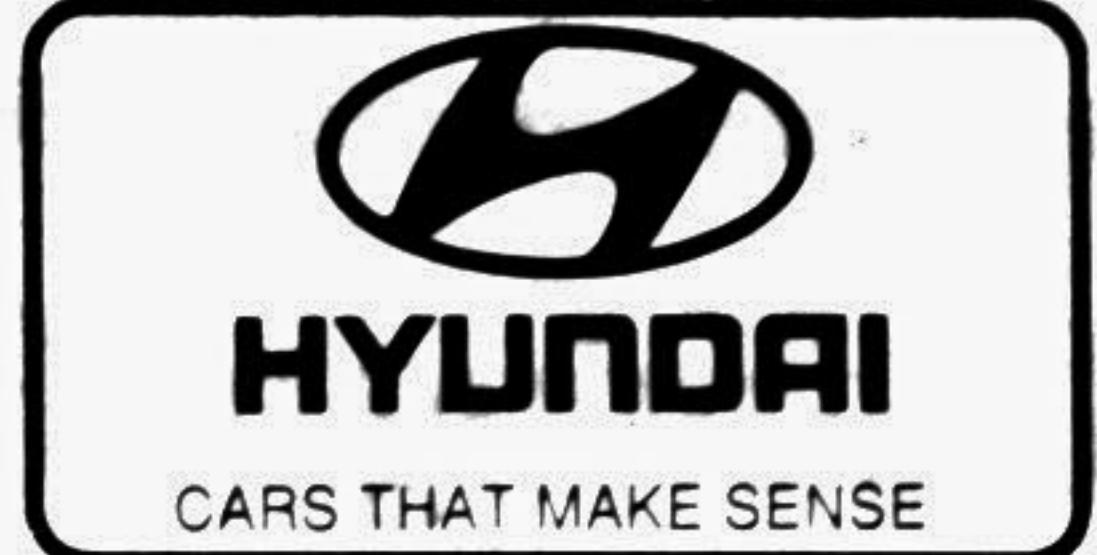


The Daily Star BUSINESS

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CSE team eyes its automation system in US

Star Business Report

A 4-member CSE delegation comprising its automation committee members visited Bellcore head office at Morris-town, USA to see the prototype of the Communication Network System developed for the bourse.

The team led by the CSE President Amir Khosru Mahmud Chowdhury was highly satisfied seeing the full-proof system aimed at enabling CSE members to do on line real time trading from anywhere in the country, says a press release yesterday.

Under the system, initially members who are stationed in Chittagong, Dhaka and Sylhet will be connected to the CSE main Server through this network developed by Bellcore.

The network will use VSAT, high speed E-1 line and optical fibre to ensure smooth and efficient communication.

The work on automation project is going on full swing and it is expected to go live in December, this year.

The delegation on its way to USA held a seminar in London to attract the non-resident Bangladeshis to invest in Bangladesh stock market. The seminar organised with the association of Bangladesh High Commission in UK was attended by a number of professional non-residents as well as by the local high level participants.

Bangladesh High Commissioner attended the seminar while CSE President presented the key note paper.

The other members of the delegation were M Salman Is-pahani, Vice President, Syed Mahmud Huq, Director and AGM Shamsul Kamal, Chief Executive Officer.

ACI, Searle sign licensing agreement

ACI and Searle have recently signed a licensing agreement in Dhaka, says a press release.

Intiaz Abootwala, Company Secretary and Director Finance of Searle Pakistan Ltd, and Shameen A Raihanuddin, Director Planning of ACI signed the agreement on behalf of their respective companies in the presence of M Anis Ud Dowla, Chairman and Managing Director of ACI, and other senior officials of the two companies.

The agreement will allow ACI to manufacture, market and distribute Searle's pharmaceutical products in Bangladesh. Searle is a leader in respiratory, antidiarrhoeal, anti-emetic and anti-hypertensive products.

By a separate agreement ACI has been marketing and distributing Searle's 'Canderel', the internationally renowned low calorie sweetener, in Bangladesh.

ACI, the seventh largest pharmaceutical company and the first ISO 9001 certified company in Bangladesh, already represents the interests of giant multinationals like Zeneca, ICI, Eli Lilly, Astra and Fujisawa.

India rules out devaluation of rupee

NEW DELHI, Oct 1: Indian Finance Minister Palaniappan Chidambaram on Tuesday ruled out a devaluation of the rupee to boost the country's exports, reports AFP.

But he pledged that the government, while believing in letting the market decide the value of the currency, would not hesitate to intervene to counter foreign exchange volatility.

"I do not share the view that the rupee must be continuously depreciated to boost exports," Chidambaram told the Press Trust of India (PTI).

Indian exporters, hampered by the strong rupee, have been demanding an immediate devaluation.

