

NCBs handle major share of remittance in 2002-03

REJAUL KARIM BYRON

Some 75 per cent of the total remittance during fiscal year 2002-03 were channelled through three nationalised commercial banks (NCBs) and a private commercial bank.

The three NCBs -- Sonali Bank, Agrani Bank and Janata Bank-- and privately owned Pubali Bank channelled \$2.28 billion out of the total \$3.07 billion remittance from various countries.

Sources in the NCBs attributed their better performance in bringing remittance to massive promotional activities and initiatives to reach the money to recipients within shortest possible time.

The NCBs also adopted 'reward and punishment' strategy for their officials to bring more remittance through banking channel discourag-

ing the expatriates who used to send their money through *hundi*.

Bankers said increased facilities provided to the remitters by both state-owned and private banks following the enactment of Anti-money Laundering Act in parliament also contributed to the development.

Sonali Bank topped the list bringing \$964.75 million or 31.38 per cent of the total remittance came mainly from the Middle Eastern countries.

Another NCB, Agrani Bank, has brought remittance worth \$482.73 million and Janata Bank \$318.7 million but the fourth NCB Rupali Bank's figure was comparatively low, only \$19.63 million.

However, among the private commercial banks (PCBs), Pubali Bank performed the best, channeling remittance worth \$511.22 mil-

lion.

About the success of Pubali Bank, its officials said managing director of the bank visited a number of Middle Eastern countries and talked to the exchange houses' officials as part of promotional activities.

According to available statistics, \$1.78 billion has been sent through four NCBs, which is 58.07 per cent of the total amount while \$1.19 billion came through PCBs which is 38.58 per cent of the total.

Foreign banks brought \$85.78 million or 2.79 per cent while only \$18.40 million or 0.6 per cent came through specialised banks.

Among other PCBs, Islami Bank sent \$246.55 million, Uttara Bank \$186.28 million, National Bank \$105.54 million, AB Bank \$26.05 million, City Bank \$15.6 million, Oriental Bank \$19.3 million, IFIC

Bank \$17.73 million and National Credit and Commerce Bank \$28.7 million.

In the specialised category Bangladesh Krishi Bank brought remittance worth \$18.32 million during the period.

Among the foreign banks, Standard Chartered Bank brought \$36 million, Citibank NA \$28.47 million and American Express Bank \$3.7 million.

According to the statistics, \$2.20 billion has been remitted from the Middle-Eastern countries including \$1.26 billion from Saudi Arabia, \$332 million from United Arab Emirates, \$334.68 million from Kuwait and \$113.66 million from Qatar.

Besides, \$461 million has been remitted from the United States, \$221 million from the United Kingdom, \$41.62 million from Malaysia and \$31.75 million from Singapore.

Delta Life Ins declares 45pc dividend

Delta Life Insurance Company Ltd has declared a 45 per cent dividend for the shareholders for the year 2002.

The dividend was announced at the 17th annual general meeting of the company held in Dhaka yesterday.

Monzurur Rahman, chairman of the board directors of the company, presided over the meeting, says a press release.

The meeting approved the annual accounts and balance sheet for the year 2002.

The meeting was informed that the total revenue of the company increased by 16.21 per cent to Tk 181.17 crore and gross premium increased by 13.25 per cent to Tk 150.85 crore in 2002 from Tk 133.20 crore in 2001.

The Life Fund rose by Tk 91.63 crore to Tk 434.38 crore, and increase of 26.73 per cent from 2001 and the total asset of the company stood at Tk 488.14 crore at the end of the year.

Monzurur Rahman has been unanimously re-elected chairman of the Board of Directors of the company.

Tk 20cr Italian investment in fruit processing plant

STAR BUSINESS REPORT

FENCO SpA, an Italian company, will invest Tk 20 crore in setting up a tomato and fruit processing plant in Bangladesh.

A Bangladeshi company will set up the plant but the Italian firm will import the entire volume of produced items and market those worldwide.

An agreement to this effect was signed between FENCO SpA and Green Bangla Agro Food and Juice Industries Ltd of Bangladesh on Wednesday evening at a local hotel.

Green Bangla Managing Director Tapash Biswas and FENCO Area Manager Italo Puzzi signed the deal on behalf of their respective companies.

The 'supply, purchase and hundred per cent buyback' agreement has been made initially for five years but the buyback deal may be extended later, company officials said.

