

Star BUSINESS

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GP offers new tariff for Smile subscribers

Leading mobile phone operator Grameenphone (GP) Ltd has launched a promotional offer for the subscribers of its 'Smile' prepaid package, says a press release.

Under this offer, Smile subscribers can choose to call any operators from 10am to 4pm at Tk 1.50 per minute instead of the regular tariff of Tk 2 per minute for calling any GP numbers and Tk 2.5 per minute for calling any operators.

To avail this offer, Smile subscribers will have to send an SMS typing 'On' to the number 1500. After receiving a confirmation SMS, the subscribers will be able to avail this offer. A monthly fee of Tk 23 (including VAT) will be automatically deducted from the subscribers' account for the service. Subscribers may revert to the regular rate any time by sending an SMS (short message system) typing 'Off' to the number 1500.

Besides, all GP Smile subscribers will also enjoy 60 paisa per minute tariff from 11.45pm to 7am. These new offers will remain valid until further notice.

StanChart enjoys double-digit profits growth worldwide

AFP, London

Standard Chartered, the Britain-based emerging markets bank, said on Wednesday that it had achieved double-digit profits and revenue growth, especially in Asia, during the first six months of 2007.

"Standard Chartered has continued to perform very strongly, building on the excellent start to 2007," it said in a trading update.

"The group has very strong income momentum, especially in Wholesale Banking. We have accelerated investment, whilst still producing very good double digit... profit growth."

Standard added: "In Hong Kong, the rate of income growth has accelerated despite competitive pressures."

Brac Bank okays 20pc stock dividend

Brac Bank Ltd has declared a 20 percent stock dividend for its shareholders for the year 2006.

The dividend was announced at the eighth annual general meeting (AGM) of the bank held on Monday in Dhaka, says a press release.

Chairman of the bank Fazle Hasan Abed presided over AGM, which was also attended by directors and managing director among others.

China eyes Airbus plants

AFP, Shanghai

One of China's major state-run aircraft makers may be interested in buying some of Airbus's plants in Europe, state press said on Wednesday, citing a senior company official.

"If a Chinese aerospace company could successfully buy or take a stake in (Airbus plants), it would contribute hugely to the development of our industry," the China Business News quoted AVIC I general manager Lin Zuoming as saying at the Paris air show.

"China would become a very competitive supplier."

BAB nominates FBCCI director



Bangladesh Chambers of Commerce and Industry (FBCCI), says a press release.

Bulbul, chairman of the Audit Committee of Exim Bank Ltd, was nominated unanimously at a BAB meeting in Dhaka on Sunday. The meeting also nominated Sajjatzul Jumna, chairman of Shahjalal Islami Bank Ltd, Md Anwar Hossain, chairman of Al-Arafah Islami Bank Ltd, Md Didarul Alam, director of First Security Bank Ltd, and Md Lutfar Rahman, vice chairman of Ific Bank Ltd, to represent BAB at the General Body of FBCCI.

The meeting was presided over by BAB Chairman M Syeduzzaman.

SoE losses shoot up 48.43pc in FY07

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The loss in state-owned enterprises (SoEs) increased by 48.43 percent in 2006-07 fiscal year, according to Bangladesh Economic Review 2007.

Bangladesh Petroleum Corporation (BPC) mainly contributed to the loss.

The 44 SoEs in the country incurred a net loss of Tk 4,228.2 crore in FY 07, which was Tk 2,848.55 crore in FY 06. Eighteen of the SoEs incurred a loss of Tk 6,127.76 crore while the rest 26 made a profit of Tk 1,899.56 crore.

The main reasons of the losses are soaring oil price in the international market and devaluation of taka against dollar, according to the review.

Among the 18 losing enterprises,

BPC alone incurred a loss of Tk 3175.19 crore. In the last fiscal, its loss stood at Tk 3167.11 crore.

Besides, the loss in a number of other SoEs also increased this fiscal year compared to the last fiscal year's. Bangladesh Power Development Board incurred a loss of Tk 1358.54 crore this fiscal year, which was Tk 938.09 crore last year. Bangladesh Biman Corporation incurred a loss of Tk 536 crore against Tk 453.26 crore in FY06.

Bangladesh Jute Mill Corporation has incurred a loss of Tk 394.17 crore, which was Tk 320.51 crore in the last fiscal. Bangladesh Chemical Industries Corporation lost Tk 350.99 crore this fiscal, which stood at Tk 249.54 crore in the last fiscal.

