

CPA raises storage rents to cut container congestion

DWAIPAYAN BARUA, Chittagong

Congestion caused by the main line operators' failure to transport containers in time is disrupting operational activity at Chittagong port.

To reduce the congestion, the Chittagong Port Authority increased rents on Friday for storing 20-foot empty containers by four times to \$24 and \$48 for 40-foot containers a day.

The CPA suspended transportation of empty containers from private inland container depots or off-docks.

Port officials, shipping executives and berth operators are blaming each other for such congestion.

A total of 7,607 TEUs (twenty-foot equivalent units) empty containers piled up at the port until yesterday while it has designated space for about 5,500 TEUs.

Fazle Ekram Chowdhury, president of Ship Handling and Terminal Operator Owners' Association, said it now takes hours to pull out a particular export or import container from the stockpile due to such congestion.

He said the delay is mainly caused by the slow pace of activity since Ramadan

and the incessant rains in recent weeks.

The port's operation remained virtually shut for two days due to Cyclone Komen last month.

The port's users, including berth operators and shipping executives, also blamed slow operation on the shortage of equipment like straddle carriers used in container handling.

A shipping executive preferring anonymity said the port authority does not procure handling equipment in line with the increasing volume of port activities.

Refuting the allegation, Md Jafar Alam, CPA member for admin and planning, said CPA with its existing logistic support achieved 15 percent growth in container handling in 2014-15 compared to last fiscal year.

The process of procuring more equipment is going on, Alam said.

The trucks that carry containers to private off-docks always prefer taking occupied containers than the empty ones for higher fares, which fuelled the stockpiling, he said.

Alam, however, hoped the situation would improve in two to three days with the hike in storage rents and suspension of empty container transport.

New Google CEO made ascent with low-key style

REUTERS, San Francisco

A low-key style and an unusually firm handle on diplomacy propelled new Google chief executive Sundar Pichai to the top of the search engine giant, former colleagues said, cementing his successes such as creating the Chrome browser.

As part of a major overhaul of its operating structure, Google said on Monday it was creating a new holding company called Alphabet. Google co-founder Larry Page will step down as Google's chief and Pichai was appointed as head of a "slimmed-down" version of the company.

Pichai joined Google just before its 2004 initial public offering and several colleagues who worked with him in the years following said he never seemed anointed for the top job. Instead names that came up as potential future Google chiefs included longtime product executives Salar Kamangar, Merissa Mayer and Susan Wojcicki.

Back then, he was one of a small group of product managers, but his responsibilities escalated from working on new versions of the Google tool bar to overseeing the building of Chrome.

Chrome's rise since its 2008 launch to become the world's dominant browser made Pichai's reputation, and he started overseeing apps like Gmail. He later became head of Android, Google's mobile-phone operating system.

Pichai aided his ascent by never trying to steal the limelight and advancing his agenda through quiet advocacy, according to former colleague Keval Desai.

"He's a very very strong opinionated person who has clear point of views about where product and initiative might go, but he's very good at letting other peoples' opinions emerge before he gives his own," Desai, now an investor, told Reuters.

As time went on, Kamangar was replaced as head of the company's YouTube division last year by Wojcicki. Mayer left in 2012 to run technology company Yahoo.

Tony Zingale, the executive chairman of Jive Software, said Pichai was "incredibly insightful and direct", acting as "the quiet yet thoughtful outside director" when he served on the board of the collaboration software maker for several years until July 2013.

Pichai excels at managing relationships, wrote longtime Google product manager Chris Beckmann in a post last year on the question-site Quora.

"Google has politics like any other large company, and Sundar navigated those politics to make his team successful while inflicting the least possible damage on any other team," Beckmann wrote.

Such diplomacy could come in handy as Pichai continues to oversee some big challenges for Google, including navigating an often difficult relationship with partners like South Korea's Samsung Electronics, the top Android smartphone maker.

Electronic purchase boosts transparency in bidding

Analysts say at workshop on e-GP

STAR BUSINESS REPORT

The electronic government procurement system or e-GP has helped alleviate transparency-related doubts among bidders and other stakeholders, speakers said at a workshop on Monday.

The e-GP system will help boost transparency, SAM Mahfuzul Hossain, executive engineer of Sirajganj, said while chairing a workshop on the system in Sirajganj on Monday.

The planning ministry's Central Procurement Technical Unit (CPTU) organised the event in cooperation with Bangladesh Centre for Communication Programmes (BCCP).

Electronic procurement is the online system of buying government supplies, and awarding publicly funded development works and services, and has widened opportunities for the people to do business with the government by removing all kinds of physical hassles, CPTU said in a statement.

