

## Hats off to corporate leaders

### STAR BUSINESS REPORT

A spectacular laser show and dance with music marked the beginning of the gala event at the Ballroom of Pan Pacific Sonargaon Hotel in Dhaka yesterday. The audience was waiting in suspense to see the corporate icons selected for Bangladesh Business Awards 2005. And finally their names were announced amid thunderous

applause.

The four winners stole the show. The night of May 5, 2006 entirely belonged to the exceptional personalities and companies who received awards for their individual and organisational success, their vision and their enterprising spirit that contributed to a great extent to corporate Bangladesh.

Suspense rose high when the anchor of the gala function

requested Selima Ahmad, president of Bangladesh Women Chamber of Commerce and Industry, to announce the Outstanding Woman in Business of the Year 2005.

Selima announced BRB Cable Industries Ltd as Enterprise of the Year 2005. Light fell on BRB Cable's Chairman Mozibar Rahman amid deafening sound of clapping.

Then came Mir Nasir Hossain,

president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), to announce the Outstanding Woman in Business of the Year 2005. He declared Hasina Newaaz, proprietor of Orchid Printers, as the winner.

It was then the turn of DHL Express Chief Executive Officer for Asia Pacific Scott Anthony Price to announce the winner of

Special Achievement Award of the Year 2005. The CEO declared the name of Youngone Group, Bangladesh. Chairman and CEO of Youngone Corporation Kihak Sung received the award on behalf of the company.

The big one was yet to be announced. Guests started whispering when Salehuddin Ahmed, governor of Bangladesh Bank, was requested to declare the

winner. Ahmed announced Fazlur Rahman, chairman of City Group, as Business Person of the Year 2005.

For businesspeople it was a night of recognition and for the organisers, The Daily Star and DHL Express, it was an event to honour the corporate heroes who are contributing to the nation building efforts.

## Lankan private tea factories in trouble

### ANN/THE ISLAND

As a result of excessive taxes and levy imposed on both large and small scale tea producers, the future existence of private tea factories seems to be very slim, according to Private Tea Factory Owners Association.

Private Tea Factory Owners Association Secretary General Tilak Alawattagama said that Sri Lanka was one of the principal producers of quality tea in the world and the country had been exporting around 300 million kg of tea to various countries.

He noted that Sri Lanka had been able to earn about Rs.75 billion per year through tea exports and added that unlike the Garment

Industry the raw materials needed for the industry could be found within the country.

He also emphasised that there were around 300 private tea factories in the country and about 260 factories had been affiliated to the Association and added that the contribution made by the private tea factories had not been duly recognised though the association had been playing a crucial role in Tea Research Institute, National Plantation Management Institute and Small Tea Estate Development Authority in accordance with the Sri Lanka Tea Board Act.

Allawattagama also said that the Association had arrived at some important decisions on the future of private tea producers.

## Winners of Bangladesh Business Awards 2005

**Business Person of the Year**  
Fazlur Rahman, chairman of City Group, received the 'Business Person of the Year 2005'.

Rahman began his entrepreneurial journey with a grocery store in 1969 and City Oil in 1972 at Gandaria in Dhaka.

products of the group. Until recently the group had about 75 percent to 80 percent market share of the Bhutan edible oil market. But due to change in Bhutan's policy, there is a temporary lull, which is expected to be solved soon. Meanwhile, the group is exporting its products to India. The process of exporting to UAE and some other countries is in progress. The company's 'Teer' brand is a household name today.

Rahman does not have any kind of traditional higher degree but is a true self-educated human being, Rahman has an ambitious plan of producing a complete food chain including powdered milk, spices, and all kinds of additives.

**Outstanding Woman in Business of the Year**

Hasina Newaaz, proprietor of Orchid Printers, was awarded 'Outstanding Woman in Business of the Year 2005'.

Hasina started from zero when she began exporting turtles to Hong Kong from Bangladesh. Being a visionary, she put together her efforts and investments generated from the export business to set up Orchid Printers with only Tk 10,000 in 1980s.

In a market that was putting German machines into use, she took the risk to put up her small investments in a single Japanese machine.

But her tireless efforts, obsession with quality and sincerity have helped her set up the printing and

packaging industry with current capital of Tk 30 million.



Hasina Newaaz, proprietor of Orchid Printers

Orchid now boasts the best quality job Bangladesh can offer and that too at a good price. Hasina goes beyond her responsibility to look after Orchid. She also shares responsibilities, as a chairperson and director, with her husband's businesses, Asia Foils and The Consortium Ltd. Today, at 54, she works the way she used to 30 years ago and still manages to give time to her family.

Orchid's clients include Nestle Bangladesh, Square Group, RV Group, Unilever and United Nations agencies.

