

Stocks finish marginally lower

STAR BUSINESS REPORT

Dhaka stocks ended marginally lower yesterday as investors were expecting a positive impact on the stock market, following a legal battle between directors and the Securities and Exchange Commission.

The DGEN, the benchmark General Index of Dhaka Stock Exchange, was 4,403.63 at the end of the day, dropping by 14.63 points or 0.33 percent.

Over the past nine trading sessions, the DGEN has been reported to have lost 388 points.

The market opened on a positive note as the index went up 64 points. However, despite the initial rise at the beginning of the day, the positive streak failed to continue as the day went by.

"Investors are waiting for the court to make a positive verdict in order to allow the fresh injection of funds," said IDLC Investments dur-

ing its daily market commentary.

"The DSE saw a fall in all its trade, indicating low participation by the investors," Green Delta LR Holdings said in its market analysis.

A total of 0.49 lakh worth of trades were executed, lowering trade by 22.5 percent from the previous day, with 3.1 crore shares and mutual funds changing hands on the Dhaka Stock Exchange.

Turnover declined by 14.1 percent from the previous day to Tk 140 crore, hitting the lowest point in the last three months.

Of the 262 issues that traded on the DSE, the prices of 90 issues advanced, 148 issues declined and 24 issues remained unchanged.

Three of the major sectors saw a rise in value, with telecommunication seeing the highest rise of 0.45 percent, followed by pharma seeing a rise of 0.21 percent and non bank financial institutions seeing a rise of 0.09 percent. Other sectors -- power and banks -- lost 0.06

percent and 0.98 percent respectively.

The Bangladesh Submarine Cable Company was featured at the top of the trading chart with 34.47 lakh shares worth Tk 20.21 crore exchanging hands, followed closely by Lafarge Surma Cement and Grameenphone.

NLI First Mutual Fund saw a rise of 9.41 percent in value, making them the biggest gainer of the day. On the other hand, Modern Dyeing and Screen Printing were not so lucky, losing 7.59 percent in value.

The Chittagong Stock Exchange also saw a decline yesterday as the day ended with the selective categories index at 8,423.15 points, falling by 3.28 points or 0.04 percent from the previous day. The prices of 89 issues declined, 60 issues advanced and 29 remained unchanged in the CSE that saw trading of 61.93 lakh shares and mutual funds, with Tk 26.30 crore in turnover.

84pc of RMG workers unbanked: IFC

STAR BUSINESS DESK

Around 84 percent of a 30 lakh garment workforce in Bangladesh remains without access to banking services, the International Finance Corporation (IFC) said in a statement yesterday.

The report was a collaborative effort of UK's DFID, European Union, the Norwegian Agency for Development Cooperation, IFC-managed South Asia Enterprise Development Facility and Bangladesh Investment Climate Fund, according to the statement.

Only 16 percent of the labour force in the \$16 billion industry has bank accounts. This leads to most workers taking wages in cash and not being able to manage it better and

running into hardships by the month-end.

M Abul Kashem, deputy governor of Bangladesh Bank, said it shows there is plenty of scope in providing banking services to the garments workers. Their savings can be kept for short- and long-term deposits to allow for better management, he said.

"IFC is working with a priority to provide low-cost banking services to this important sector of the society," said Kyle Kelhofer, IFC country manager for Bangladesh.

"The IFC Investment Climate and Sustainable Business Advisory Team is a good example in that respect," he added.

Kelhofer commented that the report has outlined a potential market for the banking sector.



PROJAPOTI
Hilary Michael, wife of the German ambassador to Bangladesh, inaugurates Projapoti, a decentralised readymade garment CSR project, at a ceremony in Dhaka recently. Michael Arretz, managing director of KiK Germany, Karl Borgschulze, CEO of CSI, and Anuza Seidl, managing director of Projapoti, were also present. Projapoti will focus on women in rural areas and engage in health care, education and environmental protection in northern Bangladesh.

