# Anticipating tax reform, a shake-up in India's 'zero mile' city

REUTERS, Mumbai

When Indian retailer Future Group opened a warehouse on the outskirts of Nagpur three years ago to supply its supermarkets, the building was surrounded by dry, barren fields. Now it is only one in an expanse of distribution centres, storage depots and factories.

A dusty provincial city of 2.5 million, Nagpur is at the geographical heart of the sprawling Indian subcontinent. It is also at the heart of the action as Asia's third-largest economy prepares to roll out its biggest fiscal overhaul since independence: a national value-added tax that will replace a proliferation of local levies.

The tax itself - India's first national goods and service tax, due to be introduced next year - could well see delays.

But Nagpur is already benefiting from a change that will allow companies to move goods across state borders without being hamstrung by local levies. Property prices have surged as companies from Amazon to tractor maker John Deere have set up central facilities in the city to cut down on transport costs.

"The advantage of Nagpur is simple. All metros (big cities) in the country are all about 900 kms (560 miles) from there," said Rakes Biyani, Future Group's joint managing director.

Consultancy Alvarez & Marshal, which specializes in turnarounds and performance improvement, estimates firms can cut logistics costs by 25 percent if they consolidate their warehouses in Nagpur.

Future Group is quadrupling the land it owns at the edge of the city, with plans to turn Nagpur into its biggest warehousing facility sup-

Officials of LankaBangla

Finance and Concord Real

Estate and Development Ltd

and Concord Real Estate and

**Building Products Ltd pose** 

programme. Customers of

Concord will get special rates

from LankaBangla for home

after signing a deal at a

loans and employees of

LankaBangla will get dis-

counts during purchase of

LANKABANGLA

apartments/commercial

spaces from Concord.



A truck driver brushes his teeth next to his parked truck while waiting to get his loads cleared to cross a checkpoint at the Commercial Taxes Department check post at Walayar in Palakkad district in southern Indian state of Kerala.

Bazaar supermarkets.

Mahindra Logistics, part-owned by cars-to-IT conglomerate Mahindra Group, has accelerated plans to buy more land in Nagpur since the new tax was approved in ice. August. E-commerce giant Flipkart and even guru-turned-businessman Baba Ramdev are setting up facilities in Nagpur or planning to.

Land prices are up by as much as a fifth since April, real estate agents say, as developers snap up farm-

Viren Thakkar, managing director of warehouse manager Logistics Park India, said he was getting three enquiries a week about Nagpur, up from one a month a year ago.

"I have started aggregating land parcels in the city, anticipating demand," he said.

plying more than 250 of its Big plans before. Almost a decade ago, India was promoting plans to build an international metropolis here then the global financial crisis hit and plans for export-oriented spe-

cial economic zones were put on

But since then, India's consumer goods market has blossomed, and so too has the pressure for better logistics hubs: the e-commerce industry, for example, has grown five-fold between 2013 and 2015, from \$2.9 billion to \$16 billion, Deloitte estimates.

Nagpur is also in a rosy political spot. The city is home to the Hindu nationalist group that underpins Prime Minister Narendra Modi's ruling party. The local MP is India's powerful transport and shipping minister, Nitin Gadkari.

Nagpur-born Gadkari has said Nagpur has seen ambitious the government has sanctioned 250

billion rupees (\$3.7 billion) worth of projects linked to the city since Modi came to power in 2014, including starting work on a new ring-road and acquiring land for a dry port with rail and road connections to Mumbai, India's biggest city and largest port 510 miles (825 km) to the west.

"Nagpur is the zero mile, where you can manufacture and distribute in the country and the logistics cost is less. There are huge opportunities," Gadkari said in an interview at his office.

India's 'zero mile' marker, the center of the country, has been located in Nagpur since the British colonial era.

Gadkari said he wants to accelerate construction of a long-delayed international cargo hub and expanded airport, spread over an area the size of 4,000 football fields, so that it provides 50,000 jobs by 2019, compared to 9,600 staff today.

What is not clear is how quickly these ambitious projects will be completed. While a new expressway to Mumbai has been approved, critics say construction will mean acquiring land from reluctant farmers - a slow process.

Gadkari's international cargo hub has been partly constructed and some tenants have arrived. But the airport expansion has stalled, although a tender for the project is likely to be launched this year.

There is little question India needs an efficient hub.

The country, the world's seventh-largest, is hampered by creaking infrastructure, with many roads and rail links dating to the colonial era. It has few cold storage networks, and cross-country transport is at glacial speeds.

