

## HSBC opens 2nd premier centre

STAR BUSINESS REPORT

The Hong Kong and Shanghai Banking Corporation (HSBC) Ltd in Bangladesh yesterday opened its second premier centre in the bank's Dhanmondi premises.

Steve Banner, chief executive officer (CEO) of HSBC Bangladesh, formally inaugurated the centre. HSBC premier centres offer a wide range of additional services that include a preferential tariff structure, access to the exclusive premier lounge with reserved car parking facilities and access to HSBC premier centre globally.

HSBC premier customers can receive a higher ATM (automatic teller machine) limit of Tk 100,000 a day. The customers can also get some free services including commission free encashment of HSBC issued traveler's cheques, free foreign exchange services, and free endorsement of foreign currency for the customer and customer spouse.

Speaking at the inaugural ceremony, HSBC CEO said premier customers receive the same levels of exceptional service at all HSBC premier centres throughout the world.

Earlier, HSBC Bangladesh has opened its first premier centre at the bank's Gulshan office in 2005.

## Asia Pacific ad spending \$68.6b in '05

AFP, Singapore

Companies spent a record 68.6 billion US dollars in advertisements across the Asia Pacific region in 2005, an industry report said Tuesday.

Last year's record spending on newspapers, television and magazines represented a 15 percent jump from 2004 and was fuelled by growth in nine markets, Nielsen Media Research said.

"Buoyed by strong growth markets including Australia, India, Indonesia, the Philippines and China particularly, the overall expenditure in 2005 reflects how important this region is becoming as an advertising economy," it said.

The report singled out the fast growing Indian economy as having tremendous potential for the advertising sector.

"Fuelled by the rapid rise in the retail sector starting mid-2003, the IT (information technology) and real estate boom, the potential for the advertising market is simply huge," said Richard Basil-Jones, the regional managing director at Nielsen Media Research.

The report tracking 12 economies showed China accounted for 57 percent of advertising spending in 2005.

South Korea and Australia shared joint second spot at eight percent, Hong Kong was next at seven percent followed by India and Indonesia at four percent each.

## Lafarge keen in buying stake in Indonesia's Semen Gresik

AFP, Jakarta

France's Lafarge has expressed an interest in buying a 25 percent stake in Indonesia's largest cement firm Semen Gresik from Mexico's Cemex, a minister said Tuesday.

"Regarding the sale of Semen Gresik shares by Cemex, the one (company) that has sent a letter to the government (expressing interest) is Lafarge," Deputy Minister for State Enterprises Roes Aryawijaya told reporters.

Cemex acquired a 14 percent stake in the Indonesian firm in 1998 and later raised it to 25.5 percent as part of deal in which Jakarta promised to relinquish more shares.

But Cemex's attempt to buy another 51 percent was thwarted when the government declined to sell amid protests by local politicians and Semen Gresik employees.

The prolonged uncertainties surrounding the sale led Cemex to file an arbitration petition against Indonesia at the International Center for Settlement of Investment Disputes in Washington.

Aryawijaya said Cemex's arbitration proceedings initiated against the Indonesian government in 2003 are yet to be withdrawn.

A ministry official said last week that the government was unlikely to buy back the Semen Gresik shares itself due to a lack of funds.

# SEC amends direct listing rules to woo good companies

SARWAR A CHOWDHURY

The Securities and Exchange Commission (SEC) has brought amendments to the direct listing regulations to woo public limited companies with good fundamentals in the stock market.

As per the amendment, public limited companies with a minimum paid-up capital worth Tk10 crore will be able to get listed directly on the country's stock exchanges.

Besides, the companies are required to be commercially operational for at least five years. And companies must make profit for

three years out of five years in operation. The companies should also have at least 'BBB' grading.

The direct listing regulation previously allowed companies to be listed directly with a paid-up capital worth Tk 5 crore. The requirement for commercial operation was three years.

The capital market watchdog at its commission meeting yesterday approved the amendment to the Dhaka Stock Exchange (Direct Listing) Regulations, 2006 following a proposal from the country's premier bourse.

Earlier in February, the SEC

approved the regulations especially to encourage the big public limited companies to get listed on the bourses directly.

As per the regulations, the companies which hold annual general meetings regularly and have no accumulated losses will have to apply to the bourses with an application fee of Tk10,000.

Executive Director of SEC Mansur Alam said the regulations will encourage renowned and profitable companies including multinationals and joint ventures to get listed on the bourses directly.

## SKYbd Job Fair begins April 1

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A two-day job fair styled 'SKYbd Job Fair 2006' will begin on April 1 in Dhaka.

