

Star BUSINESS

DHAKA MONDAY APRIL 7, 2003

New MD of Dhaka Bank



Shahed Noman has been appointed managing director of Dhaka Bank Limited, says a press release.

Noman joined Dhaka Bank Limited as additional managing director in February this year. Prior to joining Dhaka Bank, he was a financial consultant with Merrill Lynch International Inc, the US investment bank based in Geneva, Switzerland.

Noman started his career as trainee officer with Grindlays Bank Limited, Dhaka in 1975.

Country director of AC Nielsen



Dr Khalid Hasan has taken over the charge of AC Nielsen Bangladesh Limited (a subsidiary of AC Nielsen, USA, the world's largest survey research company), as country director, says a press release.

Prior to his present assignment he was director in ORG-MARGQUEST.

Hasan has presented research papers in different universities and seminars in USA, Canada, Australia, Thailand, China, India, and Malaysia.

BASIC Bank declares 50pc dividend

BASIC Bank Ltd has declared a 50 per cent dividend as bonus shares amounting to Tk 15 crore at a proportion of 1 bonus share for 2 shares held for the year 2002, says a press release.

The dividend was declared at the 148th meeting of the board of directors at the bank's head office in Dhaka.

The Secretary of Industries AFM Sarwar Kamal, chairman of the bank, presided over the meeting.

GMG completes five years of operation

GMG Airlines, a private domestic airline completed five years of its operation on Sunday, says a press release.

The management and staff of the airlines thanked all its valued customers and well-wishers for its support over the last five years.

Since inception GMG Airlines has taken a true service-oriented approach to develop into a reputed airline. It has over the years introduced many innovative schemes to ensure uncompromising standards of safety, comfort, reliability and service to its passengers.

Last year saw GMG Airlines appointing agents in other countries like Singapore, Saudi Arabia, Sri Lanka, Philippines, South Korea, Malaysia, Hong Kong and Greater China.

It also entered into interline agreements with 31 major reputed international airlines including British Airways, Emirates, Singapore Airlines, Thai Airways, Lufthansa, Saudi Arabian Airlines and Qatar Airways.

Tk 7cr remittance comes through FMOs in March

BSS, Dhaka

Bangladesh Post Office received Tk 7,15,50,785.00 remittances from foreign countries during the month of March.

During the month Bangladeshi nationals living abroad remitted through Foreign Money Orders amounts to a sum of Pound Sterling 423993.62 and US Dollar 572746.13 against foreign money orders.

The exchange value of those FMOs is Tk 7,15,50,785 in local currency which was paid to payees dependents of remitters living in different parts of the country.

15-20pc slump in apparel exports feared on Iraq war

Textile mill owners seek bailout measures

STAR BUSINESS REPORT

Textile mill owners yesterday apprehended a 15-20 per cent slump in apparel exports due to war in Iraq.

Fearing such a drop in the major foreign exchange earning sector, the Bangladesh Textile Mills Association (BTMA) urged the government to immediately form a national task force to face the post Iraq war situation.

BTMA Chairman MA Awal made the plea during a press conference in Dhaka.

MA Awal said the USA and the UK are the second and fifth largest buyers of

Bangladeshi garment products. "Already the export and import orders and shipments are being delayed because of the war," he said.

"The economy will soon have damaging repercussions due to impending fall in RMG exports," the chairman observed.

Besides, raw-cotton imports from CIS countries have become costlier as the states imposed war surcharge, increasing the freight charges from US\$300 to US\$350 per container, he added.

"Because of the war risks, the CIS countries are now using other ports

instead of Bandar Abbas port, causing delay in shipments," the chairman said. CIS provides 75 per cent of raw cotton to Bangladesh's textile industry.

"BTMA is worried about the possible stagnation in production as the delay in export orders and in receiving export proceeds," the chairman said.

In order to ease the situation BTMA came up with suggestions which include extending interest free advances to the exporters.

The association also recommended strengthening commercial diplomacy for establishing constant contacts with the existing buyers to retain the export

markets. "The diplomacy also can boost the direct dealings with the customers."

The finance ministry should take the appropriate initiatives so that the exporters get cash subsidies within few days to promote the export amount.

"We can attract the investors if the government offers special incentive package especially in the man-made fabrics sector," MA Awal said substantiating reasons for the proposals.

BTMA executives Anisul Islam Mahmud, Jahangir Al-Amin, Anwarul Huq and Shahjahan were also present at the press conference.



