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The Daily Star BUSINESS

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Benetton Far East MD visits Dhaka stores

Diego Menarin, Managing Director of Benetton Far East — Middle East to Australia, came to Dhaka yesterday morning on a 24-hour sojourn to see the operation and progress of the Benetton stores at Gulshan and Sukrabad in the city, says a press release.

The Benetton franchise in Bangladesh is operated by the S&Y Company Ltd, a member of the Rangis Group of Companies, which is also engaged in marketing a wide range of consumer goods including Sony audio-video, AIWA audio-video, various brands of home appliances, Suzuki motor cycle, Rangis tube light, Rangis TV, Rangis refrigerator and deep fridge all over Bangladesh.

The Benetton Group SpA, based in Treviso, Italy, is one of the largest clothing and accessories companies in the world with over 700 stores in more than 120 countries in all the continents. World famous brands of Benetton are United Colors of Benetton, Sisley, Playlife, Roller Blade, Killer Loop and Prince.

The two Benetton shops in Dhaka opened in January 1997 and October '99, where almost all these brands are available.

Pioneer Insurance holds 4th AGM

The 4th annual general meeting (AGM) of Pioneer Insurance Company Limited was held Tuesday at the company's head office under the chairmanship of M Anis Ud Dowla.

The meeting approved 12 per cent dividend for the year 1999, which was 5 per cent higher than that of the previous year, says a press release.

During the year 1999, the company earned a gross premium of Tk 131.99 million and net profit of Tk 18.60 million, which was 25 per cent and 57 per cent higher than that of the preceding year.

The shareholders present in the meeting expressed their deep satisfaction over the performance of the company. The company has been able to declare 12 per cent dividend for 1999.

The directors in a meeting that followed the AGM appointed M Anis Ud Dowla as the chairman for the next term.

BASC course on creative selling held in city

A two-day course on Creative Selling organised by Business Advisory Services Centre (BASC) was held recently at its Dhanmondi premises, says a press release.

Two eminent resource persons, Shah Alam Chowdhury and Nasiruddin, facilitated the workshop.

The main objective of the course was to impart new creative selling technique. The course discussed the importance of applying creative selling techniques, especially in the context of increasing competition.

The certificate-awarding ceremony was presided over by the Executive Director of BASC, Engr. Md Lutful Kabir.

Participants from Coats Bangladesh, Bridgehouse Ltd., all ACI Ltd. and Quantum Pharmaceutical attended the workshop.

Janata Ins Board recommends 10pc dividend

The Board of Directors of Janata Insurance Company Ltd has recommended a 10 per cent dividend for the year 1999, says a press release.

The meeting, held at the Board Room of the company's head office in the city recently, reviewed the provisional accounts for the year. Some other important decisions relating to the company's business improvement were also made at the meeting.

The meeting, presided over by M.A. Hashem, Chairman of the Board of Directors, attended, among others, by Chief Adviser Zafar Ahmed Chowdhury, Director Belal Ahmed, Md Abdur Rahim Chowdhury, Md Nazir Hossain, Sharif Ahmed, Fahima Akhter, Adviser Jahanzaib Alam Khan, Aziz Al-Al Kaiser and Managing Director (C.C.) Md Jaunul Abedin.

Eight automobile majors launch Internet portal

NEW DELHI, July 26: Eight of India's largest automobile makers have combined to launch an automobile industry internet portal for supply chain management and exchange of information between buyers and sellers, reports AFP.

The rapid communication and free exchange of information that can be facilitated by the internet can help both buyers and sellers to reduce cost, speculation and wasteful processes," said a press statement Wednesday.

Weak cable infrastructure hinders e-biz, IT growth

City networks already saturated with phone connections

By Mustak Hossain

Poor and inadequate underground cable infrastructure is weighing heavily on the growth of e-commerce and information technology in the country, say industry people.

According to them, the existing cable networks in the city are already saturated with telephone connections.

"We can't even get lease of a single pair of cables at some places for transmitting data," said an e-business entrepreneur on condition of anonymity.

"BTB has failed to tackle the growing demand of the city's telecom infrastructure fuelled by the IT revolution."

The demand for telephonic

infrastructures like live cable pairs and IT backbone has more than doubled in recent years, he said.

