# Common panel makes clean sweep in BGMEA polls

STAR BUSINESS REPORT

All 27 candidates from the common panel won the biennial polls of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Election of the 27-member executive committee of BGMEA was held on Thursday in the trade body's Dhaka and Chittagong offices with a 71 percent voter

Mohammed Abdus Salam, a candidate of Forum, one of the constituents of the common pannel, in Chittagong got highest 1496 votes while SM Abu Tayyab, a candidate of Tipu Munshi group, obtained second highest 1486 votes in the election.

Tipu Munshi, leader of a faction of Sammilito Parishad, got 1484 votes, Annisul Hug, incumbent president of BGMEA and leader of

Forum, obtained 1482 votes while SM Fazlul Hoque, leader of another faction of Sammilito Parishad, got 1296 votes.

Out of 1,775 voters in Dhaka zone, 1,217 exercised their franchise and out of 512 voters in Chittagong zone, 410 cast their votes in the election for the 2005-06

Forum had 12 candidates Sammilito Parishad (Tipu Munshi group) 10 and Sammilito Parishad (SM Fazlul Hoque group) had five candidates in the polls of 27member executive committee of the country's largest trade body.

Forum candidates who won the election in Dhaka zone are: Anwar-UI Alam Chowdhury (Parvez) with 1469 votes, Faisal Samad 1447 votes, Md Shahidul Islam 1400 votes, Ferdous Perves Bivon 1381 votes, Shafiqul Islam 1375 votes,

SM Mannan (Kochi) 1344 votes, Mahmud Hasan Khan 1332 votes and Md Meshba Uddin Ali getting

Forum candidates who won the polls in Chittagong zone are: Mohammad Abdus Salam getting 1496 votes, AM Mahbub Chowdhury 1440 votes and Md Asheek Bhuiyan 1430 votes.

Contestants who won the polls from Sammilito Parishad (Tipu Munshi group) in Dhaka are: Khondoker Jamil Uddin bagging 1444 votes. Shawkat Ali Bhuivan (Dilan) 1402 votes, Md Siddiqur Rahman 1398 votes, Shahadat Hossain Chowdhury (Arun) 1383 votes and Kazi Zakir Hossain with 1372 votes

Candidates of the same group winning the election in Chittagong zone are: SM Abu Tayyab receiving 1496 votes. Nasir Uddin Ahmed

Chowdhury 1483 votes, Moinuddin Ahmed 1456 votes and ANM Saifuddin 1438 votes.

Candidates of Sammilito Parishad (SM Fazlul Hoque group) who won in Dhaka zone are: Jalal Uddin Ahmed with 1301 votes, Haroon Ar Rashid 1299 votes, Sirajul Islam 1287 votes and Golam Sarwar Milon with 1273 votes.

Although 75 candidates from three panels officially contested the polls, the three panels at the last minute floated a common panel in line with an internal consensus.

As per understanding, presidency will rotate among the three top leaders. Annisul Hug will be the president in the first eight months, Tipu Munshi in the second and SM Fazlul Hoque will act as the president in the third eight months.



An exhibitor attends a visitor at a cosmetics stall at the US Trade Show 2005 at Dhaka Sheraton Hotel yesterday, the last day of the three-day fair jointly organised by US Embassy and American Chamber of Commerce in Bangladesh aiming at popularising American products and services in the country.

# Dhaka Travel Mart 2005 begins March 4

STAR BUSINESS REPORT

Travel and tourism service providers in Asia will gather in Dhaka next month to promote and explore the untapped potential of the industry

Officials of tourism bodies, airlines, tour operators, travel agents and hotels from India, Thailand, Nepal, Bhutan, Malaysia, Singapore, UAE, Qatar, Hong Kong, Saudi Arabia, Germany and host Bangladesh will congregate in the Dhaka Travel Mart 2005 to be held from March 4 to 6 at Dhaka Sheraton Hotel

Participants will try to use the Dhaka gathering as a platform to find ways to minimise the impact of natural calamities on their busi-

signs remittance

deal with US co

Dhaka Bank Limited has signed a

remittance arrangement agreement with a US company, Placid NK

AMM Farhad, regional director of

South Asia of Placid NK

Corporation, USA, and Mohammad

Abu Musa, deputy managing direc-

tor of Dhaka Bank, signed the deal

on behalf of their organisations in

Among others, President of

Placid NK Dr Kamal U Ahmed,

Managing Director of Dhaka Bank

Shahed Noman, Deputy Managing

Director Khondker Fazle Rashid

Executive Vice-president and

Company Secretary Arham

Masudul Huq, and Senior Vice-

president and Head of Financial

Investment Division of the bank Md

Mohashin Miah, were present at the

signing ceremony.

