

Regulator fines Adil Securities for breach of rules

Stocks end in red after two-day rally

STAR BUSINESS REPORT

Bangladesh Securities and Exchange Commission yesterday fined Adil Securities Tk 2 lakh for providing loans to its directors to buy shares, by violating margin rules.

The penalty was imposed on the brokerage firm at a meeting chaired by BSEC Chairman M Khairul Hossain, according to a statement.

Meanwhile, stocks returned to the red after gains for two days.

DSEX, the benchmark index of the Dhaka Stock Exchange, declined 40.2 points or 0.88 percent, finishing the day at 4,511.31 points.

The market erased all the gains that it made in the previous two trading sessions, LankaBangla Securities said in its regular analysis.

"The market showed signs of fatigue with all the major sectors stumbling in the red zone. The inves-

tors rushed in to cash in on stocks as a bearish mood gripped the market," the stockbroker said.

IDLC Investments said the pessimistic news of slumping remittance in October along with a devaluation of the taka against the dollar, despaired the investors much and instigated the selling frenzy.

Turnover, another important indicator of the market, also dropped 9.5 percent to Tk 290.11 crore with 7.75 crore shares and mutual fund units changing hands on the DSE.

Of the traded issues, 70 advanced and 208 declined with 43 securities closing unchanged on the premier bourse.

Ifad Autos dominated the turnover chart with 16.53 lakh shares worth Tk 19.18 crore changing hands, followed by KDS Accessories, Quasem Drycells, C&A Textiles and Bangladesh Submarine Cable Company.

Almost all the major sectors declined in market capitalisation with IT taking the highest hit of 1.68 percent, followed by fuel and power that lost 1.46 percent, banks 0.54 percent, food and allied 0.48 percent and telecoms 0.24 percent.

Conversely, non-bank financial institutions gained 1.54 percent.

The third ICB Mutual Fund was the day's best performer with 8.11 percent in gains, while Kay and Que was the worst loser, shedding 9.94 percent.

The Chittagong bourse's benchmark index, CSCX, slid 72.46 points or 0.85 percent to 8,395.7 points.

Losers outnumbered gainers as 163 declined and 35 advanced, while 30 finished unchanged on the Chittagong Stock Exchange.

The port city bourse traded 62.17 lakh shares and mutual fund units worth Tk 18.54 crore in turnover.

Oman Air launches direct Muscat-Dhaka flights

STAR BUSINESS DESK

Oman Air launched direct services between Muscat and Dhaka on Tuesday with an Airbus 330 aircraft, the airline said in a statement yesterday.

There will be four flights a week on the route on Sundays, Tuesdays, Thursdays and Fridays, the airline said. Flight frequency will increase from December 1, 2015, with additional flights on Mondays and Wednesdays, according to the statement.

Hamed Khamis Al Amri, under secretary of Oman's Ministry of Manpower for Employment, also flew to Dhaka on the inaugural flight. The Oman Air's delegation was led by its Chief Operating Officer Abdulrahman Al Busaidy.

Oman Air also held a media conference in Dhaka to mark the launch of the flight, the airline said.

The carrier aims to increase the number of aircraft of its fleet from 40 to 57 by 2018 and to 70 by 2020.



Abdulrahman Al Busaidy, chief operating officer of Oman Air; Abdulrazaq Alraisi, chief commercial officer; Ahmed Yusuf Walid, CEO of Air Galaxy, Oman Air's general sales agent-passenger in Bangladesh; Mahbulul Anam, managing director of Allied Aviation Bangladesh, general sales agent-cargo; and Khondaker Kabir, country manager of Oman Air Bangladesh, attend a press conference yesterday marking the launch of the airline's direct service between Muscat and Dhaka, at Radisson Blu hotel in the capital.



Mahbub Baset, marketing director of Reckitt Benckiser, and Nayan Mukherjee, finance director, pose with Adil Hossain Nobel after signing the latter as the new brand ambassador for Harpic, the company's flagship brand in Bangladesh.