Talking to The Daily Star, Green Bangla Chairman Monjurul Alam said FENCO will supply all the necessary machinery for establishing a fully automated plant.

"The company will also install the machinery and provide training to the employees for operating the plant," said Alam.

Green Bangla will produce concentrate from pineapple and mango and smooth sauce from tomato.

"FENCO will purchase these items and take initiatives for marketing around the world," Alam said.

The Green Bangla chairman said apart from generating employment for nearly 350 people the plant will benefit thousands of farmers of different districts.

"We will collect pineapple and



PHOTO: STAR

Officials of Italian firm FENCO SpA and Green Bangla Agro Food and Juice Industries Ltd exchange documents after signing an agreement Wednesday evening in Dhaka. Under the deal, the Italian company will invest Tk 20 crore to set up a tomato and fruit processing plant in Bangladesh.

mango directly from farmers ensuring fair prices of their produce," said Alam.

Green Bangla will collect pineapple from Madhupur in Tangail and mango from Chapainawabganj and Rajshahi districts. Tomato will be procured from Bogra, Jessore and Kushtia regions.

Industries Minister Motiur Rahman Nizami, State Minister for Water Resources Goutam Chakraborty, Privatisation

Commission Chairman Enam Ahmed Choudhury, Foreign Investors' Chamber of Commerce and Industry (FICCI) President Waliur Rahman Bhuiyan, Deshdosh Group Chairman Harun Ur Rashid and Consultant Hendrik Coenraad were present at the function.

FICCI President Wali Bhuiyan said there is a great potentiality in agro-based industry in Bangladesh but the success so far achieved in this sector is not satisfactory.

New MD of BGIC



Azizul Huq Chaudhuri has recently been appointed managing director of Bangladesh General Insurance Co.Ltd.

He has taken over the position from MASamad.

Prior to his present appointment, Huq was the adviser of the same company, says a press release.

Chaudhuri has been in the insurance profession for over three decades. He was general manager and managing director of Sadharan Bima Corporation and was also the director of the Bangladesh Insurance Academy.

After obtaining MA in Economics from Dhaka University, he obtained fellowship (FCII) from the Chartered Insurance Institute of London and 'Diploma in Office Management' from the Allied School of Accountancy and Business Studies.

BGIC MD retires



M A Samad, managing director of Bangladesh General Insurance Co Ltd (BGIC), retired yesterday.

On his retirement as managing director of Jiban Bima Corporation, Samad established the BGIC in 1985, the country's first general insurance company in the private sector.

An honours graduate from the Presidency College of Calcutta with a brilliant academic career, Samad has been associated with insurance industry as far back as 1946. He is the founder director of Bangladesh Insurance Academy, an institution established by the government for professional training and dissemination of insurance education.

He is enlisted as an international expert in the Technical Assistance Programme on Trade and Development of the United Nations.

He is the author of many text books on life insurance and general insurance in English and Bengali.

Lever Brothers bags Unilever award

Lever Brothers Bangladesh Ltd bagged the prestigious Unilever Award for sustained innovation performance, says a press release.

The status of "Sustained Innovation Performer" has been awarded to the company as a result of having demonstrated a sustained track record of growth, innovation rate and innovation process management over a period of 12 years.

Unilever has over 150 operating companies around the world vying for this award.

Flag Vessels (Amendment) Act 2003

Delay in issuing circular worries exporters

STAR BUSINESS REPORT

Even after three weeks of the amendment to the flag vessels act, the Ministry of Shipping still could not issue a circular to this effect, forcing the foreign vessel operators to take waiver certificates.

Exporters and different trade bodies expressed concern over unnecessary delay in issuing the circular, saying export and import may again face a deadlock if the foreign operators refuse to take the certificates.

The Department of Shipping yesterday convened a meeting to chalk out the nitty-gritty for implementing the new law with its Director General AKM Ahsanul Azim in the chair.

"But the meeting failed to take any concrete decision," said a source who attended the meeting.

He said the law, which was amended in the Jatiya Sangsad, should be enforced immediately but the authorities concerned are unnecessarily delaying and making the issue complicated.

"We need some time for chang-

ing the rules. Otherwise, it may be challenged in the court again," Shipping Minister Akbar Hossain told The Daily Star yesterday when asked about the delay.

He mentioned that the main law has not been amended. The amendment has exempted the foreign vessel operators from taking waiver certificates for only two years.

