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Local traders urged to send more delegates to USA to raise exports

By Staff Correspondent

A US Chamber of Commerce (USCC) leader has urged the local traders and businessmen to send more delegates to the USA to increase export of the country.

"Sending more delegates and interacting through international electronic communication, you can increase your exports to the USA," said Mark Van Fleet, Manager, International Business Exchange for the USCC while presenting a Worldnet Dialogue from US capital Washington DC on "How Chambers of Commerce Promote International Trade," on Tuesday.

Samson H. Chowdhury, President, Metropolitan Chamber of Commerce and Industries (MCCI) and ABA Sirajuddin, Executive Committee member of the Foreign Inve-

stors Chamber of Commerce and Industries (FICCI), participated the dialogue from Dhaka (US Information Service auditorium).

MCCI leader asked USCC leader why social issues like, child labour and environment, should be included while doing business with developed countries like USA.

USCC leader Mark Van Fleet, however, agreed that there were some complicity regarding connecting social issues with economic issues. But, he said, "US traders are rather emotional about the child labour."

He said, developing countries should have their own standard of environment, healthy atmosphere at the working places to cope with

the future competition in the global trade. He also asked to be more transparent regarding Intellectual Property Right, which, according to Fleet, would build confidence among the US traders and investors.

Fleet, while answering to the questions of panelists from Dhaka, Calcutta and Kathmandu, said, these countries should raise literacy, develop infrastructures, maintain transparency and consider social aspect to boost their exports into the USA.

He also suggested to communicate through Internet, E-mails and other electronic devices to find out overseas partners who are interested in doing business with these countries.

"You should target your nationals who are doing business

in the USA to find out potential business houses in the USA," Fleet pointed out. Fleet vehemently said that only chambers throughout the globe could reduce impediments in bilateral and multilateral trades. "We have to pursue our governments to boost private sector business," he said.

Fleet, who has served with the US Embassy in Bangkok and Thailand and served as Executive Director of the ASEAN-US Business Council, said, developing countries should start competition in the world trade from those sectors which enjoy comparative advantages. He has requested traders of these countries to communicate with him through WEB: WWW.IBEX-GBA.COM

New instruments likely in capital market

Some instruments, apart from share and debenture, are likely to be introduced in the country's capital market in order to give it a fillip, reports UNB.

Instruments, like promissory note, redeemable preference share, money bond and Mudaraba certificate, are expected to be introduced in the country within the current fiscal year, officials said at a workshop here yesterday.

Another instrument, global depositary receipt (GDR), which is used for raising bulk amount of fund from the global market is expected in the next fiscal year (1997-98), they said.

India and Pakistan have been raising millions of dollar using this instrument to finance mega projects, especially in the power sector. But before issuance of such instrument, a country needs to have its own country rating determined. Bangladesh's rating in the world market is yet to be determined.

The officials said a foreign company has already launched a floating rate issue, a type of promissory note, outside Bangladesh and the fund to be raised would be used in different projects in the country.

The structure of money bond, which was framed in 1993 and through which Bangladesh Tobacco Company (BTC) raised short-term capital last year, is likely to be reorganised, they said.

Mudaraba certificate is one kind of partnership certificate which is free from interest. This type of instrument is allowed under the Sharia Law of Islam as it is like the loss and profit sharing concept.

The discussions in the workshop identified bringing in mutual funds and trust funds in the market, modernisation of the capital market and confidence building of general investors as the future challenges of the capital market.

Financial reporters of different newspapers and news agencies are participating in the two-day workshop on "Capital Market Development: Challenges and Opportunities".

BOI holds meet with Japanese team

Board of Investment yesterday held a meeting with the visiting high-powered Japanese economic mission at the state guest house Padma, reports BSS.

Speaking on the occasion, the leader of the Japanese economic mission and Chairman of Japan-Bangladesh Committee for Commercial and Economic Cooperation, Uzu-hiko, Uwatoke, appreciated the vast prospect of investment in Bangladesh.

He said on return of the economic mission to Tokyo, it would sort out and finalise programmes and projects for investment by Japanese investors and traders in Bangladesh.

ICB declares dividend on mutual funds, unit certificates

The Investment corporation of Bangladesh (ICB) yesterday declared dividends on its mutual funds and unit certificates for the year '95-96, reports BSS.