Hasanul Haq Inu, left, information minister, greets Ma Mingqiang, Chinese ambassador, at the opening of a five-day Chinese food festival, at Pan Pacific Sonargaon hotel in Dhaka on Tuesday.

Amazon opens first brick-and-mortar bookstore

AFP, San Francisco

Twenty years after pioneering the virtual bookstore, Amazon Tuesday went brick-and-mortar.

The online giant, which led the bookselling industry's shift to the Internet, opened its first physical bookstore in its hometown of Seattle, Washington.

"These aren't metaphorical doors: these real, wooden doors are the entrance to our new store in Seattle's University Village," the company said on a web page for the shop.

The store, called Amazon Books, "is a physical extension of Amazon.com" which "integrates the benefits of offline and online book shopping," the company said.

Dhaka Phone strives to resume operations

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In March 15, 2010, the regulator shut down operations of RanksTel, PeoplesTel, National Telecom, Dhaka Phone and WorldTel without any prior notice and cancelled their licences after two months. At the time, Dhaka Phone had 77,000 active connections. RanksTel was the market leader with more than 300,000 subscribers, followed by PeoplesTel with 160,000, National Telecom 138,000, and WorldTel 14,000.

RanksTel and WorldTel have resumed operations.

In June 2011, after several meetings with the companies, the government decided to withdraw the licence cancellation order. Dhaka Phone accepted the conditions and signed a bond with the BTRC.

The company also withdrew its 'improper shutdown' case, but the regulator did not yet withdraw its case against the company, the application said.

"We haven't yet received a response from the regulator and our losses are increasing," said the company's managing director in the application.

The company said they have a syndicated term loan from 11 banks and their dues are increasing by the day.

At the same time, some of the creditors have also filed cases against them in different courts.

Bangladesh becomes new chair of South Asia procurement network

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Finance Minister AMA Muhith wrapped up the three-day conference. In his concluding remarks, Muhith dwelt on the importance of public procurement in the South Asian economies.

"Performance, innovation, transparency and best practices are very important in public procurement. At the same time, public procurement is important in functioning of the modern governments." The minister laid emphasis on public-private collaboration. Muhith mentioned some of the recommendations of the conference and said the government would consider setting up a public procurement institute.

Bangladesh has unified laws and rules for public procurement operation, Muhith said, adding that the government is in the process of revising them soon to fulfil the requirements of time and realities in Bangladesh.

He said e-GP is an effective means to prevent corruption in public procurement. While the country is doing well in e-GP, it needs to be improved further with more coverage, he added.

The fourth conference will be held in Sri Lanka. The inaugural conference took place in Nepal in 2001 and the following event in Islamabad in 2014.

OECD warns high-priced drugs are stretching health budgets

REUTERS, London

Specialty medicines for which pharmaceutical companies demand high prices are straining wealthy nations' health budgets, the OECD said on Wednesday, with drugs accounting for some 20 percent of all health spending.

Across the 33 OECD countries, pharmaceutical spending reached \$800 billion in 2013, and new drugs and rising demand are likely to continue to push that level higher, the Organisation for Economic Co-operation and Development said.

On average, one in every five health dollars is spent on pharmaceuticals in OECD countries, raising concerns about how long patients and governments can afford such expensive drugs.

"The emergence of new high-cost, specialty medicines targeting small populations and/or complex conditions has prompted new debate on the long-term sustainability and efficiency of pharmaceutical spending," the organisation said.

In the United States, 2013 spending per person on medicines was twice the OECD average and more than 35 percent higher than in Japan, the next biggest spender, the Paris-based OECD said in its "Health at a Glance" report.

At the other end of the scale, Denmark spent less than half the OECD average of \$500 per person on retail pharmaceuticals.

The OECD's report offers more ammunition for industry critics, such as US

Democratic presidential candidate Hillary Clinton, who argue that drugmakers are overcharging some wealthy nations for their medicines.

An analysis carried out for Reuters last month found that US prices for the world's 20 top-selling drugs are, on average, three times higher than in Britain.

