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Country needs to maximise use of fiber optic links

Jamilur Reza Chy at Raspit.com launching

Star Business Report

Former advisor of the caretaker government Prof. Jamilur Reza Choudhury has underscored the need for maximising the use of the country's existing fiber optic links, saying that these should be extensively used for data transfer.

"Presently, fiber optic links exist near 361 railway stations but the users have been allowed to use this infrastructure for voice transfer only, which is not logical," he said.

If this infrastructure is allowed to be used for data transfer, the rural people will get Internet access without having telephone connections, he stated.

Prof. Choudhury was speaking as chief guest at the launching ceremony of a new Internet Service Provider (ISP), Raspit.com, at a city hotel yesterday.

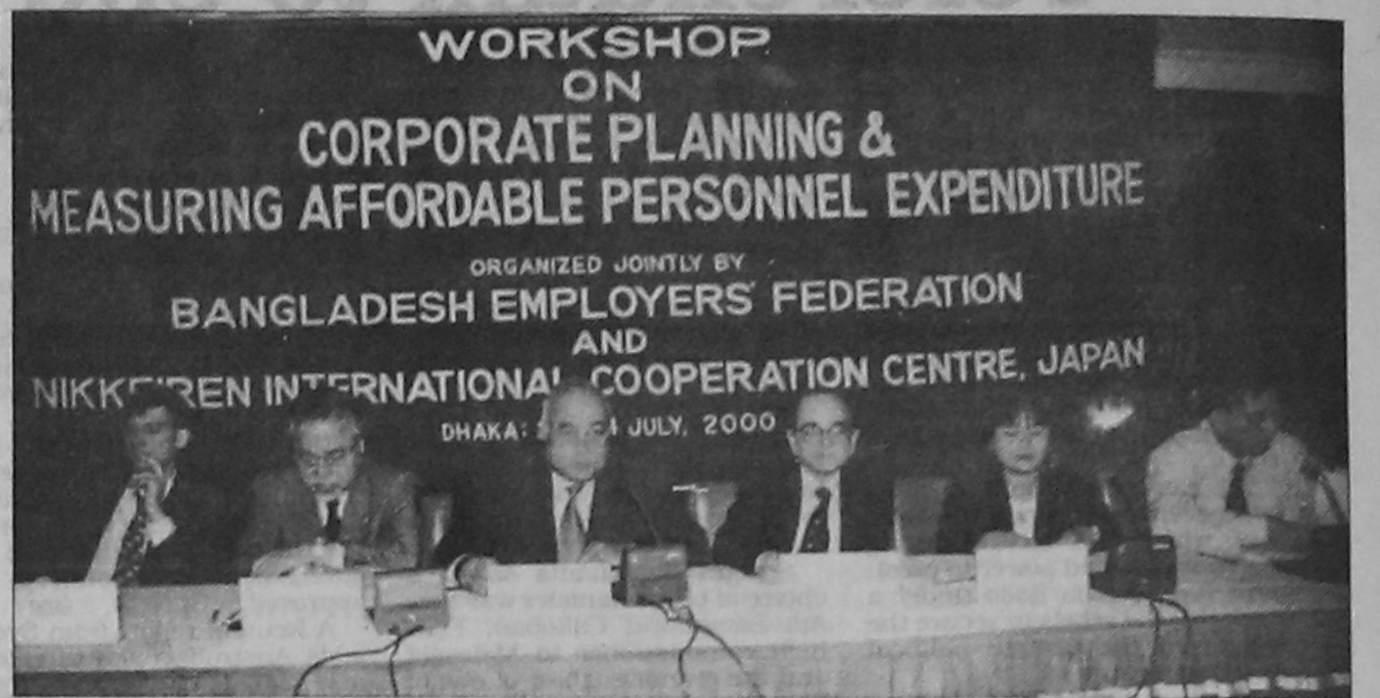
Major General (Rtd) Ghulam Quader, Chairman of Raspit Securities and Management Ltd, and Md Abdur Razzak, Managing Director of Raspit Data Management and Telecommunications Ltd, also spoke on the occasion.

Choudhury said the number of Internet users in Bangladesh is now only 150,000, but this should be raised and the facility must not be limited to urban areas only. Saying that the present speed of Internet is unacceptable, he also felt that the Internet service charge should not be more than Tk 0.25 per minute.

It was beyond anyone's imagination that the growth of Internet so far would be so fast. This growth would be more rapid in the days ahead with the technology becoming more user-friendly and the price more cheaper, he observed.

