

FOCUS

Privatisation in Bangladesh SOME SUGGESTIONS

by Md Shamsul Haque Chishty

By the policy declaration of 26th March 1972, the Government of Bangladesh (GoB) nationalised all abandoned enterprises with assets valued at above Tk 1.5 million, along with the entire jute, textile and sugar industries irrespective of ownership. Other major sectors nationalised were raw jute export, banking and insurance. It resulted in the increase of public ownership of fixed assets from 34 to 92 per cent of modern industry and of public enterprises from 53 to 92.

The successive governments who came to power after the violent change of government on 15th August, 1975, realised the necessity to accelerate investment in the private sector, both local and foreign, and announced some measures from time to time in that direction. No appreciable step was, however, taken to privatise the major enterprises nationalised in 1972. The government which came to power through a coup in March, 1982, reviewed the performance of the public sector and concluded that they were unable to contribute to the country's development because of inherent problems of bureaucratic control, lack of proper accountability, contradiction between social justice and commercial considerations, and serious financial constraints from which they were suffering.

In order to create a favourable investment climate

jective to pursue a market-oriented economic policy and launched the privatisation policy with a new zeal. It set up in 1993 the Privatisation Board (PB) with a clear mandate and operating guidelines reporting directly to the Council Committee on Finance and Economic Affairs. The PB is responsible for implementing the privatisation programmes of the government. Besides having a full-time Chairman, it has two full-time members and eight part-time members. It has its own budget and other staff.

The PB's functions are to: a) identify enterprises for privatisation; b) develop selection criteria; c) determine priority and work out a time table; d) identify the optional methods suitable to particular cases; e) restructure debt burden of the enterprises where necessary; f) recommend retrenchment of surplus workers, closure of obsolete mills; g) formulate policies for private sector development; h) organise public awareness programmes in support of the privatisation programme, and i) do all other matters and things connected with any of the above functions.

As far as we know, the PB has not been able to privatise more than two dozen of state owned enterprises (SOEs). This is not a creditable record for the Board. From the very beginning the PB suffered from the services of professionally qualified persons.

commitment to the privatisation of the SOEs. To make the privatisation policy successful, some suggestions are made for consideration of the government:

a) The senior positions of the PB should be filled with professionally qualified people, if necessary on contract from outside the government circle on a suitable remuneration. Once so appointed, they should be retained for at least five years. It seems the government has decided to appoint the Chairman from the private sector. This is a right decision. The government officials in the present-day political atmosphere feel hesitant to take bold decisions for fear of victimization by the subsequent government whereas the nature of PB's work calls for such decisions.

b) The public awareness programme should start immediately. There should be open debates in the Parliament, over the radio, TV, seminars and round table conference should be organised where merits and demerits of privatisation should be openly discussed. The ministers may take advantage of any public meeting addressed by them to discuss the issue. The citizens should be told, how much of the tax payers' money is being funnelled annually to support the inefficient public sector.

c) At present only the loss-making units are generally of-

fered for privatisation. This is not a correct policy. To encourage a greater number of participants in the tenders, viable enterprises should be offered to the market at the initial stage. Alternatively, the list may contain both viable and loss making enterprises. A similar strategy may be followed in divesting government shares held in public limited companies, local and multinational.

d) An enterprise should be offered for sale in as attractive a form as possible. It should have a clean balance sheet free of the long-term liabilities. These liabilities should be taken over by the government.

e) The prospective bidders should have full authority to dispense with the services of known surplus and troublesome employees. There will be less resistance to privatisation from the employees and workers if the government agrees and declares its intention to pay termination benefits to them upto the date of handing over an enterprise to the successful buyer.

f) For enterprises with small value assets, a public auction with transparent method of disposal can realise maximum value. Value of some of these assets have already been reduced due to pillage.

g) A successful buyer should be given a free hand to utilise the assets in a manner he thinks productive.

h) For big enterprises, like the Bangladesh Machine Tools Factory (lying closed for more than 3 years), the Steel Mills and the General Electric Manufacturing Plant, tendering may not bring the desired result. In such cases, direct marketing may be resorted to while maintaining transparency. This may attract strategic foreign buyers who can bring special technology, market access and other benefits.

i) While selling through tenders, the government should not continue with indefinite tendering in case of insufficient or lower bids than the notional reserve prices. It suffers from the dilemma as to whether a fair value has been obtained for an enterprise offered for sale.

j) Upon consummation of an asset sale, the government should have no residual actual or contingent ownership interest in the enterprises. At present a successful bidder gets possession of an asset on 25 per cent down payment which includes 2.5 per cent of the bid money. In the majority of cases the successful buyers have failed to pay the balance 75 per cent in six-monthly instalments in five years as specified in the tender documents and the subsequent sale deeds.