The parliament on July 9 passed The Bangladesh Flag Vessels (Amendment) Act, 2003 suspending for two years the provision that forces the foreign flag vessels to take waiver certificates for loading and unloading cargoes at Bangladesh ports.

Shippers think the amendment would help create a level playing field for both local and foreign ship operators.

Following the passage of the law, vessels registered in Bangladesh would no longer enjoy priority over foreign-registered vessels in carrying cargoes from seaports in Bangladesh.

The Act was notified on July 12 in a gazette which mentioned that the

act would be effective immediately.

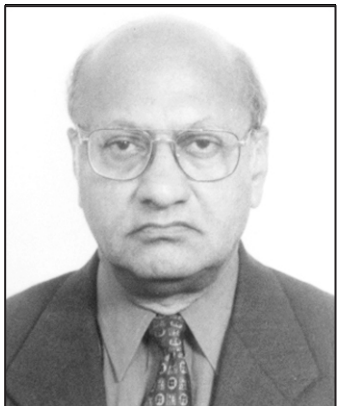
"It is very unfortunate that the law is not being enforced. Unnecessary delay in implementing the law seriously damages our image to the foreign buyers," SM Nurul Hoque, acting president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) told The Daily Star.

President of Chittagong Chamber of Commerce and Industry Amir Humayun Mahmud Chowdhury recently expressed his concern over delay in issuing the ministry circular.

He faxed a letter of appeal to the prime minister, stating that the foreign operators are still being forced to take the waiver certificate as the Ministry of Shipping did not issue the circular.

If the authorities concerned do not issue the circular shortly, the foreign vessel operators would not take waiver certificate and the export and import face deadlock again, Chowdhury mentioned.

New president of Employers' Federation



M Anis Ud Dowlah, chairman of ACI Group of Companies, has been elected president of Bangladesh Employers' Federation (BEF) for the 2003-2005 term.

He was elected at the annual general meeting of the Federation held in Dhaka yesterday, says a press release.

Dowlah is also a former president of Metropolitan Chamber of Commerce and Industry, Dhaka.

Kamran T Rahman, managing director of Pubali Jute Mills Limited, has been elected new vice-president of the organisation.

Other members of the Federation are Kutubuddin Ahmed of Envoy Garments Limited, AQI Chowdhury of James Finlay Limited, A Matin Chowdhury of Malek Spinning Mills Limited, Simeen Hossain of Transcom Limited, Mahbub Jamil of Singer Bangladesh Limited, Golam Mainuddin of British American Tobacco Bangladesh Company Limited, Niaz Rahim of Rahimafrooz Batteries Limited, Ashfaqur ur Rahman of Novartis (Bangladesh) Limited, Sakif Arif Tabani of Mirpur Ceramic Works Ltd, M A Awal of Bangladesh Textile Mills Association, Rokia A. Rahman of Women Entrepreneurs Association, Bangladesh and Alamgir Rahman of Bangladesh Garment Manufacturers and Exporters Association.

Raise product quality to enter Japanese market, says envoy

STAFF CORRESPONDENT, Ctg

Japanese ambassador to Bangladesh has stressed the need for qualitative improvement of Bangladeshi goods to enter Japanese market.

The envoy, Matsushiro Horiguchi, was exchanging views with the leaders of Chittagong Chamber of Commerce and Industry (CCCI) here Wednesday.

He also said Bangladesh needs to remove its negative image to

explore its tourism prospect and attract foreign investment.

In this regard, private sector could come forward side by side with the government to help the economic development of the country, he added.

CCCI President Amir Humayun Mahmud Chowdhury urged the Japanese government for relaxing rules of origin for easier access of Bangladeshi goods to Japanese market.

He called upon the Japanese ambassador for measures to remove the deficit existing in Bangladesh-Japan bilateral trade by increasing the export of Bangladeshi garments, leather goods, jute products, frozen fishes and pharmaceutical items.

CCCI president sought Japanese help for construction of double rail tracks from Dhaka to Laksham on Dhaka-Chittagong section.

New showroom for Volvo cars opens

STAR BUSINESS REPORT

A1 Motors Ltd, exclusive agent of Volvo cars in Bangladesh, yesterday formally opened its new showroom and service centre at Tejgaon in Dhaka.

At a press conference in the showroom premises, Rick Haque Sikder, chairman of A1 Motors, announced the opening of the new showroom.

