| STOCKS | | COMMODITIES | | ASIAN MARKETS | | | | CURRENCIES | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| DGEN | CSCX | Gold ▼ | Oil ▼ | MUMBAI | TOKYO | SINGAPORE | SHANGHAI | STANDARD CHARTERED BANK | USD | EUR | GBP | JPY |
| ▲ 1.99% | ▲ 2.36% | $1,447.50 (per ounce) | $95.84 (per barrel) | ▲ 0.72% | ▲ 2.93% | ▲ 0.32% | ▲ 0.62% | BUY TK | 77.10 | 98.54 | 116.94 | 0.72 |
| 3,816.75 | 7,172.62 | As of Friday | | 20,082.62 | 14,607.54 | 3,443.77 | 2,246.83 | SELL TK | 78.10 | 102.54 | 120.94 | 0.80 |

Asian markets: Friday closings

IDLC *financing happiness*





Star BUSINESS

DHAKA MONDAY MAY 13, 2013, e-mail:business@thedailystar.net


# ADP may go up 23pc next fiscal year

REJAUL KARIM BYRON

The outlay for the next fiscal year's annual development programme is likely to go up by 23 percent to Tk 64,343 crore compared to the current fiscal year's revised budget.

The planning ministry has already prepared a draft proposal for the next fiscal year's ADP and the suggestion may be placed in the meeting of the National Economic Council by the end of the month.

In the current fiscal year, the size of the original ADP was Tk 55,000 crore, which was trimmed to Tk 53,366 crore in the revised budget.

In the total ADP outlay for the next fiscal year, the contribution from the government's own fund will be 64 percent and 36 percent will come from foreign aid.

The government's own fund was 61 percent in the current fiscal year's original ADP.

An official of the planning ministry said the share of the government's own fund in the ADP is increasing as the government plans to construct the Padma bridge through domestic financing.

However, the government had a plan to go for an even higher ADP allocation at Tk 65,870 crore for the next year.

But the government was forced to trim the amount from the original plan as revenue earnings slowed down, another official of the same ministry said.

The Local Government Division, Power Division and Bridges Division will get more allocation than other ministries and divisions in the next ADP, according to the draft proposal.

At a pre-budget meeting with the finance minister, lawmakers demanded higher allocation for rural roads, bridges and culverts and electricity lines, in the run-up to the next parliamentary election.

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**PROPOSED ADP ALLOCATION** FY2014

IN CRORES OF TAKA

| | |
|---|---|
| Energy and Mineral Resources | 2,137 |
| Industries Ministry | 2,731 |
| Education Ministry | 2,763 |
| Roads Division | 2,997 |
| Health and Family Welfare | 3,619 |
| Railway Division | 4,540 |
| Primary and Mass Education | 5,053 |
| Bridges Division | 5,291 |
| Power Division | 8,559 |
| Local Government | 10,151 |

SOURCE: PLANNING MINISTRY


A model rural house fitted with a solar panel on top displays how solar home systems work, at a green energy fair organised by IDCOL at Ruposhi Bangla Hotel in Dhaka yesterday. STAR

# *Green energy fair takes off*

STAR BUSINESS REPORT

A picturesque cottage placed in the middle of a five-star hotel welcomes visitors to a renewable energy technology fair in the city.

The cottage with a solar panel on top of it displays how solar home systems work.

In off-grid areas, solar power is now a success story that the fair is celebrating at Ruposhi Bangla Hotel.

The Infrastructure Development Company Ltd (IDCOL), a non-bank financial institution, organised the three-day fair, IDCOL Green Energy Expo.

Prime Minister Sheikh Hasina inaugurated the event as the chief guest yesterday.

The fair is organised to celebrate the installation of two million solar home systems. IDCOL also launched a project to install one million improved cooking stoves.

There will be several presentations on the best practices of renewable energy technology at the fair home to 45 stalls.

The exhibition will also showcase a number of environment-friendly systems, including solar irrigation pumps, improved cooking stoves and bio-gas plants.

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# 12 brokers seek to contest DSE polls

STAR BUSINESS REPORT

Twelve stockbrokers intend to contest for four director posts at Dhaka Stock Exchange in an election set for June 10.