In several cases the government has to take back possession of the enterprises with depleted assets. To avoid repetition of similar situations the tender documents should be revised asking for payment of the

full bid money before signing the sale deed and handing over possession of the property. It should be the bidder's headache to arrange funds from investment banks and other sources. A discount higher than 10 per cent now allowed for cash payment may be a good incentive.

The Ministry of Finance and the Bangladesh Bank may offer some guidance to the commercial/investment banks in this regard.

k) Last but not the least, the government should decide the offers received without unusual delay. There should not be more than three months' delay in finalising a tender from the date of closure of the offer. The government took more than a year to hand over Hafiz Textile Mills to the successful buyer. In the case of Shyampr Sugar Mills the successful buyer had paid full value (more than taka five crore) of 51 per cent of the shares offered for sale. The government did not transfer the shares to him because of labour representation from the mills.

After two years the buyer's money was refunded. Imagine the amount of interest he lost for the two years during which such a huge amount was locked up in the government exchequer. There should be no repetition of such incisions. Otherwise, bidders' confidence in the government's sincerity to privatise will be greatly shaken.

DD 7

10:30 Janmadin 10:35 Classical Music 11:00 Dance 11:30 Parliament Hour 12:30 Monorama Cabin 1:00 Janmabumi (Serial) 1:30 Trishna (Serial) 2:00 Classical Music 2:30 Ael Chande Ki Anande 3:00 Ghum Nai (Serial) 3:30 Shreshthi (Serial) 5:30 News 6:00 Aparajito/Pallikatha 6:30 Mone Rekho More Gaane 7:00 Darsakar Darbare 7:30 Bangla Sambad 8:00 Salbone Katha (Serial) 8:30 Chetana (Serial) 9:00 Janmabumi (Serial) 9:30 Monorama Cabin (Serial) 10:00 Bengali Movie Club Film Show 1:00 Closed

ZEE CINEMA

6:45 Songs 7:00 Yahan Wahan (Farooq Shaikh, Sunder Kaur, Jagdeep) 9:00 Zandu Filmi Baatein 9:30 Iman (Sanjeev Kumar, Leena C) 12:15 Peruns 12:30 Zakhrme (Sunil Dutt, Asha Parekh) 3:15 TBA 3:45 Arapata 4:15 Kettiyai Gramathil (Malayalam) 5:30 Sautan (Rajesh Khanna, Tina Munim) 9:15 Cinema Cinema 9:30 First Take 10:00 Jamal Raja (Anil Kapoor, Madhuri Dixit) 12:45 Nalla Doru Kutumbam (Tamil) 3:30 Hit Thai Hit Hai 4:00 Sunehra Sansar (Rajendra K. Hema M)

SONY ET

8:30am Yaadon Ki Baarat 9:00

SONY RANGS

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বিশেষ সুযোগ

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এই সুযোগ SONY RANGS প্যাবলিশন অথবা দেশব্যাপী আমদানি যে কোন সোলার ও ফ্রিজের ক্ষেত্রে এবং অনুমোদিত দিলারদের নিকট পাওয়া যাবে

SONY			
PRODUCTS	MODEL	NORMAL PRICE	DISCOUNT PRICE
SONY COLOR TV	KP-E 53 MH II	2,60,000	2,40,000
	KP-E 41 MH II	1,80,000	1,60,000
	KV-L 34 MF I	1,15,000	95,000
	KV-W 32 MN 21	1,50,000	1,40,000
	KV-F 29 MF I	60,000	52,000
	KV-W28 MN 21	1,15,000	1,05,000
	KV-F 25 MF I	42,000	39,000
	KV-2168 MT	36,000	28,750
	KV-G21 P 1	27,500	25,000
	KV-G 21 Q 1	27,200	25,000
SONY HI-FI	KV-2114GE	26,500	25,500
	KV-G14Q 1	16,600	16,000