Some internationally-reputed business organisations have changed their business plans while some foreign banks have been forced to confine their businesses to a limited range for difficulties they face in data transmission, another source said.

Some foreign banks have downsized their plans to ex-

pand Automatic Teller Machine (ATM) network, a foreign bank official said. "We are unable to set up ATM centres at different city points because of cable crisis."

"However, we hired a firm which helped us transmit data through microwave and we had to use antennas at ATM centres to get connected to the central computer server," he said.

When asked about the acute cable crisis, a highly-placed BTB source said the shortage is not true for all the places.

"The problem would be solved after introduction of Digital Data Network (DDN)

and installation of new cable networks under various exchanges in the city," the official said without elaborating.

Meantime, Internet Service Providers alleged that a section of BTB employees demand between Tk 10 and 15 thousand as "speed money" for a pair of cables and many organisations have been compelled to pay a 'monthly fee' to keep those cables alive.

They also allege that some BTB inmen often discontinue cables to keep data service providers under constant pressure for collecting monthly bribes.



Diego Menarin, Managing Director of Benetton Far East — Middle East to Australia, is seen at one of the Benetton stores in the city yesterday. — S&Y Co photo

Exchange Rates

The following is forex trading statement by Standard Chartered Bank, Dhaka

Central Bank USD/BDT Rate: Buying: BDT50.85/Selling: BDT51.15

TT/OD	BC	Currency	Buying	Selling
51.2500	51.2800	USD	50.8650	50.6964
0.4767	0.4769	JPY	0.4600	0.4585
31.2786	31.2969	CHP	30.5863	30.4849
29.8034	29.8209	SGD	28.7276	28.6323
35.2452	35.2658	CAD	34.3892	34.2752
5.7604	5.7637	SEK	5.6617	5.6430
31.0780	31.0962	AUD	28.2759	28.1821
13.6314	13.6394	MYR	13.2451	13.2012
6.6068	6.6106	HKD	6.4898	6.4683
13.7739	13.7820	SAR	13.4524	13.4079
14.0892	14.0775	AED	13.7362	13.6906
0.0462	0.0462	KRW	0.0454	0.0453
78.2895	78.3353	GBP	76.6434	76.3894
48.6824	48.7109	EUR	47.0247	46.8689

Usance Export Bills

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7601	50.4469	50.0289	49.5481	49.0255	47.8549

Exchange Rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal Ringit	Indo Rupiah	Sing Dollar
44.85/44.95	53.05/53.25	41.13/41.16	3.7997/3.8003	9135/9155	0.6990/0.7000

US Dollar Libor

	1 Month	3 Months	6 Months	12 Months
Cash	5.0650	5.1200	5.1800	5.2400
Notes	5.0650	5.1200	5.1800	5.2400
T.C	5.0650	5.1200	5.1800	5.2400

Market Commentary

The local foreign exchange market was active and the demand for dollar was extremely high. The corporate clients were highly interested in hedging their foreign exchange exposure. The call money market was steady and the call rate ranged between 5.0 to 5.5 per cent.

Import restrictions on gypsum go

The government withdrew import restrictions on gypsum, imposed in 1999, in view of growing demand for fertilisers, reports UNB.

It also discouraged setting up of Single Super Phosphate plant as it proved "under-grade" phosphate manure for the soil.

Advisory Committee on fertilizer, the highest policy-making body regarding fertilizers, approved the measures at a meeting held at the conference room of the Industries Ministry on Tuesday.

Advisor to the Prime Minister for Agriculture and Food and Convenor of the committee M Anisuzzaman presided over the meeting.

Industries Minister Tofail Ahmed, Agriculture Minister Matia Chowdhury, BCIC chairman M Anwarul Haq, BADC chairman M Shaiful Haque and president of Bangladesh Fertilizer Association (BFPA) Kafiluddin Ahmed attended the meeting.

The meeting noted that the

country faces an annual fertilizer shortfall of over 14 lakh metric tons, making import inevitable to meet demand for urea and other fertilizers.

Annual fertilizer demand stands at 34.75 lakh tons, including 23 lakh tons of urea while local fertilizer factories, all run by the government, can produce only 20 lakh tons.

Six urea factories, owned by state-run BCIC, produce 18 lakh tons of urea annually besides 2 lakh tons of SSP, TSP and gypsum.