Choudhury said no computer will be required for Internet access in future. A person will be able to get Internet access through his ordinary mobile or any type of phone.

Raspit will offer its subscribers free Internet access at a cost of Tk 4,999 as registration fee for one year.



A S M Quasem, President of Bangladesh Employers' Federation, delivers the inaugural address at the two-day workshop on "Corporate planning and measuring affordable total personnel expenditure" jointly organised by BEF and Nikkeiren International Cooperation Centre (NICC), Japan. Also seen in the picture are Toshio A Suzuki, Managing Director, NICC, and Dr Rajen Mehrotra, Senior Specialist on Employers' Activities, ILO-South Asian Multi-disciplinary Advisory Team (SAAT), New Delhi, India. — BEF photo

Sudan to increase jute import from Bangladesh

Sudan, one of the largest buyers of jute goods of BJMC, has assured Bangladesh to increase its import of jute products from now on, says a press release.

The assurance came when the Bangladesh delegation led by State Minister for Jute A K Faezul Huq met Sudan Minister for Finance Dr Kheir Zubeire, Minister for Agriculture Abdel Hamid Musa Kasha and State Minister for Finance Abdel Rahman Md Al Hasan and Governor of central bank Dr Saber Md Hasan on Wednesday.

During the bilateral discussions, the Sudanese ministers and officials agreed to repay the outstanding dues to BJMC within the shortest possible time. The dues of about 38 million US dollars have been lying unpaid since 1992.

The 6-member delegation comprises Chairman of Privatisation Board Zafarullah, Director (Finance) of BJMC Abdul Kader Mridha and three private sector businessmen. Managing Director of Golden Fibre Mostaque Ahmed, a leading jute goods exporter of Bangladesh, was present during the discussions.

The team also had a fruitful discussion with the private jute goods importers of Sudan.

The delegation, which is now in New York to explore jute market will return home on August 2.

BR Dhaka Div earns Tk 103cr

Bangladesh Railway's Dhaka Division earned over Tk 102.77 crore, mainly from passenger transport, during last fiscal year exceeding its target by Tk 3 crore, says UNB.

The amount is about Tk 6 crore higher than the previous (1998-99) fiscal year's income which was Tk 96.93 crore, said a press release yesterday.

About 15 lakh more passengers traveled by the trains than the previous fiscal year in the area.

During the period, 211,165 passengers without tickets were held and fined, earning Tk 80.63 lakh in fines and ticket money from the delinquents.

"Better passenger service, security and punctuality in timetable attracted greater numbers of passengers for travelling by train," said the Railway.

Half-yearly confce of Butterfly Marketing held

The half-yearly conference of the Branch and Regional Managers of Butterfly Marketing Ltd was held at a hotel in Dhaka yesterday, says a press release.

M A Mannan, Chairman and Managing Director of Butterfly Marketing, presided over the conference and underscored the need for proper implementation of the Installment policy in marketing electronic appliances in order to reach them to all sections of the people at reasonable prices.

Moon H Lee, Deputy Managing Director of Asia Division of LG electronics, was present at the conference as chief guest.

Among others, Director (Marketing) of Butterfly Mustafizur Rahman Sajid and Director (Finance) Syed Asaduzzaman also attended.

The conference reviewed the marketing drive of the company over the past six months and worked out the strategy to implement the policy in the next six months of the current year.

The chief guest appreciated the marketing policy of Butterfly and said, "In this world of open market economy, the Installment policy has proved effective to meet the competition in the field of marketing."

National Life declares 25 pc dividend

National Life Insurance Company Ltd declared a 25 per cent dividend for the year 1999 at its fifteenth annual general meeting held in the city yesterday, says a press release.

Presided over by M Haider Chowdhury, Chairman of the company, the meeting was attended by Managing Director Rezaul Hakim, Company Secretary A T M Shafiqul Islam, Directors and shareholders of the company.

Life Fund grew 37.8 per cent during the year. The company also declared substantial bonus for the policyholders for the period.

S'pore govt takes cautious approach on Internet banking

SINGAPORE, July 23: The Monetary Authority of Singapore (MAS) has given its stamp of approval to Internet banking with the release of its long-awaited regulatory guidelines, giving a boost to the city-state's efforts to be an international financial hub, says AFP.

But the number of electronic banks (e-banks) is not expected to jump sharply anytime soon given the de facto central bank's stringent guidelines, analysts said.

