

Tofail invites  
Singaporeans to  
invest in  
Bangladesh

SINGAPORE, July 14: Commerce and Industries Minister Tofail Ahmed said the present government under the leadership of Prime Minister Sheikh Hasina has turned Bangladesh into a place favourable for investment, reports BSS.

He was addressing a day-long seminar on "Opportunities for Investment in Bangladesh" in Singapore today.

It was organised by Metropolitan Chamber of Commerce and Industry(Bangladesh), Bangladesh High Commission in Singapore, Singapore Foreign Ministry, the Trade Development Board of Singapore, Singapore Confederation of Industries.

The minister presented the keynote paper in the seminar while Sharjuddin Ahmed, Executive Chairman, Board of Investment (BOI) also presented a paper highlighting the investment "Policies and incentives."

More the 200 Singaporean investors and industrialists were present in the seminar.

Richard Cheang and James PKH — two Singaporean investors who are now doing business in Bangladesh — also spoke on the occasion.

They highly praised the package of incentive now being offered to the foreign investors by the present government.

The minister detailed different measures taken by the present government and called upon the Singaporean business community, entrepreneurs and investors to avail the opportunity created by the present government in Bangladesh.

**EU removes ban on British beef**

BRUSSELS, July 14: The European Commission decided today to lift the worldwide ban on British beef exports imposed over mad cow disease from August 1, a spokesman told Reuters.

The decision ends more than three years of a crippling trade embargo, allowing deboned beef from cattle born after August 1996 back on to world markets.

"The decision has gone through," Gerry Kiely, spokesman for farm commissioner Franz Fischler said.

The worldwide embargo had wiped out markets worth around \$1 billion a year, plunged Britain's beef industry into chaos and shattered public confidence in the safety of British meat that farmers admit will take time to rebuild.

The total cost of the crisis has been estimated at above \$6 billion. It could be another five years before all stocks of impounded meat and animal feed can be incinerated.

The ban was imposed in March 1996 after the British government's admission that humans eating infected beef could be vulnerable to a new form of the deadly brain disorder Creutzfeld Jakob Disease (CJD).

**Standard of fish processing units satisfies ATDP**

From Our Correspondent CHITTAGONG, July 14: The experts of Agro-based Technology Development Project (ATDP) — a US-aided project — after a recent survey expressed their satisfaction over the improvement in the standard of frozen fish processing factories in the country.

On submission of the report and recommendations of the survey, an assistance in training programme to better the conditions of frozen fish factories and marketing of the products is likely to be initiated by ATDP by next month.

Led by Palmi, the ATDP experts during the survey visited twenty fish processing factories in Khulna region last month. Also from July 9-11, they paid visits to 13 such factories in the Chittagong region.

During this survey, the team found that the standard of the factories had developed remarkably.

**Labour minister for accountability in manpower business**

Labour and Manpower minister M A Mannan yesterday emphasised the importance of more transparency and accountability in manpower business, reports UNB.

"Refrain from evil competition in exporting manpower," he asked the manpower agents, while addressing the office-bearers of Bangladesh Association of International Recruiting Agents (BAIRA).

He also asked the manpower recruiting agents to make sure that Bangladeshi workers could go abroad in the shortest possible time without facing any harassment.

BAIRA President Mohammad Noor Ali, Secretary General Golam Mostafa and Executive Member A H M Mostafa Kamal MP was present at the meeting at the ministry's conference room.

## Process to reorganise NCB management Hunt for Rupali Bank CEO from private sector begins

By Inam Ahmed

For the first time in Bangladesh, the government is going to appoint managing director for a nationalised commercial bank (NCB) from the private sector.

The Finance Ministry has already readied an advertisement for an MD or chief executive for Rupali Bank who will have "the vision and will-power to lead and transform the bank into a viable, progressive and profit-making institution through a process of strategic organisational changes."

The advertisement will be published in the national and international media pretty shortly. International weekly The Economist, has been chosen as the toll for launching the international hunt.

he will be offered an attractive remuneration package.

According to sources, after appointment of the Rupali Bank MD from the private sector, the government will look for a CEO for the Bank of Small Industries and Commerce (BASIC). The term of the current BASIC MD will end in about a year.

The Finance Ministry approved appointment of private bankers as CEOs of NCBs in April this year in a major bid to make them market-oriented.

According to sources, this major move to restructure the NCBs was based on the Pakistan experience where private

talents have been inducted into the posts of CEOs of the state-owned banks.

It may be mentioned here that the Habib Bank, United Bank and National Bank of Pakistan have hired their CEOs from the private sector. All these CEOs came from reputed foreign banks. The first two banks had hired their MDs from Citicorp while the other had its MD from the Bank of America.

They said that this new system of employing private MDs would be introduced in a selected manner and the CEOs will have to fulfill certain targets.



GODSPEED TO ONE BANK : Finance Ministers SAMS Kibria is offered a piece of cake at the launching ceremony of One Bank Limited in city yesterday. — Star photo

## Bourses bar allotment letter trading from Aug 1

By M Shamsur Rahman

Within 40 days of the closing of subscription stating that no allotment letters will be accepted by the DSE after 140 days of subscription closure, according new amendments in the listing regulations.

During trading of allotment letters on the exchanges, an employee from the share department of the company will sit at the DSE clearing house to ensure that the allotment letters in circulation are genuine, sources said.

To minimise further the existence of forged certificates, the amendments also called for a hologram to be inscribed on the scrips.

As a preventive measure, the DSE has already banned the trading of allotment letters of JH Chemicals from April 24, and that of Sino Bangla from July 10.

