

IIFC appoints consultant to ready business plan for MPA

The Infrastructure Investment Facilitation Centre (IIFC) has appointed its consultant, Canada Bangladesh Infrastructure Consultants (CBIC), for preparing a ten-year business plan for Mongla Port Authority (MPA), says a press release.

The purpose of the business plan is to make the MPA an organisation based on commercial performance. A four-member team of experts comprising Dick Pentland, Team Leader Ports, Lea Johnson, Business Planning Specialist, Bazul Kadir, Contract and Procurement Specialist, and Bulbul Alam, Technical Executive, left Dhaka Monday for Mongla.

Earlier, IIFC has signed a Technical Services Agreement (TSA) with MPA to prepare a business plan, which will provide a more commercial focus to MPA. This plan will recommend the business areas to which the port should address itself, set appropriate objectives and provide guidance on the measures to be taken to achieve those objectives.

The business plan will cover public sector obligations of MPA and a strategic plan for the introduction of private sector investment in port operations.

IIFC is a company with objectives to introduce, promote, encourage and assist all forms of private sector participation in the development and improvement of infrastructure in Bangladesh, it added.

DHL ranks 17th among 208 multinationals

DHL Worldwide Express, a leading air express and logistics services provider, ranked 17th among 208 multinational companies in a Far Eastern Economic Review's (FEER) Review 2001: Asia's Leading Companies survey, says a press release.

The survey was conducted by AC Nielsen International Research (Hong Kong). Over 1,900 readers of FEER and its sister publications were asked to rank both multinational and local companies according to their performance in several key areas, including product and service offerings, customer service standards, long-term vision and financial soundness. These rankings were used as bases for evaluating a company's overall leadership.

Yuasa Battery & Toyo Tyre dealer convention held

Yuasa Battery & Toyo Tyre Dealer Convention 2001 was held on Tuesday at Dhaka Sheraton Hotel, says a press release.

The programme was organised by White Products & Electronics Ltd, a sister concern of Rangs Group of Companies.

Aktar Hussain, Managing Director, Rangs Group of Companies, Directors Sachimi Hussain, J. Ekram Hussain, Beanus Hussain, Director of White Products & Electronics Ltd. Sabur Ahmed, Iqbal Khan, Manager-Sales (WP&EL), senior officers and dealers from different parts of the country were present.

Different aspects of marketing and sales were discussed and a number of presentations were made at the convention.

Owners of M/S. Bablu Battery-Sylhet, M/S. Shahida Enterprise-Bogra and M/S. M. Rahman Enterprise-Sylhet, were awarded incentive cheques, best dealer sales crest and gift for achieving their sales target for the year 2000-2001.

Sales satisfaction awards were also presented to Road King Tyre & Battery-Dhaka, New Shohag Battery & Tyre and Hira Motors-Moulavibazar. All dealers were awarded incentive cheques.

The managing director said, this year we have already declared more attractive policy than that of last year so that our honourable dealers can achieve more-success in their business.

Yuasa Battery & Toyo Tyre and Rangs Group of Companies have been marketing Sony colour television, Hi-Fi (CD & VCD), RCR and other products, Rangs freezer, refrigerator, microwave oven, gas oven, gas burner, washing machine, B/W television, ceiling fans and different types of kitchen appliances, AIWA colour television, Hi-Fi (CD&VCD), RCR and FUJI brand air-conditioners. In addition to this, Rangs Group of Companies have been marketing tube lights and Suzuki motorcycle in Bangladesh since long.

Regain glory of 'golden fibre' by diversifying products: PM

STAR BUSINESS REPORT

Prime Minister Begum Khaleda Zia yesterday called for regaining the lost glory of what once was known as 'golden fibre' through diversifying jute products.

She said efforts should be made to promote diverse use of jute and jute products both at home and abroad. The prime minister was speaking at the inaugural ceremony of the three-day "Exhibition and Seminar on Diversified Jute Products 2002" at the newly built Bangladesh-China Friendship Conference Centre in the city.

She said despite some shrinkage in global jute market, the country is still earning considerable amount of foreign currency by exporting jute and jute goods and it is the third largest export earner.

