

Stocks	
DGEN	0.85% 4,414.34
CSCX	0.88% 8,296.85

Asian Markets	
MUMBAI	1.29% 16,877.16
TOKYO	0.22% 10,083.48
SINGAPORE	Flat 2,798.70
SHANGHAI	0.86% 3,274.46

Currencies	
Buy Tk	Sell Tk
USD	68.60 69.60
EUR	99.10 103.36
GBP	110.43 114.84
JPY	0.75 0.80

SOURCE: STANDARD CHARTERED BANK

Commodities	
 Gold	\$1,117.55 (per ounce)
 Oil	\$69.65 (per barrel) (Midday Trade)

SOURCE: AFP

New president for MCCI



M Anis Ud Dowla
STAR BUSINESS REPORT

M Anis Ud Dowla, chairman of MCCI Group of Companies, has been elected the new president of Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka for 2010.

The election was held yesterday, said a statement of the chamber.

The newly elected president replaces Abdul Hafiz Choudhury, a senior partner (non-executive) of Rahman Rahman Huq, Chartered Accountants, a member firm of KPMG International, one of the top four accounting firms in the world.

A leading entrepreneur, Anis has investments in pharmaceuticals, chemicals, insurance, motor vehicles, foods, agricultural equipment and seeds.

Previously, he led the MCCI for three terms in 1977, 1978 and 1995 and was the president of Bangladesh Employers' Federation from 2003 to 2005, said the statement.

Syed Nasim Manzur, managing director of Apex Adelchi Footwear Ltd was re-elected vice president of the chamber.

The other members of the committee are Syed Abu Naser Bukhtear Ahmed, managing director and CEO of Agrani Bank Ltd, Syed Tareque Md Ali, managing director of Kushtia Cold Storage Ltd, Abdul Hafiz Choudhury, senior partner (non-executive) of Rahman Rahman Huq, Anjan Chowdhury, managing director of Square Consumer Products Ltd, Maj Gen (ret'd) Amjad Khan Chowdhury, managing director of Agricultural Marketing Co Ltd, M Azizul Huq, managing director of Glaxo Smith Kline Bangladesh Ltd, AKM Rafiqul Islam, managing director and CEO of Pragati Insurance Ltd, Nihad Kabir, senior partner of Syed Ishtiaq Ahmed & Associates, Anis A Khan, managing director and CEO of Mutual Trust Bank Ltd, Golam Mainuddin, chairman of British American Tobacco Bangladesh Company Ltd, and Mamun Rashid, managing director and Citi country officer of Citibank NA.



Dr Atiur Rahman (extreme left), governor of Bangladesh Bank, speaks at a discussion on "Operationalising Pro-Poor Growth: Research-Policy Links" at Dhaka Sheraton Hotel yesterday. Prof Wahiduddin Mahmud, an economist, AMA Muhith, finance minister, Dr Mashiur Rahman, adviser to the prime minister, and Dr Mustafa K Mujeri, director general of Bangladesh Institute of Development Studies, are also seen. (Story on B3)

Bharti Airtel scopes out Warid

MD HASAN

Indian telecom giant Bharti Airtel has sought the regulator's approval to buy a 70 percent stake in Warid, the fourth largest mobile company in Bangladesh.

The value of the deal could approximate \$900 million, according to Warid officials.

The company has also placed a \$300 million initial investment plan to Bangladesh Telecommunication Regulatory Commission (BTRC), which will be implemented after signing the deal.

The BTRC received Bharti Airtel's letter on Sunday. The commission also got a letter from Abu Dhabi Group, the owning company of Warid.

"We have received a letter from Abu Dhabi Group that said it wants

to sell a 70 percent stake in Warid Telecom in Bangladesh," Zia Ahmed, chairman of BTRC, told The Daily Star yesterday.

However Warid officials declined to give further details of the possible tie-up.

The BTRC chairman said: "We will soon call officials from both the companies to get details."

The issues over the sale of Warid stake were discussed much in the last few months in the industry, as the company is not performing in line with its expectations. Talks over the sale hot up as another Indian telecom operator, Essar Group, acquired the majority share in Warid's operations in Africa.

Essar Group acquired the operations in Uganda and Congo at \$318 million.