Inpace Management Service Limited (IMSL) will organise the fair to be held at the Bangladesh-China Friendship Conference Centre.

SKY bd, Inpace Communications, Oponin Pharma Limited' Channel 1, the New Age, the Samakal, Aim in Life, BDJobs.com, Jobslinkbd.com, Access Telecom and Transcom Group have confirmed their participation in the fair, officials told a press conference in Dhaka on Monday.

Managing Director of SKY bd Shoeb Chowdhury said the fair will have cyber zone, interview-room, and business centre.

Channel 1, the Samakal and the New Age are the media partners of the fair.

The fair will remain open to all from 10am to 8pm with an entry fee of Tk 10.

## Bank Asia opens 22nd branch at Bashundhara

The inauguration ceremony of the 22nd branch of Bank Asia in Bashundhara Residential Area was held yesterday.

M Syeduzzaman, chairman of Bank Asia inaugurated the branch as the chief guest, says a press release.

Ahmed Akbar Sobhan, chairman of Bashundhara Group, was the special guest. Vice chairmen SA Rouf Chowdhury and Arifur Rahman Sinha, directors Rumea A Hossain, Jahir Uddin and Md Anwar Hossain and Syed Anisul Huq, president and managing director of the bank, were also present.

Speaking at the function, the chief guest highlighted the bank's expansion to SME and retail sectors and contribution to rural economy and social activities.

The new branch will have on-line banking facility and ATM service.

## China overtakes Japan as world's biggest holder of forex reserves

AFP, Shanghai

China has overtaken Japan as the world's largest holder of foreign exchange reserves with 853.7 billion dollars at the end of February, a state-run newspaper reported Tuesday.

China's reserves rose a sharp 26.3 billion dollars in January to 845.2 billion dollars, then added another 8.5 billion dollars last month, the China Business News said.

Japan's reserves at end of February stood at 850.06 billion dollars, according to the Japanese finance ministry.

The China Business News said the central bank had not yet verified the figures and the official report was expected to be released in April.

## Malaysia Airlines to axe staff, lose routes to AirAsia

AFP, Kuala Lumpur

Flag carrier Malaysia Airlines will axe a third of its workforce and hand over all but 19 of its domestic routes to low-cost carrier AirAsia under a sweeping rationalisation plan.

The loss-making carrier will also lose its government subsidies under the three-year turnaround plan aimed at returning it to profitability by 2007, the prime minister's office said in a statement late Monday.

Under the new structure which takes effect August 1, AirAsia will take over 96 of Malaysia Airlines' domestic routes, many of which are currently losing money.

Malaysia Airlines will operate only the remaining 19 domestic trunk services, to major destinations like the resort island of Langkawi and tourist centres on Borneo island, leaving it to focus on reviving its international business.

The government said that under the restructuring, it will stop underwriting the loss-making domestic services which the national carrier was previously obliged to operate.

# India liberalises rules on overseas investment

PALLAB BHATTACHARYA, New Delhi

With more and more Indian companies going global, the Reserve Bank of India has liberalised rules relating to the domestic corporate entities' overseas investment in joint ventures or wholly-owned subsidiaries.

The automatic route for disinvestments in companies set up abroad has also been relaxed and proprietary or unregistered partnership exporter firms would be allowed to set up joint venture or wholly-owned subsidiaries outside the country without prior go-ahead of RBI.

This would, however, be subject to certain eligibility criteria such as being a star export house recognized by Indian Director General of Foreign Trade with exports exceeding Rs 15 crore per year.

The RBI expressed the hope that these liberalized norms would provide Indian companies, wanting to invest abroad, the much-needed operational flexibility.

at present is 200 percent of the net worth of the investing company.

So far, only promoter companies had been allowed to offer guarantees on behalf of their wholly-owned subsidiaries or joint ventures.

The automatic route for disinvestments in companies set up abroad has also been relaxed and proprietary or unregistered partnership exporter firms would be allowed to set up joint venture or wholly-owned subsidiaries outside the country without prior approval of RBI, it said.

These would cover cases where the joint ventures or wholly-owned subsidiaries is listed in overseas stock exchanges and where the Indian promoter is listed in a stock exchange in India and has a net worth of not less than Rs 100 crore.

The divestment without prior clearance of RBI can also be done where the Indian promoter is an unlisted company and the investment in the overseas venture does

not exceed ten million dollars, the circular said.

Star exporters with a proven track record and consistently high export performance would also be in a position to benefit from liberalization of these rules.

Established proprietorship or unregistered partnership exporter firms would be allowed to set up a joint venture or wholly-owned subsidiaries outside the country without prior go-ahead of RBI.

