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Desco makes debut on both bourses today

STAR BUSINESS REPORT

Dhaka Electric Supply Company (Desco) will make debut on DSE and CSE today.

Desco has been listed in country's both the bourses under the direct listing procedure and the Investment Corporation of Bangladesh (ICB) on behalf of the Desco will start offloading shares tomorrow through its subsidiary ICB Securities Trading Company Ltd, sources said.

The first two days -- June 18 and 19 -- trading of Desco shares will continue for two hours which starts from 10 am to 12 noon.

Buyers can put their orders in the pre-opening session (9:40 am to 9:55 am) and also in the trading session (10 am to 12 noon).

ICB Securities Trading

Company will start offer for sale from 10:16 am. Settlement of trades for the two days will be on spot basis. Orders can be placed only for a market lot or its multiple but not exceeding 250 shares.

Normal trading will start on the fourth day while there will be no trading for the Desco on the third day.

The company will join the capital market by releasing around 3.2 million shares worth Tk 317 million. The face value of each share is Tk 100 while its market lot is 50.

As per Direct Listing Regulations, the company is required to offload at least 10 percent of existing shares within 30 working days from the date of listing. However, Desco has intended to offload 25 percent (3,177,985) shares from its existing

shares to the public.

Out of this proposed offloading, 10 percent (317,798) shares will be distributed to the directors and employees of Desco as per government decision.

The initiative of offloading the shares of Desco is a part of the government's broader goal of the capital market development.

Credit Rating Information and Services Ltd (CRISL), a credit rating company, has rated the Desco as A+ in long term and ST-2 in short term.

As on June 30, 2005 the net asset value (NAV) per share of Desco stood Tk 149.33 while earning per share (EPS) in the financial year of 2004-05 was Tk 42.51 as against Tk 26.59 in the 2003-04 fiscal.

During the 2004-05 financial year, the net profit of Desco was Tk 540 million while operating profit was Tk 883

million against its operating revenue of Tk 5,476 million.

Meanwhile, Chittagong Stock Exchange (CSE) Ltd in a statement said shares of Desco will be traded in CSE under settlement category A and dematerialised form. Desco is the second company to be listed with the CSE under direct listing regulations, it added.

CSE said Desco has been listed in CSE on June 7, 2006. For smooth trading of Desco shares from today, CSE organised Friday an awareness programme for the members and their authorised representatives so that they can cope with the new trading system announced earlier.

Nasiruddin Ahmed Chowdhury, CSE first vice president, and AB Siddique, chief executive officer, also spoke at the inaugural programme.



The Daily Star Editor Mahfuz Anam speaks at a roundtable titled 'Economic Growth of Chittagong: Prospects and Challenges', jointly organised by Chittagong Chamber of Commerce & Industry and the daily, in the port city yesterday. (Story on page 1)

PHOTO: STAR

Find long-term solution to power crisis

Energy experts urge govt

STAR BUSINESS REPORT

Speakers at a seminar yesterday suggested organising a national dialogue with all political parties and energy experts participating in it to find out a concrete long-term solution to the country's power sector crisis.

The short-term initiatives that have been taken by the government will not do unless political interference in the sector is stopped, they said.

The seminar on Power Shortage: Mitigation with Shortest Time' was organised by Energy Professionals Association of Bangladesh (EPAB) at its office at Karwan Bazar in Dhaka yesterday.

ANM Akhter Hossain, secretary for Power Division, was present as chief guest at the seminar while ANM Rejwan, chairman of Power Development Board (PDB), MAK Azad, president of EPAB spoke at the seminar, among others. STS

Mahmood, former chairman of Dhaka Electricity Supply Authority (DESA) presented a keynote paper at the seminar.

Criticising the government's three-year master plan for power development, the speakers said the plan has no specific directions that how the government will meet the demand of electricity for everybody by 2020.

They said there are seven projects targeting generation of about 2200 MW electricity in the action plan but nothing is moving on. If these were implemented in the past the present crisis could be averted, they added.

To develop the power division they made an advice to give full administrative and financial authority to the chairman of Power Development Board to act as its chief executive.

The PDB chief should be accountable to the minister of power for his actions, they also

suggested.

The power division secretary called upon all to come forward to protect any misuse of electricity.

