

GMG wants route allocation based on capability

Airline MD talks on int'l licence to private operators

M ABDUR RAHIM

As the government has started awarding licence to private airlines to fly overseas, a licensed local operator said the routes should not be allocated on the basis on provisional licence if the government really wants to open up international routes.

"If it is done, some airlines may not be able to operate on the allocated international routes as they would not meet the requirements set by Caab to get a final licence," Managing Director of GMG Airlines Shahab Sattar told The Daily Star in an interview yesterday.

The Civil Aviation Authority of Bangladesh (Caab) on Thursday issued Provisional Air Transport Operating Licence (Patol) to GMG to operate on international routes for passenger carrying. Three other private airlines— Bismillah Airlines, Air Bangladesh and Air Parabat — are going to have similar licence soon.

Sattar said 41 companies have obtained provisional licence for domestic and international cargo operation but only a few are currently in operation as they do not fulfil the requirements set by Caab to get final Air Transport Operating Licence (Atol).

"So if the international routes are allocated on the basis of the provisional licence, the government's open-up policy would go in vain," Sattar said apprehending that some incapable companies might get viable routes in this process. On the other hand, he said, the competent airlines may be allocated non-prospective routes.

To get Atol for starting operation of international air services, Caab asked GMG to meet six requirements within six months.

The requirements are establishment of maintenance organisation as per Air Navigation Orders (airworthiness) which includes submission of general engineering manual, aircraft maintenance programme

and aircraft minimum equipment list; establishment of operational organisation including flight operations manual; submission of design standard of aircraft; submission of aircraft lease agreement; insurance documents and such other documents as required by Caab.

The managing director of GMG, which went into domestic operation in 1998, said as the airline already has all the required documents certified by Caab, it would submit those within a day or two to Caab for getting the Atol.

On modification of state level air services agreements (ASAs), he said though some of them would require consultation, the ASA with India would not need modification as already there is provision for a second airline in the agreement, signed in 1978.

Under the ASA, India designated two airlines while Bangladesh designated one -- Biman Bangladesh Airlines. "Now Caab is required to designate a second

airline to fly to Indian destinations," Sattar said.

At present Biman can fulfil only 60 per cent frequency of flights under the agreement with India.

The Ministry of Civil Aviation and Tourism has earlier formed a three-member committee comprising secretary of the ministry, chairman of Caab and managing director of Biman to allocate international routes to licensees.

However, many in the industry are critical of the move as no private sector representative has been included in the committee.

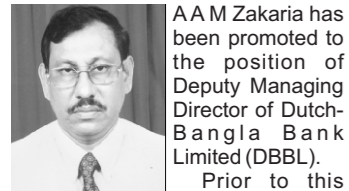
"Once we get an Atol we can start international operation by 90 days," Sattar said.

He said vital thing will be the routes, the Caab will give permission to operate on. GMG would prefer Dhaka-Kolkata route to start its international operation. Then it would expand to other regional routes like New Delhi and Kathmandu, he added.



Two children make full use of the deserted foot over bridge in New Market area in Dhaka yesterday as they run past covered stalls during an Awami League-sponsored nationwide dawn-to-dusk general strike that affected economic activities.

New DMD of Dutch-Bangla Bank



AAM Zakaria has been promoted to the position of Deputy Managing Director of Dutch-Bangla Bank Limited (DBBL).

Prior to this position, he was serving as senior executive vice-president & manager of DBBL local office, says a press release.

Zakaria has a long track of 26 years banking experience in commercial bank.

He started his career with Rupali Bank in 1977 as senior officer. Before joining Dutch-Bangla Bank Limited as Executive Vice President on July 2000 he briefly served with Bank Asia Limited as Senior Vice President.

New DMD of Republic Ins

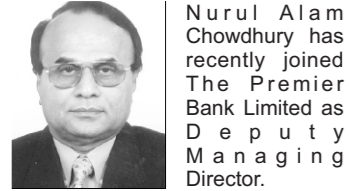


Jesmin Akhter (Shilpi) joined Republic Insurance Company Ltd. recently as Deputy Managing Director.

She held senior positions like deputy general manager and senior executive vice president in Co-operative & Prime Insurance Company Ltd. respectively before joining Republic Insurance Company, says a press release.

Akhter started her career in insurance sector in 1991 after obtaining post graduation (M.Com) and LLB degree from Dhaka University.

New DMD of Premier Bank



Nurul Alam Chowdhury has recently joined The Premier Bank Limited as Deputy Managing Director.

