

Stocks	
DGEN	0.30% 2,950.12
CSCX	0.34% 6,634.94

Asian Markets	
MUMBAI	0.74% 15,551.19
TOKYO	0.36% 10,530.06
SINGAPORE	0.13% 2,596.39
SHANGHAI	0.60% 2,683.72

Currencies	
Buy Tk	Sell Tk
USD	68.42 69.42
EUR	96.18 101.39
GBP	109.42 114.83
JPY	0.72 0.81

SOURCE: STANDARD CHARTERED BANK

Commodities	
<b>Gold</b>	▼
	\$951.80 (per ounce)
<b>Oil</b>	▼
	\$70.53 (per barrel)

SOURCE: AFP  
(Midday Trade)



## GP official steps down

STAR BUSINESS REPORT

Grameenphone (GP) yesterday confirmed that Rubaba Dowla resigned from her position as the company's chief communications officer (CCO) on personal grounds.

Kazi Monirul Kabir has been appointed as the new CCO, effective from yesterday, the country's largest mobile phone operator said in a statement.

"I have resigned today," said Rubaba, while talking to The Daily Star yesterday.

Earlier chief financial officer Arif Al Islam had stepped down citing personal reasons.

About the resignation, Rubaba said: "Leaving Grameenphone has not been an easy decision, but I have decided to move on to pursue other interests."

Rubaba, who was appointed CCO in January this year, had been with the company's marketing division for more than 11 years.

Kabir, the new CCO, joined Grameenphone in April last year as head of regional sales. He has also been a member of the sales and marketing management team.

GP CEO Oddvar Hesjedal said: "Rubaba has delivered a remarkable contribution to the development of Grameenphone over the years."

## Contact Us

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# Egg imports rattle farmers

SOHEL PARVEZ

A fear of loss from price competition haunts poultry farmers as eggs from India started rolling in after the government lifted restrictions on imports in efforts to weigh prices down in local markets.

Apprehensions over uneven competition have dampened forward bookings for day-old layer chicks, which farmers buy to start another cycle of production, breeders said.

The import of egg had been on hold for 16 years.

"It's tough out there. Prices have started falling with the arrival of imported eggs. I wonder whether I can sustain for long," said Suruz Gomez. He rears 3,200 eggs a day from 3,500 layer birds at his farm in Savar. "I sold each egg for Tk 4.50 on Monday, down from Tk 4.90 a day before."

Gomez has been receiving low prices from falling demand for eggs with the start of Ramadan.

The price of a set of four eggs was Tk 32 for more than a month to mid-August. The same is now selling for Tk 26 at retail level. Producers said a rise in production and the entry of imported eggs caused the supply to rise and consequently, prices to fall.

"The price I received on Monday was below my production cost of Tk 4.60 apiece. My main concern now is not to profit but to be able to manage funds to buy feed."

Profit or loss, Gomez has to pay a Tk 42,000 instalment against a Tk 9 lakh loan he took from a local microcredit organisation to invest in farming.

If the cost of feed had been low, he still could have enjoyed a certain level of profits, he said.

"Early this year, I bought a kilogram of feed at Tk 18, which now sells at Tk 26. I have to feed a bird for 25 weeks before it matures enough to lay eggs," Gomez says.

Gomez represents tens of thou-



A customer buys eggs at a kitchen market in Dhaka. Poultry farmers are disheartened by the imports of eggs from India.

sands of anxious poultry farmers in suburban and rural areas who fear price competition, losses and a rapid outbreak of bird flu because of the imports from India.

Producers and industry operators held the supply crunch and middlemen responsible for such a rise in prices.

Much of the blame was on profiteering farmers, but producers they have little control over the distribution channel of their output and prices charged at consumer levels.

In case of inputs, such as day-old chicks and feed, farmers remain vulnerable to the price charged by breeders and feed millers.

"The reality is that we are cheated by all -- from breeders and feed millers to egg sellers," said Khandker Md Mohsin, general secretary of Bangladesh Poultry Khmar Rakkha Jatiya Sangram Parishad.

"Now the government stands in our way," he said.

Imported eggs arrived in Bangladesh at a time when many farmers, who suffered losses due to the bird flu outbreak earlier, were about to reopen their farms. They were inspired by improvements in the bird flu situation and relatively better prices due to a supply crunch in the market.

