

# Star BUSINESS

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## Accolades for corporate captains

### STAR BUSINESS REPORT

A spectacular dance with music marked the beginning of the gala event at the Ballroom of Pan Pacific Sonargaon Hotel in Dhaka yesterday.

The audience was waiting in suspense to see the corporate icons selected for Bangladesh Business Awards 2006. And finally, their names were announced amid

thunderous applause.

The four winners stole the show. The night of March 30, 2007 entirely belonged to the exceptional personalities and companies who received awards for their individual and organisational success, their vision and their enterprising spirit that contributed to a great extent to corporate Bangladesh.

Suspense rose high when the

anchor of the gala function, Mahmudur Rahman, requested Anwarul Alam Chowdury Parvez, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), to announce the Woman Entrepreneur of the Year 2006.

Parvez announced Zinet Fatema, proprietor of Jahan Metal, as the winner.

Then came Rokia Afzal

Rahman, former adviser to the caretaker government and president of the Women Entrepreneurs' Association, Bangladesh, to announce the Best Enterprise of the year 2006. He declared Acme Laboratories Ltd as Enterprise of the Year 2006. Light fell on Acme Laboratories Ltd Managing Director Mizanur Rahman Sinha amid deafening sound of clapping.

The light came on the year's cham-

pion of the financial institution. Craig Grossgart, vice president, South Asia International, DHL, declared the Dutch-Bangla Bank Ltd (DBBL) as the Best Financial Institution of the year. Managing Director of the bank Md Yeasin Ali received the award on behalf of the bank.

The big one was yet to be announced. Guests started whispering when Dr Salehuddin Ahmed, governor of Bangladesh

Bank, was requested to declare the winner. Salehuddin announced Md Nasir Uddin, chairman of Pacific Jeans Limited, as Business Person of the Year 2006.

For businesspeople it was a night of recognition and for the organisers, The Daily Star and DHL Express, it was an event to honour the corporate heroes who are contributing to the nation building efforts.

## India's smaller neighbours should get free access

### Indian businesses suggest

**ASHFAQ WARES KHAN and PALLAB BHATTACHARYA, New Delhi**

Indian industrialists and businessmen have suggested they would support any moves for India, as the largest South Asian country, to give duty-free market access to smaller neighbouring countries such as Bangladesh.

Meanwhile, measures to increase connectivity among the Saarc nations, agreements to set up a South Asian university and a pilot project for the regional telemedicine network are gathering speed in the run up to the 14th summit of the South Asian Association for Regional Cooperation to be held in New Delhi on April 3 and 4.

"I would support the government if it comes up with packages for our smaller neighbours, since the size of our country and its economy is large enough to accommodate the requirement of these countries," said President of Associated Chambers of Commerce, Venugopal N. Dhoot.

Dhoot, also the owner of Videocon, said "Our economy is expected to reach the size of trillion dollars by March 2008, and we should share the fruits with the smaller members."

According to Dhoot, "The Saarc region accounted for a mere 2.5 percent of India's total foreign trade between April and October 2006."

"India has extended its commitment to review non-tariff barriers and give better access to its market as a part of Saarc," he said.

He said opening up India's market to the smaller economies is not likely to have a major impact on India's economy.

Leading industrialists have also recently suggested that Pakistan is

yet to implement the South Asian Free Trade Agreement, and said it would also be important to solve the issue of Islamabad's reluctance to give 'most-favoured-nation' status to India.

Meanwhile, India is likely to place the issue of a comprehensive regional transport system in accordance to an Asian development bank and a Regional Multi-modal Transport Study (RMTS) that would open up a Dhaka-Lahore road corridor, sources said.

With the entrance of Afghanistan into the Saarc fray, India is also hoping that the Dhaka-Lahore corridor can be extended to Kabul, as part of the summit's focus on connectivity.

The RMTS study said South Asia inherits an integrated transport system and they should look to revive it in order to tap the potential of stronger economic integration.

While, the upcoming Saarc leaders summit is likely to adopt a resolution finalising the establishment of a South Asian university.