He was previously the Deputy Managing Director of Mercantile Bank Limited, says a press release.

During his 34 years long banking career he served in various senior positions in erstwhile State Bank of Pakistan, Janata Bank, National Bank Limited, Dhaka Bank Limited, Prime Bank Limited and Mercantile Bank Limited.

Chowdhury obtained MBA in 1980 from Institute of Business Administration University of Dhaka and started his banking career in then State Bank of Pakistan in 1968.

Repo auction

UNB, Dhaka

The Repo auction of Bangladesh Bank for commercial banks and financial institutions was held here yesterday.

Eight bids of 2-day tenor amounting to Tk 185 crore were received and accepted.

The rates of interest against the accepted bids ranged from 4.75 percent to 4.50 percent per annum, said a Bangladesh Bank press release.

Biman Poultry Complex

Product diversification makes a difference

M ABDUR RAHIM

Diversification of products has made a big difference to Biman Poultry Complex in its journey towards profitability that is contributing financially to its beleaguered parent organisation, Biman Bangladesh Airlines.

Initially set up to supply chicken to Biman's flight catering centre, the farm expanded its production line to fish, crops, vegetables and fruits to make best use of land and also to augment cash flow to the national flag carrier.

The expansion undertaken a few years back has already proved right as commercial production of crops, vegetables and fruits on 55 acres of unutilised land of the farm, manned with 83 staff, is generating extra amount of revenue.

Situated at Ganakbari, Savar, about 20 km off Dhaka, the project spreads over a vast 75-acre land of which 15 acres are used for poultry sheds and two acres for residential

area. The rest 55 acres of unutilised land were taken up for producing diversified products.

On average, the complex earns Tk 23.02 lakh from paddy, fish, vegetables and fruits a year. "The amount may seem paltry, but it is contributing to steady profit of the project," Anwar Hossain Khan, general manager of the complex, told The Daily Star.

Belying the dismal financial performance of Biman, the poultry project has been making steady profit for the last few years. It made a net profit of Tk 1.46 crore in 2002-03 and Tk 1.31 crore in 2001-02. The highest Tk 2.02-crore profit was made in 1999-2000.

Started its journey in 1980, the project pioneered large scale poultry venture in Bangladesh, Khan said.

The farm maintains international quality and hygienic standard to serve Biman flight catering centre which not only supplies in-flight meals to Biman but also to other

international airlines operating in Bangladesh, he added.

The poultry farm produces 35,000 table eggs, 50,000 hatching eggs, 40,000 chicks, 5,000 dressed chicken a week.

In 2002-03, it produced 53,76,699 eggs and 24,03,963 chicks, 2,79,673 kg meat, 8,853 kg liver and 15,565 kg neck, heart, gizzard. In 1998-99, it produced 34,49,795 eggs, 10,46,351 chicks, 2,20,679 kg meat, 8,030 kg liver and 13,832 kg neck, heart, gizzard.

The farm uses latest technology to maintain standard, Khan said. It still has to import parent stock but it is phasing out import through producing parent stock of layer and broiler chicks in the poultry using modern technology.

Apart from supplying to the flight catering centre, the farm also sells its products to general public through a sales centre at Farmgate in Dhaka.

Mercantile Bank, IDLC sign term loan agreement

Mercantile Bank Limited and Industrial Development Leasing Company (IDLC) of Bangladesh Ltd. signed a term loan agreement at IDLC's head office in Dhaka on Wednesday.

Md Taheruddin, managing director of Mercantile Bank and Anis A Khan, CEO & managing director of IDLC signed the agreement on behalf of their institutions, says a press release.

This is the second term loan facility signed between the two institutions. With the signing of this agreement the existing mutually beneficial relationship between the two institutions have been strengthened further.

Among others, M A Shahjahan and Abdul Jalil Chowdhury, executive vice-presidents, and Shafiq Wahed, assistant vice-president of Mercantile Bank Limited as well as Yongbok Jo and Syed Ehsan Quadri, deputy managing directors, Md Minhaz Zia, general manager, Arif Khan, deputy general manager and Arifur Rahman, senior manager of IDLC were present.

Square Pharma okays 70pc cash, stock dividends

Square Pharmaceuticals Ltd has declared a 70 per cent cash dividend and stock dividend in the ratio of one share for every five shares for the year ending March 31, 2003.

The dividend was declared at the 37th annual general meeting (AGM) of the company held in Dhaka on Thursday, says a press release.

