

Star BUSINESS

E-mail: business@thedailystar.net

CSE for expanding share trade to more cities

STAFF CORRESPONDENT, Ctg

The Chittagong Stock Exchange president has underscored the need for expansion of share trading to more cities across the country.

"We have Wide Area Network facility and by exploiting this advantage the CSE members can easily spread their trading network to other cities besides Chittagong, Dhaka and Sylhet, where a large number of prospective investors remain untouched," MKM Mohiuddin said at a meeting of the bourse in the port city.

He told the bourse members that work on establishment of a professional securities institute

is in progress as the Securities and Exchange Commission has already some measures to give it a real shape.

The bourse members in the meeting suggested joint persuasion by CSE, DSE and SEC with the education ministry to make a curriculum on stock market and implement it from secondary level.

Citing such examples, they said India, Pakistan, Sri Lanka and Thailand are adopting such curricula with a view to grooming up a wide range of investors at early level.

CSE First Vice President Nasiruddin Ahmed Chowdhury, Vice Presidents Fakhor Uddin Ali Ahmed and Aql Chowdhury, Directors Mirza Salman Ispahani, Tareq Kamal, Chief Executive Officer AB Siddique and members Anwar Hossain and Mohammed Mohiuddin also spoke at the meeting.

Nissan to sell own hybrid car in 2010

REUTERS, Tokyo

Nissan Motor Co plans to sell a hybrid vehicle developed in-house in 2010, limiting its licensing ties with Toyota Motor Corp to the Altima sedan due in the United States next year, Japanese daily Yomiuri Shimbun reported on Saturday.

Japan's two biggest car makers signed a deal in 2002 under which Toyota would sell its hybrid system to Nissan. Nissan, held 44 percent by France's Renault SA, has lagged in the development of the powertrain, which twins a gasoline engine with an electric motor to save fuel.

Nissan Chief Executive Carlos Ghosn remains lukewarm on hybrids, arguing they make little business sense because of their low profit margins despite their higher retail price. The Altima hybrid due next year was merely a necessity to clear California's average fuel economy regulations, he has said.

Still, Nissan has been working on its own hybrid technology and executives have said it is as good as those available on the market.

Plan to up 6-25pc yield of 12 crops by 3 years

STAR BUSINESS REPORT

Bangladesh Agricultural Research Council (BARC) is going to launch an action programme to increase the yield of 12 crops between 6 and 25 percent by the next three years.

As part of the plan agriculture ministry and BARC started a two-day workshop yesterday in Dhaka to discuss the action plan to enhance the yield of the crops, which include paddy, wheat, maize, pulses, spices, cotton, potato, jute and sugarcane. Dr M Nurul Islam, executive chairman of BARC, presented a keynote paper.

Inaugurating the workshop,

Agriculture Minister MK Anwar said, "As we have no chance to increase arable land, such action programme will be effective to increase yield."

The minister also thanked the BARC officials to initiate the programme and termed it timely and significant for the nation.

The minister however was a little bit critical of some aspects of the action programme. He said the programme recommends transferring new technologies to growers. But it does not specify the ultimate merit or demerit of the existing technology, he added.

He also urged the BARC officials to pay more attention to irrigation in

the programme.

"Our economy is based on agriculture. So, political support is needed for implementing such programme," the minister also said.

On the action plan, the executive chairman of BARC said 10 agriculture related government organisations will jointly implement the programme.

He said all types of facilities including high quality seeds, training and latest technologies will be provided under the project. The total cost of the programme is estimated at Tk 257 crore.



Members of Bangladesh Telecom Operators Association (BTOA), a forum of private PSTN (public switched telephone network) operators, yesterday present a bouquet to Chairman of Bangladesh Telecommunication Regulatory Commission (BTRC) Muhammad Omar Farooq for his initiative to issue VoIP licences and allow RUM (removable user identity module) for PSTN operators. Among others, Reza-e-Rabbi, vice chairman of BTRC, A Rouf Chowdhury, president and CEO of RanksTel, AM Hayatuzzaman, chairman of BTOA and chairman of Dhaka Phone, Mohammed Jahangir, secretary general of BTOA and managing director of National Telecom, and Abu Md Sayeed, CEO of Telearbarta, were present.

US woes force BP into major review of its activities

AFP, London

Following the latest in a series of major setbacks in the United States the oil giant BP said last week it planned to embark on a major review of its global operations.

The group's US woes continued last week with the announcement of a fourth delay to its new Thunder Horse platform in the Gulf of Mexico, which is not now likely to begin operating until mid-2008.

