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The Daily Star BUSINESS

DHAKA, WEDNESDAY, OCTOBER 25, 2000

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SEC fines two COS

Star Business Report

The Securities and Exchange Commission (SEC) yesterday imposed penalty on two companies for failing to comply with securities law.

Sonali Paper and Board Mills Ltd was fined Tk one lakh for its failure to comply with SEC directives regarding immediate disclosure of price sensitive information and also for not appearing before the SEC for a hearing.

The SEC also fined Rahman Chemicals Ltd Tk 50,000 for failing to provide its half-yearly balance sheets, profit and loss account and cash-flow statement.

Pak Apple, Date Show begins in city Oct 30

The second Pakistan Apple and Date Show will be held at the Pan Pacific Sonargaon Hotel on October 30-31, a press release said yesterday reports BSS.

Export Promotion Bureau of Pakistan in association with the Pakistan High Commission in Dhaka is organising the two-day show aiming at promoting these two major fruits of that country.

Thirteen (13) Pakistani leading exporters and producers of fresh and dry fruits will participate in the show.

Euro nears its all-time low against US dollars

NEW YORK, Oct 24: The euro neared its historic low against the US dollar yesterday amid rumours that the central banks of industrialized nations might intervene to prop up the single European currency, says AFP.

At 2045 GMT, the euro was being exchanged for 0.8350 dollars compared to 0.8359 three hours earlier, and 0.8412 dollars on Friday night.

The euro reached its all-time low at 0.8330 on October 18. Since its introduction on January 1999, the European currency has lost almost 28 per cent of its value.

The euro for trading for 90.36 Japanese yen versus 90.50 yen at about 1800 GMT Monday, and 91.55 yen here late Friday.

The US dollar was trading for 108.24 yen compared to 108.30 yen in earlier trading and 108.83 yen on Friday.

Economist Nick Parsons at Commerzbank said there was nothing particular behind the fall in the euro apart from the pick-up in the US stock markets, which favoured the dollar.

The Dow Jones Industrial Average rose 0.44 per cent Monday while the Nasdaq composite index was down 0.41 per cent.

However, economists deemed the chances of another central bank intervention in financial markets, similar to the one that took place on September 22, not very high.

As the US presidential election drew closer, it was looking unlikely that the US Federal Reserve would willing to curb an another operation to prop up the euro after Treasury Secretary Lawrence Summers reiterated the strong dollar policy.

UK enjoys trade surplus with European Union

LONDON, Oct 24: Britain unexpectedly enjoyed a trade surplus with the rest of the European Union in August in spite of the strength of the pound against the euro, official data showed today, reports Reuters.

National Statistics said exports of goods exceeded imports by 31 million pounds, the first surplus since November 1995, and up from a deficit of 258 million in July. Both imports and exports were at record levels, NS said.

This surplus helped the country's overall global goods trade deficit to narrow to 2.27 billion pounds in August from 3.0 billion a month before. Economists had expected the figure to come in around 2.7 billion pounds.

Economists say there is evidence that British exporters have been cutting their prices in sterling terms to maintain their competitiveness in European markets in spite of the strength of the pound. That has meant thinner profit margins, however.

The surplus may be difficult to sustain, however, given sterling's recent renewed surge against the euro. On Tuesday it was trading at around 57.7 pence, equivalent to around 3.39 marks to the pound.

NS also said it estimated that the trend in the British trade balance was still widening. The latest estimate of volume trend shows exports and imports both rising.

CAG detects massive financial irregularities

Govt office collects land taxes at less than official rates

By Shahriar Karim

A loss-making state enterprise subsidises staff canteen more than its budget allows for, a government office collects land taxes at less than the official rates, agriculture ministry buys low quality seeds at high prices, these are the snapshots of how corruption eats away public money.

A number of special audits by the Comptroller and Auditor General's Office has unearthed such massive irregularities in the public office dealings.

An special audit for the year 1994-95 in eight additional district commissioner's (revenue) office and an union land office under Land Ministry found irregularities of Tk 14.25 crore.

The audit found that the officials responsible did not collect the money for leased lands from different parties and also did not deposit earnest money for participation in tenders to the government exchequer. The officials concerned

committed gross irregularities by leasing lands to defaulting parties, realising land development tax at rates less than the official one and by not deducting advance income tax from the lessee, the special audit report said.

The SPR also found massive irregularities in a rehabilitation programme taken by the Agriculture Ministry to distribute seeds and fertiliser to the flood affected farmers of different districts.

