

# Star BUSINESS

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## DSE turnover down, indices up

STAR BUSINESS REPORT

Turnover on the Dhaka Stock Exchange (DSE) yesterday dropped slightly, coming down to Tk 144.82 crore from Tk 158.74 crore on Wednesday. However, price indices rose by 22 points amid a rally led by bank and power scrips.

The benchmark DSE General Index increased by 21.46 points, or 1.18 percent, to end at 1826.58 points.

The DSE All Share Price Index, which includes all issues on the premier bourse, also shot up by 21.86 points, or 1.48 percent, to close at 1495.47 points.

Of the 201 issues traded, 112 advanced, 73 declined and 16 remained unchanged. A total of 20,956,916 shares changed hands.

Brac Bank shares contributed to the rise of indices for the second consecutive day, market analysts said.

Closing at Tk 580.25, the prices of the bank's shares rose as high as Tk 595 and as low as Tk 540.

The analysts said the third generation bank got huge responses from investors during the last two days due to its good business track record.

Earlier on Wednesday, the bank made its debut on the secondary market.

The Brac Bank also topped the turnover leaders followed by Dhaka Electric Supply Company, Grameen Mutual Fund One, Square Textile, Jamuna Bank, Summit Power, AIMS First Mutual Fund, Pubali Bank, Southeast Bank and Prime Bank.

Brac Bank topped the turnover leaders with 542,600 shares worth Tk 31.40 crore.

Meanwhile, trading on the Chittagong Stock Exchange (CSE) also closed higher yesterday with gainers dominating the losers.

The CSE All Share Price Index went up by 1.36 percent to close at 4134.33 points while the CSE Selective Categories Index increase by 1.03 percent finishing at 2702.32 points.

A total of 5,425,315 shares of 92 issues worth Tk 29.60 crore were traded on the port city bourse. Of the issues traded, 59 gained, 29 suffered losses and four remained unchanged.

The market capitalisation on the DSE stood at Tk 37,931 crore while the capitalisation on the CSE stood at Tk 30,456 crore.

## DSE fines 27 listed firms

STAR BUSINESS REPORT

Dhaka Stock Exchange (DSE) has slapped a daily fine of Tk 500 on 27 listed companies for failing to submit half-yearly financial reports to the premier bourse on time.

According to sources, the premier bourse yesterday formally informed the companies of the fines that took effect from yesterday [Thursday].

The DSE also asked the companies to send the required financial statements along with a late fee of Tk 500 per day.

During the timeframe that ended December 31, a total of 109 companies were supposed to submit their half yearly reports within January 31.

A total of 79 companies, however, have submitted their reports to the bourse while three companies have sought time extension for submitting their reports, the sources said.

The companies that received fines include Amam Sea Food, Ashraf Textile, Bangla Process, Bangladesh Luggage, BCIL, BD Zipper Ind, BSC, Chic Tex Ltd, Delta Spinners, GMG Ind Corp, Gulf Foods, Hakkani Pulp and Paper, M Hossain Garments, Metalex Corporation, Mona Food, Perfume Chemicals, Pharmaco International, Phoenix Leather, Rahima Food, Rangamati Food, Rasmit Data Management, Rasmit Inc (BD), Rose Heaven Ball, Sonali Paper, Tamijuddin Textile, Tulip Dairy and Food, and Wonderland Toys.

# Govt plans NCBs' corporatisation

## Says finance adviser

STAR BUSINESS REPORT

Government is contemplating corporatisation of the nationalised commercial banks (NCBs) in order to enhance the banks' efficiency, said Finance and Commerce Adviser Mirza Azizul Islam.

"When the NCBs' autonomy is ensured, the importance of their accountability should also be underlined. In case of misuse of such autonomy by any of the NCBs, the proposed liberty would be curtailed," he told the inaugural function of the annual conference of Janata Bank at a city hotel.

Emphasising the need for evaluating projects before giving nod to those to avert loan defaulting, Azizul said because of approval of overpriced collateral banks face loan defaulting.

Besides the finance ministry, the

law ministry and the Bangladesh Bank are closely reviewing the High Court stay orders against listing of loan defaulters to prevent them from participating in the next general election, he also told the conference.

Echoing the finance adviser's view on allowing autonomy to the NCBs, Bangladesh Bank governor Dr Salehuddin Ahmed said it would be easy for the central bank to monitor the NCB activities if the banks enjoy more freedom after corporatisation.

He also urged the commercial banks to provide more small and medium loans in addition to major loans.

"It is easy to approve large amount of loans to a familiar group of people, but the loan recovery had become difficult from that particular group," he added.

Acting Finance Secretary Dr.

Mohammad Tareq stressed the NCBs' capacity building like the private commercial banks.

