

Stocks slide for third day

STAR BUSINESS REPORT

Stocks continued to fall for a third day amid choppy trading.

DSEX, the benchmark index of the Dhaka Stock Exchange, fell 7.48 points or 0.16 percent, before closing at 4,503.98 points.

The market has not shown any sign of reversal yet, said LankaBangla Securities. "Investors have not exhibited much exuberance as market direction remained unclear," it said.

The consecutive, choppy trading sessions made the investors cautious and prompted them to cash in on stocks, the stockbroker added.

IDLC Investments said investors kept their focus on strategies, trying to locate undervalued investment opportunities throughout the market.

Turnover, an important indicator of the market, however rose 23.4 percent to stand at Tk 380.51 crore at the end of yesterday's trade.

Of the traded issues, 112 advanced and 144 declined, with 55 securities unchanged on the premier bourse.

Titas Gas dominated the turnover chart with 24.65 lakh shares worth Tk 17.16 crore changing hands, followed by United Air, Beximco Pharma, Beximco and Khulna Power Company.

Among the major sectors, the food and allied sector rose 0.72 percent in market capitalisation, followed by non-bank financial institutions that increased 0.49 percent and fuel and power 0.34 percent.

Conversely, banks lost 0.42 percent, followed by cement 0.4 percent and telecom 0.38 percent.

Hakkani Pulp and Paper was the day's best performer, advancing 10 percent, while Modern Dyeing and Screen Printing was the worst loser, slumping 8.78 percent.

Chittagong stocks rose yesterday with the bourse's benchmark index, gaining 20.7 points to stand at 8,476.5.

Connectivity is important for Bangladesh: EU envoy

DIPLOMATIC CORRESPONDENT

Terming Bangladesh's approach towards connectivity as a positive measure, the European Union has said connectivity is now a pivotal concept for Bangladesh and nothing can stop it from becoming a growing reality.

"Bangladesh is taking a positive approach regarding connectivity, addressing the challenges and catching the opportunities," EU Ambassador in Dhaka Pierre Mayaudon said, adding that one of these opportunities comes in the form of closer association with Europe.

"We have all good reasons to believe that this one won't be a missed opportunity," Mayaudon said.

Speaking at a diplomatic talk organised by the Diplomatic Correspondents Association Bangladesh (DCAB) at Lakeshore hotel yesterday evening, he said

movements of people, goods, money and ideas will expand in and around Bangladesh.

"Don't you think that two inspiring visions such as 'blue economy' and 'digital Bangladesh' formulated by the country's Prime Minister Sheikh Hasina have connectivity in common?" Mayaudon said.

Highlighting the recent engagement between Bangladesh and India on connectivity arena, Mayaudon said the good understanding between the two countries, as reflected by the Land Boundary Agreement, was instrumental in accelerating the signing of the Bangladesh, Bhutan, India and Nepal-Motor Vehicles Agreement.

"During the time of the implementation, obstacles will remain in terms of infrastructure and setting up of a regulatory framework but it will also show that a strong political impetus can make all the differ-

ences," he observed.

Mentioning about Indian Prime Minister Narendra Modi's recent remark, the EU Ambassador said free movement of people and goods is very much the driver of the European integration.

"It brings not only development, but also security. Note that the EU received the Peace Nobel Prize in 2012 on that account."

Turning to foreign investment issues, the envoy said in the global economy, investors have a wide choice of options and Bangladesh is one of them.

"Giving a fresh, positive, modern image of Bangladesh is crucial."

He called for bringing reforms of the in the current Companies Act which dates from 1913 to make investment in Bangladesh easier.

"Success stories are critical for attracting foreign investment. We wish many of them could be brought to the attention of the

general public to project an attractive image of Bangladesh," he added.

On the garment sector, he said this export-driven relation was on the verge of a brutal collapse with the ruins of Rana Plaza.

The EU was considering with drawing the duty- and quota-free market access regime it had granted to Bangladesh, he said.

It would have had devastating consequences, but two initiatives - Sustainability Compact and Accord and Alliance - saved this privileged market access regime.

He said the Europe customers are more aware, conscious and demanding about the products they may or may not decide to buy.

"The price is just one parameter. The social and economic environment of manufacturing process is equally important."

DCAB President Masud Karim chaired the event while General



Shawkat Ali, deputy managing director of South Bangla Agriculture and Commerce Bank, and Faruque Hossain, director general of the planning ministry's Central Procurement Technical Unit, sign a deal for the bank at a programme recently. The bank will act as an e-payment service provider. Md Shahid Ullah Khondaker, secretary of the Implementation Monitoring and Evaluation Division, and Md Rafiqul Islam, managing director of the bank, were also present.

bKash offers up to 20pc cash back for Eid shopping

STAR BUSINESS DESK

Leading mobile financial service provider bKash is offering up to 20 percent cash back to its clients for shopping at 381 leading fashion, food and e-commerce outlets in the country. The offer for the upcoming festival of Eid-ul-Fitr began on the first day of Ramadan.