Corporation, on Wednesday.

Dhaka Bank

ness. Countries such as India and Thailand, whose seaside tourism infrastructures were devastated by December 26 tsunami, will join the meet to woo tourists to return to the

This is the second such tourism extravaganza in Dhaka being organised and sponsored by The Bangladesh Monitor, a fortnight travel tabloid. The inaugural Dhaka Travel Mart was held in 2002.

Tour Operators Association of Bangladesh and Association of Travel Agents of Bangladesh are the two co-organisers of the event co-sponsored by Amadeus, a reservation service provider.

Two seminars will be held on the sideline of the three-day fair. Subhash Goyal, president of Travel Agents' Association of India, Imtiaz

Moqbil, a renowned travel writer from Thailand and Sharifah Loon, director of Malaysia Tourism Board, will speak at the seminar on "Development of Regional Tourism." Distinguished guests from Dubai will address the other seminar titled

"Emirates Holidavs"

Four national tourism organisations, 12 airlines, six five-star hotels, 15 tour operators, 10 travel agents, four global distribution service (GDS) companies, three banks and regional tourism experts are expected to participate in the

The organisers will be installing 100 stalls at the fair venue. The fair will remain open daily from

## India mulls laxity of banking norms to better textile sector

PALLAB BHATTACHARYA, New

India mulls over easing of banking norms to attract larger investment in textile sector in the light of huge growth opportunities in quota-free nternational market.

The government is planning to hike in banks' sectoral cap for lending to textile industry from the existing 10 percent to 14 percent on lendable resources, increase debt equity ratio, cut debt-servicing coverage ratio and relax working capital norms, textile ministry sources said.

At present, a cap of 10 percent is

fixed for each manufacturing sector. except infrastructure sector where the ceiling is fixed at 15 percent.

An increase in lending ceiling is proposed as the textile sector contributes 14 percent of the total output of domestic manufacturing.

The liberalisation of working capital norm from 90 days (during the cotton season) to a full year is also being planned in a bid to help cotton growers.

Textile ministry sources said the banks will not have any problem in easing working capital norms as loans are always hedged against cotton stocks.

### India picks bureaucrat as new chief of bourse regulator

PALLAB BHATTACHARYA, New

Senior bureaucrat M Damodaran is to become new chief of the Securities and Exchange Board of India (SEBI), the stock market

A 1971 batch Indian Administrative Service officer, Damodaran, currently the chairman and managing director of Industrial Development Bank of India (IDBI), succeeds G N Bajpai who retired as SEBI Chairman yesterday.

Damodaran was a joint secretary in the banking division of finance ministry before he took over as the chief of Unit Trust of India, the country's largest and most popular mutual fund after it was plunged into a muddle in 2001. He was credited with successfully turning around the mutual fund and made it responsive

He was also given the additional charge of heading the IDBI in October 2003 and as a result he quit UTI in Mav last vear. He presided over the merger of IDBI Bank merger with parent company IDBI positioning it to face competition from major private banks.

Damdoaran takes over as the head of stock market regulator when the Indian bourses are booming with foreign institutional investors (FII) pumping in close to nine billion dollars in 2004 alone. The projection for FII fund inflow into Indian stock markets is pegged at ten billion dollars.

But there are also concerns in some quarters about hedge funds brought in by FIIs along with the

### China's mobile handset output capacity to hit 500m in 2005

AFP, Beijing

China's mobile phone production capacity, already the world's biggest, is set to rise from 300 million handsets in 2004 to 500 million this year as some 40 new producers begin manufacturing, the top economic planning body said Friday.

"Judging from developments in recent years, mobile phone production capacity has increased rapidly and the investment risk must not be overlooked," the National Development and Reform Commission said in a report on its

"As the capacity of domestic enterprises rises rapidly, market competition will become more intense and the capacity of the entire industry to earn profits will

Since adopting preferential policies for the industry in 1999, fast paced growth and strong profits have spurred investment from both multi-national and domestic companies, the report said.

