



Kutubuddin new president of MCCI

STAR BUSINESS REPORT

Kutubuddin Ahmed, a leading industrialist and former president of Bangladesh Garment Manufacturers & Exporters Association, has been elected new president of Metropolitan Chamber of Commerce and Industry (MCCI) for the year 2004.

Shahab Sattar, chairman of Samah Razor Blades Industries Limited, has been elected vice president of the chamber.

The new president will formally take over the charge at the next annual general meeting of MCCI, slated for December 30.

The other new office bearers are Abdul Hafiz Choudhury, senior partner of Rahman Rahman Huq, Tapan Chowdhury, managing director of Square Pharmaceuticals Ltd, David JH Griffiths, chief executive officer (Bangladesh) of the Hongkong and Shanghai Banking Corporation Limited, Md Nurul Islam, regional vice-president and general manager (Bangladesh) of American Life Insurance Co, AKM Rafiqul Islam, managing director of Pragati Insurance Limited, Mahubul Jamil, chairman and managing director of Singer Bangladesh Limited, Obaidur Rahman Khan, director of Transcraft Limited, AK Shamsuddin Khan, managing director of AK Khan and Co Ltd, Syed Nasim Manzur, managing director of Apex Footwear Limited, Ferroz Rahim, managing director of Rahimafrooz Batteries Ltd, and Rokia A Rahman, chair and managing director of R.R. Cold Storage Limited.

However, CK Hyder continues to remain the secretary general of the chamber.

British Airways revises flight schedule for Dhaka

British Airways has changed its flight schedule between Dhaka and London for the period between December 18, 2003 and January 31, 2004 to combat the weather and avoid flight delays for fog.

British Airways flight BA144 will depart Dhaka at 0525 hours on Monday, Thursday and Saturday and arrive London at 1040 hrs during this period, says a press release.

The BA145 flight will depart London at 1150 hrs on Wednesday, Friday and Sunday and arrive Dhaka at 0325 hrs on the following day.

Announcing the revised winter schedule for Dhaka, British Airways Country Manager, Bangladesh, Jill Errington said: "We have taken a decision to change our flight timings to minimise flight delays and to enable our customers to reach London in time for their onward flight connections."

Focus should fall on better governance, better image

WB country director tells AmCham meeting

STAR BUSINESS REPORT

Bangladesh should have a better image than it has now and remove governance hindrances to business and investment climate, World Bank Country Director Christine Wallich observed yesterday.

"Fundamentals for a better business environment are better administrative, regulatory and infrastructure systems, better law and order and a non-predatory political culture that supports healthy business growth," she said.

"Bangladesh needs to focus on these areas," Wallich said. "Such improvements will have a much more meaningful and sustained impact on reducing the cost of doing business than fiscal incentives to trade and industry."

Wallich was speaking on 'The World Bank's growing partnership in Bangladesh's economic development' at the monthly luncheon meeting of the American Chamber of Commerce in Bangladesh (AmCham) at Dhaka Sheraton Hotel.

She identified lack of infrastructure as a critical constraint. Energy and power in particular, is seen as the most significant obstacle to investment in Bangladesh.

Chittagong Port and telecommunications are some of the other obvious bottlenecks.

"Bangladesh remains a country of contrasts and surprises. More children under five here are immunised than in the US, India and Pakistan. Infant mortality has declined faster here than in any other country in South Asia."

In contrast, Wallich mentioned governance problems resulting in poor law and order, corruption, bad infrastructure, confrontational politics and inefficient public administration in the country.

Wallich felt that poor governance has become deeply embedded in the very workings of different areas, and strong vested interests have grown around its preservation and this makes governance

a fundamentally political issue, not economic.

The WB country director however praised the achievements in population control and polio eradication in Bangladesh.

"Economic performance has its surprises too," she said. "The resilience of the economy was demonstrated this year when global uncertainties reached new heights."

Wallich said macroeconomic management, whether measured by fiscal performance, inflation or debt management is better than India and Pakistan. She also praised trade and foreign exchange policies.

Despite that, she said, Bangladesh is still confronted by huge challenges. The financial sector looks weaker than elsewhere in the region, human and economic security are daily concerns for most people and businesses.

Speaking at the meeting, AmCham President Aftab ul Islam said bad governance has high costs

that reduce the rates of growth and poverty reduction.