Kazi Abdul Mazid, Managing Director of Prime Bank, opened an exhibition of designer wear of KayKraft at Alliance Francaise, Dhaka, yesterday evening. The exhibition ends tomorrow. — Star photo

PM for Malaysian investment in agro-based industries

Prime Minister Sheikh Hasina has said Bangladesh would welcome more Malaysian investment particularly in agro-based industries and food processing sector, says BSS.

Sheikh Hasina said this when outgoing Malaysian High Commissioner Dato Zulkifly AB. Rahman made a farewell call on her at her office yesterday.

Describing Dhaka-Kualalumpur bilateral relations as excellent, the Prime Minister hoped that economic cooperation between the two friendly countries would expand further.

The envoy welcomed the Prime Minister to Malaysia, saying, "We are looking forward to your official visit to Kualalumpur."

ASEAN economies about to slip into protectionism

SINGAPORE, July 23: Southeast Asian economies are showing signs of slowing down on liberalisation efforts, risking an erosion of competitiveness over economies such as China, Japan and India, a think-tank says, reports AFP.

A free trade area among the 10-member Association of Southeast Asian Nations (ASEAN) was in place, but the grouping had to speed up efforts and act more aggressively to prove the region offered major economies of scale, said the Political and Economic Risk Consultancy (PERC).

"We are growing increasingly pessimistic that Southeast Asia will actually move in this direction fast enough however," PERC said in its latest report.

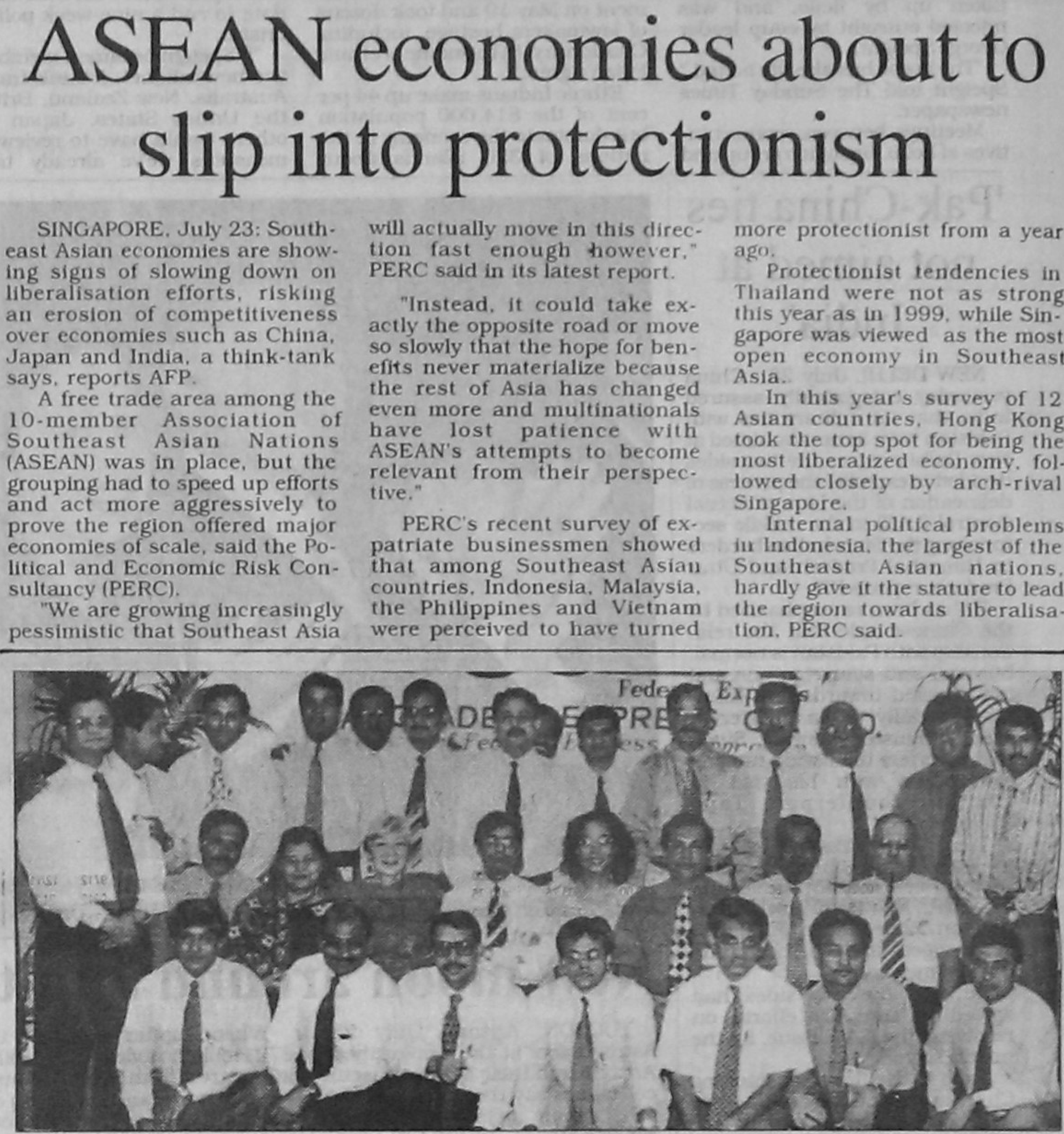
"Instead, it could take exactly the opposite road or move so slowly that the hope for benefits never materialize because the rest of Asia has changed even more and multinationals have lost patience with ASEAN's attempts to become relevant from their perspective."

