

India makes surprise interest rate cut, more expected

India's central bank cut interest rates by 25 basis points Thursday and signalled further reductions could come, in a surprise announcement to boost the flagging economy after inflation cooled.

In a move applauded by the government and economists, the Reserve Bank of India (RBI) cut the benchmark repo rate -- the level at which it lends to commercial banks -- to 7.75 percent, the first reduction in 20 months.

RBI governor Raghuram Rajan said falling local food and global oil prices, which have brought stubborn inflation under control, were reasons for the cut, along with the government's commitment to contain the fiscal deficit.

"These developments have provided headroom for a shift in the monetary policy stance," Rajan said in a statement of the cut which came ahead of next month's RBI policy meeting.

Rajan, a former IMF chief economist, added that "subsequent policy actions will be consistent with this stance".

The RBI has been under pressure from government and business leaders to reduce rates to increase lending and help kickstart the economy, which has been struggling through its worst slowdown since the 1980s.

After storming to power at elections in May, Prime Minister Narendra Modi promised to reform and revive Asia's third-largest economy by attracting more foreign investors and bolstering manufac-



India's Finance Minister Arun Jaitley, left, speaks to Reserve Bank of India Governor Raghuram Rajan during a convocation ceremony for students at a university in Mumbai on January 9.

turing.

But Rajan's priority has been to bring inflation under control, although the bank had signalled a cut would be on the cards at its February 3 meeting.

Inflation, especially high food prices, has caused much hardship for India's 1.2 billion population, of which nearly a quarter live in severe poverty, according to the World Bank.

The cut is the first since May 2013.

Finance Minister Arun Jaitley said the cut was a "positive development" for the economy which would "certainly help in reviving the investment cycle that the government is seeking to restore".

Commerce Minister Nirmala Sitharaman described the move as "highly encouraging", while crediting the government with bringing inflation under control.

The Bombay Stock Exchange's benchmark Sensex index surged more than three percent during trading in reaction to the cut, ending the day up 2.66 percent, while the 10-year benchmark bond yield fell to 7.66 percent.

Daniel Martin, senior Asian economist at Capital Economics, said he expected the RBI's move would mark the start of a cycle of rate cuts.

"The economy could certainly use some support, with the industrial sector, in particular, clearly

struggling to gain any momentum," he added.

The economy grew 5.3 percent year on year in July-September, significantly slower than the previous three months, and far too low to help create jobs for India's millions of young people.

DK Joshi, chief economist at ratings agency Crisil, said the cut was a "pleasant surprise" that had come earlier than most analysts expected, and signalled inflation was now "under control".

"The central bank said they don't want to flip-flop, they wanted to be sure on inflation before a cut," Joshi said, adding that the "extraordinary" recent drop in global crude oil prices had helped.

Rajan warned in his statement that future rate reductions would depend on prudent government action including "sustained high quality fiscal consolidation" as well as continuing falling prices.

Although consumer price inflation inched up to 5.0 percent year-on-year in December, from a three-year low of 4.38 percent in November, it remained well within the RBI's comfort zone of 6.0 percent.

The Wholesale Price Index, released on Wednesday, rose a marginal 0.11 percent in December from a year earlier, compared with zero percent in November -- the lowest rate since July 2009.

The RBI kept the cash reserve ratio at 4.0 percent, but cut the reverse repo rate at which the RBI borrows from commercial banks by 25 basis points to 6.75 percent.

China's Xiaomi challenges iPhone 6 Plus with new flagship Mi Note

REUTERS, Beijing

China's Xiaomi Inc staked its claim to Apple Inc's crown on Thursday as the world's third-biggest smartphone maker and most valuable tech start-up unveiled the flagship Mi Note, its challenger to Apple's iPhone 6 Plus.

Chief Executive Lei Jun introduced the Mi Note in Beijing with a breakdown of the large-screen phone's technical features, with multiple comparisons to Apple's equivalent. At 2299 yuan (\$371) for a model with 16 gigabytes of memory, the Mi Note will retail for almost two-thirds less than the iPhone 6 Plus.

Just three years after Xiaomi sold its first smartphone, a \$1.1 billion round of fundraising announced in December valued the firm at \$45 billion. The privately held company has risen to become the world's No. 3 smartphone maker and is challenging Apple and Samsung Electronics Co Ltd as well as domestic rivals such as Huawei Technologies Co Ltd.

Xiaomi takes efforts to play down comparisons with Cupertino, California-based Apple, though it is commonly called the 'Apple of China'.

"The Mi Note is shorter, thinner and lighter than the iPhone," Lei told his audience of thousands gathered in the north of China's capital.

Lei wore a light-blue shirt, eschewing his previously favoured black top, jeans and sneakers, reminiscent of Apple founder Steve Jobs' trademark black turtleneck and jeans.