The government allocated Tk 49.03 crore under the programme. The report found irregularities of Tk 19.46 crore as the officials bought seeds and fertiliser at higher prices.

It also found that the project officials collected low quality seeds and also failed to fine the contractor for delayed delivery.

The audit also found misappropriation of Tk 16.95 crore by 17 offices of the Forest Department which spent money on non-existent projects.

The forest department was suffered losses due to transfer of 889 posts to revenue sector from irregular development projects, payments of wages through fake master roll and over-spending of money in different projects.

The special audit also detected that Bangladesh Cable Shilpa Ltd, a state owned enterprise (SOE) under Post and Telecommunication ministry, wasted Tk 8.83 lakh during 1994-95 by subsidising its staff

canteen more than the budget provided for.

Essential Drugs Co Ltd, under Health and Family Welfare Ministry also wasted Tk 2.02 crore public money during 1983-97 period, the audit detected.

The Secretary of the ministry has been held responsible for the loss of Tk 5,67,817 of the company for using the car bought for the company, the report said.

SEC cancels 1 merchant bank licence

Allegation against Satcom of helping siphon off money

By M Shamsur Rahman

The Securities and Exchange Commission (SEC) yesterday cancelled the registration of a merchant banker on an allegation of helping a listed company to siphon off a huge amount of money by deceiving the investors.

The axe fell on Satcom Securities and Management Ltd (SSML) following an SEC probe committee report which alleged that while managing a public issue, the issue manager failed to discharge its duty.

"At least in this case, a diligent issue manager could have prevented a major fraud," the SEC legal advisor wrote to the board.

Satcom was appointed to oversee the share flotation of JH Chemicals and was respon-

sible for processing the applications of the investors. In June 1998, JH Chemical issued 3.30 lakh shares. Of these, 1.65 lakh shares were offered to the public while the directors of the company purchased the remainder.

The issue manager was responsible for collecting the subscription money along with application forms. But an SEC investigation later revealed that of the total 1.65 lakh shares offered to the general public, only 19,650 were subscribed by the investors while the rest 145,350 were shown as subscribed allegedly in collusion with the company auditor and issue manager.

"Against the fictitious sub-

scription, false allotment letters were issued," the report said. "These allotment letters were later sold to different people and fund was raised from the market which was also not deposited in the company accounts," the SEC probe report said.

Based on the outcome of the investigation, the SEC lodged a share price manipulation, forgery and fraud complaint against five directors of the company, its auditor, the issue manager and a stockbroker with Motijheel Thana.

SEC also formed a two-member inquiry committee to probe the allegations against the merchant banker.

The report alleged gross violation of a number of provisions

of the SEC Merchant Bank and Portfolio Manager Regulation, 1996.

The matter was later referred to the SEC board for a decision. The board suggested cancellation of its licence.

When contacted, Managing Director of Satcom Securities Swadesh Ranjan Shahia said he has not officially received the cancellation order.

"We will review the matter in our board meeting when we receive it," the MD said.

He also said that the merchant bank regulation provides for appeal against SEC order. "We will appeal under that provision," he said.

The MD, however, refused to comment on the allegations.

7-day IT extravaganza begins in city today

Computer vendors will showcase their products at 150 plus stalls offering special prices at a week-long fair beginning in the city today, says UNB.

The annual IT exposition of BCS Computer City will also provide an opportunity for the students up to higher secondary classes to browse on the internet free of charges, organisers said.

Finance Minister Shah AMS Kibria will open the "CityIT 2000" at IDB Bhaban at Agargaon at 10:30 am.

The fair, sponsored by computer hardware company Seagate, will remain open for the visitors from 10 am to 8 pm everyday until October 31 at an entry fee of Tk 10 per person.

Organisers said a 256K bandwidth radio link will be set up at the fair venue to give an

opportunity for the students to browse on the internet until the concluding day.

Each group of 40 students will get the opportunity together from 40 workstations for about 20 minutes free of charges.

The fair will make six presentations on product and technology everyday with a projection facility on three big monitors.

One of the monitors will be set up in the fair venue, one could be watched from in front of the venue and another from the food court set up at Lions Hospital premises beside the fair venue.

To facilitate visitors, there will be transport services to and from the fair venue. The transport will leave Savar Bazar, Gazipur Chowdhury and Narayanganj Chasara Metro stand at 9:30 am everyday.