The OECD report warned that rising demand for pharmaceuticals coupled with what it called "new treatment opportunities" would continue to push drug spending up.

"The quantity of drugs consumed has increased over time in many therapeutic classes," it said, noting that between 2000 and 2013 the use of drugs for hypertension, diabetes and depression nearly doubled in some OECD countries, while use of cholesterol-lowering drugs tripled.

"These trends reflect an increasing demand for pharmaceuticals resulting from the rising prevalence of chronic diseases, population ageing (and) changes in clinical practices."

Rising rates of cancer, diabetes and mental illness are adding to demand for drugs, the report said. Ageing populations and improvements in diagnosis, leading to earlier treatment, are also contributing to rising consumption. So too is the development of more medicines to treat common conditions.

In South Korea and the Netherlands, for example, spending per capita on pharmaceuticals rises rapidly with age, the OECD said.

Social business spreading wings far and wide

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Researchers from these universities made presentations at the two-day academia conference at the ESMT, which is housed on the building of the former headquarters of the government of East Germany.

The academia conference was a prelude to the Global Social Business Summit, which kicked off at the famous Berlin Tempelhof Airport on Wednesday evening.

Grameen Creative Lab in Germany and the Yunus Centre in Bangladesh are organising the GSBS in partnership with German tourism agency visitBerlin, the YY Foundation of Germany and Yunus Social Business. Nearly 1,000 participants from around 70 countries are expected to attend the four-day event.

Participants will hear from 50 international guest speakers from a diverse range of backgrounds -- from corporate, philanthropic and social business leaders to scientists and visionaries -- on the new developments and how the idea is taking root around the world.

The organisers of the academic conference, which was held for the third time, received 55 high-profile academic papers, but 35 of them were selected for presentation, said Lamiya Morshed, executive director of Dhaka-based Yunus Centre while briefing a group of Bangladeshi journalists.

The papers deal with social business in areas from education and health to how students look at the new business theory innovated by Yunus. "Social businesses can be affected by climate change. So, these businesses should be designed in a way that they remain profitable in the face of climatic

challenge," said Chowdhury Saleh Ahmed, a Bangladeshi researcher, during a presentation. Sadek Khan, a Bangladeshi senior journalist and columnist, who is attending the event, said it is an altogether different matter whether social business becomes sustainable or not.

But if the academia can be made a part of the social business movement it will have a lasting impact, he added.

Social business started in Bangladesh through Grameen Bank and its more than 50 associated but independent companies.

But now social businesses are being taken up in Bangladesh as well as the rest of the world separately, said Lamiya Morshed.

"Companies, NGOs, foundations and individuals are doing it. We have do not have any involvement in any of these projects. We have not financed them."

This proves that this idea has an appeal and relevance to diverse contexts, she said.

"We have not told them to initiate it. They have done it on their own. From that point of view, it is a nice picture."

She said universities around the world are increasingly getting interested about social business. Young people are interested about the subject. Alongside the practice of social business, there is a growing involvement of academic institutions.

"This is happening at universities and business schools, but also at schools and colleges. They are taking place in the form of social business competitions in schools and colleges in places as varied as China or the USA."

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AKM Saifuddin Ahmed, deputy managing director of Jamuna Bank, Khondaker Nayeemul Kabir, deputy managing director of Midland Bank, and Mohammed H Rashid, director of Placid NK Corporation, a global exchange house, pose at the signing of an agreement at Jamuna Bank's head office in Dhaka. Jamuna Bank will carry out remittance distribution through Midland Bank.



Emranul Huq, acting managing director of Dhaka Bank, and AM Hamim Rahmatullah, managing director of Singer Bangladesh, pose at the signing of an agreement at Singer's corporate office in Dhaka on Tuesday. The bank's credit cardholders will enjoy zero percent interest for up to 12 monthly instalments at Singer outlets.



Officials of Chevron Bangladesh pose with some of the 49 needy and meritorious students who received scholarships from the company on the basis of their SSC results.