"Jute has been facing serious problems due to competition from synthetic substitutes. Yet the only way out for regaining its use and increasing its sale is to find manifold uses. Diversification is the only way to overcome such problems and we need to carry out extensive survey on how we can diversify the use of jute and jute products at home and abroad," she said.

The Prime Minister also pointed out that necessary measures should be adopted by member countries of now defunct International Jute Organisation (IJO) to expedite the structural changes of the body.

The exhibition was organised by the Ministry of Jute in association with Export Promotion Bureau (EPB), Federation of Bangladesh Chambers of Commerce & Industry (FBCCI), Delegation of the European Commission in Bangladesh and the Trust for the International Jute Study Group (IJSJ, formerly IJO).

Finance and Planning Minister M Saifur Rahman, Commerce Minister

Amir Khosru Mahmud Chowdhury and Jute Minister Hafiz Uddin Ahmed, Bir Bikram, attended the function as special guests. FBCCI President Yussuf Abdullah Harun, Officer-in-charge of JSG Dr. R Mandal and Jute Secretary AFM Sarwar Kamal also spoke on the occasion.

Speaking at the function, Saifur Rahman said in the name of reviving jute sector the government would not extend financial package to the entrepreneurs who actually drain out the public money.

Referring to a proposal of the jute minister that around Tk 60 crore would be required from the government out of Tk 107 crore initial estimates for diversifying jute products, Saifur said he is not convinced with the proposal. "If the government gives Tk 60 crore, it is going to collapse again," he added.

"Unless entrepreneurs come forward with around 50 per cent investment, the move would not be successful," he stated referring to jute sector's previous records. The proposals would be considered on case-to-case basis, he added. "Mainly due to the jute sector's sickness, the country's banking sector today is sick," the finance minister said.

He said the government wants to revive the jute sector and to do this, productive and real entrepreneurs should be encouraged. Commerce Minister Amir Khasru, "We have talked about much but nothing has been done. We can promote jute in the international market with the slogan of environment-friendly nature of jute."

Jute Minister Hafiz Uddin Ahmed said jute price did not increase over the past 20 years but its production cost has gone up. "Because of this reason mainly as we could not fix the prices of jute in the international market."

European Commission is going to extend Tk 23 crore out of Tk 107 crore initial estimates for diversifying jute and jute products. This amount is necessary to reform the jute sector, he said, adding that demand for jute and jute products are increasing in the EU countries.



Visitors are seen at the three-day diversified jute product show that began yesterday at the newly built Bangladesh-China Friendship Conference Centre in the city.

PHOTO: STAR

Preparations afoot for DTM-2002 President inaugurates fair Feb 1

STAR BUSINESS REPORT

All preparations are afoot for the three-day Dhaka Travel Mart-2002 scheduled to begin on February 1.

The international travel fair, the first of its kind in the country, is aiming to boost tourism industry in Bangladesh.

President Prof. AQM Badruddoza Chowdhury will inaugurate the fair at the Winter Garden of Dhaka Sheraton Hotel at 10:00 am, said Kazi Wahid-ul-Alam, Chairman of the organising committee of DTM-2002 and Editor of The Bangladesh Monitor.

Pacific Asia Travel Association (PATA) Bangladesh chapter and Tour Operators Association of Bangladesh are the co-organisers while Biman Bangladesh Airlines, Dhaka Sheraton Hotel, GMG Airlines, Amadeus, DHL Worldwide Express, Bangladesh Guest House Owners Association, The Daily

Star, Accesstel and Trav Talk, a travel publication from India, are co-sponsors of this travel extravaganza.

National tourist organisations, travel agents, hotels, motels, resorts, guest houses, credit card companies, travel media, souvenir shops, airlines, tour operators, GDS companies, air express companies, cruise operators from India, Pakistan, Nepal, Malaysia, Thailand, Japan, Germany, Kuwait, Bhutan, the UAE, Oman, Qatar, Saudi Arabia, Kenya, South Africa, Bahrain, Belgium, United States and host Bangladesh are taking part in the mart.

The fair will have some 85 stalls. Prizes will be awarded to best stall of each category after the end of the event. About 50 foreign delegates and media representatives will be visiting the travel mart, organisers said.