CONCORD



Mahmud Hossain, managing director of Millennium Information Solution Ltd, a subsidiary of Al-Arafah Islami Bank, receives the award for "Process Innovation - Islamic Finance for Ababil" from Chris Giarrelaputo, director and editor of Global Finance, at the Digital Bank Conference and Awards, in London on October 18.

# IBM apologises for Australian e-census bungle, setting off blame game

REUTERS, Sydney

International Business Machines Corp said on Tuesday it plans to compensate the Australian government for a "malicious" cyber-attack that shut down a national census, but blamed two domestic internet providers for the security lapse.

IBM was the lead contractor for the fiveyearly Aug. 9 household survey by the Australian Bureau of Statistics (ABS) which went offline that day after four distributed denial of service (DDoS) attacks, caused by the website being flooded with clicks.

The breach embarrassed a government which has sought to impress voters with its cybersecurity credentials and plans to trial online elections. The census is already controversial because of privacy concerns.

"I am confident we'll be able to achieve some kind of outcome in the very near future," IBM Australia and New Zealand managing director Kerry Purcell told a Senate inquiry into the matter, without discussing terms of the negotiations.

He added that IBM was helping a police investigation but declined to say who he suspected was behind the attack.

He said that the attacks were launched through a router in Singapore and blamed Australian ISP Vocus Communications Ltd, a subcontractor of Nextgen Networks Pty Ltd, for failing to shut it down.

"We had repeated assurances from the ISP that the appropriate protocol was in place," Purcell said.

In a written submission to the inquiry, IBM said its preferred anti-DDoS measure, which it calls "Island Australia", involves "geoblocking", or getting the company's ISPs to shut down offshore traffic coming into the country.

Australia" six days before the census website went live in July, and that IBM declared a test of the strategy four days before the census a It said Nextgen followed IBM's instruc-

In a written submission to the inquiry,

Nextgen said IBM told it about "Island

tions, but noted that IBM rejected Nextgen's offer of additional anti-DDoS detection measures. Vocus said in a submission that it told

Nextgen the week before the census that it "did not provide geoblocking" and that "Vocus was in fact requested to disable its DDoS protection product covering the e-Census IP space".

It did not specify who gave that instruc-

ABS chief statistician David Kalisch said he was confident IBM could deliver on its A\$10 million (\$7.63 million) contract based on "the comments and exhortations that IBM had made to the ABS about the importance of this work" beforehand.

## Tata shake-up may distract group from restructuring efforts

REUTERS, New Delhi/Mumbai

The surprise removal of Tata Sons' chairman Cyrus Mistry and his advisory team, and the temporary return of Ratan Tata, could distract the saltto-software conglomerate from ongoing efforts to trim debt and according to a company statement. reshape some of its businesses.

The boardroom coup, announced late on Monday, sent shares in some Tata listed companies lower on Tuesday, though the reinstatement of the widely respected Ratan Tata as interim chairman likely helped ease investor concerns.

"When Mistry was there some actions were being taken at a group level which would have helped reduce the company's cash drain activities," said Daljeet Singh Kohli, research head at broker IndiaNivesh. "There was hope that rational, rather than more emotional decisions would prevail."

Some analysts expect uncertainty at Tata may stall some ongoing initiatives, such as the search for a partner for Tata Steel's struggling UK assets.

"Under Mistry, Tata Group have taken significant steps towards deleveraging and better utilization of capital," Citigroup said in a client note on Tuesday, adding his absence may impact the group's future strategy and delay the "process of deleveraging."

Media reports following Mistry's ouster suggested the influential Tata family, which owns a majority stake in Tata Sons through a series of trusts, was unhappy with some of his

decisions as chairman. Ratan Tata on Tuesday urged those in charge of Tata Group companies to focus on their businesses and shareholder returns, and not be

distracted by the board changes. Those group companies own a company said.

range of well-known brands, including Jaguar Land Rover, Tetley tea, Titan and the Taj Group of hotels.

"The companies must focus on their market position vis-à-vis competition, and not compare themselves to their own past," Tata said,

Referring to ongoing initiatives, he said Tata would "evaluate and continue to undertake those that are required". Any changes would be

"It came as a surprise to us; nobody seemed to know anything about it," said one senior Tata Group official, adding they were informed through a memo and told the move was "unlikely to have much impact on individual companies."