Bangladesh Small and Cottage Industries Corporation (BSCIC) and

Bangladesh Water Development Board (BWDB) performed better. The BSCIC made a profit of Tk 2.26 crore while the BWDB made a profit of Tk 9.6 crore this fiscal year.

Performance of Bangladesh Sugar and Food Industries Corporation (BSFIC), Dhaka Electric Supply Authority (DESA), and Trading Corporation of Bangladesh (TCB) declined this fiscal year.

The BSFIC incurred a loss of Tk 90.64 crore, which made a profit of Tk 35.99 crore the last fiscal year, while the DESA incurred a loss of Tk 19.41 crore, which made a profit of Tk 5.69 crore the last fiscal year.

Besides, the TCB lost Tk 4.96 crore this fiscal year, which made a profit of Tk 1.16 crore last fiscal year.

Turkey to host confce of world's poorest nations

AFP, Ankara

Leaders from the world's least developed countries will meet in Istanbul next month to discuss ways of integrating with the global economy and improving the welfare of their people, a Turkish official said Wednesday.

The conference, organized by several UN agencies among them the UN Development Programme, is expected to take place in the first half of July, possible on July 9-10, the source, speaking on condition of anonymity, said.

The meeting will focus on determining the needs of the poorest nations and exploring ways to increase their contribution to the global economy.

"Turkey is hosting the meeting as part of its vision to foster closer ties with African countries," the Turkish source said.

Ankara will seek the support of the attending countries to its bid for a non-permanent seat on the UN Security Council in the 2009-2010 period, the source said.

According to UN-set criteria, 50 countries qualify as the world's least developed nations, compared to 25 in 1971.

Thirty-five are in Africa, 10 in Asia, five in Oceania and one in the Caribbean.

South Korea to create fund for small firms

AFP, Seoul

South Korea's government offered Wednesday to set up a 1.08 billion dollar fund to help small- and medium-sized firms with high technology.

Finance Minister Kwon O-Kyu did not say when the one trillion won (1.08 billion dollars) fund would be set up but promised to create a better business environment for small firms.

"The government decided to create the fund aimed at supporting small- and medium-sized companies with high technology," he said at a meeting of businessmen.

Kwon said the government would take measures to ease restrictions and financial burdens on small firms.

Business groups have urged the government to improve unfavorable market conditions but in response, the government has struggled to boost corporate capital spending.

US blocks Canada complaint at WTO over farm subsidies

AFP, Geneva

The United States on Wednesday blocked a complaint by Canada at the World Trade Organisation which claims that Washington uses "trade-distorting" farm subsidies on products such as corn, trade sources said.

Canada filed the claim earlier this month, saying Washington violated WTO commitments on subsidies to a wide variety of crops including corn, wheat, soybeans, sugar, peas and beans.

In 1999, 2000, 2001, 2002, 2004 and 2005, the US exceeded its WTO commitments on subsidies by billions of dollars each year, Canada said.

The measures at issue include a broad range of agriculture subsidies and export credit guarantees, Canada added in its filing to the WTO's Disputes Settlement Body.

Under WTO rules, the dispute will automatically be heard by the DSB if Canada renews its complaint.

The US said it was "disappointed" at the Canadian move, and added there was no basis to the claims that its agriculture subsidies were trade-distorting.

RFL declares 16pc dividend

Rangpur Foundry Ltd (RFL) has declared a 16 percent dividend for the year 2006.

The dividend was announced at the 27th annual general meeting (AGM) of the company held yesterday in Dhaka, says a press release.

Chairman of the company Mahtabuddin Ahmed presided over the AGM, which was also attended by directors and other senior officials.

Govt to sign 3 deals with Bahrain to boost trade

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Bangladesh and Bahrain will sign three agreements on avoidance of double taxation, investment promotion and protection, and air services by the year-end to boost trade.

Bahrain may also recruit more semi-skilled and skilled Bangladeshi labourers. Some 75,000 workers are in the Gulf state now.

The Gulf state also showed keen interest to import pharmaceuticals from Bangladesh during a bilateral meeting between Bahrain's visiting State Minister for Foreign Affairs Nezar Sadiq al-Baharna and Foreign Adviser Iftekhar A

Chowdhury yesterday.

"Our relations will be strengthened by the signing of a number of agreements. The two countries hopefully will sign the agreement by the end of the year," said Iftekhar after a meeting with al-Baharna at the Padma state guest house on the first day of his three-day visit.

