the gainers, life insurance went up 4.08 percent, followed by fuel and power 1.81 percent, engineering 1.10 percent and telecommunication 0.88 percent.



KFC

Akku Chowdhury, managing director of Transcom Foods Ltd that operates KFC in Bangladesh; Singers Tishma and Topu, Actor Bonna Mirza and Model Sharmin Lucky attend the launch of a new item of the chain restaurant's menu -- KFC Streetwise -- at KFC Gulshan in Dhaka yesterday.



BANK ASIA

Mohammed Roshangir, deputy managing director and chief business officer of Bank Asia, and Jamal Uddin Ahmed, president of Hajj Agencies Association of Bangladesh (HAAB), exchange documents after signing a deal yesterday. The HAAB and its member agencies will open accounts and obtain transaction services across all the branches of the bank and use the bank's services for receiving hajj fees. Md Mehmood Husain, president and managing director of the bank, was also present.

Asia gauges inflation through rear-view mirror

REUTERS, Singapore

Depending on where you look, Asia's inflation is either benign or stubbornly hot. China's March inflation rate stayed below Beijing's 4 percent target and appeared to be on a softening trajectory, and South Korea's dropped to a 20-month low. But other figures show price pressures actually picked up last month, and factories paid more for raw materials.

The disconnect stems from the way inflation is measured. The primary indicator in many Asian economies compares prices against a year earlier, not the prior month as is common in the United States and Europe. That can be misleading.

Asia's inflation looks tame now largely because prices were high a year ago, when oil spiked because fighting in Libya threatened supplies, and shortages of pork and other food drove up costs. Economists call that the base effect.

Central bankers trying to calibrate interest rates need to know where prices are headed, not where they've been. Otherwise, they risk missing the warning signs of a build-up in inflation that will only become harder to contain.

"The month-on-month data gives you a better gauge of the inflation pulse, what's happening right now," said Rob Subbaraman, chief Asia economist for Nomura in Hong Kong. "I'm a little bit sceptical of looking too closely into the year-on-year numbers now." Each data set has its limitations.

Few of the statistics agencies in Asia adjust data for seasonal factors, such as the Lunar New Year which distorts month-on-month readings in China and some neighbouring economies every January and February.

Call to spread Yunus' social business concept

RU CORRESPONDENT

Social business is a model for changing the society and solving social problems, speakers said at a workshop at Rajshahi University.

They also said it is important to spread Prof Yunus' social business concept among the youths, especially students, to benefit all the people of the society.

The Social Work Department of the university and Yunus Foundation jointly organised the workshop on social business at Mamataz Uddin Arts Building on Saturday.

Chief Financial Officer and Social Business Coordinator of Yunus Centre MFM Amir Khashru, its Academic Adviser Nazmul Hossain, and Chairman of the Social Work Department Sayeda Afrina Mamun spoke.

Seven principles of social business were discussed at the workshop. Five socio-economic problems were selected from the participants' ideas to be resolved with the help of the social business concept.

Major banks say eurozone should ease austerity

AFP, Washington

A major global banking group said Monday that excessive spending cuts across the euro area are dragging the region's economy down and called for more spending by countries like Germany.

The Institute of International Finance, which played a central role in the restructuring of Greece's debt, also assailed a eurozone firewall -- designed to stop market contagion -- as still inadequate and called for it to be expanded as soon as possible.

"The emphasis so far on fiscal austerity, while to a degree necessary for the countries facing market funding difficulties, is excessive when carried out across the board," IIF chief Charles Dallara said in a letter addressed to the International Monetary Fund and the World Bank.

The tighter spending by eurozone governments "has already contributed to a steep contraction in domestic demand in the euro area as a whole," Dallara said.

"It is important to move beyond just fiscal discipline, shift the policy focus from nominal to structural budget balances," he said.

Instead, Dallara said, government fiscal policies should be differentiated between weaker eurozone members and those with surpluses and fiscal

flexibility "so as to avoid the risk of an austerity overload."

Dallara's letter was addressed to the International Monetary and Financial Committee and the Development Committee of the IMF and World Bank ahead of their yearly Spring Meetings on April 20-22.

The IMF has pushed strongly for tough austerity programs in the weakest euro area countries like Greece and Spain, but has also warned that choking off spending across the eurozone could choke off growth.

The IIF, which represents some 450 major financial institutions worldwide, assailed the eurozone's fiscal compact, which sets tough budget standards for all governments, as "somewhat narrowly focused on promoting the implementation of rather inflexible fiscal consolidation objectives."

