

BB refutes claims on fake notes

STAR BUSINESS DESK

Bangladesh Bank yesterday refuted the media reports that claimed fake notes worth of Tk 5,000 enter the country's market every day, and one in every three to four notes is fake.

The BB issued a statement following the comments made by analysts at a roundtable that said the circulation of fake currency is gradually increasing.

"It is not true as it is inconsistent with the reality," the central bank said in the statement.

The country has a total of Tk 68,000 crore worth of authentic currency in the economy, the banking regulator said, adding that it would be fearful if Tk 5,000 crore worth of fake notes is in circulation out of Tk 68,000 crore.

The regulator yesterday checked the volts of four banks to identify the fake notes. It examined around 9.07 lakh

pieces of Tk 100 and Tk 500 notes. But it did not find any fake note.

Prof Abul Barakat, chairman of Janata Bank, said on Monday, "Fake notes worth Tk 5,000 crore, in denomination of Tk 500, are coming into the market everyday and one third or fourth of those notes are fake."

Abdul Jalil MP, chairman of Mercantile Bank, said the country's economy cannot be a middle-income country or self-reliant until fake notes are wiped out from the market.

The central bank is strictly monitoring to prevent the circulation of fake currencies in the economy, according to the statement.

It said the central bank has already taken a number of measures, including formation of taskforce, visiting volts of commercial banks, strengthening security features and arranging mass awareness against fake notes.

Stocks return to the red

STAR BUSINESS REPORT

Stocks returned to losses yesterday as investors sold off shares following poor dividend declarations by some listed companies.

The benchmark General Index of the Dhaka bourse, DGEN, closed at 3,809.76 points, after falling 135.62 points or 3.43 percent.

The market gained more than 50 points in the first five minutes of trading. The DGEN started to decline at 11:20am and finally closed in the red.

Experts said investors went for share selling as they were not pleased with the low dividend declarations of two companies -- Grameenphone and Dutch-Bangla Bank. Institutional investors also failed to play their role due to a liquidity crisis, experts said.

Grameenphone declared 65 percent dividend for the year ended December 31, 2011, that failed to meet the expectation of some retail investors, said Green Delta LR Holdings.

Dutch-Bangla Bank was the biggest loser of the day following its corporate

declaration of 40 percent cash dividend for general and foreign shareholders, said BRAC EPL. Dutch-Bangla Bank was the first bank to declare dividends for 2011.

All the sectors declined yesterday. Telecommunications lost 9.03 percent. Among other major sectors, banks lost 3.16 percent, non-bank financial institutions 3.88 percent, pharmaceuticals 4.22 percent and power 2.67 percent.

A group of investors, under the banner of Bangladesh Share Investors Association, demonstrated in front of the Dhaka Stock Exchange building at 2 pm to protest the continuous fall in share prices.

Turnover on the DSE floor stood at Tk 217 crore, which is 13.5 percent higher than the previous day. Of the total 258 issues traded on the DSE, 221 declined, 27 advanced and 10 issues remained unchanged.

The Chittagong Stock Exchange also declined yesterday with the selective categories index losing 273 points or 3.69 percent, to end the day at 7,135.44 points.

The port city bourse traded 1.10 crore shares and mutual fund units worth Tk 40.45 crore. A total of 154 issues advanced and 32 declined.



SINGER BANGLADESH
Hamim Rahmatullah, managing director of Singer Bangladesh, speaks at the dealers' conference 2012 of the company at Ruposhi Bangla Hotel in Dhaka recently.

Singer Bangladesh holds dealers' meet

STAR BUSINESS DESK

The dealers' conference of Singer Bangladesh took place at Ruposhi Bangla Hotel in Dhaka recently, the company said in a statement yesterday.

Hamim Rahmatullah, managing director and chief executive officer of Singer Bangladesh Ltd and vice-president of Singer Asia, inaugurated the conference.

Hamim said he wanted to build a strong wholesale network for the company for future prosperity. Gavin J Walker, president and chief executive officer of Singer Asia, and Gelmart Gellecanao, vice presi-

Robi brings new package

STAR BUSINESS DESK

Robi Axiata has recently introduced a prepaid package, Shorol 21, the mobile operator said in a statement yesterday.