Tata has disbanded the group executive council - a core advisory team - set up by Mistry, who was trying to shake up the \$100 billion company through changes to its



REUTERS

Tata Sons Chairman Ratan Tata arrives in his office after attending a meeting at the company's head office in Mumbai, India yesterday.

discussed with business heads.

"At a business level, life doesn't change for us due to this management re-jig," said a senior banker and frequent investor in Tata group's bonds. "What we need to see is what kind of strategy they will adopt now to revive their weak companies."

Mistry's dismissal as chairman he remains a board member stunned even Tata insiders and senior executives, people in the

management structure and the introduction of new faces at senior levels.

In a sign of the near-150-year-old conglomerate's heft, Prime Minister Narendra Modi was told about the leadership change in a personal letter, according to government sources.

Shares in Tata Steel fell 2.5 percent, Tata Power 1.5 percent, TCS 1.2 percent and Tata Motors 1.1 percent. The broad Mumbai market closed down 0.2 percent.

### Gold inches up as dollar eases

Gold rose on Tuesday as the dollar eased from ninemonth highs but an increasing probability of a U.S. interest rate hike kept a lid on prices.

The metal is highly sensitive to rising rates, which lift the opportunity cost of holding non-yielding assets while boosting the dollar. Spot gold was up 0.4 percent at \$1,269.05 an ounce at 0915 GMT. It has traded in a narrow \$6.60 per ounce range for the past five sessions.

The dollar index, which measures the greenback against a basket of currencies, slipped 0.1 percent to 98.68, after hitting a ninemonth high on Monday.

U.S. gold futures were up 0.4 percent at \$1,267 an ounce. "What has been interesting in gold recently has been the rise in the dollar but we seem to have found a new level for the dollar and so you see gold stabilising," Danske Bank senior analyst Jens Pedersen said.

"We need to monitor economic data ahead of the Fed's decision because it's an ongoing battle between the hawks and the doves right now and also how to interpret the data."

Chicago Fed President, Charles Evans, said on Monday the U.S. central bank will raise its policy rate three more times by the end of next year, if inflation expectations and the labour market continue to improve.

#### প্রকল্প পরিচালকের কার্যালয়

১৫টি জেলা শিল্পকলা একাডেমি নবায়ন সংস্কার ও মেরামত প্রকল্প বাংলাদেশ শিল্পকলা একাডেমি

স্মারক নং-৪৩.২০.০০০০.৯৯.১১০.০০৩.১৬.১৬

তারিখঃ ২৩.১০.২০১৬

### নিয়োগ বিজ্ঞপ্তি

বাংলাদেশ শিল্পকলা একাডেমির অধীনে বাস্তবায়নাধীন ১৫টি জেলা শিল্পকলা একাডেমি নবায়ন, সংস্কার ও মেরামত শীর্ষক প্রকল্পে সম্পূর্ণ অস্থায়ী ভিত্তিতে প্রকল্প মেয়াদকালীন সময়ের জন্য নিমুবর্ণিত শর্তে নিয়োগের জন্য বাংলাদেশের প্রকৃত নাগরিকের নিকট থেকে দরখান্ত আহ্বান করা যাচ্ছে।

ক্রমিক	পদের নাম ও বেতন গ্রেড	পদের সংখ্যা	বয়স	বেতন	শিক্ষাগত যোগ্যতা ও অভিজ্ঞতা
<b>3</b> 1	হিসাবরক্ষক কাম ক্যাশিয়ার (গ্রেড-১১)	০১টি	সর্বোচ্চ ৩০ বছর। বিশেষ অভিজ্ঞতাসম্পন্ন প্রার্থির ক্ষেত্রে বয়স সর্বোচ্চ ৩৫ বছর পর্যন্ত শিথিল যোগ্য।	সর্বসাক্ল্যে ২১৭০০/-টাকা	ক) বি.কম পাস। খ) হিসাবরক্ষণ কাজে ২ বছরের অভিজ্ঞতাসহ ডাটা এন্ট্রি ও কম্পিউটার পরিচালায় দক্ষতা থাকতে হবে।
<b>Q</b> I	কম্পিউটার অপারেটর (গ্রেড-১১)	০১টি	সর্বোচ্চ ৩০ বছর/বিশেষ অভিজ্ঞতাসম্পন্ন প্রার্থির ক্ষেত্রে বয়স সর্বোচ্চ ৩৫ বছর পর্যন্ত শিথিলযোগ্য।	সর্বসাক্ল্যে ২১৭০০/-টাকা	ক) স্নাতক ডিগ্রি। খ) সংশ্লিষ্ট কাজে ২ বছরের অভিজ্ঞতা। নিবন্ধিত প্রতিষ্ঠান হতে কম্পিউটারে প্রশিক্ষণপ্রাপ্ত।

