

Stocks shaky amid political tensions

STAR BUSINESS REPORT

Stocks ended the week in the black amid volatility as investors took a cautious stance in understanding the market direction.

DSEX, the benchmark general index of the Dhaka Stock Exchange, finished the week at 3,973.28 points, after going up 16.38 points or 0.41 percent yesterday.

Market oscillated for the entire day and closed in the positive territory amid confusion among investors, said LankaBangla Securities.

"The overall market turnover declined by 34 percent to Tk 214 crore, indicating that most of the investors decided to observe the market direction before making an investment decision."

The stockbroker said the nationwide shutdown was also a reason behind the low turnover.

"The market stayed shaky amid political tensions. Investors remained watchful over the political developments, as the future investment outlook highly depends on the outcomes," said IDLC

Investments.

A total of 0.62 lakh trades were executed with 4.93 crore shares and mutual fund units changing hands on the Dhaka bourse.

Of the 270 issues that traded on the DSE floor, 175 advanced, 77 declined, while 18 remained unchanged.

During the trading session, all the major sectors ended in the black except the non-bank financial institutions that retraced 1.34 percent, the highest loss among all sectors.

Banks gained 0.88 percent followed by pharma's 0.62 percent, telecom's 0.39 percent and power sector's 0.26 percent.

Summit Purbanchol Power Company featured on the most traded stocks' chart with 22.71 lakh shares worth Tk 19.96 crore changing hands.

Aragon Denims and United Airways were the next popular stocks of the day.

National Tubes was the highest gainer, posting a rise of 7.98 percent, while Green Delta Insurance was the worst loser, slumping by 18.24 percent.

Innovation can lead to industrial revolution: Barua

STAFF CORRESPONDENT, Chittagong

Innovation can lead to an industrial revolution in the country, Industries Minister Dilip Barua said in Chittagong yesterday.

He was speaking as chief guest at a seminar on "importance of intellectual property in economic development".

Many important things were invented in the country but those were not commercialised, he added.

"Now other countries are trying to grab patents of our own products like Jamdani, Rosmalai, etc."

"If we increase awareness of taking patents of new inventions, we can fight in the international court for the legal right of our products," Barua said.

The seminar is the first of the three awareness-raising seminars to be held around the country.

The seminar was jointly organised by the Bangladesh Investment Climate Fund, Department of Patent Design and Trademarks, and the Chittagong Chamber of Commerce and Industry at the chamber auditorium.

Beshto brings online social services in Bangla

STAR BUSINESS DESK

A microblogging site tailored for the Bangla-speaking community has recently been launched by the local online entertainment company Beshto Ltd.

Called Beshto Live!, the public social network would enable the Bangladeshis to share information, opinions and miscellaneous content.

"Facebook is used to share messages and photos privately with friends, whereas Beshto Live! can be used to share content openly with the Bangladeshi people," said Abul Hasanath Mustafa, a team leader at Beshto.

Another service, Proshno, has also been launched, which allows Bangladeshis to share knowledge with each other.

Users can ask questions on topics as diverse as career, relationships, politics and dining, to be answered by other users who have relevant knowledge.

Quality is maintained through an innovative system of voting and the awarding of points and recognition.



Food Safety Agreement Signing Ceremony
Meena Bazar & BCSIR
Chief Guest, Architect Yeafesh Omar
Honorable State Minister
Ministry of Science and Technology
MEENA BAZAR

Act on CSR, export more to Europe

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Moreover, 27 member countries of the EU have also adopted their own national CSR documents, he said.

For example, he said the Danish government has made it mandatory for big state-owned companies to publish CSR activities in their annual financial reports.

CSR does not only mean philanthropic activities, it is an integral part and core business issue, Hanna said. It also stands for green economy and creation of green jobs, and the area of CSR is becoming wider by the day, he said.

In the middle of the financial crisis in 2011, the European Commission announced CSR as an integral part of business, he said.

"CSR ensures sustainable business practices." It is possible to keep the environment clean and make money through working together, the envoy said.

He said establishment of a separate industrial park for leather and leather goods in Savar is a good initiative, which will ensure production in a sustainable environment. "I visited the tannery at Savar and it impressed me."

In the second conference, not only the German market, but also the European market will be focused, said Shakhawat Abu Khair, president of Bangladesh German Chamber of Commerce and Industry, the organiser of the forum.