Major brands like Aarong, Yellow, Lotto, Fakhruddin Biryani and Shwapno are partnering with bKash in the campaign, it said in a statement yesterday.

Names of other participating brands and their outlet locations are available on the bKash website and Facebook page. Upon valid transactions, customers will receive the cash-back amount in their bKash accounts on the next working day. There is no additional charge for bKash payments.

Launched in 2011, bKash is a joint venture of Brac Bank, US based Money in Motion, World Bank's private sector investment arm IFC and the Bill and Melinda Gates Foundation.

Robi brings roaming SMS at Tk 1 each

STAR BUSINESS DESK

Robi has recently launched a special SMS service under which the clients of the mobile operator can send unlimited roaming SMS at Tk 1 each to Bangladesh.

To avail the USSD SMS back service, the customers need to dial *211# and follow the instructions or dial *211*mobile number# directly and type text to send SMS to Bangladesh.

Besides this, the regular roaming SMS service will also be available, the telecom operator said in a statement yesterday.

Robi is also offering simple and affordable roaming with single rate for 100 countries.

ACI's Shwapno keeps growing

STAR BUSINESS DESK

ACI's retail chain Shwapno has increased its outlet space by more than 40 percent, registering significant growth in revenue in 2014, said Arif Dowla, its managing director.

He was speaking at the 42nd annual general meeting of ACI recently held at Officers' Club in Dhaka, according to a statement.

Shwapno contributes significantly to ACI's revenue, and will continue to play a major role in ACI's future growth, it said.

The Shwapno chain has grown to 59 stores in 16 districts since its launch in 2008, according to the company's website. It employs about 1,300 people.

Anwar Group appoints new chief HR officer

STAR BUSINESS DESK

Kazi Rakibuddin Ahmed has recently joined Anwar Group of Industries as its chief human resources officer.

Prior to joining Anwar Group, Ahmed served as the chief operating officer of Foster Companies and has also worked with leading multinationals such as British American Tobacco, Unilever, Sanofi, Pan Pacific Sonargaon and local companies like Best Aviation and DBL Group, it said in a statement yesterday.

He is a member of American Society of Human Resources Management and American Chamber of Commerce in Bangladesh, and has also served as general secretary of the Bangladesh Society for Human Resources Management.



Novoair's special monsoon package for Cox's Bazar

STAR BUSINESS DESK

Novoair has launched special-rate return tickets to Cox's Bazar for the monsoon season, the airline said in a statement yesterday.

Each travel package of Tk 10,700 inclusive of all taxes includes a return ticket to Dhaka, one-night deluxe accommodation in the tourist town and transportation, according to the statement.

The package also offers Iftar and Sehri deals among other perks, the airline said. The offer is valid for a minimum one night stay for one person.

Hotels such as Sayeman Beach Resort, Ocean Paradise Hotel and Resort, Seagull Hotel, Long Beach Hotel and Praasad Paradise Hotel and Resort in Cox's Bazar are partnering with Novoair to provide the service.

BB takes action against 20 officials for protests

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They handed over a letter to all the board members asking them not to appoint a general manager on a contractual basis. The board expressed dissatisfaction over the demonstrations by the officials, according to the notice.

The Bangladesh Financial Intelligence Unit (BFIU) was formed in 2012 to deal with money laundering matters. In 2013, BFIU has also achieved the membership of Egmont Group, an international cooperation in the fight against money laundering and terrorist financing.

Mustafa K Mujeri, a BB board member, said the directors gave the nod to appoint a general manager or consultant for the BFIU by issuing open tender.

"The opening is for a senior position at the BFIU. It requires expertise," Mujeri told The Daily Star yesterday.

"Anyone who fits the criteria from inside or outside the BB can apply."

An official who took part in the demonstration said the BB was moving to hire a retired general manager, Deb Prasad Debnath, on a contractual basis at the BFIU. Debnath is close to BB Governor Atiur Rahman, he added.

Facebook gaining ground on YouTube in video ads

REUTERS, Frankfurt/Paris

Facebook is gaining ground on Google's YouTube as an outlet for big companies to market their products via online videos, the fastest growing category of Internet ads, a report published on Monday said.

The competition for video viewers opens up a new front in the clash between the two web giants that already compete in other types of advertising given their appeal to young and international consumers, Ampere Analysis said in a study.

London-based Ampere predicts a new

advertising "arms race" between the two rivals, neck and neck in terms of audience sizes with around 1.4 billion to 1.3 billion monthly active users, respectively for Facebook and YouTube. That means consumers are likely to be forced to see more ads, but also enjoy a richer range of video programming as a result, it said.