১. আবেদনপত্রে (১) পদের নাম (২) প্রার্থীর নাম (৩) পিতা ও মাতার নাম (৪) স্থায়ী ঠিকানা (৫) বর্তমান ঠিকানা (প্রবেশপত্র প্রেরণের ঠিকানা) (৬) বয়স (০১.১০.২০১৬খ্রি: তারিখে) (৭) জাতীয়তা (৯) জন্ম তারিখ (১০) বৈবাহিক অবস্থা (১১) নিজ জেলা (১২) ধর্ম (১৩) শিক্ষাগত যোগ্যতা (ক্রমিক নং, পরীক্ষার নাম, বিভাগ/জিপিএ, পাসের বছর, বোর্ড/বিশ্ববিদ্যালয়) এর বিবরণ টেবিল আকারে দিতে হবে) এবং (১৪) অভিজ্ঞতা উল্লেখ করতে হবে; অন্যথায় প্রার্থী হিসেবে তাকে যোগ্য মর্মে গণ্য করা হবে না।

২. আবেদনের সাথে নিম্নোক্ত কাগজপত্র সংযুক্ত করতে হবেঃ

ক) শিক্ষাগত যোগ্যতার সকল সনদপত্র, প্রশক্ষিণ ও অভিজ্ঞতার সনদপত্র যা ১ম শ্রেণির গেজেটেড কর্মকর্তা কর্তৃক সত্যায়িত।

খ) ১ম শ্রেণির গেজেটেড কর্মকর্তা কর্তৃক প্রদত্ত চারিত্রিক সনদপত্র

এলাকার স্থানীয় ইউনিয়ন পরিষদ চেয়ারম্যান/পৌরসভার মেয়র/কমিশনার/সিটি কর্পোরেশনের মেয়র/কাউন্সিলর/দায়িত্বপ্রাপ্ত কর্মকর্তা কর্তৃক প্রদত্ত জাতীয়তার সনদপত্রের সত্যায়িত কপি।

ঘ) সাম্প্রতিক তোলা পাসপোর্ট সাইজের ০৩ কপি ছবি যা ১ম শ্রেণির গেজেটেড কর্মকর্তা সত্যায়িত। ঙ) পরীক্ষা ফি বাবদ "প্রকল্প পরিচালক, ১৫টি জেলা শিল্পকলা একাডেমি নবায়ন, সংস্কার ও মেরামত শীর্ষক প্রকল্প" এ অনুকূলে ১০০

(একশত) টাকার পে-অর্ভার/ব্যাংক ড্রাফট আবেদনের সংগে জমা দিতে হেব। চ) নিয়োগের ক্ষেত্রে সরকারি সকল কোটা/বিধিবিধান অনুসূত হবে।

ছ) আবেদনপত্র আগামী ২৫.১১.২০১৬ তারিখের মধ্যে অবশ্যই অফিস চলাকালীন সময়ের মধ্যে নিমুস্বাক্ষরকারীর কার্যালয়ে পৌছাতে

জ) ক্রটিপূর্ণ/অসম্পূর্ণ/বিলম্বে প্রাপ্ত আবেদনপত্র বাতিল বলে গণ্য হবে। ঝ) ক্ষুদ্র-নূগোষ্ঠি/মুক্তিযোদ্ধা পোষ্য/এতিম/শারিরীক প্রতিবন্ধী প্রার্থীর ক্ষেত্রে সংশ্লিষ্ট কর্তৃপক্ষ কর্তৃক প্রদত্ত সনদের সত্যায়িত কপি

আবেদনের সাথে সংযুক্ত করতে হবে।

জিডি-২১৩২

ঞ) পরীক্ষায় অংশগ্রহণের জন্য প্রার্থীদেরকে টিএ/ডিএ প্রদান করা হবে না। ট) আবেদনপত্র বাছাই ও নিয়োগের ক্ষেত্রে কর্তৃপক্ষের সিদ্ধান্ত চূড়ান্ত বলে গণ্য হবে।

মোহাম্মদ নাসিরউদ্দিন প্রকল্প পরিচালক