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CATEGORY	MODEL	NORMAL PRICE	DISCOUNT PRICE
CTV	TV-C141(14")	15,500	14,500
	HV-MC20	11,500	10,500
VCP	HV-C100	9,500	8,500
	Z-1800	36,000	29,000
HIFI	Z-1500	33,500	27,000
	NSX-999HR	33,000	26,000
WALKMAN	NSX-V70HR	31,000	25,000
	NSX-V50HR	25,000	22,000
A/SPEAKER	NSX-V30HR	23,000	20,000
	Z-D 3300	40,000	38,000
Z-M 2900	Z-M 2900	36,000	31,500
	Z-M 2800	33,000	29,500
Z-M 2700	Z-M 2700	32,000	27,000
	DX-C100	28,500	28,000
NSX-999MKII	NSX-999MKII	30,000	26,500
	NSX-V 900	29,000	25,500
NSX-V770	NSX-V770	25,000	22,000
	NSX-V300	21,000	18,500
NSX-V200	NSX-V200	17,500	16,500
	NSX-H9	38,000	33,000

SONY			
PRODUCTS	MODEL	NORMAL PRICE	DISCOUNT PRICE
SONY VCP	SL V-X 110BD	10,300	9,500
	LBT-N255	24,000	22,000
SONY HI-FI	MHC-W55	35,000	31,000
	FH-G 90 AV	28,000	25,500
SONY MINI	MHC-G 88	29,000	27,500
	MHC-G 77	25,500	24,000
SONY RCR	MHC-C 10	18,500	16,000
	CFS-715S	6,700	6,500
CFS-W 475S	CFS-W 475S	6,200	6,000
	CFS-W 7100S	5,600	4,800
CFS 1055S	CFS 1055S	4,700	4,500
	CFS-1033S	4,000	3,300

aiwa			
CATEGORY	MODEL	NORMAL PRICE	DISCOUNT PRICE
RCR	CA-WR-68	6,600	6,200
	CA-WR-65	6,500	5,800
CA-WR-57	CA-WR-57	5,500	5,300
	CA-WR-55	5,000	4,700
CS-360	CS-360	4,000	3,700
	CS-W-320	4,000	3,200
CS-110	CS-110	3,500	3,000
	TS-W5	3,500	3,000
HS-TA 161	HS-TA 161	2,160	1,800
	HS-TS 500	2,400	2,000
HS-JS 135	HS-JS 135	3,000	2,500
	HS-JS 345	1,680	1,400

RANGS			
CATEGORY	MODEL	NORMAL PRICE	DISCOUNT PRICE
DEEP FRIDGE	ACF 200LTR	23,000	22,000
	ACF 300LTR	26,000	25,000
B/WTU	RB1740WL	6,600	6,300

SHARP REFRIGERATOR এবং

অন্যান্য গৃহস্থালী সামগ্রীও বিশেষ দামে পাওয়া যাবে



জিভি এবং ডিসিপি প্যাকেজ একসাথে কিনলে লাভের উপর আরও লাভ

কিন জিভি এবং ডিসিপি প্যাকেজ ৪ বছরের বিশেষ গ্যারান্টি ও অন্যান্য সামগ্রীর পাঠকদের গ্যারান্টি

ব্যাংক রেলকটনিক লিমিটেড

(ব্যাংক গ্রুপ অব কোম্পানি-এর একটি প্রতিষ্ঠান)

৬৮ পুরানা পল্টন, ঢাকা, ফোন ৪২৬৬৭৪৭২-৭৩

The Daily Star Entertainment Guide

Thursday 13th March

(All programmes are in local time. There may be changes in the programmes)

BTV

3:00 Opening Announcement At-Quoran, Programme Summary 3:10 News in Bangla 3:15 Re-tecast of selected programme from TV Archive 4:00 News in Bangla 4:15 TV Couching 4:45 Carlton: Shazzam 5:25 National Television School Debate 6:30 Sor Goal 6:50 Religion and Life 7:00 The News 7:25 Sandha Malatee 8:00 News in Bangla 8:25 Arabian Nights 9:00 Package Programme 10:00 The 10:25 Switch 11:30 News in Bangla 11:35 Friday's programme summary 11:40 Close down