The group said all underwater welding on the platform's structure needed to be checked.

Industry analyst Simon Wardell of Global Insight called the news "quite a big setback, a bit of a blow" that risked damaging even further BP's image in the United States.

This week also saw proceedings open in a lawsuit against the oil giant for an explosion at the Texas City oil refinery in 2005, which left 15 people dead and 170 injured.

The group has already recognised that internal errors were

behind the blast and boss John Browne has publicly apologised for the explosion.

On top of that, BP was obliged to admit last week that it was responsible for a leak that saw the equivalent of 1,000 barrels of oil cause a major slick in the port of Long Beach, California.

That slick however, was minor compared to the massive spill the company caused in Alaska earlier this year.

Rusty oil pipes were to blame for that disaster, which forced the partial shut down of the Prudhoe Bay Oil field, the largest in North America.

The company is also facing three separate investigations for allegedly manipulating the prices of butane, propane and petrol between 2002 and 2004.

This week, BP announced its first piece of good news in a long time when it unveiled a planned three billion dollar (2.3 billion euro) investment in its Whiting refinery in

Indiana, which will allow it to supply a million more US drivers with petrol.

But above all it began a major review of its activities, which is set to last for five to 10 years and will, BP hopes, lead to a better integration of its global activities.

Analysts say the plan is similar to an overhaul announced by BP's competitor Exxon after the 1989 Exxon Valdez oil spill. That review saw Exxon go on to forge a reputation as the world's safest oil firm.

BP's problems in the United States are in large part linked to its extremely rapid growth. In less than six years, the firm has grown from a large British company to a global giant, following the acquisitions in 2000 and 2001 of US oil firms Arco, Castrol and Amoco.

Wardell argued this means BP has found itself with "a lot of units in isolation" within the company as a whole.

BP has publicly admitted on a number of occasions that it has made errors, notably with Browne's apologies for both the Texas City explosion and the Alaska spill.

But Wardell said it is good that BP is now showing that it intends to put its house in order.

"They are trying to take action now very swiftly to try to assure everyone that they're taking things seriously," the analyst said.

"It's not just a problem with investors, or share price, it can have some impact on reputation," he added.

After the Alaska spill BP even managed to win the support of prominent US ecologist Sybil Ackerman, who represents an association of environmentally-minded voters in the state of Oregon.

As BP has become a world leader in the field of renewable energy, Ackerman recently told Britain's Financial Times that the company was "deserving of censure, but not a vendetta."

She warned that whipping up bad feeling against the firm could in the long term do more harm than good for environmental campaigners.

Reliance dreams of industrial power with showpiece refinery

AFP, Jamnagar, India.

India's largest conglomerate is pinning its hopes on an Arabian Sea coast oil refinery, poised to become the world's largest, to catapult it and the country to industrial giant status.

"It is not just a refinery. We believe the refinery challenges the paradigm that China is forging ahead of India with its industry," Reliance Industries Executive Director Hiral Meswani told reporters on a tour of the Jamnagar complex.

The sprawling facility in Gujarat state, which opened in December 1999, occupies 30 square kilometres (11.5 square miles) — one-third the size of Manhattan — and has helped move India from being a net importer of refined petroleum product to an exporter.

Reliance is set to invest a further six billion dollars in a bid to double output. Although Reliance gives few financial details for Jamnagar, analysts believe the facility will move into profit in 2009.

"It's a refinery for the world, based out of India," Meswani said of the complex, set for another expansion in 2008 — and a move to the world's top spot from its current third place behind Venezuela and South Korea.

"We want to take India to the world and to transform Jamnagar as the refining hub for the world," he said.

Paris Motor Show starts next week

AFP, Paris

The Paris Motor Show will roar into life next Saturday when international car makers converge on the French capital hoping to wow crowds with prototype models and woo critics with green technologies.

This year, the mix of exhibits is expected to underscore two key developments for the industry and the global economy, namely concern about global warming and the emergence of China as a world manufacturing force.

After being thrown on the defensive last week by a ground-breaking court case in California, the industry is ready to prove its environmental credentials by showcasing hybrid cars, biofuel technology and emission innovations.

The US state of California said last Wednesday it was suing six US and Japanese automakers for their alleged contribution to global warming, the first such legal fight in the United States.

The 2006 Paris event show will be the first time Chinese manufacturers display their wares at the show in the French capital.