**Enterprise of the Year**  
BRB Cable Industries Ltd, the leading electrical cable and wire manufacturer in the country, was

awarded 'Enterprise of the Year 2005'. BRB came into being in 1979 and started commercial operations in 1980.

Established by Mozibar Rahman in BSCIC industrial area in Kusthia, the company initially fell into financial crisis. But after securing financial assistance from Agrani Bank, Rahman restarted the business in 1983.

In 1996, BRB expanded its operations and imported the latest machinery from Japan, Germany, India, Belgium and Italy to establish a second unit to meet the increasing market demand.

BRB has different types of product lines such as 33KV XLPE insulated high voltage cables, 132KV ASCR conductor, FRLS



Mozibar Rahman, chairman of BRB Cable Industries Ltd

cables, instrumentation cables, and jelly field telephone cables.

BRB has achieved ISO 9002 certification for its high product quality and is continuing to invest to maintain product standards. Internationally, it has already strengthened its position. A research conducted by the World Market Wares & Cables found BRB's global ranking to be 33.

Starting with initial capital worth Tk 1 million, BRB's current capital is Tk 50.22 million. The company now employs 995 people.

Mozibar Rahman, chairman of BRB Cable Industries Ltd, received the award on behalf of the company.

**Special Achievement Award of the Year**  
'Special Achievement Award of the Year 2005' went to Youngone Group Bangladesh.

Youngone Group Bangladesh, a Korea-based garment manufacturing company, started its journey in early 1980s in Bangladesh.

Youngone is the largest private employer in the country. The total number of employees of the group has crossed 35,000.

With a modest beginning the group now has as many as 16 industrial units. Besides, it has undertaken a project named Korean EPZ (KEPZ) Corporation (BD) Ltd in the private sector.

In the year 2005, the turn over of the group amounted to Tk 17,952 million. Besides Bangladesh, Youngone Group operates its factories in Korea, China, EI



Kihak Sung, chairman and CEO of Youngone Corporation

Salvador, Mexico, and Vietnam.

Outdoor clothing, padded jacket, down jacket, ski wear, pants, rainwear, jogging sets, garments accessories, synthetic fibre, polyester fibre products, acrylic resin, sports shoes are the main products of the company.

All the products of the group are exported directly to US and EU. Its customer base includes top brands like Polo Ralph Lauren, Land's End, The North Face, Nike, LL Bean and Eddie Bauer.

The capital investment of the group in Bangladesh so far is above \$120million while the authorised capital of the group in Bangladesh is Tk 3,365 million.

Kihak Sung, chairman and CEO of Youngone Corporation, received the award on behalf of the company.



Fazlur Rahman, chairman of City Group

At present, the group has 18 enterprises in different parts of the country with a working capital worth Tk 4521.2 million. The enterprises include seed crushing plant, oil refining plant and a sugar plant under construction.

The turnover of the group now accounts for Tk 2,240.15 crore.

Soybean oil, palm oil, mustard oil, coconut oil, flour, feed meal, iodised salt, mineral water, PP woven bag, steel rods, tin container and plastic drum are the main

## IMF battles to avert cash crunch

### AFP, Washington

The International Monetary Fund took action Thursday to stave off a cash crisis, having ironically fallen victim to stability and prosperity among its member nations.

The IMF said it would stop paying new money into its reserves, and would transfer the existing reserves of nearly nine billion dollars into a new investment account to generate extra returns on the bond markets.

The global lender's own finances have become strained as more and more clients emerge from years of economic crisis, during which they became reliant on IMF bailouts, to stand on their own feet.

The decision of Argentina and Brazil this year to turn their backs on IMF tutelage, by repaying their multi-billion-dollar loans early, has left the Fund facing an operating shortfall of 110 million dollars this fiscal year.

Indonesia and Turkey are also now said to be looking at paying off their IMF debts early.

"This is a great success for the Fund. We help countries get out of crisis and avoid new crises. But of course, this success has led to a

drop in income," a senior IMF official told reporters on condition of anonymity.

The IMF largely derives its operating income from interest payments on credit extended to member states. When fewer states take out IMF credit, the Washington-based organisation earns less.

Thus, ironically, the IMF profits from the very crises which its existence is supposed to help ward off.

The current system of funding was adopted in 1981. Together with the introduction of surcharges in 1997, levied on countries that fail to repay their IMF debts on time, it has helped keep the IMF liquid.

It still enjoys healthy liquidity -- more than enough, according to the IMF official, to deal with a repetition of the Asian financial crisis of 1997, when the Fund directly lent out about 35 billion dollars in rescue packages.

"We do have the highest commitment capacity and liquidity in our history, and we certainly would be able to meet demands if they would arise from any of our borrowing members, of the order of the Asian crisis twice over," he said.

