

BB to help foreign investors with smooth fund transfer

SEC chairman meets BB governor

STAR BUSINESS REPORT

The central bank has assured the Securities and Exchange Commission (SEC) of helping foreign investors at primary and secondary markets for smooth transfer of fund.

The assurance came when SEC Chairman Mirza Azizul Islam raised the issue with Bangladesh Bank (BB) Governor Fakhruddin Ahmed at a meeting in Dhaka yesterday.

At a meeting with Dhaka Stock Exchange officials on December 1, US Ambassador to Bangladesh Harry K Thomas said he heard from some American investors that they were facing problems regarding fund and proceeds transfer, sources said.

Following the allegation DSE officials requested SEC chairman

to solve the problem by taking the issue with the central bank.

The BB and SEC have agreed to enhance coordination between them for improving the regulatory functions of the two watchdogs.

After the meeting with BB governor, SEC chairman told The Daily Star that the governor ruled out the allegation that there exists any problem about fund transfer but assured that if there is any particular case the central bank would look into that.

"The governor put emphasis on coordination between the central bank and the SEC and to do that he has agreed to hold a meeting with SEC in every three-month," Azizul Islam said.

The meeting also discussed issues like floating quality initial public offering, introducing gov-

ernment bonds in secondary market and ways of increasing investment in capital market.

Meanwhile, both share markets were showing signs of recovery yesterday after price fall in three consecutive days.

Of the total 181 issues traded yesterday at Dhaka Stock Exchange (DSE), 106 advanced, 47 declined and 28 remained unchanged. A total of 35.57 lakh shares and debentures worth Tk 15.51 crore changed hands as against Tk 18.39 crore on Tuesday.

DSE General Index increased by 6.47 points to close at 946.96 from Tuesday's 940.49. DSE 20 index also gained 10.89 points to stand at 1233.61 as against 1222.71 on Tuesday.

The price indices at Chittagong Stock Exchange also closed higher,

both in terms of volume and value yesterday with the gainers outnumbering the losers.

All Share Price Index gained by 0.19 points or 0.01 per cent to close at 1654.36 points from 1654.17 points on Tuesday.

CSE Selective Index also went up by 0.99 points or 0.06 per cent to close at 1539.89 points from Tuesday's 1538.90 points.

Out of 66 listed issues traded yesterday, 33 gained, 15 declined and eight remained unchanged. Some 3,833,411 shares and debentures valued at Tk 19.14 crore were transacted yesterday as against 3,065,868 shares worth Tk 6.79 crore on the previous trading day.

Market capitalisation stood at Tk 77.56 billion from Tk 77.43 billion on Tuesday.

Belgian catalogue show begins

December 16

UNB, Dhaka

A two-day Belgian trade catalogue show will begin in Dhaka on December 16.

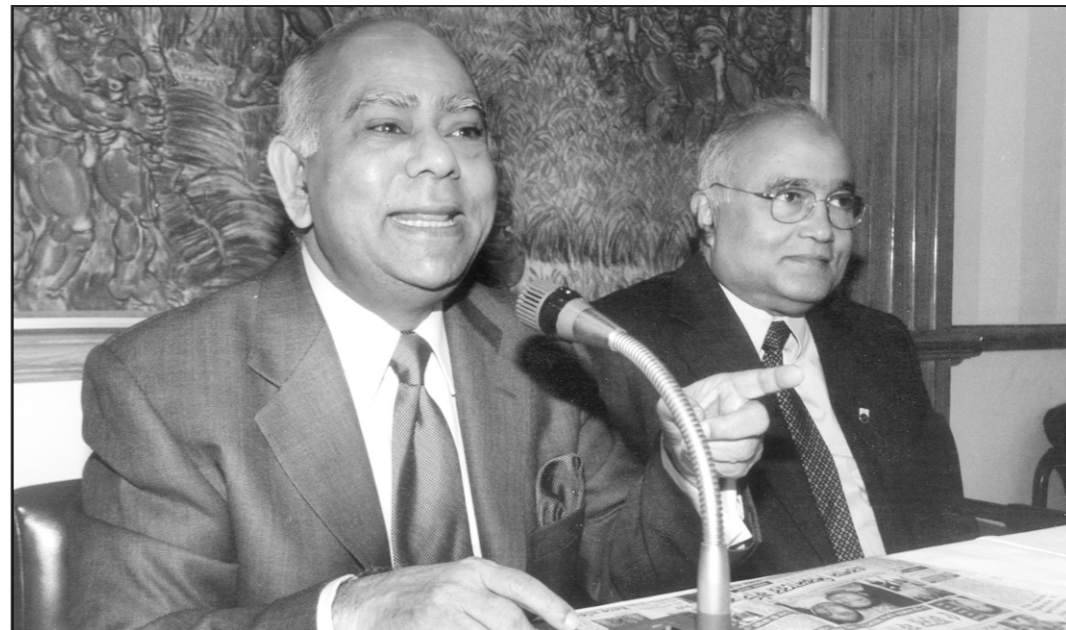
Entrepreneurs of Belgium from different sectors, including textiles, textile machinery and jute machinery, will participate in the two-day show.