BBC

06:00am BBC World News 06:10 Newsmight 07:00 BBC Newsroom inc. World Business Report/Asia Today 7:24 Hours 10:00 BBC World Headlines 10:05 World Focus: Pandora's Box 11:00 BBC Newsday 2:00 BBC World Headlines 12:05 World Focus: Great Journeys 03:00 BBC World News 03:30 Time Out: Holiday 04:00 BBC Newsdesk 06:00 BBC World Headlines 06:05 World Focus: Horizon 07:00 BBC World News 07:15 World Business Report 07:30 BBC News: South Asia & Pacific 08:30 Time Out: Top Gear 09:00 BBC World Headlines 09:05 World Focus: Pandora's Box 10:00 BBC World News 10:30 Time Out: Film 97 11:00 BBC World News 11:30 Time Out: The Clothes Show 12:00 The World Today 02:00 BBC World Headlines 02:05 World Focus: Correspondent 2:50 Earth Report 03:00 BBC World News 03:30 Time Out: Tomorrow's World 04:00 BBC World Report inc. World Business Report/24 Hours

CHANNEL V

6:00am VJ Frame by Frame 7:00 Rewind VJ Sophiya 8:00 Billboard US Countdown 10:00 Frame by Frame 11:30 The Vibe VJ Luke 12:00am Rewind VJ Sophiya 1:30 By Demand VJ

Trey 2:00 Frame by Frame 2:30 Liberty First Day First Show 3:00 BPL Oye 4:00 Planet Ruby 4:30 Big Bang VJ Alessandra 6:00pm News VJ Sophiya 7:00 By Demand VJ Trey 8:00 The Vibe 9:00 Videocon Flashback 9:30 Top of the Pops 10:00 Liberty First Day First Show 10:30 Malibu Jammin 12:00am Rewind VJ Sophiya 1:00 Haysah 2:00 By Demand VJ Trey 3:00 Big Bang VJ Alessandra 4:30 BPL Oye 5:30 Jump Start VJ Alessandra

STAR PLUS

630am Ninnad 7:30 Star News 8:00 Star Business 8:30 Star News 9:00 Star News 9:30 Aerobics Oz Style 10:00 Master Chefs of the Florida Culinary Institute 10:30 El Ti 11:00 Kate & Allie 11:30 The Oprah Winfrey Show 12:30 Picket Fences 1:30 Santa Barbara 2:30 The Bold & The Beautiful 3:00 Tekkikaat 3:30 Khandaan 4:00 Banjara Guest House 4:30 Land of the Giants 5:30 Black Beauty 6:00pm Kate & Allie 6:30 Master Chefs of the Florida Culinary Institute 7:00 Manaka's Ark 7:30 Star News (Hindi) 8:00 Awaz 8:30 Hindi Serial: Tu Tu Main Main 9:00 Hindi Serial: Ghatun 9:30 Star News 10:00 Are You Being Served? 10:30 Baywatch 11:30 The Bold & The Beautiful 12:00 Santa Barbara 1:00 Star News 1:30 Space: Above And Beyond 2:30 Fantasy Island 4:00 The Oprah Winfrey Show 5:30 Barnaby Jones

STAR SPORTS

7:30am EPGA Moroccan Open H/L 8:30 World Wide Rugby-1 10:30 ISF World Tour-10 11:30 ITTF Pro Tour Qatar Open Semi Finals: Men's Singles 12:00 Watersports World-24 1:00 Spanish Pball League 1:30 Federation Cup Cross Country 1997 2:00 This Is The PGA Tour 3:30 Indian Football Philips League Churchill Philips vs JCT From Goa, India 5:30 ISU Skating The Finals 7:00 World Wrestling Federation Raw 8:00 US PGA Tour 1997 Doral Ryder Open Day 3 9:30 India Tour of W Indies 2nd Test Preview

11:00 Indian Football Philips League Salgoakar vs Dampo From Goa, India 12:30 ITTF Pro Tour Qatar Open Final: Men's Doubles 1:30 ISU Skating - The Finals 2:30 Federation Cup Cross Country 1997 2:30 World Wrestling Federation Raw 4:00 The Asian Football Show 5:00 ISF World Tour 5:30 Trans World Sport