PERC's recent survey of expatriate businessmen showed that among Southeast Asian countries, Indonesia, Malaysia, the Philippines and Vietnam were perceived to have turned more protectionist from a year ago.

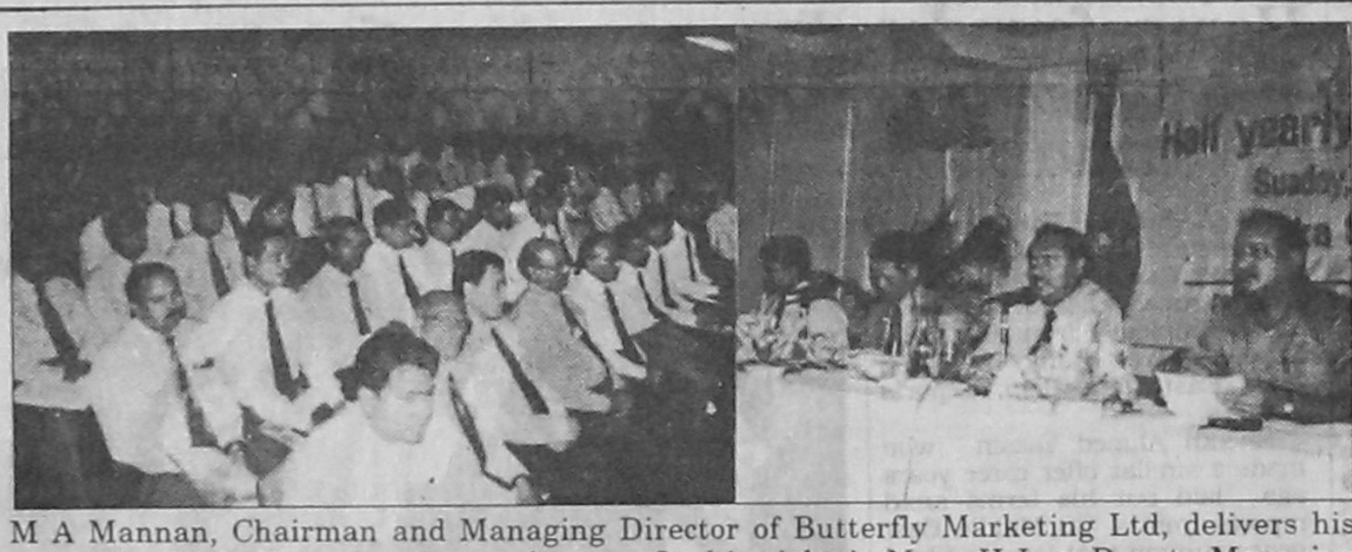
Protectionist tendencies in Thailand were not as strong this year as in 1999, while Singapore was viewed as the most open economy in Southeast Asia.

In this year's survey of 12 Asian countries, Hong Kong took the top spot for being the most liberalized economy, followed closely by arch-rival Singapore.

Internal political problems in Indonesia, the largest of the Southeast Asian nations, hardly gave it the stature to lead the region towards liberalisation, PERC said.