PHOTO: BANK ASIA

Syed Anisul Huq, managing director of Bank Asia, Khwaja Arif Ahmed, CEO of AAA Consultants & Financial Advisers, and M Minhaz Zia, general manager of IDLC, sign an agreement marking the appointment of AAA Consultants & Financial Adviser and IDLC as joint issue manager for public issue of the bank in Dhaka recently. M/s Equity Partners was appointed issue adviser. Senior officials of Bank Asia, issue manager and issue adviser were also present at the signing ceremony.

Bribery undercuts prospects of utility services: WB study

BSS, Dhaka

Both ordinary households and businesses pay in the form of outright bribe -- that reflect the inadequacy of the utility services in Bangladesh's cities and the corrupt rationing of scarce supplies of electricity, gas, water and telephone services.

The World Bank in a survey report on "Bangladesh: Improving Governance for Reducing Poverty" observed that ordinary citizens and enterprise owners managers were in general agreement about the high level of corruption and local level of service in the agencies that provide four public utility services.

The report presents the result of a national survey of 3,000 households, 1,500 business enterprises and 1,500 civil servants and captures their assessment of the accessibility of social services.

On corruption, householders were somewhat less harsh in their judgments, a pattern that was reversed on services quality except in rating electricity suppliers. By significant

margins, businessmen judged electric utilities to be both the most corrupt and the least efficient.

The survey found that eighty-one per cent of urban households has access to electricity, only 50 per cent had access to safe drinking water and even fewer -- 43 per cent -- had cooking gas connections. As was also to be expected, the wealthier were more likely to have access to these basic services than others.

Only 29 per cent of the Very Poor households had safe water, compared to 84 per cent of the Non-Poor and 67 per cent of the Poor. For electricity, the distribution was 68 per cent of the Non-Poor, 96 per cent of the Poor and 98 per cent of the Very Poor. Gas reached one in four Very Poor households, half of the poor, and three-fourth of the Non-Poor.

It observed that future utility customers living within municipal boundaries also reported long delays in getting access to various utilities. Renters -- between half and two thirds of the urban households surveyed -- generally did not know how long it had taken their

landlords to get water or gas hook-ups.

The number of persons who had done the waiting could be divided almost into two equal numbers. About half spoke of a wait of under one month, half reported having made repeated visits to the utility supplier but also having paid extra amounts to obtain the connections.

Comparison to bribes the business pay in ordinary course of even the households pay smaller amount yet these outlays are still bribes.

They average taka 175 for water but with poorer households paying higher bribes than richer ones. For water connection the Very Poor paid Taka 224 on average, the Poor, Taka 185 and the Non-Poor, Taka 114. The bribe for electricity links was higher -- average taka 339 and under-the-table payments continue even after utilities are connected, with customers reaching "understanding" with meter readers or collectors to falsify their bills.

The survey classified the respondent as "Very Poor" if he or she lives on less than a dollar a day, and as "Poor" if each person has more than a dollar but less than two dollars.



PHOTO: BASIC BANK

AFM Sarwar Kamal, secretary of Industries and chairman of BASIC Bank Limited, presides over a meeting of the Board of Directors of the bank in Dhaka.

Post-war Iraq may force OPEC collapse: Analysts

AFP, Vienna

A post-war Iraq could kill off the Organisation of Petroleum Exporting Countries (OPEC) if it were to leave the cartel in a bid to produce as much oil as it can outside its quota system, analysts warn.

"If the Iraqi oil industry is privatised, forget about OPEC, it is dead," said Leo Drollas of London's Center for Global Energy Studies (CGES).

He said a post-war Iraq was likely to demand to be allowed to export the same amount of oil as neighbouring Iran, like it did before it was kicked out of the cartel in 1990 for invading Kuwait.

Iran currently produces 3.59 million

barrels per day.

"Iraq will want to produce as much as it can as quickly as it can to finance its reconstruction costs. Iraq will say: 'We want at least parity with Iran,'" Drollas told AFP.

He added that OPEC would resist, as this would mean scaling down its other 10 members' quotas, and at this point "Iraq will have to strike a decision whether to stay or to leave."

Neil Partrik, a researcher for The Economist weekly, said it was "very unlikely in the short term" that Iraq, a founding member, would break away from OPEC.

"Iraq's production will not exceed three million barrels per day for a couple

of years" given the dilapidated state of its infrastructure, he said.