"The gap between power demand and supply is very natural," ANM Akhter Hossain said, admitting that the recent master plan for mitigating power crisis lacks any transparent direction on how the crisis will be solved.

Political interference in the power sector is one of the main obstacle in developing the power sector," said STS Mahmood in his keynote paper.

He said, "All political parties should be committed not to allow interference in the evaluation and selection of investor on any particular project in the interest of power sector development."

Political parties should also make a commitment that no programme will be affected and allowed to suffer due to change of government, he added.

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Air India offers less fare for some int'l routes from today

STAR BUSINESS REPORT

Air India is offering reduced fares for several international destinations from Dhaka marking the first anniversary of its resumption of operation in Bangladesh.

The airiner will also offer reduction in fare for the Sylhet-London route similar to the one applicable for the Dhaka-London route as a gift for the huge support from the passengers of Sylhet.

AK Mitra, manager-Bangladesh of Air India, disclosed this at a press conference in Dhaka yesterday.

He said the airiner will charge the passengers less for traveling to London, New York, Chicago and Toronto from today.

The reduced fare for one-way Dhaka-London trip is now US\$1250 in first class and \$2500 in return, \$800 one-way and \$1500 in return in business class, and \$400 one-way and \$800 return in the economy class.

The both one-way Dhaka-New York and Dhaka-Chicago fare is \$2000 in the first class and \$5000 in return, \$1600 one-way and \$3000 in return in business class, \$600 one-way and \$1000 in return in the economy class.

The one-way Dhaka-Toronto fare is \$2000 in the first class and \$4000 in return, \$1400 one-way and \$2600 in return in business class, \$700 one-way and \$1200 in return in the economy class.

"The above fares are made further attractive as additional discounts between 5 to 10 per cent are available on these fares with Air India's preferred travel partners," Mitra said.

Air India is the only airline connecting Dhaka with three international cities -- London, New Delhi and Kolkata.

He also said as of now the airline has 44 aircraft, which will be reached 68 by the end of this year in line with its commitment announced early in the year.



PHOTO: STAR

AK Mitra (R), manager (Bangladesh) of Air India, speaks at a press conference in Dhaka yesterday.

Starbucks targeted over high-fat products

REUTERS, New York

Starbucks Corp may be next on the target list of a consumer-health group that this week sued the operator of the KFC fried chicken restaurant chain for frying foods in oil high in harmful trans fat.

The Center for Science in the Public Interest said it is planning to campaign against the global cafe chain because of the increased risk of obesity, heart disease and cancer associated with high-calorie, high-fat products.

Customers can ask for nutrition information, but when you're talking about a transparent business in a busy world, that's not enough," union organizer and Starbucks "barista" staff member Daniel Gross said in an interview.

He said the company should use healthier shortening without trans fat, and publicize its smallest size, "short," which is available but does not appear on the menu.

The union contends that Starbucks staff gain weight when they work at the chain. They are offered unlimited beverages and leftover pastries for free during their shifts.

The group is primarily funded by newsletter subscribers and individual donors. It has support in the campaign from the small

saturated fat. By comparison, a McDonald's Corp. Big Mac has 560 calories and 11 grams of saturated fat.

They would like Starbucks to list nutrition information -- which is currently available online and in store brochures -- on its menu boards.

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The union contends that Starbucks staff gain weight when they work at the chain. They are offered unlimited beverages and leftover pastries for free during their shifts.

A 20-ounce Venti banana mocha Frappuccino with whipped cream contains 720 calories and 11 grams of saturated fat, and a banana cream crunch bar weighs in at 630 calories and 25 grams of

Advocacy session on WTO, trade issues for journos held

An advocacy session for journalists on different trade-related issues was held yesterday in Chittagong, says a press release.

Chittagong correspondents of national print and electronic media and reporters of local dailies attended the session, which discussed multilateral trading system, trade policy, World Trade Organisation (WTO) and its functions, principles, agreements and implications of those for Bangladesh.

Special focus was given to increase awareness among the journalists on port and international trade issues.

The Management and Resources Development Initiative (MRDI) organised the advocacy session under a project titled "Open Flow of Info on Trade & Economy" supported by Delegation of the European Commission. The Centre for Policy Dialogue (CPD) is providing technical assistance for the project.

