

Centre for small businesses opens at Dhaka chamber

UNB, Dhaka

In a bid to educate small business owners and managers, a knowledge centre was launched at Dhaka chamber building here yesterday.

Commerce Minister Altaf Hossain Choudhury formally opened the Knowledge Centre and South Asia Small and Medium Enterprise Toolkit.

Speaking at the launch, the commerce minister said the industry of the country would be more beneficial to get need-based business information through the centre.

He hoped the centre will serve its purpose and the industry of the country will be benefited by its services to be competitive.

The minister said the contribution of the small and medium enterprises (SMEs) is about 90 percent in exports. Besides, the SMEs generate 86 percent of employment of the country, the minister added.

A joint project of Dhaka Chamber of Commerce and Industry (DCCI), South Asia Enterprise Development Facility (SEDF) and World Bank, the Knowledge Centre and South Asia SME Toolkit offers software, business forms, training to help business in emerging market grow and success.

The SME Toolkit will focus on core business areas of accounting and finance, business planning, human resources, legal and insurance, marketing and sales, operations and technology.

Bangla content is also available in the toolkit for local SMEs.

Annual dealers' meet of RAK Ceramics held

STAR BUSINESS REPORT

The 3rd 'Dealers' Annual Get Together' of RAK Ceramics (Bangladesh) Pvt Ltd was held at Sonargaon hotel in Dhaka on Sunday.

Khater Massaad, managing director, Amir Hossain, general manager, and SAK Eqramuzzaman, director of RAK Ceramics (Bangladesh), were present at the conference.

Speaking at the function, the managing director Massaad said the company's tiles production will be doubled after a month, with the construction of a new plant on the present factory premises at Gazipur.

The company, a UAE-Bangladesh joint venture which started tiles production in 2000, produces one lakh square feet tiles daily. Syed Ali Abdullah Jami, marketing executive of the company, said.

RAK Ceramics is a \$300 million global conglomerate in the ceramic industry.

Around 150 dealers from across the country attended the function.

Stop sugar import thru' private sector

Sugar dealers, traders ask govt

STAR BUSINESS REPORT

Sugar dealers and traders yesterday held private sector importers responsible for the price hike of sugar and urged the government to import sugar only through public sector.

"A cartel of four to five importers controls the market and pushes the price up," alleged M Mustafizur Rahman, president of Bangladesh Sugar Dealers & Traders Association.

He said price was stable when only public sector used to import the essential item but the market became unstable when private importers were engaged two years ago.

"So we have requested the commerce ministry to stop sugar import through the private sector," Mustafizur Rahman said after a meeting with Commerce Minister

Altaf Hossain Choudhury at his office in Dhaka yesterday.

He said the minister has assured them of taking necessary steps after discussing the issue with some other key policymakers.

Abdul Awal, general secretary, Mujibul Haque Chowdhury, Delwar Hossain, Samsuddin Ahmed, Amjad Hossain, vice presidents and Mahbubur Rahman, treasurer of the association were present at the meeting.

Sugar was selling at Tk 32-33 per kg at different markets in Dhaka yesterday which was Tk 30 a week ago. Traders said the price was Tk 975 per maund (38 kg) one week ago but it has already gone up by more than Tk 100.

The price became unstable a few days ago as government stock of sugar almost diminished. But the dealers and traders blamed the cartel of private importers, who

control the market, for the situation.

The government recently allowed Bangladesh Sugar and Food Industries Corporation to import one lakh metric ton sugar but it would not make the price stable or free the market from the influence of the private importers, the traders said.

The government is losing a substantial amount of tax as the importers are involved in under-invoicing to evade import duty, they alleged.

The domestic demand for sugar is around eight lakh tonnes a year, of which hardly two lakh tons come from local production. As legally imported sugar is much dearer, around two lakh tonnes are smuggled from India.

Presently, the importers have to pay around 102 percent tax on sugar imports.

SEC seeks DSE clarification on bulk share transactions

Market still buoyant

STAR BUSINESS REPORT

The Securities and Exchange Commission (SEC) yesterday sought clarification from the Dhaka Stock Exchange (DSE) on transactions of 63,894 shares by a Uttara Bank sponsor director, which the regulators found 'suspicious'.

Sources said SEC asked for clarification as a bulk buying offer of Tk 7 crore by M Asaduzzaman, a vice-president of Uttara Bank Ltd, was met, although his account had a balance of Tk 2 lakh only during the transaction.

DSE is likely to submit its clarification to SEC today.

However, trading at Dhaka Stock Exchange closed yesterday with a significant rise in the general index. DSE General Index rose by 23.23 points or 2.21 percent to close at 1072.04 points from Sunday's 1048.81 points.

DSE-20 index also gained 20.41 points or 1.47 percent to close at 1408.08 points from 1387.69 points of the previous trading day.

Of the 179 issues traded yesterday, 100 advanced, 42 declined and 37 remained unchanged. Shares and debentures worth Tk 22.60 crore changed hands as against Tk 13.09 crore on the previous trading day.