ECNEC meet approves Tk 346.32 cr projects

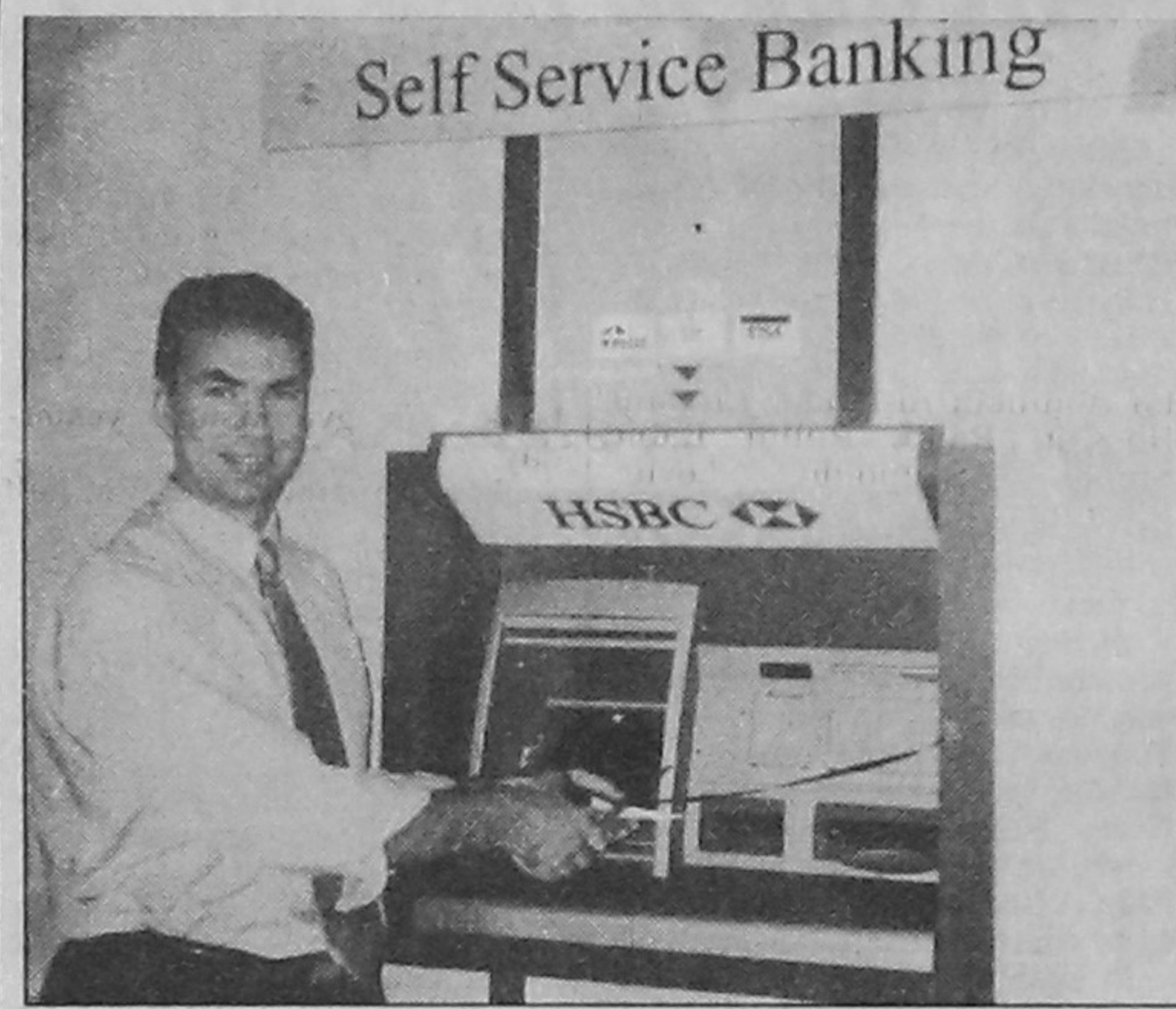
Executive Committee of the National Economic Council (ECNEC) yesterday approved seven development projects worth Tk 346.32 crore including Tk 49.73 crore project aid, reports BSS.

The projects were approved in the 93rd meeting of the ECNEC during the present government. Prime Minister and ECNEC Chairperson Sheikh Hasina presided over the meeting at NEC auditorium here, said an official press release.

