

Star BUSINESS

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Hearing on Jamuna Bank now Oct 4

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Securities and Exchange Commission (SEC) yesterday fixed the date of hearing on Jamuna Bank Ltd following the bank's appeal to reschedule the date.

The hearing will now be held on October 4 in the commission's boardroom, SEC sources said.

Earlier on September 12, the stock market regulator issued a show-cause notice to Jamuna Bank, its directors, managing director and the company secretary for concealing information from the commission regarding transfer of shares, and asked the officials to be present at a hearing.

The commission issued the notice to the bank and its top officials accusing them of furnishing the regulatory body with certain incorrect information and concealing some important relevant material information from it at a time when initial public offering (IPO) of Jamuna Bank was being considered.

The SEC in the show-cause notice mentioned that the board of directors of the bank in its meeting on November 27, 2005 had approved transfer of 14 sponsor directors' shares to 23 persons but did not inform the commission about the decision despite the legal binding to do that.

Earlier on August 31, the capital market watchdog also made a halt to transactions of about 11 lakh shares of Jamuna Bank worth about Tk 30 crore held by 30 sponsor directors, as the commission found the directors' involvement in insider trading and price manipulation of shares.

Banking hours during Ramadan

BSS, Dhaka

The office time of Bangladesh Bank (BB) and all scheduled banks for the month of Ramadan has been rescheduled between 9am and 3pm with transition hours from 9am to 2pm.

Besides, on working days -- Sundays through Thursdays -- 15 minutes prayer time has been earmarked between 1:15pm and 1:30pm.

After Ramadan, the BB and all scheduled banks will follow their original office timing.

Emirates may cancel big Airbus order

AP, Dubai

Emirates said Thursday that its order of 45 Airbus A380 jumbo jets was "up in the air," after the manufacturer announced deliveries of the plane would be delayed.

Spokeswoman Valerie Tan said officials at the Dubai-based airline were discussing whether to go forward with the order.

"Things are up in the air right now. It's hard for us to say. We had such a big order," Tan said by telephone Thursday. "We haven't really been officially informed (of the possible delay). There's no letter yet. There's no official discussion."

Earlier Thursday, Emirates airlines released a statement saying it had not yet had discussions with Airbus on a new delivery schedule and had no plans to withdraw its long-standing order.

European Aeronautic Defense & Space Co., the parent company of Airbus, said Thursday that it expects further delays in its troubled Airbus A380 program.

The 555-seat airplane has a list price of \$300 million, valuing Emirates' order at roughly \$13.5 billion.

Emirates' A380 order includes 43 planes being purchased from Airbus as well as two from a separate leasing company, Tan said.

EADS said it had found "challenges with the wiring" of its aircraft and had not prepared a final delivery schedule or calculated financial impacts of the delays. The company said it would provide more details on the delays and remedies in four weeks.

"Consequently, from what is known today, there will be further delays," EADS said in a prepared release.

Appreciation of taka against dollar under close watch

Says BB governor

STAR BUSINESS REPORT

The country's central bank chief yesterday said the recent appreciation of taka against US dollar is now under close watch of the Bangladesh Bank to find if there is any manipulation from behind the scene.

"We don't want any drastic drop in dollar prices as it will affect the exporters as well as our remitters," Dr Salehuddin Ahmed told newsmen at his office yesterday while briefing about his experiences in the Saarc finance meeting in Singapore.

Admitting the negative impact of the recent hike in local currency price over the greenback on export and remittance, Salehuddin said drop in imports led to sharp fall in

dollar prices.

Elaborating reasons for import drops, the governor said non-economic factors contributed to import reduction as investors are now unwilling to import sensing uncertainty in business.

In recent days, inter-bank foreign exchange market witnessed appreciation of taka against the greenback what the banking sources said due mainly to substantial drop in imports.

On Monday, the selling rate of US dollar was Tk 66.10 and in the last three days price increased slightly. Dollar was selling at Tk 66.52 yesterday.

"We don't want a volatile money market and for this the central bank bought dollars from the market for

a stable market," Salehuddin Ahmed said.

When asked, the governor denied any government or central bank intervention in hiking taka against dollar.

Turning to the Saarc Finance meeting in Singapore, he said they discussed the possibility to introduce a common currency in the Saarc countries.

"The meeting resolved that political decision is necessary before introducing a common currency in the South Asian countries," he said.

He said the Saarc Finance meeting decided to conduct a study of the recent oil price hike impact on the South Asian economies.

Silk Road pass to increase China tourists to India

AFP, Guwahati

India is expected to witness a boom in tourism when a proposal to open a Silk Road mountain pass to China for regular travellers comes into effect, a study said Thursday.