The deal on the avoidance of double taxation follows similar agreements between Bangladesh and the other countries.

The agreement on air services will help Bangladeshis restart export of vegetables and other food items to Bahrain. The export is stalled due to suspension of Bangladesh Biman flights to the island country with a

population of around 700,000.

Bahrain's state minister showed interest to import Bangladeshi pharmaceuticals, ready-made garments, and food items.

Iftekhar also asked for greater Bahrain investment in Bangladesh that will strengthen bilateral relations. Currently, Bangladesh annually exports goods worth \$4 million to Bahrain and imports \$3.5 million goods.

Bahrain's state minister is scheduled to visit Square Pharmaceuticals at the Savar Export Processing Zone, Grameen Bank projects and the Jamuna Bridge today.



Md Mahub-ur-Rahman (L), head of Corporate Banking of HSBC, Bangladesh, gestures as he talks to journalists in Dhaka yesterday.

HSBC launches product next week to facilitate export, import of SMEs

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The Hongkong and Shanghai Banking Corporation (HSBC) Ltd is set to launch a new product next week to facilitate both export and import business for small and medium enterprises (SMEs) with a special focus on apparel sector.

"The new product, 'Trade Up', is a full package for facilitating export-import business, and it will simultaneously help make a business platform for both local and international exporters and importers," said Md Mahub-ur-Rahman, head of Corporate Banking of HSBC, Bangladesh.

Under the package, businesses will get a maximum Tk 3.5 crore loan facility for trading through L/C (letter of credit), he said while talking to a group of reporters yesterday in Dhaka.

The bank has already introduced an import-related product styled 'Tradeline' to support backward linkage small and medium industries and got considerable responses from local customers, according to Mahub.

With eight branches, HSBC now commands 7 percent market share in Bangladesh in terms of handling export-import trade.

"We have strong banking network in the countries to where Bangladesh exports and from where it imports raw materials for export purposes," Mahub said, adding that HSBC's worldwide network will help the local businesspeople open L/Cs faster and export within shorter lead time.

The country's readymade garment (RMG) sector has a number of backward linkage industries, which will be benefited by the new product, he said. However, entrepreneurs from other sectors will also get assistance of the bank if they want to take advantage of the product, he added.

HSBC operates in 82 countries across the world with 10,000 offices. The bank had \$1861 billion in assets until December last year.

Mustafizur R Khan, head of Marketing & Public Relations, and M Sami Hafiz, manager of Public Relations and Corporate Social Responsibility, were also present.



Mamun Rashid (centre), Citigroup country officer-Bangladesh, addresses an orientation session on corporate governance and corporate social responsibility for journalists in Dhaka yesterday. Hasibur Rahman (left), executive director of MRDI, and Syed Ishtiaque Reza, chief news editor of RTV, are also seen.

Corporate governance seen key to protecting stakeholders' interest

Better corporate governance and corporate social responsibility (CSR) are key to protecting the interest of corporate sector stakeholders and strengthening the role of corporate houses in social welfare, an orientation session for journalists was told yesterday.

It was felt that a pro-active role of the media can promote corporate governance and CSR in Bangladesh and curb corruption, which are closely linked with corporate governance in the present day context, according to a press release.

It was also observed that corporate governance is one of the important factors determining the level of corruption.

The orientation session on "Corporate Governance and Corporate Social Responsibility" was organised by Management and Resources Development Initiative

(MRDI) under the auspices of Manusher Jonno Foundation (MJF) under a project titled "Bridging Corporate Sector and Media in Promoting Good Governance."

Mamun Rashid, Citigroup country officer-Bangladesh, said transparency, accountability, control and reputation are the four key words related with corporate governance.

He said CSR must not be confused with charity. CSR is now seen as business contribution to sustainable development, he added.

He said the CSR priorities vary from one country to another based on the core values of each country.

A total of 25 business and economic reporters from different national dailies, news agencies and electronic media took part in the session.

Yahoo forges mobile search deal with six Asian operators

AFP, Singapore

Internet giant Yahoo on Wednesday announced partnership agreements with six leading Asian mobile phone operators with a combined subscriber base of nearly 100 million.

The agreements, announced on the sidelines of the CommunicAsia 2007 industry fair, focus on the distribution of Yahoo's mobile search service known as oneSearch, first launched in the United States in January.