The projects are: Transforming Boda-Debiganj-Domar-Jaldhaka road into regional highway, upgradation of Kushtia-Meherpur road into regional highway, Agro-based and Technology Development Proj-

ect (second phase), development of horticulture centres in Chittagong and Cox's Bazar, vertical extension of Film and Publication Department and balancing, modernisation, replacement and expansion of film laboratory complex (amended), setting up of new air-cooling plant at BTV Dhaka centre and completion and modernisation of eight district stadiums (second phase).

The Prime Minister ordered the concerned authorities to repair and rehabilitate the roads damaged by the recent floods and construct bridges and culverts where roads were cut to drain out flood waters. She also underlined the need for widening the Jessore-Benapole road.



Hongkong and Shanghai Banking Corporation Limited recently inaugurated an off-site ATM at Uttara. - HSBC photo

Dhaka, HK sign air service agreement

Bangladesh and Hong Kong have signed an air service agreement to further boost air links, especially for cargo, says UNB.

The accord was signed in Hong Kong yesterday. Bangladesh's secretary of Civil Aviation and Tourism Chowdhury Mohammad Mohsin and Hong Kong's secretary for Economic Services Sandra Lee inked the agreement on behalf of their respective governments, said a message received here yesterday.

Biman Bangladesh Airlines Managing Director Air Commodore Khusrul Alam and civil aviation official Habibullah Khan are assisting the secretary in the three-day state level negotiations for further developing

air services between the two countries.

On the first day of the bilateral talks, both sides agreed to expand air services for mutual benefits.

In Dhaka, Civil Aviation and Tourism Minister Engr Mosharraf Hossain told UNB that Bangladesh wants to establish cargo freight services with Hong Kong to facilitate two-way trades with the entire region.

Earlier, Bangladesh had such arrangements with Korean Airlines.

Hossain hoped that cargo services with Hong Kong will increase Bangladesh's exports of garments and other goods to Hong Kong and the adjoining regions.

S'pore, India to invest \$650m in undersea cable

SINGAPORE, Oct 24: Singapore Telecommunications and India's Bharti Enterprises will invest \$650 million to build an undersea cable network linking Singapore to the Indian coastal cities of Bombay and Madras, the companies said Tuesday, reports AP.

Each party will own a 50 per cent share of the venture, which will build and operate a cable network 11,800 kilometers (7,080 miles) long between the island-state and the two Indian cities.

It will be India's first undersea fiber-optic cable.

It also will be the world's largest cable network in terms of capacity, able to carry more than 100 million conversations simultaneously. Bombay and Madras are on India's western and eastern coasts respectively.

The investment is SingTel's second in the potentially lucrative Indian market.

In August, SingTel said it would pay \$400 million for stakes in two units of Bharti Enterprises, India's largest privately owned Telecommunications company.

SingTel owns 20 per cent of Bharti Telecom and 30 per cent of Bharti Televentures, which hold the group's telecommunications assets.

The India-Singapore cable will give Bharti access to SingTel's planned 17,000-kilometer (10,500-mile) C2C Cable Network linking Japan, South Korea, Taiwan, Hong Kong, the Philippines and Singapore.

The C2C cable is expected to begin carrying traffic in late 2001.

US official urges Japan to open up telecom sector

TOKYO, Oct 24: Japan should open its telecommunications sector and establish an independent regulator of the industry or risk falling behind in the information technology revolution, a US official said Tuesday, reports AP.

The official, speaking on condition of anonymity, said Japan should also set up separate regulations for its biggest carrier, Nippon Telegraph and Telephone Corp., to make it easier for smaller companies to compete.

The US government submitted recommendations as part of deregulation talks with Tokyo earlier this month, calling on Japan to make changes in telecoms, pharmaceuticals, financial services and other sectors.

At the top of the list was establishment of an independent regulator for the telecommunications industry. That sector is currently supervised by the Ministry of Posts and Telecommunications.

KL queries US compliance with WTO shrimp ruling

GENEVA, Oct 24: Malaysia asked the World Trade Organization yesterday to set up a panel to investigate whether the United States was complying with its ruling against a US ban on shrimp imports from four Asian countries, reports Reuters.

Malaysian trade ambassador Supperamaniam told a meeting of the Geneva-based WTO's Dispute Settlement Body (DSB) that the United States had failed to comply with a WTO appellate body ruling which found that Washington's ban on shrimp imports from four Asian nations was discriminatory.

The four nations were Malaysia, Thailand, India and Pakistan.

Trade officials said a panel was automatically established following Malaysia's request to examine US implementation of the ruling.

A ruling against the United States by the panel could open the way for Malaysia to demand sanctions in retaliation.