The historic 15,000-foot (4,545-metre) Nathu La Pass between India and China was re-opened this year after a gap of 44 years to revive direct trade between the Asian giants. It will be open to tourists as well in 2011.

The proposed move would boost the number of tourists from China's Tibet region to the north-

eastern Indian state of Sikkim, where Nathu La is located, the state's trade body said.

"We hope to get an extra 300,000 tourists to Sikkim from China," S.K. Sarda, president of the Sikkim Chamber of Commerce, said in a report.

The official said nearly three million people from mainland China visited Tibet every year, and a large chunk was expected to cross over to the scenic Himalayan state of Sikkim after the opening of the historic route.

Nearly 300,000 tourists visit Sikkim annually, and the number was likely to triple -- also because

of domestic tourists who would like to use the pass to travel to China, the study said.

Tibet would be more accessible for many Indian Hindus and Sri Lankan Buddhists who consider Mount Kailash and Mansarovar Lake in the region as sacred, according to the report. At present, one has to go through Nepal to reach Tibet.

The Asian giants reopened trade across the pass in July, as part of a broader rapprochement. The move marked the first direct trade link between the nuclear-armed neighbours since a bitter border war in 1962.

IMPACT OF THAI COUP

Indian corporate sector not concerned

PALLAB BHATTACHARYA, New Delhi

The Indian corporate sector, which has a sizable presence in Thailand, is right now not unduly concerned over the possible effect of military coup on business prospects in Thailand and exuded confidence that it would continue to be in business as usual.

However, some multinational car manufacturers like Honda, Nissan and Toyota are worried about possible disruption in supply of spares, engines and certain categories of vehicles.

Although Indian companies have a large presence in Thailand and made substantial investments in that country, the military takeover is unlikely to impinge on Indian units there, industry sources here said

yesterday. "As of now, there is no effect," according to Sanjay Choudhury, spokesman of Tata Steel, the Indian private sector major which bought Thailand's Millennium Steel for 150 million dollars last year.

Indian private sector investments in Thailand range from chemicals, rayon fibre and pharmaceuticals and major Indian companies, which have presence in that country, include Aditya Birla Group, Ballarpur Industries, Ranbaxy and Baroda Rayon.

The Aditya Birla group has the biggest exposure to Thailand, having six units and a joint venture primarily in chemicals and textiles sectors.

The Indian auto industry too depends on supplies from Thailand of critical components. Toyota

company, which imports from Thailand engines for its Innova vehicle model, said the functioning of their plant in that country remains unaffected.

Officials of consumer electronics major Electrolux Kelvinator, which brings certain type of washing machine from its factory in Thailand for its market in India, China, the Middle East and rest of Asia, said it was keeping a watch on the situation in the South East Asian country.

Thailand is a major export destination for Indian pharmaceutical companies. "We are observing the developments in Thailand as the market is very important for our exporters, especially in the small and medium sectors," said Chairman of Pharmaceutical Export Promotion Council Dinesh B Mody.

Square Pharma declares 75pc cash, 20pc stock dividends

Square Pharmaceuticals Limited has declared a 75 percent cash dividend and a 20 percent stock dividend (bonus share) for its shareholders for the year ending March 31, 2006.

The dividends were announced at the 40th annual general meeting of the company in Dhaka yesterday, says a press release.

Samson H Chowdhury, chairman of the company, presided over the meeting.

Dr Kazi Harunar Rashid, director, M Sekander Ali, independent director, Samuel S Chowdhury, director, Tapan Chowdhury, managing director, Anjan Chowdhury, director, Kazi Iqbal Harun, director, Md. Kabir Reza, director (A & F), and Khandaker Habibuzzaman, company secretary, also attended the meeting.

The company attained a 14.30 percent growth rate during the year 2005 as against 13.08 percent during the previous year, the meeting was informed.

The sales turnover of the company increased to Tk 7,086 million from Tk 6,199 million of last year.

The gross profit, net profit (before tax) and net profit (after tax) were Tk 2,565 million, Tk 1,533 million and Tk 1,165 million. Cost of goods sold was decreased from 50.97 percent to 49.75 percent.

During the year, the exports amounted to Tk 114.77 million as against Tk 85.81 million in previous year, a 34 percent increase.

The company contributed an amount of Tk 1.573 billion to national exchequer as against Tk 1.233 billion in the previous year indicating an increase of 27.54 percent. The contribution constitutes 25.83 percent of the sales revenue (net) in 2004-2005 as against 23.13 percent in the previous year.

The chemical plant produced 244 MT of basic chemical products this year and the gross turnover of chemical products stood at Tk 245.96 million. The company made a total net investment of Tk 243 million at Pabna Plant to meet the increased demand.

AKTEL launches 'Showcase Malaysia'

STAR BUSINESS REPORT

Mobile phone operator AKTEL on Wednesday launched a promotion campaign titled 'Showcase Malaysia' under which customers will get an opportunity to visit Malaysia through an SMS-based quiz.

