

Power, energy projects to have focus in FY'11 ADP

Ministry examines new proposals

The Financial Express, Friday April 23, 2010

The planning ministry will sit with different ministries next week to have an in-depth look at the fresh projects proposed for incorporating in the next year's annual development program (ADP), officials said. The new projects in the power and energy sectors will get more preference in the ADP for FY2011, he added. The ministry official said the allocations in the next year's ADP are likely to be raised by BDT 10bn (USD 144.3mn) to BDT 385bn (USD 5.6bn), up from the current BDT 285bn (USD 4.1bn) outlay for the development of the country's infrastructure, especially the ailing power and energy sectors.

http://www.thefinancialexpress-bd.com/more.php?news_id=98380&date=2010-04-23

Lackluster ADP spending besets 9 months of FY '10

The Financial Express, Tuesday April 20, 2010

The government has spent only 44% from the total development budget in the first nine months of the current fiscal year, offering an unimpressive picture of public investment, officials said on Monday. The government framed an "ambitious" BDT 305bn development budget for the current fiscal year to execute 886 projects under the ADP in order to rejuvenate the country's poor infrastructure and improve social security for steering the national economy forward, observers noted. But the dismal 29% ADP implementation rate till the first half of the current fiscal year forced the government to cut the budget size by BDT 20bn to BDT 285bn in the early third quarter.

http://www.thefinancialexpress-bd.com/more.php?news_id=98064&date=2010-04-20

Dhaka gets record USD 1.50bn foreign aid in first nine months of fiscal year

The Financial Express, Saturday April 17, 2010

Bangladesh has received a record USD 1.50bn in foreign aid in the first three quarters of the current fiscal year, defying the global economic meltdown that sharply slashed aid to poor nations, officials said Thursday. The amount of assistance is USD 64mn over what the country received during the same period last financial year 2009, a senior economic relations division (ERD) official said. The official said the government is hopeful of receiving an additional USD 903mn in the last quarter (April-June) to achieve its USD 2.40bn foreign aid target in 2009-10 fiscal year.

http://www.thefinancialexpress-bd.com/more.php?news_id=97812&date=2010-04-17

Moody's gives Bangladesh another good credit rating

The Financial Express, Tuesday April 13, 2010

Moody's Investors Service has assigned Bangladesh a Ba3 rating, meaning macroeconomic fundamentals of the country is better and it has less chance to face severe stress on creditworthiness. The challenges the rating agency mentioned are low revenue collection and a concentrated industrial base. The agency assigns ratings to about 130 countries around the world and is considered more conservative than S&P.

http://www.thefinancialexpress-bd.com/more.php?news_id=97556&date=2010-04-13

Tata plans to invest USD 18mn

The Daily Star, Tuesday April 13 2010

Tata International Ltd will invest USD 18mn in footwear and bicycle industries in Bangladesh within the next year, said a business delegation of the Indian conglomerate on April 12.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134177>

Bangladesh moves up economic liberty index

States Heritage Foundation-Wall Street Journal report

The Daily Star, Sunday April 18, 2010

Bangladesh has made significant strides in the Index of Economic Freedom world rankings, making its economy the 137th freest in the world. In the ranking, the country's overall score was 51.1, which is 3.6 points higher than that of the last year, according to the report jointly prepared by USA-based think tank Heritage Foundation and the Wall Street Journal. In the Asia-Pacific region Bangladesh has been ranked 29th out of 41 countries. "The gains reflect Bangladesh's improvements in trade freedom and investment freedom," according to the report.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134742>

Reform stock market to achieve int'l standard

The Financial Express, Tuesday April 13, 2010

Economists at a pre-budget discussion advised the finance minister to impose tax on capital gains of share price and to reform the stock market to bring it to international standards. They also recommended that the minister give maximum importance to the power sector, including sources of primary energy, and the other priority areas such as health, education, revenue collection and ADP implementation.

Finance Minister Abdul Muhith said he had a proposal to impose tax on the capital gains in the share market, but he has not taken any decision yet. Former Bangladesh Bank governor Mohammed Farashuddin said international media carry news of many small stock exchanges but they hardly show any interest in Dhaka stocks.

http://www.thefinancialexpress-bd.com/more.php?news_id=97567&date=2010-04-13

Normal trading of UCBL set to start soon

The Financial Express, Friday April 16, 2010

The normal trading of the United Commercial Bank Limited (UCBL) is likely to start soon as both the bank and the securities regulator are positive about resumption of its trading in the market. The optimism ensued after the verdict delivered by the Appellate Division (AD) of the Supreme Court (SC) on April 7, which cleared the bar of organizing annual general meetings (AGMs) of the bank. Thus, the bank is now looking towards the certified copy of the SC verdict to organize an AGM.

The UCBL could not pay dividends for failing to hold the pending AGMs for the last 11 years because of cases filed by shareholders. On October 1 last year, the Securities and Exchange Commission (SEC) in a directive sent the UCBL to the OTC market along with 50 other companies under the SEC Rules, 2001.

http://www.thefinancialexpress-bd.com/more.php?news_id=97695&date=2010-04-16

Asset managers demand rise in proposed cap on Institutional pre-IPO

The Daily Star, Friday April 16, 2010

Members of Association of Asset Management Companies (AAMC) recently requested the Securities and Exchange Commission to reconsider its proposal to limit institutional pre-IPO placement for mutual fund shares at only Tk 10 lakh per institution. They also asked the regulator to relax the margin restrictions on mutual fund shares, as the SEC's current margin rules restrict retail investors from buying shares. Even though mutual funds are designed to protect retail investors from speculative losses, these same retail investors are now prevented from buying mutual fund shares due to the SEC's current margin rules, said an AAMC member.

The association members asked the regulator to allow asset management companies to participate in book building process during initial public offerings, increase pre-IPO placement and solicit opinions from asset management companies during the formative phase of any new regulations or changes in regulation.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134454>

Niloy Cement to cut paid-up capital

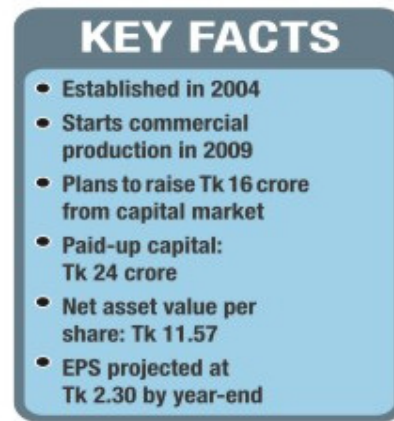
The Daily Star, Friday April 16, 2010

Niloy Cement has decided to reduce its paid-up capital to adjust its accumulated loss. It is the first listed company that is going to reduce paid-up capital with permission from the High Court. Company officials said Niloy Cement was going through a hard time. Its balance sheet had been in the red from 2002 to 2008 and came back to the black in 2009. But the accumulated loss, in the meantime, went up to Tk 11.20 crore. The company will have to go for liquidation if the situation continues.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134440>

Active Fine Chemicals to raise Tk 16cr from market

The Daily Star, Friday April 16, 2010



Active Fine Chemicals Ltd, a chemical reagent and active pharmaceutical ingredients (API) maker, plans to raise Tk 16 crore from capital market to strengthen its foothold in a sector that is now heavily dependent on imports. The company will also use a portion of the money through initial public offering (IPO) to pay off bank loans that it took against its project established in 2004 on 10 acres in Munshiganj. Active Fine Chemicals, which started commercial production in 2009, has recently submitted an IPO prospectus to the Securities and Exchange Commission with a proposal to raise funds from the public.

