

# India waits for Modi to dig economy out of investment hole

REUTERS, New Delhi

For all the bullishness gripping Indian markets since the election of Prime Minister Narendra Modi six months ago, the prospect of better times ahead has not yet persuaded firms to invest, judging by the slack demand for earth moving equipment.

Busy construction sites would be a sure sign of a revival in capital investment, needed for India to make a full fledged recovery from its longest economic slowdown in decades.

"You have to go out there and see backhoe loaders and earth moving equipment moving earth," said Anand Mahindra, one of India's leading industrialists.

"When you see that happening, when there is a real revival on the ground, that's when people will start to get confidence that things are going to turn around," the managing director of Mahindra Group told a World Economic Forum meeting in New Delhi last week.

It doesn't appear to be happening yet, even though India's stock market has been Asia's best performer this year thanks to belief that the strong parliamentary majority held by Modi's Bharatiya



Indian Prime Minister Narendra Modi looks on during the 12th Asean summit at the Myanmar International Convention Centre in Naypyidaw yesterday.

Janata Party (BJP) will make it easy to pass far-reaching reforms.

Sales of equipment to the construction industry, which fell 15 percent in 2013, are stuck in the rut they have been in for the last two years.

During the past six months, Mahindra, a conglomerate whose revenues totalled nearly \$17 billion in the last fiscal year, has seen little improvement in sales of its backhoe loaders and construction kit products.

Sure, the economy

picked up in the June quarter, when growth hit a 2-1/2 year high of 5.7 percent, but, with factories running nearly 30 percent below capacity, industry's utilisation rates are at their lowest for at least seven years.

Unsurprisingly, firms are not rushing to invest in new plants and machinery, particularly with high interest rates, needed to reduce inflation, dampening consumer spending.

"I'd rather wait a couple of months than suddenly come up with a new factory only for demand to come

down again," said Sunil Mathur, who heads Siemens' Indian arm. "I won't set up a new factory based on a few large orders."

Capital investment, which accounts for around 35 percent of the economy, has barely grown since 2012/13. It posted an annual jump of 7 percent in the June quarter, but was down 7.4 percent quarter-on-quarter.

Output data and corporate earnings suggest there was little change in investment activity in the quarter that ended in September.

Industrial output data for September is due on Wednesday, and September quarter GDP data is due out on Nov. 28.

The better showing in the June quarter had led some economists to forecast growth of 6 percent in the fiscal year to March 2015, higher than 5.5 percent that the Reserve Bank of India projected. But lacklustre industrial production has forced a few of them to revise forecasts down again.

The median revenue growth of Indian corporates, which have reported their September quarter earnings so far, is the lowest in nearly five years and is expected to worsen this quarter, according to Thomson Reuters StarMine data.

Yet, portfolio inflows have gushed into India's stock and bond markets on hopes that Modi's reform agenda will unleash a new era of growth. Steps taken so far, however, have been conspicuously modest.

Gita Gopinath, an economics professor at Harvard University, says Modi will have to urgently overhaul laws related to land acquisition, labour and tax to galvanise capital investment.



Left, Salesforce CEO Marc Benioff talks with Yahoo CEO Marissa Mayer during a Salesforce event at the Commonwealth Club in San Francisco, California.

## Some unhappy Yahoo investors asking AOL for rescue

REUTERS, New York

At least two top-10 Yahoo Inc shareholders are so unhappy with Chief Executive Marissa Mayer's turnaround efforts that they are making a direct plea to AOL Inc CEO Tim Armstrong to explore a merger and run the combined company.

Their move follows an activist campaign by hedge fund Starboard Value LP, which is pushing Yahoo to consider a deal with AOL and unlock Yahoo's valuable stakes in Asian Web companies. Armstrong has been receptive to these Yahoo shareholders and acknowledged the potential benefits of a deal, the Yahoo investors said.

But he has downplayed the possibility of a transaction, according to the investors and two sources close to AOL. There are no talks between the two companies and Armstrong has indicated he would only consider a friendly deal, the investors said.

