

Two IPOs get SEC nod

STAR BUSINESS REPORT

The stockmarket regulator yesterday approved the IPO prospectuses of a cement producer and a plastic goods manufacturer.

The Securities and Exchange Commission also gave green light to three listed companies to offer rights shares and another one to issue preference shares.

SEC Executive Director Anwarul Kabir Bhuiyan made the disclosure after its meeting, chaired by Ziaul Haque Khondker, chairman of the market watchdog.

MI CEMENT IPO

MI Cement Factory Ltd, manufacturer of Crown Cement, will float three crore ordinary shares of Tk 10 each using the book building method, a modern pricing mechanism for initial public offering (IPO).

The indicative price of each MI Cement share has already been fixed at Tk 93. Now under the book building system, eligible institutions will be allowed to quote 20 percent up or down from the indicative price for each share. It means investors will be allowed to offer prices between

Tk 74.40 and Tk 111.60.

The cement maker will raise fund through the IPO for business expansion.

Earning per share (EPS) of MI Cement as of 2009 was Tk 1.27 and net asset value (NAV) per stock was Tk 15.78. The company will be the eighth listed cement manufacturer on Bangladesh stockmarket.

DESHBANDHU POLYMER IPO

Deshbandhu Polymer Limited, a leading plastic bag manufacturer, will float 1.6 crore primary shares of Tk 10 each using the fixed price method. It means the company will raise a Tk 16 crore fund from share of floating.

With the IPO proceeds, the company will go for BMRE (balancing, modernisation, renovation and expansion).

Deshbandhu Polymer, the existing paid-up capital of which is Tk 24 crore, produces woven bags and other kinds of bags needed mainly in poultry feed plants, fertiliser factories, cement, foodgrains and chemical factories.

The EPS of Deshbandhu Polymer, as of April, was Tk 3.47.

Presently, Sinobangla, National Polymer and Miracle Industries are the listed companies that are involved in

production of plastic goods.

AL-ARAFAH BANK'S RIGHTS OFFER
Al-Arafah Islami Bank will offer one rights share for every one share at a price of Tk 100.

The bank will issue the shares to raise its paid-up capital to match with BASEL-II requirement.

GOLDEN SON'S RIGHTS OFFER

Golden Son will also offer one rights share for every one share at a price of Tk 30, including Tk 20 as premium.

The company will use the raised fund for business expansion, including financing its projects solar-based lighting and computer casing manufacture.

JAMUNA BANK'S RIGHTS OFFER

Jamuna Bank will offer one rights share for every three shares at a price of Tk 100 each.

The bank will issue the shares to raise its paid-up capital in line with BASEL-II requirement.

PEOPLE'S LEASING PREFERENCE SHARE

The People's Leasing and Financial Services Ltd will issue 12 crore fully convertible preference shares of Tk 10 each.

On conversion to tradable shares, there will be a lock-in period of one year.



Prime Minister Sheikh Hasina presides over a cabinet meeting at the secretariat in Dhaka yesterday. The new industrial policy was high on the agenda at the meeting. Related stories on B1



Sanjay Prakash, chief executive officer of HSBC in Bangladesh, poses with female golfers after handing over 12 full sets of Srixon golfing gears at Kurmitola Golf Club in Dhaka recently.

DSE alerts all against forgery on membership

STAR BUSINESS REPORT

The prime bourse yesterday alerted all concerned not to deposit any money to any bank or make any deal on membership licence.

On receipt of allegation of forgery, the Dhaka Stock Exchange made such alert.

DSE said it received some letters through fax that were handwritten on forged pad of the bourse. The name of the bourse's president and his fake signatures were also used in those letters.

It described such dispatch of letters as 'completely illegal' and 'unauthorised'.

"As DSE is a limited company, it cannot sell membership licence anytime," said its president Md Shakil Rizvi.