Zillu Hye Razi, trade adviser to the Delegation of the European Commission to Bangladesh, Shawkat Hossain Masum, business editor of the daily Prothom Alo, and Syed Ishaque Reza, chief news editor of private satellite television channel RTV, attended the session, among others.

The MRDI will organise another session in Bogra this month. Three such sessions have already been held in Barisal, Sylhet and Khulna.

Currently, fixed asset investment is growing too quickly, money supply

said notification for the duty free facility of dry cell battery was inserted wrongly and it stands for spare parts of the item.

"We were enjoying duty free export facility against our product using the mentioned HS code in the notification. Recently the customs of India has imposed 50 percent duty on it, saying that the HS code mentioned in the notification does not stand for dry cell battery," Mahbubul Alam, General Manager of the Quasim Drycells, Ltd told the news agency.

Due to the problem, local dry cell exporters have to pay 50 percent duty to export the product to the neighbouring country. The product was allowed a duty free access by the government of India following a bilateral trade declaration held in April 2002.

A total of 40 Bangladeshi items, including dry cell battery, were entitled to duty free facility under the South Asian Preferential Trading Arrangement (SAPTA).

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Currently, fixed asset investment is growing too quickly, money supply

from July 5.

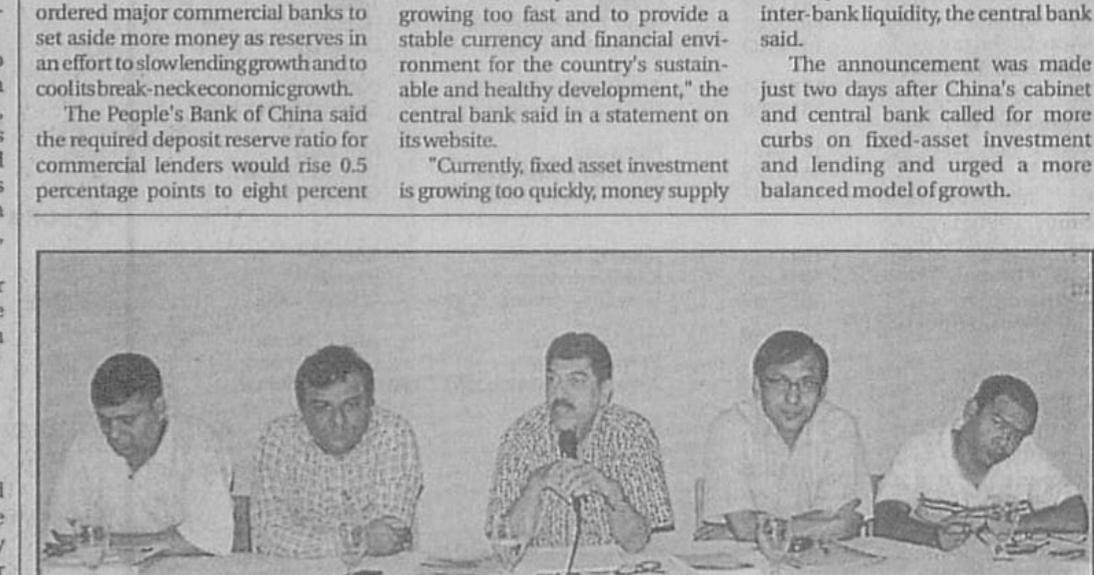
"This rise in required deposit reserve ratio is to prevent credit from growing too fast and to provide a stable currency and financial environment for the country's sustainable and healthy development," the central bank said in a statement on its website.

"The People's Bank of China said the required deposit reserve ratio for commercial lenders would rise 0.5 percentage points to eight percent

from July 5.

"The latest move would freeze 150 billion yuan (18.75 billion dollars) in inter-bank liquidity, the central bank said.

The announcement was made just two days after China's cabinet and central bank called for more curbs on fixed-asset investment and lending and urged a more balanced model of growth.



Zillu Hye Razi, trade adviser to the Delegation of the European Commission to Bangladesh, speaks at an advocacy session for journalists on different trade-related issues in Chittagong yesterday. Shawkat Hossain Masum, business editor of the daily Prothom Alo, Syed Ishaque Reza, chief news editor of private satellite television channel RTV, and Hasibur Rahman, executive director of MRDI, are also seen.

PHOTO: MRDI