

## Bank Asia holds workshop on SWIFT

Bank Asia Limited held a day-long workshop on SWIFT Message Type Category-7 at its Principal Office in the city recently, says a press release.

Syed Anisul Huq, Managing Director of the bank, inaugurates the workshop.

The workshop was conducted by Abdullah Yusuf Khan of Standard Chartered Bank and Bank Asia officials, Arfan Ali, S M Jahangir Akhter and Muhammad Kamrul Hasan.

S M Shamsul Alam, Executive Vice-President, and Manager of Principal Office and Irteza Reza Chowdhury, Executive Vice-President and Head of the International Division, graced the occasion.

Later certificates were distributed among the participants.

## BIA course begins in Jessore today

A week-long basic course on general insurance with special emphasis on marketing arranged by Bangladesh Insurance Academy (BIA) will begin at Sadharan Bima Corporation's regional office at Jessore today, says a press release.

The course will concluded on February 18.

More than 16 officers from Sadharan Bima Corporation and other insurance organisations will attend the course.

## First Security Bank launches ReadyCash card

First Security Bank Limited ReadyCash card has been launched.

The launching ceremony was held at the Dilkusha branch of the bank in the city yesterday, says a press release.

Md Sarwaruzzaman Khan, Managing Director of the bank, inaugurated the services by punching his card at the bank counter and making a deposit.

R A Howlader, Adviser, Md Firoze, EVP, Khandaker Mohiuddin, SVP, Syed Habib Hasnat, VP, Kazi Mashur Rahman Zihad, VP, Abdul Aziz, VP, Probr Kumar Mondal, PO and other officials of the bank were present on the occasion.

M E Islam, Corporate Secretary, M M Islam, Vice-President and other officials of American International (Bangladesh) Ltd, the service provider of the ReadyCash card, were also present on the occasion.

Initially the First Security Bank ReadyCash card services will be available from Dilkusha, Bangshal, Dhanmondi and Mohakhali branches of the bank in the city.

**Sonargaon Hotel to accept ReadyCash**

Pan Pacific Sonargaon Hotel will now accept ReadyCash card in the hotel premises.

An agreement to this effect was signed on Saturday between the Hotel and American International (BD) Ltd for the acceptance of the card, says a press release.

Dieter C Becht, CHA, General Manager, and Md Habibullah Monju, Director of Finance, signed the agreement on behalf of the Pan Pacific Sonargaon Hotel while M J Islam, president, M E Islam, Corporate Secretary, signed the agreement on behalf of American International (Bangladesh) Ltd, the acquirer of the ReadyCash card payment system in Bangladesh.

## Prime Life Ins chairman re-elected



Manzoor ul Karim has been re-elected chairman of Prime Life Insurance Company Ltd, says a press release.

The election was held at the 5th meeting of the Board of Directors of the company held in the city recently.

Manzoor ul Karim joined Pakistan Civil Service in 1962 and retired as secretary of Ministry of Home Affairs in 1993.

# Jul-Jan revenue earnings miss target by 1.45pc

### STAR BUSINESS REPORT

The revenue collection till January of the current financial year amounted to Tk 10525.83 crore, down by 1.45 per cent from the target but up by 9.35 per cent from the corresponding period of last financial year.

According to National Board of Revenue (NBR), the target was Tk 10,678.95 crore for the July-January period of FY02.

"Although revenue earning at the import level increased slightly than last fiscal's same period, it could not achieve the target during the period," said an official of the NBR.

At the import level, revenue collection was Tk 5,663.92 crore, down by 5 per cent from the target of 5,950.74 crore, but up by 3.63 per cent than last fiscal's same period.

The first seven months of the current fiscal year saw Tk 2,878.73 crore in import duty against Tk 3023.75 crore target.

Collection of value added tax (VAT) at import level amounted to Tk 2,056.71 crore against the target of Tk 2,179.91.

Supplementary duty on imports amounted to Tk 728.48 crore against the target of Tk 747.08 crore during the period.

On the other hand, revenue collection from domestic activities amounted to Tk 2,998.24 crore, up by Tk 124.10 crore from the target but Tk 437.38 crore higher than the corresponding period of the last fiscal.

