GPH ISPAT LTD

Md Alamgir Kabir, chairman of GPH Ispat Ltd, presides over the company's 12th annual general meeting at Chittagong Club yesterday. The company approved 10 percent stock dividend for 2017-18. Mohammed Jahangir Alam, managing director, was present.

Malaysia charges another ex-Goldman Sachs banker over 1MDB

REUTERS, *Kuala Lumpur*

Malaysia on Wednesday charged a second former banker at Goldman Sachs Group Inc in connection with a suspected money-laundering scheme at state fund 1MDB and said it had issued a summons to the bank.

Malaysia this week filed charges against Goldman Sachs in connection with its role as underwriter and arranger of bond sales that raised $6.5 billion for 1MDB, the first criminal action against the bank over 1MDB.

Tim Leissner, a former partner for Goldman Sachs in Asia, was also charged this week.

Goldman Sachs has consistently denied wrongdoing and on Monday said certain members of the former Malaysian government and 1MDB lied to the bank about the proceeds of the bond sales.

The US Justice Department has estimated that a total of $4.5 billion was misappropriated by high-level 1MDB fund officials and their associates between 2009 and 2014, including some of the funds that Goldman Sachs helped raise.

On Wednesday, Malaysian prosecutors charged the second former Goldman banker, Roger Ng, a Malaysian, with four counts of abetting the bank to provide misleading statements in the offering prospectus for the bonds that the bank helped sell for 1MDB.

Ng, who appeared in court to hear the charges, pleaded not guilty to all of them.

The case will be heard next on March 18, with prosecutor Manoj Kurup saying he needed time to ensure the attendance of Goldman Sachs.

MERCANTILE BANK

Saroj Kumar Nath, deputy commissioner of Jhenaidah, and Md Nurul Islam, chief financial officer of Mercantile Bank, open the bank's 134th branch in the district on Tuesday.

ICAB

Dewan Nurul Islam, president of the Institute of Chartered Accountants of Bangladesh (ICAB), and Wendy Werner, country manager of IFC for Bangladesh, Bhutan and Nepal, sign a deal yesterday for training of trainers for ICAB members with special emphasis on female members.

With eye on China, Germany toughens rules for foreign buyouts

AFP, *Berlin*

Germany was Wednesday set to toughen rules on non-EU share purchases and acquisitions of its strategic companies, amid growing disquiet about takeovers by Chinese firms.

It plans to lower the threshold where reviews apply to foreign purchase offers of 10 percent of companies, down from 25 percent now.

Germany and other EU states have voiced growing concern in recent years as Chinese companies have bought up, or purchased controlling stakes in, high-tech firms, airports and harbours.

Chancellor Angela Merkel's cabinet planned to approve the change to the Foreign Trade Regulation, and Economy Minister Peter Altmaier was then to give a statement at 1130 GMT.

The update would strengthen government powers to review and possibly block foreign purchases in companies that are crucial to Germany's defence or "critical infrastructure".

This would include military, IT security and power companies but also, for example, large food producers, reported the business daily Handelsblatt.

"The test criterion is whether an acquisition endangers the public order or security of the Federal Republic of Germany," an economy ministry spokesman told AFP.

Alarm has grown in Germany about losing valuable knowhow since Chinese appliance giant Midea in mid-2016 took over German industrial robotics supplier Kuka.

In mid-2017 Germany tightened scrutiny of non-EU takeovers of strategic companies, doubling to four months the time for reviews, and broadening the range of sectors.

China issued a word of caution about the rules, though it said they did not target a specific country.

"As protectionism and unilateralism intensifies, different parties should pay more attention to avoid sending the wrong signals to the outside world when launching any kind of policies," said Chinese foreign ministry spokeswoman Hua Chunying at a press briefing in Beijing.

"We hope Germany will create fair and open market access ... for international enterprises, including Chinese enterprises, investing in Germany," Hua said.

As major players in the global economy, both Germany and China "have shared responsibility to maintain free trade and multilateralism," she added.

In February, Germany raised no objections when Chinese billionaire Li Shufu bought a near 10-percent stake in the Mercedes-Benz parent company Daimler.

However in July, the state took a minority stake in electricity transmission firm 50Hertz, citing national security reasons, to thwart Chinese investors from buying into it.

Germany has been discussing similar protective steps at the EU level with France and Italy.

"The aim is to be able to intervene nationally, in individual cases, against state-controlled or state-financed strategic direct investments," said the economy ministry.

This could apply where the home country of the purchasing company financially supports a takeover bid at above-market prices or through political incentives.

German business groups criticised Berlin's move Wednesday as overly protectionist and ultimately harmful.

The Chamber of Commerce and Industry called the change "problematic", warning that it sends a "negative signal to our foreign partners".

And the Mechanical Engineering Industry Association charged that it "is politically motivated and creates additional uncertainty among foreign investors".

"Germany relies on open markets, including foreign investment," said its chief executive Thilo Brodtmann. "Conversely, we also expect open investment markets from our partner countries outside the EU."

The economy ministry insisted that "this is not about more prohibitions but about strengthening the capacity to find out whether legitimate security interests of Germany are affected".