China produced some 240 million handsets in 2004, with 146 million sets exported

From 1999-2002, China's mobile phone industry sold some 300 million phones, earning some 350 billion yuan (42.3 billion dollars) in sales and handing over 45.5 billion yuan in taxes, it said.

## Global recovery to gain steam despite slow Japan: OECD

**REUTERS, Paris** 

The global economic recovery is set to gather momentum despite problems in Japan, which is suffering stagnation rather than recession. the Organisation for Economic Cooperation and Development (OECD) said on Thursday. In an interim report on six major

economies, the Paris-based thinktank cut its 2004 growth estimates for Japan, Germany, Britain and But the OECD kept its estimates of 4.4 percent growth in the United

States and 1.8 percent growth in the euro zone, and saw rays of hope in Germany, Europe's biggest economy.
"The global recovery has been

marking time as the adverse effects worked their way through," OECD chief economist Jean-Philippe Cotis

"Going forward, however, the conditions are in place for the global

including as concerns enterprise balance sheets and profits, which have strengthened markedly," he told a new conference.

Cotis said the United States

would continue to lead the global upturn with growth of about 3.5 percent in the first half of 2005. Quarter-on-quarter US growth

should reach 1.0 percent in the first guarter of 2005 and 0.7 percent in the second quarter, the OECD said. OECD projections showed Japan should have 0.5 percent

guarters of 2005, after -0.3 and 0.1 percent respectively for the last two quarters of 2004. Euro area growth should rise to 0.4 and 0.5 percent respectively for

growth in both the first and second

the first two quarters of 2005 after 0.3 and 0.2 percent in the last two quarters of 2004.

Oil prices spiked to a record \$55.67 a barrel last October before falling back, though crude prices are

again rising on persistent OPEC talk

of a cut in supplies Cotis welcomed the US Federal

Reserve's "gradual tightening" of monetary policy and "accommodative" policies in the euro zone and

But he said there was not vet enough evidence to suggest a big improvement in the US structural deficit. There remained a danger of a strong rise in the euro against the dollar if Asian currencies did not play a balancing role.

Eurozone growth almost to a halt in the fourth quarter with gross domestic product rising 0.2 percent, while Japan's economy fell 0.1 percent in the three months to December, its third straight guarterly contraction.

But Cotis was at pains to temper gloom about Japan and Germany, he world's biggest economies after the United States.

the strongest standards of gover-

nance," said Philip Erquiaga, princi-

pal director of ADB's co-financing

public services such as water sup-

ply and sanitation, electricity and

communications; infrastructure

such as roads, railways and ports;

health and education services;

agriculture and fisheries; housing;

restoring livelihoods; and contain-

fall, that put some heat into the

Markets also were studying the

latest weekly snapshot of US crude

inventories from the Department of

Energy, which showed a strong

about possible supply disruption in

the Middle East, particularly from

Traders were also nervous

market," Smart said.

ment of environmental damage.

Funding could be granted for

operations office.

#### airline, Jet Airways, were snapped up within minutes at the launch Friday of its initial public offering (IPO) as an upbeat sentiment prevailed over the country's aviation

India's Jet

AFP, Bombay

Airways IPO

sells out fast

Shares of India's biggest private

Jet Airways, founded by Londonbased ex-travel agent Naresh Goyal, was selling 20 percent of its equity or 17.2 million shares to retail and institutional investors in a bid to

raise up to 443 million dollars. The funds would be used to buy new aircraft and retire debt. By late afternoon, the issue was subscribed

2.5 times Jet, which controls 45 percent of the domestic aviation market, aims to raise between 16.4 to 19.4 billion rupees (374 to 443 million dollars) through its share offering which was

priced between 950-1,125 rupee a Bookbuilding data on the Bombay Stock Exchange's website showed that the offer sold out within minutes with most bids at the higher end of the price band at 1,040-1,125

Jet, which began flying in 1993, now holds a bigger market share than state-owned Indian Airlines which for decades held a monopoly on domestic air travel. It has won several travel industry awards as India's best airline for in-flight ser-

vice and punctuality. Analysts said pricing for the offering appeared aggressive amid rising competition with the arrival of new players, many offering cheap

"Jet has been talking about increased growth in the coming year but one must understand competition will increase in coming months,' said a dealer at brokerage Dalal and

### Mitsubishi Tokyo, UFJ eye \$9.5b net profit

after merger

AFP, Tokyo

Mitsubishi Tokyo Financial Group and UFJ Holdings aim to post a net profit of one trillion yen (9.5 billion dollars) three years after their planned merger in October, which will create the world's largest bank, a report said Friday.

