



Managing Director of Nestlé Bangladesh Stéphane Nordé poses with the winners of a campaign—Nescafé Rocking Offer—of the company at the head office of Nestle Bangladesh yesterday. The month-long campaign started in early March.

NESTLÉ BANGLADESH

India renews energy deal with Nepal

PALLAB BHATTACHARYA, New Delhi

With China in mind, India has agreed to deepen energy ties with Nepal by renewing its fuel sale deal with the Himalayan country by another five years.

New Delhi has also offered expertise for implementing a proposed pro-poor cooking gas scheme in Nepal.

Indian Oil Corporation and Nepal Oil Corporation signed an agreement in New Delhi on Monday in the presence of Indian Oil Minister Dharmendra Pradhan and Nepal's Minister for Supplies Deepak Bohara.

Under the deal, state-owned Indian Oil will supply about 1.3 million tonnes of fuel every year for the next five years.

India has been supplying fuel to Nepal since 1974 under contracts that have been renewed from time to time.

Indian Oil Chairman B Ashok, who was present on the occasion, said the renewed deal is for the period from April 2017 to March 2022

covering petrol, diesel, kerosene, jet fuel and liquefied petroleum gas (LPG).

Pradhan said Indian Prime Minister Narendra Modi said in 2014 that India would build the Raxaul-Amlekhganj petroleum product pipeline, for which work is expected to start in 2017-18. Nepal wants the pipeline to be extended closer to its capital Kathmandu.

The Indian minister said investments for the pipeline will be made by Nepal while Indian Oil will provide technical assistance.

Pradhan and Bohara also discussed on construction of a similar pipeline for supply of LPG between India and Nepal.

Fuel supplies from India witnessed temporary disruption in 2015 when protestors had blocked the main transit point on the India-Nepal border. Indian Oil then used alternative entry points to supply fuel to Nepal.

The renewal of the fuel deal with Nepal indicates India's attempt to check China's growing influence in the Himalayan nation which had seen a rise in anti-Indian sentiment during the

blockade.

Nepal has signed a fuel purchase deal with China but the route between the nations presents logistic challenges.

During the blockade, China had offered to supply LPG to Nepal after gifting fuel to ease the crisis in the country.

According to Nepal's Ambassador to China, Mahesh Maskey, China has expressed its willingness to supply cooking gas bullets directly to Kathmandu by establishing a joint customs point at Panchkhal of Kavrepalanchowk district, situated 75 km east of Kathmandu.

But logistical difficulties and costs involved in bringing fuel from China through the high mountain passes made that option economically unviable.

Pradhan suggested Nepal implement the Indian prime minister's flagship scheme, under which cooking gas is supplied to the poor in Uttar Pradesh free of cost. He said India would assist in implementation of the scheme by sharing its experience and expertise.

Citigroup to seek bids for Asia general insurance distribution deal

REUTERS, Singapore

Citigroup Inc will seek bids from global insurers keen to sell general insurance products across the US bank's Asia-Pacific markets, in a deal that could be worth at least \$500 million, a source with knowledge of the matter told Reuters.

Citi's move underscores how banks are leveraging their network of branches and customer base to generate assured revenue over many years, as demand for insurance grows in the region, the source said.

The multi-year, bancassurance deal for products such as motor, property and travel insurance, will be one of the largest of its kind in the region, and give insurers access to 15 million customers of Citibank in 12 markets including Singapore, Hong Kong, China, India and Australia.

Citi will kick off the process for the 15-year deal in a few days, and expects to choose a partner in a few months, said the person who declined to be identified as the information was not public.

The deal is expected to be pitched to a number of insurers including AIG and Allianz, two sources said.

The exact value of the non-life insurance deal will depend on various issues including how bidders structure upfront payments and calculate net present value of future commissions and deferred payments, the first source said. A spokesman at Citi declined to comment. AIG and Allianz also declined to comment.

Citi's plan to seek partners follows the bank's move to allow insurer AIA in 2013 to sell life insurance through its Asia network in a multi-year deal. "The bank has invested a lot to grow its technology platform and digital engagement over several years. The idea now is to complement the life insurance partnership with another one for general insurance," said the source.

Global insurers are increasingly relying on bank distribution tie-ups to help generate billions of dollars in revenue in Asia, where rising personal incomes are enabling individuals and families to afford insurance.



Group Captain Kazi Iqbal Karim, director of Hazrat Shahjalal International Airport, Civil Aviation Authority of Bangladesh, attends the launch of a new flight service of SpiceJet from Dhaka to Kolkata on March 23.

SPICEJET



Md Abdul Halim Chowdhury, managing director of Pubali Bank, and Md Sarwar Jahan Chowdhury, national sales manager of Rangs Electronics Ltd, attend a deal signing ceremony at the head office of the bank in Dhaka. The employees, credit and debit cardholders of the bank will get 5 percent discount on all products of Rangs Electronics.

PUBALI BANK

One in ten German firms to cut UK investments: survey

AFP, Frankfurt Am Main

One in ten German firms present in Britain plans to stop investing in the island nation even before it definitively leaves the European Union, an industry group survey published Tuesday found.

