

ADB to focus on SME development

Visiting ADB chief attaches priority to poverty reduction

STAFF CORRESPONDENT

The visiting President of Asian Development Bank (ADB) Tadao Chino yesterday said that the private sector has the scope to play a significant role in poverty reduction in member countries like Bangladesh.

"In support of the government's efforts, an important objective of ADB's assistance programme in Bangladesh is to help improve the climate for private sector development and mobilise private sector resources for faster economic growth," the ADB president said at a seminar on Impediments to the Development of Private Sector.

The ADB would give priority on the areas with high poverty reduction impact such as development of small and medium sector enterprises and agribusiness. According to him this will generate employment, increase income as well as production.

The other areas like infrastructure development, power generation and transmission, water supply, transport and telecommunication would also get importance while getting assistance from the ADB, the president told the seminar.

Top business leaders of the country attended the seminar organised by Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) on impediments to the development of private sector.

The business leaders who addressed the seminar included President of Metropolitan Chamber of Commerce and Industry (MCCI) Tapan Chowdhury, Dhaka Chamber of Commerce and Industry (DCCI)



PHOTO: FBCCI

ADB President Tadao Chino speaks at a seminar on "Impediments to the Development of Private Sector" organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) at a local hotel yesterday. Yussuf Abdullah Harun, president of the FBCCI, Yoshihiro Iwasaki, director general of SARD, Toru Shibuchi, country director of ADB, Saiful Islam, alternate executive director of ADB- Bangladesh, Mahubur Rahman, president of International Chamber of Commerce (ICC), Bangladesh, Tapan Chowdhury, president of Metropolitan Chamber of Commerce and Industry (MCCI), Matur Rahman, president of Dhaka Chamber of Commerce and Industry (DCCI), and Kutubuddin Ahmed, president of Bangladesh Garments Manufacturers and Exporters Association (BGMEA), are also seen in the picture.

President Matur Rahman, BGMEA President Kutubuddin Ahmed, International Chamber of Commerce (ICC) Bangladesh President Mahubur Rahman.

Former advisor to the care taker government Rokia A Rahman, President of Bangladesh Textile Mills Association (BTMA) Abdul Matin Chowdhury, former MCCI president Latifur Rahman, President of Central Depository System (CDS) Shamsuddin Ahmed, and prominent businessmen Rouf Chowdhury and Abdul Haque also took part in the discussion.

The business leaders presented various bottlenecks in doing busi-

ness in Bangladesh and stressed the need for institutionalisation of private and public sector partnership for removing those bottlenecks and development of business sector.

Expecting increasing assistance from the bank, the business leaders observed that the private sector trade bodies need support in building their capacity to provide better promotional and counselling services to their members.

They observed that the cost of doing business in Bangladesh was very high because of high interest rates, deteriorating law and order situation, lack of infrastructure and logistic support and various adminis-

trative and legal barriers.

They also underscored the need for increasing intra-trade among the Asian countries particularly among the south Asian region for facing the global challenges.

FBCCI president Yussuf Abdullah Harun emphasised on the need for sub-regional co-operation and formulation of a pragmatic gas policy that can act as a catalyst for FDI.

He hoped that the ADB would continue its work with the private sector to overcome various impediments and help in building Bangladesh.

MCCI president Tapan Chowdhury criticised the negative

attitude of the neighbouring country India for development of regional trade.

"Market experience as well as empirical studies show that we have distinct advantage in exporting our products to the regional markets particularly India. But till now India's attitude has not been helpful in allowing market access to our products," Chowdhury said.

BGMEA president Kutubuddin Ahmed sought help from the ADB to develop backward linkage industries in the country for survival of RMG sector after phasing out Multi Fibre Agreement (MFA) in 2004.

Latifur Rahman sought both duty and quota free access of Bangladesh products to developed Asian nations particularly Japan, as many developed nations in Europe and America have already been providing the facilities.

Rokia Rahman criticised the government's policy in providing subsidy to the farmers saying that farmers in developed nations still were getting adequate subsidy while the poor farmers in our country are being deprived because of withdrawal of subsidy from the agriculture sector.

Mahubur Rahman underscored the need for institutionalisation of private and public sector partnership for developing trade and business in the country. He also emphasised on increasing equity participation of the banks while assisting any project in private sector and financial support to the development of capital markets.

