

Turnover soars to 3-month high

STAR BUSINESS REPORT

Turnover on Dhaka Stock Exchange hit a three-month high yesterday riding on the government's last-minute budgetary decision to allow undisclosed money into the stockmarket.

The turnover on the premier bourse stood at Tk 1,139 crore, a 19.3 percent rise from the previous day's Tk 954 crore. On April 11, the DSE recorded Tk 1,224 crore in turnover.

The market started the day on an upbeat note and gained 45 points in the first five minutes of trading despite a low presence of

investors at the Dhaka bourse in the opening hour of the day due to a half-day hartal enforced by the National Committee to Protect Oil, Gas, Mineral Resources, Power and Ports and Islami Andolon Bangladesh.

In different brokerage houses, operators were busy receiving phone calls from investors as they were taking part in the trading over the phone.

DSE's benchmark general index DGEN advanced 40 points or 0.65 percent to close at 6,158.

In the port city's bourse, the selective categories CSCX increased 119 points or 1.09

percent to end the day at 11,094.

The upward trend at the bourses came following the government's last-minute change to the budget for the fiscal year of 2011-2012 last Wednesday, allowing investment of black money into the stockmarket with a 10 percent flat tax, said a market insider.

Institutional investors also participated actively in the market, he said.

The central bank's decision to relax rules on credit deposit ratio also boosted up the confidence of institutional investors, said a fund manager.

Investors now should invest in high profile companies to reap maximum profits, he added.

A total of 256 issues traded on the DSE. Of them, 204 advanced, 49 declined and three remained unchanged.

Ceramics stocks ranked among the top achievers, gaining 5.32 percent. Telecommunications sector advanced 1.95 percent, non-banking financial institutions 1.49 percent, pharmaceuticals 1.06 percent, fuel and power 0.42 percent, textiles 4.31 percent and mutual funds 3.03 percent.

Banking sector, which makes

up 29.6 percent of the total market capitalisation, however lost 0.2 percent. Life insurance also lost 0.52 percent.

Aftab Automobiles topped the turnover chart with a value of Tk 42.77 crore, which was followed by Beximco, Social Islami Bank, United Commercial Bank, MI Cement, National Bank, Peoples Leasing and Financial Services, Malek Spinning Mills, One Bank and LankaBangla Finance.

First Securities Islami Bank was the biggest gainer of the day, up 9.63 percent, while EBL NBR Mutual Fund was the worst loser, plummeting by 3.8 percent.

New chairman for Pioneer Insurance

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Tapan Chowdhury has recently been elected chairman of Pioneer Insurance Company Ltd at the insurer's 158th board meeting on Thursday.

Chowdhury is the managing director of Square Pharmaceuticals, Square Textiles and Square Hospitals.

Former president of Metropolitan Chamber of Commerce and Industry, Dhaka, he also served a care-

Jamuna Bank reappoints MD

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Md Motior Rahman has recently been reappointed as managing director of Jamuna Bank Ltd.

Rahman joined the bank in 2005 as deputy managing director and was appointed as managing director in 2009.

Before joining Jamuna Bank, he was the senior executive vice president and head of credit of Prime Bank.

A postgraduate in accounting from Dhaka University, he started his banking career with Pubali Bank in



Home Minister Sahara Khatun receives the dummy key of a pickup van from the officials of Concord Group at a programme in the capital on Saturday. Dhaka Metropolitan Police Commissioner Benzir Ahmed and Deputy Managing Director of Concord Group Shahriar Kamal attended the programme.



Mohammed Lakiotullah, vice chairman of Bank Asia, hands the membership fee through a cheque of the Central Shariah Board for Islamic Banks of Bangladesh (CSBIB) to Muhammad Mukhlesur Rahman, secretary general of CSBIB, at a programme in the capital recently. SM Khorshed Alam, managing director (current charge) of the bank, was also present.

Govt moves to better regulate MLM companies

GAZI TOWHID AHMED

The commerce ministry has taken initiatives to increase accountability of business operations of multi-level marketing (MLM) companies.

The ministry has sent a letter to the Securities and Exchange Commission recently, asking for its opinion on multi level marketing act -- Direct Sales Law-2011 -- in a bid to increase accountability of MLM business.

The ministry also sought opinions from Bangladesh Bank, Institute of Chartered Accountants of Bangladesh, Institute of Chartered Secretaries of Bangladesh, Institute of Cost and Management Accountants of Bangladesh, Office of the Registrar of Joint Stock Companies and Firms, division of the finance ministry and the home ministry.

A draft law on the marketing strategy has already been formulated with provisions of prison, fines and cancellation of licences if the MLM companies are found engaged in 21 types of businesses.

A 17-member committee headed by Additional Commerce Secretary ATM Murtozaa Reza Chowdhury was formed in March to deal with the draft law.

In line with the draft proposal, the government will form a department, which will be known as 'Direct Sales Directorate' and a secretary will be appointed to regulate the businesses.

The MLM companies will have to be enlisted with the Registrar of Joint Stock Companies and Firms.

The secretary will have power to suspend licences of the MLM companies and also halt their business if they are caught on charges of any wrongdoing.

The MLM companies will be allowed to pursue businesses under electronic marketing, pyramid selling scheme, networking marketing, tele marketing, door-to-door sale and mail order sale.

If any company bypasses any provision of the act, they will be penalised and the board of directors of the company will face a jail sentence.

The MLM companies should not be engaged in 21 types of businesses including those of land, flat, shops, office space, insurance, leasing, cooperative, trees and lotteries.