During the three-month long campaign that began yesterday, everyday one customer will get a Dhaka-Kuala Lumpur-Dhaka air ticket, AKTEL officials said at a press conference in Dhaka.

Malaysian High Commissioner to Bangladesh Abdul Malek Bin Abdul Aziz officially launched the offer. AKTEL's Managing Director Ahmed Bin Ismail, Chief Financial Officer S Rajaduray, Head of Marketing Asif Iqbal and Area Manager of Malaysian Airlines Nur Shafiq Haris were also present at the briefing.

Describing the procedures to participate in the quiz, AKTEL managing director said pre-paid and post-paid customers of AKTEL will receive two SMS questions after refilling scratch card, making e-fill and paying bills.

During the offer period, the pre-paid customers of AKTEL will also enjoy a 10 percent bonus talk time.

Nokia to put Microsoft search on cellphones

REUTERS, Helsinki

The world's top handset maker Nokia said on Thursday it has agreed with Microsoft to integrate Live Search capabilities into Nokia's Mobile Search.

This would enable phone users access to Live Search directly from their Nokia N-series multimedia phones and other compatible Nokia phones using Series 60 software, it said.

Nokia has earlier announced a similar deal with Yahoo.

Doha revival seen vital for beating poverty

AFP, Cairns

Resurrecting the stalled Doha round of World Trade Organisation talks is crucial if developing nations are to find a sustainable path out of poverty, the influential global aid group Oxfam said.

The comments from the non-governmental organisation (NGO) that has been critical of the WTO came at an expanded meeting of the Cairns group of agricultural exporters aimed at putting the global trade talks back on track.

"For all our criticism of the WTO, it's the only show in town," Oxfam Australia's executive director Andrew Hewett told delegates late Wednesday.

"We want the round back on track and to deliver decent developmental terms," he said in a panel session with WTO director-general Pascal Lamy.

"We've recognised increasingly that to build a sustainable pathway out of poverty, not just a handout here or there, it's going to require interventions at different levels -- from the micro to the macro -- using different levers, be they trade, debt relief or aid," he said.

Saying Lamy's view that global trade talks might resume within six months was overly optimistic, Hewett was however adamant that an agreement was key to

helping struggling nations become self-sufficient.

The collapse of the Doha round would likely give rise to a flurry of bilateral deals that would ultimately disadvantage developing countries, he said.

"What will tend to happen -- and what is happening -- is developing countries will easily be isolated from those agreements because they're not seen to be bringing enough to the table," Hewett said.

At the same time, Oxfam believes that reviving the Doha round is unlikely without strong political leadership to change the domestic debate in both the United States and European Union, whose disagreement over cuts to farm subsidies led to the suspension of negotiations, he said.

Between them, the EU and US spent more than one billion dollars a day to subsidise their agricultural produce, Hewett said.

"That's the absurdity, the monstrosity -- the insanity -- of how the agricultural trade system works at the moment."

Oxfam is the only NGO to attend the meeting in Australia's far north aimed at bringing the United States and the European Union back to the negotiating table after Lamy suspended the trade talks in July.

US jobless claims climb by 7,000

AP, Washington

The number of newly laid-off workers filing for unemployment benefits rose last week by the largest amount since early August, providing further evidence that US economy has slowed.

The Labor Department said that 318,000 workers filed claims for jobless benefits, up by 7,000 from the 311,000 benefit applications filed the previous week. It followed two weeks of small declines in claims and was the biggest increase since jobless claims had risen by 10,000 in the week ending Aug. 5.

The increase was slightly higher than economists had been expecting and provided fresh evidence that the economy has been slowing this year under the impact of rising energy prices, high interest rates and a cooling housing market.

The total level of claims at 318,000 was the highest since claims hit 322,000 the week of Aug. 5.

The Federal Reserve on Wednesday voted to keep a key interest rate unchanged for the second consecutive month, preferring to wait to see whether its record string of 17 consecutive rate hikes will be enough to slow the economy to a more moderate pace and keep inflation at bay.

While the central bank said it remained alert to inflation risks, many economists believe the central bank will not tighten credit further and may start cutting rates early next year.



Samson H Chowdhury, chairman of Square Pharmaceuticals Limited, speaks at the 40th annual general meeting of the company in Dhaka yesterday.



AKM Shahidul Haque, deputy managing director of Mercantile Bank Ltd, and Mohammed Idrish, chairman of National Exchange Company, Italy, exchange documents after signing a remittance agreement recently. Under the deal, Bangladeshi expatriates will be able to send their money home easily and quickly through the branches of the bank. Md Abdul Jalil MP, chairman of the bank, was also present.