

COMMODITIES		ASIAN MARKETS				CURRENCIES						
DGEN	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
0.73%	0.91%	\$1,732.10	\$104.96	Closed	1.08%	0.69%	0.27%	81.60	105.58	126.73	1.02	
4,183.52	7,732.46	(per ounce)	(per barrel)		9,485.09	3,021.19	2,363.60	BUY TK	82.60	109.63	130.81	1.11

NCC Bank's
Chaumuhani Branch
 is now at new premises from **12 February 2012**

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 Chaumuhani Plaza
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NCC Bank Ltd.
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star BUSINESS

DHAKA TUESDAY FEBRUARY 21, 2012, e-mail:business@thedailystar.net

Govt cuts plans to import grains

SOHEL PARVEZ

The government has trimmed its food grain import target by 29 percent for the current fiscal year, banking on an increased domestic production of rice and a favourable buffer stock.

The import of rice and wheat stand at 12 lakh tonnes, dropping from the original plan of 17 lakh tonnes for the ongoing fiscal year ending in June, Ahmed Hossain Khan, director general of Directorate of Food, said on Sunday.

"We have reduced the target to import rice in view of its increased domestic production and increasing internal procurement levels," he said. "It will also reduce our dependence on imports and save foreign currencies."

The rice import target has been slashed by 43 percent to 4.5 lakh tonnes while the wheat import plan has been reduced by 17 percent to 7.5 lakh tonnes.

"We have increased our target to buy rice from the local market," said the official, adding that the cost of procuring rice from the domestic market will be lower than imports.

According to new plans, the government will buy 13.5 lakh tonnes of rice from the local market, shifting from its original plan to buy 10.5 lakh tonnes, for the fiscal year, said Khan.

Officials of the food department said the government has already received 4.5 lakh tonnes of rice in the first half of the current fiscal year. No more rice will be imported this fiscal year.

But wheat imports will continue until it reaches the revised target of 7.5 lakh tonnes. The import of wheat stood at 4 lakh tonnes in July-December, according to food department data.

A favourable buffer stock carried over from the previous fiscal year provides further scope to reduce imports, said officials.

A favourable buffer stock carried over from the previous fiscal year provides further scope to reduce imports: officials

The trade came at a time when widening revenue imbalance, resulting mainly from rising fuel imports bills by the government, puts pressure on foreign exchange reserves.

Rising import costs for fuel has increased pressures on the government in financing the budget.

Khan said the quantity of rice that has been slashed from the import plan would be bought from the domestic market.

Presently, public go-downs remain almost filled up with food grains of around 15 lakh tonnes because of increased domestic procurement and an entry of rice against the contracts signed last year.

The government imported 22 lakh tonnes of rice and wheat in fiscal 2010-11, according to the department of food.

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Merchant banks get more financial clout

STAR BUSINESS REPORT

The Securities and Exchange Commission yesterday approved an amendment to the merchant banker and portfolio manager rules, allowing them to raise their paid-up capital.

The paid-up capital of a full-fledged merchant bank will be Tk 25 crore, instead of the existing Tk 10 crore, the stockmarket regulator said in a statement.

The paid-up capital of a merchant bank with only an underwriting licence will be Tk 2.50 crore, instead of the existing Tk 1 crore, while the capital of a merchant bank with only an issue management licence will be Tk 12.50 crore instead of the existing Tk 5 crore.

Raising equity by merchant banks has become a much-talked-about issue since the price debacle in the stockmarkets in January-February last year.

Market experts emphasised the need for self-financing of the merchant banks against the backdrop of a gradual drop in the flow of liquidity into the market, while the merchant bankers also repeatedly urged the regulator to allow them to increase their own capital.

The merchant bankers have repeatedly said that they can raise their equity, especially through an initial public offering (IPO), to reduce their dependency for stockmarket financing, if the regulator allows.

Apart from IPO, the equity can also be raised through sponsors or issuing bonds, they had said.

The responsibilities of a full-fledged merchant bank include underwriting, issue management, portfolio management and lending to stock investors.

Presently, there are 43 full-fledged merchant banks in Bangladesh, while one holds the issue management, underwriting and portfolio management licence, and two others hold the issue management licences alone. In addition, one merchant bank holds the issue management and underwriting licence, and one holds only the portfolio management licence.

The commission will now publish the proposed amendment in the national dailies and post it on its website for public opinion before giving a final nod.

The merchant banks will have to fulfil the paid-up capital requirements within a year of publishing the gazette on the amendment.

