

Atiur stresses credit rating

National Credit Ratings launched

STAR BUSINESS REPORT

Bangladesh Bank Governor Atiur Rahman yesterday said nearly 20,000 medium and large companies have to be rated to comply with Basel II regulations.

"Banks have to cover higher risks if their clients are not rated by an external credit rating agency," Rahman told the inauguration of National Credit Ratings Ltd at Pan Pacific Sonargaon Hotel in Dhaka.

He said a rated company has to spend less on commissions or bank charges to open LCs, and for settlements. "It will also help reduce the cost of doing business."

The number of raters reached three with this new firm, following CRISL and CRAB.

More than 10 firms were vying for licences from the regulator after the central bank set a guideline for the credit rating for the big clients of a bank, as a norm under Basel II regulations.

Experts favour the existence of more such firms in the market to facilitate implementation of the Basel II norms by the central bank, particularly in hundreds of bank clients.

However, the existing two firms oppose the entry of new players, fearing a drop in the quality of rating.

Officials of CRISL and CRAB said the entry of more rating agencies will result in stiff competition.

The gross revenues of the two agencies were Tk 2.14 crore and Tk 1.37 crore in 2008.

Khondkar Ibrahim Khaled, chair-

man of newcomer National Credit Ratings Ltd, presided over the programme. Commerce Minister Faruk Khan was present as chief guest.

Khan hopes the new rating company will help ensure accountability and transparency in the financial sector.

"It will also have an impact on reducing loan defaults."

AK Azad, president of Federation of Bangladesh Chambers of Commerce and Industry, expressed his concerns over volatility in the stockmarket. The way the market is behaving now, he fears that many investors may lose their money.

Khaled requested the government to make credit rating mandatory for all the listed companies, so that the investors can get reliable information easily.

Biocon, Pfizer in marketing deal

REUTERS, Bangalore

The world's top drug maker Pfizer said on Monday it has entered into a deal to sell drug maker Biocon Ltd's biosimilar versions of diabetes treatment insulin.

Under the deal, Pfizer will pay Biocon \$200 million up front. Biocon will also be eligible to receive additional development and regulatory milestone payments of up to \$150 million plus payments related to sales of these medicines, Pfizer added.

Pfizer will have exclusive rights to commercialise Biocon's drugs -- recombinant human insulin, Glargine, Aspart and Lispro -- globally with certain exceptions, such as Germany, India and Malaysia, where Biocon will have co-exclusive rights.

Shares in Denmark's Novo Nordisk, the world's biggest insulin maker, were down 1.76 percent on Monday.

Emerging markets are a priority for Western drug companies such as Pfizer, as they face slowing sales in their home markets and cheap off-patent drugs that can be sold in high volumes under a multinational brand are an attractive market opportunity.

Hitachi, US firm seek Tie-up

AFP, Tokyo

Japan's Hitachi will seek a tie-up with US automobile battery maker Johnson Controls as it tries to boost global sales of its lithium ion and other cutting-edge batteries, the firms said Monday.

Johnson Controls is a top automobile battery maker and a major manufacturer in autoparts, with a more than 30 percent share in the lead-acid storage battery market.

The Japanese technology firm hopes to increase sales of its lithium ion and other batteries for use in electric vehicles and smart grids by using Johnson's sales network, which spans more than 150 countries.

"The introduction of efficient energy storage is anticipated in various fields in society for sustainable growth of the global economy," Yoshito Tsunoda, head of Hitachi's battery systems division, said in a statement.



Abdul Majed Roni, deputy managing director of Alin Foods, has recently signed a deal in Dhaka with Abdullah Ali Al Habadi, general manager (marketing) of Marzook Saad Harbi, a Saudi Arabia based importer, to export food products including curry powder, aromatic rice, mastered oil and other confectionary items worth around Tk 42 crore to Saudi Arabia.

MTI chief due today



STAR BUSINESS DESK

Global Chief Executive of MTI Consulting Hilmy Cader is due in Dhaka today on a two-day visit, says a statement.

Cader is expected to meet corporate clientele and other key business leaders in Bangladesh, and address some forums and seminars.

Bahrain-based Cader is an internationally recognised consultant who has 12 years' experience in consulting and 18 years in other diverse sectors.