If approved by the regulator, the company will pay off Tk 6.55 crore of bank loans, while the rest of the amount will be added to the working capital structure for business expansion and for IPO expenditure. Janata Bank is the issue manager of Active Fine Chemicals IPO.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134441>

PC prepared to take up SOEs offloading job

The Financial Express, Saturday April 17, 2010

The Privatisation Commission (PC) has proposed shouldering the task of offloading 26 state-owned enterprises listed by the finance ministry about two-years ago, insisting that it deserves to do so as per law. The commission also said that it would be able to complete the task faster than any other government organizations as it has the necessary tools required for floating shares of state-owned enterprises (SoEs) on the stock market. The proposal came amidst allegations raised by many stakeholders, including the Dhaka Stock Exchange (DSE), that the government is indifferent

towards offloading shares of SoEs. According to them, the delay is hindering the growth of the country's capital market.

Shares of five SoEs - National Bank, Islami Bank, Eastern Bank, Reckitt Benckiser and Monospool Papers - have been offloaded through the PC with the help of the Investment Corporation of Bangladesh (ICB).

http://www.thefinancialexpress-bd.com/more.php?news_id=97802&date=2010-04-17

Alliance Holdings set for IPO under book building

The Daily Star, Monday April 19, 2010

Alliance Holdings Limited, a diversified holding company with a dynamic investment portfolio, is set to go public using the book building method, a modern pricing mechanism for initial public offering (IPO). The company will float 3.5 crore ordinary shares of Tk 10 each and use the raised fund to expand its existing business and venture into new prospective areas in the infrastructure sectors -- power, telecom and shipbuilding. The company has interests in a wide range of industries, including container terminals (off-dock), pre-engineered steel buildings, real estate, financial institutions, beverages and textiles. Alliance Financial Services Limited is the issue manager of the IPO.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134904>

SEC staff barred from applying for IPO

The Daily Star, Monday April 19, 2010

The stock market regulator has barred its employees from taking part in the primary share market business. The employees going forward cannot apply for shares of any initial public offering (IPO). There are many SEC officials who apply for IPO shares. But instead of selling the primary shares received through IPO, they hold on to them for long, which means indirect involvement in the secondary share business, sources said. SEC officials are not officially allowed to get involved in the secondary share market business for the sake of transparency, accountability and neutrality.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134861>

SEC weighs changes in bidding for setting indicative price

The Financial Express, Tuesday April 20, 2010

The securities regulator plans to increase participation of eligible institutional investors in the bidding process for setting the indicative price of a share under the Book Building (BB) method so that a reasonable market price can be fixed commensurate with the company fundamentals. The Securities and Exchange Commission (SEC) move follows two recent cases, in which the indicative prices of two companies were not consistent with the company fundamentals due to participation of a small number of eligible investors in the bidding process.

An SEC member said the capital market regulator was thinking of ensuring participation of all eligible investors in the bidding for setting the indicative share price of a company, to be offloaded under the BB method.

http://www.thefinancialexpress-bd.com/more.php?news_id=98076&date=2010-04-20

SEC paves way for Beacon Pharma IPO floatation

The Financial Express, Wednesday April 21, 2010

The securities regulator approved the prospectus of Beacon Pharmaceuticals Limited giving it the go-ahead for launching Initial Public Offering (IPO). Beacon Pharmaceuticals Ltd., an innovative and technology-driven company, will offload 30 million ordinary shares, each having a face value of Tk 10 without any premium. Beacon Pharma's pre-IPO paid-up capital is Tk 1.9 billion. ICB Capital Management Ltd. (ICML) is its issue manager. Within two years of its operation, has introduced a substantial number of new and innovative technologies in the pharmaceutical industry.

http://www.thefinancialexpress-bd.com/more.php?news_id=98124&date=2010-04-21

Modern Poly set to go public

The Daily Star, Wednesday April 21, 2010

Modern Poly Industries Limited, a concern of business conglomerate TK Group, is set to raise funds from the stock market for business expansion. The Chittagong-based company will float three crore ordinary shares of Tk 10 each using book building method. With IPO proceeds, the company will acquire a 95 percent stake in Modern Fibre Industries Limited, a sister concern of Modern Poly Industries. It will also use a portion of the fund to repay bank loans and the rest will be added to its working capital.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135218>

Bourses propose Tk 100 fee for BO account

The Daily Star, Thursday April 22, 2010

Stock exchanges have proposed a Tk 100 fee for each BO (beneficiary owner's) account instead of tax identification number (TIN) that the National Board of Revenue (NBR) suggested earlier for such accounts. Central Depository Bangladesh Ltd (CDBL) will collect the fee every year and deposit the money to the government exchequer, said leaders and officials of the bourses yesterday at a pre-budget meeting with the NBR. At present there are around 24 lakh BO accounts, necessary for electronic share transactions, with the CDBL, the operator of Central Depository System.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135374>

SEC orders 3 laid-off textile companies to hold EGMs, placate investors

The Financial Express, Friday April 23, 2010

The securities regulator has ordered three laid-off companies to hold extraordinary general meetings immediately to appease the concerns of their shareholders, its chairman said Thursday. The companies- Apex Weaving, Monno Fabrics and Modern Dyeing - have shut down their factories over the past six months citing acute natural gas crisis. The SEC also ordered the country's two bourses, Dhaka and Chittagong stock exchanges, where the companies trade their shares, to probe the laying-off and submit a report within a week.

http://www.thefinancialexpress-bd.com/more.php?news_id=98392&date=2010-04-23

SEC may relax IPO size rules for unlisted insurance companies

The Financial Express, Monday April 26, 2010

The securities regulator might overlook the minimum IPO-size requirement to enable a few unlisted insurance companies to go

public. Under the existing insurance act, the minimum paid-up capital requirement for a life insurance company is Tk 300 million and for non-life insurance company Tk 400 million. The SEC has recently fixed the minimum IPO size of a company willing to float its shares for public subscription at Tk 400 million.

Recently the SEC has received a proposal from an insurance company to float shares valued below the minimum requirement. The commission discussed the issue and asked the company concerned to get approval of the insurance sector regulator. Subject to the insurance regulator's approval of the IPO size the SEC will consider the application with positive attitude.

http://www.thefinancialexpress-bd.com/more.php?news_id=98654&date=2010-04-26

Four MF's to follow SEC's new private placement rule *The Financial Express, Monday April 26, 2010*

Four mutual funds (MFs), which received approval from the market regulator in the last two months to float shares, will have to follow the new SEC guidelines on private placement. The SEC recently imposed curbs on the private sale of mutual funds to individuals and companies to boost the small investors' stake. Under the existing laws, a mutual fund could sell 40 per cent of its stake through private placements. However, according to the revised placement rules, a listed company would be able to buy units worth Tk ten million, and a non-listed company Tk five million. Individuals can buy shares up to Tk 1.0 million under private placement.

http://www.thefinancialexpress-bd.com/more.php?news_id=98660&date=2010-04-26

SEC amends OTC market rules to woo unlisted companies *The Financial Express, Tuesday April 27, 2010*

The SEC has amended 'over the counter (OTC)' rules, allowing unlisted companies with a minimum paid up capital of Tk 50 million and electronic shares to trade. The OTC market is a separate trading floor provided by a stock exchange to facilitate trading of unlisted and de-listed companies. Under the amended rules, the paid up capital criteria has been increased from Tk 10 million to Tk 50 million for an unlisted public limited company willing to be listed with OTC market.

http://www.thefinancialexpress-bd.com/more.php?news_id=98743&date=2010-04-27

Banking

Pubali Bank 'Double A Three' rated *The Financial Express, Tuesday April 27, 2010*

Pubali Bank Limited was rated AA3 in the Long Term and ST1 in the Short Term. This level of rating indicates very strong capacity for timely payment of financial commitments in both Long Term and Short Term with very low likelihood to be adversely affected by foreseeable events. The rating assignment was based on the Audited Financial Statements of December 31, 2009 and other relevant information.

http://www.thefinancialexpress-bd.com/more.php?news_id=98708&date=2010-04-27

BB raises interest rates on government bonds to rein in inflation *The Financial Express, Friday April 23, 2010*

The central bank has increased interest rates on government securities, particularly bonds, to curb inflation through attracting commercial banks and financial institutions to invest more in the securities. The central bank has stepped up its efforts along with resuming the auction of 30-Day Bangladesh Bank Bills recently to mop up the excess liquidity from the market. Although the latest moves do not mean that the central bank is making any radical shift in its accommodative monetary policy, it has made its intention clear that it wants to ease inflationary pressures on the economy.