Aamra Technologies' IPO approved

STAR BUSINESS REPORT

The Securities and Exchange Commission yesterday approved the initial public offering prospectus of Aamra Technologies Ltd (ATL) to raise Tk 51.77 crore from the public.

The approval came at a meeting of the stockmarket regulator with SEC Chairman M Khairul Hossain in the chair.

Using the fixed price method, ATL will float 2.15 crore ordinary shares of Tk 10 each at an offer price of Tk 24, including a premium of Tk 14, the SEC said in a statement.

With the proceedings from the IPO, the company will repay its bank loans and set up ATM (automated teller machine) and POS (point of sale) terminals.

The company's earning per share is Tk 2.61, while the net asset value per share is Tk 24.81, according to its 2010 financial statements.

ATL was incorporated in Bangla-

desh as a private limited company in February 3, 2010. ATL was previously known as Texas Electronics Ltd and was renamed on December 31, 2007.

ATL provides IT solutions and services, including systems integration, information systems outsourcing, core banking software and switching and networking solution supply.

It will be the sixth IT company to be listed on the Bangladesh stockmarket.

At yesterday's meeting, SEC also approved the takeover of Toyo Composite Knit Garments Ltd and Pure Cotton Knit Wears Ltd by Mithun Knitting, a listed company.

Mithun Knitting will issue 66.66 lakh shares to take over the above two companies. The newly issued shares will be locked-in for three years, which means the shares cannot be sold or transferred in that time.

The SEC also fined all directors of Mac Enterprise Tk 1 lakh each for failing to submit quarterly financial reports to the regulator.



Stocks extend losses for third day

STAR BUSINESS REPORT

Stocks declined for a third day as investors sold off shares amid poor corporate declarations of some commercial banks.

DGEN, the benchmark General Index of Dhaka Stock Exchange, closed at 4,183.52 points, after falling 30 points or 0.73 percent.

The market started the

day on a positive note but finally closed negative through topsy-turvy trading of investors.

Market analysts observed that investors went for selling shares as the corporate declarations of some companies, including banks, fell short of their expectations.

Investors remained inactive in the market due

to the fund crisis that contributed to poor turnover, said the market analysts.

AB Bank has recommended 5 percent cash dividends and 20 percent stock dividends for the year to December 31, 2011. The bank has reported earnings per share Tk 3.60, net asset value Tk 40.29 and net operation cash flow per share Tk 34.15.

Mercantile Bank has recommended 23 percent stock dividend for the year ended on December 31, 2011. The bank has reported earnings per share Tk 3.53, net asset value Tk 19.59 and net operation cash flow per share Tk 3.26.

Financial companies led the market to decline. Most banks, non-bank

“অপমানে তুমি জ্বলে উঠেছিলে
 সেদিন বর্ণমালা
 সেই থেকে শুরু
 দিন বদলের পালা।”*

আমর রেশ

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* কৃতজ্ঞতাঃ ড. আবু হেনা মোস্তফা কামাল

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Advertorial

The Solitaire
 for a serene living

A limestone façade serves as your introduction to The Solitaire; the interior lobby greets you with marble and glass. The double-level parking lot provides adequate accommodation for all 20 apartments, and concierge arrangements ensure that the consistent maintenance of the functionality of The Solitaire keeps this impression constant.

The objective of the bti "eco home" is to incorporate architecture to complement and enhance the natural assets of the site. Lighting and ventilation is given utmost significance—this is evident in the spacious verandahs overlooking the open road and the strategic placement of windows to allow crosswinds. Beyond this, you have a living area where all 1746 square feet is utilized in cosy, well lit rooms; and spaces of entertainment and relaxation. From hot and cold water lines to exhaust fans to gas connections, all permanent fixtures have been included into functional spaces such as the bathrooms and kitchens. Imported tiles and fittings implemented in the utility rooms assures you of their quality.

Greenery is an unquestionable factor in the Premium Collection eco homes. The Solitaire is no exception, with rockeries at the entrance and ground floor, up to the professionally landscaped flora of the rooftop garden. Residents can enjoy the scenic appeal from the community hall, equipped with pantry, and the barbecue area in the patio outside. The gym room built on the rooftop is an added perk.

Of course, the effectiveness of a home depends largely on the neighborhood—and what would be a more convenient neighborhood than Gulshan Avenue? With places such as Shopper's World, Nandan and Standard Chartered Bank an easy rickshaw ride away, a home such as The Solitaire will make these errands of everyday living a pleasure.