US trade ambassador Rita Hayes told the DSB meeting that Washington regretted Malaysia's move and called for cooperation to find a solution to the dispute, trade officials reported.

After the WTO appellate body's ruling in 1998, the United States and the four Asian countries involved in the trade row agreed on a 13-month timeframe to comply with the trade body's recommendations which translated into a December 1999 deadline.

To date, the United States has not lifted the relevant import prohibition and has failed to take the necessary measures to allow the import of certain shrimps and shrimp products in a unrestrictive manner," Malaysia's envoy said.

HSBC opens Self-Service Banking Centre at Uttara

The Hongkong and Shanghai Banking Corporation Limited (HSBC) has extended its ATM network in Bangladesh by inaugurating its first off-site Self-Service Banking Centre at Uttara, says a press release.

The new off-site ATM is located at House No 41, Road No 07, Sector No 04, Uttara Model Town in the city.

As with other HSBC ATMs, the off-site ATM offers the following services to all HSBC account holders in Bangladesh: cash withdrawals, deposit of cash, cheque & mail, transfer funds, balance inquiries, order of statements and cheque books, account activity inquiries, payments to other HSBC accounts and change on PIN.

David Docking, Manager Regional Business Development, on his recent visit to Bangladesh said apart from HSBC's 2 ATMs in Gulshan and Motijheel and one in Agrabad in Chittagong, HSBC customers now also have the option of carrying out their banking transactions in Uttara.

Sonali Bank managers' confce held

A conference of 50 branch managers of Sonali Bank was held at its head office at Motijheel in the city yesterday, says a press release.

Enamul Hoque Chowdhury, Managing Director of the Bank, presided over the conference.

The overall business performance of the bank was discussed in the conference. Addressing the conference Mohammad Ali, Chairman of the bank, said everyone will have to give special attention for easy bank loan for development of socio-economic activities of the flood affected areas of south-eastern part of the country as soon as flood water recedes.



A visitor tries to use the latest videophone on display at a telecommunication show in Beijing yesterday. China's telecommunication industry is currently undergoing major restructuring to open up to market competition, in anticipation of the country's membership to the World Trade Organization. -- AFP photo

Government of the People's Republic of Bangladesh Office of the Executive Engineer, DPHE Noakhali Division, Noakhali

- Use tubewells water in both drinking & domestic purpose.
- Use sanitary latrine.
- Wash hand before eating & after defecation with soap.

Notice Inviting Tender

The Government of the People's Republic of Bangladesh & the Government of Project (WSSP) covering Noakhali, Lakshimpur, Feni, Patuakhali & Barguna districts in addition to the piped water supply components include hand tubewells in fringe area.

Tender in sealed cover in Bangladesh Form No 2911 with requisite earnest money are hereby invited from the enlisted contractor of "C" category of DPHE (renewed) for 2000-2001 for the following works at Noakhali District under DPHE, Noakhali division, which will be received in the office of the undersigned & also office of the Project Director (Addl CE) DPHE-DANIDA Water Supply & Sanitation Project, DPHE Bhaban, Dhaka upto 1.00 pm on 2.11.2000 & will be opened on 5.11.2000 at 11.00 am at the office of the undersigned in presence of the intending tenderers or their representative who may like to remain present there.

Sl No	Name of works	No of Group	Category of contractor
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01.	Construction of Public Toilet at different Growth Centre of Noakhali District under DPHE-DANIDA Water Supply and Sanitation Project.	3 Groups	"C"
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- Tender documents consisting of Form No 2911 together with schedule of items of work, additional terms & conditions, drawings, technical specification can be obtained from office of the undersigned & also office of the Project Director (Addl CE) DPHE-DANIDA Water Supply & Sanitation Project, Dhaka/Office of the CPA DPHE-DANIDA Water Supply & Sanitation Project, DPHE Bhaban, Dhaka on cash payment as govt rate (non-refundable) for each set of tender documents during office hours every days except on Friday, Saturday & public holiday up to 1.11.2000.
- Interested tenderers may obtain further information from the office of the undersigned & also from the office of the Project Director (Addl CE) DPHE-DANIDA Water Supply & Sanitation Project, Dhaka/Office of the CPA DPHE-DANIDA Water Supply & Sanitation Project, DPHE Bhaban, Dhaka during office hours on all working days.

Md Ibrahim Miah
Executive Engineer, DPHE
Noakhali Division,
Noakhali
DFP-25406-9/10
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