Practise corporate social responsibility

Saifur urges banks



Finance Minister M Saifur Rahman hands over the Dutch-Bangla Bank Limited's letter of commitment for Tk 9.36 crore to AK Azad Khan, secretary general of the Diabetic Association of Bangladesh, at a function in Dhaka yesterday.

STAR BUSINESS REPORT

The finance and planning minister has urged the private commercial banks to come forward to discharge corporate social responsibilities (CSR) so that the society at large can eventually be benefited.

"Dutch-Bangla Bank is the only bank that performs such philanthropic activities properly and it is a unique example in Bangladesh," said M Saifur Rahman addressing a donation programme at Dhaka Sheraton Hotel yesterday.

The Dutch-Bangla Bank Limited (DBBL) donated Tk 9.36 crore to the Diabetic Association of Bangladesh.

The minister came down heavily on the banks' "too-much" profit making policies saying that they collect deposit at 10 percent interest while disburse loans at 15 percent interest.

As they make windfall profits, Saifur said, they should follow the example set by the DBBL.

The minister formally handed over the DBBL donation to Professor AK Azad Khan, secretary general of the diabetic association.

This donation will be utilised to modernise and equip the Ibrahim Cardiac Hospital and Research Institute, Birdem, by setting up a cath lab, two operation theatres

with facilities for liver and kidney transplantation, cardiac surgery and raising the number of beds from 80 to 100.

Terminating the DBBL's donation a 'noble initiative', Bangladesh Bank Governor Dr Salehuddin Ahmed also urged other corporate houses, industrialists and entrepreneurs to come forward to develop the social sector of the country.

In his welcome address, DBBL Managing Director Md Yeasin Ali said the DBBL always reaches out to the destitute of the country through a wide range of community activities in education and health sector, such as awarding scholarships to needy and meritorious students of intermediate, graduate, masters and post-doctoral levels, plastic surgery for poor cleft-lipped boys and girls and making donation to Ahsania Mission Cancer Hospital, Bangladesh Cancer Society and Kidney Foundation.

Speaking at the function, Professor Azad hoped that liver transplantation, which is costlier in developed countries even in the neighbouring countries, would be started in Bangladesh next year.

In developed countries, a liver transplantation costs at least Tk 2 crore and Tk 1 crore in the neighbouring countries, he said.



Safwan Sobhan Tasvir, additional managing director of Bashundhara Group, launches the weeklong service campaign for Mercedes-Benz vehicles in Dhaka yesterday. Romo Rouf Chowdhury, managing director of Rancon Motors Ltd, was also present.

Kuwait buys stake in China's largest bank

AFP, Kuwait City

Kuwait Investment Authority, the Gulf state's investment arm, said in a report it has acquired a stake in the Industrial and Commercial Bank of China (ICBC), the Asian nation's largest lender.

"KIA has become one of the strategic investors in ICBC," the authority's director general, Bader al-Saad, said in a statement quoted by the official KUNA news agency, without providing any details of the deal Sunday.

Saad said the deal was signed in Singapore during meetings of the World Bank last week.

In January, a US-German consortium led by Goldman Sachs, American Express and Allianz announced it had signed a deal with ICBC to acquire nearly 10 percent of its capital for 3.78 billion dollars.

ICBC confirmed Saturday it aimed to launch what could be the world's largest initial public offering at the end of October. It hopes to raise around 21 billion dollars.

The Chinese bank had reportedly frozen talks in November last year with Kuwait and Abu Dhabi state investment agencies negotiating for a one billion US dollar stake in order to seal the deal with the consortium led by Goldman Sachs.

Service campaign for Mercedes-Benz vehicles starts

STAR BUSINESS REPORT

Rancon Motors Ltd, the general distributor of DaimlerChrysler, Germany for Mercedes-Benz brand vehicles in Bangladesh, yesterday launched a weeklong free service campaign for the vehicles.

The service is now available at the showroom and service centre of Rancon Motors Ltd, a concern of Rangs Group, in Teigaon Industrial Area, under the guidance of Harry Schwenk, a service expert from DimlerChrysler.

Safwan Sobhan Tasvir, additional managing director of Bashundhara Group, formally launched the campaign.

Among others, Romo Rouf Chowdhury, managing director of Rancon Motors Ltd, Shahriar Yusuf, executive director of Rangs Group, M Ariful Azim, head of operation of Rancon Motors Ltd, were present.

Rancon Motors offers free service to Mercedes-Benz customers every year under the guidance of a German service expert. So far Rancon Motors has conducted six service campaigns in Dhaka and three in Chittagong.