Samson H Chowdhury, chairman of the company, presided over the AGM while Vice-chairman Samuel S Chowdhury, Managing Director Tapan Chowdhury, Director Anjan Chowdhury, Executive Director (administration) M Ashiqul Hoque Chowdhury, Company Secretary Kabir Reza and Advisor M Sekander Ali were also present.

Sales turnover of the pharmaceutical company in 2002-03 increased to Tk 4730 million from Tk 4234 million in the previous year. Export sales of the company stood at Tk 35 million during the year, a statement of the company said.

Square Pharmaceuticals contributed an amount of Tk 978 million to national exchequer as against Tk 823 million in the previous year indicating an increase of 18.83 per cent.

AB Bank declares 15pc bonus dividend

Arab Bangladesh Bank Limited has declared 15 per cent bonus dividend for its shareholders.

The declaration came at the bank's annual general meeting held in Dhaka yesterday, says a press release.

Acting Chairman of the bank Faisal M Khan presided over the meeting.

Among others, Abu Haniff Khan, president and managing director of the bank, and other directors were present.

Cement price may further slump on stiff competition

22 projects to start production shortly: Bol study

STAR BUSINESS REPORT

Some 22 local, foreign or joint venture cement projects, now in different stages of implementation, will go into production in a couple of years, creating a stiff competition that may lead to a further price slump.

Once these units start production, cement price in local market may dip further, although the production cost is increasing for higher import costs of raw materials, according to a survey of the Board of Investment (BoI).

The survey said a total of 131 locally funded projects have so far been registered with the BoI, of which 46 are already in operation. It found 18 units closed for various reasons while no progress was

made in implementation of 25 projects.

Twenty-five other projects could not be traced during the country-wide survey conducted recently by the Investment Implementation Monitoring Cell (IIMC) of BoI.

Of the 32 foreign or joint venture cement projects brought under the survey, seven are in production while one is closed.

"Besides, 17 local and five foreign or joint venture cement projects are currently in different stages of implementation," said a senior official of the BoI, expecting their production to begin in next couple of years.

Until 1999-2000, Bangladesh had to meet its demand by importing a substantial quantity of cement and the importers used to control the

cement price. But the market witnessed a sharp decline in prices in 2001.

The average wholesale price of cement between January 1997 and January 1998 was around US\$110 per tonne. The price slumped to \$70 marking a decline of about 36 per cent over the last few years because of higher production.

In 2001, cement industry saw a sharp growth as number of plants increased to 50 from only 20 in 2000, making the installed capacity more than double. The capacity rose to 96.57 lakh tonnes in 2001 from 46.25 lakh tonnes in 2000.

The annual demand for cement is growing at the rate of eight per cent and it has now reached 65 lakh tonnes, owing to growth in housing and construction industry.

Norway pledges energy sector assistance

UNB, Dhaka

The Norwegian government will provide technical and financial assistance for Bangladesh's energy-sector development to help the country exploit its potential natural wealth.

Officials here said the assurance came when State Minister for Energy and Mineral Resources AKM Mosharrar Hossain met his Norwegian counterpart, Einar Steensaaes, in Oslo on Friday.

The meeting was part of the

minister's four-day official visit to Norway from September 23.

In the meeting, Mosharrar Hossain praised the assistance provided by Norway in Bangladesh's energy sector. In response, the Norwegian minister assured him of more cooperation.

The Norwegian Petroleum Directorate (NPD) is actively associated with Bangladesh's Hydrocarbon Unit (HCU) in carrying out different studies.

Mosharrar Hossain also informed his counterpart of the

ongoing reforms in the sector, such as establishment of Energy Regulatory Commission, new pricing policy and empowering Petrobangla companies with autonomy.

The Bangladesh minister mentioned that Norway could assist Bangladesh in areas like further strengthening the HCU future activities, strengthening ERC and Bangladesh Petroleum Institute and providing technical and financial support to the BAPEX.



Square Pharmaceuticals Ltd Chairman Samson H Chowdhury along with Vice-chairman Samuel S Chowdhury, Managing Director Tapan Chowdhury, Director Anjan Chowdhury, Executive Director (administration) M Ashiqul Hoque Chowdhury, Company Secretary Kabir Reza and Advisor M Sekander Ali poses for a photograph at the 37th annual general meeting of the company held in Dhaka on Thursday.

Globalisation hurts third world economy

Experts tell seminar

BSS, Dhaka

Speakers at a conference here said yesterday that market fundamentalism was now out to engulf the national economy and culture of the third world countries in the name of "so-called" globalisation.

