

India renews push to sell Air India, puts entire stake on the block

REUTERS, New Delhi

India said on Monday it plans to sell its entire interest in Air India Ltd, making a renewed push to sell the flag carrier after it drew no bids in an effort to auction a majority stake almost two years ago.

A document released on Monday showed March 17 as the deadline for submission of initial expressions of interest, and that any bidder must assume liabilities, including debt of 232.87 billion rupees (\$3.28 billion).

Substantial ownership and effective control of the airline must remain with an Indian entity, the government added.

The potential sale of an airline kept aloft by a \$4.2 billion 10-year bailout in 2012 comes as the government divests money-losing assets to manage the fiscal deficit.

The latest offer should garner significant response partly because it involves a clean exit by the government, said CAPA aviation consultancy India head Kapil Kaul.

"As the entire debt excluding aircraft debt is taken out of the deal, it signals a very determined effort to exit Air India, to allow taxpayers' funds be utilized for



An Air India Airbus A320neo plane takes off in Colomiers near Toulouse, France.

the government's social agenda," said Kaul. Indian business house Hinduja Group and US-based fund Interups have expressed interest in buying the airline, the Business Standard daily said.

It quoted Laxmi Prasad, the chairman and chief business

architect of Interups, as saying the fund had initiated talks with the government and would like to make a case for certain aspects of the airline's business to be included in the deal.

The government in 2018 here tried to sell 76 per cent of Air India

and offload about \$5.1 billion of its debt, with terms including the retention of all employees.

InterGlobe Aviation Ltd's IndiGo and Jet Airways Ltd - which has since collapsed - initially showed interest, but opted out after the terms were disclosed. Steel-to-autos conglomerate Tata Group, widely viewed as a potential suitor for Air India, also decided not to bid after deeming the terms too onerous, sources told Reuters at the time.

On Monday, civil aviation minister Hardeep Singh Puri said the government was open to suggestions and altering some provisions if the changes helped to find a buyer.

"We have gone into this exercise, months of planning and preparation have gone into it and this is not the final, final. The bidders are going to get 45 days, they are going to come back to us. It is an interactive process," Puri told reporters. "We are open to revising, refining and tweaking our views."

A successful bidder would win control of Air India's 4,400 domestic and 1,800 international landing and parking slots at domestic airports, as well as 900 slots at airports overseas.

Ctg prime mover-trailer workers call 24-hour work abstention from Thursday

STAFF CORRESPONDENT, Ctg

Workers and drivers of prime movers and trailers -- vehicles that are used to transport containers and other goods from Chattogram port to elsewhere -- have called for a 24-hour work abstention from Thursday morning to realise their three-point demands.

Md Abu Bakkar Siddiqui, general secretary of Prime Mover-Trailer Sramik Union, a platform of the workers and drivers, announced the programme at a press conference at the Chattogram Press Club yesterday.

The workers demanded the Bangladesh Road Transport Authority provide them with licences for driving heavy vehicles and that employers give them joining letters and identity cards while recruiting them. About 16,000 people are engaged in the sector and most of them do not have licences for driving heavy vehicles, he said.

The drivers have long been applying to the BRTA to offer them such licences under a special arrangement, he added.

BRTA officials, however, said they have to go by the book. Besides, the labour court had directed the owners of prime movers and trailers to issue identity cards and joining letters for the workers while employing them, but the order fell on deaf ears, Siddiqui said.

Qatar not keen to renegotiate LNG contracts with India: Qatar minister

REUTERS, New Delhi

Qatar is not willing to renegotiate prices under its long-term liquefied natural gas (LNG) contracts with India, the Middle Eastern nation's energy minister said on Monday.

Qatar is, however, willing to supply more volumes of LNG to India, said Saad Sherida al-Kaabi, who is in India to meet his counterpart, at an event in New Delhi.

Bank Asia gets new DMD



STAR BUSINESS DESK

Shafuazzaman has recently been promoted to the post of deputy managing director of Bank Asia.

He was previously senior executive vice president, according to a statement.

He started his career as an executive in the erstwhile United Leasing Company (now United Finance) in 1994. He also worked at One Bank.