## S'pore, Pakistan end third round of FTA talks

### AFP, Singapore

Singapore and Pakistan on Friday completed a third round of negotiations for a free trade agreement (FTA), the city-state's trade ministry said.

"Both sides had fruitful discussions and made further progress on the key issues tabled during the third round in the chapters on trade in goods, rules of origin, trade in services, investment, government procurement, customs and the legal elements of the FTA," it said in a statement.

The next round of negotiations is scheduled in Pakistan by July.

Singapore is a pioneer in forging free trade pacts, having signed such accords with the United States, Japan, Australia, New Zealand, Jordan and India among others.

## Australia's trade deficit widens

### AFP, Sydney

Australia's trade deficit rose sharply to a worse-than-expected 1.5 billion dollars (1.2 billion US) in March after cyclones disrupted exports from mining regions in the country's north and west, the government said Friday.

The March figure for trade in goods and services, released by the Australian Bureau of Statistics (ABS), represented a significant deterioration of the deficit from a nearly four-year low of 595 million dollars in February.

March represented the 48th consecutive monthly shortfall in Australia's trade balance, the longest run in the red in 20 years.

Economists had expected a March deficit of around 1.3 billion dollars.

The month saw a five percent fall in the value of goods and services exports to 16.1 billion dollars, while imports dropped just one percent, or 244 million dollars, to 17.6 billion dollars, the ABS said.

Trade Minister Mark Vaile tried to put a brave face on the data, saying exports represented a record for the month of March and capped a nine-month period during which total exports grew by more than 16.8 percent.

## India concerned over global current account disparities

### PALLAB BHATTACHARYA, New Delhi

Indian Prime Minister Manmohan Singh yesterday expressed concern over the current global imbalances reflected in huge current account disparities of different countries.

He also asked international financial institutions to pool their expertise to devise a response to cope with the impact of rising international crude oil prices on world economic growth.

Inaugurating the 39th annual general meeting of Asian Development Bank (ADB) in Hyderabad, he said the current global imbalance is reflected in the huge disparities in the current account position of different countries.

The current deficit of the United States stood at \$ 805 billion, which is 6.4 percent of GDP of that country in 2005. On the other hand, the current account surplus of Japan was \$ 163.9 billion, of China \$ 158.6 billion and that of Middle East countries \$ 19.6.8 billion in the same year, Singh pointed out.

"While to some extent, mismatch in current account positions was expected and even desirable, and large disparities raise concerns and provoke the fear of hard landing", he said adding that the present level of global imbalance cannot be sustained forever.

Singh called for action by both countries having current account deficits and those having current account surpluses to correct the imbalances to prevent a global economic downturn and urged the role of international financial institutions to play a proactive role in this regard.

Turning to rising crude prices, the Indian premier said it was incumbent upon all major international financial institutions to pool their collective expertise to devise strategies to enable the global economy to cope with the increased unpredictability and volatility of energy prices.

Singh called for a comprehensive security framework for Asia in order to ensure that the process of economic development was not

derailed by the threat of terrorism, the threat to energy security, food security and security of livelihoods".

"The challenge before Asia today is to create and maintain a regional and international environment that is conducive to maintenance of high economic growth on a sustainable basis," he said.

Observing that Asian countries could learn from the successes of other countries in the region, Singh said there is a lot to learn from the Chinese economy's growth story.

"The Chinese economy has performed exceedingly well over the last two decades, demonstrating growth rates, which are now the envy of most other countries," he said.

"Further, the growth of Chinese economy has fuelled demand for products and services of other countries and the country, in many ways, has become an engine of growth for the world economy."

## US economy shows weak job creation in April

### AFP, Washington

The US economy last month created its lowest number of new jobs since the aftermath of Hurricane Katrina, but wage growth took off, government data showed.

The Labor Department's closely watched "non-farm payrolls" report showed Friday that US employers added a weaker-than-expected 138,000 new jobs in April, the worst level since October.

The figure was down sharply from a revised 200,000 in March and also lower than Wall Street's expectation for 200,000 new jobs in April.

The jobless rate was unchanged in April at 4.7 percent, the department said.

Economists say the US economy needs to create between 150,000 and 175,000 new jobs each month to keep pace with population growth in the workforce.

But while job creation was weak last month, wages took off, in a potential warning sign for the Federal Reserve.

Average hourly earnings increased nine cents, or 0.5 percent, to 16.61 dollars in April. Economists expected earnings to rise 0.3 percent.

Earnings are now up 3.8 percent in the past year, the biggest year-on-year gain since August 2001.

The acceleration will add to pressure on the US central bank at a meeting next Wednesday to keep raising interest rates to stamp out inflationary pressures stemming from wage costs.