We too, want globalisation but with rights, respects and care for our economies and cultures, they said while speaking at the second day programme of the three-day National Conference of South Asian Network of Gender Activists and Trainers (SANGAT) began at the CIRDA in Dhaka on Friday.

Leaders of different women organizations from Pakistan, India, Nepal and Bangladesh are taking part in the conference titled "Gender, Globalization and Peace".

SANGAT's Regional Programme Advisor Kamla Bhasin, Senior Research Fellow of Bangladesh

Institute of Development Studies (BIDS) Binayak Sen and Executive Director of Bangladesh Nari Progati Sangha Rokyia Kabir took part as the panel discussants. Proshika's Senior Vice-President Mahbubul Karim acted as the moderator.

They said the market fundamentalists led by a few multinational corporations under the slogan of globalization was campaigning for free flow of capitals but they were not at all favouring free movement of the people across the world. The third world countries can not accept such a mischievous policy, they said.

They referred to the so-called neo-liberalisation now being smugly preached by the exponents of globalisation and said it was noting but a sheer attempt to make the developing countries subservient to the market economy.

Commenting on the spontane-

ous outbursts of people in the recently held Cancun Summit, the speakers said some international financial and trade organizations like World Bank (WB), International Monetary Fund (IMF) and the World Trade Organisation (WTO) were engaged in implementing a blueprint of the leading corporate bodies to exploit the poor economies.

Speaking about the Bangladesh perspectives in the global context, they said the contribution of donors in the country's total GDP was only two per cent but they were dictating the nation's entire economy.

"Now is the right time to resist the one-sided globalization which is guided by the capitalists and imperialists," they said. Poverty can never be eradicated from the poor countries as poverty is being created due to the detrimental and adverse policies of globalization, they also said.

Anam Rangs Plaza opens Oct 10



Anam Rangs Plaza, a shopping mall on Satmasjid Road at Dhanmondi in Dhaka, is going to be formally inaugurated on October 10.

The complex will house outlets of many foreign and local brands like Crocodile, Nandan, Archies, Kay Kraft, Gallerie Apex, Fit Elegance, Artistic Collection, Boomers, Thai Gift Shop, Calcutta Dry Cleaner, Smart Socks, Purobi Jewelers, Sur Digital, New Moooves and Banaj Barnali, says a press release.

Equipped with central air-conditioning system, the complex also has escalator, capsule lifts, parking lots, fire fighting instruments, children's play zone and other shopping needs of customers.

The shop owners of the plaza will offer discount in the first 15 days.

CURRENCY

Following is yesterday's foreign exchange rate statement by Standard Chartered Bank					
Sell	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
58.7300	58.7800	USD	57.8500	57.6801	57.6110
68.4028	68.4611	EUR	65.5267	65.3342	65.2560
98.3493	98.4330	GBP	95.1401	94.8608	94.7471
40.3827	40.4171	AUD	38.2736	38.1611	38.1155
0.5304	0.5308	JPY	0.5123	0.5123	0.5101
44.0585	44.0960	CHF	42.6937	42.5683	42.5174
7.5157	7.5221	SEK	7.0814	7.0606	6.0521
43.7435	43.7807	CAD	42.3934	42.2689	42.2183
7.5874	7.5938	HKD	7.4563	7.4344	7.4255
34.0641	34.0932	SGD	33.2070	33.1095	33.0699
16.1209	16.1346	AED	15.6233	15.5774	15.5588
15.7859	15.7994	SAR	15.3034	15.2585	15.2402

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
45.8	57.75	94.75	40.090	7.0861	0.58951	3.80

Local Interbank FX Trading

The local interbank foreign exchange market was subdued as the international market was closed on Saturday. Dollar ended almost unchanged against the Bangladeshi Taka.

Local Money Market

Money market was active. Call money rate eased further. Call money rate ranged between 4.00 and 6.00 per cent compared with 5.00 and 6.00 per cent previously.

International Market

International market was closed on

Saturday. US dollar slipped modestly against the yen on Friday, failing to garner sustained support from veiled threats of yen-weakening intervention by Japanese officials. The dollar nestled in a fairly snug range near 112 yen, after having fallen to 3-year lows of below 111 earlier week. Against most other major counterparts the dollar traded in narrow ranges, after a mixed bag of data failed to lend clear direction.

At the closing of New York of Friday, euro was at 1.147779, GBP at 1.6586/91 and yen at 111.73/81