

BB cautions banks against fake notes ahead of Eid

BSS, Dhaka

Bangladesh Bank (BB) has asked its branch offices and all commercial banks to be cautious against fake notes, especially ahead of Eid.

The central bank has also sought cooperation from the law enforcement agencies in this regard. Besides, fake-note resistance committees comprising representatives from banks, police and local administration have been asked to remain alert at district level.

The central bank fears that forgers will try to release fake notes ahead of Eid as cash transactions increase significantly.

"The commercial banks have been

cautioned to thwart the entry of fake notes in the banking system," Ashim Kumar Dasgupta, BB executive director, said yesterday.

The banks have been instructed to ensure the use of modern fake-note detecting machine at all their branches. "We want to eliminate fake notes from the market completely. The fake note resistance committees have been made more active," he added.

According to the BB, the central bank releases a huge amount of new notes of different denomination against torn or soiled notes or as per demand, especially ahead of Eid every year. Forgers try to take advantage of the situation and slip fake notes into the system.

ICB declares dividends on 8 mutual funds, one unit fund

STAR BUSINESS REPORT

The Investment Corporation of Bangladesh (ICB) yesterday declared dividends on its eight mutual funds and one unit fund for fiscal 2011-12.

The ICB declared 600 percent dividend on the first mutual fund, while 300 percent for the second, 200 percent for the third, 185 percent for the fourth, 170 percent for the fifth, 100 percent for the sixth, 110 percent for the seventh and 100 percent for the eighth mutual fund.

The state-run investment entity also announced Tk 32 dividend per unit on the unit fund for the year that ended on June 30, 2012.

The dividends were approved in a fund related meeting of the board of directors of the corporation held in Dhaka, the ICB said in a statement.

ICB Chairman SM Mahfuzur Rahman, Managing Director Md Fayekuzzaman and other senior officials were present at the meeting.

The statement also said the declared dividend for the first mutual fund is the highest among the dividends so far announced by the listed firms on the Dhaka and Chittagong stock exchanges.

Maruti Q1 net falls 23pc Weak rupee pushes costs

REUTERS, New Delhi

Maruti Suzuki, India's biggest carmaker, lagged estimates with a 23 percent fall in fiscal first-quarter profit, its fourth consecutive quarterly profit decline, as a weak local rupee currency pushed up costs.

Maruti, 54.2 percent owned by Japan's Suzuki Motor Corp, said net profit fell to 4.24 billion rupees for the three months to June from 5.49 billion rupees a year earlier.

"Adverse currency movements, notably the Yen-rupee exchange rate, impacted profits negatively," Maruti, which imports many components from Japan, said in a statement.

Net sales for the quarter rose 27.5 percent to 105.3 billion rupees from a year earlier.

Analysts expected a net profit of 4.85 billion rupees for the quarter on revenue of 101.10 billion rupees, according to Thomson Reuters I/B/E/S.

Maruti faces months of supply woes

and a slump in market share and sales as a lockout at a key factory enters its second week after violent clashes between workers and management left one company official dead.

The shutdown at the Manesar plant threatens a replay of a dismal 2011 when labour unrest battered the company's sales, market share and profit.

The results released on Saturday are for the three months to end-June, and as such are not affected by the shutdown.

The latest labour problems add to Maruti's woes at a time when it is fighting an industry-wide slowdown in sales as the Indian economy grows at its slowest pace in nine years, while a weakening rupee has made it even worse for an industry that depends on imports for key raw materials.

Maruti shares, valued at \$5.8 billion, are down more than 9 percent since it announced the shutdown of the Manesar plant on July 18. The stock closed 0.4 percent higher on Friday, underperforming a 1.1 percent rise in the broader market.



Ragib Ali, vice-chairman of Southeast Bank, opens the Kulara branch of the bank at Aziz Rowshon Shopping Centre & Garden City in Moulvibazar on Saturday.



Shahid Hamid, executive director of Dhaka Regency Hotel, attends an iftar party for 45 boys from Majharul Ulum Al-Islamia Madrasah & Orphanage arranged by the hotel at its premises in Dhaka on Saturday. The hotel gave 50 copies of the Quran to the madrasah.