CSR means the creation of required working conditions which are accepted by all, said Gerben de Jong, ambassador of the Netherlands in Bangladesh.

"CSR is a measure which goes beyond the compliance. Sustainable business model is the growth model of the future."

Hasan Mahmud, the environment minister of Bangladesh, said world population will increase to 9.2 billion by 2050, up from 7 billion now.

"Slowly, we are making us endangered species due to over extraction of natural resources beyond our knowledge," he said, adding the global temperatures will increase by 4 degree Celsius in the next couple of decades.

"For having a green economy it needs a close cooperation between the private sector and the government," said Uta Bollhoff, director general for Europe, Middle East and Asia of the Ministry of Economic Cooperation and Development of Germany.

She said the fire incident at Tazreen Fashions is a wakeup call for green economy.

David Hasanat, managing director of local Viyellatex Group, said he could save \$1 million a year from his total annual turnover of \$200 million by adopting green initiatives in business operations.

Jan Pronk, former minister for environment and development cooperation of the Netherlands, also spoke.

Telenor targets financial inclusion in Bangladesh

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The emerging market-focused telecoms group launched its mobile banking project 'Easypaisa' in Pakistan in October 2009, after acquiring majority shares of Tameer Microfinance Bank Ltd in 2008.

In just three years, the initiative has become the third biggest mobile money service in the world in terms of customers, according to World Bank.

Today, it has the largest mobile financial services network in Pakistan, with more than 20,000 shops across 700 cities and towns acting as its 'merchants', which is twice the number of bank branches in the country.

Since its inception, Easypaisa has carried out 100 million worth of transactions and has moved \$2 billion through its system, and in 2012 it has channelled 120 billion rupees.

CNN labelled Easypaisa as "the model to follow" in mobile banking.

Khuram Malik, head of products at Easypaisa, said they realised that most people were involuntarily excluded from banking services in Pakistan -- which presented Telenor the opportunity to launch mobile banking service.

"Simplicity is the reason behind the success of Easypaisa," said Malik, adding that the initiative was reaching out to the unbanked population who once thought banking was "impossibility".

New technologies for poultry farmers

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In the last few years, the industry faced many challenges, including the attack of avian influenza, he said.

Haque urged the government to adopt large-scale vaccination and substantive disaster recovery programmes for the poultry growers and expand the tax holiday facility for the sector till 2021.

High interest rates of bank loans also hold back



ISP AHANI

Sir Fazle Hasan Abed, chairperson of BRAC, inaugurates the operation theatre complex of Ispahani Islamia Eye Institute and Hospital in Dhaka on Saturday. Shiro Sadoshima, Japanese ambassador to Bangladesh, and Mirza Ali Behrouze Ispahani, chairman of the management committee of the hospital, were also present.



PREMIER BANK

Prime Minister Sheikh Hasina receives a cheque from HBM Iqbal, chairman of Premier Bank, as part of the bank's donation for the families of the martyrs of BDR carnage, at a ceremony at the Prime Minister's Office in Dhaka recently.

India raises spending while promising smaller deficit

AFP, New Delhi

India's government increased spending by 16 percent on Thursday as it geared up for elections next year, in a budget that promised higher outlays for rural voters but a smaller public deficit.

Finance Minister P Chidambaram announced big increases for rural development, health and education, defying analysts' expectations he would deliver an "austerity budget" for the financial year to March 2014.

But with an eye on global ratings agencies which have threatened to downgrade India's credit ratings to junk, he pledged to cut the fiscal deficit to 4.8 percent of gross domestic product from 5.2 percent in the current year.

He also sought to roll out the welcome mat for the foreign investment needed to overhaul India's dilapidated ports, roads and other infrastructure seen as a major impediment to economic growth.

India "does not have a choice between welcoming and spurning foreign investment. Foreign investment is an imperative," said Chidambaram, who took over the portfolio in mid-2012 and has been courting overseas investors since then.

"Doing business in India must

be seen as easy, friendly and mutually beneficial," he added.

He presented his budget amid a gloomy backdrop, with the economy projected to expand by 5.0 percent this fiscal year to March, the lowest figure for a decade.

Growth is forecast by the government at between six and 6.7 percent in the next financial year -- still far below near double-digit rates of previous years.

