

Stocks

DGEN	▲ 2.05%
	2,950.47
CSCX	▲ 2.10%
	6,638.76

Currencies

	Buy Tk	Sell Tk
USD	68.45	69.45
EUR	94.24	99.92
GBP	111.14	117.07
JPY	0.71	0.79

SOURCE: STANDARD CHARTERED BANK

Commodities

Gold	▲
	\$942.00 (per ounce)

Oil	▲
	\$69.29 (per barrel)

SOURCE: AFP

(As of Friday)

More News

Rise above self-interest to correct telecom ills: Minister

Post and Telecommunication Minister Rajiuddin Ahmed Raju yesterday urged telecom stakeholders to join forces to stop illegal activities in the industry. Indicating the operators' involvement in illegal VoIP (voice over internet protocol), the minister said: "No one can transmit international calls through illegal channels without having support from the industry stakeholders."

B-3

International

Trouble for Sri Lanka tea farmers



World tea prices have rocketed but along misty tea-growing mountain slopes in Sri Lanka's central hills, farmers are facing disaster. Despite production shortfalls coupled with increased demand making the daily cuppa dearer, the men and women who toil the land have little reason to cheer, for they must uproot tea bushes desiccated by a severe drought.

B-4

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Aircraft crunch clips Biman's wings



ANISUR RAHMAN

An aircraft dearth has forced national flag carrier Biman to trim its international routes.

SOHEL PARVEZ

Biman is struggling to operate flights on its existing international routes in the face of operational aircraft dearth, officials said.

The troubled airline has recently been forced to suspend flights to two destinations -- New Delhi and Bangkok -- until end-September and trimmed flights on three other routes -- Kuala Lumpur, Singapore and Karachi, as its flyable aircraft on the global routes came down to four.

The latest cutback in flights came after the carrier had returned two leased Boeing 737-800 aircraft to the lessor at a time when a couple of its aircraft remained grounded on technical glitch.

The airline, with four operational aircraft, now runs flights on 16 international routes, down from 18 a month ago.

"We had to cut flights because of aircraft shortage," Muhammad Zakiul Islam, managing director and chief executive of Biman, told The Daily

Star, yesterday.

Gripped by aircraft crunch and a poor travel demand amid recession, the carrier had earlier trimmed flights to several destinations such as Jeddah and Riyadh.

Officials said aircraft shortage has become an added problem for the losing carrier, which is suffering from a price war on several routes as its competitors are cutting down fares. A lack of traffic to Bangkok and Delhi also prompted the decision of flight suspension.

But the main cause of slashing flights to three destinations is aircraft shortage, officials said.

Biman has reduced three flights to Kuala Lumpur, two to Singapore and one to Karachi with officials expecting the situation to continue until leased planes join the Biman fleet.

Zakiul, also a former air force official, was however hopeful about a recovery from current aircraft dearth. He said the recently grounded A-310 would join the fleet within a couple of days, while another grounded DC-10

would be operational by the end of July.

"We hope to come out of the aircraft shortage within October this year," he said, adding that the carrier recently floated tenders for leasing two Boeing 737-800 and three 777-200/200ER aircraft.

But given the Biman's record of delays in procurement due to frequent changes in decisions, industry analysts found a little prospect of a quick addition of leased planes to its fleet unless the carrier takes decision faster this time.

"Recession has cut demand for flying, making aircraft available for leasing. It may continue for some more months," said Imran Asif, an aviation industry consultant.

"But Biman will have to take decision fast to get lease of aircraft as some other airlines are also looking for strengthening their fleet through leasing. Unless decision comes fast, Biman may lose its chance to address aircraft shortage," he said.

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DGEN pulls off record points

STAR BUSINESS REPORT

Dhaka stocks started the week yesterday with a big jump in prices, driven by bank, fuel and power shares.

With the rise in share prices, the benchmark index of Dhaka Stock Exchange, DSE General Index (DGEN), crossed 2900 points after more than eight months.

The DGEN shot up by 59.41 points, or 2.05 percent, to 2950.47. The DGEN closed at 2,918.55 points on October 16 last year.

The DSE All Share Price Index also went up 48.83 points, or 2.02 percent, to 2,465.93.

Arif Khan, deputy-managing director of IDLC Finance, said the market is rallying on the back of possible rate cuts in corporate tax for financial institutions by the government and investment of undisclosed money in the share market.

"The market is passing through a positive mood," he said. It is a good sign that fundamentally strong companies such as banks and power companies are dominating the trading.