The workshop intended to boost adop-

tion of e-GP system across bidders and government procuring entities, and was the fourth of its kind. Sixty-four workshops will be organised in as many districts.

The CPTU is implementing e-procurement under the Public Procurement Reform Project-II supported by the World Bank.

The online system has rid bidders of all hassles and piles of paperwork and put a stop to harassment by corrupt officials, bidders at the workshop said.

The media often reported on the violence and harassment over traditional tendering process, but the process has become safe and hassle-free under e-GP, they said.

Parveen Akhter, a CPTU director, spoke at the workshop moderated by Badal Halder of BCCP.

The four target agencies, including Roads and Highways Department, Rural Electrification Board, Water Development Board and LGED, as well as officials of district-level procurement entities attended the workshop.

HSBC to felicitate stellar exporters



Francois de Maricourt, centre, chief executive of HSBC Bangladesh, speaks at a press conference at Sonargaon Hotel in Dhaka yesterday. Bhuvnesh Khanna, country head of commercial banking of HSBC Bangladesh, left, and Talukder Noman Anwar, head of communications, are also seen.

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The non-garment or textiles companies with annual export turnover of \$5 million or more will be awarded under the traditional and emerging sectors category.

The SME category is for the non-RMG or textiles companies with annual export turnover below \$5 million.

Besides, starting from this year, the jury will have the option to announce more than one winner from the categories as Special Achievement Award to encourage exporters with exceptional achievement.

Francois de Maricourt, chief executive of HSBC Bangladesh, announced the awards at a press conference at the capital's Sonargaon Hotel.

He said HSBC has 150 years of experience in facilitating global trade and this enables the bank to help businesses thrive and connect to opportunities the world over.

"We are pleased to provide a platform for Bangladeshi exporters to showcase their capabilities. Our efforts in promoting excellence in this field will continue."

Bhuvnesh Khanna, country head of commercial banking of HSBC Bangladesh, said the excellence of entrepreneurs of Bangladesh is often best displayed by exporters.

They make Bangladesh more international, he said, adding that the award

ceremony is a way of recognising their contribution and showcasing their excellence.

Exporters will have to fill in a form and submit it to Bangladesh Brand Forum, one of the strategic partners of the initiative, by September 17, said Talukder Noman Anwar, head of communications at HSBC Bangladesh.

The exporters are not required to be a client of HSBC to be eligible for the awards, which will take place in November.

Past winners include: DBL Group, Epyllion Textiles, Pacific Jeans Group, Picard Bangladesh, AgroKagri Commodities, Uniglorry Cycle Industries, Zaber & Zubair Fabrics, Urmi Group, Pran Group, Janata Jute Mills, Bay Footwear, Square Textiles, Interfab Shirt Manufacturing, Apex Adelchi Footwear and Graphic People.

The Prothom Alo and The Daily Star are also strategic partners of the initiative.

HSBC is the only international bank in Bangladesh to have presence in all of the eight export processing zones expediting exports. It helped local exporters ship products to 120 countries in 2013 and 2014.

Export is a key driver of economic growth for Bangladesh and accounts for about 20 percent of the gross domestic product. Exports exceeded \$31.2 billion

Tata Steel Q1 net sales down 17pc

REUTERS, Mumbai

Tata Steel Ltd on Tuesday posted a 17 percent drop in consolidated net sales for the April-June quarter, as a flood of cheaper imports hit steel prices.

The company's net profit for the period ended June 30 more than doubled to 7.63 billion rupees (\$118.82 million), on a consolidated basis, from 3.37 billion a year earlier. The profit was helped by a one-time gain of 1.58 billion rupees compared with a charge of 2.62 billion rupees in the year-ago quarter.

Political unrest slowed loan recovery

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He also said it is usually difficult to retrieve loans from the defaulters. The political chaos also hampered the defaulters' business and made them unable to pay back loans, he said. Many businessmen could not use the loan rescheduling scope as they could not clear the down payments, Dutta said.

The situation will improve by December, as Sonali has taken some steps to speed up loan recovery, he said.

Sonali had set a target of realising Tk 430 crore from the top 20 defaulters while it recovered only Tk 10.70 crore in the period, according to central bank statistics.

In the three months, Sonali collected Tk 122 crore from other defaulters against the target of Tk 1,300 crore.

Janata Bank recovered only Tk 7.87 crore from the top 20, which is much lower from the Tk 235 crore target. Other defaulters repaid only Tk 117 crore against Tk 700 crore. The biggest defaulters of Agrani Bank paid back only Tk 11.36 crore against the target of Tk 230 crore; while the bank recovered Tk 74.36 crore against Tk 695 crore from other defaulters.