An ICB press release said the dividends were approved at the meeting of the ICB Board of Directors held at the corporation office here with its Chairman Hedayet Ahmed in the chair.

The dividends show slight increase on the mutual funds than that of last year.

Sixty per cent dividends were declared on the first mutual fund, ICB earned a net profit of Taka 34.89 lakh against the fund in the year.

It earned Taka 6.44 lakh on the second mutual fund and declared 42 per cent dividend.

The dividend, declared on the third, fourth, fifth and sixth mutual funds, were 28 per cent, 41 per cent, 30 per cent, 20 per cent respectively against the net profit of Taka 21.33 lakh, Taka 36.42 lakh, Taka 48.41 lakh and Taka 101.87 lakh respectively.

A net profit of Taka 70.20 lakh was earned in the seventh mutual fund, which was floated last year with a capital of Taka three crore. Eighteen per cent dividend were declared on the fund.

A sum of Taka 17 per unit was declared as dividend per unit certificate. ICB earned Taka 74.57 crore through unit certificates in the year '95-96.

The Board of directors expressed its satisfaction over the increase of profitability and the rates of dividends on mutual funds compared to the last year.

ICB will float its eighth mutual fund of Taka five crore in the second week of August. The subscription opens on August 10 and closes on August 14.



Ali Hossain, President of the Dhaka Chamber of Commerce and Industry, delivering his speech at the discussion between the members of the visiting Pakistan General Trade Delegation and the members of DCCI at the DCCI auditorium yesterday. Fazal Ur Rehman Dittu, leader of the Pak delegation, is seen seated on his left. The purpose of the visit of the delegation is to explore trade possibilities between Bangladesh and Pakistan.

Mixed reaction expressed over proposed budget in Rajshahi

From Abdul Wadood

RAJSHAHI, July 31: The business community of Rajshahi expressed mixed reactions over the proposed budget presented by the Finance Minister in the Parliament on July 28.

Mohammad Ali Sarkar, president of Rajshahi Chamber of Commerce and Industry termed the budget a customary one which had admitted no new ideas. He alleged that Finance Minister emphasised on rearrangement of the existing tax structure in the beginning of his budget speech but that was not reflected in practice. He cited only to take measures, if necessary, to reduce the price of diesel for enhancement of agricultural production but did not give definite proposals. He criticised the budget for not allocating money for rehabilitation of sick industries.

Mohammad Ali Sarkar observed that 30 per cent of the budget was directly allocated for the poor village people but the rest 70 per cent indirect allocation would be spent for the middle class and rich people of the town areas. He said that ways of spending the lump allocation of Tk 100 crore as subsidy in agriculture sector should be clearly identified.

RCOI president expressed concern over the reduction of import duties and observing it that would increase abuse of foreign currencies. He said that the neighbouring country, recently imposed duties on import of some materials from Bangladesh. This should be remembered, he said.

Extension of coverage of

VAT will enhance inflation, so the rate of VAT should be reduced to 10 per cent from 15 per cent, he suggested.

Mohammad Ali Sarkar hailed the budget for cancelling PSI system in Sonar Masjid and Hill land-ports and demanded the same facility in Bhurimari land-ports. He, however, expressed deep

concerns observing that no definite proposal was included in the budget for development of the long-neglected northern region. He demanded reduction of price or furnace oil and withdrawal of import duties on coal for survival of the industries in the competitive markets where gas was not available. He also demanded reduction of import duties on building materials including cement and stone of below-one inch size.

Meanwhile, Liakat Ali, president of National Association of Small and Cottage Industries of Bangladesh, Rajshahi branch, welcomed the budget for presenting the nation a realistic budget at the right time and hoped that the proposed budget would increase the economic growth rate and augment investment.

He praised the highest allocation for education, subsidy of Tk 100 crore for agriculture, reduction of duties on import of agricultural inputs and machineries, withdrawal of lock-in system in capital market and the decision of making the losing sectors profitable. He also welcomed the finance minister for allocation of more money for development of small and cottage and agribased industries. He, however, concerns over the extension of coverage of VAT and criticised for not identifying definite guidelines for survival of the sick industries.

Abdus Samad, central member of Bangladesh Krishak League in a statement hailed the budget terming it pro-people.

