

Stocks fall for second day as investors stay cautious

STAR BUSINESS REPORT
Stocks declined for the second day suffering a marginal fall in the price index. DSEX, the benchmark index of Dhaka Stock Exchange, shed 11.21 points or 0.23 percent before closing at 4,775.27 points. Investors practised caution and decided to tread lightly while contemplating on the future movement of the market, IDLC Investments said in its regular analysis. "Being uncertain of whether the market is at an inflection point or taking a slight detour from the uptrend, participants took a pause," the merchant bank said. Unimpressive earnings disclosures from fast moving consumer goods and construction-material companies put a leash on the upbeat momentum, while banks dazzled in performance, it added. LankaBangla Securities said the market remained in balance and recorded slight losses affected by the overall business results that some listed firms posted on the DSE yesterday. Power, pharma and construction stocks came under pressure, while banks, food and allied and engineering sectors helped limit the market's downward move, the stockbroker said. Turnover, another important indicator of the market, fell 14.1

percent to Tk 648.24 crore on transactions of 14.94 crore shares and mutual fund units. Of the traded issues, 129 advanced and 149 declined with 40 securities closing unchanged on the premier bourse. Lafarge Surma Cement dominated the turnover chart with 28.88 lakh shares worth Tk 35.62 crore changing hands, followed by RAK Ceramics, Desco, Square Pharma and Shahjibazar Power Company. Among the major sectors, engineering gained 1.28 percent in market capitalisation, followed by food and allied that increased 1.02 percent and banks 0.05 percent. Conversely, cement stocks lost 2.26 percent, followed by non-banking financial institutions 0.86 percent, textile 0.44 percent and pharma 0.31 percent. Hakkani Pulp and Paper was the day's best performer gaining 9.91 percent, while Meghna Cement was the worst loser with a 9.81 percent fall. Chittagong stocks fell with the bourse's benchmark index, CSCX, declining 25.07 points to stand at 8,906.71. Losers beat gainers as 131 declined and 83 advanced, while 29 finished unchanged on the Chittagong Stock Exchange. The port city bourse traded 1.21 crore shares and mutual fund units, generating a turnover of Tk 46.47 crore.

BB gets new executive director

STAR BUSINESS DESK

Bishnu Pada Saha has recently been promoted as executive director of Bangladesh Bank, the central bank said in a statement yesterday.

He has been serving the debt management department as general manager before the promotion, the banking regulator said.

Saha joined Bangladesh Bank in 1984 and has since worked with several departments, including banking inspection and monetary policy. He received his masters in chemistry from Jahangirnagar University and also holds an MBA.



US regulators fine Fiat Chrysler record \$105m

REUTERS, Washington

The US auto safety watchdog, toughening its stance against manufacturer defects, announced on Sunday a record \$105 million in fines against Fiat Chrysler Automobiles NV over lapses in safety recalls involving millions of vehicles. The Italian-US automaker's consent agreement with the National Highway Traffic Safety Administration contains an unprecedented buyback option covering hundreds of thousands of vehicles.

New MD for NRB Global Bank

STAR BUSINESS DESK

Proshanta Kumar Halder has recently joined NRB Global Bank as managing director, the bank said in a statement yesterday.

Prior to joining NRB Global, he has been serving Reliance Finance as managing director, according to the statement. Halder brings more than 15 years of professional experience in finance and other fields of management. He is a CFA Charter holder and a graduate of Bangladesh University of Engineering and Technology. He is also a postgraduate from the Institute of Business Administration under Dhaka University.



Asia Insurance re-elects chairman

STAR BUSINESS DESK

Yussuf Abdullah Harun has recently been re-elected as the chairman of Asia Insurance, the company said in a statement yesterday.

Harun has also served Southeast Bank as chairman and the Federation of Bangladesh Chambers of Commerce and Industry as president and Infrastructure Development Company Ltd as a director.

Harun also worked with Saarc Chamber of Commerce and Industry and the Confederation of Asia Pacific Chamber of Commerce and Industry as vice president.

He achieved his B.Com (honours) degree from Dhaka University in 1967 and later qualified as a chartered accountant from the Institute of Chartered Accountants in England & Wales.