YKK plants trees

STAFF CORRESPONDENT

YKK Bangladesh Private Ltd, world's largest zipper manufacturing company located in the Dhaka Export Processing Zone (DEPZ), organized a tree planting and distribution programme at Khanbahadur Awlad Hossain Khan High School at Manikgonj Sadar upazila on Monday.

Kosuke Miimi, managing director YKK, inaugurated the program by sowing a seedling and distributed a large number of trees among students for planting at their premises. Yuji Yamase, director and Masud Karim, general manager, were also present.

Miimi stressed the need for extensive tree plantation in the country and said that there was no alternative to this to protect the environment.

"So we must compensate the loss by planting more trees than we destroy," he said.

Every year, YKK organizes different types of social welfare activities as a part of corporate social

Banks want more time to go by new loan rules

FROM PAGE B1

"The new loan classification circular is a multiple whammy for the banks," said Anis A Khan, managing director and CEO of Mutual Trust Bank.

Khan said: "Implementing the stipulations of the circular will put the troubled customers into jeopardy and increase the banking system's non-performing loans".

He said more provisioning will be required leading to lower profits or even losses for some banks, and consequently less tax, which would ultimately push the government to borrow more from the banking system.

The banks are the major taxpayers for the government. According to the National Board of Revenue, of the top 10 taxpayers in the current fiscal year, nine are banks.

"I welcome any control and supervision over the banks, but it needs to be implemented in phases considering the existing liquidity pressure," said Ehsan Khasru, managing director and CEO of Prime Bank.

The new circular will push up banks' provisioning requirement significantly and reduce taxable income, he said.

Khasru suggested the central bank should run the circulars of 2005-06 and 2012 on loan classification, rescheduling and provisioning parallel for some time like the regulator did with Basel I and

Coca-Cola not to blame for US obesity: CEO

AFP, New York

Coca-Cola CEO Muhtar Kent insists his company is not responsible for the rise in US obesity despite New York Mayor Michael Bloomberg's recent moves to limit the consumption of sugary drinks.

"This is an important, complicated societal issue that we all have to work together to provide a solution," Kent told the Wall Street Journal in an interview published late Monday.

"That's why we are working with government, business and civil society to have active lifestyle programs in every country we operate by 2015," he said.

His remarks came just weeks after the health-conscious Bloomberg proposed a ban on super-sized soft drinks that would restrict the sale to 16-ounce servings, more than an average can but far less than the bucket-sized beverages offered at cinemas, service stations and sporting events.



AIRTEL
ASM Sabik Sikder, legal head of Airtel Bangladesh, and Anisul Islam, general manager of SSL Wireless, attend the signing ceremony of an agreement in Dhaka recently to provide mobile top-up services for Airtel subscribers through electronic channels.



RAK
Md Mehmood Husain, managing director of Bank Asia, and Khater Massaad, chief executive officer of RAK Investment Authority, pose for a photograph after a meeting held at a city hotel in Dhaka recently.

HSBC bankrolls \$100m water plan

STAR BUSINESS DESK

Douglas Flint, HSBC group chairman, recently announced the launch of HSBC Water Programme, a new \$100 million, five-year partnership with WWF, WaterAid and Earthwatch effort.

It is intended to tackle water risks in river basins, bring safe water and improved sanitation to over a million people; and raise awareness about the global water challenge, said a statement yesterday.

The programme came in the wake of a new report from Frontier Economics for HSBC. It revealed that by 2050, without any improvement in water resource management, seven of the world's top ten river basins will face unsustainable water consumption leading to scarcity.

It implies that at least 30 percent of the natural water run-off is being consumed. This could mean the GDP growth expected in the river basins would not materialise. Also, ecosystems home to quarter of the world population would face permanent damage affecting sustainability of communities and businesses.

HSBC group chair Flint commented, "Research findings show that the future of river basins is critical for global economic growth."