In its daily market analysis, Equity Partners Limited (EPL), an investment firm, said the market looked positive throughout the day. The biggest gain was noticed in the first 30 minutes when the benchmark index went up around 40 points.

Almost all sectors, led by the banks, gained during this period. "The possibility of the banks getting a tax cut of 2-3 percentage points has fuelled gains in most banks," the EPL said.

Presently, financial institutions including banks pay 45 percent corporate tax.

Most banks gained with many of them increasing significantly. ICB Islamic Bank rose the highest 11.5 percent followed by Islami Bank with a 8 percent gain and Premier Bank with a 6.1 percent rise.

During the mid-session, the market did not move much. In the last 60 minutes, the

market started going up. "The fuel and power sector led the gain during this period," EPL said.

In the fuel and power sector, Titas Gas gained 5.2 percent, Powergrid 4.5 percent, Desco 2 percent and Summit Power 1.7 percent.

In the Beximco Group, Beximco Limited gained 2.8 percent, Bextex 1.48 percent, Beximco Pharma 7.65 percent, Beximco Synthetics 0.66 percent, BD Online 4.33 percent and Shinepukur Ceramics 1.68 percent.

Among other sectors, non-bank financial institutions, pharmaceuticals, insurance, cement, services and real estate and tannery gained.

Mutual funds however lost yesterday.

The advancers beat the losers 148 to 103. Three securities remained unchanged. A total of 3,75,46,495 shares worth Tk 775.21 crore traded on the prime bourse.

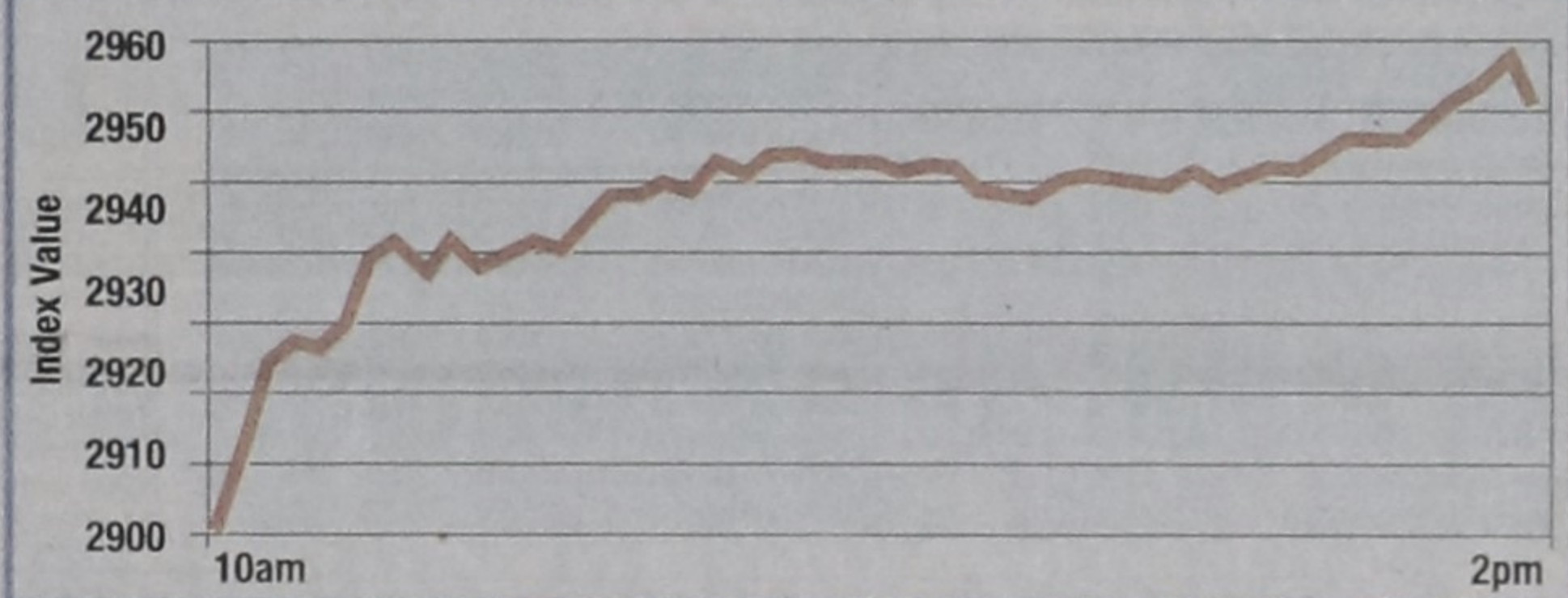
Beximco Pharma topped the turnover leaders, with 46,63,750 shares worth Tk 85.43 crore being traded, followed by Titas Gas, AB Bank, Beximco, Powergrid, Bextex, Summit Power, Islami Bank, ACI Formulations and Premier Bank.