Germany had reviewed 80 to 100 purchase offers annually in recent years "without discrimination and regardless of origin of the buyer" and had so far never blocked an offer, he said.

This proved that "Germany remains one of the world's most

GSK, Pfizer to merge consumer healthcare units

AFP, *London*

Pharmaceutical giants GlaxoSmithKline and Pfizer on Wednesday announced a merger of their consumer healthcare units that produce over-the-counter medicines.

GSK said it would have a 68-percent controlling equity interest in the joint venture that will have combined sales of about £9.8 billion ($12.7 billion, 10.9 billion euros).

The deal paves the way for British group GSK to have two UK-listed companies, one specialised in the development of drugs and the other in consumer healthcare.

It comes as the pharmaceutical industry's biggest players seek out new blockbuster treatments following expiry of patents for some of their major drugs that has enabled smaller rivals to offer cheaper alternatives.

"Within three years of the closing of the transaction, GSK intends to separate the joint venture via a demerger of its equity interest and a listing of GSK Consumer Healthcare on the UK equity market," a statement said.

"Over this period, GSK will substantially complete the integration and expects to make continued progress in strengthening its Pharmaceuticals business and R&D pipeline."

In a separate statement, US giant Pfizer said the joint venture "will be a category leader in pain relief, respiratory, vitamin and mineral supplements, digestive health, skin health and therapeutic oral health and will be the largest global consumer healthcare business".

GSK chief executive Emma Walmsley said "the transaction also presents a clear pathway forward for GSK to create a new global Pharmaceuticals/Vaccines company... focused on science related to the immune system, use of genetics and advanced technologies".

Saudi Arabia raises spending in new deficit budget

AFP, *Riyadh*

Opec heavyweight Saudi Arabia on Tuesday announced an expansionary budget for 2019 but projected a shortfall for the sixth year in a row due to low oil prices.

The new budget comes with the oil-rich kingdom reeling under strong international pressure over the murder of journalist Jamal Khashoggi and the war in Yemen as it seeks to attract foreign investment to diversify its economy away from oil.

The world's largest crude exporter is also bracing for difficulties in 2019 as oil prices are expected to remain week after shedding a third of their value since early October despite producers having decided to cut output from January.

Saudi Arabia projects a deficit of $35 billion next year, or 4.6 percent of gross domestic product (GDP), about 32 percent lower than the estimated deficit of $52 billion for 2018.

Spending is estimated at $295 billion, the largest in the oil-rich kingdom's history, while revenues, mostly from oil, are estimated at $260 billion, up 24 percent on 2018 estimates, said a statement read by King Salman.

The kingdom, which has introduced economic reforms aimed at reducing its dependence on oil, has posted budget shortfalls each year since 2014 when crude prices crashed.

Between 2014 and this year, the accumulated budget deficits hit $313 billion, according to finance ministry figures. To diversify sources of income, the kingdom has increased the prices of fuels and electricity, imposed a five-percent value added tax (VAT) and levied fees on 11 million expatriates.

"We are determined to pursue economic reforms, control fiscal management, bolster transparency and strengthen the private sector," the king said in a brief statement to the cabinet.

Crown Prince Mohammed bin Salman, who is behind the Vision 2030 to reform the economy, said the government would continue to "diversify the sources of income and consolidate fiscal sustainability

AFP

Saudi Arabia's King Salman bin Abdulaziz attends the 2019 budget meeting in Riyadh on Tuesday.

J&J says Indian drug regulators visited facilities, took talc samples

REUTERS, *New Delhi*

Indian drug authorities visited some of Johnson & Johnson's facilities on Wednesday and took "tests and samples" of its talcum powder, the company said in a statement.

The visits came as regulators in India launched an investigation into J&J's Baby Powder following a Reuters report last Friday that the firm knew for decades that cancer-causing asbestos could be found in the product.

The company told Reuters in a statement that the facilities were visited by the Central Drugs Standard Control Organization (CDSCO) and some state-based food and drug administrations (FDAs).

"Today, a few of our facilities were visited by the CDSCO and local FDA authorities and we are fully co-operating with them by providing tests and samples," the J&J statement said.

"The characterization of these visits as 'raids' or 'seizures' is incorrect as has been reported in some instances," it said. "The tests have been conducted in the regular way that the FDA collects samples."

J&J added that the safety of its cosmetic talc was based on a long history of safe use and decades of research and clinical evidence by independent researchers and scientific review boards across the world.

It also said Indian FDAs and the CDSCO have in the past confirmed that its products "comply with Indian standards and are free of asbestos".

Quoting an industry source with knowledge of the matter, Reuters reported earlier in the day that drug inspectors had taken samples of Baby Powder from its Baddi factory in Himachal Pradesh.

CBC

Najith Meewanage, chief operating officer of the Commercial Bank of Ceylon PLC, and Mohiuddin Khan Khokon, director for sales and marketing of Hotel The Cox Today, exchange documents after signing a deal at the former's corporate office in Dhaka recently. The bank's cardholders will get discounts at the hotel.

BPML

AR Rashidi, adviser of Bashundhara Paper Mills Ltd, presides over the company's 25th annual general meeting at International Convention City Bashundhara in Dhaka yesterday. The company approved 20 percent cash dividend for 2017-18.