Three seminars will be held

during the event. On the first day, Ankur Bhatia, Managing Director of Amadeus India, will present a keynote paper on travel automation in the context of South Asia.

On February 2, Gazi Sadeque, a hospitality trade personality of the country, will present a paper on growth of hospitality sector in Bangladesh.

Raouf Siddiqi, Chief Editor of The Bangladesh Monitor, will present a paper titled 'Destination Bangladesh: Prospects and Problems' on the concluding day.

The seminars will be held at the Sheraton Hotel.

The mart will remain open to visitors on the first day from 12:00 noon to 7:30 pm while on the following days from 10:00 am to 7:00 pm. The entry fee for each visitor has been fixed at Tk 20. Four air tickets for Dhaka-London-Dhaka route will be distributed among the visitors through raffle draw. All the prizes

are arranged at the courtesy of British Airways.

Arrangements have also been made to take the foreign delegates to Sundarbans, Cox's Bazar and Chittagong Hill Tracts to show them tourist attractions in Bangladesh.

While briefing the journalists at the Dhaka Sheraton Hotel yesterday, Kazi Wahid-ul-Alam said though the country is blessed with charming natural beauty and many historical and archaeological sites, it is failing to emerge as a prime tourist destination.

He blamed the successive governments for the failure and suggested for developing tourism infrastructure in this regard.

Shahab Sattar, Managing Director of GMG Airlines, Faridul Haque of TOAB, Shahid Hamid of PATA, Syed Fahim Munain, Managing Editor of The Daily Star, and Mustafa Kamal of Amadeus also spoke on the occasion.



Kazi Wahid-ul-Alam (2nd from right), Chairman of the organising committee of 'Dhaka Travel Mart-2002' and Editor of The Bangladesh Monitor, speaks yesterday at a press briefing in the city on the eve of the three-day international travel fair that begins on February 1.

PHOTO: STAR

'96 share market scam left investors penniless: Govt White Paper

BSS, Dhaka

The sudden and sharp slide in the share market in November, 1996 had made hundreds of small investors penniless overnight or severely affected.

This was observed in the "White Paper (2nd part)" on the corruption, misuse of power and irregularities of the Awami League regime (1996-2001). It said the share prices, which were on a gradual rise in Dhaka and Chittagong share markets from July in 1996, suffered a major jolt in November in the same year.

According to the paper, share prices during the peak hours scored a 1000 per cent rise in buying and selling, leading the price index to jump up to 260 per cent. As a result, "Kerb Market" grew outside Stock Exchanges encouraging many young investors with small capital to get into it. As they went on a business spree, it said, a sudden slide destroyed the market and led hundreds of young share businessmen

to become overnight penniless.

When the buying and selling of shares were seldom in action in December, 1996, The Security Exchange Commission (SEC) in a report said, "investors in the share market alleged that cheating and insider trading created this unnatural situation." Lack of transparency in the SEC's activities as well as its weakness added more problems to it.

However, the SEC formed a probe committee headed by JU Vice-Chancellor Prof Amirul Islam Chowdhury, which observed that "psychological factors" meaning expectation for higher profit, market manipulation and subtle designs of the manipulators were the causes behind the constant bullish run in share markets in the July-November period of 1996.

The White paper said there were many false Delivery Versus Payments (DVP), which did not take place in reality and not even recorded in the Stock Exchange. "In

fact, the main objective was to show the people that some specialized shares were on hot demand in the market," it said.

The foreign portfolio investors used to issue the shares on their own through the IPOs and sell them through the DVP system with a hefty transaction. The brokers sometimes paid off the prices of a part of the shares instantly and later they sold them in the bullish market to earn a fat profit, thus paying off the dues of the investors.

The paper said the manipulators including brokers, agents and employees of particular companies, meanwhile, started spreading propaganda about the growth rates of different companies. A good number of member-brokers also started buying scripts of some particular companies to create a sense that their shares were on high demand.

As the market started to fall, the then government imposed a futile five per cent circuit breaker. The probe committee observed that this

was the natural consequence of artificial manipulation in the share market. However, the government was silent about the situation without taking any action against it.