Islam said Chittagong Port provides an example of how poor governance is undermining Bangladesh's growth. Turnaround time for feeder vessels in Chittagong is 6 to 10 days, compares with two days in Bangkok and one day in Singapore.

Bangladesh's exports could earn about 30 per cent more if port inefficiencies were removed. In other words, port inefficiencies each year cost the country close to what the garment sector earns about \$1.1 billion, he added.

The AmCham president also said that banking system has been plagued by corrupt, politically directed lending in public banks and insider lending in private banks.

US Ambassador to Bangladesh Harry K Thomas and Deputy Chief of Mission, US Embassy in Dhaka, Judith Chammas, were also present at the function.



(From left) Dundas McCullough, political and economic affairs counsellor of US embassy, Harry K Thomas, US ambassador to Bangladesh, Christine Wallich, World Bank country director, Aftab ul Islam, president of American Chamber of Commerce in Bangladesh (AmCham), Judith Chammas, deputy chief of mission of US embassy, and A Gafur, executive director of AmCham, pose for a photograph at the monthly luncheon meeting of the chamber in Dhaka yesterday.

Saifur questions criteria, standard of ICAB awards

12 companies awarded for best published accounts

UNB, Dhaka

Finance Minister M Saifur Rahman Tuesday questioned the criteria, standard and objectives of the annual awards of the apex body of chartered accountants for the best published accounts of companies.

"Why is this award? What are the specialities of the accounts of these companies?" he asked as the Institute of Chartered Accountants of Bangladesh (ICAB) announced its awards to 12 companies.

Instead of giving awards just on the basis of 'attractively-printed' reports, he advised the Institute to find out real information behind the companies' own reports to help the investors in the share market and the financial authorities.

Also a past president of ICAB, Saifur Rahman was the chief guest at the ICAB National Awards 2002 for Best Published Accounts and Reports.

Prime Bank, Dhaka Bank and Industrial Development Leasing

Company secured the top three positions in financial sector category, while GlaxoSmithKline, Padma Textile and Beximco Pharmaceutics were awarded top three in non-financial sector category.

Three other financial institutions -- Dutch-Bangla Bank, Pragati Insurance and Delta Life Insurance -- and three more non-financial companies -- Square Pharmaceutics, Singer and BOC -- got "Certificates of Appreciation".

Commerce Minister Amir Khosru Mahmud Chowdhury and State Minister for Energy AKM Mosharraf Hossain also attended the function, chaired by ICAB president AK Gulam Kibria at Dhaka Sheraton Hotel.

The finance minister questioned whether these companies were awarded for their standard financial disclosures, or just because of the nicely printed reports.

He also criticised the ICAB's criteria for evaluating the company accounts for awards and timely submission of reports, which is mandatory by any financial law, should not be an eligibility for getting an award.

He said reports must have clear disclosures about the financial strength of the companies, their investments, return on investment, cost effectiveness, dividends, unique products and customer services.

"These are the information which affect the share value of the companies," he said. Many companies declare dividends, but do not pay it.

Chairman of the ICAB Review Committee for Published Accounts and Reports AN Altaf Hussain Siddiqui and ICAB vice president Farhad Hossain also spoke on the occasion.



Finance Minister M Saifur Rahman hands over a trophy to Prime Bank Managing Director Shah Md Nurul Alam for the best published accounts and report of the bank at a function to distribute The Institute of Chartered Accountants of Bangladesh (ICAB) National Awards 2002 in Dhaka on Tuesday.

Agrani Bank, American Int'l sign deal

Agrani Bank signed an agreement with American International (Bangladesh) Ltd, service provider of ReadyCash card, on Monday in Dhaka to introduce the card.

ME Islam, corporate secretary of American International (Bangladesh) Ltd, and Abu Sadek Mohammed Sohel, general manager of Agrani Bank, signed the deal on behalf of their organisations.

ASM Emdadul Haq, managing director, KM Asaduzzaman, DMD, Moynuddin Ahmed, DGM of Agrani Bank, and other officials of both organisations were present.

With the introduction of ReadyCash card, clients of the bank will be able to make cash-less purchases and pay their gas, water, telephone and electricity bill payments.

New COO of Singer

AM Hamim Rahmatullah has been made the first chief operating officer (COO) and director of Singer Bangladesh Limited.

Prior to this new assignment, Rahmatullah served as the marketing services director of the company, says a press release.