This would, however, be subject to certain eligibility criteria such as being a star export house recognized by Indian Director General of Foreign Trade with exports exceeding Rs 15 crore per year.

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PHOTO: BANK ASIA LIMITED

M Syeduzzaman, chairman of Bank Asia, inaugurates the 22nd branch of the bank in Bashundhara Residential Area in Dhaka yesterday. Ahmed Akbar Sobhan, chairman of Bashundhara Group, vice chairmen of Bank Asia A Rouf Chowdhury and Arifur Rahman Sinha, directors Jahir Uddin, Rumea A Hossain, Md Anwar Hussain and President and Managing Director Syed Anisul Huq are in the picture.

# India PM sees medical tourism as salve for health sector

AFP, new delhi

Prime Minister Manmohan Singh Tuesday called for an overhaul of India's creaky health sector to spur medical tourism and offer hope to millions of Indians deprived even of a hospital bed.

Singh's appeal came at the launch of an initiative involving private players and the government to train health managers in India, which according to a 2005 World Health Organisation report has fewer than one hospital bed and one physician per 1,000 people.

"India faces the possibility of becoming a global destination for cheap and high quality healthcare, and the demographic contrast between a young India and an aging world gives us an opportunity to train professionals at different levels to meet the needs of the emerging global care industry," Singh told reporters.

"These issues have not come on the policy radar because of the absence of institutions like public health schools," he said as he launched the Public Health

Foundation of India, which is backed by global forums such as the Bill and Melinda Gates Foundation.

Trained personnel could help "build capacities at middle and senior management levels in the Indian health system" and make it a hot destination for foreigners seeking affordable medical care, he said.

Last June, India decided to offer a health visa to spur the trend of medical outsourcing that according to a 2004 study could add as much as two billion dollars to the economy by 2012.

The study by the Confederation of Indian Industry and consultants McKinsey and Co said the number of foreigners visiting India for medical treatment could grow by 15 percent annually from 2004's 15,000.

Singh, however, rapped the private sector for unethical practices and said New Delhi must also address issues such as revitalising medical research, fighting tropical diseases and building an infrastructure for preventive medicine.

"The record of the private sector in India has not been as hopeful

even though it is the dominant source of healthcare provisioning. We are familiar with reports of unethical practices, including commissions given in return for referral and diagnostic work," he said.

Some 75 percent of India's health infrastructure is in urban areas where only 27 percent of the population lives. In the countryside, one physician may often have to care for populations exceeding 200,000.

The inadequacy of basic healthcare was underscored by the deaths of 1,100 people in north India last summer from mosquito-borne Japanese encephalitis, a disease that can be prevented by immunization.

In April last year, India promised to spend 67 billion rupees (1.55 billion dollars) to improve health care in 300,000 villages by involving 250,000 women over the following three years but the pledge remains largely on paper.



PHOTO: STAR

Steve Banner, chief executive officer (CEO) of HSBC Bangladesh, cuts a ribbon to inaugurate the second HSBC premier centre in Bangladesh in the bank's Dhanmondi premises yesterday.

# Nat'l framework on CSR needed

BEI roundtable told

STAR BUSINESS REPORT

Speakers at a roundtable yesterday underscored the need for establishing a national framework on corporate social responsibilities (CSR).

They also put emphasis on concerted and cohesive action by government, NGOs and civil societies for implementation of CSR.

CSR Centre at Bangladesh Enterprise Institute (BEI) organised the discussion on 'Corporate Social Responsibility Practices and Challenges in Bangladesh'.

Andrew L. Fawthrop, president and managing director of Chevron Bangladesh Ltd, Rubina H. Farouq, head of Tommy Miah Institute of Hospitality Management, and Aftab Uddin Ahmed, executive director of UCEP Bangladesh, made presentations.

The presenters shared the CSR implementation strategies of their firms and highlighted specific CSR programmes, and the challenges that they have faced in implementing the programmes.

Farooq Sobhan, president of BEI, moderated and presided over the discussion.

The participants said CSR is the commitment to contributing to sus-

## Oil prices stable

AFP, London

World oil prices steadied on Tuesday as the market tracked events in major crude producer Nigeria on the eve of the latest weekly snapshot of US energy inventories.

New York's main contract, light sweet crude for delivery in May, dipped six cents to 64.10 dollars per barrel in electronic deals before the market's official opening.

In London, the price of Brent North Sea crude for May delivery rose three cents to 63.64 dollars per barrel in electronic trade.

Oil prices steadied, "with expectations of another rise in US crude stocks offsetting the threats of further attacks on oil facilities in Nigeria", analysts at the Sudden brokerage firm said.