Shorol 21 customers can get 3700++ bonus minutes, 3700++ bonus SMS and 3700++ bonus MB data, according to the statement.

Robi brought the new package with a connection price of Tk 138 keeping the country's language movement on February 21, 1952 in mind.

The prepaid package will provide the lowest tariff of 25 paise a minute to one Robi partner number for 24 hours and a flat tariff of 78 paise per minute to any operator's number for 24 hours.

The customers of the package will also get Robi Goongoon, theme songs and missed call alert ser-

Bank Alfalah group CEO in town

STAR BUSINESS DESK

Atif Bajwa, the newly appointed group chief executive officer of Bank Alfalah, arrived in Dhaka yesterday on a two-day tour, the bank said in a statement.

During the visit, Bajwa will meet the employees of the bank, regulators and valued clients.

Bajwa has over 29 years of international banking experience and has worked in Europe, US, Far East, the Middle East and Pakistan.

He started his career with Citibank as a corporate banker in 1982 and handled different assignments with Citi in Pakistan, New York, Bahrain and Central and Eastern Europe.

He also worked with ABN AMRO Bank, Mashreq

Study lists Bangladesh with poor legal systems for business

STAR BUSINESS REPORT

Bangladesh has one of the world's worst legal systems for doing business, according to a new study.

The country ranked 16 among 197 countries that provide worst legal protection for foreign companies and investors due to uncertainty over their regulatory frameworks, said Maplecroft, an England-based risk analysis firm.

Maplecroft has developed the Rule of Law Index, published earlier this week, to enable multinational corporations to evaluate risks to investments.

The index evaluates countries on their judicial independence and efficiency, and measures the extent to which regulations and policies are implemented in a transparent manner.

Myanmar and North Korea are jointly listed on the top, followed by Somalia, according to the study published globally.

Maplecroft rates 19 countries as 'extreme risk' that includes Myanmar (rank 1), North Korea (2), Somalia (3), South Sudan (4), Turkmenistan (5), Cuba (6), Cambodia (7), Afghanistan (8), Syria (9), and Libya (10).

"Organisations investing in lucrative energy markets, such as Myanmar, Turkmenistan or Libya need to be extremely cautious," said Mandy Kirby, associate director at Maplecroft.

"The rule of law serves as a check on abuse of private and state power and is important in the oversight of business regulation, including contract



EBL
Md Abdus Salam, head of administration of Eastern Bank, and Sabbir Hossain, executive director of EZZY Enterprise, sign a security deal at The Westin Dhaka yesterday. Ali Reza Iftekhar, managing director of the bank, was also present.



TRUST BANK
Mirza Ali Behrouze Ispahani, chairman of Ispahani Group, and Shah A Sarwar, managing director of Trust Bank, exchange documents of a deal at a programme in Dhaka on Tuesday. Broad Band Telecom Services Ltd, an enterprise of Ispahani, will provide WAN service for Trust Bank branches nationwide.

India may allow foodgrain export to Bangladesh

PALLAB BHATTACHARYA,
New Delhi

An Empowered Group of Indian Ministers headed by Finance Minister Pranab Mukherjee on Tuesday was learnt to have decided to allow foodgrain exports to Bangladesh through specified points across the border.

The decision is likely to benefit exporters by reducing transportation costs and also farmers from Paschim Banga, Bihar and Eastern Uttar Pradesh from where private traders may source the foodgrain for export, Indian Express newspaper reported yesterday.

The move holds significance in the wake of reports of farmers in these regions failing to even get the minimum support price for their produce for want of efficient public procurement systems.

A formal announcement would be made only after the government takes permission from the Election Commission, as Uttar Pradesh is in the midst of assembly polls when any announcement of possible welfare scheme by the government is subjected to clearance by the poll body.

The Group of Ministers is also learnt to have decided to allow export of one million tonnes of sugar. This is in addition to the earlier approval that had allowed export of one million tonnes of sugar during the 2011-12 season.