He also advised the NCBs to improve their capital deficit situation within the next few years.

Md. Mizanur Rahman, acting managing director, Janata Bank, briefed about the bank's performance of the year 2006. He said the bank earned operating profit of Tk 421.27 crore last year, which is the highest of all banks of the country.

He informed that the bank posted 103 percent growth in deposit and 106 percent growth in disbursing loan compared to the previous year.

AFM Solaiman Chowdhury, chairman, board of directors of the bank, and Nazmus Saleheen, deputy managing director, also spoke on the occasion.



PHOTO: STAR

Textiles and Jute Adviser Geeteara Safiya Choudhury visits a stall after inaugurating a four-day textile machinery show at Bangladesh-China Friendship Conference Centre in the capital yesterday.

# Apparel makers urged to up competitiveness

## Textile machinery show begins

STAR BUSINESS REPORT

Textiles and Jute Adviser Geeteara Safiya Choudhury yesterday urged the country's apparel manufacturers to enhance their competitiveness in terms of productivity, cost and quality to face the challenges in the global market.

"I call upon the entrepreneurs to take full advantage of the latest technologies to face the global challenges," Geeteara said as she inaugurated '4th Dhaka International Textile and Garment

Machinery Exhibition 2007' in the capital.

Geeteara also said the fair is an opportunity for textile entrepreneurs, engineers, technicians and executives to have a glimpse of the latest developments in the international textile trade.

Bangladesh Textile Mills Association (BTMA) and ES Event Management SDN BHD, Malaysia are jointly organising the four-day fair at Bangladesh-China Friendship Conference Centre. The fair is open to visitors

between 12:00noon and 8:00pm everyday without any entry fee.

Abdul Hai Sarker, president of BTMA, Jamal Uddin, vice president of BTMA, and Chong Chong Tik, managing Director of ES Event Management SDN, also spoke.

About 420 exhibitors from 26 countries including Germany, Switzerland, France, Italy, Spain, Korea, Singapore, China, India, Hong Kong, Turkey, the United Kingdom, Belgium, Canada, Taiwan, Australia, the United States and Bangladesh are participating in the fair.

## All air carriers switch over to BSP system

BSS, Dhaka

Biman Bangladesh Airlines and all foreign carriers operating in Dhaka have completely switched-over to IATA Billing and Settlement Plan (BSP) with effect from yesterday.

After implementation of BSP, airlines' dedicated ticket stocks have been withdrawn from the agents, a Biman press release said.

Henceforth the agents will only issue IATA automated neutral tickets.

Implementation of BSP will ensure financial discipline, effective distribution and transparency in the aviation market in Bangladesh and Airlines' financial risk exposure will be reduced significantly, the press release added.

## Int'l medical expo in Dhaka from March 22

The fourth International Medical Equipment and Healthcare Services Exposition (MEDEXPO) 2006 will begin at Dhaka Sheraton Hotel from March 22, 2007, says a press release.

Forty healthcare companies from China, India, Thailand, Malaysia, Singapore, Japan, Germany and host Bangladesh will participate in the three-day show, which will be organised by Triune Exhibition and Event Management Services (TEEMS).

Otobi Ltd will be the premium partner of the event.

## Un-audited half yearly MIDAS accounts okayed

As per the un-audited accounts, the net profit and earning per share of MIDAS Financing Ltd stood at Tk45,878,143.77 and Tk17.74 during the last six months of 2006 compared to Tk29,318,785.00 and Tk12.47 during the corresponding period of the previous year.

The disclosure was made at a meeting of the Board of Directors of the company held on Monday, says a press release.

The meeting approved the un-audited half yearly accounts of the company for the period from July 1, 2006 to December 31, 2006.

## British Airways statement on calling off strike

British Airways has welcomed the decision by the cabin crew branch of the Transport and General (T&G) Workers' Union to call off the strike, which was scheduled for January 30 and January 31, says a press release.

Willie Walsh, the airline's chief executive, said: "We are pleased that our negotiations with the T&G have resulted in an agreement that has removed the threat of strikes."

The flight that had been cancelled from Bangladesh on February 3, is expected to operate as normal.

If clients still wish to travel on any reinstated British Airways flight on these dates, they must contact the airline on 8815111 or through their respective travel agent to have their travel arrangements confirmed.

Customers can visit [www.ba.com](http://www.ba.com) for all the latest details and the exact methods of rebooking.

Travellers who do not have a confirmed booking or have not been rebooked are advised not to come to the airport without first calling British Airways or their travel agent.

# Saudi Arabia tightens visa processing for Bangladeshi workers

PORIMOL PALMA

In the wake of malpractices in visa processing for Bangladesh workers at individual levels, the Kingdom of Saudi Arabia (KSA) has decided to tighten the process.