The country's consumer price index (CPI) inflation rose to 9.06% in February 2010, up from 8.99% of the previous month, according to the Bangladesh Bureau of Statistics (BBS) data.

The weighted average yield, generally known as interest rate on 5-year Bangladesh Government Treasury Bills (BGTB) rose to 7.8537% in April from 7.8455% the previous month while 10-year BGTB increased to 8.7700% from 8.7632%. On the other hand, the weighted average yield on 15-year BGTB stood at 8.7692% this month (April) from 8.7488% last month (March), while 20-year BGTB increased to 9.1500% from 9.1100%, the BB data showed.

http://www.thefinancialexpress-bd.com/more.php?news_id=98572&date=2010-04-25

BB to channel USD 250mn to power projects under PPP *The Financial Express, Friday April 23, 2010*

Bangladesh Bank (BB) has arranged a USD 250mn special fund for financing power projects under the Public-Private Partnership (PPP) initiative. The World Bank (WB) has agreed to provide the fund to help improve Bangladesh's power sector. The central bank would disburse the special fund through scheduled banks only to power projects to be built on partnership between public entities and private entrepreneurs.

http://www.thefinancialexpress-bd.com/more.php?news_id=98386&date=2010-04-23

Banks to face stress test *The Daily Star, Friday April 23, 2010*



The central bank has ordered all banks and other financial institutions to undergo stress tests to check whether they are strong enough to hold up in the face of more difficulties and risks. A Bangladesh Bank (BB) circular has asked the banks to send their respective stress test reports twice a year. The BB must get the reports within 45 days after June 30 and December 31.

The BB has taken the initiative as many countries adopted it in the wake of the global financial crisis.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135506>

Moody's gives Bangladesh another good credit rating

The Financial Express, Tuesday April 13, 2010

Moody's Investors Service has assigned Bangladesh a Ba3 rating meaning that the macroeconomic fundamentals of the country are better and it has less chance to face severe stress on creditworthiness. Bangladesh's rank is above Pakistan but lower than India in the sub-continent. The rating is the same as the Philippines and Vietnam. Moody's assigns rating to about 130 countries around the world and is considered more conservative than S&P.

http://www.thefinancialexpress-bd.com/more.php?news_id=97556&date=2010-04-13

Credit recovery from private jute mills

BB asks banks to follow certain conditions

The Financial Express, Thursday April 22, 2010

The Bangladesh Bank (BB) has asked the commercial banks concerned to implement an official decision that sets certain conditions on the recovery of outstanding credit from private jute millers to help them continue production, sources said. Under the conditions, the arrear loans along with five-year interest until June 30, 2009 that the private jute mills owe to different commercial banks will be kept in a 'block account' for 30 months and later the debt should be recovered in 10 years with an interest rate of 8.0%. The central bank's circular came in line with the recent instruction of the finance ministry, official sources said.

http://www.thefinancialexpress-bd.com/more.php?news_id=98257&date=2010-04-22

Private Banks allowed opening 350 branches

The Financial Express, Tuesday April 20, 2010

The central bank has given permission to 27 private commercial banks (PCBs) to open around 350 branches throughout the country. Of the total, 110 will be dedicated for small and medium enterprises and agricultural loans by this calendar year. The BB governor said the central bank will cancel such permissions if the banks fail to open their branches by December 31. The central bank of Bangladesh has provided licences, for the first time, to the PCBs to open SME/Agriculture branches to gear up financing for SMEs and farmers. A total of 30 PCBs are now running their businesses in the country.

http://www.thefinancialexpress-bd.com/more.php?news_id=98067&date=2010-04-20

Telecom & IT

Price war boosts mobile phone growth

The Financial Express, Tuesday, April 27, 2010



Mobile phone operators have posted strong growth in the first quarter amid one of the fiercest price wars in the sector triggered by the acquisition of Warid by Indian low-cost operator Bharti Airtel. The country's six mobile phone companies added 2.27mn users in the first quarter of 2010, clocking a 105% growth over the same period last year and 110% growth over the previous quarter. Among the 2.27mn newly added users, Robi added 1.3mn, Grameen phone added 0.64mn, and Banglalink added 0.35mn while three other operators contributed the rest. The latest acquisition by operators took the number of subscribers to 54.7mn, still hovering around 35% of the country's 150mn population.

http://www.thefinancialexpress-bd.com/more.php?news_id=98707&date=2010-04-27

Robi to invest BDT 480mn (USD 70mn) in network modernization

The Financial Express, Tuesday, April 27, 2010

Robi (an Axiata brand) will invest BDT 480 million (USD 70mn) in network modernization and expansion, which will improve its customers' experience when making calls and using wireless internet facilities. The programme is in partnership with Nokia Siemens Networks, which is well known for having a strong mix of technology and delivery experience. It will focus on implementing energy efficient equipment and reduce the use of air conditioners at all levels of the network, particularly in the radio-based station area. Experts estimate with the new energy efficient equipment, it could save 30% of power consumption in its operations.

http://www.thefinancialexpress-bd.com/more.php?news_id=98721&date=2010-04-27

Citycell takes up joint venture with BIID

The New Age, Tuesday, April 27, 2010

Citycell and Bangladesh Institute of ICT in Development (BIID) have undertaken a joint initiative named Batighar project. This is a social business initiative under Citycell's Corporate Social Responsibilities umbrella. The objective of this project is to implement the facets of ICT to improve the life of the country's rural people and encourage developing local entrepreneurship. Key working areas of Batighar project will be agriculture, farmer counseling, SME, telemedicine etc. In doing so, the Batighar project will use various services of Citycell including Zoom Ultra and Citycell Value Added Services.

<http://www.newagebd.com/2010/apr/27/busi.html#19>

Mobile phone importers demand big tax cut
The Financial Express, Monday, April 26, 2010

The country's mobile phone importers demanded a massive reduction in handset taxes on 25 April 2010. Bangladesh Mobile Phone Importers Association (BMPIA) made the demand to Prime Minister Sheikh Hasina saying that smuggled sets have flooded the market, almost driving the legal powers out of business. Around 0.2mn mobile phone sets are illegally entering the country every month. The government can easily stop entry of at least 0.15mn sets, if it slaps a hundred taka flat duty on each imported set. The Bangladesh market has a demand of 0.75mn sets with the country's mobile phone users reaching 55mn at the end of March.

http://www.thefinancialexpress-bd.com/more.php?news_id=98659&date=2010-04-26

BTCL offers subsidized tariff for international calls
The Financial Express, Tuesday, April 20, 2010

About 0.8mn landline-users of Bangladesh Telecommunications Company Ltd (BTCL) will be able to make international calls to 55 countries at subsidized tariff as of 20 April 2010. The offer comes as the state-run telecom company has decided to provide the Economy ISD (EISD) facility, which the subscribers can now enjoy by using the access code 012. Under the facility, each call from a BTCL-phone to any mobile or land-phone of 23 countries will cost BDT 6.0 (US 9 cents) while for the rest 32 countries BDT 6.0 (US 9 cents) will be charged for calling to a mobile number and BDT 16.50 (US 24 cents) to a fixed-phone number. The BTCL is the country's leading public switched telephone network (PSTN) operator with 872,409 subscribers as of March 2010.

http://www.thefinancialexpress-bd.com/more.php?news_id=98042&date=2010-04-20

Remitting by mobile comes on stream
The Daily Star, Wednesday, April 14, 2010

Sending money home has become easier and faster as two banks and a mobile operator launched a cell phone-based remittance transfer system on April 13, 2010. The joint move by Eastern Bank, Dhaka Bank and mobile operator Banglalink will allow the remittance receivers to cash in a day instead of three days to one month through different existing channels. The new service styled 'Mobile Wallet,' which will also serve the unbanked population at no cost, gained shape after Bangladesh Bank (BB) gave the go-ahead to the move a few months ago. At present, more than 90% of the population in Bangladesh does not have access to regular banking facilities. Initially the mobile remittance service will be available at 19 Banglalink points in Dhaka for a month and then will expand to 100 points. The service will hit 2,222 Banglalink 'cash points' across the country within the next three months.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134314>

Tourism & Aviation

Biman takes northern route to fly to London
The Financial Express, Friday April 16, 2010

The state-run Biman Bangladesh Airlines has finally decided to take the shorter 'northern route' for its Dhaka-London-Dhaka flights to cut the additional operation cost that the national flag carrier paid for every trip. Ignoring expert opinion, the national airline started the Dhaka-London-Dhaka operation on February 6 this year on the longer southern route since it supposedly could not operate on the shorter route as it did not have over-flying permissions from Turkmenistan, Kazakhstan and Russia.

