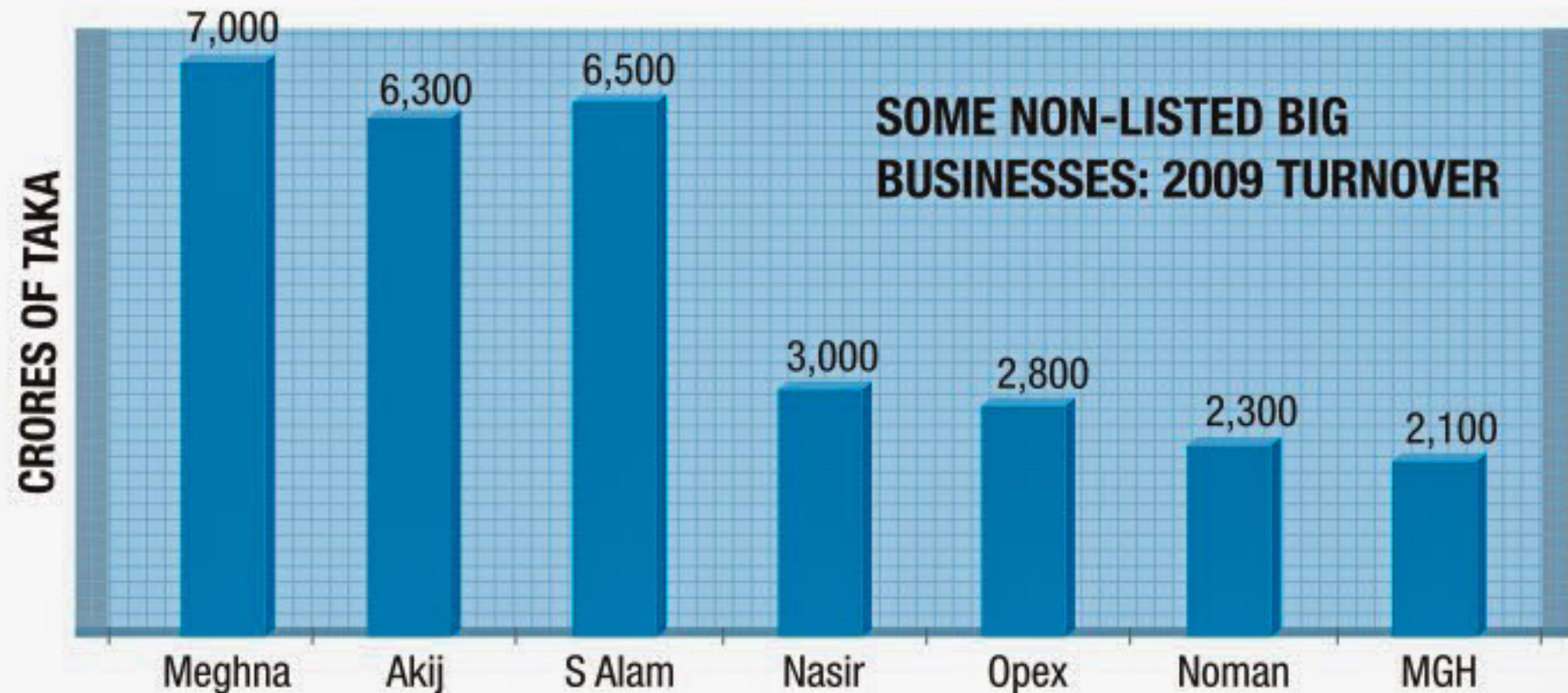


Stocks	
DGEN	2.92% 8,580.20
CSCX	3.34% 15,583.27 (Week-on week)
Asian Markets	
MUMBAI	1.39% 19,508.89
TOKYO	0.72% 10,211.95
SINGAPORE	0.77% 3,185.42
SHANGHAI	1.07% 2,841.04 (Friday closings)

## Family-run giants still market-shy



SAJJADUR RAHMAN

Big family businesses mainly shun stockmarket listing because they do not want to dilute the ownership of their hard-earned assets to others, but there are other factors at work as well, analysts said.

Investment analysts have cited the conditions for listing, such as the reporting of profits and high paid-up capital, as some of the hindrances to such listing.

Large family-owned and partnership conglomerates, such as Akij, Meghna, City, Abul Khair, TK, S Alam, Opex Sinha, Noman, Nassa, MGH, Nasir and Abdul Monem, have more than Tk 3,000 crore each in annual turnover, but are not listed on the bourses and have no plans to do so.

"Why should we share our ownership with others?" asked Sk Bashir Uddin, managing director of Akij Group. "The first generation, my father, built it with hard work," said the heir apparent of a concern that owns 40 businesses with a combined annual turnover of more than Tk 6,000 crore.