MCCI president Tapan Chowdhury criticised the negative

Creativity lost in fighting bureaucracy: Prof Yunus

Locally made 4-storke Grambangla Autovan launched

STAR BUSINESS REPORT

People in Bangladesh have unlimited creativity but this creative energy is being wasted to fight against unpleasant bureaucracy and complicated official procedures, said Professor Muhammad Yunus, managing director of Grameen Bank.

"It is not easy to obtain official approval for anything as one has to go through a complicated process. Those who like to respect the rules are discouraged but those who like to avoid these can come out very easily," he said.

Prof Yunus was speaking as special guest at a launching ceremony of locally made four stroke three-wheelers Grambangla Autovan- held at Grameen Bank bhaban in the city yesterday. Communications Minister Barrister Nazmul Huda attended the function as chief guest.

To obtain the necessary permission for manufacturing the vehicles, the sponsors have to satisfy many officials at different stages of minis-

tries and departments concerned, the Grameen Bank MD mentioned.

Responding to the bureaucratic tangles and complicated official procedures, the communications minister said bureaucracy and procedure in official works have flaws for which general people often suffer.

If the vehicles can show satisfactory results, the government will promote them and allow them to run in metropolitan cities, Nazmul Huda said.

Communications Secretary Rezaul Hayat said usually bureaucrats are resistant in case of allowing any new thing but in this case they have been cooperative.

Managing Director of Grameen Fund Faizur Razzak mentioned that his organisation has 40 per cent equity with Rafiq Autovan Manufacturing Industries Limited and the rest is owned by Rafiqul Islam, a motor mechanic and the main architect and Engineer Md Hasan Reza, managing director of Rafiq Autovan.

The vehicles are environment-friendly and the company has complied with all government rules and regulations for which the sponsors had to face an uphill task for bringing it into the reality, he added.

Rafiqul Islam said he made the three-wheeler by using a four-stroke diesel engine of 8.5-horse power capacity that got popularity within a short time.

"After getting some orders to manufacture such vehicles, I applied to Grameen Fund for loan and they responded positively," he added.

Engineer Md Hasan Reza said transport in rural areas is still at primitive stage. Proper implementation of the project will help local automobile industry to build their capacity.

Two models of the vehicles are able to carry eight passengers and 500 kilograms of goods. The price of a single unit is fixed at Tk 78,000 including VAT. The government will get Tk 12,000 as duties and taxes from each vehicle.

Appellate Division upholds SEC decision on audit

M SHAMSUR RAHMAN

The Appellate Division of the Supreme Court yesterday rejected a leave to appeal petition by auditors who challenged a Securities and Exchange Commission (SEC) gazette notification. Under the notification, listed companies have been asked to get their financial statements audited by partnership chartered accountancy (CA) firms, who have at least seven years of experience.

The SEC published the notification on February 16, 2000 but it was challenged in separate writ petitions in the High Court that stayed the

operation of the notification.

Initially, the High Court stayed the operation of the notification, which was later vacated following submission by the SEC.

The auditors subsequently went to the Appellate Division where it was stayed again. But after a hearing yesterday, the Appellate Division upheld the verdict of the High Court rejecting leave to appeal petition.

Following the Appellate Division's decision the SEC notification will prevail which says a CA firm will qualify to audit a publicly traded company if none of its partners are associated in any way with that company or hold securities in his

own name or in the name of his spouse or any other relative or employee.

"The statements shall have to be prepared in accordance with the International Standard of Auditing applicable in Bangladesh," it says.

Under the new alterations, the financial statements may also be audited by an auditor appointed by the Securities and Exchange Commission (SEC), if the regulators deem it necessary in the interest of the public.

"And the auditor appointed shall prepare the report in the form specified by the SEC and send it to the Commission within the given time

limit," the notification says, adding that "the fee for such audits and all other expenses in this connection shall be borne by the issuer."

It also calls for getting the statements audited within 120 days of the company's financial year-ending date. "And the statements have to be submitted to the SEC and the stock exchanges within 14 days."

The notification also says that within a month of the first half-year close, all issuers will have to submit a copy of the six-monthly financial statement, which will again be prepared in the same form of annual financial statement.

Rangs opens showroom at Ashulia

Rangs Electronics Ltd, popularly known as Sony-Rangs, yesterday formally opened its 57th showroom at Rifat Square, opposite to Fantasy Kingdom, at Ashulia under its expansion and better customer service programme of 2002-2003.

