

Launch of coastal shipping in focus

DIPLOMATIC CORRESPONDENT

Introduction of coastal shipping, renewal of inland water transit and trade protocol, hike of customs fees, imposition of service charges and new ports of call will dominate the shipping secretary level meeting between India and Bangladesh in New Delhi today.

Shipping Secretary Syed Monjurul Islam, leader of the 11-member Bangladesh delegation, left the country for the Indian capital to attend the two-day meeting with his Indian counterpart Pradeep Kumar Sinha.

This will be the second shipping secretary level meeting since the first meeting was held in Dhaka on July 2-3, 2012 when Bangladesh proposed providing transshipment facilities to India through the Chittagong and Mongla seaports by floating a new idea called coastal shipping.

India has instantly welcomed the offer and both countries agreed to explore the new idea for mutual benefit.

As per the proposal, Bangladeshi coastal vessels may be used commercially

for transporting cargoes to and from India through Chittagong and Mongla ports.

Through implementing the plan, the rest of India will be connected with its east and south-east areas such as Visakhapatnam, Paradip of Orissa and Haldia of West Bengal.

To this effect, Bangladesh has suggested signing an agreement or protocol for transshipment of Indian cargo by using conventional coastal vessels under the existing protocol on inland water transit and trade which was first signed in 1972.

According to the officials, the secretaries at today's meeting will discuss the reports prepared by a joint committee regarding feasibility of the introduction of coastal shipping service between the two countries, draft agreement and standard operating procedure.

They said Bangladesh will raise the issue of increasing customs fees and imposition of service charges and bank guarantees on Indian vessels. Dhaka will also raise the issue of non-implementation of enhanced charge for maintaining navigation for inland water routes.

Stocks skid on political nerves

STAR BUSINESS REPORT

Stocks fell 2.74 percent yesterday, the highest single day fall this month, as investors sold shares fearing political instability.

DSEX, the benchmark general index of the Dhaka Stock Exchange, broke the 4,000 points level for the first time this year, closing at 3,956.89 points, after shedding 111.50 points.

After taking a break, a downtrend became stronger as political tensions hit market sentiments, IDLC Investments said in its market analysis.

"As political climate goes cloudy once more, investors became wary of investment outlook ahead. Fearing further losses in light of a recent six-session fall, investors were in selling mood."

Investors went for selling shares as the Bangladesh Securities and Exchange Commission on Tuesday rejected merchant banks' request to extend the deadline for replacing the omnibus accounts with individual beneficiary owner accounts, a merchant banker said.

Today is the last day of conversion of omnibus accounts, often called 'hide accounts' in derogatory terms.

Turnover on the premier bourse advanced 21.81 percent to Tk 324 crore, compared to the previous day.

A total of 0.97 lakh trades were executed with 8.07 crore shares and mutual fund units changing hands on the Dhaka bourse.

Of the 265 issues that traded on the DSE, 16 advanced, 254 declined and 11 remained unchanged.

All major sectors also ended in the red with telecoms losing the most at 3.20 percent, followed by banks 2.74 percent, non-bank financial institutions 2.54 percent, power 2.31 percent and pharma 2.08 percent.

Summit Purbanchol Power Company featured in the most traded stocks chart with 28.39 lakh shares worth Tk 25.47 crore changing hands.

Eastern Lubricants was the biggest gainer of the day, at it gained 8.29 percent, while GlaxoSmithKline was the worst loser, plunging 10.39 percent.



Sayed Nurul Islam, member for investment promotion at Bangladesh Export Processing Zones Authority, and Sk Mustahidur Rahman, managing director of Bangladesh Steel Tube Manufacturing Co Ltd, exchange documents after signing a deal to set up a specialised steel tube factory at Mongla Export Processing Zone at a ceremony in Dhaka on Tuesday.

Yahoo! fuels fresh debate on telecommuting

AFP, Washington

Telecommuting, a growing trend in the US workplace, is coming under fresh scrutiny following news that Yahoo! is curbing the practice.