"The (budget) spending brakes have been removed. This is a significantly bigger increase than expected," said an economist from the Credit Suisse investment bank, Robert Prior-Wandesforde.

Naina Lal Kidwai, country head of HSBC bank, warned immediately afterwards that "somehow I see that the math is not matching up."

The benchmark Sensex share index closed down 1.52 percent or 290.87 points at 18,861.54 points, after the rise in spending fuelled investor worries of higher inflation that could delay interest rate cuts.

To pay for the spending, Chidambaram targeted higher revenue through a wider tax net by closing tax loopholes and introducing measures targeting the wealthy, whom he insisted would be happy to pay

in a spirit of philanthropy.

The Harvard-educated lawyer slapped a one-year 10-percent surcharge on the 42,800 people with declared incomes of over 10 million rupees (\$180,000) a year.

"I am confident when I ask the relatively prosperous to bear a small burden for one year, just one year, they will do so cheerfully," he told parliament.

Chidambaram, who also raised taxes on luxury imported vehicles and goods and cigarettes, has been under pressure from his colleagues in the under-fire Congress government to find money for populist pre-election measures.

Thanks to "a bitter dose" of belt-tightening this year, he said the government had "retrieved some economic space" which would allow him to relax constraints.

He raised outlays on education by 17 percent, health by 24 percent, agriculture by 22 percent and rural development by a massive 46 percent as well as increasing spending for roads.

He also earmarked \$1.8 billion for the government's flagship food security bill intended to provide cheap grains to up to 70 percent of India's 1.2 billion population and reduce rampant malnutrition.

India to set up 'women's bank'

AFP, New Delhi

India's government said Thursday it would set up a new public sector bank for women as part of efforts to address gender imbalances in a country still reeling from protests over a fatal gang-rape in New Delhi.

Finance Minister P. Chidambaram said 10 billion rupees (\$186 million) had been set aside to capitalise the new bank that is to focus on lending to women and be managed and staffed by them.

"I hope to obtain the necessary approvals and banking licence by October 2013 and invite all honourable members to the inauguration of the bank shortly there after," he told parliament as he presented the 2013/14 budget.

Last week, the Reserve Bank of India paved the way for the issuance of new bank licences in a push to expand financial services across the country where fewer than half of the country's 1.2 billion people have a bank account.

Other examples of women-only banks exist in neighbouring Pakistan, which opened one in 1989, and in Tanzania in East Africa where a similar version became operational in 2009.

Separately, Chidambaram also announced the creation of a 10-billion-rupee fund aimed at improving the safety of women amid criticism of the government for failing to do more to tackle sex crime.

In December, a 23-year-old physiotherapy student was raped and murdered on a New Delhi bus in a vicious attack that provoked street protests and a bout of deep introspection about India's attitude to women.

"Recent incidents have cast a long, dark shadow on our liberal and progressive credentials," Chidambaram said.

"We stand in solidarity with our girl children and women. And we pledge to do everything possible to empower them and to keep them safe and secure," he said to cheers from members of parliament.

Asia has world's most billionaires: survey

AFP, Beijing

Asia has more billionaires than any other continent, a survey by a China-based wealth magazine showed on Thursday, apparently overtaking North America for the first time.

There were 1,453 people around the world with a personal wealth of \$1 billion or more as of January, said the Hurun Report, a luxury magazine publisher that compiled the list.

Asia had 608 billionaires, North America 440 and Europe 324, it said in a statement.

It is believed to be the first time Asia has been named as home of the largest pro-

portion of super-rich on any global list.

US business magazine Forbes said in its most recent international rich list, published in March last year, that the Asia-Pacific region had 315 billionaires, compared to 450 from North America and 310 in Europe.

Among individual countries, the United States and China dominated the Hurun list, with 408 and 317 billionaires respectively, followed by Russia, Germany and India.

Mexican telecoms czar Carlos Slim, 73, was ranked as the "Richest Man on the Planet" with a personal fortune of \$66 billion. Slim also topped last year's Forbes global list.



IFIC

IFIC Bank Chairman Salman F Rahman presents a cheque for Tk 25 lakh to Major General Md Salahuddin Miaji, area commander of Rangpur Cantonment, for making a donation, at a ceremony at the cantonment on Tuesday. Shah A Sarwar, managing director of the bank, was also present.