Expeditors Int'l opens office in city

By Staff Correspondent

Expeditors International of Washington, a US-based multinational service marketing company, has established its office in Dhaka called Expeditors (Bangladesh) Ltd., says a press release.

Is a global logistics company Expeditors serves the increasingly sophisticated needs of international trade through a network of responsive professionals integrated information system.

Expeditors offers air and ocean freight forwarding, supplier consolidation, customs clearance, cargo insurance, distribution and value-added logistics services.

Syed Ershad Ahmed, formerly Expeditors Resident Country Manager in Bangladesh, took over as Managing Director of the new company.

Singer's Semester Review Meet held

The Semester Review Meeting '96 of six month business activities of Singer Bangladesh Limited was held in two stages on July 6 in Rangpur parjatan complex and July 17 in BARD at Comilla, says a press release.

All exclusive sales agents, shop managers, district managers and area managers of northern & south west regions joined the meeting in Rangpur parjatan complex while all exclusive sales agents, shop managers, district managers, area managers and area sales manager of North-East and South-East regions joined the meeting in BARD, Comilla.

Business performance of the first six months of 1996 was reviewed in the meeting and necessary steps were discussed to achieve the target of the next six months.

Both meetings were presided over by the Chairman and Managing Director of Singer Bangladesh Limited Mahbub Jamil.

In his inaugural speech Mahbub Jamil said "We have passed a tough time. But in spite of many adverse situation, we did fairly well."

In this context he expressed his firm belief, that Singer will be able to achieve its target and thereby maintain its consistency in terms of sales performance of the last five years.

In the meeting, the Managing Director listened patiently to the shop Managers and discussed various aspects of business with them. National Sales Manager M.A. Siddiqui also spoke on the occasion.

WB Country Director meets CSE president

World Bank Country Director of South Asia Zone 1, Ms Miko Nishimizu accompanied by Pierre Landell-Mills, Chief of Mission, M/S Khurshid Alam, Owasid Saadat and Ms Milla Ali of the World Bank Bangladesh had a meeting with the Board of Directors of Chittagong Stock Exchange on 29th July 96 at the Board Room of CSE. The meeting was presided over by Amir Khosru M. Chowdhury, MP, President of CSE, says a press release.

Ms Nishimizu, while discussing on the need of the macro-economic stability and conducive regulatory environment for a healthy growth of capital market. She also said sound domestic policies and a congenial environment have been the main factors in the phenomenal growth of the stock markets in East Asia. She expressed her satisfaction on the impressive progress of CSE within a short period of less than a year.

Pierre Landell-Mills, Chief of World Bank in Bangladesh said that with the withdrawal of the lock-in system and exemption of the bonus shares from taxation, the security market of Bangladesh would attract more foreign investors resulting growth of the capital market.

SBI to privatise 3 subsidiaries

NEW DELHI, July 31: The State Bank of India (SBI), the country's premier bank, is to privatise three subsidiaries in which the Asian Development Bank will invest 30 million dollars, the Business Standard daily said yesterday, reports AFP.

This is part of an understanding with ADB which will pump in 30 million dollars into the three arms over the next three years," said a senior official of the state-owned SBI.

He said the deal "with the Manila-based, multilateral agency was finalised last week after two-year negotiations to dilute SBI's stake in SBI capital markets, SBI gills and SBI securities to less than 50 per cent."



Mahbub Jamil, Chairman and Managing Director of Singer Bangladesh Ltd., seen presiding over a meeting. National Sales Manager M.A. Siddiqui is also seen in the picture.

Govt probe soon into freeze on recruiting workers in Malaysia

By Reaz Ahmed

The government will soon investigate with the government of Malaysia the authenticity of a press report that it has stopped fresh intake of manpower from Bangladesh and four other Asian countries.

This was stated by Minister of State for Labour and Manpower M.A. Mannan while talking to The Daily Star Saturday. He said he has seen a brief press report about it. "We have not yet received any official report from Malaysia. We will start checking the authenticity of the news with the Malaysian government soon."

"We will enquire whether labour-short Malaysia has really decided to freeze fresh intake (of Bangladeshi manpower) and if so, what led the country to take the decision", Mannan said.