However, Biman recently regained over flying permission from Turkmenistan while over flying permission from Ukraine is not required as Biman just has to submit its flight plan to Ukraine CAA four hours before taking-off. Moreover, over flying permission from Russia is also not required in the case of the northern route that over flies the high sea.

http://www.thefinancialexpress-bd.com/more.php?news_id=97693&date=2010-04-16

Foreign airlines romp in Biman's woes
The Financial Express, Sunday April 18, 2010

The country's fast booming aviation market has proved to be a bonanza for the foreign airlines, as they continued to grab Biman's market share, cashing in on its image crisis and diminished fleet strength. Figures by the Civil Aviation Authority showed Saturday that the national carrier carried 1.05 million passengers in 2009 - down by nearly six per cent from the previous year. During the same period 27 foreign airlines who operate flights to the country's two international airports have handled 2.8 million passengers - up about 16 per cent from 2008.

The national airline has failed to capitalise on a boom in the air passenger market in the past two decades, driven largely by surge in overseas employment in the Persian Gulf and South East Asian nations. Carriers from the Gulf countries such as Emirates, Etihad, Saudi Arabian Airlines and Qatar Airways have been the main beneficiaries of the growth.

http://www.thefinancialexpress-bd.com/more.php?news_id=97903&date=2010-04-18

Vested quarters out to foil Biman's facelift bid
The Financial Express, Saturday April 24, 2010

The state-run Biman's over-booked Dhaka-London flights take-off with a large number of empty seats, as its marketing and sales department failed to check corruption emerging out of rising passenger demand. Official data of the state airlines from March 16 to April 6 shows a total of 40 per cent business class seats and 20 per cent economy class seats went empty. But booking data confirmed that all the aircraft flights during the period were over-booked. Insiders blamed the sales and marketing department and complicated ticket booking and confirmation processes for the loss.

http://www.thefinancialexpress-bd.com/more.php?news_id=98465&date=2010-04-24

Regent Airways inks contracts with Canadian company
The Financial Express, Sunday April 25, 2010

Regent Airways has signed contracts and Letter of Intents (LoI) with the Canadian pilot training company CAE and the German airline giant Lufthansa Systems. Regent, the upcoming start-up airline from Bangladesh owned by Chittagong-based conglomerate Habib Group, signed the exclusive contract with CAE to cover pilot training. The LoI with Lufthansa Systems covers the areas of operations optimization, revenue management, flight planning, route manuals and electronic load sheets.

http://www.thefinancialexpress-bd.com/more.php?news_id=98529&date=2010-04-25

La Vinci in talks with Marriott to build hotel
The Daily Star, Sunday April 25, 2010

La Vinci Hotel, a Bangladesh-Italy joint venture, plans to build a 270-room five-star hotel on Inani beach in Cox's Bazar soon. The

hotel will invest more than Tk 300 crore initially in construction, which is likely to begin by the end of July. Marriott Hotels and Resorts, a US-based hotel chain, is expected to partner in the venture as the management operator. La Vinci, a three-star hotel, is managed by US-based Best Western, the largest hotel company operating under a single brand name with 4,000 independently owned and operated hotels in 80 countries across the world.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135788>

Energy

Power

PQ tenders invited for wind, solar IPPs

New Age, Wednesday, April 14, 2010

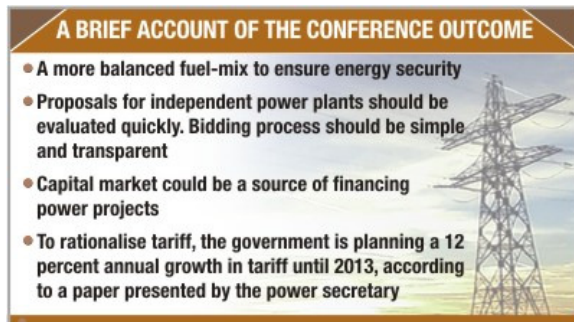
The Power Development Board on April 13 invited pre-qualification applications from interested companies to install a 100-200MW wind-powered independent power plant at Chittagong and three 1-3MW solar-based IPPs in Rajshahi and Jamalpur. This is the first time that the government has taken steps to install wind- and solar-based IPPs in the country. Interested international companies with experience in installing wind-powered electricity plants have been asked to submit applications by June 21 for pre-qualification for the final bidding. The contract with the selected power plants will last for 25 years.

The PDB has also invited interested solar power companies to apply for pre-qualification by May 23 for the installation of a 1MW solar plant at Rajshahi, a 3MW plant at Rajbarihat in Rajshahi and 3MW plant at Sarishabari in Jamalpur. The contract with the chosen solar power plants will last for 15 years. The price of the electricity generated by gas-based plants varies between BDT 1.8 and BDT 3 (US 2.5 Cents to US 4.4 cents) per unit.

<http://www.newagebd.com/2010/apr/14/front.html#4>

Lengthy process sets back power projects

Energy experts suggest a single committee for approval
The Daily Star, Wednesday, April 14, 2010



The government should bring all energy projects under a single committee to accelerate implementation, experts said on April 13. They were speaking at a discussion on 'Power Project

Development: Exploring the Critical Path' at the Radisson Hotel in Dhaka. International Chamber of Commerce-Bangladesh (ICCB) organised the discussion as part of its daylong conference on 'Energy for Growth' at the hotel where energy experts, bankers, academics and entrepreneurs from home and abroad spoke.

Suggesting a single committee for project implementation, Muhammad Aziz Khan, chairman of Summit Group said the main challenge for the energy sector is the delay in decision making. Tariff goes up because of a lengthy process, he said.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134312>

British firm to generate 200MW power by July

Contract after purchase body approval

The Daily Star, Wednesday, April 21, 2010

The Power Development Board (PDB) on April 20 initiated an unsolicited rental power contract with a British company to generate 200MW of power. According to the deal, 100MW of power would be generated by June 22, and full-capacity production would be reached within July 28. British company Aggreko, one of the world leaders in rental power, will install its diesel-fired power generation equipment in Ghorashal and Khulna or any other site designated by the government.

Aggreko has been producing 40MW of rental power in Khulna since 2008 under a three-year contract. The cost per kilowatt-hour from the Khulna plant is BDT 21.52 (US 31.1 Cents), the highest tariff of the country. Sources said the deal with Aggreko could be secured quickly because the company had its equipment ready for mobilisation.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135149>

Ecneec okays revised power projects

Chandpur, Sylhet plants to generate 300MW by 2012

The Daily Star, Wednesday, April 21, 2010

The Executive Committee of National Economic Council on April 20 approved two revised power projects at Chandpur and Sylhet involving a cost of BDT 20.8b (USD 300.6mn). According to the revised time schedule, Chandpur and Sylhet plants are to start generating 150MW power each by June 2012. The government will have to spend an additional amount of BDT 13.53b (USD 195.5mn) for the two projects due to a delay of about 10 years in implementing them.