He joined Singer Bangladesh as product manager in 1988.

Bangladesh Leaf Tobacco Co declares 25pc dividend

Bangladesh Leaf Tobacco Company (BLTC) Limited has declared a 25 percent dividend for the shareholders for the year 2002.

The declaration was made at the 25th annual general meeting of the company held in Kushtia on Sunday, says a press release.

Ahmed Yusuf, chairman of the company, presided over the meeting.

Among others, directors of the company, Major Gen (Retd) M Nurul Haq, Rahmat Ali and MA Khaleque were present.

Call money rate steady at 2pc

BSS, Dhaka

The call money rate remained at 2 per cent yesterday as most banks had sufficient funds to meet the depositors due to thin credit outflow, fund managers said.

The inter-bank money rate remained low as some banks are facing difficulties with huge idle funds. Banks are not taking risks to invest their funds and this piled up a huge amount of investable funds, central bank officials said.

The call money rate ranged between 2.50 per cent and 3.50 per cent, fund managers of leading commercial banks said.

Japanese investors seek removal of obstacles

UNB, Dhaka

A Japanese business delegation yesterday said they are interested to invest further in Bangladesh, but they were compelled to give up the plans due to various obstacles.

"We are looking for the improvement of the situation existing," the members of the delegation from Japan Chambers of Commerce (JCC) said at a meeting with FBCCI President Abdul Awal Mintoos in Dhaka.

Mintoos assured that the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) would extend all possible cooperation in eradicating the prevailing problems faced by the Japanese investors.

The two sides agreed to work together for further economic development with a view to improving economic activities in both the countries, said an FBCCI release.

It said the JCC (Shoo-Koo-Kai) team, led by its President Masaru Okamoto, also informed that the businesspeople from Japan are facing various problems in getting multiple-entry visa, on-arrival visa and work permit in Bangladesh.

The FBCCI president expressed concern over the matters and assured that he would talk to appropriate level of the government, including prime minister and the minister for Home Affairs.

He proposed that they would like to form a focal point incorporating officials from the FBCCI and the JCC to look after the matters and problems faced by the Japanese businesspeople in Bangladesh. The proposed body will review the matters every month.

They discussed matters relating to a seminar to be organised by the Japan Chamber in Dhaka to deal

with development of country's merchandise exports, expansion of investment and other related issues.

The Japanese delegation informed that they were going to organise the seminar on "Problem Solving Procedure in TQM for Manufacturing and Service Industries" on January 10-11, 2004 to commemorate the 30th anniversary of JETRO, Dhaka, and Shoo-Koo-Kai.

They informed that they would design the seminar emphasising development of the quality of the merchandise exports of Bangladesh to face the upcoming challenges in the post-multi fibre arrangement (MFA) period.

The FBCCI chief had also discussed with the Japanese delegation on the 13th meeting of Japan-Bangladesh Joint Committee for Commercial and Economic Cooperation (JBCCEC) to be held in Japan next February.

The JBCCEC will be held in Japan next February.

DSE suspends share trading of Confidence Cement for 2 weeks

Misinformation about AGM, dividend detected

STAR BUSINESS REPORT

The Dhaka Stock Exchange (DSE) yesterday temporarily suspended share trading of Confidence Cement Ltd for two weeks with effect from today for furnishing conflicting information regarding its annual general meeting (AGM) and interim dividend.

The action was taken after the listing committee of DSE found contradictory information in the AGM notice given to DSE and the communiqué published in newspaper.

The trading of Confidence Cement shares will remain suspended in the DSE till December 31.

The company has made 'deceptive' notice as it did not mention the period for which the 12th AGM will be held on December 31, DSE said in a press release. Besides, there was no agenda in the notice regarding confirmation of audited accounts.

The AGM notice published in newspaper contains agenda regarding dividend information though the company board on December 14 did not take any resolution on dividend, the DSE release said.

The company in its AGM notice to DSE said it will not give any dividend but in a notice published in newspaper the company said the board would discuss interim dividend on December 29, whereas it surprisingly declared book closure from December 23, the DSE said.

DSE CEO Salahuddin Ahmed Khan said as the misinformation may distort price and instabilise the market DSE has decided to suspend trading of the company.

"We have proposed to the Securities and Exchange Commission and Chittagong Stock Exchange to conduct joint investigation into the matter," he said. If found guilty, SEC will take final action against the company.