



SAMSUNG
New Galaxy S at Tk. 2,606*
For More Information: 8855366-8, 01712-665463
TRANSKOM DIGITAL
think electronic... think DIGITAL

Stocks	
DGEN	1.64% 8,771.41
CSCX	1.28% 15,914.47

Asian Markets	
MUMBAI	Flat 19,981.31
TOKYO	0.11% 10,167.23
SINGAPORE	0.28% 3,181.41
SHANGHAI	0.52% 2,857.18

Currencies		
	Buy Tk	Sell Tk
USD	69.90	70.90
EUR	91.56	96.60
GBP	108.25	113.35
JPY	0.83	0.89

SOURCE: STANDARD CHARTERED BANK

Commodities	
Gold	\$1,417.00 (per ounce)
Oil	\$89.38 (per barrel)

Clouds clear over CCCI polls

STAR BUSINESS REPORT
The High Court yesterday cleared the way for Chittagong Chamber of Commerce and Industry (CCCI) to hold the polls. The election has been set for today. An HC bench comprising Justice MA Wahhab Miah and Justice M Khasruzzaman stayed an order issued by the Directorate of Trade Organisation (DTO) that postponed the CCCI polls. In response to a writ petition, the bench court passed the order and also said the election will be held as per schedule. It said no proxy voters can cast vote in the poll and if any proxy vote is cast, the election will be instantly postponed. MA Salam, senior vice-president of CCCI, on Sunday filed the writ petition with the HC challenging the DTO order. The DTO postponed the election on an allegation that there are some proxy voters on the voters' list. Barrister Rokonuddin Mahmud appeared for the petitioner.



A girl sits on a sofa at a stall of the National Furniture Fair 2010 at Bangabandhu International Conference Centre in Dhaka yesterday. Bangladesh Furniture Industries Owners Association and Design Technology Centre jointly organised the six-day show.

Power crunch stalls top houses' hiring

SAJADUR RAHMAN

Private sector job creation has stalled, as employers saw no progress in the energy crisis, according to the nation's largest private sector employers say.

Potential new ventures are being deferred, as entrepreneurs see that existing ones are mainly suffering from energy and infrastructure constraints.

The largest business houses -- Opex Sinha, BRAC Enterprises, Akij, Nassa, Noman, Ha-meem, Meghna and Nasir -- have added only insignificant numbers of jobs since 2007's emergency rules and caretaker government.

"Entrepreneurs are suffering badly for energy," said Sk Bashir Uddin, managing director of Akij Group.

Uddin also blames bank speculation for the poor showing of the giants of the economy: "Banks are making profits by the stockmarket."

Dun and Bradstreet, a reputable ratings agency, found Akij Group has held its employment level at about 60,000 people in its 40 concerns for three years.

"Nearly 300 factories cannot start operation due to gas and electricity," said Mostofa Kamal, chairman of Meghna Group. The company has over 10,000 permanent employees and turnover of Tk 7,000 (\$1 billion).

Kamal blames government dilly-dallying and bureaucracy for this situation: "Government cannot take on the role of facilitator."

He said the government did not

EMPLOYEES AT LEADING BUSINESSES

Akij	60,000	Nassa	34,000
Opex Sinha	57,000	Anwar	12,000
Beximco	35,000	Meghna	11,000
Ha-Meem	30,000	Abul Khair	10,000
Noman	30,000	Abdul Monem	10,000

Source: Dun & Bradstreet Rating Agency Bangladesh and respective companies

buy any oilrigs or take up any gas-pipeline projects.

Dun and Bradstreet Bangladesh said Opex Sinha Group, an RMG manufacturer and exporter, has 57,000 employees, BRAC Enterprises 50,000 (including employees on temporary pay role with Aarong), Beximco Group 35,000.

Three garment-makers, Noman, Nassa and Ha-meem, each have about 30,000 employees, while Anwar Group, Abul Khair and Abdul Monem Ltd each have more than 10,000.

Muhammad A Rumeel Ali, head of BRAC Enterprises and BRAC Bank, said many factories now run on costly generators, which pushes up the unit price.

BRAC Enterprises could not have created any significant jobs this year. Nasir and Akij groups have many projects in the pipeline worth many crores of taka that are not getting gas for months.

Nasiruddin Biswas, chairman of Nasir Group, a Tk 3,000-crore-turnover company, said production at its glassware and energy-saving light-bulb factory has been stymied for more than

one year without a gas connection.

"I have to pay bank interest and salaries of employees without any production," he said.

Government statistics also show poor implementation of annual development programmes of the mineral resources and energy ministry in the current fiscal year. Petrobangla, the state-owned oil company, spent only 10 percent of its allocation of Tk 642 crore for 22 investment projects in the first four months of fiscal 2010-11.

Mustafa K Mujeri, director general of Bangladesh Institute of Development Studies, said the private sector has dominated employment generation for years, but the informal sector still employs the majority.

But the well-schooled population, particularly youth, need jobs that the large business houses of the private sector should provide. "Low or slow investment in the formal sector shrinks employment for educated youths," said Mujeri.

sajjad@thedailystar.net

Remittances slip 3pc

STAR BUSINESS REPORT

Inward remittances fell by 3 percent in the first five months of the current fiscal year mainly due to a fall in labour migration.

During the July-November period of the current fiscal year, the remittance inflow was \$4.52 billion, down from \$4.66 billion in the same period last year, according to Bangladesh Bank.