The Chittagong Stock market also closed higher yesterday with the All Share Price Index rising 30.07 points or 1.72 percent to stand at 1782.03 points.

Of the 65 issues traded yesterday, 40 gained, 18 declined and seven remained unchanged.

Shares and debentures worth Tk 4.13 crore changed hands as against Tk 3.20 crore on the previous trading day.

Single-digit lending rates by year-end

Banks assure BB governor

UNB, Dhaka

Commercial banks' lending rates would come down to single-digit slabs by year-end through further interest cuts, maintaining market corrections from the already-declining trend.

The average rate of interest is expected to stand at 11 percent by June along the trek down, from 12.5 percent now.

Bankers for the first time yesterday projected the trend to Bangladesh Bank, which has long been cajoling the commercial banks to offer single-digit interest rates to their clients.

Earlier, they were in agreement that the rates should be at single digit, but didn't respond as fast as the central bank desired.

Bangladesh Bank (BB) Governor Fakhruddin Ahmed, chairing a meeting with them at the central bank, asked the bankers why the lending rates were not declining as faster despite measures already taken in right earnest to reduce cost of fund, meeting sources said.

The bankers reported to the governor some distortions on the money market as few banks offering much lower rates to their clients than their respective published rates in an undercut in clear violation of the central bank's guidelines.

Commercial banks are not allowed to lend at lower than their

published rates, but they can charge at best 3 percent higher than the published slab.

The bankers proposed to the central bank to amend the guideline in this regard, asking the commercial banks to fix a middle-rate of their respective lending rates. The banks would then be allowed to offer rates to their clients within the range of 1.5 percent below or above the middle-rate.

The governor assured the bankers of considering the concern actively. Association of Bankers Bangladesh Chairman M Aminuzzaman told reporters after the meeting.

He said the money-market distortions were gaining momentum day by day in disregard of the lending guidelines. Some big corporate houses are taking the advantage by virtue of their good dealings, leaving out newcomers in disadvantageous position, he added.

The bankers also drew attention of the central bank to the fact that few banks were still publishing their lending rates for exports at 7-9 percent, dodging the Bangladesh Bank-set rate at 7 percent.

Senior central bank officials, managing directors of IFIC Bank, Arab Bangladesh Bank, Southeast Bank, Eastern Bank and Trust Bank were present at the meeting.

BD Foods makes debut in local agro-products market

STAR BUSINESS REPORT

BD Foods Ltd has made its entry into the agro-products market with powdered spices and savouries.

At a press conference in Dhaka yesterday, BD Foods launched its products in local market.

The food items include chanachur, fried dal, sauce, pickles and powdered spices. The company also plans to market more food items soon.

Speaking at the press conference, Badrud Doza, chairman of the company said, BD Group exports food items to 11 countries and the annual export volume is around Tk 150 crore.

"As part of social responsibility, BD Foods is committed to giving its customers the best value for their money," MA Shariar, deputy managing director of BD Foods, said.

Initially the company has invested around Tk 50 crore to produce its food items for local market.

BRAC Bank Banani branch opens

BRAC Bank Limited has opened a new branch at Banani in Dhaka.

With this, the total number of branches of the bank stands at 10.

Fazle Hasan Abed, chairman of the bank, inaugurated the branch at a ceremony held at the branch premises recently.

Dignitaries including directors of the bank and other senior officials were present.

BRAC Bank has been providing Real Time On-Line banking facilities to its customers since it started operation in July 2001.

McDonald's CEO dies of heart attack

REUTERS, Chicago

McDonald's Corp Chairman and Chief Executive Jim Cantalupo, who helped turned the company around with a focus on better food and service, died on Monday of an apparent heart attack, the company said.

Cantalupo, 60, died in Orlando, Florida, where he was attending a McDonald's meeting for its restaurant owners and operators.

The world's largest restaurant chain could not immediately say who was taking over Cantalupo's responsibilities.

"We're focusing on Mr. Cantalupo and his family," McDonald's spokeswoman Anna Rozenich, said.

The news sent the stock of the Oak Brook, Illinois, company down 3 percent in premarket trading, and was seen pulling the Dow Jones industrial average lower at the start of trading.



PHOTO: CITIBANK NA

Finance Secretary Zakir Ahmed Khan hands over a grant of \$ 14,000 from Citigroup Foundation to Mostafa Shiblee, executive director of Working for Better Life to help implement a primary education programme for underprivileged children. Judith Chammass, deputy chief of Mission, US Embassy in Bangladesh; Shah Md Mansurul Haque, joint secretary, Ministry of Education; and Mamun Rashid, chief executive officer, Citibank NA; were present.

Internet fair ends on a high

STAR BUSINESS REPORT

The first-ever internet fair, which drew an overwhelming response from the enthusiasts, concluded on Sunday promising a better, faster service.