The simplicity of the process in a family business is another reason for not listing the company on the market. He sees high cost of equity as another major barrier.

Another leading industrialist, who has a group of industries with Tk 3,000 crore in annual turnover, put the blame partly on tax officials. "The tax officials take huge bribes, so often we show some of our concerns as losing ones," said the businessman who requested anonymity.

Bangladesh's stockmarket is getting volatile everyday due to severe shortages of stocks against the demand. New investors across the country coming into the market have left it being labelled a bubble. More than 30 lakh investors are running after

stocks of barely 250 companies. Market capitalisation in Dhaka Stock Exchange has more than doubled in just one year.

The government has been looking to offload shares of its companies, but this is yet to slake the thirst of the investors. But a reversal of big private businesses' apathy to get listed would greatly expand the market's offerings.

Ifty Islam, an investment analyst, said private companies do not come into the market because they do not want to give up the control of management.

Islam finds the rules for setting an IPO (initial public offering) price were a major barrier for the private companies.

"I am optimistic now with the book-building system that offers higher price. I hope a lot of private companies will hit the market in a few years," said the analyst.

A senior manager at Race Asset Management asked the tax authorities to be more lenient with the private companies that want to join the stockmarket. These companies have thousands of crores of taka in annual turnover, but their paid-up capital are too low for listing.

"The tax authorities can allow companies to legalise their untaxed money like how the government did it for the individuals," he said.

Good news is that Meghna Group of Industries, a conglomerate with Tk 7,000 crore annual turnover, plans to list three of its concerns by the middle of next year to raise funds for expansion.

"I need to go to the stockmarket to further the growth of my business and to develop its corporate culture," said Mostofa Kamal, chairman of the group, which has business ranging from consumer essentials to cement and power.

sajjad@thedailystar.net

## Overseas investment to be allowed Finance minister assures drug makers

STAR BUSINESS REPORT

Finance Minister AMA Muhith has said drug makers will be allowed to make overseas investment on a case-by-case basis.

The assurance came at a seminar in the capital yesterday where the sector leaders raise such a demand pointing to a number of problems the pharmaceutical industry now faces.

The minister said the government might relax regulations to allow local makers of medicine to facilitate capital export. "We will permit capital export, but it should be on a case-by-case basis."

Held at Dhaka Sheraton Hotel, the seminar, Pharma Vision 2015, was organised by Bangladesh Association of Pharma Industries.

Bapi President Salman F Rahman

was in the chair.

About 194 local companies, currently in operation, account for 97 percent production of the national consumption, while the rest 3 percent is imported.

Abdul Muktedir Bapi's general secretary, said although Bangladesh sells pharmaceutical products to 80 countries, the country's export earning from the sector has been dismal due to the current foreign exchange regulation.

"The regulation does not allow us to invest outside the country. Besides, we need to take permission for overseas expenses from Bangladesh Bank through authorised dealer, which is too time-consuming," he pointed out.

The finance minister asked the authorities concerned to be strict about issuing licences to drug makers to avert any trend of making spurious medi-

cines.

Dr Modasser Ali, health adviser to the prime minister, said the government will take steps to solve the problems the local pharmaceuticals sector.

Industries Minister Dilip Barua expressed his hope that API Park in Munshiganj, to be inaugurated by early next year, would bring new opportunities for the sector.

Mashiur Rahman, adviser to the prime minister on economic affairs, the barriers standing in the way of local pharmaceuticals industry need to be looked at.

The health minister said the sector should be given assistance in registering products with foreign markets, promoting their products and sending sample to tap opportunities.

RELATED STORY ON B3

## Saarc trade fair begins in Nepal December 15

DIPLOMATIC CORRESPONDENT

Nepal will host the five-day 10th Saarc Trade Fair that will begin on December 15 in Kathmandu aiming to boost regional cooperation in trade, tourism and culture.