The number of overseas jobseekers declined by 18,250 people in the first three months of the current fiscal year compared to the same period last year, according to finance ministry statistics.

The foreign exchange reserve has also started to go down in line with the fall in the remittance inflow.

On June 30 the forex reserve was \$10.75 billion, which fell to \$10.70 billion on November 30.

As a result, current account balance is also under pressure. In the first quarter of the current fiscal year, the current account surplus was \$635 million, which was \$3.73 billion in the same period last year.

A meeting chaired by Prime Minister Sheikh Hasina on Tuesday reviewed the country's economic situation and identified the low remittance inflow as a setback to the GDP growth target.

Subsidy growth squeezes development

REJAUL KARIM BYRON

A fall in government development spending may make it hard to meet GDP growth targets, the finance ministry said in a report presented to Prime Minister Sheikh Hasina yesterday, as government subsidies are squeezing project spending.

The ministry sources said Hasina was dissatisfied by the lessening of spending on development. She reportedly said the targets for the annual development programme this year has to be met, and she will hold separate meetings with each large ministry.

From July to September, development expenditure was Tk 3,350 crore, or 8.7 percent of the total budget. It was 10.2 percent in the same period of the previous fiscal year (FY).

The first quarter (Q1) of the current fiscal year had revenue expenditure of Tk 20,529 crore, or 21.9 percent of the total budget, up from 21.5 percent in the same period of the last FY.

The report said the revenue expenditures on various government subsidies rose by Tk 3,200 crore.

The government borrowing also increased by more than Tk 2,000 crore in Q1 of this fiscal year.

The deficit was projected to grow over next five years with an annual deficit averaging \$2.1 billion. The finance ministry recommended that "non-concessional" loans should cover the deficits. Concessional loans are ones with low interest rates and lenient repayment terms.

DEMAND FOR SUBSIDY

Figures in crore

Sector	Projected	Budget allocation	Additional demand
Energy	Tk 2,400	Tk 1,200	Tk 1,200
Power	Tk 4,200	Tk 4,000	Tk 200
Agriculture	Tk 5,800	Tk 4,000	Tk 1,800

Last year, the borrowing from domestic sources was nearly flat, but this year it is rising. According to the finance ministry report, in Q1 of FY 2010-11 total bank and non-bank borrowing stood at Tk 2,004 crore, up from Tk 115 crore.

The report projected the cumulative deficit over the five years at \$13.7 billion. The World Bank (WB) and IMF will provide \$3 billion to support growth, yet there will still be a deficit of \$10.7 billion.

Spending on power, agriculture, communications and building "digital Bangladesh" was also detailed in the report.

The purchase committee approved 41 power projects and signed agreements to rent power plants able to generate 1,272 megawatts, a peaking power plant of 820 megawatts and a captive generator of 88 megawatts. The government also okayed 271,000km of power lines.

NDB INVEST - PORTFOLIO MANAGEMENT
You Relax, We Manage

NDB INVEST is ideal for -

- Executives and Service Holders
- Businessmen and Entrepreneurs
- Expatriates working in Bangladesh
- House Wives
- NRBs
- Institutions

NDB Capital Limited
For more information about NDB INVEST
Call 988626 or 0197NDBPORT (01976 327676)
E-mail: Portfolio@ndbcapital.com, Web: www.ndbcapital.com

59th Branch

@ 63 Pragati Sarani, Baridhara, Dhaka 1212

www.mutualtrustbank.com

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

Dhaka Bank issues Tk 200cr bond

STAR BUSINESS REPORT

Dhaka Bank yesterday issued a subordinated bond, for the first time, worth Tk 200 crore for expansion and to consolidate its capital base.

The bonds will be amortised and have a tenure of seven years. State-

owned and private commercial banks, insurance companies, non-bank financial institutions, corporate offices and development banks have subscribed to the bond through private placement.

Standard Chartered's Dhaka office was the mandated lead arranger of the funds.

The bank will invest the funds in major ongoing projects like expansion of its branch network, establishment of overseas exchange houses and 100 new ATMs all over the country. Depending on availability, the fund will also be used in expanding retail operations and capital market operations.

Price Sensitive Information

This is for the kind information of all concerned that the Securities and Exchange Commission (SEC) has issued Merchant Banker Registration Certificate No. MB-55/2010 dated December 06, 2010 in the name of MTB CAPITAL LTD., a fully-owned subsidiary company of Mutual Trust Bank Ltd. (MTB), for merchant banking business.

Sd-
Quamrul Islam Chowdhury
Group Company Secretary

www.mutualtrustbank.com

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

CORRECTION

In a story yesterday on Biman, an editing error misstated its revenue. The correct sums were Tk 3,039 crore in fiscal 2008-09, up from Tk 2,979 crore the year before. Also, a government quote appeared to be from a Biman official. The Daily Star regrets the error.

Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at business@thedailystar.net



2500/3200 CC
Turbo diesel
Power window
Double cabin
Manual / Automatic
CD changer
Leather seats
Alloy rims

Mitsubishi Sportero
The First Ever
Sunroof with Automatic Transmission
Stylish Recreational Vehicle

Price Starts from **27.5 Lac**

Sole distributor
RANGS LIMITED

Showroom : 215, Tejgaon I/A, Dhaka
Cell: 01713016592, 01713142045, 01713142056 (Clg.)
visit : www.mitsubishi-motors.com.bd