According to a planning ministry report, the project in Sylhet was not implemented at that time as no foreign aid agencies came forward. Later, it was decided that the project would be implemented with suppliers' credit. However, the project now is still seeing complexity in getting suppliers' credit and delays in inviting tenders. The Ecneec also approved a BDT 400mn (USD 5.7mn) project titled Construction of Liquid Fuel System for Sirajganj 150MW Peaking Power Plant.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135157>

The govt set a target to produce 9,426MW of electricity by 2015

The Daily Star, Wednesday, April 21, 2010

The government has laid out a plan to free Bangladesh of the energy crisis by 2014 by producing adequate power, said State Minister for Power, Energy and Mineral Resources Enamul Haque on April 20. The government has set a target to produce 9,426MW of electricity by 2015 in an effort to bring every citizen under electricity coverage.

"We are also planning to buy electricity from India, Nepal, Bhutan and Myanmar," Haque said. The minister was speaking at a roundtable on the power crisis at the CIRDAP auditorium in the city as the chief guest.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135223>

Chandpur Plant PM laid foundation stone

The Daily Star, Sunday, April 25, 2010

The foundation stone of the much-awaited Chandpur 150MW Combined Cycle Power Plant was laid on April 25, 2010 at Gunrajdi, Chandpur, which is scheduled to go into operation by 2014. Prime Minister Sheikh Hasina initiated the BDT 3.42bn project in April 2001. "Due to delay in process, the project cost has increased four times." Mostofa Kamal, member (generation) of PDB said.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135748>

BPC fuel oil import bills to up by BDT 50bn (USD 722.5mn) in the 2010–2011 FY

New Age, Monday April 19 2010

The Bangladesh Petroleum Corporation has projected that fuel oil import bills would go up by BDT 50bn in the 2010–2011 financial year as the annual demand for fuel oils would increase to 4.39mn tonnes from the existing 3.5mn tonnes because of the installation of oil-fired rental power plants. Corporation officials made the projection at a meeting with the state minister for power and energy Enamul Haque at Petrobangla on April 18.

The corporation, burdened with heavy losses, estimated it would need to increase imports of refined oils such as diesel, octane and kerosene to 2.85mn tonnes in the 2010–2011 financial year from the existing 2.3mn tonnes as a number of diesel oil-fired rental power plants would start operation and because of usual rises in the demand for diesel. This will be a big jump in fuel oil import as the corporation has been importing about 3.5-3.6mn tonnes of fuel oils for the past 4-5 years. The corporation might need to look for new fuel oil import sources such as Kuwait, Malaysia, the Maldives, the UAE and Saudi Arabia.

<http://www.newagebd.com/2010/apr/19/busi.html#1>

PHP Power Plants to offload shares in the capital market

The Financial Express, Tuesday April 20 2010

PHP Power Generation Plant Ltd, a concern of the country's major industrial enterprise PHP Group, is shortly floating its shares in the capital market. A memorandum of understanding (MoU) was signed in this regard between PHP Group and Industrial and Infrastructure Development Finance Co Ltd (IIDFC) on April 19 at the PHP head office in the city. The PHP power plant was established in 2002 with an installed capacity of 15 megawatt electricity.

http://www.thefinancialexpress-bd.com/more.php?news_id=98036&date=2010-04-20

ICC-B meet focuses on joint PPP bid to fight power crisis

The Financial Express, Wednesday, April 14, 2010

In an effort to cement ties between the public and private sectors, businessmen urged the government to devise a fast-track approach to facilitate their way to participate along with the authorities in the fight against the nagging power crisis at a conference on energy for growth on April 13.

Finance minister Abul Maal Abdul Muhith said the government will formulate public-private partnership (PPP) guidelines by 2010 to pave the way to undertake energy and other infrastructure projects under PPP. The business leader said the government should simplify the power purchase agreement to encourage the private sector to invest in the sector. Adviser to the prime minister Tawfiq-e-Elahi Chowdhury said the government is going to develop an 'energy fund' where PPP projects can be financed.

http://www.thefinancialexpress-bd.com/more.php?news_id=97652&date=2010-04-14

Experts suggest multi pronged strategy to ease energy crisis

The Financial Express, Tuesday, April 13, 2010

Energy experts have recommended implementing multi-pronged strategies simultaneously to ease the unprecedented energy crisis the country is now facing. They suggested that the government work rigorously to ramp up natural gas and electricity output, ensure optimum use of gas fields and power plants, and implement energy-mix in consumption.

"The government must go for oil and gas exploration in onshore and offshore gas fields simultaneously to ensure the country's future energy security," said professor M Tamim of Bangladesh University of Engineering and Technology (BUET). Currently 80% of the power plants are run by natural gas. But it should be around 40%, with another 30%-40% by coal and remaining by oil, nuclear power and renewable energy, he suggested.

http://www.thefinancialexpress-bd.com/more.php?news_id=97558&date=2010-04-13

Govt plans 12% yearly hike in power price up to 2013

The Daily Star, Wednesday, April 14, 2010

The government plans a 12% hike in electricity price per year till 2013, said Abul Kalam Azad, secretary, Power Division of the Ministry of Energy and Mineral Resources. He was presenting a paper on power project development at an international conference organised by the Bangladesh chapter of International Chamber of Commerce at Radisson Hotel in Dhaka on April 13.

Currently, the government charges BDT 2.75 (US 3.97 Cents) for a kilowatt-hour of electricity consumption. The price will go up by 12% annually to BDT 3.07 (US 4.4 Cents), BDT 3.44 (US 4.96 Cents) and BDT 3.88 (US 5.6 Cents) for fiscal year 2010-11, 2011-12 and 2012-13, respectively. According to a projection by the power secretary, the price will remain unchanged at BDT 3.88 (US 5.6 Cents) per kilowatt-hour in the next two years.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134315>

Khulna Power made debut on April 18

The Financial Express, Wednesday, April 14, 2010

Highlights : Khulna Power	
Opening price	Tk 162
Face value of each share	Tk 10
Market lot	100
Earning per share	Tk 2.79
Net asset value	Tk 18.53
Contribution- Owns and operates a 110 mega watt (MW) barge mounted power plant	
Yr of establishment - 1997	

Khulna Power Company Limited (KPCL), owned by Summit Group, the country's first independent power producer in the private sector, made its debut on the DSE on April 18 under direct listing regulations. The company rose 40.88% to close at BDT 273.60 (USD 3.95) a share on debut. KPCL sold more than 52.15mn shares to general investors and its opening price was BDT 194.25 (USD 2.8), which was determined by the institutional investors in line with book building method. The institutional investors participated in bidding for KPCL shares from April 4-6.

The face value of each share is BDT 10 (US 14.5 cents) and market lot 100 shares. Its earning per share is BDT 2.79 (US 4.03 cents) and net asset value BDT 18.53 (US 26.8 cents) as of December 2009. Established in 1997, the KPCL owns and operates a 110MW barge mounted power plant, according to the company's website. The plant came into operation in October 1998 and supplies electricity to the national grid of Bangladesh.

http://www.thefinancialexpress-bd.com/more.php?news_id=97630&date=2010-04-14

Allow power plants without bidding

Suggest JS body chiefs at pre-budget meeting
The Daily Star, Friday, April 16, 2010

A pre-budget meeting of the chairmen of parliamentary standing committees with the finance minister at his secretariat office on April 15 suggested the formulation of special laws to award deals to set up power plants without tender to meet the severe power crisis.

Chairman of the standing committee on industries ministry Tofail Ahmed said many investors with huge funds are keen to invest on rental power generation. Contracts for setting up power plants can be given through expression of interest without going through the tender process, he added.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134487>

Alliance to go public for power, telecom ventures

The Financial Express, Monday April 19 2010

Alliance Holding Limited (AHL), a diversified investment company, is going to raise fund from the capital market to invest in power and telecom sectors. AHL was incorporated in 1998, and last year it earned BDT 774mn (USD 11.2mn) net profits with diluted earnings per share of BDT 7.69 (US 11.11 Cents). The company will float 35mn shares, AHL managing director Syed Yasser Rizvi said.

