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Star BUSINESS

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5 firms win licences to launch BTTB pre-paid phone cards

Service expected to hit market by June

MUSTAK HOSSAIN

In a major move, the Ministry of Post and Telecommunications (MOPT) yesterday awarded licences to five companies to introduce pre-paid phone cards service in the country, sources said.

The new service will enable subscribers to access the International Subscriber Dialling (ISD) facility through BTTB. The service is expected to be available by June this year.

Under the arrangement, the subscribers will dial a dedicated number and feed a central computer system with his or her card number, which will be provided by the prepaid card-selling firm. Following this, the subscriber will be connected to the desired number.

"The process of making calls will not invite any charges for the phone owner," MOPT officials said. The price of the cards - ex-

pected to be of 100 to 500 denominations - will be fixed later.

"The service will open up a new horizon for the people who do not have a phone of their own and enable them to make calls to anyone living in any place of the world," a highly-placed source in the MOPT told The Daily Star last night.

He said the service is the first of its kind in the country and is expected to help increase tele-density and also revenue of Bangladesh Telegraph and Telephone Board (BTTB).

The licence-receiving companies are OmniCom Limited, Corinet Corporation Limited, Cosmos Telecom Private Limited, Uttara Telecom Ltd and Formula One International Limited.

The licensees would have to pay an annual royalty of five lakh taka as fees. The ministry, after deducting the call charges and

VAT, would give a 14.92 per cent profit to the operator and retain the rest.

The firms will have to bear the cost of installing the necessary machinery for gaining access to BTTB network.

Speaking at the license-awarding ceremony at the conference room of the Ministry of Finance, Post and Telecommunications Minister Mohammad Nasim said that the new system would facilitate a larger section of the population to access the telephone service.

"We have broken the monopoly business of mobile phone and now anyone can avail himself of a mobile phone or pre-paid service," Nasim said.

Speaking on the occasion, Finance Minister SAMS Kibria said economic growth is not possible without development, modern-

sation and expansion of this sector.

MOPT floated international tender in November last year to introduce prepaid cards for BTTB phones. A total of 56 companies responded to the invitation and 31 participated in request for proposal (RFP).

"The awarding of licences to more than one operator would ensure fair competition in the sector and ultimately benefit the people," another source said.

The service will also act as an additional telecommunication facility for millions who have little access to BTTB's fixed phones, the source added.

State Minister for Telecommunications Abdur Rouf Akhtaruzzaman MP, MOPT Secretary Nazmul Hossain Chowdhury and Chairman of BTTB NH Chowdhury were present, among others, on the occasion.

Business comes up with programme to weather hartal bashes tomorrow

STAR BUSINESS REPORT

Country's business community will come up with a programme tomorrow to get rid of the hartal, which is telling badly on the health of business these days.

Most of the businesspeople at a meeting yesterday came down heavily on the hartal politics and asked their leaders to find a way out of this "disease", meeting sources said.

However, some of the members of the business community opined that any stand against hartal at this moment would go against a particular party and help its opponent. They also spoke of the law and order situation and frequent power failures that creates problem in running industries and businesses.

The business community under the banner of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) held the meeting at the Federation Bhaban in the city and made their suggestions.

"We will come up with a programme in line with the suggestions made by the members of the entire community," Yussuf Abdullah Haroon, President of FBCCI, told a press conference after the two-and-a-half-hour meeting.

Despite their earlier failure to make the political parties shun the path of confrontational politics, the FBCCI chief hoped that good sense would prevail on the political front.

According to meeting sources, the suggestions include an ultimatum to the two leading political parties - Awami League and BNP -



President of FBCCI Yussuf Abdullah Haroon speaks at a press conference after a meeting of the business community at the Federation Bhaban in the city yesterday. MCCI President Latifur Rahman is also seen.

to sit at a dialogue with their seven days. The business leaders of different trade associations also opined that if the two parties fail to reach to a consensus on resolving the present political crisis then their leaders should quit politics.

Some of the business leaders suggested that shops and business offices be kept open for one or half an hour during hartal as a symbol of protest and a white-flag procession be brought out.

Haroon said that their programme would also address the weaknesses in governance and the

law and order situation.