The Internet will overtake TV advertising in 12 key markets, representing 28 percent of global ad spending, by 2017, separate research by media-buying firm ZenithOptimedia said on Monday. Ad spending is projected to reach \$531 billion this year.

Regulator okays IGW cartel

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However, analysts said the act of creating the cartel is a violation of law. "It's a fundamental violation of the competition act," said Abu Saeed Khan, senior policy fellow at LIRNEasia, a Colombo-based think tank.

The process may bring stability to the market but at the same time will create scope for some big players to earn huge amounts of money, industry insiders said.

Currently, the minimum price for international incoming calls is 1.5 cents a minute, but no upper limit has been set. Of the amount, 40 percent goes to BTRC, 17.5 percent to ICX operators, 22.5 percent to phone companies, and the rest to IGW operators.

"The seven IGWs who will terminate calls are politically powerful. They will now set new call termination rates, which may be higher than the current rates. But this additional money will not be shared with anybody," said an insider, requesting not to be named.

Mir Nasir Hossain, managing director of Mir Telecom, which is a tier 2 operator, said the market will be stabilised due to the move.

But insiders said the cartel will increase the termination rate and non-resident Bangladeshis will have to bear additional costs or reduce calls to relatives at home.

Currently, on average 11 crore minutes of international calls come into the country a day.

According to the new model, IGW's portion of earning will be deposited in a single account before distributing it at a 1:1.9 ratio. If tier 1 operators receive Tk 1, tier 2 operators will get Tk 1.9 from the account. At the same time, 7.5 percent of the money will go abroad for "market development".

Several IGW operators also raised questions over the revenue sharing model, but those were ignored. "Powerful people are involved in the process," said the managing director of an IGW operator.

The Daily Star contacted senior officials of BTRC, but they refused to comment on the matter. Mobile and ICX operators said they raised objections against the cartel several times and asked for protection from the regulator.

Grameenphone said it has serious concern over the issue as different IGW operators owe hundreds of crores of taka to them, and at the same time, they want stability in the market.

"If illegal call termination can be reduced through this process, we will welcome it," said Mahmud Hossain, chief corporate affairs officer of Grameenphone.

ADB to double lending to Bangladesh

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The projects will upgrade and complete transport routes that broadly cover Saarc corridors 4 and 8, and will also include facilities to enhance cross-border activities, such as access roads, dry ports and land customs stations.

SASEC member countries have concrete plans to continue building and upgrading regional physical connectivity.

For the next five years, 30 priority road projects totalling over \$8 billion have been identified to fill and upgrade critical connections in the BBIN area, he said.

However, to maximise the benefits of increased connectivity, it is important for the four countries to implement appropriate transport facilitation measures, Zhang said.

In 34 individual and sub-regional projects, the bank has provided \$6.51 billion, of which Bangladesh received \$2.72 billion in 17 projects, according data from ADB.

Zhang said the planned BBIN agreement will address many of the non-tariff barriers that drive up the cost of trade, by providing a framework for exchange of commercial traffic rights arrangements.

A 2014 JICA study calculated the benefits of such arrangements for the BBIN countries. "The bottom line is that every country has much to gain, regardless of its position in the road corridors," Zhang added.

The Manila-based lender in the study 'Connecting South Asia and South-east Asia' said Bangladesh will need a total of \$13.76 billion to ensure smooth connectivity through road, rail and port.

Meanwhile, ADB in its country strategy for the next three years said it wants to scale up programmes and larger projects over the next three years.

The bank will focus on major sectors including energy, power and rural infrastructure and support rail and road transport network to develop regional connec-



Nizam Chowdhury, chairman of NRB Global Bank, attends the launch of the bank's VISA card services. Md Abdul Quddus, managing director, was also present.

New rules for private equity and venture capital firms

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The funds cannot be raised through public issue or initial public offering; it can be raised only through private placement and it will not be listed or traded on the stock exchanges like other mutual funds.

Earlier on June 2, BSEC approved the draft on the Alternative Investment Rules and posted it on the commission's website and published it on national dailies for public opinion. Also at yesterday's meeting, the regulator warned Kormop Company, a Savar-based Korean private firm, for violating securities rules.

The non-listed firm raised capital three times without prior permission from the stockmarket regulator. The company also misreported its paid-up capital in the proposal to raise capital.

The BSEC found that Kormop mentioned its paid-up capital was Tk 9.81 crore instead of Tk 14.17 crore.

INVESTMENT CORPORATION OF BANGLADESH
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35/C, KASHFIA PLAZA (FLOOR # 3), NAYAPALTAN, DHAKA-1000

NOTICE FOR
Closer of Register of
ICB UNIT CERTIFICATES

This is to notify that the Register of ICB Unit Certificates shall remain closed from 1st July, 2015 to 31st July, 2015 (both days inclusive).

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