According to the recent

report by an international news agency, the Malaysian government, on July 10 decided to freeze fresh intake of manpower from Bangladesh, Pakistan, Indonesia, Thailand and Philippines. The report, however, did not mention the reason behind the decision.

The report also said that Malaysia would allow illegal immigrants working in the manufacturing, construction and services sectors to gain work permits provided they got registered by the end of the year.

According to sources in the Labour Ministry, Bangladesh exported 26,713 workers to Malaysia during the first half of 1996 and was expecting that Malaysia would employ thousands more in the rest of the year.

The news report has cre-

ated great anxiety among officials, manpower exporters and thousands of labourers who were eager to seek fortune in that Muslim country.

Since January 1991, when Malaysia opened up its vast labour market for its Asian neighbours, some 1,89,816 Bangladeshi fortune seekers took jobs in that country.

Mannan, however, said the positive aspect of the report was that many Bangladeshi workers who have been detained in Malaysian detention camps for long would now be able to avail themselves of the chance of getting registered.

Foreign Minister Abdus Samad Azad told the Jatiya Sangsad the Malaysian government had assured that stay of some 2,000 Bangladeshis out of 2,560 detained there would be legalised.

Food stock satisfactory: JS told

Begum Motia Chowdhury, Minister for Food, Agriculture, Disaster Management and Relief, said that the government has no plan at present to increase the food stock as the position was satisfactory, reports agencies.

She informed the Jatiya Sangsad yesterday that the country had a total stock of 61,37,000 tonnes of foodgrains of which government stock was 9,32,941 tonnes as of July 1, 1996.

Replying to a question from Ahmed Tafazzuddin (Pabna-2) the minister also said that of the total stock 52,61,000 tonnes were rice and 8,76,000 tonnes were wheat. Of the government stock 6,10,641 tonnes were rice and 3,22,300 tonnes wheat and 3,54,067 tonnes of rice and 68,431 tonnes of wheat were procured.

She also informed the House that 4,90,504 tonnes of rice and 10,87,341 tonnes of wheat were imported under government account and 6,50,000 tonnes of rice and 2,00,000 tonnes of wheat were imported under private account during 1995-96.

The Food Minister said that the stock was not sufficient to meet a year's food requirement of the country and said that projected imports have been fixed at 19,10,000 tonnes of which 6,50,000 tonnes are rice and 12,60,000 tonnes are wheat.

Replying to a question from Ziaul Haq (Zia) (Laxmipur-1), Food Minister Begum Motia Chowdhury gave a district-wise stock position of food grains (rice paddy, wheat and edible oil) in the country and said the total stock was 861,318 tonnes.

The country had an estimated food shortage of 29 lakh metric tonnes in the last fiscal year (1995-96).

This was disclosed in Parliament yesterday morning by Food and Agriculture Minister Motia Chowdhury during question hours.

said it was expected that the food production would be about two crore MT.

If the production could reach the target, she added, the food deficit in the country might have stood at 23.64 metric tonnes.

Ctg Port shutdown costs Tk 46cr daily

The exchequer lost Taka 45.76 crore daily due to the shutdown of Chittagong Port for 18 days in 1995-96 during the non-cooperation movement.

"The country might have earned more Taka 823.69 crore from exports if the port could operate during these 18 days," Commerce and Industries Minister Tofael Ahmed told Parliament.

Responding to a question from BNP MP Nizamuddin Khan of Manikgonj, the minister said export turnover in the last fiscal year was 15879.90 crore, up from the target set at 15,200 crore.

The loss due to the anti-government movement had been overcome in the remaining months of the year by gearing up export and thereby making it possible to cross the target, he told the House.

The non-cooperation movement was launched against the

WB team visits BARD

The World Bank team headed by Mrs Miko Nishimizu, Director, SAI, visited the Bangladesh Academy for Rural Development Comilla on July 27, 1996, says a BARD press release.

The team met the senior faculty members of BARD in a session where Md Abdul Quddus, Director General gave a brief introduction about BARD's activities, existing programmes and future plan.

They praised BARD for its significant role played for the rural development of Bangladesh. The programme was organised by Md Mir Kashem, Joint Director (Training), BARD.

BNP government by the then opposition Awami League, Jatiya Party and Jamaat to press their demand for election under a caretaker administration.