The excise duty collection stood at Tk 107.59 crore against the target of Tk 122.65 crore during the July-January period of this fiscal year. VAT collection from domestic activities surged to Tk 1,629.14 crore, which is Tk 141.29 crore higher than this fiscal's target.

At local level, the NBR's collection from supplementary duty stood at Tk 1261.51 crore, which is Tk 2.13 crore short of this fiscal's target.

Income tax collection till January amounted to Tk 1,769.61 crore, up by Tk 13.74 crore from this year's target. Tax and duties from other sources during the period was Tk 94 crore against the target of Tk 98.20 crore.

The NBR collected Tk 18,774.75 crore revenue last fiscal year and set Tk 20,730 crore target for the FY02.



Photo shows Syed Anisul Huq, Managing Director of Bank Asia Limited, with the participants of the day-long workshop on SWIFT by the bank in the city recently.

## Siemens celebrates IT & Solar Day at DITF

Siemens Bangladesh Limited celebrated IT and Solar Day at its pavilion at DITF 2002 on Saturday, says a press release.

Prominent professionals from IT, telecom and solar sectors were present on the occasion.

The company displayed its IT products powered with solar power systems.

Siemens Solar and Shell Renewables have reached a cooperation agreement to expedite the worldwide implementation of solar energy.

Siemens' solar systems have been introduced in the local market recently. Grameen Shakti is currently using these systems.

Siemens' IT division markets different products, services and solutions, including PCs, telecommunications devices and banking solutions.



Picture shows Dr Peter E Albrich, Managing Director of Siemens Bangladesh Limited, and Aftab Mahmud, Corporate Manager, among others, at "IT and Solar Day" programme organised by Siemens Bangladesh Limited at the DITF 2002 on Saturday.

# Furnace oil price-hike takes hefty toll on industries

### STAR BUSINESS REPORT

The price hike in furnace oil by 92 per cent has taken a hefty toll on the furnace oil-run industrial units, forcing closure of 40 per cent of the units.

According to a press release issued yesterday by the Bangladesh Furnace Oil Consumers' Association (BFOCA), out of total 6500 furnace oil-run units 2600 units have already been closed down making some six lakh workers jobless.

The statement also mentioned the industrial units had to swallow about Tk 550 crore losses due to the price hike.

Moreover, 30 per cent of the units have been compelled to

reduce their production by half in the face of increased price of furnace oil, according to the press release signed by Convenor of the association Mohammad Hasan Selim.

The statement also said the industrial units are failing to produce according to the orders those got earlier. "The industrial units had orders worth Tk 270 crore, but failed to give delivery in time. In this context, there are pressures for demurrage from the clients," the statement said.

Expressing concern over the situation the BFOCA at a general meeting opined that rest of the units would also face closure if the government do not take steps on priority basis to save those.

"If all the units are forced to go for closure it would create a bad debt of

Tk 1200 crore," the statement added.

The meeting also mentioned that the association despite repeated attempts could not get any time from the finance minister to brief him about their plight.

The government on December 26 last year raised the price of furnace oil to Tk 12.50 from Tk 6.50 a litre. The government also raised prices of other petroleum products.

Against this backdrop, the BFOCA said the production cost has been doubled and the industrial units had to cut the consumption of the petroleum product. Earlier, on an average the demand per day in an industrial unit was 3000 litre, but now a unit is running with 1000 litre to cut cost, it claimed.

# Ctg Industrial Park to use BTTB submarine cable

## PM tells private EPZ board meeting

### UNB, Dhaka

Chittagong Industrial Park Ltd, a venture of a foreign company, would be connected with BTTB's submarine cable to the global information superhighway for development of IT valley at the EPZ in its premises.

The decision came at the meeting of Board of Governors of Private Export Processing Zones at the International Conference Centre yesterday.

In the meeting the Prime Minister called for taking effective steps for employment generation and increasing investment, both local and foreign, to give a boost to the

national economy.

She laid importance on industrial growth through greater private initiatives while streamlining the state sector.

The top-level meeting elaborately discussed development strategies for private EPZs as a measure for enhancing exports.

The PM in the meeting stressed taking pragmatic measure for reducing losses incurred by SOEs and turning those into profitable concerns.