When asked whether the business community would play the role of a mediator in resolving the present political standoff, the FBCCI president ruled out any such possibility.

At the meeting, the businesspeople also hoped that the political parties would reach a consensus on putting a ban on hartal for the next 10 to 15 years and would take legislative steps in the next parliament.

Haroon also said that some of his colleagues suggested legal action against hartal.

Some 22 businessmen addressed the meeting which was attended by more than 250 people from different chambers and trade associations. Presided over by FBCCI President Yussuf Abdullah Haroon, the meeting was addressed, among others, by Metropolitan Chamber of Commerce and Industry President Latifur Rahman, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Kutubuddin Ahmed and Dhaka Chamber of Commerce and Industry (DCCI) President Benajir Ahmed.

SEC clears draft trust deed of Grameen Mutual Fund

M SHAMSUR RAHMAN

The Securities and Exchange Commission (SEC) yesterday gave final clearance to the draft trust deed and investment agreement of Grameen Mutual Fund One (GMFO), paving the way for floatation of the second mutual fund under private sector initiative.

The fund will be launched in the market with a number of new features, said officials of the asset management company AIMS of Bangladesh.

"The fund will introduce stock option issue in Bangladesh, under which the existing shareholders of AIMS First Guaranteed Mutual Fund - the first private sector mutual fund in the country - will be given an option to buy GMFO units at par on an one-to-one basis, said AIMS of Bangladesh Managing Director Yawer Sayeed.

He said that such units would be kept reserved for the AIMS shareholders during the initial public offering (IPO) period. Such a move will substantially slash issuance expenses of the fund.

AIMS has already announced its Book Closure from May 4-10 to determine eligible share option

claimants of the proposed GMFO.

No transfer of the units will be made during this period. The unit-holders, whose name appears on the register on May 11, 2001, will be issued with a letter of option to buy GMFO units on a one-to-one basis during the IPO.

Another key feature of the Grameen fund will be a minimum 10 per cent dividend assurance during its ten-year tenure. Grameen Bank is the sponsor of the fund, Grameen Fund is its trustee, Standard Chartered Bank will work as the custodian, while AIMS of Bangladesh is its asset management firm.

When asked, AIMS MD Yawer Sayeed said that they had received SEC confirmation. He also added that they are still to receive the authenticated copy of the SEC documents, enabling the next procedural steps with the Sub-Registered office.

Sayeed said that the Sub-Registered office would give legal entity to the fund, following of which the certified copy of the registered deed would again be submitted to SEC for the fund's registration.

Following the SEC registration,

a prospectus will be submitted to the SEC for public subscription.

Grameen Bank officials said that the fund has mainly been formed to channel part of the savings of the Grameen Bank micro-credit members to the stock market. The first scheme under the fund is expected to have a size between Tk 12 to Tk 15 crore with assurance of a minimum 10 per cent return per year during its lifetime.

The fund will be invested in a number of selected companies and the yield would be distributed among the poor micro-credit recipients who are the target prime investors.

Grameen Bank is planning to enhance the earning potentiality of the rural poor through augmenting and directing their savings towards the capital market in a structured way.

The move is expected to give significant boost to the capital market if the rural savings can be channelled to the industrial sector, view experts.

The poor covered under the Grameen micro-credit programme has savings of over Tk 1000 crore under different Grameen projects.

Rangs Properties gives away Chairman's Award

Rangs Properties, a leading real estate developer in the country, held a ceremony to award the Chairman's Award-2001 to Rangs Bhaban recently, says a press release.

It was given away to the architects and engineers who had performed excellently and worked hard to construct some extraordinary establishments in Dhaka City.

On the occasion, Abdur Rouf Chowdhury, Chairman of Rangs Group, said that every development of Rangs must not only be superb in construction following building code, but also be excellent with modern earth-quake-proof methodology.

After receiving the award, Eng Harun-Ar-Rashid, DGM (Construction), said the present construction team of Rangs Properties is so strong that it can take any tough construction challenge maintaining international standard. A cultural programme followed the programme.

Sadharan Bima Local Office computerised

M Luffar Rahman, Managing Director of Sadharan Bima Corporation, inaugurated the computerised system of the Corporation's Local Office yesterday, says a press release.