Belgian Trade Commissioner for Thailand, Cambodia and Bangladesh Nathalie Sirmont, who is leading a delegation here, announced the programme at a meeting with FBCCI yesterday.

"Though this show is small, it is the beginning of the way to develop trade relation between Bangladesh and Belgium," she said, seeking cooperation from Bangladesh's apex trade body - Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

Sirmont introduced Peter Verplancken, who will be the next Belgian trade commissioner for Bangladesh, to FBCCI's acting President Kamal Uddin Ahmed.

The delegation discussed matters relating to expansion of bilateral trade, investment and other related issues with the FBCCI leaders.



International Chamber of Commerce (ICC) Bangladesh President Mahbubur Rahman speaks at a press conference held at Dhaka Club yesterday as Vice-president ASM Quasem looks on.

Lamy to attend ICC-B confce in Dhaka

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European Union (EU) Trade Commissioner Pascal Lamy will attend a two-day international business conference that will begin in Dhaka on January 17 under the auspices of International Chamber of Commerce (ICC) Bangladesh.

ICC-B President Mahbubur Rahman said this at a press conference at Dhaka Club yesterday. Vice-president ASM Quasem was also present.

The ICC-B president said Lamy is responsible for all trade negotiations including WTO on behalf of EU, the 2nd largest trade and development partner of Bangladesh.

Rahman hoped that the conference titled 'Global Economic Governance and Challenges of Multilateralism' will be very fruitful, as it will be attended by several government and business leaders to talk on global trade.

He also hoped that all the trade ministers and business leaders meeting in Dhaka conference will be a recovery from Cancun hangover and may indicate ways for restarting the multilateral trade negotiations.

The Dhaka meeting is also expected to inject the much-needed momentum in to the ongoing negotiations under the Doha Development Agenda (DDA) and, in particular, market access commitments as well as capacity building for the least

developed countries.

The conference will be inaugurated by Bangladesh Prime Minister Khaleda Zia and will bring together over 300 delegates from 30 to 40 countries from Asia, Africa, Europe and Pacific.

Prime Minister of Thailand Thaksin Shinawatra, former prime minister of India IK Gujral and WTO Director General Supachai Panitchpakdi will also participate in the opening session to share their thoughts on what is required to revitalise global trade talks.

Trade ministers from Turkey, Thailand, Sri Lanka and Indonesia have already confirmed their participation at the conference, the ICC-B president said.

Bangla-Denmark business forum floated

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Bangladesh-Denmark Business Forum (BDBF) was launched in Dhaka yesterday in a bid to promote bilateral trade and investments. Khosru said service is a great potential area for the Danish entrepreneurs.

Speaking at the launching ceremony, Commerce Minister Amir Khosru Mahmud Chowdhury expressed hope that the forum would work as a springboard to establish link between the business communities of Bangladesh and Denmark.

"Danish entrepreneurs are now outsourcing many of their activities and services to remain competitive in the global business and

no doubt Bangladesh is a potential place for them," he mentioned.

Identifying information technology and shipping as two major areas for increasing trade and investments, Khosru said service is a great potential area for the Danish entrepreneurs.

The commerce minister advised the sponsors to convert the BDBF into a chamber of commerce.

Danish Ambassador Niels S Munk, BDBF Chairman Per Heisselberg, Vice-chairman HT Imam, Privatisation Commission Chairman Inam Ahmed Chowdhury and BDBF Secretary Mujib Ur Rahman also spoke at the function.