"But on the longer term, there is a potential for disputes with OPEC on output.

"When Iraq has enhanced its production capacities, it might want to compete with Saudi Arabia (the world's biggest oil exporter). The question will be what quota constraints will be imposed upon Iraq by OPEC and Iraq might then choose to opt out."

"Iraq might well become a Trojan horse for the United States," he said, hinting that Washington could encourage the oil market to be flooded to help it achieve its foreign policy objectives.

Shahjalal Bank opens branch in Gazipur

Shahjalal Bank Limited (SBL) opened its 10th branch at Joydevpur Chaurasta in Gazipur yesterday, says a press release.

Chairman of the bank Sajjatz Jumma formally inaugurated the branch as chief guest.

Vice-chairman of the Board of Directors Md Solaiman, Chairman of Executive Committee (EC) Akkas Uddin Mollah, Chairman of Policy Committee (PC) Md Towhidur Rahman, Vice Chairman of EC Mohammad Younus, directors of the bank Anwer Hossain Khan, Tofazzal Hossain, Md Sanaullah Shahid, Rukun Uddin Khan, Mohammed Farooq, Mohammad Hasan, Md Abdul Mannan, Abdul Halim, Khondoker Sakib Ahmed, Adviser Ashfaq U Chowdhury and Managing Director Matin Uddin Ahmed were present at the opening ceremony.

Premier Bank declares 13.70pc dividend

Premier Bank Limited has a 13.70 per cent dividend as bonus share for the shareholders for the year 2002, says a press release.

The dividend was announced at the fourth annual general meeting of the bank held in Dhaka on Saturday.

Dr HBM Iqbal, chairman of the Board of Directors, presided over the meeting.

The bonus share, to be paid as dividend, will help raise the bank's paid-up capital to Tk 276 million.

The shareholders decided to increase the paid-up capital to Tk 545 million by offering shares to the public inwards. The bank would also raise its paid-up capital and reserve to Tk 1000 million within 2 years.

The bank has earned an operating profit of Tk 199.54 million showing a 58.08 per cent growth.

Deposits grew by 143.55 per cent to Tk 5373.75 million and credit portfolio grew by 108 per cent to Tk 4280.73 million during the year 2002.

Total assets grew by 75.04 per cent to Tk 6036.92 million.

Among others, Shafiqur Rahman, vice-chairman of the Board, shareholders BH Haroon, Nurul Amin, Abdus Salam Mursheedy, Abul Kashem and Mohammed Mazharul Islam attended the meeting.

Jamuna Bank introduces card for multiple uses

Jamuna Bank Limited (JBL) has signed an agreement with ATM service provider information technology consultants Ltd (ITCL) to enable a 'Q-cash' cardholder of JBL to transact round the clock banking-ATMs for use as a combination of credit/debit facilities and utility bills payment along with money dispensing service, says a press release.

Senior Executive Vice-President of JBL KS Tabrez, and Director and Chief Executive Officer of ITCL, Dr. Kazi Saifuddin Munir, signed the deal at the bank's head office in Dhaka recently.

SA Chowdhury, Managing Director of Jamuna Bank Limited, Kutubuddin Ahmed, chairman of ITCL and former president of BGMEA, and senior executives from both the organisations were present at the signing ceremony.



PHOTO: SHAHJALAL BANK

Chairman of Shahjalal Bank Limited Sajjatz Jumma inaugurates the Joydevpur Chaurasta Branch of the bank yesterday. Vice-chairman of the Board of Directors of the bank Md Solaiman, Chairman of Executive Committee Akkas Uddin Mollah, Chairman of Policy Committee Md Towhidur Rahman, directors, Adviser Ashfaq U Chowdhury and Managing Director Matin Uddin Ahmed were also present.

Software procurement for public sector Local firms to get priority

STAR BUSINESS REPORT

Local companies will be given priority for software procurement by public sector institutions including banks and insurance companies, a ministerial meeting decided yesterday.

Besides, foreign companies will have to share 50 per cent of any procurement order with local companies.

The decision came after local entrepreneurs highlighted the vicious cycle created by poor domestic software market and international markets requiring prior work experience.

According to software companies, banks last year procured software worth Tk 20 crore out of which the share of local companies was a meagre 5 per cent.

With the implementation of this decision, share of local companies in public sector software procurement

should go up substantially.