The six operators are Globe Telecom of the Philippines, Idea Cellular of India, LG Telecom of South Korea, Maxis Communications of Malaysia, Telkomsel of Indonesia and Taiwan Mobile.

Yahoo oneSearch gives mobile phone users quick access to news, images, financial data and weather conditions while making it easier to navigate to other websites, a company press statement said.

Yahoo oneSearch is also available in Britain, Canada, France, Germany, Italy, Singapore, Thailand and Vietnam.

IMF raises alarm on growing risks in financial markets

AFP, Washington

IMF chief Rodrigo Rato warned Tuesday that some investors are rushing with "reckless disregard" into increasingly risky assets around the globe and may be in for a shock if things go sour.

"I am concerned about attitudes to risk in some areas of the financial markets," the International Monetary Fund managing director said, according to the prepared text of a speech in Toronto.

Rato said that capital flows into emerging markets, for example, are beneficial, but that some investors may be ignoring the high risks these investments may face.

"On the face of it, there appears to be a greater willingness to take risks in financial markets, motivated in part by the search for yield and in part by greater ease in transferring risk," he said.

Rato pointed to the overconfidence of some market players: "This may reflect not so much a conscious decision to take risks as an underestimation of the extent of risks by some market participants and a reckless disregard of risks by others."

He offered the example of the proliferation of high-risk, or subprime, mortgage loans in the US housing sector during a housing boom in recent years that collapsed over a year ago.

The IMF called on central banks to scrutinize inflation risks more closely.

"The global economy is now in a position where pre-emptive action to contain inflation risks may be particularly important," he said.

Rato also expressed concern about the substantial flows of capital into some emerging countries, saying although they were welcome, "they also expose the countries concerned to an abrupt reversal of flows when sudden shocks occur."

BEIJING CONCERNED ABOUT NEW IMF SURVEILLANCE

Another report from Shanghai adds: China's central bank Wednesday expressed reservations about new International Monetary Fund rules on exchange rate policy which it believes may not reflect the views of developing countries.

The IMF released new rules last Friday aimed at overhauling its

surveillance program, under which the Washington-based international lending agency seeks to promote exchange rate stability in the global economy.

But China's central bank said in a statement that the exchange rate adjustments had a certain role to play in resolving external economic imbalances, but were not the ultimate or only policy instrument.

"Large and disorderly exchange rate adjustments will not only exacerbate external instability, but also affect the sustainability of a country's domestic economic growth, and subsequently the sustainable growth of the global economy and the stability of international financial markets," the central bank said.

"The Fund, in its surveillance over policies of members, should take into full consideration the fundamental impacts of economic globalisation... and to value the relationship between domestic economic stability and external stability."



Chairman of Brac Bank Ltd Fazle Hasan Abed presides over the eighth annual general meeting (AGM) of the bank on Monday in Dhaka. Directors and managing director, among others, were present at the AGM.

Ericsson sees faster mobile user growth in SE Asia

AFP, Singapore

Swedish telecoms giant Ericsson said Wednesday there is still room for further strong growth in mobile phone penetration rates in Southeast Asia.

The company, which defined Southeast Asia to include Bangladesh as well, said two-thirds of the region's population still did not own a mobile device of any kind which means there was pent-up demand for such services.

"In Southeast Asia, including Bangladesh, we are seeing the mobile penetration increasingly growing especially in the low ARPU

market at 5.5 million subscribers," said Jan Signell, president for Southeast Asia.

An estimated 66 percent of people in the region are not connected by mobile, he said at a media briefing held at the sidelines of CommunicAsia in Singapore.

ARPU is the acronym for average revenue per user and it is a widely used term in the telecom industry to measure how successful an operator is in maximising the earnings potential from its subscriber base.

According to Signell, the bulk of the mobile growth in Southeast Asia will come from the lower income segment where the ARPU is five US

dollars or lower.

"Ericsson believes that future revenue and subscriber growth will be from this segment of population," he said

Vietnam and Bangladesh are two countries in the region that are growing exceptionally well, said Signell.

"It's really really high growth going in Vietnam," he said, displaying computer slides that show the communist country has just a mobile penetration rate of 21 percent out of a population of above 85 million.

"It's pent-up demand in Vietnam that is large."



The 27th annual general meeting (AGM) of Rangpur Foundry Ltd (RFL) was held yesterday in Dhaka. Chairman of the company Mahtabuddin Ahmed presided over the AGM, which was also attended by directors and other senior officials.