In his speech, Munk said Bangladesh has strong potential in many areas which are not being recognised. "It was not easy for the Danish companies to come to Bangladesh but the companies are doing good here."

BDBF Chairman Per Heisselberg said the forum will work as a bridge between Bangladesh and Danish entrepreneurs.

Forum's Vice chairman said although Bangladesh has an image problem, there are lot of positive things.

He cited the examples of micro-credit operations, increase in food production, poverty reduction and population control as some areas where Bangladesh is doing very well.

Knitwear may fail to achieve export target

Manufacturers fear

STAR BUSINESS REPORT

Knitwear sector may fail to achieve the export target of two billion US dollars set for the current fiscal year as orders from the international buyers are declining in the peak production season, knitwear manufacturers and exporters said.

Export earning from the sector was \$1663 million in the 2002-03 fiscal year.

The knitwear manufacturers and exporters attributed the less interest of the buyers to last month's incidents in Narayanganj that led to severe disruption in production at the local knitwear factories.

They urged the government to save the export-oriented garment

industries from the unstable situation following the unrest. Some 150 garment factories were attacked and one worker was killed in police firing at Narayanganj on November 3.

"It's a matter of concern for the industry as international buyers are not coming to us," Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) President Monjurul Hoq told a group of journalists yesterday.

He said the unwanted incidents took place after a section of garment workers were misled by a vested quarter. "Still they are disrupting production and export activities despite the factory owners' assurance of meeting the workers' demands."

In a latest incident the owner of

another factory was assaulted on Monday, the BKMEA president mentioned.

BKMEA Vice-president Shameem Ahmed said knitwear export would decline this year if the government does not take appropriate steps to improve the situation. "We are now hardly utilise 50 per cent of our production capacity."

Moreover, the manufacturers have already started relocating their factories from Narayanganj following the incident. "Already 18 factories have been shifted to other places," the BKMEA leader said.

However, a follow-up meeting between the BKMEA and workers' leaders will be held next Thursday to discuss the latest situation.



Adi B Godrej, chairman of Godrej Group of India, and M Anis Ud Dowla, chairman of ACI Limited, sign a memorandum of understanding (MoU) in Dhaka on Tuesday for setting up a joint venture company to produce household insecticides and air care products in Bangladesh.

Godrej Black Henna launched

STAR BUSINESS REPORT

Baraka Ltd, a local company, launched Godrej Black Henna, a powdered hair dye, in Bangladesh market on Tuesday.

The company has set up a factory at Tejgaon in Dhaka to produce Godrej hair dye with the technical assistance from Mumbai-based Godrej Consumer Products Ltd, a venture of Godrej Group of India.

Adi B Godrej, chairman of Godrej Group, and PK Roy, general manager, international business of Godrej Consumer Products, were present at the launching ceremony held at Spectra Convention Hall at Gulshan in Dhaka.

Talking to the Daily Star, Amin ABM Badrul, managing director of Baraka Ltd, said they have fixed the price of a 3gm pack of Godrej Black Henna at Tk 10. "In future, we will introduce 6gm pack," he added.

Badrul said they are marketing Cinthol, Ezee and Fairglow brand products of Godrej Consumer Products in Bangladesh.

Speaking at the function, Adi B Godrej said Black Henna is the outcome of years of research carried out at Godrej Hair Care Institute.

"Its natural ingredients like henna, sikakai and ritha shines and nourishes hair by providing extra strength to the hair root," he added.

Godrej also said they will start insecticide business in Bangladesh setting up a joint venture company with ACI Group of Bangladesh.

PK Roy of Godrej Consumer Products and Baraka Ltd Chairman Ruhul Amin also spoke.

New country manager of American Express Bank



M Wazirul Alam recently joined as country manager and head of Consumer Travel International & Foreign Exchange Services Bangladesh for American Express Bank Ltd.

Earlier, he had also served at the World Headquarters of BAT (British American Tobacco) in the United Kingdom for two years, says a press release.

EBL declares cash, stock dividends

Eastern Bank Limited (EBL) has declared cash dividend of Tk 20 per share and a 15 per cent stock dividend (bonus share) for the shareholders for the year 2002.

The dividends were announced at the 11th annual general meeting of the bank held in Dhaka on Monday, says a press release.

