

\$190m RMG export earnings lost in 2 months due to hartal

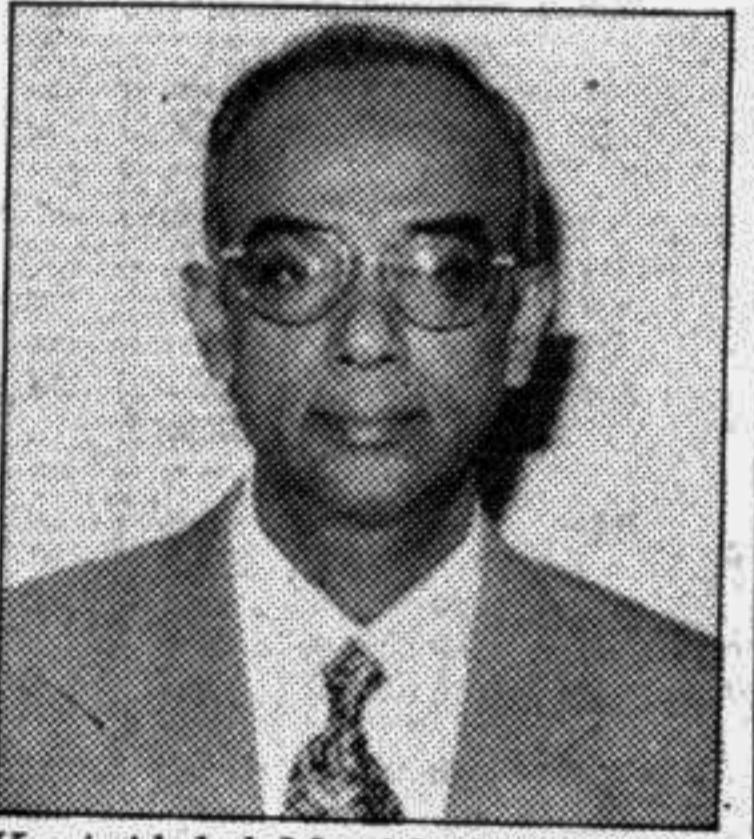
CHITTAGONG, Dec 29: Bangladesh lost 190 million US dollars worth of garment export earnings in last two months due to political unrest and hartal, reports UNB.

Vice-president of the Bangladesh Garment Manufacturers and Exporters Association Khalilur Rahman gave the account to UNB as the port city remained under shutdown yesterday.

"We are going to lose another big amount of Tk 200 crore if shipment of ready consignments of garment exports cannot be done by December 31," he apprehended.

In a bid to finish the shipments by the time, the Chittagong Port Authority is giving top-most priority to the task deciding to keep open customs and concerned offices round the clock.

Bankers' Club office-bearers



Kazi Abdul Mazid, Chairman

Managing Director of Prime Bank Limited Kazi Abdul Mazid was elected Chairman of the Board of Governors of Bankers' Club Limited at its 2nd annual general meeting held on Monday, says a press release.

The newly-elected vice-chairmen are MA Yusuf Khan, Managing Director, Premier Bank Limited, Md. (Rumee) A Ali, General Manager, ANZ Grindlays Bank Limited and M Aminuzzaman, Managing Director, Utara Bank Limited.

Abu Hanif Khan, Deputy Managing Director of Arab Bangladesh Bank Limited has been made Secretary, Moshirul Rahman, Executive Vice-President of IFIC Bank Limited, Joint Secretary and ATM Afzal, Executive Vice President of National Bank Limited, Treasurer.

Other members of the Board of Governor are M. Taher Uddin, Managing Director, Mercantile Bank Limited, Asifque U Chowdhury, Managing Director, One Bank Limited, Alaudin A Majid, Managing Director, BASIC Bank Limited, Anwar Ahmed, Managing Director, Al-Baraka Bank Limited, Mohd. Sajidul Haq, Managing Director, National Credit & Commerce Bank Limited, Nurul Azim Chowdhury, Managing Director, Dutch Bangla Bank Limited, ATM Iftekhar Rahman, Managing Director, Dhaka Bank Limited, Khaireul Alam, Managing Director, Eastern Bank Limited, Mohd. Faiz, Managing Director, City Bank Limited, Hamidul Huq, Acting Managing Director, United Commercial Bank Limited, Hasan Iqbal, Senior Executive Vice President, South-East Bank Limited, and Moshraff H Bhuiyan, General Manager, Sonali Bank.

Janata Insurance declares 25 pc dividend

Janata Insurance declared a 25 per cent dividend for the year 1998 at its annual general meeting held at Dhaka Sheraton Hotel yesterday, says a press release.

The final dividend 25 per cent includes 10 per cent interim dividend which has already been paid, it said.

M A Hashem, Chairman of the Board of Directors of the company presided over the meeting. Zafar Ahmed Chowdhury, Chief Adviser, directors, advisers and the managing director holding current charge of the company also attended the meeting.