India will also place a proposal to harmonise and simplify the rules governing the transit issues among Saarc countries such as customs procedures and standardisations of test certifications and banking.

India's cabinet committee has already cleared a proposal to overhaul its 13 integrated trade-posts and set up a land port authority to identify points on land-riverine border for trading with neighbouring countries.

First of the integrated check-posts will be India's Petrapole border with Bangladesh and the Waga border with Pakistan.

## Winners of Bangladesh Business Awards 2006

### BUSINESS PERSON OF THE YEAR



**Md Nasiruddin, managing director of Pacific Jeans Limited**

Md Nasiruddin, managing director of Pacific Jeans Limited, received the 'Business Person of the Year 2006'.

Nasir began his entrepreneurial journey at his father's small trading house at Khatunganj in Chittagong in 1967.

After experiencing some off-track business, Nasir started his garment business with two other partners in 1984 with an initial investment of Tk 30 lakh.

Later in 1994, Nasir founded his Pacific Jeans at Chittagong Export Processing Zone. The company now is a preferred brand in the US and Europe.

At present, Nasir's enterprises include NZN Fashions, NZN Washing Plant Ltd, Diamond Fashion Ltd, Jeans 2000 Ltd and Pacific Accessories Ltd besides Pacific Jeans Ltd. The annual turnover of the enterprises stands at Tk750 crore.

Nasir's new venture, Universal Jeans Limited, is going to start journey by July.

Nasir is one of the patrons of an organisation that provides assistance for leukemia-affected children. He has also established four schools at Salimpur village in Sitakunda.

### OUTSTANDING WOMAN IN BUSINESS OF THE YEAR



**Zinet Fatema, proprietor of Jahan Metal**

Zinet Fatema, proprietor of Jahan Metal, was awarded 'Outstanding Woman in Business of the Year 2006.'

Fatema started her factory in 1998 to produce garden accessories, bakery utilities and boxes from tin, and candle stands, vases, jugs and glasses made of recycled glass. Jahan Metal entered European market in 2000.

A self-made entrepreneur, Fatema refused to take any financial support from her husband and other family members when she ventured into the unconventional trade.

With an average sales growth rate of 10 percent, Jahan Metal is a fast growing enterprise employing a total of 315 people.

Her organisation is divided into 4 sections: marketing, procurement, production and export. Respective managers, who directly report to her, supervise all the sections.

### ENTERPRISE OF THE YEAR

The Acme Laboratories Ltd, one of the oldest and renowned pharmaceutical companies in the country, was awarded 'Enterprise of the Year 2006'.

Established by late Hamidur Rahman Sinha in 1954, Acme Laboratories Ltd is always seen as a forward-looking organisation.

The main goal of late Hamidur was to provide the general public with drugs at affordable prices. His



**Mizanur Rahman Sinha, managing director of Acme Laboratories Ltd**

legacy is carried on today by his sons and grandchildren.

The Acme Laboratories is the second largest manufacturer and exporter of human, herbal and animal health pharmaceutical products in Bangladesh. Although it started with human pharmaceutical products, it has diversified into herbal and animal health products in recent years.

The company's export destinations include Nepal, Bhutan, Sri Lanka, Malaysia, the Philippines, Uzbekistan, Myanmar and Pakistan. In 2006 alone, Acme's export earnings from pharmaceuticals stood at US\$

600,000.

Mizanur Rahman Sinha, managing director of Acme Laboratories Ltd, received the award on behalf of the company.

### BEST FINANCIAL INSTITUTION OF THE YEAR

'Best Financial Institution of the Year 2006' award went to Dutch-Bangla Bank Ltd.

Dutch-Bangla Bank Ltd, the first Bangladeshi-European joint venture bank in the country, started its journey in June 1996.

Beginning with a capital of Tk 134 crore (Tk1348.60 million) and

615 employees, the bank has expanded its services all over the country.

Steady and solid business growth together with strict discipline on expenses and culture of sound risk management has upgraded the bank to a level of excellence.