In 2002, EBL earned operating profit of Tk 73 crore. The profit after tax grew by 15 per cent in the year 2002, compared to the previous year.



Bangladesh Bank Governor Fakhruddin Ahmed and Sri Lankan Central Bank Governor AS Jayawardena yesterday shake hands at the launching ceremony of the Bangladesh operations of Commercial Bank of Ceylon Limited, a Sri Lankan private commercial bank.

Commercial Bank starts operations in Bangladesh

STAR BUSINESS REPORT

Commercial Bank of Ceylon Limited, a Sri Lankan private commercial bank, formally launched its first overseas operations in Bangladesh yesterday.

The Sri Lankan bank took over the Bangladesh operations of Credit Agricole Indosuez, a France-based multinational bank, which was in operation for 20 years in Bangladesh.

Credit Agricole had two branches -- one in Dhaka and another in Chittagong -- and two booths -- one at Gulshan and another at Pan Pacific Sonargaon Hotel -- in Dhaka. But the bank wound up its activities few months ago under its new global strategic plan.

Bangladesh Bank Governor Fakhruddin Ahmed and governor of the Central Bank of Sri Lanka, AS Jayawardena, were present at the

launching ceremony of the Commercial Bank of Ceylon held at Gulshan in Dhaka.

Bank Chairman MJC Amarsuriya, Managing Director AL Gooneratne, Country Manager S Renganathan and senior officials of Credit Agricole were present.

Speaking at the function, the Bangladesh Bank governor said people have kept their confidence in the banking services operated through 6,100 branches across the country.

Expressing his satisfaction over the performances of the banks in Bangladesh, he said the banks had disbursed industrial loans of Tk 40 billion last year.

The governor said Bangladesh has successfully introduced floating exchange rate and the country's tariff rates are now at a rational level.

The Sri Lankan central bank

governor said the banking sector of his country is open. He invited Bangladeshi banks to initiate operations in Sri Lanka.

Commercial Bank Chairman Amarsuriya said the bank had started its operation in Sri Lanka in 1920. Besides corporate banking activities, the bank is now expanding its operation in retail banking, he added.

Currently the Commercial Bank has 130 branches in Sri Lanka with more than 150 automated teller machines (ATMs) across the country.

The bank's managing director said the bank has received the best bank award of Sri Lanka for the third consecutive year in 2002 by The Banker, a London based magazine.

Vanik, a non-banking financial institution, is the first Sri Lankan financial institution to invest in Bangladesh.

Govt seeks Japanese help to develop ocean-going ship building industry

STAR BUSINESS REPORT

The government has sought Japanese help to develop ocean-going ship building industry in joint collaboration.

Shipping Minister Akbar Hossain sought the assistance when Japanese Ambassador in Dhaka Matsushiro Horiguchi met him at the secretariat yesterday.

The government has asked for the help, as it wants to increase the capacity of Chittagong Dry Dock with foreign investment, the shipping minister told The Daily Star after the meeting.

If a suitable foreign investor

approaches a joint venture company could be formed in collaboration with Chittagong Port Authority (CPA) for building ocean-going ships at the Chittagong Dry Dock, the minister added.

The Japanese ambassador assured the minister of informing potential Japanese private sector shipping companies about the Bangladesh government's eagerness to develop the ship building industry, meetings sources said.

The sources also said the CPA is ready to buy the Chittagong Dry Dock from the Ministry of Industries. Now, the dry dock can

only repair 20,000-ton capacity ocean-going ships.

According to the sources, the Japanese envoy also wanted to know about the existing condition at the Chittagong Sea Port and appreciated the government's move to increase its capacity by installing new equipment.

The government has floated international tender for buying a number of gantry cranes to increase the existing container handling capacity. More than five lakh TEUs (twenty-foot equivalent unit) of containers are now being handled in the port annually.

Int'l buyers active in Ctg tea sale

UNB, Chittagong

The weekly tea sale held here Tuesday showed some improvement in quality, which was well-supported by all sections of the market with buyers notably active, particularly from Pakistan.

There was selective interest from Afghanistan for the best Broken. CIS also lent little more support, according to a market report.

Blenders and loose tea buyers were more active, especially on the good liquoring types. As a result, much more tea was sold this week. Dusts also saw more interest at higher rates.