From now on the registered recruiting agencies in the KSA will directly deal with the overseas recruiters in Bangladesh for hiring the workers, the Saudi embassy in Dhaka told yesterday a delegation of the Bangladesh Association of International Recruiting Agencies (Baira) when it met the embassy high officials. Baira President MAH Salim headed the delegation.

Traditionally the employers in need of less than 15 workers used to get the visas approved from the Saudi foreign ministry for a certain group of Bangladeshi individuals living in the KSA that hire the compatriot workers.

On the other hand, the employers in need of over 15 workers would contact the Bangladesh recruiting agencies that help the workers get their visas stamped by the Saudi embassy in Dhaka.

According to the new rules, all types of employers -- big or small will have to contact the Saudi recruiting agencies that are allowed to contact anybody but the Bangladeshi overseas employ-

ment agencies.

The employers offering jobs to more number of workers will, however, be allowed to contact the Bangladeshi agencies directly, but they are required to come to Dhaka for getting the visa stamped by the Saudi embassy here, Salim told The Daily Star.

"The Saudi government has resorted to the new visa processing, as it found the individual visa traders getting more workers hired to the KSA than the number of workers to whom visas are actually issued," the Baira chief said.

Baira Secretary General Ali Haider Chowdhury said the individuals in connivance with the embassy or airport officials might have engaged themselves in such fraudulent practices.

"Being concerned at such malpractices, the KSA government has tightened the visa issuing process, which, I think, will ensure accountability," said Chowdhury, who also accompanied the Baira team.

Because of such practices, many Bangladeshi workers in the KSA become illegal and undergo exploitation, said a manpower agent requesting anonymity.

There is a section of Bangladeshi nationals who compete to buy visas from the employers making the migration cost

higher, said a recruiting agent, adding that controlling the visa trading will be possible if the new process is implemented properly, he noted.

Sources in the recruiting agencies said above 60 percent of the workers go to the KSA under individual visa system. According to the Bureau of Manpower, Employment and Training (BMET), over 22 lakh Bangladeshi workers went to the KSA from 1976 to 2006.

The Baira secretary said they requested the KSA embassy in Dhaka to give green signals to the workers whose visas have already been issued by the Saudi foreign ministry. Otherwise, many workers will be in trouble, he said, adding that the embassy assured them of considering the matter.

MAH Salim said they also requested the embassy to allow the Bangladeshi recruiting agencies, which have earlier been blacklisted for irregularities in the overseas employment process, to send workers to the KSA.

The embassy said they are ready to reconsider the cases of the agencies that had minor faults, but the cases of the agencies that had been found guilty for major irregularities should be dealt at foreign ministry level, Salim said.



PHOTO: STANCHART

Osman Morad, chief executive officer of Standard Chartered Bank, and Vikram Issar, head of Consumer Banking, inaugurate the relocated Motijheel branch of the bank at Alico Building in Dhaka on Wednesday. Tanvir Haider Chaudhury, head of Shared Distribution, and other senior officials were also present at the inauguration.

## PROMOTING MFIs

# Changes in Indian income tax rules in the offing

PALLAB BHATTACHARYA, New Delhi

Seeking to ease access of the rural poor to micro credit, a committee constituted by the Indian government is understood to have recommended for changes in the Income Tax rules to promote micro finance institutions (MFIs) and reduce the threshold of foreign equity in non-banking financial services engaged in micro finance activities to attract more foreign capital to this segment.

The committee headed by former Reserve Bank of India governor C Rangarajan has also proposed that the MFIs be allowed to send the earnings of marginal and small farmer households, which migrate to more prosperous states and cities of India, for seasonal employment,

back to their homes.

The committee is understood to have assessed that these farmers remit about Rs 24,000 crore every year by money order through post offices, which charge five percent for delivering the money.

The changes in the Income Tax act suggested by the committee include allowing NGOs to invest in companies engaged in undertaking micro finance without prejudicing their tax status, including micro finance as a charitable activity to

benefit non-profit MFIs.

The committee also suggests that venture capital funds in non-banking financial companies should be allowed.

It also recommends for bringing down the threshold of foreign equity in non-banking financial companies to be brought down from 500,000 dollars at present to 50,000 dollars because several social investors are individuals with relatively modest means.



PHOTO: INSPIRATIONS LTD

Arab Bangladesh (AB) Bank Ltd has launched merchant banking and stock brokering operations at the bank's Sheikh Mujib Road branch in Agrabad commercial area in Chittagong recently. Vice Chairman Shajedur Siraj, Director SM Salauddin, Managing Director Kaiser A Chowdhury and other senior officials were present at the launching ceremony.