"Xiaomi is an innovative start-up company, with a short history," said Lei. The company has been frequently criticised for allegedly copying other tech companies, most notably Apple. "In 10 years we will have tens of thousands of patents."

Lei also laid out Xiaomi's strategy to connect its smartphones with Xiaomi-branded home appliances, allowing phone users to remotely control washing machines, air purifiers and surveillance cameras.



Lei Jun, founder and chief executive officer of China's mobile company Xiaomi, speaks at the launch ceremony of the Mi Note in Beijing yesterday.

Zuckerberg brings free internet to Colombia, mute on China

REUTERS, Bogota

Facebook Inc Chief Executive Mark Zuckerberg launched a free Internet application in Colombia on Wednesday as part of a drive to bring developing markets online, but remained mute on when and if the company would look to move into China.

Colombia is the first nation in Latin America and the fourth in the world to receive the new Internet.org service, in partnership with local mobile phone provider Tigo, but the aim is to push the app globally, Zuckerberg told Reuters.

The mobile app, aimed at low income and rural users, offers more than a dozen tools via the Android operating system - like encyclopedia Wikipedia, weather websites, job listings and health information, as well as Facebook's own social network and messaging service - without the user incurring any data charges. It has already been launched in three countries in Africa, including Zambia.

During his first trip to Bogota, the billionaire founder of Facebook said the app would spread very quickly as phone operators reap the benefits of increased revenue from new customers using the services.

"Our goal is to make the Internet.org program available across the world and to help everyone get connected to the Internet," the 30-year old Zuckerberg said.

"We're going to look back a year from now and there will hopefully be a lot more countries that have programs like this."

Although he declined to say where the program would be launched next, he is betting the application will soon be "default" among mobile operators worldwide to expand Internet access. Those not offering the service will be "lagging" behind.

It "will stop being that only the most visionary and forward-leaning operators want to start doing it and it'll start being the case that it's more the default, right, where it's almost like you're not doing it if you're lagging," said Zuckerberg, dressed in his trademark jeans and gray T-shirt.

Asked when he would look to move into China, Zuckerberg said: "Who knows ... that's very different."

Zuckerberg and Xiaomi Inc CEO Lei Jun discussed a potential investment by Facebook in China's top smartphone maker ahead of its \$1.1 billion fundraising last month, but a deal never materialized, several people with knowledge of the matter told Reuters. The company has declined comment.

He would not be drawn either on whether recent time spent in Mexico City with telecoms billionaire Carlos Slim would result in a similar Internet.org project, or some other venture.

"I'm not going to say anything specific about any partnership that's not final, but, I mean, we're going to want to work with folks across the world on a number of things."

He said the next launch of Internet.org could be as soon as six months.

BlackBerry, Samsung deny takeover report

AFP, Montreal

Canadian smartphone maker BlackBerry's shares jumped then fell back Wednesday amid rumors of takeover talks with South Korea's Samsung, which both companies promptly denied.

BlackBerry's share price gained \$2.89 in the last hour of trading, closing on the Nasdaq up almost 30 percent at \$12.60 before falling back sharply to \$10.53 in after-hours trading.

The Waterloo, Ontario-based firm said it is "aware of certain press reports published today with respect to a possible offer by Samsung to purchase BlackBerry."

"BlackBerry has not engaged in discussions with Samsung with respect to any possible offer to purchase BlackBerry," it said.

A report out of New York had earlier said Samsung had approached BlackBerry with an offer last week.

Uniqlo pledges to improve factory conditions in China

AFP, Tokyo

Japanese clothing giant Uniqlo on Thursday pledged to improve working conditions at its Chinese suppliers and beef up monitoring following claims that the firms were putting employees at risk.

The chain's parent company Fast Retailing said it was ushering in changes after the Hong Kong-based Students and Scholars Against Corporate Misbehaviour (SACOM) released a study this week that said factory conditions were unsafe and workers were mistreated.

"Respecting human rights and ensuring appropriate working conditions for the workers of our production

partners are top priorities for Fast Retailing, and in this we are completely aligned with SACOM," said a statement issued Thursday.

"Fast Retailing has urged swift action against the factories on the issues identified in the SACOM report, and we will cooperate fully with them to ensure that improvements are made."

"Together with third parties, including auditors and NGOs (non-governmental organisations), we will check progress within one month," it added.

The report accused Uniqlo of buying from two suppliers -- Pacific Textiles and Dongguan Tomwell Garment Co. -- in China's southern Guangdong province that made

employees work long hours for low pay in unsafe conditions. It said the firms neglected work safety, with sewage on the factory floor, extremely high temperatures and poor ventilation.

The group, which carried out a months-long investigation last year, said one employee worked up to 14 hours per day, ironing between 600 and 700 shirts, for wages of 0.29 yuan (\$0.05) per shirt, it said.