But the minister argued price was only one factor in boosting exports and that exporters should improve their products to remain competitive.

The minister said the market should determine the rupee's value but stressed the federal Reserve Bank of India (RBI) would step in if necessary.

"It has to be an orderly market," Chidambaram said. "There is no right or wrong value for the rupee. Let the market determine the exchange rate. Our concern is to prevent undue volatility and excessive speculation."

Chidambaram's statement follows weeks of chaos in many Asian foreign exchange markets, with the Malaysian ringgit, the Indonesian rupiah and the Philippine peso diving to record lows against the US currency.

Analysts say the rupee, now hardening after two weeks of losses against the US dollar, would depreciate again against the greenback and touch a new low by the end of the year.

The rupee is currently trading at around 36.15 to the dollar but is expected to fall to 37 by December.

Borrowing beats fiscal balance

Star Business Report

The first five weeks of the current fiscal year saw a huge public sector borrowing putting further pressure on the fiscal balances.

The borrowing till August 7 was to the tune of Tk 731.43 cr, 20 per cent up from what it had been during the same period last year, according to Bangladesh Bank statistics.

Of this amount, Tk 584 cr had been taken for fiscal operations of the government and Tk 147 crore for the public sector

enterprises.

Against such continued borrowing by the government to meet its expenditures that the World Bank has warned in its Public Expenditure Review Report (PER) that excessive reliance on monetary financing could fuel inflation, thereby hurting the poor, distorting relative prices, and increasing uncertainty.

The increase in government's borrowing is now mainly attributed to a fall in revenue collection. The revenue target, regarded by many as a highly ambitious one and hardly attainable, had witnessed a 10 per cent short fall in the first two months of the fiscal year.

The effect of such shortfall had been predicted well ahead of this fiscal year by renowned economist Dr. Wahiduddin Mahmud who in an interview with the Daily Star had said, "The existing strains in fiscal and external balances are

likely to continue or even worsen during the coming fiscal year unless bold initiatives are taken to strengthen domestic resource mobilisation efforts."

However, economists observe that the government's borrowing had not been destabilising because of a modest cut in private sector credit.

According to BB statistics, credit to private sector had decreased by Tk 25.51 cr during the period from the balance of

June 30, 1996.

They say there is no scope of saving from the recurrent expenditure of the government this year, rather it will shot up because of the new pay scale. On the other hand, a modest size of the ADP will also leave little scope of shortfall.

The effect of these two will lead to a further increase in expenditure and dependence on borrowing from the banking system.

Emphasis on private sector-led growth, rapid industrialisation

Shun bribery, PM tells businessmen

Prime Minister Sheikh Hasina yesterday said the government has attached special importance to the private sector and is taking pragmatic steps for rapid industrialisation by enacting laws in the light of open market policy, reports UNB.

The government after assuming power has created maximum scopes for the private sector to achieve rapid growth, she told the members of Bangladesh Chamber of Industries.

Mentioning various positive aspects of the two-day weekly holiday, the Prime Minister said some branches of some commercial banks in the city remain open for the convenience of the business community.

"We are going to step into the 21st century and we will have to face the challenges of the coming century," she said calling upon all to work unitedly for building up an economically self-reliant nation.

She said the country has natural resources like gas, oil and coal and the government is proceeding towards economic self-reliance by utilising the natural resources on the basis of proper planning and policy.

"We'll have to turn the huge population into valuable human resources," she said.

The nation which achieved independence through a bloody war will also be victorious in its present economic war, she said urging all to fight for eradicating poverty.

The BCI delegation hailed the government decision to stop public meetings on the streets and strongly opposed the opposition proposal for allowing meetings on Manik Mia Avenue, Panthapath and in front of the National Press Club.

They called for united efforts of all political parties to address the national issues and maintain a congenial atmosphere for the sake of industrial growth.

BEPZA-African team meet held

The visiting six-member South African parliamentary delegation, headed by Bongi Ntuli MP, held talks with BEPZA Executive Chairman Moazzem Hossain Khan here yesterday, reports UNB.

The delegation discussed in details various aspects of establishment and operation of export processing zones, said a press release issued by Bangladesh Export Processing Zones Authority (BEPZA).

BEPZA executive chairman briefed the delegation about the two EPZs of Bangladesh.

It may be mentioned here that South African government has been contemplating to set up export processing zone in their country.



— AP/UNB photo



Aramit Ltd holding the 26th annual general meeting.

Islami Bank to introduce 'dairy scheme'

Islami Bank Bangladesh Limited is going to introduce one more new scheme as 'Dairy Investment Scheme,' says a company press release.

A risk fund will be created for the scheme by charging at the rate of 15 per cent per annum on bank's investment. The fund will be utilised to meet the eventual investment losses for any genuine reason under the scheme.