AOL and Yahoo declined to comment. The total holdings of the Yahoo shareholders who had made overtures to Armstrong

could not be determined.

Two top-10 AOL investors said that they also met with Armstrong in recent weeks to discuss the possibility of a deal with Yahoo. These shareholders were left with the impression that a combined company could yield as much as \$1.5 billion in cost savings.

Starboard, which did not speak to Reuters, wants Yahoo to spin off its Web and email business, merging them into AOL, one Yahoo investor who has spoken with the activist said. That would leave Yahoo's holdings in Chinese e-commerce giant Alibaba Group Holding Ltd and Yahoo Japan Corp in a separate company, satisfying investors who want the company to monetise those assets. Starboard was once active in AOL and lost a 2012 battle to unseat three board directors.

Yahoo's market value is about \$47 billion, while its Alibaba stake alone is worth \$44 billion, meaning the current Yahoo share price reflects little value to the core business. Some of the investors see the email, Web site and other operations worth as much as \$7 billion.

### 8th Annual General Meeting of GPH ispat Ltd.

Venue: Hamati Hotel Agrabad, Chittagong. Date: 08th November, 2014

Md Alamgir Kabir, chairman of GPH Ispat, presides over the eighth annual general meeting of the company at Hotel Agrabad in Chittagong on Monday. The company announced 5 percent stock and 15 percent cash dividends for 2013-14. Mohammed Jahangir Alam, managing director, was also present.

## The 'look east' policy of Bangladesh

FROM PAGE B4

Along with rapidly growing income in the CKJ area, especially China, that is growing much faster than either in the EU or the USA, the export market opportunities for Bangladesh are immense.

The resource rich CKJ countries are looking for investment opportunities in developing Asia to diversify their investment portfolio. The RMG experience has firmly established Bangladesh's claim to be an attractive destination of these new investments. Armed with abundant supply of labour, the labour cost advantage is a strong plus that could be gainfully employed to attract these investments.

The geographic advantage of Bangladesh in terms of its location as the gateway between Western Asia and Eastern Asia makes it a potentially attractive hub for the transit of trade and commerce between the CKJ countries in the east to the Southern and central Asian countries in the West.

India alone is a huge market. Additionally, the open access of Bangladesh to sea on the Southern borders makes it a natural choice for sea trade and transport regional hub. The related development of infrastructure—rail, roads, sea ports—can be attractive opportunities for infrastructure investment by the CKJ countries.

This gateway used to be the southwestern part of the ancient Silk Route that linked China to the Middle East and Europe. It is amazing that ancient people recognised the value of geography and trading more than we seem do in the 21st century!

Transit related infrastructure needs apart, the overall infrastructure investment requirements of Bangladesh are immense. The availability of surplus financing in the CKJ countries along with their globally competent infrastructure building capacities makes them a hugely attractive supply source for infrastructure development in Bangladesh.

Along with the supply of urban land, the infrastructure supply has become a binding constraint to accelerate the growth beyond the 6 percent rate for Bangladesh. The look east policy provides a natural and attractive solution to easing the infrastructure constraint.

The suggested focus of the look east policy is well-grounded into the development needs of Bangladesh. Implementation is another matter. It will not be automatic or simply based on diplomatic gestures.

The high-level political support and signals from the prime minister are no doubt important but implementation for results will require a sound approach, long-term effort and constant monitoring. The development of the look east policy will require a solid implementation framework. Some of the important policy elements of that framework include the following:

(i) A well-thought out land procurement and land development policy for foreign private investment. In that regard, it is especially important to quickly and satisfactorily resolve the current impasse surrounding the land transfer to the Korean EPZ in Chittagong.

(ii) An export promotion strategy for the CKJ areas based on a careful review of markets, products, cost structure, import flows and domestic capabilities. (iii) Exchange of business delegations to explore potential trade and investment opportunities.

(iv) Adoption of turn-key type procurement policies for infrastructure financing to avoid procurement related corruption problems and delays.

The government may face capacity constraint to develop the details of such a policy. But there is substantial experience and capacity in local research institutions to help the government develop this policy.