The bird flu outbreak, which swept the poultry industry in 2007 and early 2008, forced nearly a half of 1.5 lakh poultry farms to shut.

"Farmers that closed their farms in the bird flu outbreak were desperate to reopen business," said Mashiur Rahman, coordinator of Bangladesh Poultry Industries Coordination Committee.

"The government should have considered our forecasts of increased supply by October and

November, before allowing imports," said Syed Abu Siddique, president of Bangladesh Poultry Industries Association.

Md A Saleque, general secretary of World Poultry Science Association-Bangladesh, said the government should have observed the price situation for some more time before opening imports.

According to customs officials at the Benapole Land Port, the price of an egg in the first consignment of 2,99,880 eggs has been quoted at Tk 2.29.

"Farmers are already trading carefully before beginning a new cycle of egg production. In the last week, there was declining demand in advance bookings for day-old chicks," said Rayhan Chowdhury, manager (human resources and administration) of CP Bangladesh, a leading breeder.

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# 11 firms seek rating licence

SAJJADUR RAHMAN

Nearly a dozen firms have lined up for licences from the Securities and Exchange Commission to run rating agencies.

The licensing authority is now under pressure as 11 firms have joined the race to become new licensees. The number is several times higher than in India and China, which are by far larger markets than Bangladesh.

Currently, only two local rating firms are in operation, while the number is only four in India, three in China, and two each in Pakistan, Sri Lanka and Malaysia. Only 62 credit rating firms exist in the whole world.

"Rating quality may go down with the approval of more firms. Ethical code might not be followed like what is happening with the auditing," anticipates Muzaffar Ahmed, managing director of CRISL.

The other firm is Credit Rating Agency of Bangladesh or CRAB.

Expressing an identical view on the possible crowd in rating agencies, CRAB Managing Director Hamidul Haque said, "It won't be prudent to allow more firms at the moment."

The aspirant licensees are: Dun and Brad Street Rating Agency Bangladesh, Centre for Credit Rating and Allied Services, KP-Rahman Credit Rating and Risk Management Services, Financial Services and Rating Agency, Emerging Credit Rating, WASO Credit Rating Company, Business and Credit Development Services, National Credit Ratings, Argus Equity and Credit, JS Credit Development Services and 5WD Credit Solutions.

Such agencies' main job is to compile information and issue public credit ratings for companies and big individual clients.

The role of such rating firms had come under fire after financial crisis gripped the world. Many, including President Barack Obama of the United States, blasted those for their failure to detect the worsening financial market conditions. These firms could not even adapt their ratings on time, they said.

Risks like structured credit products or derivatives and hedge funds fuelled the global crisis.

However, the financial tsunami prompted many countries to introduce new stringent rules to control the rating firms. In April, the European

## BY THE NUMBERS

**62** Total credit rating agencies in the world

### Number of firms in Asian countries:

4	3	3
India	China	Korea
2	2	2
Pakistan	Sri Lanka	Malaysia
	2	
	Bangladesh	

**11** New licence seekers in Bangladesh

Parliament enacted rules to ensure transparency and independence of credit rating.

Against this backdrop, the existing firms and experts raised concern over new entrants.

Matiul Islam, vice chairman of CRAB, in a letter last month asked the SEC to consider some issues before licensing new firms.

"Two firms, now in operation, are yet to generate enough volume of work or business. Entry of a 3rd and 4th rating agencies would only result in cut-throat competition. It will also adversely affect the rating capability," Islam said.

"We recommend that the SEC should allow each of the two rating agencies to reach an annual gross revenue of above Tk 6 crore before considering induction of a new agency," Islam, who is also the chairman of IIFDC, a finance and leasing company, wrote in the letter to the SEC chairman.

Gross revenues of CRISL and CRAB were only Tk 2.14 crore and Tk 1.37 crore in 2008.

"The applications are now under perusal," said Ziaul Haque Khondker, chairman of SEC, also the stock market regulator.

However, he hastened to add that many, particularly the banks, demand that more rating agencies come into being. [sajjad@thedailystar.net](mailto:sajjad@thedailystar.net)

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