The trend of working from home has been gaining steam for decades, as part of a workplace evolution which allows greater family-work balance and saves energy and commuting costs.

An internal Yahoo! memo from chief executive Marissa Meyer posted this week by the Wall Street Journal said employees will be required to come to their offices to "feel the energy and buzz" of the

Telenor in Bangladeshi takeover tussle

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Grameenphone accounted for about a tenth of Telenor's 2012 EBITDA of Nkr33bn but only about 6 percent of its Nkr101bn revenues.

In its report, the Grameen Bank commission called for Telenor's relinquishing of 16 percent of Grameenphone to be retrospective from 2002, with all dividends also repaid -- an asset transfer it estimated at about \$760 million. So far, the government has not made any public comment on the commission report, or Grameenphone.

Mamun Ur Rashid, the commission chair, said he was "sympathetic" to Telenor, but the divestment proposal was "fair." In its original MOU with Grameen Bank, Telenor said it would hold a 51 percent stake in the mobile phone venture, but may reduce its stake to 35 percent after six years of operation, with Grameen given the right of first refusal.

Telenor's subsequent decision to retain control of the lucrative company was a source of recurring friction with Yunus, who publicly complained about Telenor on several occasions, including during his 2006 trip to Norway to receive the Nobel Peace Prize.

"We want the money back not so much for the government as for the landless women," Rashid said.

Telenor's troubles in Bangladesh are the latest example of the difficulties facing western telecoms companies in South Asia. In neighbouring India, Vodafone is engaged in a bitter dispute over taxes, while Telenor has been forced to scale back its Indian ambitions after



Prime Minister Sheikh Hasina hands over cheques for Tk 9.60 lakh among two families of the martyrs of the BDR carnage for 2013 contributed by Standard Bank at a ceremony at the Prime Minister's Office in Dhaka recently. Kazi Akram Uddin Ahmed, chairman of Standard Bank, was also present.



Sonia Bashir Kabir, Dell's country director, and Russell T Ahmed, convener of BASIS SoftExpo 2013, attend a programme where they signed a deal at a ceremony yesterday. Dell has become the platinum sponsor of the SoftExpo.

Race is on, no time to lose

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To emphasise the policy and real world aspects of these challenges, nine panels and plenary sessions were organised on subjects such as economic growth through inclusive development, mitigating corruption, gender issues, environment and urbanisation, environmental justice, and capital goods industry.

These panel sessions were designed to elicit maximum debate and conversations between the audience and the experts on the panel, the statement said.

The conference featured a number of keynote speakers and other distinguished guests.

Rehman Sobhan, a renowned Bangladeshi economist, spoke on the political economy of development and the injustice of poverty, while Prof David Lewis, who is the author of a recent book on Bangladesh, spoke on the role of non-government organisations and civil society.

Mahfuz Anam, editor and publisher of The Daily Star, the leading English-language newspaper in Bangladesh, focuses on the role of the media in enhancing democracy and development.

Advocate Rizwana Hasan, who recently won the Magsaysay Award, spoke on her work in seeking environmental justice in Bangladesh.

Other dignitaries who attended the conference include Dan W Mozena, the US Ambassador to Bangladesh, Akramul

Qader, the Bangladesh ambassador to the US, Prof Lawrence Cohen, director of the CSAC, and Prof George Breslauer, executive vice chancellor and provost of UC Berkeley campus.

The recognition and award part of the programme featured the first ever BDI Lifetime Achievement Award given to Prof Rehman Sobhan.

UC Berkeley professor and eminent development economist, Pranab Bardhan, joined BDI President Munir Qaddus to introduce Prof Sobhan.

Following the award, Prof Sobhan delivered a riveting lecture tracing the history of development efforts in Bangladesh over the last 50 years.

He spoke of his early work with colleagues that led to the "two economy theory" which provided the theory behind the political demands eventually leading to the struggle for justice and the creation of Bangladesh.