If the licence of a company is suspended and it is found operating business or engaged in sales of products, the government will freeze the company's bank accounts as per the recommendation of the High Court.

The Bangladesh Bank early this year warned against investing in MLM companies that offer abnormal profits in a short span.

Later, the Anti Corruption Commission filed cases against several companies and the central bank stopped their operations.

India hints tough measures against new nuclear trade rules

REUTERS, New Delhi

Indian Foreign Secretary Nirupama Rao on Sunday hinted New Delhi could ban nuclear reactor purchases from countries refusing to sell sensitive nuclear technology to it after suppliers decided to tighten such trade against countries like India.

Rao also said the United States, Russia and France stood by their promises to supply such technology despite last month's decision by the Nuclear Supplier Group (NSG) to restrict transfer of uranium enrichment and reprocessing technology which can be used to make atomic bombs.

The suppliers' decision was seen as a blow to nuclear-armed India, which won a waiver from such trade restrictions in 2008, a move that ended its three-decade-long nuclear isolation.

"I think the latest NSG decision is not the end of the road. It is not set in stone. Let me say that," Rao told a television channel in an interview, the transcript of which was made available in advance by the foreign ministry.

"There is a balance of interest, there is a balance of commitments, there is mutual reciprocity involved. There are levers that we can exert from our side also," she said.

When asked if the leverages meant India would blacklist unwilling countries and ban nuclear reactor purchases from them, she said: "We will defend our interests to the hilt."

India plans to raise its nuclear power generation capacity to 7.3 GW by end-March from the current 4.7 GW, and

hopes to have over 20 GW of such capacity by 2020.

The billions of dollars in contracts up for grabs make India an attractive market for firms like General Electric, Westinghouse Electric -- the United States-based arm of Japan's Toshiba Corp, France's Areva and Russia's Rosatom.

"We have an expanding nuclear industry. This is a great attraction to the rest of the world," Rao said.

Under NSG rules, to import nuclear goods, all nations except the five officially recognised atomic weapons states must usually place nuclear sites under safeguards of the International Atomic Energy Agency, the U.N. nuclear watchdog.

But when Washington sealed a nuclear supply accord with India in 2008, it won a unique exemption after contentious negotiations. India gained access to technology and fuel while it was allowed to continue its nuclear weapons programme.

The U.S. ambassador to India has said the waiver to New Delhi is safe and media reports have cited the French ambassador with similar comments.

India has said it is a responsible nuclear power and that it has an impeccable non-proliferation record that has earned it that exemption.

Rao, who last month had unexpectedly successful talks with her Pakistani counterpart, said Islamabad's view on militancy had "definitely been altered."

She noted that Pakistan now spoke of the need to tackle non-state actors and safe havens and sanctuaries for militants.

"I think that is a concrete development," she said, adding

Samsung drops lawsuit against Apple

REUTERS, Chicago



Samsung Electronics Co has dropped a lawsuit against Apple Inc that claimed Apple

copied many of Samsung's innovations, according to a report from Bloomberg on Saturday.

Samsung dropped the suit on Thursday, Bloomberg said. The news service quoted Nam KiYung, a spokesman for the Suwon, South Korea-based company as saying the company wanted to "streamline" the legal proceedings.

Spokespersons from Samsung and Apple did not immediately reply to requests for comment.

Apple and Samsung are part of a wider web of litigation among phone makers and software firms over who owns the patents used in smartphones and tablets, as rivals aggressively rush into a market in which Apple jumpstarted with iPhone and iPad.

Samsung had launched the suit in April as a counterclaim against Apple, which has sued Samsung previ-

Australia cigarette plan facing new legal threat

AFP, Sydney

A second global tobacco giant has flagged legal action over Australia's plain packaging plan for cigarettes, warning of violations of its intellectual property rights, a report said Saturday.

British American Tobacco said it stood ready to take Canberra to court over the plan to put cigarettes in bland, logo-free packets with graphic health warnings from next year in a drive to lower smoking rates.

The Hong Kong-based Asian arm of tobacco giant Philip Morris launched a lawsuit this week claiming the plan breached a bilateral investment treaty between Hong Kong and Australia by forcibly removing trademarks and other intellectual property.

British American Tobacco Australia has always said that with any attempt to introduce plain packaging we will defend our intellectual property," a spokes-



M Kamaluddin Chowdhury, chief executive officer of Shahjalal Islami Bank Securities Ltd, presides over a discussion with the bank's executives and managers of all branches in Dhaka on Saturday. Md Sanaullah Shahid, chairman, was also present.



M Shahjahan Bhuiyan, managing director of United Commercial Bank, presides over a press meet on the bank's 28th anniversary at Sonargaon Hotel in Dhaka recently.

Germany expects smaller public deficit for 2012

AFP, Berlin

Germany expects its public deficit for 2012 to be lower than earlier forecast, but aid to fellow euro countries will have an impact in the coming years, according to an official document released Sunday.

The deficit for 2012 is expected to reach 27.2 billion euros (\$38.8 billion) according to a draft finance bill, obtained by AFP, which will be discussed by cabinet this week.

In March, the finance ministry suggested next year's deficit would total 31.5 billion euros.

But the cost of helping bail-out debt-strapped members of the eurozone, including Greece, will mean a slower than anticipated drop in the deficit over the following years, according to the document.

It forecasts a deficit of 24.9 billion euros in 2013, 18.7 billion in 2014, and 14.7 billion in 2015.