The urea shortfalls, around 5 lakh tons, are met by government imports and demand for other kinds of manure is met by private imports.

Demand for urea in the current fiscal year has been estimated at 23 lakh tons. Requirement of other varieties of manure is 11.75 lakh tons including TSP (4 lakh), SSP (1.4 lakh), DAP (2 lakh), murrette of potash (3 lakh), gypsum (1.2 lakh) and zinc (0.15 lakh).



A 2-day training workshop on "Creative Selling" organised by Business Advisory Services Centre (BASC) was held in the city recently. Picture shows the facilitators, participants and Engr. Md. Lutful Kabir, Executive Director of BASC (seating middle), after the certificate-awarding ceremony. — BASC photo

13 airlines in B2B e-trade exchange

Singapore Airlines (SIA) and 12 other major airlines have announced the creation of the airline industry's largest business-to-business e-commerce exchange, says a press release.

The exchange, which will be officially launched in a few months as Aerexchange, will offer the most comprehensive selection of aircraft parts and services as well as general business supplies to airlines on the web.

The group of airlines has selected Oracle Corporation of California, USA, as the technology provider of the exchange.

The 10 founding members of the multi-airline venture are Singapore Airlines, Air Canada, All Nippon Airways (ANA), America West, Cathay Pacific Airways, FedEx Express, Japan Airlines, Lufthansa German Airlines, Northwest Airlines, and Scandinavian Airlines (SAS).

East Asia pushes forward plans for fledgling economic bloc

BANGKOK, July 26: Foreign ministers from the Association of Southeast Asian Nations plus Japan, China and South Korea were holding their first-ever formal joint meeting Wednesday, pushing forward plans for an East Asian economic bloc, reports AP.

It marked the latest step toward stronger pan-Asian regionalism in the aftermath of the financial crisis that struck in 1997 and exposed the weakness of international financial institutions and the reluctance of the West to come to Asia's rescue.

Leaders of ASEAN's 10 member states and the three Northeast Asian powers agreed late last year to advance cooperation and lay foundations for a new pillar of the global economy to rival the European Union and the North American Free-Trade Area.

The two parts of Asia, the Southeast and the Northeast, can no longer live apart in isolation of each other," Foreign Minister Surin Pitsuwan of Thailand said Tuesday.

Earlier this year, ASEAN Plus Three, as the grouping has become known, announced in Chiang Mai, Thailand, the creation of a system to rescue each other's currencies in case of new financial crises.

Trade ministers meeting in Myanmar meanwhile mooted the idea of expanding the planned ASEAN Free Trade Area, which is to eliminate most tariffs by 2002, in some sectors.

First proposed by Malaysian Prime Minister Mahathir Mohamad a decade ago, but opposed by the United States for fear it would split the Asia-Pacific into east and west, an East Asian bloc is increasingly seen

as a positive for the global economy and for stability of financial markets.

The aggregate economy and external trade of East Asia is already about as large as those of the United States and European Union, according to Fred Bergsten, director of the Washington-based Institute for International Economics, writing in the July 15 edition of the Economist magazine.

The region's collective purchasing power — US \$ 9.431 billion in 1997 — actually surpassed both the EU and the United States, Bergsten said.

Alexander Downer, Australia's foreign minister, said Wednesday that while ASEAN Plus Three is at an "embryonic" stage, it was "an enormously positive step."

For the Asia-Pacific region to prosper, after enduring con-

front for much of the 20th century, it was essential to expand cooperation between countries — something that Australia could eventually be part of.

"If we are invited to participate in it, we will be happy to do so," Downer told reporters.

Southeast Asian policymakers hope the cooperation will stimulate economic development in ASEAN, which includes some of Asia's richest and poorest nations.

ASEAN comprises Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

The budding bloc has been cemented by Japan's financial support to Southeast Asian countries during the crisis and help in developing human resources and information technology.



Ronald P Hicks, Resident Representative of International Monetary Fund (IMF), met Latifur Rahman, President of the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), at the chamber Wednesday. — MCCI photo

JB 'Ghoroa Prakalpa' a pro-poor programme

Star Business Report

Dreams are written on Bidhan's face. And he has reasons to be feeling like on top of the world.

Holding on to a brown envelope with excitement, he was sitting with his eyes shining in the small and crowded Noopara office of Janata Bank at Habiganj. It was a hot day and the inadequate number of fans were not enough to cool the people inside the packed room.