"The report also highlights the powerful economic rationale for improving access to freshwater and sanitation, at a time when total aid for water access and sanitation has actually declined. The HSBC Water Programme will benefit communities in need, and enable econo-

mies to prosper," he added.

The programme will tackle water supply and sanitation. In 2010 nearly 800 million people were without access to safe water, and 2.5 billion without access to basic sanitation. HSBC will share findings and insight to contribute to global understanding and best practice among NGOs, policymakers and businesses, as well as engaging its own employees.

Barbara Frost, chief executive of WaterAid commented, "The HSBC Water Programme will transform lives through its support of WaterAid's work. This exciting 5 year partnership will result in 1.1 million people gaining access to safe water and 1.9 million to improved hygiene and sanitation in Bangladesh, India, Nepal, Pakistan, Nigeria and Ghana."

WWF Chief Executive David Nussbaum said that recent figures from WWF show that freshwater ecosystems have declined by 70 percent since 1970 and 2.7 billion people are living in river basins that experience water shortages at least one month a year.

"These figures, alongside the research commissioned by HSBC, demonstrate why it is so important for us to take action to protect our freshwater resources now," he added.

Eve Carpenter, chief operating officer of Earthwatch said, "The programme will enable Earthwatch to set up research projects across the world, working with local conservation partners to address urban water management issues."

Mentoring suggested for Bangladeshi SMEs

STAR BUSINESS REPORT

Mentorship by the government agencies or successful entrepreneurs can be an effective tool to help Bangladesh's budding small and medium entrepreneurs to succeed, experts said at a discussion yesterday.

They said mentoring can help start-ups to know how to run their business better and help promising entrepreneurs to learn and develop their businesses. With mentoring, the SMEs become more skilful and confident in running their business.

"Mentorship is important. If you help them succeed, it will have a snowball effect as more people will be empowered," said Elanie Steyn, project coordinator of US State Department at the Bangladeshi Young Entrepreneurs Programme at the University of Oklahoma.

Lyn Arnold, team leader of Bangladesh INSPIRED project, which is providing technical assistance for the capacity building for the national SME infrastructure, said mentors can really help sharing their experience so that young entrepreneurs get encouragement to reach next step.

Their comments came at a discussion meeting held at the SME Foundation styled "Challenges and Opportunities for

Small and Medium Sized Businesses in Bangladesh" in the city.

A team of delegates from the Gaylord College of Journalism and Mass Communication, Oklahoma University attended the session along with a team of faculty members from BRAC Business School.

Syed Rezwanul Kabir, managing director of SME Foundation, said the foundation provides assistance to the entrepreneurs get finance and develop skills.

"We try to address their needs so that they can go where they have potential to go. We work on four Es -- Entrepreneur, Enterprise, Employment and Empowerment," he said.

Mamun Rashid, director of BRAC Business School, said Bangladesh is a land of entrepreneurs and people are very enterprising. They have succeeded despite all difficulties.

He urged the policymakers to distribute wealth to create entrepreneurs so they can create jobs.

Piyush Patel, chief executive of PL Studios, a US-based educational software company with more than 36,000 registered students, said the entrepreneurs would have to solve their own problems instead of looking up to others.

Monwara Hakim Ali, a director of the foundation and president of Chittagong Chamber of Commerce and Industry, presided over the meeting.



SHAHJALAL
Anwer Hossain Khan, chairman of Shahjalal Islami Bank, attends the annual general meeting of the bank held at Bangabandhu International Conference Centre in Dhaka yesterday. A 25 percent stock dividend was approved for 2011. Md Abdur Rahman Sarker, managing director, was also present.



SINGER
Hamim Rahmatullah, managing director of Singer Bangladesh, inaugurates a Singer dealer shop at Porshuram in Feni recently.



TOTAL GAZ
An instructor trains participants of a safety training programme arranged by Total Gaz recently for the SEL Park housing project of Structural Engineers in Mirpur, Dhaka. Seventy-five housewives joined the programme.