The DSE yesterday submitted the letters of intent of the 12 bourse members to Bangladesh Securities and Exchange Commission seeking 'no objection certificates'.

It is a regulatory requirement for a candidate to obtain an NOC from the BSEC to take part in the election.

The DSE board comprises 25 members, of them 12 are to be elected and 12 to be nominated and one ex-officio. Four directors retire every year and four others replace them through direct voting, according to rules.

The directors who will retire this year are: incumbent President Md Rakibur Rahman and directors Ahmed Iqbal Hasan, Khwaja Gulam Rasul and Sharif Ataur Rahman.

The last date for submitting nomination papers is May 27, and the last date for withdrawing nominations is June 2.

# Govt teams to start factory inspection in Dhaka Saturday

## *25 apparel units in Ashulia suspend production as workers bring out rally for pay hike*

STAR BUSINESS REPORT

Eleven teams will start inspecting garment factories in Dhaka on Saturday as part of the government's efforts to improve the occupational and health safety at the beleaguered apparel sector.

A joint secretary will head each team, which will look into workplace environment, compliance with building codes and fire safety issues, Abdul Latif Siddique, the textiles and jute minister, said at a meeting at the secretariat yesterday.

The decision came at the first meeting of a government panel led by the minister to inspect garment factories for building flaws and recommend steps to correct them.

The minister said he visited 11 garment factories last week. "These are all well-known compliant factories. Still, they seemed very congested."

He said the inspection teams would give priority to the factories housed in rented buildings, as most accidents took place in the buildings not owned by apparel entrepreneurs.

The minister said the teams would check whether the building owners have added any additional floors beyond the number of floors originally permitted.

"The teams will also see if the buildings are being used for the purposes they were not built for," he said.

The Rana Plaza, which collapsed on April 24 killing at least 1,100 people, was meant for housing shops, but five garment factories were operating in the ill-fated building.

Mikail Shipar, the labour secretary, said the teams would initially visit garment factories in areas such as Mohakhali, Kakoli, Uttara, Abdullahpur, Malibagh and Mirpur, where many factories have been set up on additional floors.

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# Revenue target may be lowered: Muhith

STAR BUSINESS REPORT

The government might trim its revenue generation target for the upcoming fiscal year as a consequence of the shutdowns enforced by the opposition parties that has brought the economy to a standstill, said the finance minister.

"We think that the revenue target might not be achieved in the outgoing fiscal year due to what has been happening in the country for the last 45 days. So, we have to think about it," said AMA Muhith.

"We may have to trim down the target for next fiscal year," he told a dialogue, 'Budget 2013-14: Our Expectations' that was organised by Metropolitan Chamber of Commerce and Industry and Maasranga Television at Sonargaon Hotel on Saturday.

The dialogue came on the eve of yet another nationwide shutdown.

The BNP-led 18 party alliance enforced more than two dozen shutdowns this year, placing demands to restore the caretaker government system, while its main ally Jamaat-e-Islami is resorting to deadly violence to protest the war crimes verdicts.

He said there would be no new taxes in the next budget and the priorities would remain the same.

"The power sector will get top priority, followed by agriculture and the social safety net," he said, adding that spending on the poor would expand.

The minister said there would be a special allocation for the physically and mentally challenged people.

He also said the budget would give special attention to the beleaguered garment industry -- now in the global spotlight for three recent deadly accidents.

Muhith said he would continue his efforts to maintain macroeconomic stability. "The export-oriented sectors will get special attention."

He said a gender sensitive budget would be prepared for each ministry.

Ahsan H Mansur, executive director of Policy Research Institute, said the value added tax target, which is a major source of income, would be difficult in the outgoing fiscal year as business is being hampered seriously.

"The profit of the banks -- another major source of income -- has been halved. So the targeted growth in the revenue collection will not be there."

"The government has targeted 21 percent revenue generation growth in the upcoming fiscal year. If we take into account the deficit of the outgoing fiscal year, then the target would be 25 percent, which is not achievable," the analyst said.

Mustafizur Rahman, executive director of Centre for Policy Dialogue, said the government always comes under pressure in preparing the budget for its last year in office.

"The government does not want to keep the GDP target lower. On the other hand, the next government does not own the projects of the previous government. As a result, the GDP growth suffers."