Chittagong stocks also posted a large gain yesterday. The CSE Selective Categories Index jumped by 136.77 points, or 2.1 percent, to 6,638.76. The CSE All Share Price Index went up 203.78 points, or 2.02 percent, to 10,256.81.

A total of 67,11,387 shares worth Tk 96.59 crore changed hands on the Chittagong Stock Exchange. Of the traded issues, 109 advanced, 61 declined and three remained unchanged.

Beximco Pharma topped the turnover leaders on the port city bourse with 7,32,600 shares worth Tk 13.43 crore being traded. The other turnover leaders were AB Bank, Bextex, Beximco, Titas Gas, Islami Bank, Lanka Bangla Finance, Square Pharma, Summit Power and ACI Formulations.

DSE GENERAL INDEX



Sirajganj handlooms in crisis

HASIBUR RAHMAN BILU, back from Sirajganj

Most of the handloom owners in Sirajganj district, devastated by a two-month-long flood in 2007, have been reeling under an acute financial crisis for the last two years with many marginal and midlevel owners burdening themselves with a huge pressure of loans.

After the flood that submerged the entire district in July that year, the local Handloom Board estimated a loss at Tk 126 crore in the sector of the district, and said more than 5 lakh sector people were affected and 1.55 lakh looms were damaged.

In Belkuchi, Ullapara, Shahjapur and Sirajganj Sadar upazilas of the district, thousands of marginal handloom workers and traders have still been under pressure of loans since the flood.

Sirajganj District Handloom Owners' Association President Md Haidar Ali said there is not a single marginal or midlevel handloom owner in the district who



Most of the handloom owners in Sirajganj district have been reeling under an acute financial crisis since a 2007 flood devastated the handlooms in the region.

is not burdened with loan.

The government should offer Tk 150 crore to bring the handloom business in Sirajganj district to life, he said.

Haider Ali said the entire economy of the district was shaken by the destruction in handloom sector as the district's economy depends largely on handlooms and related business.

Bangladesh Handloom Board's Sirajganj liaison officer Md Sultan Mahamud said the marginal and midlevel handloom owners resumed their weaving

business borrowing money from several sources including relatives.

"At least 1.35 lakh handlooms have restored operations in the district borrowing money from banks and other sources at high interest, which has become a burden on the owners," said Sultan.

Earlier the government disbursed Tk 1.04 crore among the handloom owners in the district for rehabilitation, he added.

Rafiqul Islam in Shahjapur upazila said his 15 units of handlooms were

affected by the flood. "I have restored all the units borrowing Tk 20,000," said Rafiqul.

"The government employees listed my name as a flood-affected handloom owner, but I am yet to get any money," he said.

"Before the flood I used to sell shuttles (locally known as Maku) worth Tk 4,000 on every market day, but the amount has come down to Tk 800 now," said Ramjan of Bera upazila in Pabna district who has been involved with shuttle business for the last 10 years.



Advanced Chemical Industries Limited
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Price Sensitive Information

ACI 20% CONVERTIBLE ZERO COUPON BONDS

We are pleased to announce that the Securities and Exchange Commission (SEC) in one of its meeting on 28 June 2009 has given its consent for Private Placement of **ACI 20% Convertible Zero Coupon Bonds**. As per the consent letter for Private Placement, ACI shall issue 8,01,510 Bonds valuing Tk. 801.51 million, representing 60% of total issue.

The major features of the Bonds are as follows

Name of Bonds	: ACI 20% Convertible Zero Coupon Bonds.
Issuer	: ACI Limited.
Total Issue Size	: Issue value Tk. 1 billion and face value Tk. 1.34 billion.
Discount Rate	: 10.5%.
Mode of Issue	: 60% Private placement and 40% IPO.
Maturity	: 5 Years with yearly redemption.
Convertibility	: 20% of the redemption value can be converted into the Ordinary shares of ACI Limited at each maturity date.
Conversion Strike Price	: 1.1 times of the net asset value per share as per the last audited financial statements.

By Order of the Board
Sd/-
Sheema Abed Rahman
Company Secretary

Dated: 28 June 2009

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