Economists against Padma bridge with local funds

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"In the meantime, the river will change its course and then all these plans may turn useless," he said, adding that project costs will also go up much.

He said, although China has a huge foreign currency reserve, it involves the WB while implementing large projects to win the confidence of the globally reputed contractors.

Khan also questioned the government's capacity for financing the Padma bridge project from the domestic sources that would cost the government 10 times higher interest than funds from abroad.

Referring to a study by the International Monetary Fund, he said Bangladesh is more capable of taking loans from the international sources than the domestic ones.

The WB cancelled its pledged \$1.2 billion credit for the \$2.9 billion Padma bridge project on June 29, saying it found 'credible evidence' of corruption in the project.

Later, the government announced that the biggest ever infrastructure project of the country will be built with its own funds and local aid.

AB Mirza Azizul Islam, another former adviser to the caretaker government, stressed the need to ensure a corruption-free and transparent governance system to attract money from alternative sources.

He also said the costs of the project would go much higher if the government tries to complete it through alternative funding.

In that case, the ownership of the bridge will also go to the private sector, he said, adding that private companies would collect tolls for their own benefits for which the people will suffer.

Islam also suggested the government take better strategies to attract bigger amounts of foreign direct investment.

Amir Khasru Mahmud Chowdhury, a former commerce minister, said the consequences of building the bridge with domestic financing will be disastrous like it happened with rental and quick rental power plants.

"Economy came under pressure when the government started providing subsidies for implementing the rental and quick rental power plants with funds from local banks," he said.

"Both internal borrowing and interest rate went up; banks began to face a liquidity crisis, and inflation soared. Investment also dropped significantly. The same thing will happen with the Padma bridge project."

In a keynote, Mamun Rashid, director of BRAC Business School, said Bangladesh should look to the Middle East and Asia to tap the Islamic liquidity pool for financing big projects, especially those in the power sector.

"Now that we have a respectable sovereign credit rating, raising money from international or commercial sources should be easier than the past. Local capital markets can also channel domestic liquidity to an extent if the transaction is structured properly," he said.

Ainun Nishat, vice chancellor of BRAC University, said if the Padma bridge project is financed by own funds, the project's costs will overrun.

AK Abdul Mubin, director of National Credit Ratings Ltd, and Siddiqur Rahman, a former finance secretary,

India's shopping malls lose bustle as economy cools

REUTERS, Mumbai

The biggest shopping mall in Mumbai, one of the world's most crowded cities, can feel like a pretty lonely place. Eight months ago, multi-storied Phoenix Market City opened for business in the eastern suburb of Kurla with a total floor area of 1.13 million square feet, the size of about 15 soccer fields. To date, just two-thirds of its 320 stores have been taken up and foot traffic can be thin.

Asia's third-largest economy is growing at its slowest pace in nine years and sluggish consumer spending is forcing mall developers to scale back plans. It will take years for the glut of retail space conceived during headier times to be absorbed by tenants, even as India fine-tunes rules to make it easier for foreign shops to enter the country on their own, analysts say.

"We are holding back on new store openings and focusing on our existing stores," said Ramesh Tainwala, chairman of Planet Retail, which has leased shops in Phoenix Market City and is the Indian partner of global retail brands, including Body Shop, Next, Nautica and Debenhams.

"We are shutting down some of our stores in areas where rentals are too high, and with the slowdown in consumption complicating things further," he said,

adding that the company is also asking landlords to renegotiate rents.

Consumer spending is on track to grow just 5.7 percent this year, compared with 24 percent in 2010, according to Euromonitor International, a feeble pace for a domestic demand-led economy.

Nationally, retail vacancy rates are 20 percent and will likely rise to 25 percent by 2014, according to property consultants Jones Lang LaSalle, as floor space in malls grows to 100 million square feet from 66 million now. More than 90 percent of shopping in India is still done at unorganised one-off shops.

By comparison, Thailand's capital of Bangkok alone has 62 million square feet of mall space, of which only about 7 percent is empty, according to a report by CB Richard Ellis.