New law to boost tax receipts by 20pc

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On supplementary duties or SD, it said the number of goods subject to it at the import stage is expected to be cut to less than 200 from almost 1,400 now. The reduction of SD rates from 13 slabs to nine and exclusion of products from SD may also lead to a large revenue loss at the import level.

The study estimates it will be around 40 percent from the amount collected in fiscal 2013-14, which was Tk 4,170 crore.

However, the overall revenue collection at the import stage will rise 3.7 percent, or Tk 1,224 crore, from that recorded in fiscal 2013-14 for implementation of the new law.

Imports fetched Tk 33,100 crore that year. PRI also said the reduction of products under SD will lead to a decline in the average nominal protection rate (NPR) - the percentage tariff imposed on a product as it enters the country.

For example, if a tariff of 20 percent of value is collected on clothing as it enters the country, then the nominal rate of protection is 20 percent.

The substantial reduction of items subject to SD will obviously reduce the average nominal protection rates for all the related categories of products and the impact will be significantly more for finished consumer goods, according to the study.

It said the average NPR will decline 13 percentage points to 15.2 percent primarily because of the rationalisation of SD structure.

The loss of protection will primarily be limited to final consumer goods, which currently enjoy an average NPR of 50.7 percent, one of the highest in the world.

After the customs duty rationalisation,

the average NPR on final consumer goods will come down to 23.3 percent, it added.

From trade policy and resource allocation perspectives, this reform will be very important and will also support the export-led growth strategy that the government is currently pursuing, it said.

At the same time, some industries which are operating under the current highly protective trade regime will face enhanced competition and may resist this move, said PRI.

The government started reducing SD rates from fiscal 2014-15.

The new VAT law also aims to reduce the list of VAT exempted items.

But the study said there are uncertainties regarding the scope and extent of possible withdrawal of VAT exemptions at the import and domestic stages given the political sensitivity, diplomatic protocols, humanitarian considerations, sensitive consumables due to consumers' interest protection.

In its study, PRI also said the comparative static analysis, which does not and cannot capture the potential systemic improvements, suggests moderate revenue gains from the new structural shifts in SD rates and the VAT tax base.

Significantly higher revenues may be collected in subsequent years with efficient functioning of the VAT chain, improvements in VAT registration and compliance, modernisation and reforms of the VAT administration. However, the potential gains cannot be quantified, although the upside revenue potential is enormous, the study added.

Ahsan H Mansur, executive director of PRI, and Bazul Haque Khondker, an eco-

New pay-scale to get cabinet nod next week

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After the cabinet approval, it is likely to take another 30 to 45 days to issue the notice on the new pay scale, according to the officials.

This means although the new pay structure has been in place since July 1, the public servants may start drawing the increased salaries from October with arrears of the previous three months.

The pay commission, headed by former Bangladesh Bank Governor Mohammed Farshuddin, submitted its report to Muhith on December 21 last year.

After that, the government formed a secretary-level review committee headed by Cabinet Secretary Musharraf Hossain Bhuiyan. After reviewing the report, the committee tendered its recom-

mendations to the finance minister on May 13. An additional amount of around Tk 14,000 crore will be required to pay only the increased basic salaries of the government employees, according to the finance ministry's estimate.

IMF LOAN
The finance minister also said the government has already sent a letter to the International Monetary Fund seeking extension of the tenure of its Extended Credit Facility loan programme by three months.

The programme is scheduled to expire on July 31 and the government sought extension until October as it could not meet the conditions for the last two instalments, which amounts \$280 million.

The multilateral lender deferred the sixth of the seven-part instal-

ments for the \$1 billion loan in November last year after the government failed to meet three of its pertinent conditions.

A thorough audit of the Bangladesh Petroleum Corporation's balance sheet by an international firm is one of the conditions. The cabinet yesterday approved the draft of Bangladesh Petroleum Corporation Act 2015.

There is nothing new in the amendment, as the existing provisions allow the government to get the balance sheet of BPC audited by both foreign and local auditors, Muhith said.

The government is yet to be informed by the Washington DC-based multilateral lender if the tenure of the loan programme has been extended or not.

VAT ON ENGLISH-MEDIUM SCHOOLS

A 7.5 percent value-added tax has been imposed on the tuition fees of English-medium schools and 9 percent on house rent in the current fiscal year's budget.

The leaders of the English-medium schools association urged the finance minister to withdraw the VAT. When the finance minister was asked about this, he refrained from making any comment to the reporters.