Commerce Minister Amir Khorru Mahmud Chowdhury chaired the meeting at the Ministry of Commerce with Commerce Secretary Suhel Ahmed Chowdhury, members of Bangladesh Association of Software and Information Services (BASIS) and Bangladesh Computer Samity in attendance.

"If implemented, the government decision will improve quality and develop skills of local software developers," Habibullah N Karim, president of BASIS, told reporters after the meeting.

According to local software companies, a total of 4,000 computer science students are graduating every year whereas only 10 per cent of them are employed.

This number is projected to go up to

6,000 within the next two years. Hailing the government decision, local software entrepreneurs feel that it will help generate more jobs in information and communication technology.

Earlier, BASIS informed the commerce ministry that Janata Bank, a nationalised commercial bank, recently floated a tender to procure software from foreign companies.

It also pointed out that the previous government-approved procurement guideline, assigning 15 per cent price advantage to local software developers, has not yet been implemented.

The association also proposed to send the government policy to all ministries, departments, corporations and government-funded organisations requesting them to follow the guideline.



PHOTO: IIDFC

Managing Director of Janata Bank Murshid Kuli Khan and Managing Director of IIDFC AKM Nozmul Haque sign an MoU on issuance of zero coupon bonds in Dhaka recently.



PHOTO: JAMUNA BANK

Senior Executive Vice-president of Jamuna Bank Limited KS Tabrez and Director and Chief Executive Officer of Information Technology Consultants Ltd Kazi Saifuddin Munir sign a deal on shared ATM in Dhaka recently.

S'pore welcomes Indian IT experts

AFP, New Delhi

Prime Minister Goh Chok Tong said in an interview Sunday that Indian IT professionals were welcome in Singapore, adding information technology could help bring Asian giants India and China together.

In an interview with the Hindu newspaper, Goh described the recent detention of Indian IT professionals in neighbouring Malaysia for alleged visa irregularities as "unfortunate."

"Indian IT professionals are welcome here (in Singapore). Please keep it on the record," Goh said ahead of a visit to India beginning Tuesday.

In March, Malaysian authorities arrested 270 Indian software engineers

for alleged visa irregularities, sparking outrage in India which warned of diplomatic fallout.

Goh said he said he would be looking for ways to get India's premier technology training body, the Indian Institute of Technology (IIT), to set up campuses in Singapore.

"If it succeeds, this place plus India becomes a centre or alternative centre to the Silicon Valley for IT services," Goh said.

Offering Singapore as a bridge to bring India and China closer, Goh said information technology could play a part in cementing ties between the two giants.

"India is stronger than China in IT, but China is coming up," he said.

IIDFC, JB sign MoU on zero coupon bonds

Industrial and Infrastructure Development Finance Company Ltd (IIDFC) signed a memorandum of understanding (MoU) with Janata Bank recently in Dhaka, says a press release.

Under the MoU, Janata Bank will subscribe to Zero Coupon Bonds issued by IIDFC for a total value of Tk 50 million.

Managing Director of Janata Bank Murshid Kuli Khan and Managing Director of IIDFC AKM Nozmul Haque signed the MoU on behalf of the institutions.

This is the first time Zero Coupon Bonds are being issued by any financial institution in Bangladesh. The introduction of this financial instrument is expected to contribute to further development of the bond market.

IIDFC intends to mobilise in the initial stage funds to the extent of Tk one billion through the issuance of the bonds.

Emirates SkyCargo rushes steel beams to Vietnam

Emirates SkyCargo has successfully chartered the first Boeing 747-200 freighter from Dubai to Ho Chi Minh City, says a press release.

The flight ensured that steel beams for a construction project in Vietnam arrived safely and on time.

The shipment was heavy, outsized and urgently needed. Emirates SkyCargo despatched it within one week of receiving the initial request.

The load comprised 12 steel beams, each over six metres in length, weighing a total of 80 tonnes, which were needed for a power project at Phu Myin Vietnam.

Hiran Perera, Emirates Cargo Planning and Capacity Development manager, said: "The challenge came not only in meeting the deadlines but in loading the steel beams. They were on pallets six metres in length. Extra lashing was required to ensure the shipment travelled securely."

The request for a charter originated with leading freight forwarder ADSO Dubai who booked this charter on behalf of their principal Hansa Meyer Transport GmbH + Co, Bremen, Germany with whom they have been working for the last decade.

The request to Emirates SkyCargo came from International Air Services.