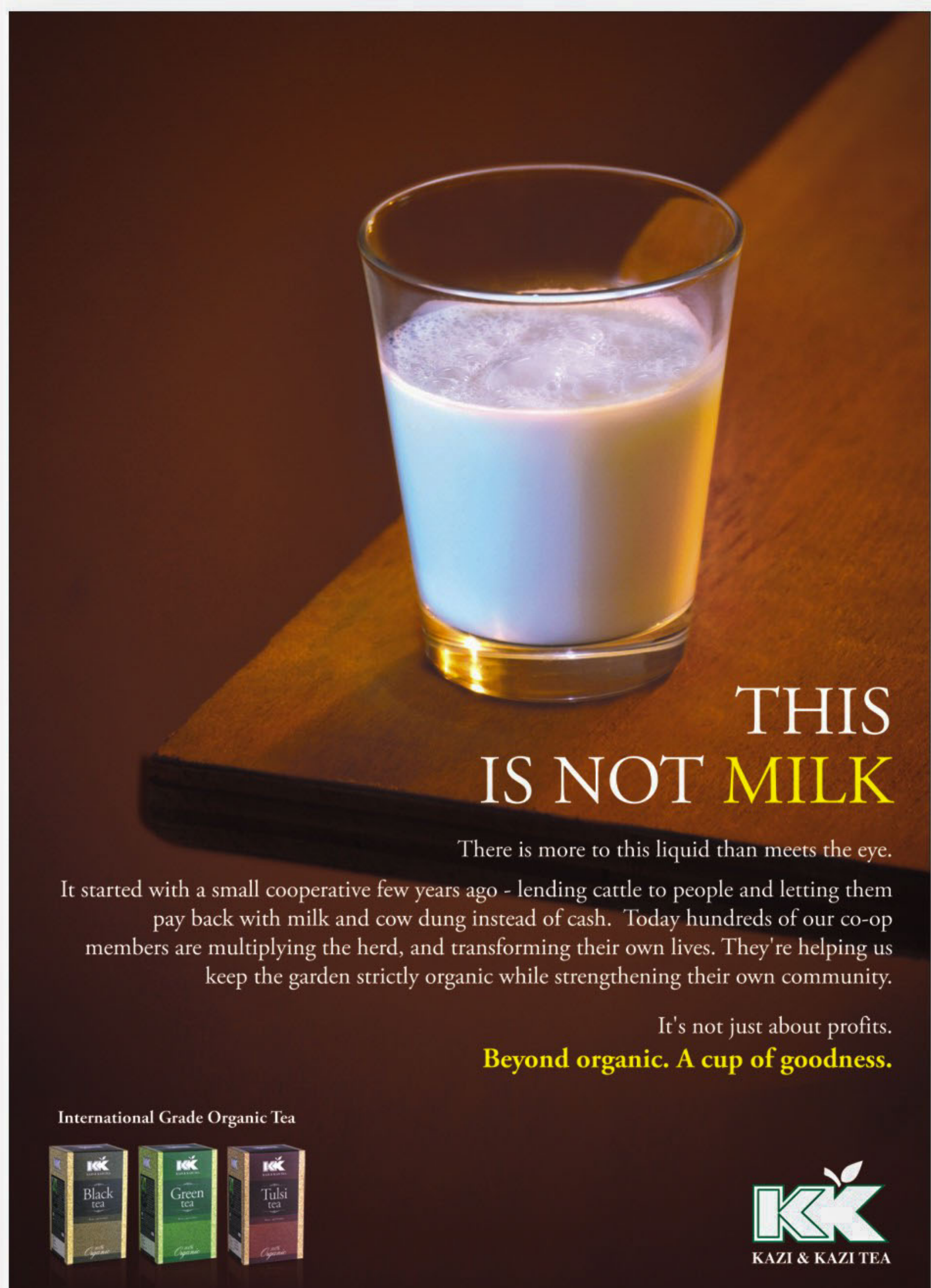
The fair with the motto 'regional prosperity through trade' is expected to boost trade among the eight member countries in South Asia and help promote Nepal's tourism sector.

According to a message received here, Nepal has completed all preparations for the show to be held at Bhrikuti Mandap Exhibition Hall in Kathmandu.

The fair will serve as a platform to showcase goods and services from different countries and as a venue for business dealings among buyers and sellers, officials said.

The member countries -- Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka -- will showcase their indigenous products and services during the fair being organised at the initiative of Trade and Export Promotion Centre, Nepal.

The fair will have 312 stalls, of which 293 will be related to products from the participating countries. Similarly, there will be eight food stalls and eight more for tourism promotion. Bangladesh will have 60 stalls.




**THIS IS NOT MILK**

There is more to this liquid than meets the eye.

It started with a small cooperative few years ago - lending cattle to people and letting them pay back with milk and cow dung instead of cash. Today hundreds of our co-op members are multiplying the herd, and transforming their own lives. They're helping us keep the garden strictly organic while strengthening their own community.

It's not just about profits.  
**Beyond organic. A cup of goodness.**

International Grade Organic Tea



**KK**  
KAZI & KAZI TEA

Bitopi/Leo Burnett/200/350/10

**59th Branch**  
@ 63 Pragati Sarani, Baridhara, Dhaka 1212

www.mutualtrustbank.com

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

**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 9888626 or 0197NDBPORT (01976 327678)  
E-mail: Portfolio@ndbcapital.com; Web: www.ndbcapital.com



**MITSUBISHI Sportero**

The First Ever  
**Sunroof with Automatic Transmission**  
Stylish Recreational Vehicle

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

Canopy & accessories are optional



Price Starts from **27.5 Lac**

Sole distributor  
**RANGS LIMITED**

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