Shafuazzaman holds an MBA degree from the Institute of Business Administration at the University of Dhaka.

WeWork inks office space deal with SoftBank-backed Gympass

REUTERS, New York

WeWork has signed a deal to provide space to 250 employees of gym membership app company Gympass in New York, the latest example of the U.S. office-sharing start-up's majority owner, SoftBank Group Corp, using its connections to buoy its business, people familiar with the matter said on Sunday.

SoftBank is also a minority investor in Gympass. While it does not have absolute control over it, it encourages its portfolio companies to collaborate, one of the sources said.

Around 25,000 employees at SoftBank-backed companies, including US ride-hailing start-up Uber

Technologies, Brazilian online housing broker QuintoAndar, and online real estate marketplace Compass, are in WeWork offices.

SoftBank is hoping this network of portfolio companies will help its attempted turnaround of WeWork, which it rescued from bankruptcy last year by acquiring majority control. This followed a failed attempt by WeWork to launch an initial public offering in September, which left it starved for cash.

Last year, in the third quarter alone, WeWork parent The We Company saw its net losses more than double to \$1.25 billion year-on-year.

WeWork has around 650,000 subscribers worldwide, and hopes to

hit 1 million by early 2021, one of the sources said.

The company has agreed a three year-deal with Gympass, which was founded in Brazil but is now headquartered in New York, for office space in Manhattan's SoHo area, potentially tripling Gympass' presence in the city, according to the sources.

The sources did not disclose the value of the contract and requested anonymity because the agreement is private. Gympass, which was not previously a WeWork client, is a marketplace for corporate clients to offer gym access to employees through a network of over 50,000 gyms and studios around the world.



Mostafa Kamal, vice chairman of Bangladesh National Insurance Company, and Md Sana Ullah, CEO, attend the company's annual business conference for 2020 at a hotel in Dhaka on Sunday.

German business confidence erodes in January

AFP, Frankfurt

Confidence among business leaders in Germany inched back slightly in January, a closely-watched survey showed Monday, as expectations for the coming months clouded over.

A monthly barometer from the Munich-based Ifo institute fell 0.4 points compared with December, to 95.9, well short of a consensus forecast from analysts surveyed by Factset. "The German economy is starting the year in a cautious mood," Ifo chief Clemens Fuest said in a statement.

Of the two main components of the barometer, businesses' expectations for the coming months fell back one whole point, to 92.9, while views of the present economic situation improved 0.3 points, to 99.1.

Among different economic sectors, "manufacturing is showing signs of recovery," Fuest said.

Producer firms have benefited from some clearing-up of uncertainty in recent weeks, as the US and China struck a trade truce and the next steps for Brexit became clearer.

Both manufacturers' judgements of the present situation and the future outlook improved. Meanwhile service firms' confidence fell back "noticeably", as falling expectations overpowered greater satisfaction with present business.

The overall slip in confidence was "a hefty surprise," said economist Uwe Burkert of LBBW bank.

"Apparently weakness in industry has reached services firms with a time delay." With "a difficult year ahead", "we can but hope that the industrial recovery we can now see in the data arrives," Burkert said.

Newly confident Bangladesh to flag off Development Forum

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One of the sessions will address how Bangladesh can innovate financing sources and mechanism through piloting new financing models.

The private sector may play a significant role in advancing towards the Sustainable Development Goals and contributing towards a smooth and sustainable LDC graduation.

This year, some 40 representatives of different development partners will join the BDF, including Junichi Yamada, senior vice-president of JICA; Hartwig Schafer, vice-president for the South Asian region of the World Bank; and Shixin Chen, vice-president of the Asian Development Bank.

Robi questions BTRC report on telecom complaints

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Teletalk, the state-owned operator, resolved 138 complaints while the BTCL did not respond to any whatsoever, according to the BTRC report.

Once the most dominant market player, the BTCL is currently struggling to stay afloat with about five lakh active connections. From other segments, the BTRC received 1,681 complaints, of which 46.46 per cent were resolved.

New York surges ahead of Brexit-shadowed London in finance



People walk by New York Stock Exchange.