MTI Consulting is a fast growing international management consultancy, with operations across Asia and the Middle East, and associates across Americas, Africa and Europe.

Keeping strategy consulting in core focus, the firm is specialised in human resource management, marketing, corporate finance and technology.

Citi posts robust quarterly earnings, beating forecasts

AFP, New York

US banking giant Citigroup on Monday said it had made a profit of 2.2 billion dollars in the third quarter of the year, up from 101 million dollars from the same period last year.

The New York-based bank's earnings were higher than analysts' expectations, with Citi posting a seven cent per share profit, one cent above forecasts.

"Achieving our third straight quarter of positive operating earnings is continued evidence that we are successfully executing our strategy and we believe we have put in place all the elements for continued profitability," Citi chief executive Vikram Pandit said in a statement.

The bank expected its fourth quarter profit to reach 2.6 billion dollars, or eight cents per share.

The results contrast sharply with the same period last year when Citi was struggling to keep its head above water during the financial crisis which required a government bail out of 45 billion dollars.

Citi, like many leading US banks, today faces new trouble as a scandal over banks' foreclosures processing practices threatens mortgage lenders' as they come under new scrutiny and possible lawsuits.

The bank's third quarter revenues dropped 1.3 billion dollars, or six percent, from the previous quarter to 20.7 billion dollars, due primarily to a decline in consumer lending and banking services.

Revenues were slightly below analysts' expectations of 21.15 billion dollars.

In July, the bank posted a 2.7-billion-dollar profit, down nearly 40 percent from the same period last year.

Arabs launch \$2b development fund

AFP, Kuwait City

Arab finance ministers on Monday officially launched a two-billion-dollar development fund that will provide loans to small and medium-size projects across Arab countries.

The Arab Development Fund, which was approved by the first Arab economic summit in January last year, was first proposed by Kuwait's Emir Sheikh Sabah al-Ahmad al-Sabah.

Speaking to reporters after the launch ceremony, Kuwaiti Finance Minister Mustafa al-Shamali said the

fund has so far received pledges of 1.18 billion dollars (850 million euros) from 11 Arab nations and more contributions are expected.

The original proposal envisaged a two-billion-dollar fund, a figure that was repeatedly mentioned by ministers on Monday.

Oil-heavyweights Saudi Arabia and Kuwait have each pledged 500 million dollars and the Kuwait-based Arab Fund for Economic and Social Development (AFESD) pledged 100 million dollars. The rest came from nine Arab countries.

The new fund will be run by the

AFESD.

Shamali said that the Arab Development Fund will only finance small and medium investments in Arab countries that have pledged contributions to the fund.

The aim of the fund is to improve the living standards in the Arab world which has 140 million people living below the poverty line, according to a joint report by the United Nations Development Programme and Arab League.

The report, issued in December 2009, said overall poverty remains high, reaching up to 40 percent on average.



Mercantile Bank Chairman Md Abdul Jalil MP inaugurates the bank's Uttara brokerage house in Dhaka recently. Chairman of Mercantile Bank Securities Toufique Rahman Chowdhury and the bank's Managing Director (acting) AKM Shahidul Haque were also present.

Lafarge to invest up to 2b euros in Russia

AFP, Moscow

France's Lafarge, the world's biggest cement maker, plans to invest up to two billion euros (2.8 billion dollars) in Russia in the coming years, Prime Minister Vladimir Putin said Monday.

"At a time of incredible economic difficulties the Lafarge company has begun to build a cement factory in the Kaluga region. The investments of the Lafarge group should reach one to two billion euros in the years to come," Putin told a conference of foreign investors.

The factory in the Kaluga region south of Moscow will join plants in Moscow and Chelyabinsk in the Urals, which employ 2,000 workers and produce 3.6 million tonnes of cement per year, according to Lafarge's website.

The company had also announced plans in 2008 to build factories near the southern cities of Rostov and Krasnodar but dropped them in 2009 due to a fall in demand, the Russian news agency RIA-Novosti reported.