Inauguration the system, Rahman said all the zonal, regional and probable branch offices of the Corporation will be computerised phase in phases. He further said that the Corporation was going to introduce a web-site system soon whereby the insured, re-insured, re-insurer and also the investors could be aware of the overall picture of the Corporation and avail themselves of its services.

General Managers N I Chowdhury, M Moutaz Uddin, Obaidul Kabir Khan, and Dhaka Zonal Head Sujaudin Ahmed were also present on the occasion.

Ericsson may axe up to 30,000 this week

AFP, Stockholm

Sweden's beleaguered telecoms giant Ericsson could announce up to 30,000 additional layoffs worldwide when it presents its first quarter results at the end of the week, the financial daily Dagbladet Industri reported Tuesday.

"It's certainly in that size class, if that's enough. But the question is where that will be cut," Tommy Jahr, chairman of the trade union Sif at Ericsson Mobile in Linköping, Sweden, was quoted by the daily as saying.

Ericsson, which currently has 100,000 employees in 140 countries, is trying to cut costs in light of sharply lower profit forecasts and deepening economic uncertainties in its global markets.

The group earlier this year announced plans it said were aimed at cutting annual costs by 2.24 billion euros (1.99 billion dollars) from next year.

It has also dismissed 4,300 employees at plants in Sweden and Britain.

Japan to impose curbs on Chinese vegetable imports

Move to protect domestic farmers

AFP, Tokyo

The Japanese government said yesterday it would impose temporary curbs on vegetable imports, mainly from China, to protect domestic farmers.

"The cabinet this morning officially approved the safeguard measures," said an agriculture ministry spokesman.

The temporary measures are to be imposed on imports of scallion, shitake mushrooms and tatemai rashes.

Under the curbs due to be imposed for up to 200 days from April 23, Japan will continue to charge tariffs ranging from 3.0 per cent to 6.0 per cent on imports up to the average volume of imports for the three years from 1997 to 1999.

On imports above that level

tariffs of between 106 per cent for tatemai rashes and 266 per cent for shitake mushrooms will be levied on the products to bring them into line with their domestically-produced rivals.

It will be the first time Japan has imposed curbs on imports under the World Trade Organization's "safeguard" mechanism.

The WTO allows members to impose temporary quotas for some four years to allow a specific industry time to adjust to intense competition from abroad.

China has criticized the Japanese decision, saying trade disputes should not be resolved with "negative measures."

Beijing urged Tokyo Friday to halt or postpone the invocation of the curbs, Kyoto News agency said.

China had indicated it would consider tit-for-tat trade measures if Japan invoked the curbs, Kyoto said.

Other Japanese industries feeling the pinch from cheap Chinese imports, ranging from towel makers to necktie manufacturers, have called for similar curbs, but Finance Minister Kiichi Miyazawa cautioned against going too down the road to protectionism.

"Tariffs on imports of agricultural products from China are necessary but we should be cautious about such activity spreading to other industrial products," Miyazawa said at a regular press conference.

"The free-market economy is our country's (guiding) principle."

BGMEA team meets President Call for keeping RMG sector free from hartal

Unb, Dhaka

An 18-member BGMEA delegation Monday called on President Shahabuddin Ahmed at Bangabhaban and apprised him of the various problems and political programmes affecting the garment sector.

They said political programmes, including hartal, should be avoided in the greater interest of the country's economy and hoped that the political leaders would reach a consensus to keep the garment industry free from hartal.

Led by President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Qutubuddin Ahmed, the delegation members told the President that the problems should be resolved immediately to save the growing industry.

During the meeting, they pointed out that the facilities for exporting quota-free and duty-free garments to the US should be ensured for the 14 Asian least-developed countries, including Bangladesh. Otherwise, they observed, the country's garment sector would face a serious setback.

In a memorandum, submitted to the President, they also highlighted various local problems affecting smooth growth of the industry.

The President gave them a patient hearing and said he would advise the appropriate authorities in this regard.



Zakia Rouf Chowdhury, Director of Rangs Properties, hands over the crest of the Chairman's Award-2001 to Eng Harun-Ar-Rashid for his excellent performance in quality construction work at a ceremony held on the Rangs Bhaban premises recently.



Picture shows the first AGM of Islami Commercial Insurance Co Ltd held at its board room Monday.