Members of the group will form cooperative societies to avail marketing and treatment facilities.

The scheme will facilitate low income families who have no capital to purchase milk cow, feed and care them, initially investment will be made to 50 families against two milk cow, construction of shed, feed and medicine to each family under the pilot scheme. The Period of investment will be three years.

The investment will be made under supervision of co-ordinator or supervisor to be engaged by the bank and overall supervision of bank branches of that area. Bank's dues shall be recovered on weekly instalments basis from the income of the farm.

Though investment will be allowed generally against collateral security but in case of deserving clients having no capacity to provide any collateral, investment will be made against personal guarantee of respectable persons acceptable to the bank. Group guarantee shall have to be provided by the clients of the group.

Maximum five clients will form a group under the scheme. There will be a group leader who will monitor the performance and problems of the group time to time to the field supervisors as well as the concerned branch, in addition to guide and help his group members and

Aramit declares 20 pc dividend

Aramit Limited at its 26th annual general meeting announced a 20 per cent dividend for the year 1996, says a company press release.

The company made a net profit of Tk. 15.33 million in the year, the meeting held in Chittagong recently disclosed.

In the first six months of '97, the company earned a pre-tax net profit of Tk. 20.00 million.

The meeting presided over by Sirajuddin Ahmed Chowdhury, Chairman of Aramit Limited and Managing Director of ICB was attended, among others, by Abul Khan Khan, Vice Chairman, Saifuzzaman Chowdhury, Managing Director and SM. Abab Ali Khan, Abdur Rahman Khan, Nurul Islam Chowdhury, Moslem Uddin Ahmed, Abdus Samad and Warisuzzaman Chowdhury, Directors of the company and Md. Ibrahim Khan, General Manager & Company Secretary.

The function was also addressed by State Minister for Foreign Affairs Abul Hasan Chowdhury, Secretary of the Rural Development and Cooperatives Division, Syed Marghub Morshed, Joint Secretary Azizul Haque Bhuyan and Director-General of Bangladesh Rural Development Board (BRDB) Mufazzel Hossain.

Zillur Rahman said BRDB

has become a giant organization with various approaches of micro-credit and having programmes covering almost the entire country.

"I really feel proud that Bangladesh has been made the coordinator of the working group for rural development and micro-credit for the 'Developing-8' group where Bangladesh, Egypt, Iran, Indonesia, Malaysia, Nigeria, Pakistan and Turkey are united in the efforts to improve the lot of the common people," he said.

The donation will enable the Library to continue to add its electronic American Memory collections (<http://www.loc.gov>), which already present such unique items as selected notebooks of Walt Whitman, early films of Thomas Edison, sound recordings of folk music and political speeches, photographs of the Civil War, panoramic maps and documents relating to the civil rights movement and women's suffrage.

"We are delighted that Federal Express has decided to become a major supporter of our American Memory project," said James H. Billington, Librarian of Congress. "American Memory is the Library's most important public outreach effort, one that would not be possible without the support of private donors."

TM Ghasyuddin Ahmed was elected chairman of the association uncontested by the executive committee members.

The election of the association was held at the annual general meeting on Monday.

Ahmed replaced Maj Gen (Retd) Abdul Mannan Siddiqui.

Habibul Alam and M H Khan Monju were made vice chairmen of the association uncontested.

The members of the visiting South African parliamentary delegation paid a visit to the head office of Micro Industries Development Assistance and Services on Tuesday to see for themselves the operations of the organization for the development of small and medium enterprises in Bangladesh.



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'Free Ctg Port from strike'

From Staff Correspondent

CHITTAGONG, Oct 1: Bangladeshi Steamer Agents Association yesterday called for freeing Chittagong Port from political agitations including strike.

ABM Wadud Ullah, Chairman of the association, in his speech at the annual general meeting of the organisation said developing infrastructure of Chittagong Port is the key to meeting challenges of the 21st century in cargo handling.

He said Chittagong Port is lagging far behind other ports of the world.

Presided over by ABM Wadud Ullah, the meeting, which was held at a local club, was addressed, among others, by Tarek Anis, KZ Zamam, Nurul Huq, Ruhul Amin, Nurul Alam, Shamsul Alam, Ataur Rahman Khan Kaisar, BK Chowdhury and Monowar Ahmed.

BB bills auctioned

Star Business Report

Three auctions of four treasury bills were held at Bangladesh Bank yesterday, says a press release by the bank.

They were the 63rd auction of the 90 day treasury bills, the 54th auction of the 30-day and 180-day treasury bills and the 28th auction of the one year treasury bill.

Forty-three bids for a total of Tk 323 crore, 11 bids for a total of Tk 84 crore, and five bids for a total of Tk 30 crore were offered respectively against the 30-day, 90-day and one-year bills.

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