It had previously declared a ban on allotment letter trading

of Samata Leather and Fu Wang from August 1, while that of Gulf Food from July 20.

The new decision came in the wake of a scam unearthed by a DSE inquiry committee last month, which revealed involvement of a company management in circulating fake allotment letters in the market.

The committee detected some 32,200 excess shares in circulation against its total issue. In its report, the committee said that the fake shares were circulated by the company management in collusion with a top brokerage house.

The matter was referred to the DSE Council which failed to take any action against the company or the securities firm.

After a lengthy meeting, the Council decided to refer the company issue to the SEC without taking any move against the broker.

Market sources said that the brokerage house had so far replaced as many as 22,000 fake shares of the alleged company after the scam was reported in the press.

The DSE councillors said that the inquiry committee had failed to prove the allegations it made against the brokerage house.

Some senior brokers are now questioning the motive behind the replacement of shares by the brokerage house, which is claiming to be innocent.

They also say that mere changes in shares are not helping those who had bought fake scrips as the prices of those have already gone down.

The share markets of the country started hitting lows following the 1996 market scam and continued to remain depressed till yesterday. Brokers and traders attribute the depression to the fake share scare.

According to market experts, around 80 per cent of the fake shares were forged allotment letters, which are easy to duplicate.

They said that the size of the fake share market is around Tk 100 crore.

### ANZLINK now in Khulna

Star Business Report

Khulna Power Operators Limited has signed an electronic banking agreement with ANZ Grindlays Bank.

The accord was inked by Ann Christine Bjorklund, Financial Controller of Khulna Power Operators Limited and Selim Hussain, Head of International Network Services of ANZ Grindlays Bank in Khulna recently.

Muhammad A. Ali, General Manager and Country Head, KM Sattar, Head of Corporate Banking, Shafqul Alam, Head of Finance and Administration and Sohail Zaman, Manager Corporate Banking of ANZ Grindlays, were also present at the signing ceremony.

This is the first time that this service is being introduced in Khulna.

ANZ Grindlays' electronic banking service, ANZLINK, allows customers to access their account balances and statements from their offices and to electronically transmit requests for fund transfers and issue of LCs to the bank, says a press release.

Sattar said that ANZ Grindlays was keen to introduce different electronic banking services in Bangladesh as he believed the key to future success in the banking industry lay in superior value addition.

ANZ Grindlays is the largest foreign bank in Bangladesh with over 60,000 customers and fourteen Sales and Service Centers spread over five cities.

**Tk 160 cr BGSL bills lying Outstanding**

COMILLA, July 14: More than Tk 160 crore gas bills of Bakhrabad Gas System Limited (BGSL) have been lying outstanding.

Officials said that government organisations were the main defaulters with about 99 per cent of the amount, reports UNB.

BGSL, the country's biggest gas distribution company, has already launched a drive for disconnecting supply lines in a bid to realise the outstanding bills.

The company has 2,500 industrial and commercial subscribers.

Though the drive, has slowed down due to various reasons, BGSL has so far disconnected lines of 20 industrial and 40 commercial subscribers, officials said.

As the dues of residential subscribers are not significant, BGSL tried to motivate them into paying their bills instead of disconnecting the lines.

## Kibria at One Bank launching Reformed banking system to deny defaulters unaccountable loans

Star Business Report

Shah AMS Kibria

Kibria yesterday said defaulters will no more be allowed to open unaccountable loans under stricter supervision and a reformed banking system.

The banks which are burdened with bad debts have to offer increased interest rates to depositors and also charge borrowers higher. This has hampered the profitability of these financial institutions. But the new private banks are free from such drawbacks.

OBL is the 20th bank in the private sector with an authorised capital of Tk 100 crore and paid-up capital of Tk 40.50 crore.

Presided over by Chairman of OBL MH Choudhury, the function was also attended by Bangladesh Bank Governor Dr M Farashuddin, former Governor Md Lutfur Rahaman Sarkar, and OBL MD Ashfaque U Chowdhury.

He asked all banks to stand

guard against loan default

practices as this has almost

broken the backbones of some old banks of the country.

Some bank entrepreneurs

consider themselves as the

expanding economy. Kibria criticised them for "limiting their activities to urban areas, neglecting the rural people."

"If the remote villages do not come under the banking network, it will be entirely impossible to boost the economy," he said.

Kibria expressed the hope that the OBL would play a crucial role in the development of the country's economy.

The finance minister also lauded OBL's plans for farm and off-farm credits in rural areas, "seed money" for self-employment and credit programme for women entrepreneurs.

BB Governor Dr M Farashuddin said the success of a bank depends on its service quality, marketing strategy and managerial skills.

OBL Chairman MH Choudhury said that the bank would provide diversified banking services to its customers.

## Foreign shipping lines raise freight rate Exporters' transportation costs seen doubling

The Shippers' Council of Bangladesh President Hasan Maniruzzaman yesterday said that foreign shipping lines operating in Bangladesh and their agents had unilaterally increased freight for European and Mediterranean ports from July 1.

The freight hike took place without observing formalities as required under the UNCTAD Conventions — 150 days notice and required consultations.

"As a result, the interest of our shippers, who are also exporters, has been hampered much, as they are to pay more than double in transportation of their exportable goods," he said.

The Shippers' Council President urged all shipping lines operating in Bangladesh to discuss with the shippers the reason for such frequent increases in ocean freight rate and justify it under the UNCTAD Conventions.

He also urged the shipping lines to refrain from effecting the decision of increasing freight rate from July 1, 1999.

Maniruzzaman also requested the Shipping Ministry to take appropriate measures so that the shipping lines refrain from increasing freight unilaterally.

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