Fast Retailing said the suppliers had been "instructed" to reduce working hours, improve conditions, and change their management style, including getting rid of fines and other punishments levelled against workers.

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P-3(A)

Tender Notice (1st Time)

1. Sealed tender in foreign currency is invited from bonafide manufacturers/dealers/importer/suppliers/indentors (enlisted firms in DGDP only) for supply of the following electro medical equipments for use in Defence Services:

| Ser | Description of stores | Date of selling | | Date of opening | Currency | Tender No |
|-----|--|-----------------|------------|-----------------|----------|---------------|
| | | From | To | | | |
| | Electro Medical Equipment | 20-01-2015 | 17-02-2015 | 18-02-2015 | Foreign | |
| a. | i) 500 MA single tube X-Ray machine without fluoroscopy and ii) Minimally Invasive Cardiac Surgery (MICS) Unit. (02 items only. Double Envelope System) | | | | | 216.07.146.14 |
| b. | i) Operative Microscope (Neuro-surgery) (01 item only. Double Envelope System) | | | | | 216.07.147.14 |
| c. | i) Operative Microscope for Burn & Plastic Surgery Patient with Surgeon and Asst Surgeon Work Together complete set. (01 items only. Double Envelope System) | | | | | 216.07.148.14 |
| d. | i) Automated Haematology Analyzer, ii) High Definition Medical Grade Monitor FPR Arthroscopy with Shaver Blades, iii) Operating Microscope (Eye) and iv) Microscope Operation with Zoom System with Camera Control Unit, Video Recording System 32ins Monitor (LED) with Paddle guide impedance FRP system (ENT). (04 item only. Double Envelope System) | | | | | 216.07.149.14 |

2. Tender schedule with detail specifications/conditions will be available at the fixed rate (non-refundable) on any working day between 0800 hours to 1300 hours. The tender will be opened at 1000 hours on abovementioned date in presence of all available bidders (if any).

ISPR/Misc/2015/2016
14/01/15

Major
For Director General

Invitation for Tender

Army Headquarters, MGO Branch (EME Directorate)
Dhaka Cantonment

1. Sealed tenders are hereby invited from DGDP/Logistics Area listed contractors for purchase of following A-in-U items in local currency:

| Ser. | Tender No. & date | Nomenclature | Qty | Specification | Last date of selling tender schedule | Opening date of tender |
|------|------------------------------|--|-----|--|--------------------------------------|------------------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) |
| 1. | A-in-U/10 Dt: 12 Jan 2015 | Downdraft Automotive Paint Booth with complete accessories | 08 | Specification will be attached with schedule | 11 Feb 2015 | 12 Feb 2015 |
| 2. | A-in-U/11 Dt: 12 Jan 2015 | Single Post Hydraulic Car Lift 3-7 ton with complete accessories | 10 | Specification will be attached with schedule | 11 Feb 2015 | 12 Feb 2015 |
| 3. | A-in-U/12 Dt: 12 Jan 2015 | Car Washing Eqpt | | Specification will be attached with schedule | 11 Feb 2015 | 12 Feb 2015 |
| | | a. Hot and cold water pressure washer 6-8 Mpa | 10 | | | |
| | | b. Foaming Machine 2-6 ton | 10 | | | |
| | | c. Air input device 2-5 HP, 6-12 Mpa | 10 | | | |
| | | d. Vacuum cleaner 1000-1200 watt | 10 | | | |
| | | e. Special Hose and Air Duster Comilable with system | 10 | | | |

2. Tender schedule will be available during working hours (0800 to 1300 hours) from the date of publication in the daily newspaper at Army Headquarters, Master General of Ordnance Branch (EME Directorate) Dhaka Cantonment. DGDP/Logistics Area enlisted firms may participate in the tender.

3. Tender must be dropped before 1300hrs on 12 Feb 2015 in the tender box kept at the Reception Room of AHQ, Agrajatra Gate, Dhaka Cantonment.

4. 2.5% earnest money of the total tendered amount shall be deposited in the form of Bank Guarantee (minimum one year)/Bank Draft/Pay-Order along with the tender in favour of DEME, Army Headquarters, Master General of Ordnance Branch (EME Directorate) Dhaka Cantonment.

5. Price of tender schedule is Tk. 500.00 and Tk. 1000.00 as per tender items value under Tk. 10,00,000.00 and above Tk. 10,00,000.00 respectively.

6. Quantity of tender items may be increased or decreased.

7. Authority reserves all the right to accept or reject any or all the offers of the tender without assigning any reason thereof.

8. Training and other condition: Would be mentioned in schedule.

ISPR/Army/2015/1033
15/01/15

GD-216

ADEME
AHQ, EME Directorate
Dhaka Cantonment