ADB seeks common ground with globalisation foes

AFP, Manila

Haunted by rising anti-globalisation protests, the Asian Development Bank (ADB) is seeking common ground with a vocal minority that is seeking greater rights for the underdog.

As governors of the 59-member ADB head to Honolulu, Hawaii next month for their annual meeting, the bank is fine-tuning policies to address the concerns of the lobbies of non-government organisations (NGOs) that espouse a wide range of human rights and environmental causes.

The hosts are preparing for protests against the supposed evils of increasing economic integration.

Since violent anti-globalisation demonstrations derailed the World Trade Organisation talks in Seattle in 1999, they have become

a part of most major international gatherings.

Anti-capitalism protests had hounded ADB's last annual meeting in Chiang Mai, Thailand last year.

"The ADB has always been in consultation, and dialogue with NGOs in order to strengthen our ties with NGOs," bank president Tadao Chino told AFP in an interview.

"I believe that ADB and the NGOs, at the end of the day have the same goal - that of an Asia-Pacific region free of poverty. So I hope we can have a constructive relationship with NGOs."

The ADB has commissioned a review on the ecological and public health impact of a 750 million-dollar waste water treatment project in the Thai province of Samut Prakan, for which the Manila-

based bank lent 230 million dollars.

The environmental group Greenpeace had challenged the viability of the project as the musel-farming community of Klóng Daan complained of air pollution and the effects of the treated wastewater on the sea.

Several NGOs are agitating to disrupt the May 9-11 Honolulu meet, bank officials said.

A coalition called the ADBwatch is planning a week of protests from May 5 over onerous conditions the bank supposedly tied to loans. The ADB lent 5.8 billion dollars to developing member countries last year.

ADB has a "record of imposing destructive and oppressive policies, projects and programs on communities throughout Asia and the Pacific," the group said.

Indian software body sees slower export growth

AFP, New Delhi

India's main software association forecast Tuesday a drop in annual export growth for the year ending March 2002 to 40 per cent, compared to 55 per cent the previous year.

Officials for the National Association of Software and Service Companies (Nasscom) blamed the decline on the US economic slowdown, and insisted that the Indian software sector was still robust and healthy.

"No other industry is talking about a 40 per cent growth," said Nasscom chairman Phiroz Vandervevala.

Software exports for 2000-01 were put at more than 6.2 billion

Indian software body sees slower export growth

US economic slowdown blamed for decline

dollars, with the estimate for the current fiscal year at 8.5 billion dollars.

"With a little bit of luck and the US economy picking up in the third and fourth quarters, we have a chance to achieve a target of 9.5 billion dollars," Vandervevala told reporters.

The Nasscom projections were based on targets given by 25 top software firms, which contribute more than 60 per cent of the country's exports.

Nasscom vice president Arun Kumar said he was not unduly worried by the impact of the US slowdown, and pointed out that many companies were looking to alternative markets to sell their products.

"These cycles (of slowdown) in business have happened in the past and will happen in the future. We are optimistic that we will do well in the year to come," Kumar said.

A recent Nasscom-Mckinsey report had estimated Indian software industry exports of 50 billion dollars in the year 2008 -- a target that Kumar said would require an annual growth rate of 35 per cent.

"But we think the industry will possibly exceed that, logging rates of about 40 to 50 per cent," he said.

Kumar identified IT-enabled services, software maintenance and development as growth areas for the future.

Islami Commercial Ins holds its first AGM

The first Annual General Meeting of Islami Commercial Insurance Co. Ltd was held in the board room of the company Monday, says a press release.

The meeting was presided over by the Chairman of the company M Kamaluddin Chowdhury.

The audited accounts of the company for the year 2000 was presented before the meeting and the members present delivered on different aspects of the company.

Though the general insurance business did not increase in proportion to the increase in the number of general insurance companies, the members present were of the view that its overall performance was satisfactory.

The members also discussed the business plan 2001 of the company and conduction of business fully according to the principles of Shariah.

The meeting was attended, among others, by Md Anwar Hossain, Director of the company and Managing Director of a Hosain Group, Directors MG Faruk, Nadim Ahmed Khan and Advisor AZM Shamsul Alam.