Federal Express Corporation (FedEx) organised an 8-day Management Development Training session for its Global Service Participant (GSP) Bangladesh Express Co Ltd (BANEX) at the Pan Pacific Sonargaon Hotel recently. The participants are seen in the picture with Geneva Reid and Rita Black, Preceptors of the FedEx Leadership Institute, Memphis, Tennessee, USA. A total of 31 participants attended the training in two sessions. — FedEx photo



M A Mannan, Chairman and Managing Director of Butterfly Marketing Ltd, delivers his speech at the half-yearly sales conference. On his right is Moon H Lee, Deputy Managing Director of LG Asia Division, and Director (Marketing) Mustafizur Rahman Shazid. Director (Finance) Syed Asaduzzaman is on his left. — Butterfly photo

NCCB six-month operating profit Tk 15.17cr

National Credit and Commerce Bank Ltd has earned an operating profit of Tk 15.17 crore during the 1st half ending 30th June, 2000.

This was revealed at the bank's branch managers' half-yearly conference held at a hotel in Chittagong on Saturday, says a press release.

The profit is 50 per cent higher than that of corresponding period of 1999. Total deposits and advances of the bank during the 1st half of the current year stood at Tk 934.42 crore and Tk 591.33 crore respectively as against Tk 738.25 crore and Tk 516.25 crore of the corresponding period of the previous year.

The bank handled foreign exchange business of Tk 788.22 crore during the half year as against Tk 557.33 crore of the same period of the previous year.

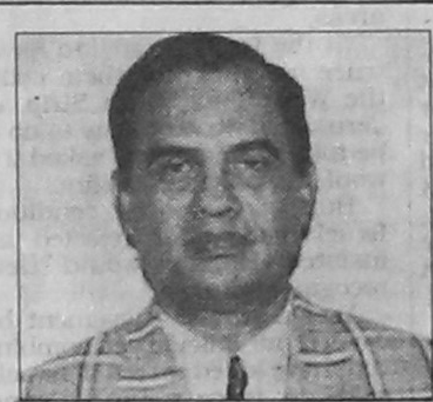
The conference reviewed the overall performance of the bank and made elaborate business plans and strategies for the rest of the year.

Chairman of the Board of Directors of the bank, Nurul Islam B.Sc, inaugurated the conference as chief guest while K Z Mahmud, Vice Chairman of the bank, was present as special guest.

The conference was presided over by Mohd Sajidul Haq, Managing Director of the bank.

Mir Zahir Hossain, Mahbubul Alam Tara, Principal M Wazhiullah Bhuiyan, M A Quasem, Mohammad Ali, Md Nurun Newaz and Md Harunur Rashid, Directors of the bank were present. The Head Office Executives also attended the conference.

M Haider Chowdhury, Chairman of National Life Insurance Co. Ltd, addresses the company's 15th annual general meeting held at a city community center yesterday. Managing Director Rezaul Hakim and Company Secretary A T M Shafiqul Islam are also seen in the picture. — National Life photo



New chairman of Jiban Bima

Md Matiur Rahman, former secretary to the government, took over as Chairman of the Jiban Bima Corporation recently, says a press release.

Prior to his present assignment, he was the Chairman of Agrani Bank.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies.

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	51.2500	51.2800	50.8500	50.6970	50.6250
Pound Stg	78.2434	78.2892	76.5750	76.3446	76.2362
Deuts Mark	24.9250	24.9396	23.9401	23.8680	23.8341
Swiss Franc	31.0832	31.1014	30.4527	30.3611	30.3180
Japanese Yen	0.4750	0.4753	0.4624	0.4610	0.4604
Dutch Guilder	22.1213	22.1343	21.2472	21.1833	21.1532
Danish Krona	6.4792	6.4830	6.3455	6.3264	6.3174
Australian $	30.5758	30.5936	29.2947	29.2065	29.1651
Belgian Franc	1.2065	1.2092	1.1607	1.1572	1.1556
Canadian $	35.2258	35.2464	34.2217	34.1187	34.0703
French Franc	7.4317	7.4361	7.1381	7.1166	7.1065
Hong Kong $	6.5858	6.5897	6.5089	6.4893	6.4801
Italian Lira	0.0252	0.0252	0.0242	0.0241	0.0241
Singapore $	29.6757	29.6931	28.7613	28.6748	28.6340
Euro	48.7490	48.7775	46.8227	46.6818	46.6155
Saudi Riyal	13.7014	13.7094	13.5211	13.4804	13.4612

Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7512	50.4263	50.0025	49.5882	49.1550	48.3075

London Interbank Offered Rate (LIBOR)

Buying ($)	Selling ($)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
50.6250	51.2500	USD	6.62000	6.71750	6.89375	6.97500	7.06000
76.2362	78.2434	GBP	6.09672	6.19344	6.32313	6.41281	6.50000
Cash/TC	Cash/TC	EURO	4.41938	4.62125	4.88000	5.02000	5.14000

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysia Ringgit	Indonesian Rupiah	Korean Won
4.670/ 44.690	52.830/ 52.900	40.40/ 40.45	3.7999/ 3.8001	8980/ 8990	1114.0/ 1115.0

FDI in China drops 7.5 pc

BEIJING, July 23: Foreign direct investment in China dropped 7.5 per cent in the first half of the year compared with the same period last year, as economists blamed deep-seated problems in China's investment environment for the decline, state press said today, reports AFP.