But US workers are also producing more for every hour they work, which could offset the inflationary impact of higher wages. On Thursday, the government reported robust productivity gains of 3.2 percent in the first quarter.

In its payroll report, the Labor Department said the average work week lengthened by 0.5 percent to 33.9 hours.

It also revised down the February payroll figure to show an increase of 200,000 new jobs in that month. In the past year, 1.96 million jobs have been created, an increase of 1.5 percent.

In the April survey, payroll growth was widespread throughout industries, if less than predicted by private economists. Of 278 industries, 64.4 percent were adding jobs.

## Oil prices rebound to above \$70 in Asian trade

### AFP, Singapore

Oil prices rebounded to above 70 dollars in Asian trade Friday after falling more than two dollars overnight following a surprise increase in US petroleum stockpiles, dealers said.

Prices however remained volatile with the row over Iran's alleged ambitions to develop a nuclear weapon and the continuing separatist threat in oil-producing Nigeria lurking in the background, they added.

At 3:25 pm (0725 GMT), New York's main contract, light sweet crude for June delivery was up 41 cents to 70.41 dollars a barrel from its close of 69.94 dollars in New York where prices had fallen 2.34 dollars.

London's Brent North Sea crude for June delivery was at 70.82 dollars, up 53 cents.

Prices began tumbling after a buoyant weekly stocks report from the US Department of Energy (DoE) on Wednesday, which eased concerns about shortages of gasoline in the United States.

US crude oil reserves in the world's biggest economy rose 1.7 million barrels to 346.7 million barrels in the week to April 28. Analysts had expected a fall of 150,000 barrels.

Gasoline, or petrol, reserves, which are in focus ahead of the US summer peak driving season, rose 2.1 million barrels to 202.7 million. Markets had bet on a fall of 650,000 barrels.

## Steel price to continue to rise in Q2 Says China

### CEIS, Beijing

China's National Development and Reform Commission (NDRC) predicts that steel prices will keep rising steadily in the second quarter of this year.

A report conducted by the Price Monitoring Center of NDRC, the country's industrial watchdog, says steel prices in the domestic market witnessed a slight drop before a steady increase in the first quarter of this year. The report says the price of panel steel rose to 5,895 yuan per ton at the end of March, up 8% on the early part of this year.

The price of bars and building materials rose 1.79% and 1.13% respectively to 3,299 yuan per ton and 3,129 yuan per ton at the end of March.

The NDRC report forecasts that steel prices will continue to rise during the April-June period as production costs keep growing due to the higher oil prices and railway transport costs in March and April. Meanwhile, the country's

increased steel exports and decreased imports also helped push up domestic steel prices in the first three months.

Statistics shows that China exported 2.81 million tons of steel in March, a rise of 27% from the previous year and 950,000 tons more than that in February this year.

The warming up of the international steel market is also helping to stabilize China's steel prices, according to the report.

In the first quarter of this year, steel prices in the international market also rebounded. They rose 6.88% in March compared with earlier this year. The report predicted that international steel prices will continue climbing in the second quarter.

The report, however, also warns of the risk that steel prices may fall again if the current oversupply situation can not be changed fundamentally and the nation's steel output continues to surge sharply.

## Vietnam WTO team to visit US this month to strike deal

### AFP, Hanoi

Vietnam will shortly send to the United States a team of negotiators to try and strike a deal with Washington over its accession to the World Trade Organisation (WTO), a ministry official said Thursday.

After Hanoi signed last week a deal with Mexico, the US is now the last country it needs to conclude discussions in order to reach the WTO.

"A delegation led by Trade Minister Truong Dinh Tuyen will go to the US in mid-May to continue the talks," the official told AFP, asking not to be named.

After years of tortuous negotiations, which began in January 1995, the former enemies are thought to be close to reaching a trade agreement.

And the communist nation's goal of winning a place in the trade body before it hosts the Asia-Pacific Economic Cooperation (APEC) summit of world leaders in November is now considered by some within reach.

"This should be another decisive round of talks, aiming to prepare the visit to Vietnam of President George W. Bush for the APEC summit," the official said.

## Sanofi Q1 earnings beat forecasts

### REUTERS, Paris

Sanofi-Aventis, the world's third largest drugmaker, reported higher-than-expected first-quarter earnings on Friday as a boost from currencies made up for US generic rivalry dampening sales growth.

Competition in the United States from cheaper copies of four of Sanofi's drugs began during the last 2005 quarter and continued to take its toll but sales still beat forecasts and net profit got a lift from disposals that Sanofi cashed in.

Net profit, adjusted for Sanofi's takeover of Aventis in 2004, rose 20.4 percent without exceptional gains to 2.17 billion euros from the year-ago quarter. This compared with the 1.80 billion euro consensus from a Reuters poll of 19 analysts.