There might be some sensitive political issues raised by India and USA in view of the China angle. But by adopting a sensible economic approach these concerns can be neutralised.

After all despite all the noise, India and USA are among China's largest trading partners. So, there is no reason why Bangladesh should not decide its own economic cooperation policies in a way that best serves its economic needs and interests based on a sound engagement strategy and implementation capacity.

Sadiq Ahmed is the vice chairman of the Policy Research Institute of Bangladesh. He can be reached at sadiqahmed1952@gmail.com.

### Southeast Bank Ltd. সাউথইস্ট ব্যাংক লিমিটেড-এর

১০৮ তম শাখার শুভ উদ্বোধন "কালীবাড়ী শাখা"

Mohammed Gofran, additional managing director of Southeast Bank, opens the bank's 108th branch at Kalibari of Narayanganj recently. Muhammad Sazzadul Haque, head of Kalibari branch, was also present.

### Government of the People's Republic of Bangladesh

Implementation of National Biosafety Framework of Bangladesh (INBF)  
Department of Environment  
E-16, Agargaon, Sher-e-Bangla Nagar, Dhaka-1207

Memo No: DOE/INBF/02/14/43 Date: 11.11.2014

Subject: Selection of Consultants for Implementation of National Biosafety Framework of Bangladesh (INBF)

In reference to the subject above, the Department of Environment is going to engage the following consultants in the respective assignments for Implementation of the National Biosafety Framework of Bangladesh (INBF) Project being implemented with the technical assistance of UNEP-GEF. The consultants could be procured for full time assignments but remuneration would be negotiated for the person's engagement of actually employed time. The consultants would be working under the supervision of and reporting to the Project Director and in collaboration with Project Coordinator. Required qualifications and experiences along with the main tasks to be performed by the consultants, in brief, are as follows:

| Consultants   | Qualification and Experiences  | Main Tasks   |
|---|--|--|
| Biosafety Monitoring and Enforcement System Consultant            | Advanced degree in Biological Sciences, preferably a Ph.D in relevant subject, diploma/training on Biosafety Monitoring and Enforcement System along with a minimum of 10 years of experiences in working with Biosafety/Biotechnological Developments. Working experience on monitoring and enforcement of various uses of GMOs will be a plus. Fluency in English required, as well as computer literacy.  | <ul style="list-style-type: none"> <li>Drafting and upgradation of the monitoring and enforcement guidelines/forms/legal documents related to Biosafety, food safety, contained/confined and open field trials, and environmental risk assessment of genetically engineered (GE) plants.</li> <li>Prepare training materials (texts, handouts, etc.) that will be distributed to the trainees for the monitoring and enforcement module at the training courses; assuming any other related duty as requested.</li> <li>Field Inspections for Monitoring and Enforcement of GMOs, as and when, necessary.</li> <li>Assist PD/PC in organizing meetings/training courses related to monitoring and enforcement of field trials of GE plants.</li> <li>Assuming any other related duty as requested by PD/PC.</li> </ul> |
| GMO Detection, Laboratory Analysis & Food Safety Consultant       | Advanced degree in Biological Sciences, preferably a Ph.D in relevant subject, diploma/training on GMO detection and food safety analysis along with a minimum of 10 years of experiences in working with Biosafety/Biotechnological Developments. Prior experience on Designing Biosafety lab and GMO detection or GE food testing is essential. Fluency in English required, as well as computer literacy  | <ul style="list-style-type: none"> <li>Designing and setting up laboratory/facilities for testing and detection of GMOs.</li> <li>Assist PD in organizing the hands-on training on the detection and safety assessment of GE foods/feeds.</li> <li>Prepare training materials/manuals/handout for detection and testing of GMOs/GE derived foods/feeds.</li> <li>Assuming any other related duty as requested by PD/PC.</li> </ul>   |
| Program and Administrative Support Consultant (Junior Consultant) | Master Degree in Biological Sciences (Botany, Biochemistry and Biotechnology) or in the subject related to Biosafety. Candidate having an MBA in addition to above qualification is a plus. A minimum of 5 years of experiences; Prior experience to manage and administer program and administrative job of the Govt. Development Projects, NGOs, private farms. Experiences in organizing meeting, seminar, workshops as well as maintaining project files, registers and drafting of official correspondences will be essential. Prior experience on preparation of minutes/proceedings will be a plus. Fluency in English, Bangla and literacy in MS Office Package will also be essential. Special Instruction: Those who have applied for this assignment earlier need not to apply again. | <ul style="list-style-type: none"> <li>Perform all the administrative and program related activities as per the instructions of PD/PC.</li> <li>Prepare and maintain all registers, files related to project day-to-day management.</li> <li>Assist PD and NPC to organize meeting/seminar/workshops/activities related to event management.</li> <li>Assist to PD/PC in preparing minutes/proceedings/findings of the workshops/consultations.</li> <li>Assuming any other technical/administrative job assigned by the PD.</li> </ul>  |