Actual foreign direct investment in the first six months of 2000 totalled 17.2 billion dollars, although contracted investment for the period was up 24.6 per cent over the same time last year, the China Business weekly reported.

The decline in actual foreign investment follows an 11.4 per cent drop in 1999 to a total of 40.4 billion dollars for the entire year.

The reduction "is a sign that some deep-rooted problems in China's foreign investment environment are beginning to surface," Ma Yu, of the China Academy of International Trade and Economic Cooperation told the newspaper.

Shifting and conflicting rules, complicated examination procedures and other government limitations on foreign investment were scaring away investors, he said.

Indian privatisation seen falling far short of revenue target

NEW DELHI, July 23: India's privatisation programme once again looks like falling far short of its revenue target, amid deep political divisions over the speed and scope of the process, says AFP.

"We will fall well below the target. And the longer you delay the process, the greater will be the loss of interest amongst potential investors," said DK Bhowmick, advisor to the Confederation of Indian Industry.

India has set a privatisation revenue target of 100 billion rupees (2.3 billion dollars) for the year to March 2000.

In order to realise that figure, the government had been preparing to sell off some its major assets, such as carmaker Maruti Udyog Ltd, and state telecom firms but stiff voices of dissent within the cabinet have obstructed the plans.

Some ministers have expressed concern that the privatisation process will result in cheap sell-offs of profitable state assets, while also allowing foreign companies to gain control of strategic sectors of Indian industry.

"This kind of endless debating will only lead to a loss of credibility. People are not sitting out there just waiting to grab the stocks of public sector companies," said Bhowmick.

Last week, the Indian cabinet did approve the sale of two medium-sized state companies but held back expected announcements on larger sell-offs.

Barely 120 of India's 246 public sector companies make a profit and fifty-six of them are chronic loss-makers. Nearly all are bloated by excessive staffing and have to live with constant political interference.

State funding to these firms in the last decade has totalled more than 620 billion rupees.

"The disinvestment will continue and the people opposing it will not prevail. But the slow-down could affect the market value of the blue chip firms," said noted economic commentator Prem Shankar Jha.

Economists cite the example of Maruti, India's largest carmaker, which has seen a fall in its market share from 80 per cent to 60 per cent in the last four to five years.

"It the market share of the company goes down further, then the share value will also fall," said Bhowmick, who believes the government should set a precise privatisation timetable an stick to it — no matter what happens to the share price of a particular company in-between.

"You simply have to take the risk on the timing of a share issue," Bhowmick added.

Other experts warn that the sluggish pace of privatisation will affect the country's ballooning fiscal deficit, which the government wants to keep within 5.1 per cent of Gross Domestic Product for the year ending March 2001.

"It will definitely reflect in the government budget," said BB Battacharya, senior economist at Delhi University's Institute for Economic Growth.

The cabinet has already approved the privatisation of a few prominent firms including the domestic and international carriers Indian Airlines and Air India, but there has been little indication of when the sell-offs may actually go ahead.

G V Ramakrishna, the former chairman of India's disinvestment commission, said that progress in privatisation was slow but sure.

"The government has appointed 16 global advisors and it is proceeding. They are reluctant to proceed very fast with the blue chip companies because there seems to be some genuine differences of opinion," he said.

The front-line troops in the anti-privatisation campaign are hardline Hindu groups.

Nurul Islam, Chairman of the Board of Directors of National Credit and Commerce Bank Ltd, delivers his speech as chief guest at the half-yearly Conference of Branch Managers held on Saturday at a hotel in Chittagong. K Z Mahmud, Vice Chairman, Mohd Sajidul Haq, Managing Director, Mir Zahir Hossain, Mahbubul Alam Tara, Principal M Wazhiullah Bhuiyan, M A Quasem, Mohammad Ali, Md Nurun Newaz and Md Harunur Rashid, Directors of the bank, were also present. — NCC Bank photo