In introducing Prof Sobhan, Munir Qaddus read messages from Prof Amartya Sen, Nobel laureate in Economics (1998), and Prof Muhammad Yunus, Nobel laureate in Peace (2006).

A town hall session on the Shahbagh protests now taking place in Dhaka was organised with Mahfuz Anam and Rizwana Hasan leading the conversation. Participants who took part in the protests and student bloggers at UC Berkeley brought their perspectives to the conversation.

Grameenphone row can put off foreign investors

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Jahangir Saadat, president of Korean Export Processing Zone (KEPZ), said the private export processing zone paid the government for 2491 acres of land in Chittagong in 1996, but mutation of the land transfer is yet to be completed.

"No lease of land to investors is possible in the absence of mutation. We have been fighting bureaucratic tangles for 17 years now," added Saadat, a former diplomat.

Farooq Sobhan, president of BEI, expressed dissatisfaction over the delays in making KEPZ operational.

"If the government does not properly handle the telecoms sector, which attracts substantial investment, it is going to have a negative impact on FDI," he added.

Ghulam Muhammed Quader, commerce min-

ister, said the problems faced by big investments like the KEPZ should be solved as soon as possible.

"One of the main concerns of foreign investors is speedy dispute resolution, and the government is working on it."

The unavailability of land to set up factories is another problem, which the government is trying to solve by establishing special economic zones, Quader said.

"It is no use asking foreign investors to come in unless we create a congenial environment," said Barrister Anisul Islam Mahmud, a lawmaker, citing inadequate gas and electricity supply, poor road infrastructure and high cost of bank loans.

Salahuddin Kasem Khan, managing director of AK Khan Group, said the government should get the private sector on

board to attract FDI.

"Plus, a stable and predictable policy is needed," he said.

ASM Mainuddin Monem, deputy managing director of Abdul Monem Ltd, said: "Foreign investors will come on their own if we can demonstrate that we can fix our problems ourselves."

"We only need leadership," he said, adding that bureaucracy, policy administration and parliament should work together to bring in FDI.



Shafiqul Alam, managing director of Jamuna Bank, and Zakir Hossain, executive director of BURO Bangladesh, exchange documents after signing a deal for the bank to finance Tk 50 crore in agricultural loans through BURO at a ceremony recently.

Businesses worried over political unrest

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The government will consider whether the foreign investors could be allowed to become members of different trade bodies, the minister said.

About a hearing for the continuation of the generalised system of preference (GSP) in the US market, the minister said the visiting US high-ups have expressed sympathy.

He said he held a meeting with Eric Biel, the acting associate deputy undersecretary of the Bureau of International Labour Affairs, on Tuesday in Dhaka.

He said Biel is in Dhaka to see whether Bangladesh has improved its labour standards.

Quader said Bangladesh will also allow trade unionism in the industrial sector gradually, but it is not possible right now.

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INTIMATION OF CREDIT RATING INFORMATION

We are pleased to inform all concerned that Credit Rating Information & Services Limited (CRISL) has evaluated Unique Hotel & Resorts Ltd. (UHR) on the basis of the financial position and other relevant quantitative and qualitative information up to the date of rating and rated UHR as 'AA+' (Pronounced as double A Plus) under long term and 'ST-1' under short term.

Surveillance Rating-2012	Unique Hotel & Resorts Ltd.	Long Term 'AA+'	Short Term 'ST-1'
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'AA+' under long term donotes high safety which means the company have high credit quality. This level of rating indicates that the loan/facilities enjoyed by the entity have sound credit profile and without any significant problem. Risks are modest and may vary slightly from time to time because of economic conditions.

'ST-1' under short term rating implies highest grade in short term ratings. The company has highest certainty of timely payment. Short term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding, safety is almost like risk free Government short term obligations.

For Unique Hotel & Resorts Ltd.

(Md. Tahorim Hossain Talukder)
Company Secretary

Dated : 27 February 2013
Dhaka