NIIT among top 10 Indian firms

IT solutions corporation NIIT has stormed into the top 10 companies from India for the first time in the Far Eastern Economic Review's seventh annual corporate survey, says a press release.

The magazine's annual 'Review 200: Asia's Leading Companies Survey' asked more than 3,500 people in Asia to rank more than 500 companies on a range of criteria. The results produced the 'Review 200', comprising 90 companies from outside Asia that do business in the region and 10 companies from each of 11 countries in Asia. The complete results of the survey appear in a special end-of-year double issue of the Far Eastern Economic Review.

The top ten Indian companies in the 'Review 200' are Reliance Industries, Infosys Technologies, Larsen & Toubro, Wipro Infotech Group, Ranbaxy Laboratories, ITC, MRF, NIIT, Bajaj Auto and Hero Honda Motors.

The 'Review 200: Asia's Leading Companies' is an annual survey conducted in association with AT&T.

Politics plays major role in winning banking licences, says BRC report

152 pvt bank directors have taken loans 20 times their investment

Star Business Report

Some 152 private commercial bank (PCB) directors have drawn loans amounting to Tk 1,349 crore from their own banks, 20 times their investment, often taking resort to different means of irregularities and fraudulent activities.

The Bank Reforms Committee (BRC) revealed this in its recently-submitted final report to the finance minister.

The directors took the money through insider lending, fictitious loans, forgeries and 'sweetheart' arrangements. They also took to 'evergreening' of projects to reschedule their loans putting at risk the interest of the depositors, the report said.

The BRC report, however, did not mention the time-frame of the loans taken by the direc-

tors, but it reviewed the latest statements of the banks as on June 30, 1999.

The process has also left the PCBs wallowing in a fragile financial condition saddled with 28 per cent classified loans, the BRC report observed.

The Committee also ob-

served that political affiliations of the sponsors often play a major role in getting licences for launching PCBs and the banks lack transparency, accountability and honesty in their operations.

Although, as per the Bank Company Act, the Bangladesh Bank is entrusted with the right to grant the permission for running banking businesses, the government in fact through

its executive power takes such decisions on its own.

This process of giving licences to the banking institutions is not good for keeping the system free of political intervention," the BRC observed.

The PCBs are also suffering from a crisis of corporate governance despite having comparatively better staff and modern technology, the Committee in its report said.

Nine of them have provision shortfalls and four face capital dearth as on June 30, 1999.

As on December, 1999, a total of 28 PCBs are now operating in the country, handling about one fourth of the total deposits and lending.

After reviewing the overall situation prevailing in the PCBs, the Committee came to

the conclusion that it was not a correct decision to allow private banks at the discretion of the donors without having a proper regulatory framework in place.

The BRC also made a strong observation that the bank directors had simply disregarded the interest of the depositors and used the financial institutions as the funding source for their own businesses.

After reviewing a number of fraudulent loan-receiving cases, the Committee said that extensive repetition of such practices was 'highly alarming'.

It said that many companies without any existence were given loans. These companies belonged to a handful of direc-

tors who enjoyed the money.

The BRC said that evidences of corruption and irregularities were confirmed at least against 36 directors.

Other than this, many directors also enjoyed illegal direct or indirect facilities from their banks. For example, the Bangladesh Bank has found that some banks were forced to rent the houses of their respective board chairmen at a huge expense. Some chairmen even enjoyed financial benefits in the name of performing special duties.

Despite such extensive irregularities in the PCBs, there were very few examples of punitive actions taken against them due to political intervention and weaknesses in the law, the BRC observed.



Md Shahjahan, Managing Director of Shah Fatehullah Textile Mills Ltd, hands over two cheques for Tk 1 crore 50 lakh and 50 thousand to Rabul Hussain, MD of Bangladesh Shilpa Bank, as payment of BSB loan. Md Obaidullah, General Manager, and Md Khorshid Alam, Deputy General Manager of BSB, are also seen in the picture.

— BSB photo

New BBTT phones to hit market by mid-2000

By Monjur Mahmud

The new mobile phone company, Bangladesh Broadcasting Telephone and Technology (BBTT), plans to hit the market with its cheap package by the middle of next year.

"We are marching ahead in full pace to launch the personal handphone system (PHS). In January, we will start the technical survey for the project," said MK Bazlur Rahman, President of BBTT.

BBTT will offer 200,000 mobile connections for the Dhaka city-dwellers.

There is a huge demand for phones in the Dhaka city and PHS will be affordable for the limited-income group people, he said.

"We have come through some difficult stages in implementing the project," Rahman said. "But we are now going ahead smoothly."

He mentioned that PHS was

launched in Bangkok last month and has received tremendous response from the users. According to the information available, with a selling target of 200,000 phones, the Thai company sold 22,000 PHS units on the very first day.

Rahman, however, admitted that the PHS service has some limitations like inability to work while travelling at more than 60 kilometre per hour.

"But I think people shouldn't drive that fast while talking on the phone anyway," he observed.