Jason Ong, Officer-Market Development Division of Sony Singapore, inaugurated the showroom. Beaus Hussain, director of Rangs Electronics Ltd, Wahidur Rahman, area sales manager, Tanvir Hossain, in-charge, Marketing & Distribution, other marketing officers of Rangs Electronics Ltd and local elite were present on the occasion.

Speaking at the inauguration ceremony, the director of Rangs Electronics Ltd renewed the company's pledge to make Sony, Rangs, Aiwa, Fuji, Yuasa, Toyo Tyre products and services more easily available to the prospective buyers.

Apart from 57 sales & service centres of its own, Rangs Electronics Ltd has a network of more than 150 authorised dealers throughout the country.

3-day US trade show begins Jan 29

The 12th annual US Trade Show will be held from January 29 to 31, 2003, at Dhaka Sheraton Hotel, says a press release.

The three-day event will exhibit US products and services.

The US Trade Show 2002 was held at the same venue in February and attracted 69 participants representing over 120 US companies.

The American Chamber of Commerce in Bangladesh (AmCham) in cooperation with the US Embassy in Dhaka will organise the US Trade Show 2003. Interested participants wishing to exhibit US products and services at this show are requested to contact AmCham office.

Bengal Fine Ceramics offers 11pc dividend

BSS, Dhaka

The Board of Bengal Fine Ceramics Limited has recommended 11 per cent dividend for its shareholders for the year ended June 30 this year, says a press release.

The Board of Directors at a meeting held at the company office on Tuesday also decided to hold the 19th Annual General Meeting (AGM) on December 29 at the factory premises at 11am.

The Board of Imam Button Ltd has recommended 7 per cent dividend for the year ended June 30 this year.

Fortuna launches fast food outlet at Uttara

STAR BUSINESS REPORT

Fortuna Group yesterday launched its first venture in fast food business with the inauguration of Fortuna Fried Chicken (FFC) at Uttara in the city.

Chairman of Fortuna Group Engr Abu Taher, owner of the FFC said the venture is the first of its kind in the country that has its own backward linkage set up.

He said that the group has established its own poultry farm at Gazipur to ensure fresh and quality supply of chicken.

It also has a livestock farm, which will supply fresh meat for the different types of burger.

"The food centre will supply mainly chicken based items. Besides, different kind of juices, slashes, chips and ice cream will also be served," said Taher.

"We are giving more stress on hygiene and price and our target group is mainly middle class people and students," he said.

"We have a plan to set up three more branches in Motijheel, Dhanmondi and Gushan within six months," Taher said speaking of their future plan.

GSK finance & IT confce held

GlaxoSmithKline (GSK) Bangladesh Limited organised its Finance & IT Conference-2002 at a local hotel recently, says a press release.

Managing Director Syed Fazlul Haque formally inaugurated the conference and delivered a speech. Among others, Technical Director AHM Zaker, Marketing Director M Azizul Huq, General Manager (HR) AKM Firoz Alam and General Manager (PPS) spoke on the occasion.

Finance Director Sarwar Azam Khan also spoke on the occasion. Related finance and IT managers presented their individual paper.



PHOTO: PRIME BANK

Quazi Sirazul Islam MP, Chairman of the Board of Directors of Prime Bank Limited, inaugurates the bank's 27th branch at Madhabdi on Tuesday. DC of Narsingdi Kazi Akhteruzzaman, Vice-Chairman of the Board of Directors of the bank Shahadat Hossain, Chairman of EC MA Khaleque, Director Md Sirazul Islam Mollah, Managing Director Shah Md Nurul Alam and Additional Managing Director M Shahjahan Bhuiyan are also seen in the picture.

Bangladesh offers investors low production cost

Industries minister tells BEPZA seminar

STAR BUSINESS REPORT

State Minister for Industries Rezaul Karim yesterday said low production cost in Bangladesh has put it in an advantageous position in South Asia to tap foreign investment.

"Especially the Export Processing Zones (EPZ) of Bangladesh has become a new field- a place for foreign and local investors," he said.

The Minister was speaking as the chief guest at a seminar on EPZ's Contribution to National Economy organised by the Bangladesh Export Processing Zones Authority (BEPZA) at a city hotel.

BEPZA Executive Chairman Brig General (ret) Mofizur Rahman was in the chair. Kamal Uddin Siddiqui,

principal secretary to the prime minister, Al-Ameen Chowdhury, secretary ministry of industries and Shoaib Ahmed, Chairman NBR also attended the seminar.