STAR MOVIES

7:30am Adventure: Anything To Survive 15 (Arabic Subtitles) 9:30 Classic: Forty Guns PG (Arabic Subtitles) 11:30 Family: Shattered Family 12 (Hindi Subtitles) 1:30 Comedy: Help! 12 3:30 Classic: Sink the Bismarck! 12 (Hindi Subtitles) 5:30 Classic: Fixed Bayonets PG (Arabic Subtitles) 7:30 Oscar Winner Best Cinema Biography: Laura G (Hindi Subtitles) 9:30 US Top Ten 10:00 Romance: Just Between Friends 18 (Arabic Subtitles) 12:00 Comedy: The Adventures of Priscilla, Queen Of The Desert 18 (Hindi Subtitles) 2:00 Horror: Critics IV 18 4:00 Comedy: The Couch Trip 18 (Arabic Subtitles) 5:30 Action: Best Seller 15 (Arabic Subtitles)

ZEE TV

6:00 News 6:30 Adharniya Pradhan Mantri 7:00 ZED 8:30 Ru-Ba-Ru 9:00 Disney Hour 10:00 Gaane Anjaane 10:30 Jhalpat Khana 11:00 Andaz 11:30 Zimbo 12:00 Khana Khazana 12:30 Mast Mast Hai Zindagi 1:00 Aakanksha 1:30 Asian Sky Shop 2:00 Hum Paanch 2:30 Tara 3:00 Raahat 3:30 Low Cal Show 4:00 Sailaab 4:30 Suhana Safar 5:00 Through The Gears 5:30 Aur Ek Minute 6:00 Akbar Biral 6:30 Disney Hour 7:30 Raahat 8:00 Gaane Anjaane 8:30 Chutki Baja Ke 9:00 Yeh Kahan Aa Gaye 9:30 Oostaan 10:00 Umeed 10:35 News 11:00 Paakeezah/Ek Nazar 11:30 Nirma Hum Paanch 12:00 Action Hindi Feature Film 12:30 Daraar 1:00 Hasratein 1:30 Raahat 2:00 Harste Khele 2:30 TMM 4:00 Tara 4:30 Casper Kya Scene

Hai 5:00 Suno Bhai Sadho 5:30 Jagran

EL TV

12:30 Hindi Feature Film 1:30 Kinetic Pride Hasen Pal 1:40 Rajni 2:00 Metredown 2:30 Karz 3:00 Kal Bhi Aai Bhi 3:30 Siyaram Kamal Combination 4:00 Filmi Chai 4:30 Ten Bhi Chup Meri Bhat 4:30 5:00 Vishwamitra 6:00 Kishore Kumar Special 7:00 Scandal 7:30 Dard 8:00 Hindi Feature Film 11:00 Gujrat Band Repeats 12:00 Bangali Band Repeats 1:00 Chalo Cinema 1:30 Kabhi Ye Kabhi Wo 2:00 Gujarati Band Original 3:00 Dard 3:30 Vipul Ka Amar Prem 4:00 Yaadon Ki Baarat 4:30 Stand-by 4:40 Aakhr Dai 5:00 Dear El 5:30 Cine Smyle 6:00 Archies Top Of The Tops 6:20 ZED 6:50 Bangali Band Original 7:50 Hollywood Highlights 8:20 Kinetic Pride Hasen Pal 8:30 Liberty Public Demand 9:30 Anuraag 10:00 TBA 10:30 Stand-by 10:40 Hindi Feature Film

PTV

8:00am Tilawat Aur Tarjuma/Ham/Naat 8:20 Cartoon 8:30 Khabrain 8:45 Cut Piece 9:20 Aahang & Roshni 9:45 Phool Chandi 10:05 Sona Chandi (Drama Serial) 10:30 Buttons & Rustys (Eng. Film) 10:55 Milli Naghma 11:00 Khabrain 11:10 Aabshaar (Music Programme) 11:55 Tele Play (Drama Serial) 12:45pm Qawala 12:55 Quran-e-Hakeem & Bismillah 1:15 Muqaddar (Drama Serial) 2:00 Puthur (Drama Serial) 2:45 Perspective & Health Forum 3:40 Taleemi Maloomat 4:35 Aurat Aur Qanoon 5:05 Home Economics 5:25 Humaray Saath 5:55 Varna (Drama Serial) 6:25 Ajoop Courses 7:05 Muqabil Hai Aaina 7:20 Ainaik Wala Jinn 7:45 English News 8:05 Jawaan Sangeet 8:45 Eendhan (Drama Serial) 9:00 Break for Headline News 10:00 Khabarnama & Commercial News 10:35 Mast Mast Sanyo 11:15 Urdu Feature Film: A Khas Khas Khabrain/Close down

SONY ET

8:30am Yaadon Ki Baarat 9:00