Earlier Warid officials had said it was on the lookout for a partner to raise fresh capital for investment in its next phase of operations in Bangladesh.

Warid made its Bangladesh debut as the sixth mobile operator in May 2007 and has roped in 2.79 million subscribers until October. Partnership is crucial to Warid as its investment cost is higher than other operators because of 'discrimination' in frequency allocations, said the officials of the company.

"We are willing to invite a partner, as a huge investment is required to take our operations to the next level," said Muneer Farooqui, chief executive officer of Warid Telecom, in an exclusive talk with The Daily Star in May.

Several companies, such as SingTel, Vodafone and Etisalat, had

also approached Warid to form a partnership in Bangladesh.

Among the bottom three operators, Warid is a lucrative option for prospective investors, as the company is the lone owner of the next generation networks. However the company's network expansion plans have been disrupted due to a lack of frequency.

Bharti Airtel is one of the Asia's leading providers of telecommunication services with presence in all the 22 licensed jurisdictions in India, and in Sri Lanka. It served an aggregate of 113,439,670 customers as of September 30, according to the company website.

The company also deploys, owns and manages passive infrastructure pertaining to telecom operations under its subsidiary Bharti Infratel Ltd. hasan@thedailystar.net

Paddy price rises on speculation



A better price of rice is expected to help farmers overcome the fair price denial they faced during the immediate past Boro season.

SOHEL PARVEZ

Paddy prices have shot up on speculative production shortfall of Aman, the second biggest crop, because of late arrival of rain, pest attacks and delayed harvests, say market players.

Farmers became happy, at least a better price will help many of them overcome the fair price denial they faced during the immediate past Boro harvest season, but consumers are now to bear the brunt of paying extra to buy a kilogram of staple.

The rice market has responded to the hike this week, according to the official retail price data.

"Aman paddy is now selling at Tk 570 per maund (40 kilogram). It will at least enable me to sustain the unhappiness for receiving a low price during Boro season," said Sohel Khandoker, a farmer at Mahiganj, Rangpur.

Khandoker, who transplanted rain-fed Aman on about 8 acres of

land, said the present price would provide him a margin.

Growers, mainly marginal ones, say they were denied fair price due to some factors that include record output of Boro and slack government procurement drive.

Now paddy prices equal to, or cross Tk 14 a kg, the procurement price the government has fixed, but the farmers were forced to sell their produces at Tk 9.86-10.40 in June to traders when the government rate was in place but a sloth gripped the procurement.

Traders and millers say farmers started getting higher price since early this month after harvesting began in a full swing in different parts of the country, with many fearing a yield lower than their expectations.

"Yield per Bigha appears to be low. I anticipate many of my neighbours who fail to irrigate properly and encountered pest attacks will count low yield," said Mamtaz Hossain, a farmer at Mohadebpur,

Naogaon.

Like India, farmers in Bangladesh failed to transplant aman seedlings on time due to late arrival of monsoon this year. A late monsoon in September-October gave many farmers a slim chance to redeem aman prospect but at the same time pest attacks cast a gloomy scenario.

"The information we receive gives a bleak aman prospect due to low yield that has led to a price hike," said Nirod Boron Saha, general secretary of Naogaon Dhan-o-Chal Aratdar Babosayee Samity, a trade body of paddy and rice wholesalers.

"The price of Aman paddy has increased to 120 per maund this year," he said, blaming late rain and drought which forced many farmers in Naogaon and other northern region to suspend aman transplantation.

Traders and rice millers are purchasing coarse variety of aman paddy at Tk 560-580 per maund (40

kg) from farmers.

In some districts, where production is very low, prices have gone as high as Tk 600 a maund, said KM Layek Ali, convener of Bangladesh Rice Mills Association.

"There is no reason for price hike of paddy, except production shortfall. I hope, price will not spike too much in the days ahead," said Abdur Rashid, managing director of Rashid Agro-food Products Ltd, a leading rice seller.

Md Sayeed Ali, director general of Department of Agricultural Extension, however differed with the view of rice traders and millers saying that aman output would not go below the previous year's.