"So, the GDP target should be realistic. There is no way the government will achieve 7.2 percent economic growth this fiscal year."

The economist said if there is no compromise in the political front and a credible election is not held, the country will have to pay the price dearly in the years to come.

Amir Khasru Mahmud Chowdhury, former commerce minister, said the time has come for the government to give an account of the resources plundered in scams revolving the stockmarket, Destiny and Hall-Mark and in the costly rental power plants.

Rokia Afzal Rahman, president of MCCI, said the 15 percent deduction when a deposit pension scheme (DPS) matures should go.

Mahabub Hossain, executive director of BRAC, the world's largest non-governmental organisation, called for security and good governance to take the economy to a greater height.

M Tamim, a former energy adviser, said the government must give special attention to exploring oil and gas. "The country will not move ahead if it cannot extract coal for major power projects as the global oil market is most often volatile."

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# BRAC to produce sunflower oil

STAR BUSINESS REPORT

BRAC is set to introduce locally-produced sunflower oil by the end of the year, in a bid to expand market opportunities for farmers and reduce import dependency.

The oil, to be marketed under the brand name of Shufola, would be produced from seeds cultivated by farmers mainly in the Khulna and Barisal divisions, Mahabub Hossain, executive director of the non-governmental organisation (NGO), said yesterday.

"Increased production and marketing of oilseed will help us cut our import dependence on soybean oil," said Hossain, adding that BRAC has already set up an oilseed crushing mill. The oil would be sold at Tk 160-170 a litre -- around 31 percent lower than the prices of imported sunflower oil.

The move comes with the view to establish market linkages for farmers who, encouraged by BRAC following cyclone Sidr in 2007, have been growing sunflower in the southern saline zone of the country for the past few years.

In the absence of buyers, the farmers have not been receiving a fair price for their produce, Hossain said.

"We are promoting adaptive technologies of climate change among farmers so that they can grow foods despite the negative impact of the phenomenon -- and sunflower cultivation is part of that initiative." Initially, BRAC took 300 acres of land to grow sunflower as demonstration for farmers. Encouraged by good yield, many farmers in the south followed suit.

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# BGMEA sends rebuttal to Pope

STAR BUSINESS REPORT

Bangladesh Garment Manufacturers and Exporters Association yesterday sent a letter to Pope Francis to dispute his recent comments on the country's garment workers.

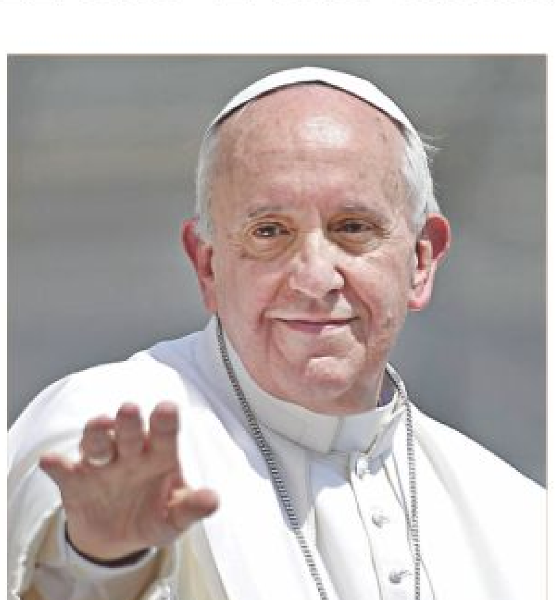
Following the collapse of Rana Plaza on April 24 that killed at least 1,100 and injured thousands, the Pope condemned the working conditions of Bangladesh garment workers as "slave labour".

"In the letter we stated that there is no slavery system in Bangladesh -- the laws of the country also do not allow any slavery," said Shahidullah Azim, vice-president of the country's apex trade body for the garment sector.

The move comes as part of the BGMEA's effort to clean up the country's image on the global stage following the Rana Plaza tragedy, he said.

"Today in the world this slavery is being committed against something beautiful that God has given us -- the capacity to create, to work, to have dignity," the Pope said at a private Mass after the Rana Plaza collapse.

"Not paying a fair wage, not giving a job because you are only looking at balance sheets, only looking to make a profit, goes against God," he was quoted as saying by the Vatican radio.



Pope Francis