It also called the agreement by European finance ministers late last month on a 800 billion euro (US\$1 trillion) emergency fund to protect against market panic as "disappointing", noting that 300 billion euros of it was already committed.

"The euro area needs to increase in the period immediately ahead the resources of its firewall and enhance the flexibility and timeliness of the deployment of these resources to make them effective in times of crises," Dallara said.



GDICL

Nasir A Choudhury, managing director of Green Delta Insurance Company Ltd, and Md Mosleh Uddin Sadeque, executive director of the Institute of Micro Finance (InM), exchange documents after signing a deal to launch "Micro Health Insurance" pilot project, at a programme recently.

IMF decides on \$1b credit tomorrow

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The finance ministry official said the reform programmes incorporated in the policy announcements made by the finance minister in the last three years has been included in the Memorandum of Economic and Financial Policies, which has been sent to the IMF.

The government has made commitment to fulfil 11 conditions under the programme by December, including adoption of an automatic pricing formula for retail petroleum prices to ensure full pass-through of international prices.

The finance minister after a pre-budget discussion with the members of five parliamentary standing committees on Sunday told journalists that the government will introduce the automatic pricing formula to reduce fuel subsidy.

Muhith said the government will set a benchmark so that if fuel prices go up or down on the international market, the prices will be adjusted at the retail level according to the extent of the rise and fall.

The finance ministry official said price adjustment at the domestic retail level may begin if the international prices change 10 percent up or down.

The other conditions of the IMF to be fulfilled under the programme include demutualisation of Dhaka and Chittagong bourses by December.

DSE chief backs regulator's directive on shareholding

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A bench of Justice Farid Ahmed and Justice Sheikh Hassan Arif issued the rule after hearing the petition.

The DSE president said, "We expect all investors will understand the matter."

After the meeting with the DSE, the attorney general said the HC did not issue any stay order on the directive of the Securities and Exchange Commission.

The court issued a rule asking the regulators to explain why the directive would not be declared illegal, he said, adding that it means the directive still remains effective.

The SEC on November 22 last year made it compulsory for sponsors, directors and promoters to hold at least 2 percent stakes individually in their own companies.

The stockmarket regulator also made it mandatory for sponsors, directors and promoters of a listed firm to jointly hold a 30 percent stake in the firm.

The SEC set a six-month timeframe till May 22 this year for the sponsors, directors and promoters, who are now jointly holding less than 30 percent and individually 2 percent shares, to acquire the rest of the amount.

The petitioner's lawyer Barrister Riaz Uddin on Sunday said Abdul Momen's wife was a sponsor of NCC Bank and after her death on November 2 last year, Momen intended to become the sponsor of the bank.

Meantime, as the SEC on November 22 last year issued the directive on sponsor shareholding, the bank asked Momen to obtain a no-objection certificate from the regulator. But the SEC refused to give the certificate.

Riaz Uddin said the SEC cannot impose any condition on a company's sponsorship or directorship. Sponsorship or directorship of a bank is a matter of the Companies Act or Banking Companies Act of the central bank.

"We challenged the SEC order regarding 2 per-

Sprite's marketing campaign

STAR BUSINESS DESK

With strong gains in 2011, Coca-Cola Bangladesh introduced its largest ever marketing campaign -- Sherokom Clear -- for its clear lime brand, Sprite, the company said in a statement recently.

The first of its kind 360-degree campaign for Sprite in Bangladesh, builds on the idea of 'fresh minds think better' that was propagated through its campaign last year, according to the statement.

"Through the 'Sherokom Clear' campaign, we wish to inspire moments of freshness even in such situations, and celebrate the ingenuity of our youth," said Debasish Deb, country manager of Coca-Cola Far East Ltd.



NCC BANK



Md Nurun Newaz Salim, chairman of NCC Bank, presides over the bank's 27 annual general meeting at Basundhara Convention Centre in Dhaka yesterday. The bank approved 17 percent bonus shares and 10 percent cash dividends for 2011. Mohammed Nurul Amin, managing director, was also present.



IBCCI

Jahangir Bin Alam, secretary of India-Bangladesh Chamber of Commerce and Industry, attends the third Asian Relations Conference at Sapru House in New Delhi recently. Sartaz Aziz, former finance and foreign minister of Pakistan, was also present.



RUPALI INSURANCE

Mostafa Golam Quddus, chairman of Rupali Insurance Company, presides over an annual general meeting of the company at Sonargaon Hotel in Dhaka recently.