"We rather expect to achieve the target of 1.27 crore tonnes of paddy output this year," he said, citing that acreage stood at 55 lakh hectares this year from 54 lakh hectares a year ago.

In the previous year, aman output stood around 1.16 crore tonnes. sohel@thedailystar.net

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Janata submits Tk 1,000cr IPO plan

STAR BUSINESS REPORT

Janata Bank has submitted a Tk 1,000 crore IPO plan to the market regulator for approval.

The state-owned commercial bank put forward its IPO (initial public offering) prospectus to the Securities and Exchange Commission (SEC) early this week, said a senior SEC official.

The bank's IPO, if approved, will be the largest public offering that will surpass the Grameenphone's offering of Tk 972 crore including IPO and pre-IPO.

The bank will raise the amount through floating one crore ordinary shares of Tk 100 each at an offer price of Tk 1,000 that shows Tk 900 as premium per share.

With the existing paid-up capital of Tk 375 crore, the bank has sought the premium considering its high net worth fundamentals such as asset value, earnings and brand value.

As of December 31 of 2008, the bank's net asset value per share was Tk 350 and earning per share was Tk 121.

ICB Capital Management Ltd is the issue manager of Janata Bank IPO.

Janata, the second biggest commercial bank after Sonali, will be the second state bank to be listed on the stock exchanges with Rupali Bank being the first.

The bank was turned into a public limited company in November 2007 in a bid to bring more efficiency and transparency in its activities.

The two other state-owned commercial banks -- Sonali and Agrani -- also became public limited companies at the same time with the same purpose.

Janata, which was nationalised in line with Bangladesh Bank (Nationalisation) Order 1972 immediately after the country's independence in 1971, has now 849 branches across the country.

However, it may not be so easy for Janata Bank to get SEC nod, as the market regulator is now stuck in indecision over such approval following a government decision on IPO floatation.

The finance ministry at a meeting on November 5 decided that from now a company will have to go for IPO with minimum shares equivalent to 40 percent of its paid-up capital. The SEC has also been directed to go by the new decision.

The restriction has already pushed at least four companies' IPOs into uncertainty with Janata Bank being the latest.

RAK Ceramics, Beacon Pharmaceuticals, LSI Industries and Industrial and Infrastructure Development Finance Company Limited (IIDFC) have been awaiting a nod from the regulator for months after submitting their IPO prospectuses.

Post offices to go automated

STAR BUSINESS REPORT

The country's post offices will go under automation within a year, breathing a new life into the technology-lagged department.

Bangladesh Post Office has teamed up with Synesis IT, a local information technology firm. Under the Tk 32 crore deal signed between the two sides yesterday, as many as 84 post offices, including the principal ones, in 64 districts countrywide will go automated.

AKM Shafiu Rahman, additional director general (planning) of Bangladesh Post Office, and Shohorab Ahmed Chowdhury, managing director of Synesis IT, inked the agreement.

Experts think the new system will help remove the prevailing anomalies and corruption in postal services.

Synesis IT will build the required software solutions for post office automation, a device that facilitates a customer's access to monitoring his or her status when any service is asked for by signing in respective accounts.

Customers will get faster money transfer and other postal services. The government's postal services have weakened in the last few years, as other alternative handy technologies like mobile phone hit the market.

At present, 9,876 post offices are providing services to the people across the country. The services include letter and document delivery, domestic mail service, emergency mail service, domestic express service, electronic mail service, postal life insurance, savings certificate and money order.

Speaking at the signing ceremony, Posts and Telecommunications Minister Rajiuddin Ahmed Raju pointed his finger at the age-old legal framework for Bangladesh's post office.

"The act of 1898 is now under review and will be amended in a way that the post office authority can do whatever it deems necessary for offering people better services," the minister said.

Elaborating the two-phase automation, Synesis MD said firstly the new technology will be installed, and then postal officials will go for a massive training to adapt to it.

"Adaptation to the new system will be the main challenge for the officials accustomed to traditional devices," said Shohorab Ahmed Chowdhury.

Hasanul Hoque Inu, chairman of parliamentary standing committee on the Ministry of Posts and Telecommunications, was also present.

MTB's 38th branch opens
at Hazi Idris Plaza, 612, Islampur Road, Boro Bazar, Feni 3900

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