Mitsubishi Tokyo, Japan's second-biggest bank, and UFJ, the smallest and weakest of the nation's big four banking groups, also plan to cut some 6,000 jobs, the business daily Nihon Keizai Shimbun said.

The banks are expected to announce detailed merger plans as early as Friday, the daily said. Their combined assets stand at 189 trillion yen.

The Mitsubishi Tokyo-UFJ alliance aims to post a net profit of some one trillion yen for the financial year to March 2009, it said, adding the merged group would consolidate domestic and overseas opera-

## ADB plans to set up \$600m tsunami fund

AFP, Manila

The Asian Development Bank (ADB) said Friday it would set up a 600-million-dollar fund to deliver prompt emergency funding to Asian countries hit by the Indian Ocean tsunamis in December.

The Asian Tsunami Fund will deliver grants for emergency technical assistance and investment projects to support reconstruction and rehabilitation in India, Indonesia, Maldives, Sri Lanka and Thailand, the ADB said

It will also accept and distribute contributions from bilateral, multilateral, and individual sources, including companies and foundations, the Philippines-based bank said in a The giant waves, triggered by a

magnitude-9.0 quake from the Indian Ocean, killed nearly 300,000 people on December 26.

"We see this as a mechanism to attract funds from multiple donors

for a structured, systematic and transparent flow of funds to tsunami affected countries, while upholding

## World oil prices rise as fears of Opec cut remain

World oil prices rose Friday as fears that the Organisation of Petroleum Exporting Countries (Opec) might cut production outweighed strong US inventories data, analysts said.

New York's main contract, light sweet crude for delivery in March, rose 31 cents to 47.85 dollars a barrel in electronic deals. In London, the price of Brent

North Sea crude oil for delivery in April added 19 cents to 46.01 dollars a barrel. Oil prices rose Friday after falling overnight in New York but remained below 48 dollars a barrel

strong US gasoline inventory "Any bearish news, like the large builds in US stocks on Wednesday, isn't affecting the market majorly whereas any bull-

ish news, about Opec or demand,

as the market belatedly cheered

is used to keep the prices up," said Veronica Smart, analyst at the **Energy Information Centre** The market is incredibly reluc-

tant to fall away from 45 dollars a barrel," she added. Traders continued to digest an Opec report in which the cartel

raised its forecast for 2005 global

oil demand growth to 2.11 percent

from the previous estimate of 2.0 In spite of the strong forecast, Opec continues to make it clear that it could reduce its production at its next meeting on March 16 in

Isfahan, Iran, analysts said. Opec's director of research, Kuwaiti Adnane Shihab-Eldine, recently said that the cartel could reduce its production ceiling by 1.0 million barrels per day (mbpd) to 26 mbpd to compensate for the end of

the northern hemisphere winter. "We had indications that Opec may cut production if prices start to

Iran, which is locked in a dispute with the United States over charges that it is trying to obtain nuclear weapons.

build in crude oil inventories.

Trade was slightly subdued ahead of the US Presidents' Day public holiday on Monday, analysts

"There is very little going on this morning and it is expected to continue all day because of the public holiday in the US on Monday," said Informa Global Markets analyst Peter Luxton.

### SIGNING CEREMONY FOR ISSUANCE OF IPO & BOND CREDIT RATING INFORMANTION AND SERVICES LTD. (CRISL) PHOENIX LEASING COMPANY LIMITED. VENUE : HEAD OFFICE, SHADHINATA BHABAN (1<sup>ST</sup> FLOOR)



A Quadir Choudhury, managing director of Phoenix Leasing Company Ltd, and Muzaffar Ahmed, president and CEO of Credit Rating Information and Services Ltd (CRISL), shake hands after signing a memorandum of understanding Thursday in Dhaka. Under the deal, CRISL will perform credit rating of Phoenix Leasing in connection with raising capital base by issuing IPO. Senior officials of both the companies are also seen.