BBTT is confident of a good response because of its handset price, monthly fee and airtime rate, which will be cheaper than the existing mobile phones.

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Five Japanese companies have formed a consortium to provide financial and technical assistance to BBTT to install the PHS with an investment of US \$200 million.

Under a joint operation with Bangladesh Telegraph and Telephone Board (BBTB), the PHS service will work only within its network in the city including Savar, Gazipur and Narayanganj. Later, it will extend its network across the country.

With Tk 200 line rent per month, there will be no incoming charge for PHS and a subscriber will have to pay Tk two for a three-minute call. For every additional minute of talk-time, one will have to pay Tk 0.50.

High income-earners prefer cellular to PHS handsets. But for low-income group, people

who needn't travel much, PHS will be a more appropriate tool, he said.

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IRRI redesigns rice genes to boost production

MANILA, Dec 29: By transferring from maize to rice genes with an improved mechanism of photosynthesis, scientists have produced initial results that suggest rice yields could be increased by 20 to 20 per cent, reported Xinhua.

In a recently released report, the Philippines-based International Rice Research Institute (IRRI) said this breakthrough in improving photosynthesis in rice results from more than three years of collaboration among the scientists involved.

Photosynthesis is the process by which chlorophyll (the green pigment in leaves) captures energy from the sun which the plant uses to manufacture proteins, carbohydrates and fats needed for grain production.

Increasing the photosynthetic rate allows a plant to

grow faster and potentially produce more grain, said Maurice Ku, one of the leading scientists involved in the effort.

Ku explained that the gains in photosynthetic capacity in his rice plants were due mainly to a wider opening of the stomata (breathing pores in the skin of a leaf) that allowed more carbon dioxide to be available for fixation inside the chloroplast.

According to Ku, tropical species such as maize, sorghum and sugarcane, which are known as C4 plants, have evolved in a million years a more efficient photosynthetic mechanism than the so-called C3 plants such as rice, barley and wheat.

He said rice already contains all of the genes responsible for C4 photosynthesis.

Aftab new DCCI president

Aftab ul Islam has been elected President of the Dhaka Chamber of Commerce and Industry (DCCI) for the term 2000, says a press release.

The election was held at the annual general meeting (AGM) of the Chamber yesterday.

Aftab ul Islam was born in 1950 in Comilla and graduated in Commerce and obtained Bachelor of Law Degree from Dhaka University. He is a Chartered Accountant and a Fellow of the Institute of Chartered Accountants of Bangladesh.

He started his career with NCR Corporation, a multinational company of USA, as Country Manager.

Currently, he is the president of International Office Equipment (IOE) and Chairman of IIT Bangladesh Ltd. His main line of business is information technology.

Islam, is one of the founder members and former Executive Director of American Chamber of Commerce in Bangladesh (AmCham) and Immediate Past President of Bangladesh Computer Society (BCS). He took part in various professional and management training courses in USA, UK, Brazil, Australia, Japan, Cyprus, South Korea and Indian Institute of Management, Bangalore.

He is an active Rotarian and a past President of Rotary Club of Dhaka North.

A M Mubash-Shar has been elected Senior Vice-President of the DCCI at the AGM.

Mubash-Shar obtained his graduation degree from Dhaka University in 1955. He is the

Chairman and Managing Director of Emern Rubber Products Ltd and Proprietor of Shonto Trade. The companies are involved in manufacturing of rubber products and Export-import business.

Muhammad Golam Mustafa has been elected Vice-President of the chamber.

He obtained his post-gradu-

ation in Statistics and Law from Dhaka University. He attended many International Seminars and trade fairs to boost up Bangladesh Exports.

Mustafa is the Adviser of Eastern Marble Industries and Managing Director of Union Trading Co.

As one third of the members of the Board of Directors re-

Aftab ul Islam

lected, elections to the vacant

seats were held on December 20 for 2000-2002 term. The newly-elected 8 directors are Benajir Ahmed, Syed Moazzam Hosain, Salahuddin Abdullah, Manzur-ur-Rahman (Ruskin), Sayeedur Rahman, Md Kamaluddin Malik, Hossain Akhter and Arshad Ali. The election of the Directors was confirmed in the AGM.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 29.12.99						
Berth No	Name of vessels	Cargo	L.Port call	Local agent	Date of arrival	Leaving
J/1	Sheng Yang (48)	Cl	Sing	RML	26/12	30/12
J/2	Ocean Grace	C.Clink	Jaka	NWSL	16/12	31/11
J/3	Lady Emily	Wheat(P)	Sing	MSA	23/11	
J/4	Banglar Doot	Wheat(G)	-	BSC	31/12	
J/5	Apj Anand	GI(Copra)	Sing	Allseas	3/12	31/12
J/6	Global discovery	GI(Peas)	Sing	Seaglory	26/11	31/12
J/7	Phonix-M	RS/WT(P)	Lapa	MSA	20/11	5/01
J/						