The initial public offering (IPO) price of each share will be determined through the book-building method, and the company organised a road-show on April 20 to find the discovery price. The company has so far invested BDT 880mn (USD 12.7mn) in 14 companies including three listed firms - Summit Alliance Port Limited, Ocean Containers Limited and Industrial Promotion and Development Company. It also has stake in Global Beverage Company Limited.

http://www.thefinancialexpress-bd.com/more.php?news_id=97946&date=2010-04-19

Government hopes to sign 1,000MW electricity deals in a month; PM targets 500MW import from India

The Daily Star, Monday April 26 2010

Projected Government Power Plants		
Type of Plant	MW	Location
Dual-fuel, public sector	100	Gopalganj
Dual-fuel, do	50	Faridpur
Dual-fuel, do	70	Bera
Dual-fuel, do	50	Daudkandi
Dual-fuel, do	50	Baghabari
Dual-fuel, do	100	Hathazari
Dual-fuel, do	100	Dohazari
Dual-fuel, do	50	Katakhal
Dual-fuel, do	50	Shantahar
Rental	200	Ashuganj/Khulna
Dual-fuel, IPP	300-450	Meghnaghat
Dual-fuel, do	300-450	Meghnaghat
Gas-fired, do	300-450	Bibiyana
Gas-fired, do	300-450	Bibiyana
Gas-fired, do	150-225	Bhola
Fuel-oil, do	100	Syedpur
Fuel-oil, do	50	Katakhal
Coal-fired, Public sector	1,350	Khulna
Coal-fired, IPP	1,350	Chittagong

Rushing to make up for the country's power deficit, the government is reportedly poised to sign up to 10 contracts by May 31 to eventually deliver up to 1,000MW power--enough to light up half of the populous capital city. A top official of the Power Development Board said the deals are the first of more than a dozen projects the government hopes to sign within a year to generate in all 5,700MW power. These include two very large coal-fired power plants in Khulna and Chittagong.

Most of these projects would take almost three years to complete--except for the two large coal power plants, which will begin operations in early 2015. But nearly 1,000MW would be pumped into the national grid within a year, significantly easing the ongoing power crisis. The contracts will require more than a \$5 billion investment. At a ceremony to lay the foundation stone for a 150MW in Chandpur on April 25, Prime Minister Sheikh Hasina said her government will try to import electricity through regional cooperation with countries throughout Asia -India, Nepal, Bhutan, Myanmar and China.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135927>

Gas

Gas crisis forces Kafco to shelve expansion plan

The Daily Star, Friday, April 23, 2010

Karnaphuli Fertilizer Company (Kafco) has postponed plans for a billion-dollar plant because of the gas crisis. It was forced to close down its existing plant less than a month ago. To meet the country's fertiliser demand, Kafco planned to break ground this year for a second plant, with 1.2mn tonne annual capacity, to be built in Chittagong. But it had to put the plan on hold because the government wouldn't approve a natural gas connection.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135535>

Oil

Chalna site for coal-fired plant

Concludes Indo-Bangla technical team after study

The Daily Star, Sunday, April 18, 2010

The joint technical team of Bangladesh and India selected Chalna, near Khulna port, an ideal site to install the proposed 1,310MW coal fired power plant in joint venture between the two countries. As per agreement, the joint committee comprising officials of the

Bangladesh Power Development Board (BPDB) and the National Thermal Power Company (NTPC) visited Khulna and selected the site for the proposed plant.

"We will install the power plant at Chalna. However, it will be a two-unit power plant on equal equity basis", ASM Alamgir Kabir, chairman of BPDB, said on April 17. According to official sources, the NTPC team has suggested that BPDB officials engage a local consultant to do the feasibility study on socio- environmental and ecological impact of the coal fired power plant. It also suggested engaging a consultant to work on the plan of coal transportation. Bangladesh and India signed a memorandum of understanding on exchange of power during the off-peak hours (17 hours a day) during the visit of Prime Minister Sheikh Hasina to India in January of this year.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134745>

Body formed to review draft coal policy

The Daily Star, Friday, April 23, 2010

The Energy and Mineral resources division of the Ministry of Energy, Power and Mineral resources on April 22 formed a committee headed by the division's secretary to review the draft coal policy and asked to submit a report on it in the shortest possible time. The committee suggested a pilot project at Barapukuria to explore all ways and means for open pit mining. The country has five coalmines with a reserve of about 4.5bn tonnes, including 2bn tonnes recoverable.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135544>

Clean Energy

Grameen Shakti plans to establish more biogas plants

The Daily Star, Friday, April 16, 2010

Grameen Shakti has set a target to double solar home system (SHS) sales in 2010 and establish more biogas plants and improved cook stoves to expand green and sustainable energy. It aims to sell .22mn solar home systems in 2010. The organisation will increase more biogas plants -- a jump by almost four times -- from over 4,000 units in 2009 to 16,000 in 2010.

Grameen Shakti plans to establish 1mn SHSs and .10mn biogas plants, and construct 1mn improved cook stoves by 2012. As per installation, the power generation capacity of these SHS is 17.5MW. In five years to 2010, Grameen Shakti established around 11,000 biogas plants. "Currently, we are installing 500 biogas plants a month," said Absar Kamal, acting managing director of Grameen Shakti, a member of the Grameen family.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134438>

Infrastructure

BB to get USD 250mn (BDT 17.3bn) loan soon to build infrastructure

The Daily Star, Friday April 23, 2010

Bangladesh Bank will soon receive USD 250mn (BDT 17.3bn) in a loan from the World Bank (WB) to build infrastructure through public-private partnership (PPP), said the central bank Governor Dr Atiur Rahman on April 22. The governor was speaking at a seminar on 'Sovereign Credit Ratings' as the chief guest.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135438>

Govt set to build Joydevpur-Narayanganj elevated expressway

The Daily Star, Sunday April 25, 2010

The government is set to launch final bidding and embark on construction of the much-hyped Joydevpur-Narayanganj elevated expressway soon with exemption from existing rules, Communications Minister Syed Abul Hossain said at a seminar on April 24. The ministry has already short-listed four bidders out of nine through a pre-qualification bidding and will be ready for final bidding soon, said the minister.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135826>

Two firms line up to build Dhaka-Chittagong express road

The Financial Express, Monday April 19, 2010

An Indian firm and a US-China joint venture have lined up to construct the proposed USD 4.3bn (BDT 297.56bn) second highway between Dhaka and Chittagong, officials said on April 18. The government opened pre-qualification tender on January 22 for the dedicated express highway, but the bidding received tepid response from international construction companies before the deadline ended on April 15.

Officials of the Roads and Highways Department (RHD) said Soma Enterprise of India and Global Enterprise, a joint venture of Chinese and American constructors, made primary bidding for the ambitious project.

http://www.thefinancialexpress-bd.com/more.php?news_id=97997&date=2010-04-19

Commuter trains to link Dhaka with nearby districts

Says PM, opens Tejgaon link road

The Daily Star, Wednesday April 21, 2010

The government plans to take an initiative to introduce commuter train services between Dhaka and adjoining districts to improve the communications system in the capital. Once launched, anybody from adjacent districts will be able to come to the capital and return the same day on commuter trains after the day's work, said Prime Minister Sheikh Hasina after formally opening the Bijoy Sarani-Tejgaon Link Road on April 20. Hasina inaugurated the 1,114-metre-long and 60-foot-wide road, which connects the Old Airport Road to Tajuddin Ahmed Sarani near Nabisco intersection.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135156>

Work on Kuril flyover to start May 2

The Daily Star, Wednesday April 21, 2010

The construction work of the 3.1 km Kuril flyover to connect the capital with Purbachal New Town will start on May 2. Prime Minister Sheikh Hasina is expected to inaugurate the construction work formally on that same day, said Rajuk Chairman Md Nurul Huda. This will be the fourth flyover in the city and two others-- Mohakhali flyover and Khilgaon flyover--have already started functioning. The work of Gulistan-Jatrabari flyover, which has remained suspended for the last several years, will also resume this month, said an official of Dhaka City Corporation.