He said Volvo cars are getting popular in Bangladesh day by day because of its quality and after sales service.

After being appointed exclusive agent in 1997 with a showroom at Dhanmondi, A1 Motors has so far sold 102 Volvo cars in Bangladesh.

"With the new showroom and service centre going into operation, our annual sales target is now 300-500 cars," he said.

He said as the government reduced duties in previous year's budget, import of brand new cars has increased significantly, resulting in rise in revenue from the sector. Due to the rationalised tax structure, the selling of brand new cars has also shot up, he said.

He said Volvo cars are made only in Sweden and the Netherlands so all the cars are of European standard. The cars are environment-friendly and economical with cars

requiring one litre fuel for 10 kilometre.

About the service centre, Sikder said it is computerised and well-equipped to provide quick and quality maintenance service to the customers. The workshop is run by foreign automobile engineers and they will be imparting training to the local technicians to develop expertise, chairman of A1 motors, a concern of Sikder Group, said.

"The workshop has machines to diagnose faults of cars and the special thing is cars can be painted here in the same automatic method it is done in Germany, Sweden, Britain, Japan and other European and American countries," he said.

Volvo models of S 40, S 80, SUV series of XC 90, V 40, V 70 and Sport car C 70 convertible will be available in the showroom with light pressure turbo and twin turbo engine.

Buyers can choose from a wide range of equipment and accessories to assemble their cars in a customised way.

Ron Haque Sikder, managing director and directors of the company were present at the press conference.

Volvo Car Overseas Corporation, manufacturer of Volvo cars, has been producing world class brands for the last 76 years.



PHOTO: STAR

Rick Haque Sikder (R), chairman of exclusive agent of Volvo cars in Bangladesh A1 Motors, speaks at the opening ceremony of a new showroom and service centre for the autos at Tejgaon in Dhaka yesterday.

Minister slams micro-credit lenders for high interest rate

BSS, Dhaka

Science and ICT Minister Dr Abdul Moyeen Khan came down heavily on the high interest rate in micro-credit system yesterday saying the providers have been charging more than 30 per cent interest rate in the name of poverty alleviation.

"Yes, I do favour micro-credit financing by NGOs, but as a politician, I can't support charging high interest rates like 'Kabliwalas' against credits from poor people," he said at a seminar on 'Practices of ICT and Good Governance in Micro-credit Sector' at IDB Bhaban in Dhaka.

Dr Khan said the NGOs can charge 15 per cent interest from the poor, but in fact the situation is other way round and the credit providers

have been realising exorbitant interest in different ways which the general people are unable to understand. "If you really want to serve poor, why don't you provide loan at a nominal interest rate?" he questioned.

He also said the micro-credit providers must have transparency in credit system and must be accountable to the people. People have the right to know about their activities, he said, adding that charging high interest rates should be stopped.

Referring to the 'equity fund' being kept for promotion of ICT sector, the minister said only Taka 10 crore out of Taka 300 crore were disbursed in last fiscal. "We don't want to see the repetition of this trend as the government is eagerly

waiting to provide all support to promote information and communication technology."

In this regard he called upon the users to buy local software particularly in the banking sector to help encourage local youths as well as to save hard earned foreign currencies. "Our softwares are of world standard, more secured and very cheap. So why should we go abroad for those," he said.

Science and ICT Secretary Karar Mahmudul Hassan and CDF Chairperson Yiasmin Ahmed also spoke on the occasion, which was organised by Credit and Development Forum (CDF).

Dollar continues to gain against taka following buying-spree

BSS, Dhaka

The US dollar continued to gain against the Bangladesh taka yesterday following buying-spree by importers and investors ahead of weekend holiday Friday with holi-

days on Saturday and Sunday in the international markets, dealers said. In the international markets, they added, the dollar hit selling pressure

from Japanese exporters but stayed around a three-month high against the yen on unwavering hopes of a US economic recovery.

"Every one in inter-bank trade tried to take long position in dollar as the US unit was strong against majors ahead of data from the US", dealers of a leading bank said.

The foreign exchange market was waiting for second quarter

gross domestic product growth data in the United States due out later Thursday and additional US data on payrolls and industry due Friday.

The dollar traded at 58.4750-58.4900 to the taka yesterday, compared to its previous closing at 58.4550-58.4775 to the taka on Wednesday, foreign exchange dealers of leading commercial banks said.