If it plans to raise capital by selling licences, it will have to obtain approval from the DSE board meeting first and then from any extraordinary general meeting, Rizvi explained. Only then, bidding is invited through public advertisement, he further said.

"Without following these processes, no one even the government cannot sell a licence."

A faxed letter, which was sent to Munaim A Aziz of Real Options Ltd

read: "As per a decision of the finance ministry, you're awarded a membership licence of the Dhaka Stock Exchange. You're requested to fulfill the necessary conditions for obtaining such membership."

"The conditions are: Clearance certificate of Tk 22.50 crore from the National Board of Revenue; clearance certificate from Anti-Corruption Commission; depositing Tk 22.50 crore against a code number of 10901-0001-2081 with Bangladesh Bank; and receiving documents of the membership licence from the Dhaka Stock Exchange after submitting money receipt," the letter read.

Indian bank staff plan one-day strike

REUTERS, Mumbai

About 1 million employees of Indian banks plan to go on a one-day strike on Tuesday to protest a host of issues including foreign direct investment in public sector banks and entry of foreign banks amongst others.

The strike has been called by the All India Bank Employees Association (AIBEA) in support of the strike call given by the National Convention of Central Trade Unions, AIBEA said in a press release.

Citi CEO receives leadership award



STAR BUSINESS DESK

A leading news organisation in India has named Citigroup Chief Executive Officer Vikram Pandit Global Business Leader of the Year.

The award, part of NDTV Profit's annual Business Leadership Awards, was announced at a ceremony chaired by India's Finance Minister Pranab Mukherjee in Mumbai, the bank said in a statement received yesterday.

"I am happy to accept this award on behalf of my 259,000 colleagues around the world, without whom Citi's transformation would not have been possible," said Pandit while accepting the award.

Earlier in July, he received the inaugural Banker of the Year Award in the annual Euromoney Awards for Excellence.

Inflation situation not worrisome: Muhith

UNB, Dhaka

As the inflation in the last fiscal rose to 7.31 percent, Finance Minister AMA Muhith on Monday said that the inflation situation in the country now is not worrisome and also not a big concern for the people.

"Inflation is not worrisome; yes, it has increased and it's true. It is a response to international situation but it is not a big concern for us," he told reporters after a meeting with an IMF delegation at his secretariat office.

The minister said the government is doing everything to contain inflation. "The first step we took was we increased the supply of products to the market for which the prices of essentials didn't shoot up in this Ramadan. Secondly, the Bangladesh Bank is controlling the money market."

According to recent data of Bangladesh Bureau of Statistics, inflation was 7.31 percent in last fiscal year (2009-10), up from government's target of 6.5 percent.

The inflation was 6.66 percent in 2008-09 and 9.93 percent in 2007-08. The food inflation was 8.53 percent and the non-food inflation 5.45 percent in 2009-10 fiscal year.

The government had a target of containing inflation in last fiscal year, on average within 6.5 percent, but in June the point-to-point inflation stood at 8.70 percent.

The inflationary indexes maintained its rise in June with an increase in food prices.

In June 2010, point-to-point inflation stood at 8.70 percent, up 0.05 percent from 8.65 in May.

According to BBS data, food inflation in June rose 0.16 percent to 10.88 while non-food inflation dropped by 0.10 percent to 5.24.

In rural areas in June, the inflation was 8.74 percent while the food inflation was 10.40 percent and non-food inflation 5.58 percent.

The inflation was 8.57 percent in June in urban areas while the food inflation was a bit higher at 11.97 percent and non-food inflation at 4.36 percent.

Nokia bets on new smartphones

REUTERS, Helsinki

Nokia, the world's biggest cellphone maker by volume, will introduce new smartphone models next week at its annual media and industry event, aiming to assure investors the company is on track to recovery.

Nokia, whose profits and share price have dived in the last few years, is now betting on the renewal of its line of smartphones, which could save the career of embattled CEO Olli-Pekka Kallasvuo.