10 lakh Bangladeshis working abroad

Nearly ten lakh Bangladeshis are now working abroad, Parliament was informed by State Minister for Labour and Manpower Abdus Mannan during the question hour.

Replying to another question of Prof Shahidul Islam (BNP-Kushtia), the state minister said annual remittance from expatriates comes to about Taka 5,000 crore.

17 trade missions in operation abroad

Commerce Minister Tofael Ahmed said at present 17 trade missions are in operation in 16 countries and most of them are playing significant roles in promoting the country's exports in those countries.

He said, under the initiatives of these missions, not only the exports of regular items have been strengthened but new items have also been added in the export list, he told the Jatiya Sangsad while replying to a question of Giasuddin Kader Chowdhury from Chittagong.

The minister said beside the trade missions, different government and non-government organisations and institutions at home and abroad are working for boosting exports while the volume of export has been increased particularly in the USA, European Union, SAARC region, China, Japan and Australia.

Tofael said the trade missions are annually given an export target.

The Commerce Ministry regularly monitor the activities of the missions towards achieving the target while they (missions) have to send a monthly progress report of their activities.

Bangladeshi executive leads white colour jobs

Saifur Rahman writes from Dubai

The idea of socialised recreation has always been guarded as a white-colour affair and mostly the brighter section of the society has been running this sector of business. But things have changed a lot.

Gone are the days of shyness and hesitation for those who used to wonder standing outside what on earth is happening inside the club. Those who used to stare at the recreational and health clubs from outside are now well into it. Now one can just walk into a club and participate in whatever is available.

Nevertheless, this once exclusive white-colour job has been gradually taken over by the Asian and North African entrepreneurs. Roles have been reversed in many places and none probably can call it an exclusive white-colour affair any more.

The best example of this is Saeed Hussain, General Manager of Dubai's prestigious Cyclone Club. Saeed, a Bangladeshi national, who has been managing some of the most famous leisure outlets in Dubai for the last 18 years, has come a long way in his successful career. He has been serving as the General Manager of Cyclone The Club since its inception two years ago.

Dubai, the commercial and leisure hub of the Middle East, can also boast itself as one of the fastest growing economic zones in the world. And the local entrepreneurs know the need and the value of proper recreational facilities very well. During the last four years, Dubai's landscape has changed a lot with the establishment of some of the most modern hotel and recreational complexes in this region.

Apart from the five-star hotel chains and other traditional clubs, Dubai's social life has been very well served by some of the best recreational clubs located in this town. One of them is Cyclone, The Club.

Cyclone is the largest entertainment venue in the Middle East and South East Asia. It is a part of the prestigious chain of Cyclone clubs in China, Indonesia and Singapore.

Cyclone's wide range of facilities include a large two-storied concert hall with a VIP lounge and a big dance floor, pool, a hall for indoor games, etc. It has an outdoor concert arena which can accommodate 7,000 people. Cyclone has an exclusive membership of 5,000 executives and 7,000

polish buyers absorbed the bold Brokens at firm rates, but all other types were much easier due to less competition from the internal buyers during the weekly tea auction.

However, blenders absorbed a larger weight this week. Pakistan and Afghanistan were in the market for an increased quantity at lower rates generally operating up to Tk 42.

Russia operated for a limited quantity while Sudan continued to be absent. Withdrawals were quite heavy this week.

LEAF CATALOGUE: 25,650 chests, 290 gunny sacks and 165 chests of old season on offer met with a limited demand at much lower rates.

CTC BROKENS: Bold Brokens were about firm while the larger types were easier by Tk 1 to 2. Medium Brokens met with a restricted inquiry and declined by up to Tk 2 per kg. Small Brokens, likewise declined by Tk 2.

A handful of good liquoring popular types met with a fair enquiry and eased slightly by Tk 1 per kg. These were sold between Tk 45 and 48.

CTC FANNINGS: Fannings continued to meet with a less demand and were easier by Tk 2 and sometimes more with the progress of sale. Plain fibrous types were once again difficult of sale. Popular varieties eased and sold between Tk 45.50 to 48.50.

Once again Plain fibrous types proved difficult of sale. There was a considerable withdrawal following less support from both the Bazar and Blenders.

The next sale will be held on August.



Saeed Hussain