According to the industries minister the total export from Bangladesh had risen up to US\$ 5986 million in 2001-2002 and the contribution from BEPZA in export was 18 per cent.

Minister Rezaul Karim observed that wages and production cost has been rising in the Asian countries-known as 'low cost manufacturing base'. As a result, these countries are becoming less competitive and the investors want to shift the industries to other Asian countries where wages and production cost still remain low.

"As Bangladesh is a low cost

'production base' it is the best time and opportunity for foreign investors to invest in Bangladesh," he said. He named textiles, leather and leather goods, frozen food, power and gas to be areas of investment with a great deal of potential.

With regard to the EPZ he said all their aims and objectives have economic benefit for the development of the country.

Executive chairman Mofizur Rahman expressed his belief that success of the EPZ will take Bangladesh to the level of developing countries. But he deplored that "many established businessmen and industrialists are not aware about the incentives and facilities offered by BEPZA."



PHOTO: SONY-RANGS

Jason Ong, officer-Market Development Division of Sony Singapore, inaugurates a showroom of Rangs Electronics Ltd at Ashulia yesterday. Tanvir Hossain, in-charge-marketing of Rangs Electronics Limited, Beaus Hossain, director, and Wahidur Ramna, area sales manager, are also seen in the picture.

Foundation stone of ADB Dhaka office laid

STAR BUSINESS REPORT

Asian Development Bank (ADB) President Tadao Chino and Finance Minister M Saifur Rahman yesterday laid foundation stone of the Bangladesh Resident Mission (BRM) of the bank.

"This (the new building) will facilitate the expanded operational functions of the resident mission, from economic and sector work to country programming and portfolio management," Tadao Chino said at a ceremony arranged on the occasion of laying foundation stone of BRM at city's Agargaon area.

ADB President Tadao Chino also said that over the past three decades, ADB has provided significant financial assistance and policy support to Bangladesh.

The support includes over six billion US dollars of concessional loans and 146 million US dollar of technical assistance grants, he informed.

The decision to build BRM's own building indicates the 'very special and growing bilateral relationship' between ADB and the Government of Bangladesh,

he added.

At the function, Finance Minister M Saifur Rahman said that Bangladesh's relationship with ADB has grown stronger and closer since the country became a member of the ADB in 1973. Over the years, ADB has emerged as one of the most important development partners of Bangladesh, he said.

"It has invested heavily in our social sectors, particularly in the areas of education and health. ADB has long term commitments in other critically important areas of our economy," the finance minister said. In this regard he mentioned agriculture, physical infrastructure, communications, power and gas sector of the country.

Saifur hoped that ADB's BRM will continue to complement the government's efforts in facing the daunting challenges of the country's sustainable development, economic growth and poverty reduction.

Among others BRM country director Toru Shibuchi spoke on the occasion.

Islami Bank opens branch at Bhairab

Bhairab Branch of Islami Bank Bangladesh Limited was inaugurated as its 126th branch at Bhairab Bazar in Kishoreganj on Tuesday, says a press release.

M Osman Farruk, Minister for Education, was present at the inaugural function as the chief guest.

Presided over by Nazir Ahmed, director of the bank, the function was addressed, among others, by Abdur Raquib, executive president, Md Nurul Islam, senior vice-president & in-charge of Dhaka North Zone of the bank, Advocate Fakhrul Alam, chairman, Bhairab Municipality, Mohammad Rafiqul Islam, founder of Rafiqul Islam Girls' College, Bhairab, Moulana Abdul Ahad, Muhaddis, Kamalpur Darul Uloom Islami Madrasah, Kabir Ahmed, local businessman, and Mohammad Serajul Islam Siddique, Secretary, Bhairab Al-Amin Trust.

Dr M Osman Farruk called upon the bank to inspire small entrepreneurs and invest in small businesses aiming to help develop the fate of poor people and alleviate poverty in the country.

Besides, a seminar on "Islamic Economics and Banking" was held on the occasion of inauguration of Bhairab Branch on Monday at Zillur Rahman Municipal Auditorium, Bhairab Bazar in Kishoreganj.



PHOTO: ISLAMI BANK

Education Minister M Osman Farruk addresses the inaugural function of Bhairab Branch of Islami Bank Bangladesh Limited at Bhairab Bazar in Kishoreganj on Tuesday.