The paper said the then government took some face-saving delayed steps in light of the suggestions of the probe committee which did not produce any significant outcome. Even the government did not even take any punitive measures against the market manipulators.

It said the interest of small investors in the share markets could be protected if the then government had followed the code of conduct of the sub-brokers, brokers, stock-dealers and the market manipulators as per the SEC's Act, 1993. "A huge amount of foreign exchange were sent out of the country by the foreign investors due to the withdrawal of lock-in system on foreign investment," it observed.



Muhammad A Ali, Chief Executive Officer-Bangladesh of Standard Chartered Group, hands over a cheque for Tk 8.4 million to Saifur Rahman, Minister for Finance and Planning, to complete the Group's payment for introduction of central depository system in the country. It paid Tk 3.6 million in 2000.

PHOTO: INTERSPEED

Pak trade deficit drops 54pc

REUTERS, Karachi

Pakistan's exports are falling because of the global slowdown but a sharp drop in oil prices slashed its trade deficit by 53.9 per cent in the July-December period, a finance official said yesterday.

The senior Finance Ministry official, who declined to be named, said Pakistan posted a trade deficit of \$425 million in the first six months of the 2001/02 fiscal year (July-June) compared to a \$922 million deficit in the same period a year ago.

"Exports are slowing down but imports are actually falling due to cheaper oil prices," the finance official said.

Pakistan's main exports are textiles, raw cotton, leather and rice, while its main imports include palm oil, tea, petroleum products and machinery.

Import of oil and petroleum products in the July-December period fell 26.70 per cent to \$1.349 billion from \$1.840 billion in the

same period in the last fiscal year. Pakistan imported 4.1 million tonnes of petroleum products in July-December, down 20.30 per cent from 5.149 million tonnes in the same period of 2000/01.

ABN Amro Bank said in a report on the Pakistan economy a decline of about 24 per cent in crude oil prices during the September-October period last year had translated into a huge cut in the country's import bill.

"For each \$5 per barrel drop in the world price of oil, Pakistan stands to save close to \$600 million on a gross annual basis," the report said.

Pakistan aims to boost export earnings to \$10.1 billion in fiscal year 2001/02 from \$9.2 billion the previous year by targeting new markets such as Africa for its key textile exports, and by increasing sales to the European Union after winning greater market access there.

But the central bank said in December the \$10 billion export

target may be too ambitious in light of the war in neighbouring Afghanistan.

"Pakistan may have to revise downwards its export target," the State Bank of Pakistan (SBP) said in its quarterly report, noting the impact on exports would be seen in coming months.

"Even before the terrorist attacks (on September 11), the looming recession in our biggest export markets, like the US and EU, was viewed as a serious threat to Pakistan's export performance," the central bank said.

Key export orders have been cancelled and costs have soared since the September attacks which led to US military strikes on Pakistan's western neighbour, Afghanistan.

The finance ministry official said Pakistan's exports between July and December 2001/02 fell 0.54 per cent to \$4.449 billion from \$4.473 billion in the same period of 2000/01.

StanChart Group pays Tk 12m to CDBL

Standard Chartered Group in Bangladesh has paid Tk 12 million to the Central Depository Bangladesh Limited (CDBL), says a press release.

Muhammad A Ali, Chief Executive Officer-Bangladesh of Standard Chartered Group, handed over a cheque for the 8.4 million to Saifur Rahman, Minister for Finance and Planning, to complete its total contribution to introducing the central depository system in Bangladesh. The Group paid Tk 3.6 million in 2000.

AKM Shamsuddin, Chairman of CDBL, M.H. Samad, Managing Director and CEO of CDBL, Alex Blake-Milton, Regional Head of External Affairs of Standard Chartered Group in the Middle East and South Asia Region, were also present during the cheque hand-over.

Standard Chartered is the first foreign bank in the country to complete its payment to CDBL.



Picture shows Aktar Hussain, Managing Director of Rangs Group of Companies, directors and executives of the Group and White Products & Electronics Ltd at the Yuasa Battery & Tyre Dealer Convention-2001 which was held at Dhaka Sheraton Hotel on Tuesday.

PHOTO: WHITE PRODUCTS