"There are just not enough people walking in," said Akshay Khatri, who manages the Van Heusen apparel store in Phoenix Market City, which is developed by Phoenix Mills, one of India's few developers specialising in malls.

Vacant malls, though, are also to be found in China where there has been a rush to build them. The 7 million-square-foot New South China Mall in the southern manufacturing city of Dongguan -- the biggest mall in the world -- is mostly vacant.

Apple, Twitter not currently in discussions for stake

REUTERS, San Francisco

Apple Inc and Twitter are currently not in discussions on the mobile technology giant taking a stake in the popular social networking site, sources familiar with the matter said.

Apple in recent months has held negotiations with Twitter to explore investing hundreds of millions of dollars in the company, The New York Times reported on Friday, citing people briefed on the matter. The Wall Street Journal said such discussion was held over a year ago, citing a person familiar with the matter.

It is unclear if the two companies talked about a deal in the past and at what level such discussions were held, but there are no current, formal talks between the companies on an investment or acquisition, the sources said. Both Apple and Twitter declined to comment.

NBR to slash down land customs stations

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In many cases, some stations were introduced on political considerations to make the local people happy.

For example, two stations were opened at Gobraura and Karaitali in Haluaghat of Mymensingh during the previous BNP and Awami League regimes, although the distance between the two points is only three kilometres.

There is also a lack of infrastructures and road connectivity in some stations. In some cases, the stations on the Indian part were not built, the official added.

He said the draft policy is in the primary stage and it will be finalised after taking views of all stakeholders.

Poor corporate performance makes investors jittery

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Among the major sector, non-bank financial institutions lost the most, 2.23 percent, followed by power, 1.75 percent, and telecommunications, 1.08 percent.

Bangladesh Submarine Cable Company was the most traded stock of the day, thanks to transactions of 25.18 lakh shares worth Tk 19.02 crore, with Grameenphone and GPH Ispat taking the new two positions.

ACI Formulation which reported net loss (after tax) of Tk 4.4 crore with negative earnings per share of Tk 1.85 for the half year that ended on June, 2012, dropped 6.36 percent to become the biggest loser.

United Airways took the top spot in the gainers' chart, having risen by 9.28 percent over-

China's advantages counteract rising pay: analysts

AFP, Beijing

Rapid wage increases are threatening China's competitiveness, but improved productivity and other advantages mean it will continue to attract investors, analysts say.

Labour costs in China would match those of the United States within four years, catching up with eurozone countries in five years and with Japan in seven, the French bank Natixis forecast in a study last month.

China "will soon no longer be a competitive place for production given the strong rise in the cost of production", the bank said.

It is a view backed by the respected Boston Consulting Group (BCG), which said in a study last August that by around 2015 manufacturing in some parts of the

United States would be "just as economical as manufacturing in China".

Examples of major manufacturers leaving China abound -- BCG said US technology giant NCR has moved its manufacture of ATMs to a factory in Columbus, Georgia, that will employ 870 workers as of 2014.

Adidas announced recently that it would close its only directly owned factory in China, becoming the latest major brand to shift its manufacturing to cheaper countries, though it maintains a network of 300 Chinese contractors.

Chinese workers making athletic shoes are paid at least 2,000 yuan (258 euros; 313 dollars) a month, while their Adidas colleagues in Cambodia only earn the equivalent of 107 euros, the German company said.



Badir Rahman, chairman of Al-Arafah Islamic Bank, opens the newly shifted VIP road branch of the bank at Nayapaltan in Dhaka yesterday. Ekramul Hoque, managing director, was also present.

Bangladesh Lamps Limited

Sadar Road, Mohakhali, Dhaka - 1206

Half Yearly Report - 2012

Based on the SEC directives, this is notified for general information that the statement of unaudited half yearly results of the Company as on 30th June 2012, has duly been despatched to all our shareholders and also the SEC, DSE and CSE within the stipulated time.

The half yearly financial statements can also be available in our web-site of the company. The address of the web-site is www.bl.com.bd.

Abdullah Ismail
Company Secretary

Dhaka
July 29, 2012

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