Bidhan, a small-time watch seller and mechanic, however was not feeling any of the inconveniences and was rather focused more on the small Tk 10,000 cheque lying inside the envelope.

"Now I will expand my shop. I will now have at least 50 watches displayed in my showcase," said Bidhan Chandra Biswas (38).

Janata Bank Chairman, "So far we have been taking deposits from the general people and giving loans to the rich who often do not pay back the money. We want to reverse the trend."

"Loan defaulters cannot be our friends," he continued amidst claps during the programme's launching. "We have the ability to extend credits to lakhs of the poor. This doesn't mean that we don't give importance to the rich. Good borrowers will get loans. But we must make Janata Bank truly a bank of the people."

What Dr Rahman meant is that people like Bidhan will now get priority when it comes to getting loans from the bank's rural branches.

Bidhan has already webbed his future plans. As repairing watch is a constant source of income, he will buy more spares and display new watches on his shelves.

"I have to pay Tk 208 plus the interest every fortnight," he said, adding "this will not be a tough job. In fact, there's a lot of demand for watches here, and I could not meet it because of money crunch."

Shubal Chandra Deb is another borrower under the *Ghoroa Prakalpa* who also wishes to expand his existing grocery. "I'll put in more goods in my shop," he said in an optimistic tone.

Bidhan was only one of the 25 others to have received small credits under the bank's *Ghoroa Prakalpa*, a unique micro-credit programme that the big bank (at least in terms of branches and employees) launched just on Tuesday from Habiganj.

Under the programme, small borrowers will get up to Tk 40,000 for various employment generating projects at as low as 11 per cent interest. The programme is moulded much on the NGO micro-credit strategy. The borrowers will also save with Janata a minimum of Tk 20 a month for which they will get one per cent more than the prevailing interest rate.

The borrowers will have to plant 10 to 20 trees as a loan condition in their homesteads.

At a later stage, reputed NGOs will also be invited to join hands with the bank in the implementation of the programme.

"This is the first time that we have taken efforts to make the bank people-oriented," said Dr Atiur Rahman, the new



Janata Bank Chairman Dr Atiur Rahman launches the bank's loan disbursement under "Ghoroa Prakalpa" in Habiganj. — Janata Bank photo

ECNEC approves five projects

The Executive Committee of the National Economic Council (ECNEC) on Tuesday approved five development projects worth Tk 255.82 crore, says BSS.

The total approved amount includes project assistance of Tk 113 crore 10 lakh and 16 thousand.

The approval was given at the ECNEC meeting held in the NEC conference room with Prime Minister Sheikh Hasina in the chair.

The projects included System-loss Reductions Pilot Scheme (revised), construction of Karinganj-Shaharmul-Nikli connecting road and introduction of river route around Dhaka city.

The projects also included the first phase of development

of navigability and landing facilities of the bridge from Sadarghat to Ashulia and Rural Development-5 Production-oriented employment generating project of five districts of the greater Faridpur (third phase-revised).

ECNEC also adopted the evaluation report of the Agriculture Support Services Project (ASSP).

The prime minister asked the concerned departments to construct concrete roads in hazard areas for durability. She said it would facilitate smooth movement of traffic as well as promote tourism if modern landing facilities are provided at the time of digging river routes around Dhaka city.

Sheikh Hasina stressed the need for better processing of vegetables

Education Minister ASHK Sadique, Industries Minister Tofail Ahmed, Agriculture Minister Motia Chowdhury, Science and Technology Minister Mohammad Noor Uddin Khan, Communications Minister Anwar Hossain, State Minister for Planning Dr Mohiuddin Khan Alamgir, State Minister for Power, Energy and Mineral Resources Prof Rafiqul Islam, State Minister for Shipping Mofazzal Hossain Chowdhury Maya and Deputy Minister for Food Dharendra Dev Nath Shambhu attended the meeting.

Cabinet Secretary, Principal Secretary to the Prime Minister, Finance, Planning, ERD and IMED secretaries, members of the Planning Commission and secretaries of the concerned ministries were present.



M Anis Ud Dowla, Chairman of Pioneer Insurance Company Ltd., speaks at the 4th AGM of the company at its Head Office Tuesday. — Pioneer Ins photo