The cellphone maker will unveil its new flagship model E7, which comes with a large touchscreen and full keyboard, at the show in London, two sources with direct knowledge of Nokia's plans told Reuters.

Nokia will also introduce to the public its new N8 model, which is the first phone to use the new Symbian 3 software, along with other new smartphones, the sources said.

The N8 -- unveiled in April and due to go on sale later this month -- stands out among its rivals for its 12 megapixel camera but has a slower processor than Samsung's top model Galaxy S and the latest iPhone.



Grameenphone Chief Executive Officer Oddvar Hesjedal, third from right, poses after signing deals with three solar power producers at a programme in Dhaka yesterday.

GP signs solar power deals

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Mobile phone operator Grameenphone has signed agreements with three companies to purchase solar power to operate its off-grid base station sites.

Grameenphone is the first telecommunication company in Bangladesh to use solar power in a large scale, GP said yesterday.

Oddvar Hesjedal, chief executive officer of GP; MA Reaz, director for marketing of Cosmos Energy Services; Mohammad Ali Sarker, managing director of InGen Technology; and Amajit Gupta, head of sales and marketing for South Asia of Acme Tele Power, signed the deals.

The suppliers will install and maintain solar panels at Grameenphone's base transceiver stations (BTSs).

GP will buy electricity on a unit consumption basis for 10 years with a buyback option after that period.

The mobile operator will use solar power at

140 sites by 2010. When completed, up to 1.15 million litres of diesel will be saved a year and annual carbon emissions will be reduced by 3,062 tonnes.

"We're targeting to create the largest solar-powered cell network in the region," said Hesjedal.

"We are very committed towards the 'Green' revolution in network part and we look at it in a business viable mode to gain long term sustainability."

GP has set a target of reducing 30 percent of its emissions by 2015 from the business as usual situation considering 2008 as the baseline.

It has been experimenting with renewable energy for last few years and installed 14 solar powered and one wind powered BTS so far.

The company's green initiatives were acclaimed internationally and it won "Green Mobile Award" at the GSMA Asia Mobile Awards 2009.

City Bank gets new HR head



STAR BUSINESS DESK

City Bank has appointed Abdu Salam Bhuiyan as head of human resources (HR), says a statement yesterday.

Prior to joining City Bank he served Grameenphone as additional general manager and head of HR division operations.

Bhuiyan, a postgraduate from Rajshahi University, holds a PGD in personnel management from Bangladesh Institute of Management and also completed Telenor Core Leadership Programme in collaboration with Stockholm School of Management, Sweden.

He is the founder fellow and president of Bangladesh Society for Human Resources Management.



Mohammad Mamdudur Rashid, deputy managing director of BRAC Bank, and Taskin Ahmed, sponsor director of IFAD Autos, have recently signed a deal to provide special loans to the bank's customers to buy commercial vehicles from IFAD Autos.

China vows to increase foreign imports

AFP, Beijing

China has vowed to make it easier to import goods into its huge market as Beijing seeks to address controversial trade surpluses with its trading partners, a report said Monday.

Beijing will "loosen its regulation of imports, cut import costs and make import financing easier for domestic companies," among other measures, said Chong Quan, a top trade official, according to Dow Jones Newswires.

Chong, who is the commerce ministry's deputy China International Trade Representative, added that the government will encourage imports from nations with which it is running a trade surplus, the report said.

China also will actively import energy, advanced technology and other equipment, Chong said at a trade forum in the capital.

The report did not mention any further details of measures China would take.

China overtook Germany last year to become the world's top exporter. Its foreign exchange reserves stood at 2.45 trillion dollars at the end of June -- also the largest in the world.



Dr Bandana Saha, director general of Bangladesh Bank Institute of Bank Management, and Syed Imtiaz Hasib, deputy managing director of Southeast Bank Ltd (SEBL), pose with the participants of a foundation training course, organised by the institute for SEBL's new recruits, in Dhaka on Thursday.