Finance Minister M Saifur Rahman, Industries Minister M K Anwar, Commerce Minister Amir Khasru Mahmud Chowdhury, Shipping Minister Col (ret'd) Akbar

Hossain and Land Minister Shamsul Islam, who are also members of the private EPZ board, attended the meeting.

Secretaries concerned, Bangladesh Bank governor Dr Fakruddin Ahmed, BOI Executive Chairman Mahmudur Rahman and FBCCI President Yussuf Abdullah Harun were present in the meeting.

Foreign Minister M Morshed Khan, Prime Minister's political secretaries Haris Chowdhury and Mosaddek Ali, Principal Secretary Kamal Siddiqui and Chairman of the Privatisation Commission Enam Ahmed Chowdhury were also present.

## SIBL opens its 17th branch at Halishahar

### OUR CORRESPONDENT, Ctg

The 17th branch of Social Investment Bank Limited (SIBL) was inaugurated at Halishahar here in the port city Saturday. State Minister for Commerce Barkot Ullah Bhulu formally inaugurated the branch.

In his inaugural speech, the state minister lauded the bank's commitment to providing easy loans to the poor and small farmers without collateral.

At the function, he also called for setting up more agro-based industries in the country. Referring to the recent increase in export of Agro-based products of the country and the duty and quota-free access of such Bangladeshi goods to the European Union countries, the state minister said the government would give all-out support and cooperation in setting up 100 per cent agro-based export-oriented industries.

Commerce Minister Amir Khasru Mahmood Chowdhury, who was scheduled to inaugurate the branch but failed to attend the ceremony, in a written message assured the bank management of all-out cooperation from the government.

Presided over by Vice-President of the bank's Board of Directors Md. Kamaluddin Ahmed, the ceremony was also addressed, among others, by director Shah Alam, former NBR member (Customs) Mejbah Uddin Ahmed, Halishahar Banik Samity President Golam Kibria and Managing Director of the bank Golam Mostafa.



A team of Dhaka DB section led by Inspector Rabiul seized a large amount of counterfeit products from Dalpatti and Chowk Mogultuli areas of Old Dhaka last Thursday. The team also held two persons who are allegedly involved in counterfeiting products. Among the recovered counterfeit products were different brands of soaps, shampoos, hair oils, powders, and snows of local and foreign manufacturers as well as a large amount of fake printed labels of well-known international brands. Experts say that these kinds of fake products are very harmful for consumers' health as they come into direct contact with one's skin. It is to be noted that these counterfeit products have flooded most markets of the country including Dhaka.

# Saifur's remarks offend moneychangers

### UNB, Dhaka

Licensed moneychangers, offended by some remarks of Finance and Planning Minister Saifur Rahman, said they felt insecure and harmed commercially as well as socially.

The immediate fallout of the finance minister's comment, they said, are that they have been left more exposed to toll takers and terrors while law enforcers also resorted to "harassing" them more actively.

A section of the press quoted Saifur as telling an FBCCI delegation last month that moneychangers are engaged in foreign currency flights through hundi and smug-

gling. Money-changing houses are redundant since banks are transacting foreign currencies, the minister was also quoted to have said.

Bangladesh Money Changers Association (BMCA) president Kefayet Ullah Masud said they do not have any connections with hundi and smuggling. Such unwelcome remarks have endangered their business and pushed huge investment and employment into risk, he said.

"Moneychangers are not hundi operators. We will support whatever steps the government takes against hundi," Masud told a press conference at Press Club yesterday.

He gave a cue to the problem of money laundering -- now a global

concern in the free-market economy -- as he identified exchange houses opened abroad and airport branches of commercial banks as channels for foreign currency flights and hundi.

Money-changing houses mushroomed across the country with the number rising above 500 since the government allowed the formal currency business outside banks. Although it facilitated travelers to easily transact their currencies and relieved them of time-consuming bank formalities, many such houses were found engaged in unrecorded transactions of foreign currencies for a lack of monitoring.

The central bank has cancelled licenses of quite a number of mon-

eychangers for various irregularities detected in their deals in the money market.