The interested individuals are requested to submit their resume in a sealed envelope with a one-page cover letter expressing why the incumbent is suitable for the assignment. The application with attested copies of academic attainments would be submitted to the Office of the Project Director (Room No. 503, Department of Environment, E-16, Agargaon, Dhaka-1207, Bangladesh) on or before 27/11/2014. The resume should include the information as follows: a) Name and designation (b) Date of birth (c) Present and permanent address with e-mail and telephones (d) Information on all academic degrees including the proof of specializations (e) List of the research paper or publication (if any) with relevance to the assignment (f) List of the most relevant experiences/assignments/research undertakings/studies (if any) accomplished (g) Length of experiences (if any) in the relevant professional service (h) Availability for the assignment.

Mohammed Solaiman Haider  
Project Director  
Tel: 8181779

GD-4210

### বগুড়া পৌরসভা কার্যালয়, বগুড়া

ফোন নং- ০৫১-৬৫২৫১, ফ্যাক্স- ০৫১-৬৯৩০৭  
ই-মেইল- bograpaurashava@yahoo.com  
ওয়েব- www.bograpaurashavabd.org

স্মারক নংঃ বগ-পৌর/নিঃপ্রঃ/২০১৪-২০১৫/২২৯ তারিখঃ ১০/১১/২০১৪খ্রিঃ

#### খোলা দরপত্র বিজ্ঞপ্তি

বিজ্ঞপ্তি নং- ০৫/২০১৪-২০১৫

| ক্রঃ নং | প্যাকেজ নং    | কাজের নাম  | দরপত্রের জামানত | দরপত্রের মূল্য (অফারতথ্যে) | কাজ সম্পন্ন করার সময়সীমা |
|---------|---------------|--|-----------------|----------------------------|---------------------------|
| ০১      | বিপি/১৪-১৫/০৬ | বগুড়া পৌরসভার হাইড্রোলিক ড্রাম ট্রাক নং-০৫ (মডেল ডাব্লিউ জে-৪১১০ ডি. ব্রাড-জুসী) মেরামতকরণ কাজ। | ১০,০০০/০০ টাকা  | ৫০০/০০ টাকা                | ৬০ দিন                    |
| ০২      | বিপি/১৪-১৫/০৭ | বগুড়া পৌরসভার হাইড্রোলিক ড্রাম ট্রাক নং-০৮ (মডেল-কেএমসি-৩০৪০, ব্রাড-কামা) মেরামতকরণ কাজ।        | ১০,০০০/০০ টাকা  | ৫০০/০০ টাকা                | ৬০ দিন                    |

দরপত্রের সকল শর্তাবলী সিডিউলে বিস্তারিত বর্ণিত আছে। কোন কারণ দর্শানো ব্যতিরেকে যে কোন দরপত্র গ্রহণ বা বাতিল করার ক্ষমতা কর্তৃপক্ষ সংরক্ষণ করেন।

প্রাপ্তি-৪২২৫

এ্যাডঃ একেএম মাহবুবুর রহমান  
মেয়র  
বগুড়া পৌরসভা, বগুড়া