Eighty percent of some 30,000 visitors were students of schools, colleges and universities, who came to keep themselves abreast of VoIP (voice over internet protocol), wireless network, broadband, e-mail and web design.

The four-day 'Internet Fair 2004', organised by the Internet Service

Providers Association of Bangladesh (ISPAB), began on April 15 with the slogan 'Internet for All' at the Osmani Memorial Hall in Dhaka.

Forty-four internet service providers, solution providers and telecom equipment vendors exhibited their products in 65 stalls. Three information technology companies from the United States, India and Hong Kong also took part.

Speaking at the closing ceremony, Posts and Telecommunications Minister Aminul Haque assured the ISPs of providing government support. "The

government has taken initiatives to expand ICT facilities across the country."

Enayetullah Khan, editor of the New Age, suggested merger of the science and ICT ministry with posts and telecommunications ministry. "Single ministry will be fine to take decisions with less complications."

Abdul Awal Mintoo, president of the Federation of Bangladesh Chambers of Commerce and Industry, also spoke at the function.

At present, the number of internet subscribers across the country is about 1.5 lakh.

Citigroup grant for primary education in Bangladesh

Citigroup Foundation through Citibank Bangladesh has embarked on a new initiative on primary education for underprivileged children in Bangladesh.

The foundation donated a grant of \$ 14,000 to Working for Better Life (WBL), an NGO, to address the most underprivileged children in the primary education sector and introduce a child friendly teaching environment in primary schools in few districts, says a press release.

Finance Secretary Zakir Ahmed Khan handed over the grant to Mostafa Shiblee, executive director of WBL. Judith Chammass, deputy chief of Mission, US Embassy in Bangladesh; Shah Md Mansurul Haque, joint secretary, Ministry of Education; Md Muklesur Rahman, deputy secretary, Ministry of Primary and Mass Education; Lawrence W Dolan, Program Officer, USAID Bangladesh; and Mamun Rashid, Chief Executive Officer, Citibank NA; were present at the handing over function.

The long-term strategy of the initiative is to ensure that the children are encouraged to attend primary school in order to reduce the number of dropouts by 50 percent.

STB regional office opens in Manila

The Singapore Tourism Board (STB) has opened its sixth regional office in Manila.

The Deputy Chairman and Chief Executive of STB Lim Neo Chian inaugurated the office on Thursday, says a press release.

The other regional offices of the STB in the neighbouring countries are in Bangkok, Kuala Lumpur, Jakarta, Medan and Ho Chi Minh City.

The new office is to reinforce the importance of Asean as a key market for the STB.

It will pave the way for the STB to establish a stronger market presence in the Philippines and to provide better customer service to Filipino visitors.

The regional office features a fully equipped visitor information centre, which will provide the latest information on Singapore's leisure, business travel, education and healthcare services

Lemierre re-elected EBRD chief, Rato likely to head IMF

AFP, London

Frenchman Jean Lemierre was re-elected president of the European Bank for Reconstruction and Development Monday, effectively ruling him out of the race to head the International Monetary Fund.

"We congratulate Jean Lemierre for his re-election as president of the EBRD," Luxembourg's Prime Minister Jean-Claude Juncker, who was chairing the bank's annual meeting in London, said of the decision by the board of governors.

The re-election was also hailed by the French economy and finance ministry.

Spain's outgoing finance minister Rodrigo Rato was now considered the favourite to replace Germany's Horst Koehler as IMF managing director.

However, an informal gathering of EU finance ministers on the sidelines of the EBRD meeting to confirm their choice of candidate to replace Koehler was cancelled.

EU finance ministers had agreed during a meeting in Ireland earlier this month to choose between Rato and Lemierre to succeed Koehler, after the German resigned in March to run for his country's presidency.

By tradition, the head of the global lending body is a European while the top job at the World Bank, the IMF's Washington-based sister institution, goes to an American.

But IMF officials and non-governmental organizations have questioned the European monopoly on the position, with Fund representatives from Asia, Africa, Latin America, the Middle East, Australia, Switzerland and Russia calling for a candidate to be chosen according to merit rather than nationality.

Rato, despite his government's election defeat last month, has won the support of a big grouping of Latin American countries and is backed by a number of smaller EU states to head the IMF.

He had emerged as an early favorite to replace Koehler but saw his chances fade -- while those of Lemierre gained strength -- when his conservative government was beaten in general elections just three days after the March 11 train station attacks in Madrid.

Rato was also considered to have been at a disadvantage because of perceived French and German backing for Lemierre.

He had been a trenchant critic of French and German public deficits, with both countries having failed to hold them to three percent or less of gross domestic product as mandated by EU regulations.

By contrast, Spain under Rato's stewardship has returned to zero deficits in the past three years and even moved into surplus as required under the EU's 1997 Stability and Growth Pact.



PHOTO: BD FOODS

Badrud Doza, chairman of BD Foods Ltd, speaks at a press conference in Dhaka yesterday to announce the formal launch of his company's various powdered spices and savouries.