Muhith, however, said: "I am impressed that there are so many English-medium schools in Bangladesh. Hundreds of schools in Dhaka alone and near about 10,000 students study in these schools. That means the country has seen much progress."

JALALABAD GAS TRANSMISSION AND DISTRIBUTION SYSTEM LTD.
(A COMPANY OF PETROBANGLA)
GAS BHABAN, MENDIBAGH, SYLHET-3100, BANGLADESH.

Tender No: 28.16.9100.095.83.046.15.342 Date: 26-07-2015

পিরো বাবুজিৎ গ্যাস পাইপলাইনে বিকল্প স্থাপনী
গ্যাস ব্যবহারে সাবসী হোল এবং সমন্বয় গ্যাস বিল পরিশোধ করুন

INVITATION FOR RE-TENDER

1	Ministry/Division	Ministry of Power, Energy & Mineral Resources / Energy & Mineral Resources Division.	
2	Agency	Bangladesh Oil, Gas and Minerals Corporation (Petrobangla).	
3	Procuring Entity Name	Jalalabad Gas Transmission and Distribution System Ltd.	
4	Invitation for	Procurement and Supply of all Materials (Line pipes, Coatings & Wrapping, Induction Bends, Miscellaneous fittings, Pig Traps etc.), and Construction of 8-inch 1000 psig 12 KM High Pressure Gas Transmission Pipeline from Shahjibazar TBS to Nasratpur DRS at, Hobiganj.	
5	Invitation Ref. No. & Date	28.16.9100.095.83.046.15.342, Date 26-07-2015	
6	Procurement Method	Open Tender Method (Single Stage Single Envelop)	
7	Budget and Source of Funds	JGTDSL own Fund	
8	Tender Package No.	Single	
9	Tender Start Selling Date:	Date : 02-08-2015 During normal office hour	
10	Tender Last Selling Date:	Date : 19-08-2015 During normal office hour	
11	Tender Closing Date and Time	Date: 20-08-2015 Time: 12:00 noon.	
12	Tender Opening Date and Time	Date: 20-08-2015 Time: 03:00 pm.	
13	Name & Address of the office(s) Selling Tender Document	i) Cash Counter (1st floor), Finance Department, Jalalabad Gas Transmission & Distribution System Ltd., Gas Bhaban, Mendibagh, Sylhet. ii) Liaison Office, Jalalabad Gas Transmission & Distribution System Ltd., House No. 23/A, Apartment No.1/D, (1st Floor), Road No-2, Old DOHS, Banani, Dhaka.	
14	Place of Receiving Tender Document	i) Committee Room (4th Floor), Head Office, Jalalabad Gas Transmission & Distribution System Ltd., Gas Bhaban, Mendibagh, Sylhet, Bangladesh. ii) RDD Moulvibazar Zone, Jalalabad Gas Transmission & Distribution System Ltd., Moulvibazar.	
15	Place of Opening Tender Document	Committee Room (4th Floor), Head Office, Jalalabad Gas Transmission & Distribution System Ltd., Gas Bhaban, Mendibagh, Sylhet, Bangladesh.	
16	Eligibility of Tenderer	(i) Tenderer(s) can participate either individually or in Joint Venture. In case of joint tendering there must be a partner in-charge with whom Contract will be signed. The partner in-charge must have experience as specified in serial no. 17(ii) and the other partners must have valid and up to date (2013-2014) enlistment under category 1.4 with Petrobangla or JGTDSL or any company of Petrobangla and have experience of construction of 300 psig or above gas transmission pipeline. (ii) Gas pipeline contractor(s) having current and valid enlistment under category 1.4 with Petrobangla or any company of Petrobangla and having experience of construction of at least 4 km. long 8 inch or higher nominal diameter cross country high pressure (300 psig or above) gas transmission pipeline in a single project as proprietor/partner /joint venture within the last 10 (ten) years. (iii) The Tenderer shall have also the experience of completing of procurement and construction of 8 inch or above dia gas pipeline having actual cost of minimum Taka 6(Six) crore or above in a single contract/work order within last 10 (ten) years. (iv) The minimum amount of liquid asset or working capital or credit facilities is 70% of the total quoted price. (v) Detailed eligibilities are given in tender documents.	
17	Brief Description of Works	Procurement and Supply of all Materials (Line pipes, Coatings & Wrapping, Induction Bends, Miscellaneous fittings, Pig Traps etc.), and Construction of 8-inch 1000 psig 12 KM High Pressure Gas Transmission Pipeline from Shahjibazar TBS to Nasratpur DRS at, Hobiganj, as well as Testing & Commissioning thereof on Turn-Key basis.	
18	Price of Tender Document (Tk.) (Non refundable)	Tk. 10,000.00 (Ten thousand)	
19	Identification of Lot/Group/Section	Location	Tender Security Amount (Tk.) Completion Time
	Single	Shahjibazar to Nasratpur, Hobiganj	25,00,000.00(Twenty Five lakhs) 240(Two hundred forty) Days
20	Name & Designation of Official Inviting Tender	Md. Mahub Alam, General Manager (Planning)	
21	Address of Official Inviting Tender	General Manager, Planning Division, Jalalabad Gas Transmission and Distribution System Ltd., Gas Bhaban, Mendibagh, Sylhet-3100.	
22	Contact details of Official Inviting Tender	Telephone: 0821-712935 Fax: 0821-716964	E-mail: dgm.pl.jgtdsl@gmail.com
23	If the Tender cannot be received and opened due to any unavoidable circumstances or holiday on scheduled date and time, the same shall be received and opened at the same venue and time on the subsequent working day.		
24	JGTDSL reserves the right to accept or reject any or all tenders without showing any reasons.		
25	All activities in connection with said procurement of Goods and Related Services will be guided by "PPA-2006 and PPR-2008." GD-2476		