LIST OF SELECTED CIPs (EXPORT) 2009

Name	Organisation
Sharif Md Fazlur Rahman	FR Jute Trading
Sujit Kumar Bhattacharya	Uttara Jute Traders
Md Salim Reza	Reza Jute Trading
Ashoke Kumar Das	AK Jute Trading
Sanjit Kumar Das	Eastern Trades
Nazmul Huq	Janata Jute Mills
Sheikh Nasir Uddin	Akij Jute Mills
Sk Momin Uddin	SAF Industries
Md Saiful Islam	Picard Bangladesh
Iqbal Ahmed	Seamark (BD)
Md Towhidur Rahman	Fresh Foods
Abdul Jabbar Mollah	Jahanabad Sea Foods
Habibullah Khan	Meenhar Sea Foods
Sayed Hossain Chowdhury	HRC Syndicate
Anisur Rahman Sinha	Sinha Industries
Sharif Zahir	Ananta Apparels
Ahasan Kabir Khan	Interfab Shirt Mfg
Abdus Salam Murshedy	Manta Apparels
Md Azizul Islam	Alif Garments
Md Sajjadur Rahman Mridha	Aba Group
Gobinda Chandra Saha	Rajdhani Enterprise
Mohammad Shahab Uddin	Green Trade House
Gokul Chandra Saha	Capital Enterprise
Amjad Khan Chowdhury	Agricultural Marketing
Nazmul Hassan	Beximco Pharmaceuticals
Abu Alam Chowdhury	Conexpo
Golam Ahsan	San Trade
ASM Mohiuddin Monem	Service Engine
Md Nurul Islam	Zaber & Zubair Fabrics
Masood Dawood Akbani	ACS Textiles (Bangladesh)
Abdul Khaleque Pathan	Keya Knit Composite
Amal Podder	Metro Knitting & Dyeing Mills
Khaleda Parvin	Khaleque Knitting & Garments Inds Unit-2
Md Mahbubur Rahman	Tung Hai Sweaters
Gauhar Siraj Jamil	Four H Fashions
Shalahuddin Alamgir	Starlight Sweaters
Dipak Bhowmik	Landmark Fabrics
Mahiuddin Faruqui	Multifabs
Fakir Aktaruzzaman	Fakir Knitweaves
Shamsul Arefin	GMS Composite Knitting
Abdul Majid Mondol	Mondol Group
Khalilur Rahman	KDS Group
Md M Jalal Uddin Chowdhury	Clifton Group
Md Jahangir Alam Khan	JK Group
Afroza Khan	Monno Ceramic Industries
Md Rajjab Sharif	Sharif Melamine Industries
Jashim Uddin	Bengal Plastic Group
Mohammed Abdul Awal	Prime Textile Spinning Mills
Mohammed Jashim Uddin	JH Brothers

LIST OF SELECTED CIPs (TRADE) 2009

Name	Organisation
Aftab-Ul-Islam	FBCCI
Mohammed Amirul Haque	FBCCI
Md Hasen Ali	FBCCI
Junnun Mahmud Khan	FBCCI
AKM Rafiqul Islam	FBCCI
Annisul Huq	FBCCI
Md Abdul Hai Sarker	FBCCI
Kamran Tanvirur Rahman	FBCCI
SM Shafiuzzaman	FBCCI
Kazi Belayet Hossain	FBCCI
AKM Nurul Fazal Bulbul	FBCCI
Abdul Matub Ahmad	FBCCI
Md Fazlul Hoque	BKMEA
Abul Kashem Ahmed	FBCCI
Md Rajjab Sharif	FBCCI
Md Bazlur Rahman	FBCCI
Md Kohinoor Islam	FBCCI
Md Shamsul Alam	FBCCI
Bijoy Kumar Kejriwal	FBCCI
Md Aminul Bari	FBCCI
Shamsul Haque	FBCCI
Mahbub Islam Runu	FBCCI
Abu Alam Chowdhury	FBCCI
Obaidur Rahman	FBCCI
Shafquat Haider	FBCCI
Md Farukul Islam Shova	FBCCI
Mohammad Jalal Uddin	FBCCI
Jashim Uddin	FBCCI
Anwar Hossain	FBCCI
Mir Nizam Uddin Ahmed	FBCCI
Dildar Ahmed (Salim)	FBCCI
Shahedul Islam	BCI



Rajiv Bhattacharya, country manager of TNT Express, and Kazi Wahidul Alam, managing director of Triune (Pte) Ltd, pose after signing an agreement in Dhaka recently. Triune will oversee and undertake all public relations, advertising and communications activities of TNT Express in Bangladesh.