The cabinet purchase committee chaired by Finance Minister AMA Muhith on March 1 approved the tender proposal for constructing the Kuril flyover at a cost of around BDT 1.53bn (USD 22.11mn). The two firms--Project Builders Limited of Bangladesh and Major Bridge Eng Company (China) JV--will implement the project, said an official of Rajuk. The flyover is scheduled to be completed within two years from the date that it begins construction, he said.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135166>

Construction of USD 2.4bn (BDT 166.08bn) Padma Bridge begins in December

The Daily Star, Wednesday April 21, 2010

Communications Minister Syed Abul Hossain on April 20 said construction of the USD 2.4bn (BDT 166.08bn) Padma multi-purpose bridge will begin in December this year with a target of finishing the work by 2013. He placed a detailed schedule on the construction plan of the bridge at a joint press conference with the donors at a city hotel. Ellen Goldstein, country director of the World Bank, said donors desired speedy implementation of the bridge, but they would not compromise with the work quality.

According to the ministry proposal, the bridge, which will be 6.15km in length, will connect 19 districts of the south-western part of the country with the eastern part, including the capital, and it will be linked with the Asian Highway. Of the USD 2.4bn (BDT 166.08bn) financing, different development partners have agreed to co-finance about USD 2.2bn (BDT 152.24bn), of which the World Bank will provide USD 1.2bn (BDT 83.04bn), Asian Development Bank USD 615mn (BDT 42.56bn), Islamic Development Bank USD 130mn (BDT 9.0bn) and JICA USD 300mn (BDT 20.76bn).

<http://www.thedailystar.net/newDesign/news-details.php?nid=135187>

Dual Carriageway Upgrading of Dhaka-Chittagong highway underway

The Daily Star, Monday April 19, 2010

The construction work for upgrading the Dhaka-Chittagong Highway into a dual carriageway has gained momentum after three consultants of the Pakistani firm Nespak joined the project two weeks ago.

The Dhaka-Chittagong Highway, which is considered the main artery of the country's transport system, has become risky because of its narrowness and poor condition. Chinese company Sinohydro Corporation and local companies Reza Construction and Tahir Brothers Limited are to construct two more lanes measuring 215km in length in three years. The project has 10 different construction segments, the majority part of which will be done by the Chinese company.

Khan Md Aftabuddin of Reza Construction expressed hope that the main construction work will begin in a couple of months and that it will be finished by 2012.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134896>

PM tells of plans to solve water crises

Lays foundation of Sayedabad water treatment plant-II
The Daily Star, Friday, April 16, 2010

Prime Minister Sheikh Hasina said the government has undertaken a 'mega-plan' to ensure adequate water supply, not only in Dhaka city but also across the country. She said this on April 15 while addressing the foundation stone laying ceremony for the Saidabad Water Treatment Plant Phase-II. The Danish government has provided a BDT 7740mn (USD 111.8mn) grant for the Saidabad Water Treatment Plant's Phase-II, for which the overall cost is estimated at this early stage to be BDT 11400mn (USD 164.7mn).

The PM said that upon completion of Phase II of the Saidabad Water Treatment Plant, there will be an additional 220mn litres in the water supply and that all the water will come from surface

sources, which she emphasised as important in nullifying dependence on underground water. Completion of Phase III of the plant, which starts later, will add 450mn litres to the country's water supply, she added. In this connection, the Prime Minister said that as part of her government's mega-plan, there will be water treatment plants in Pagla or Keraniganj and in Khilkhet.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134489>

Shipbuilding & Port

Government allows toxic ship import

New Age, Tuesday April 13, 2010

The government has legalised importing of toxic ships for scrapping without pre-cleaning or decontamination. Environmental activists called the government action suicidal and warned it would expose tens of thousands of people to toxic wastes that would pose a grave threat to the environment, ecology and the lives and health of workers at ship-breaking yards and residents living in the surroundings.

Importers previously had to obtain permission for the import of scrap vessels and submit a certificate issued by the government of the exporter's country or by any agency authorized by that government stating that the ship has been cleaned and contained no toxic materials. The government on April 8 amended the Import Policy Order to allow the import of toxic ships, and the gazette notification of the amendment was published on Monday. Environmentalists have resolved to challenge the government action in the court as the amendment has been made in violation of a High Court ruling.

<http://www.newagebd.com/2010/apr/13/front.html#1>

Chittagong port ready to open up to neighbours

The Daily Star, Sunday April 25, 2010

Chittagong port is ready to carry out the government's decision to open it to neighbouring countries. To enhance the port's dynamism and efficiency, various development projects are also under implementation. The Chittagong port handled a record number of containers and cargo in 2009 when the number of vessels reported at the port was also a record. Installation of container terminal management system (CTMS) and MIS, which aims at computerising container terminal operation at the port, is expected to be completed by the year-end. A tender has also been floated for pre-qualification bidding to appoint a contractor for the much awaited capital dredging and bank protection project.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135792>

Manpower

Papua New Guinea keen to recruit Bangladeshi workers

The Daily Star, Thursday April 22, 2010

The visiting Labor and Industry Minister of Papua New Guinea, Mark Maipakai, has shown interest in recruiting a large number of Bangladeshi workers. Maipakai, who led a seven-member delegation, met with acting secretary of Expatriates' Welfare and Overseas Employment Dr Jaffar Ahmed on April 21 and made an informal proposal to recruit Bangladeshi workers for Papua New Guinea's infrastructure and gas sectors.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135384>

Dhaka faces stiff opposition from US textile lobbies, competing countries

The Daily Star, Sunday, April 25, 2010

About a dozen US textile organizations and another 45 trade associations of South and North American, African and Middle Eastern countries are opposing the move to provide duty-free access to Bangladesh apparel products to the US market under the proposed New Partnership for Trade Development Act (NPTDA). A bill to this effect will be placed in the US Congress in August. The organizations have recently urged the US Congress to exclude Bangladesh and Cambodia from the beneficiary-list of the bill.

The major opposing US textile organizations include the following: American Fiber Manufacturers Association, National Cotton Council, National Council of Textile Organization, National Textile Association, United States Industrial Fabrics Institute, Sewen Product and Equipment Suppliers Association, US. The trade associations that are opposing the Bangladesh cause include Canada, Mexico, Australia, Bahrain, Israel, Jordan, Singapore, Guatemala, Botswana, Sudan, Ethiopia, Kenya, Madagascar, Tanzania and South Africa.

Imports from Bangladesh by the USA in 2009 were above BDT 276bn (USD 4.0bn), of which 90% were textile items. Only about 1% of these exports enjoyed duty-free preferential access under the existing US-GSP scheme. The average duty rate for the remaining 99% was 15.2%.

http://www.thefinancialexpress-bd.com/more.php?news_id=98568&date=2010-04-25

Weavers in woes

The Daily Star, Sunday, April 25, 2010



A yarn price hike has dealt a blow to handloom and power loom weavers as the costly knitting thread has made home textile products less competitive both on domestic and international markets. Yarn prices rose 50% to 100% in the last two months depending on quality. Many handlooms and power looms have been forced to shut down. Spiraling cotton prices on the global market have added much to the yarn price hike, but a section of yarn manufacturers were mainly responsible for the unusual price rise as they cashed in on international markets. The yarn price hike has made handloom and power loom products pricey on domestic and export markets and has forced over 25% of looms to halt operations.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135787>

Cotton import through Benapole on hold as India shuts door

The Daily Star, Thursday, April 22, 2010



Cotton imports through Benapole Land Port came to a halt on 21 April 2010 in the wake of India's restrictions on the export of the raw fiber. Only 29,128 bales of cotton were imported through Benapole port in the last six days. Businessmen fear the restriction on cotton might hurt Bangladesh's spinning mills, which they think can lead to a yarn price hike. The move is meant to keep some cotton harvested in India out of world markets. It is also meant to alleviate India's domestic cotton prices which have surged more than 25% since October 2009 because of poor harvests and expectations for increased demand from textile manufacturers. India is the world's second-largest cotton exporter after the US. Both countries are traditionally big suppliers to China, which is the largest producer and consumer of cotton as well as the world's biggest textile maker.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135369>