REUTERS, London

New York remains the world's top financial center, pushing London further into second place as Brexit uncertainty undermines the UK capital and Asian centers catch up, a survey from consultants Duff & Phelps said on Monday.

Britain will leave the European Union on Friday with future access to its biggest financial services customer uncertain after a business-as-usual

transition period ends in December.

The Global Regulatory Outlook survey of 245 senior officials from asset management, banking and other financial firms from across the world found that New York has extended its lead over London.

It said 56 per cent of respondents regard the U.S. financial capital as the world's most important money hub, up 33 percentage points over the past two years. Only 33 per cent currently see London as the foremost

global financial hub, down more than 20 percentage points over the last two years. "It is difficult to avoid the suspicion that three years of uncertainty since the Brexit vote has contributed to London's fall," said Monique Melis, managing director at Duff & Phelps.

Both New York and London are set to lose ground over the next five years, with emerging centers in Hong Kong, Singapore and Shanghai expected to see the biggest growth, the survey showed.

Just 22 per cent predict London would still be the major financial center in five years' time, the survey showed. Few respondents see Paris, Frankfurt or any other European city coming close to replacing New York or London. Respondents favored London over New York in terms of the most favorable regulatory regime for financial services in the world.

"If the Government can position the UK as having a more favorable regulatory environment and separate it from the red tape of European regulation, then we may see the UK win back its crown and attract new talent to the sector," Melis said.

London has shown resilience since Britain voted in 2016 to leave the EU by leapfrogging New York to become the top center for trading interest rate swaps and remaining leader in currency trading.

Oil, equities hit by fears over economic impact of deadly virus

AFP, Hong Kong

Fears over the global economic impact of the deadly China virus sent oil prices plunging more than two percent on Monday to extend last week's sell-off, while safe-haven assets including the yen and gold rallied.

As the death toll from the Chinese epidemic jumped to 80 with those affected worldwide approaching 3,000, analysts said there were growing fears the crisis could become as bad as the SARS outbreak that hammered Asian markets in 2003.

The outbreak of the coronavirus has led China to lock down the epicentre of the disease Wuhan -- a city of 11 million people -- while imposing tight travel restrictions on a number of other cities including Beijing.

The move comes during the Lunar New Year holiday when hundreds of millions of people criss-cross the country and spend billions of dollars.

The government decided late Sunday it would extend the holiday and related school closures beyond the original January 30 end date to "reduce population flows", state media said.

The outbreak has led to the cancellation of Lunar New Year festivities, along with temporary closures of Beijing's Forbidden City, Shanghai's Disneyland and a section of the Great Wall. Stephen Innes at AxiCorp warned the economic shock to China and the world -- just as a growth slowdown appeared to be easing -- could be massive.

"The biggest threat to the global economy is not just because the disease spreads quickly across countries through networks related to global travel," he said in a note. "But also because any economic shock to China's colossal industrial and consumption engines will spread rapidly to other countries through the increased trade and financial linkages associated with globalisation." He added: "Unlike 2003 where SARS was less impactful on the developed world market, the rest of the world could feel the pinch this time around." - Flight to safety - If the new virus has the same impact on China as SARS, the falls could be worse than projected, Innes said, because consumption is a bigger part of the country's economy and its overall growth trajectory is weaker.

Most regional markets were closed for the Chinese New Year break but Tokyo was open and fell 1.9 percent by the break. Wellington, Manila and Jakarta also dropped. Both main oil contracts tumbled more than two percent, having dropped more than six percent last week owing to concerns about the effects on demand in the world's number two economy.

The flight to safety saw the yen rally against the dollar, with the unit now up more than one percent from eight-month lows touched earlier this year.

Gold, another go-to asset in times of turmoil and uncertainty, is heading back towards \$1,600 and the six-year peaks touched at the start of January.

While the main focus is on the spread of the virus, traders will also be keeping an eye on the release of earnings this week from top companies including Apple, Facebook and Samsung.



Humayun Kabir and Amin Khan, Walton's executive directors, hand over 200 per cent cashback to a customer for purchasing a Walton-branded refrigerator, at Dhaka International Trade Fair on Saturday.