German firms believe Brexit "will seriously damage business with the United Kingdom," said Eric Schweitzer, president of the Association of German Chambers of Commerce and Industry (DIHK), which

surveyed 2,200 internationally active companies.

Some nine percent of firms who have invested in the UK plan to shift investments elsewhere, with Germany and the rest of the EU the top choices.

Britain is the third-biggest export market for Germany after the United States and France, buying some 86 billion euros of goods in 2016. The DIHK estimates some 750,000 German jobs are dependent on exports to Britain.

Tesco handed £214m penalties on false accounting

AFP, London

Supermarket Tesco has agreed to a fine and compensation costs totalling £214 million (\$268 million, 247 million euros) after an accounting scandal at Britain's biggest retailer, the Serious Fraud Office said Tuesday.

Under a deal struck with the SFO over an affair stretching back three years, Tesco will not face prosecution.

However, charges have previously been brought against three former Tesco executives, who face trial over alleged fraud and false accounting.

"Tesco has in principle reached a deferred prosecution agreement with the UK Serious Fraud Office regarding historic accounting practice," the supermarket giant said. This "is a voluntary agreement under which Tesco Stores Limited will not be prosecuted provided the business fulfils certain requirements.

Trump pivots to tax reform after Obamacare shipwreck

AFP, Washington

After a crushing defeat in the effort to repeal Obamacare, the Trump administration is hoping for smoother sailing on tax reform, expecting this will be less divisive among Republican party factions.

"Health care is a very, very complicated issue. In a way (taxes are) a lot simpler," Treasury Secretary Steven Mnuchin said Friday. And Vice President Mike Pence said Saturday that lawmakers should be shown details soon.

Several days before the collapse of Republican efforts to repeal and replace the Affordable Care Act, the Obama administration's signature health care law, President Donald Trump even promised to advance "the biggest tax cut since Ronald Reagan," saying it would be "fun."

But reshaping the entire tax code, something not done since 1986, is no mean feat. Several presidents, Republican and Democrat, have failed, floundering on procedural hurdles and the delicate compromises needed to succeed. White House spokesman Sean Spicer said Monday the timing of changes will depend on reaching a grand bargain.

"I think part of this is going to be dependent on the degree to which we can come to consensus on a lot of big issues," he told reporters. Major US stock markets have also been jittery since the Obamacare repeal started to

head south, despite rallying to multiple records since Trump was elected.

"Failure to pass health care reform has markets questioning the viability of US President Trump's ambitious fiscal stimulus plans," wrote Christopher Vecchio, a currency strategist at foreign exchange trading site DailyFX.

Part of the problem is policymakers had expected revenue savings from the Obamacare repeal would partly offset planned tax cuts. Indeed, Republican leaders insist that fiscal reforms be "revenue neutral," that is, that they not expand the federal budget deficit.

Paul Ryan, the Republican speaker of the House of Representatives, conceded that the failure on health care "does make tax reform more difficult, but it does not make it impossible."

The Trump administration first expects to cut corporate taxes in order to boost economic activity and encourage multinational companies to return to the United States and stimulate hiring.

During his campaign, Trump had promised to slash the corporate tax rate from 35 percent to 15 percent, but Mnuchin did not specifically reaffirm that commitment on Friday, mentioning only a much lower corporate tax rate.

To make up for the revenue loss from a corporate tax cut, Ryan is supporting a border adjustment tax. Generating an estimated \$1 trillion, the measure would impose a 20 percent tax on some imports while supposedly reducing the trade deficit and

encouraging companies to produce goods in the United States.

But the proposal is hotly contested, in particular by major retailers and Republican lawmakers who fear consumers will be stuck with rising prices. The Republican party has also historically favored free trade.

As for income, the White House favors cutting middle class taxes and reducing the number of tax brackets from seven to three (10 percent, 20 percent and 25 percent).

The Treasury Secretary, who had so far promised that there would be no tax cuts for the wealthiest -- with any tax cut for the top earners offset by eliminating deductions -- seemed less certain during a live interview with the Axios news site. "Don't hold me to it at the penny but that is the direction we are heading," Mnuchin said.

Senator Chuck Schumer, the leader of the Democrats in the Senate, said regressive tax cuts were a no-go.

If tax cuts favor "the middle class and the poor... we could work with them," Schumer said. "I don't think they are headed in that direction."

One of the ideas underpinning the Trump plan, known as "dynamic scoring," rests on the belief that tax cuts will pay for themselves by stimulating consumer spending and growth.

The Trump administration expects the economy to grow at three percent, if not 3.5 percent, next year instead of the softer two percent recorded since 2010.



Md Abdus Salam, managing director of Janata Bank, attends a branch managers' conference of the bank's Rajshahi division in Rajshahi on March 24.

JANATA BANK



Firoze Mohammad, head of business and consumer electronics at Samsung Electronics Bangladesh, hands over a car to SMA Mafi Shubho, who won the company's Wedding Campaign after purchasing a microwave oven from the Mirpur showroom of Transcom, authorised distributor of Samsung.

SAMSUNG