Philips brings new products

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"With the introduction of new products focused on consumer health, we will now make sure that people are able to lead a good life, by monitoring and managing their health, be it the air they breathe, the food they eat or their personal hygiene," he said.

Replying to queries, Bapna said Bangladesh is one of the top five countries in the world with the highest consumer growth rate. "Our products are designed in such a way that people from every sphere can afford these."

Philips Electronics Bangladesh entered the local market in July 2011 with its initial focus on healthcare business offering solutions focused on diagnosis, treatment, recovery and homecare for patients.

Its healthcare portfolio includes diagnostic imaging products like CT, MRI, X-rays, cardiovascular systems, nuclear medicine, PET-CT and ultrasound imaging systems; obstructive sleep apnea management and home respiratory care products; and cardiology and patient monitoring solutions.

The company is focusing on the health care business in line with its parent company's industrial shift from lighting products to the booming health care market worldwide.

The 124-year-old Philips is now target-

ing the \$125 billion health-care market worldwide. Philips, which predicts to complete the separation of the lighting business in the first half of 2016, now expects the move to cost 200 million to 300 million euros in 2015 and the same amount in 2016. The company previously predicted the separation costs to amount to 300 to 400 million euros in 2015, without giving an estimate for 2016.

Philips Electronics has already established a strong retail footprint in Bangladesh for its products focused on personal health and is offering these across the country through more than 1,000 touch points, including traditional and modern retail, in all major cities. The company also plans to increase its footprint to over 10,000 touch points across the top 20 cities over the next few years.

Philips' personal care products will certainly help people in Bangladesh lead healthier and happier lives, said Mustafizur Rahman Shazid, sales and marketing director of Butterfly Marketing, the major local partner of Philips Electronics.

"We are happy to be the partners of choice in this mission and to help bring these solutions to our customers."

MA Mannan, chairman of Butterfly Marketing, also attended the press meet.

RAK Ceramics to acquire two units

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The equity investments are however subject to approval of the shareholders and concerned authorities for the interest of the business of the company.

In another development RAK Ceramics said that its entire holding in RAK Paints will be sold to SAK Ekramuzzaman, managing director of RAK Ceramics, and other existing shareholders of RAK Paints.

RAK Ceramics has 24.67 lakh ordinary share of Tk 100 that will be sold at Tk 90 per share, totalling Tk 22.21 crore.

On the premier bourse yesterday, each share of RAK Ceramics, which was listed in 2010, traded between Tk 76.2 and Tk 80, before closing at Tk 78.1.



Md Rezaul Haque, chairman of Social Islami Bank, and Md Shafiqur Rahman, managing director, attend the bank's half-yearly business conference for 2015 at Ocean Paradise Hotel & Resort in Cox's Bazar recently.