The group was also understood to have decided to allow export of non-basmati rice up to four million tonnes.

Besides, the meeting was said to have decided to bring down the minimum export price for a tonne of basmati rice from \$900 to \$700 to make the Indian basmati competitive in international markets where it is facing competition from rice from Pakistan.

SEC to probe 'unusual trading' by LankaBangla

STAR BUSINESS REPORT

The Securities and Exchange Commission yesterday launched a probe into "certain unusual share trading" by a leading stockbroker, LankaBangla Securities Ltd.

The stockmarket regulator formed an enquiry committee to investigate the unusual trading in shares of listed securities by LankaBangla Securities during yesterday's stock transaction, according to a posting on the Dhaka Stock Exchange website.

The SEC in an office order, signed by Executive Director Ashraf Islam, assigned two of its officers to investigate the matter.

As the commission got information on unusual trading by LankaBangla Securities, it has decided to investigate the matter for the sake of the investors' interest, the office orders said.

The regulator also asked the committee, comprising SEC Director Mahbubur Rahman and Deputy Director Ohidul Islam, to submit a report to the commission within next three

Textile machinery show kicks off today

STAR BUSINESS REPORT

A four-day exposition of textile machinery and accessories begins in Dhaka today.

Organisers said a total of 800 companies from 31 countries will showcase garment machinery and accessories at 1,020 booths in the ninth Dhaka International Textile and Garment Machinery Exhibition at Bangabandhu International Conference Centre.

Last year, 600 machinery companies participated in the expo, said Jahangir Alamin, president of Bangladesh Textile Mills Association, at a press conference yesterday.

He said the garment machinery manu-

facturing companies from Australia, Austria, Bangladesh, Belgium, Brazil, China, Czech Republic, Denmark, Finland, France, Germany, Greece, Hong Kong, India, Indonesia, Italy, Japan, Korea, Malaysia, the Netherlands, Pakistan, Singapore, Spain, Sri Lanka, Sweden, Switzerland, Taiwan, Thailand, Turkey, UK and USA are participating in the fair.

The BTMA and Hong Kong-based event management company Yorkers Trade and Marketing Services Company Ltd organised the fair which will continue until January 12, Alamin said.

Finance Minister AMA Muhith is scheduled to inaugurate the exhibition, he added.

Local officials of StanChart, HSBC unaware of takeover bid

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Bitopi Das Chowdhury, corporate communications manager of Standard Chartered Bangladesh, said they do not know anything on the issue.

"We do not comment on market speculation," she told The Daily Star.

Standard Chartered Bank is the oldest (over 100 years) and largest foreign bank in Bangladesh with 26 branches. It is a leader and pioneer in consumer banking segment and employs over 1,300 people.

The bank strengthened its foothold in Bangladesh with the acquisitions of Grindlays Bank in 2000 and the commercial banking business of American Express Bank six years later.

HSBC started its operations in 1996 and became a leader in commercial banking

among foreign banks within a short time.

In 2010-11, HSBC handled around 8 percent of the country's export-import worth nearly \$60 billion with 13 branches.

However, officials of HSBC said their chief executive Stuart Gulliver is reviewing the bank's businesses in all 87 countries it operates. Bangladesh is not out of the review, they said.

HSBC has already sold operations in Thailand, Costa Rica, El Salvador and Honduras.

"HSBC's focus is on the commercial banking in Bangladesh. Retail or consumer banking accounts for only 7 percent of the bank's business here," said an official of the bank, requesting anonymity.

sajjad@thedailystar.net



IFIC BANK
Salman F Rahman, chairman of IFIC Bank, attends the bank's annual business conference 2012, at Hotel Purbani in Dhaka on Tuesday. Mohammad Abdullah, managing director, was also present.



MEDICON PHARMACEUTICALS
Md Nurul Huda, managing director of Medicon Pharmaceuticals, attends the company's annual marketing and sales conference-2011 at Bangabandhu International Conference Centre in Dhaka recently. Nabil Huda, marketing director, was also present.

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