Rupali received only Tk 95 lakh from top 20 defaulters against its target of Tk 80 crore. On the other hand, the bank could collect Tk 9.38 crore from other defaulters against the target of Tk 230 crore.

The central bank held a meeting with the state banks about the performance of the four banks in the first quarter of the fiscal year and expressed dissatisfaction on the poor performance.

TechnoSity to invest \$25.8m in hi-tech park

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Earlier in June, the government signed a deal with another consortium, Summit Technopolis, which will construct and develop Block 2 and 5, spanning 65 acres and 29 acres respectively.

Summit Technopolis will invest \$114.56 million for Block 2 and \$93.03 million for Block 5.

The tender evaluation process is ongoing for Block 4 that spans 36 acres. The government has set aside Block 1, which spans 65 acres, for its own use.

Investment summit set for Sept 1 in Singapore

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Standard Chartered Bangladesh and City Bank will sponsor the third edition of the summit that will also address some investment issues for corporations looking to invest in the continent and for those Bangladeshi companies looking to fund-raise in Asia.

The daylong summit will be organised by FinanceAsia, a leading financial journal in Asia and the Pacific, in association with AsianInvestor, a magazine focused on asset management, mutual funds, alternatives, private banking and financial services in the Asia Pacific.

While SCB and City Bank are the platinum sponsors, other partial sponsors include Brac EPL, Brac Bank and DFDL Bangladesh.

Bangladesh has demonstrated rapid progress since its independence and therefore, has been identified as one of the most promising emerging economies, Abrar A Anwar, chief executive of SCB, said at a media briefing at Sonargaon Hotel in Dhaka yesterday.

Bangladesh offers tremendous investment opportunities, as the country is a bridge between South Asia and Southeast Asia. The country has never defaulted on its debt and private sector investments are protected by laws here, he said.

Sectors such as infrastructure, water, gas, refinery, ICT, leather, pharmaceuticals, and food processing provide tremendous investment opportunities in Bangladesh, Anwar said.

"Besides, there is no market risk in these sectors. For example, our policies in the power sector are one of the best in the world."

Sohail RK Hussain, CEO of City Bank,

said the summit offers a unique forum for global investors to meet Bangladeshi regulators, policymakers and businesses. "The interaction between them will lead to a better understanding about the country and give the country increased visibility."

Thanks to the previous summits, the number of international investors enquiring about Bangladesh is also growing.

City Bank alone received about three dozen international enquiries in the last three years -- four have already been converted into projects, while another four are in the process, Hussain said.

Six panel discussions will be organised as part of the summit to discuss a wide range of topics that include regulatory changes to stimulate investment, interest and exchange environments, innovation in the supply chain, and ways to maximise investment opportunities.

Organisers expect nearly 300 attendees -- government representatives, multilateral financiers, rating agencies, portfolio managers, global asset managers, institutional investors, private banks, principals from private equity and hedge funds, heads of Bangladesh-based corporate houses and Asia-based brokerages.

Bangladesh will have to spend \$7.4 billion to \$10 billion a year until 2020 to bring its power grids, roads and water supplies up to the standards needed to serve its growing population, according to the World Bank.

"It will not be a challenge for Bangladesh to raise money as positives about the country are greater than the negatives," Anwar said.

"This is the best time for Bangladesh to attract more foreign investment to achieve 7 percent to 8 percent GDP growth,"

IMF extends ECF tenure by three months

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The other two conditions are related to the VAT law.

The amended VAT law has to be approved in a cabinet meeting, and the cabinet on June 29 gave it the green light. The proposed law will be placed in parliament when it goes to session in September.

The other condition was that the government would assign a vendor to implement the tax automation system, which the government has already approved.

Approved in April 2012, the ECF programme has enforced a series of major reforms in the economic sector.



Kazi Anisuddin Iqbal, chairman of Building for Future Ltd; Tanveerul Haque Probal, managing director; and Md Kazi Salimul Haque, managing director of GQ Ballpen Industries Ltd, attend the signing of a deal at a programme recently. The real estate company will develop a land of GQ Ballpen in Uttara.



Syed Abu Abed Saher, director for marketing and sales at HeidelbergCement Bangladesh, and Mahmudullah Riyad, national cricketer and ScanCement's brand ambassador, attend a programme for channel partners of ScanCement and RubyCement at International Convention City in Bashundhara, Dhaka recently. About 2,000 retailers attended the programme.