To expedite foreign-currency inflow, Masud reiterated the Association's demand for reintroduction of auction bidding of foreign currency, the old system of currency trade that was stopped in June 1984.

Compulsory fund transfer to foreign currency accounts of Non-resident Bangladeshis within 72 hours, and special incentives and honours would help encourage the NRBs to remit more from their wages earned abroad, he suggested.



# A day in 'commercial capital'

### MAMUN RASHID

The other day when I reached the GMG counter at the airport's domestic terminal at around 7: 30 am, a person at the check-in was arguing with the private sector airline staff that why a first row seat had been kept reserved for a minister since it was not a public sector carrier. However, when he came to know the name of the minister, all of a sudden he calmed down.

In the Chittagong-bound flight, I was sitting next to a British national, who came all the way from France to install IT network system for an European garment group based in the port city. This was his first visit to Bangladesh, though he frequents neighbouring Sri Lanka where he works with for the same group. However, he seemed to be quite impressed with the overall hospitality provided to him by people, hotel and the airline.

My day started with a visit to a leading businessperson in the 'commercial capital' having interest in readymade garment as well as cement. He regularly supplies apparels to US chain store Wal-Mart. According to him, though the price has gone down, he is trying to make it up with increased volume in certain categories. Wal-Mart came out to be the largest off-taker for RMG from Bangladesh and its annual off-take is around 150 million

US dollars. He, however, hoped that export to Wal-Mart would go higher with the establishment of Wal-Mart's own office in Bangladesh.

He also said uninterrupted power supply still remains a critical success factor in the manufacturing sector. To cope with the requirements his company is procuring a 10.5 MW capacity power plant from Rolls Royce at a cost of 3.5 million US dollars.

My next meeting was with a person having interest in cement and steel. The country's cement industry seemed to be going through an overall slump. There has been tremendous price cut in the product in recent times and even the multinational operators are facing losses. However, according to entrepreneur, the businessmen are trying to adjust the losses by exercising tremendous bargain on the clinker price and distribution channel management. He, being a victim, seemed to be more concerned about the law and order situation in the country where extortion seemed to have increased manifold in the shipyards during recent times.

I also visited Khatunganj, the famous commercial area of the city, during noon. But Khatunganj seemed to gradually be losing its attraction as the business hub of the 'commercial capital'. There were less trucks and lorries on the road

and people were not very busy either. A big business house, known for its wholesale trading and business in cement, edible oil, steel and food grains, is seriously considering starting retail marketing of food grains, flour and edible oil to survive in the changing market scenario. Consumers are now more attracted by one or two kg packets than bulk purchase and depending more on the neighbourhood shops than the traditional marketplace.

While inquiring about the food grain market, a businessman said the border trade between Myanmar and Bangladesh helps the bootleggers to run 'business' through unofficial channels, flooding markets by spices and food grain, and resulting in tremendous price cut. According to him, unscrupulous traders are importing five times higher than the ceilings and sometimes even without any import permit.

I also visited a leading private bank branch at Khatunganj and enquired about business from the manager. Overall business is dull and recent margin reduction for rice import should see some LCs for import of rice, he said, adding that the duty still remains an issue for many rice importers.

He also said food grain or essential commodities market is gradually shifting to Dhaka, where producers are focusing more on latest technology, retail marketing and adopting

modern marketing tactics. Traditional Khatunganj seems to be feeling the pressure of modernisation.

Chittagong is famous for its export processing zone (EPZ). So I went to meet a large exporter of RMG especially jeans and Khakis, who exports almost apparels worth USD 50 million to GAP and other big chains. In view of the shrinking export market for Bangladesh he seemed to very positive about SAARC cumulation for retaining the European market. He strongly felt that the government instead of encouraging textiles, which contributes only nine per cent to the overall sector pie, should be encouraging RMG sector since its direct and indirect contribution to the economy is phenomenal.

The day ended at the Chittagong Club by attending a traditional 'Mejban' organised by a leading entrepreneur in Chittagong. People seemed to be over all concerned about dull business scenario and deteriorating law and order situation. Shifting of Lever Brothers and Reckitt Benckiser offices from Chittagong to Dhaka also seemed to have dented their confidence. Chittagong possibly needs more attention and care from our business leaders and regulators.