Exports on recovery path

The Daily Star, Tuesday, April 20, 2010



Exports show signs of recovery as the single month shipments grew 8% in February over the same period a year ago. According to Export Promotion Bureau (EPB) statistics, exports in February of fiscal year 2009-10 bagged BDT 90.39bn (USD 1.31bn), up from BDT 83.49 (USD 1.21bn) in the same month a year ago. Exports grew 3.49% in January but declined 1.29% in December of the current fiscal year. Overall exports in the first eight months of the current fiscal year shrank 3.21%, raising fears that the country may fail to achieve the full-year target. In the first eight months, Bangladesh exported BDT 691.38bn (USD 10.02bn) products, compared to BDT 714.15bn (USD 10.35bn) in the same period of the previous fiscal year. The government has set a BDT 1,214.4bn (USD 17.6bn) export target for the current fiscal year, which is 13% higher than BDT 1076.4bn (USD 15.6bn) of the previous year.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134986>

Cement & Ceramics

Niloy Cement to cut paid-up capital

The Daily Star, Friday, April 16, 2010

Niloy Cement has decided to reduce its paid-up capital to adjust its accumulated loss. It is the first listed company that is going to reduce paid-up capital with permission from the High Court. Reacting to the news, prices of Niloy Cement shares suffered more than 14% in losses on the trading board on April 15.

Company officials said Niloy Cement was going through a hard time. Its balance sheet had been in the red from 2002 to 2008 and came back to the black in 2009. But the accumulated loss, in the meantime, went up to BDT 112mn (USD 1.6mn). "By cutting the share capital, we are basically writing off the accumulated loss that will make our balance sheet positive," he said. Now the existing shareholders will get 3 shares of BDT 10 (US 14.5 Cents) each against a BDT 100 (US 144.5 Cents) share. The 3 shares will be equivalent to the existing net asset value per share of BDT 30 (US 43.4 Cents) of the company.

<http://www.thedailystar.net/newDesign/news-details.php?nid=134440>

Bashundhara to set up giant Cement Mill with capacity of million MTs a year

The New Nation, Wednesday, April 14, 2010

A giant cement mill with installed capacity of producing approximately a million metric tons of best quality cement a year is being set up at Madanganj on the bank of the river Shitalakha in Narayanganj under the enterprise development scheme between the Bashundhara Group (BG) and the Bank Asia. Chairman of the Bashundhara Group Ahmed Akbar Sobhan and Managing Director of the Bank Asia Mr. Erfanuddin Ahmed signed the agreement in favor of their respective entities at a function that took place at the Westin Dhaka on April 12.

The project is being implemented at an estimated cost of BDT 1200mn (USD 17.3mn). The Bank Asia, lead arranger to the mega project, is to lend BDT 200mn (USD 2.9mn), while its consortium members provide the rest of the funds under soft terms and conditions.

Other Fund Providers	Lending Amount
The Jamuna Bank Limited	BDT 200mn (USD 2.9mn)
the Standard Bank Limited	BDT 100mn (USD 1.4mn)
The International Finance and Investment Company Limited (IFIC)	BDT 200mn (USD 2.9mn)
The Social Islamic Bank Limited (SIBL)	BDT 250mn (USD 3.6mn)
the Dutch Bangla Bank Limited (DBBL)	BDT 100mn (USD 1.4mn)
Bangladesh Commerce Bank Limited (BCBL)	BDT 80mn (USD 1.2mn)
the Saudi- Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO)	BDT 70mn (USD 1.01mn)

<http://www.ittefaq.com/issues/2010/04/14/news0707.htm>

MI Cement Factory signs deal with Chinese Co.

The Financial Express, Monday April 19 2010

MI Cement Factory Limited signed an agreement with China National Heavy Machinery Corporation in Beijing, China. The latter company will supply cement plant machinery, as it has the capacity to produce 1mn tonnes of cement per year. MI Cement

Factory Limited Chairman Md Jahangir Alam and China National Heavy Machinery Corporation Vice President Lu Jin signed the agreement on behalf of their respective organizations.

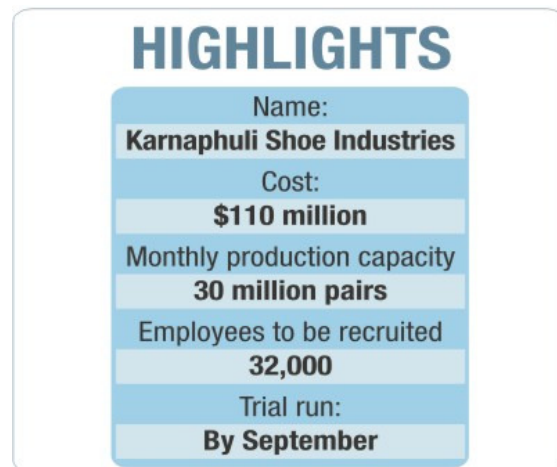
On completion of supply and installation of machinery, MI Cement Factory will achieve a capacity of producing 1.8mn tonne of cement per annum. MI Cement Factory Limited is one of the leading cement manufacturing plants in Bangladesh and markets its products in the Brand name of 'Crown Cement'.

http://www.thefinancialexpress-bd.com/more.php?news_id=97961&date=2010-04-19

Leather & Footwear

Largest shoe plant in the making

The Daily Star, Monday April 26, 2010



A USD 110mn (BDT 7.61bn) shoe factory is being set up at the Korean Export Processing Zone (KEPZ), with remarkable progress in infrastructure development over the last two years. Karnaphuli Shoe Industries Ltd, a company of Korea-based Youngone Group, will be the largest in Bangladesh with a monthly production capacity of 30 million pairs of shoes. Sixteen buildings are being built on two adjoining hills to house the factory.

The factory will provide employment for 32,000 people to work in 72 production lines, said Lt Col (ret) Md Shahjahan, general manager of KEPZ Corporation (BD) Ltd, another company of Youngone Group. KEPZ Corporation (BD) Ltd is in charge of developing the EPZ.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135914>

Govt to finance ETP for tanneries

Minister tells Dutch-Bangla chamber discussion

The Daily Star, Friday April 23, 2010

State Minister for Environment and Forests Hasan Mahmud said on April 22 that the government would finance the construction of the central effluent treatment plant (ETP) for the newly established tannery village in Savar.

"The government allocated BDT 2.0bn at 5% to install ETPs at private factories. But commercial banks are asking for 9% from entrepreneurs," Mahmud said. The rate is too high for entrepreneurs and it will jeopardize the objective of the fund, he said. Private Banks should keep 2% service charge for them and give the funds at 7% to entrepreneurs, he suggested.

<http://www.thedailystar.net/newDesign/news-details.php?nid=135440>

Delta Life earns BDT 4.47bn (USD 64.6mn) premium income

The Financial Express, Monday April 19, 2010

Delta Life Insurance Company Ltd, a large life insurer in Bangladesh, earned a total premium income of BDT 4.47bn (USD 64.6mn) in 2009. The company earned BDT 3.84bn (USD 55.49mn) in 2008. This was disclosed at the Annual Conference-2009 of the company's GN-GRB division held at the Bangabandhu International Conference Centre in the city on April 18.

Delta Life Chairman Syed Moazzem Hussain praised the unit managers and organisers for achieving 12.44% growth in premium income in the year 2009 through Gono Grameen Bima. As the 'pioneer of micro insurance' in the world, Delta Life was a trustworthy name in the insurance sector of the country, he said. Mr Moazzem also informed that Delta Life earned about BDT 1.84bn (USD 26.59mn) from investment in 2009.

http://www.thefinancialexpress-bd.com/more.php?news_id=97959&date=2010-04-19