The bank's efforts towards strengthening the textile sector and RMG-related industry have continued to help home-grown businesses become competitive in the world market.

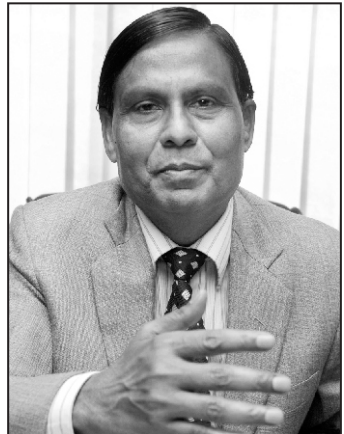
The bank has also financed a large number of small and medium enterprises.

Keeping customer satisfaction in mind as the key to banking business, Dutch-Bangla Bank automated all of its branches to provide real time any-where-any-branch banking services.

They have set up exclusive ATM and point of sales terminals at strategic points throughout the country.

The bank since its inception has been deeply involved with corporate social responsibility activities. Sustainable CSR activities have focused on improvement of health, education and poverty alleviation.

Md Yeasin Ali, managing director of Dutch-Bangla Bank Ltd, received the award on behalf of the bank.



**Md Yeasin Ali, managing director of Dutch-Bangla Bank**

## Citigroup tops list of global companies

AFP, New York

A growing number of Chinese firms are now among the leading global corporations, said a Forbes magazine report Thursday that places US banking giant Citigroup in the top spot.

Citigroup heads the Forbes list of 2,000 global public companies, ranked on a formula of sales, profits, assets and stock-market value.

The list now has 80 companies based in Hong Kong or China, including 16 additions from last year, while the United States has 34 fewer companies compared with last year's rankings.

US-based Bank of America was number-two in the global rankings, following by British banking group HSBC, US-based conglomerate General Electric, US banking firm JP Morgan Chase and insurance giant American International Group.

ExxonMobil, the US oil giant, was ranked seventh, followed by Royal Dutch Shell, Swiss-based UBS and Dutch-based bank ING.

## Terrorism no threat to 8pc growth, says Lanka

AFP, Colombo

Sri Lanka's president said on Friday "terrorism" was no threat to growth as he forecast that the island's economy would grow by eight percent in 2007.

President Mahinda Rajapakse also said he expected annual eight percent average growth over the next five years despite government forces battling Tamil Tiger rebels in the island's northeast.

"If we are to raise the living standards of our people to match those of the developed world even to some extent, it is essential to maintain an average growth rate of eight percent for the next five years," he said.

The statement of Rajapakse, who is also finance minister, came after the release of Central Bank figures showing that the economy grew by 7.4 percent in 2006, up from

6.0 percent in 2005. Last year's performance was the best since 1978 when the economy expanded by 8.2 percent.

However, the Central Bank figures were lower than the economic growth estimate of 7.7 percent for 2006 issued by the department of census and statistics on Thursday.

"Our 10-year plan is prepared with this (eight percent growth) target in mind," Rajapakse said.

Officials said the two sets of figures differed because they used different yardsticks and moves were under way to harmonise the numbers.

Rajapakse said the main challenge faced by the country during the past three decades was "terrorism in the North and East" and the search for a political solution to the Tamil separatist conflict which has claimed over 60,000 lives.

## US, Saudi, Chinese firms announce \$5b energy deal

AFP, Beijing

US oil giant Exxon Mobil, Saudi Aramco and Sinopec announced here Friday two joint ventures worth about five billion dollars to operate 750 service stations and a petrochemical refinery in China.

The announcement of the project, Exxon Mobil's largest single investment in China, marked the culmination of 12 years of preparations, according to the American company.

"It's our biggest project so far in China," Sarah Du, a Beijing-based Exxon Mobil spokeswoman, told AFP.

"Developing this type of joint venture is a very complicated process and Fujian is the most complex so far in China due to the nature of its integrated business," she said.

In a joint statement, the companies called the two joint ventures "the first fully integrated refining, petrochemicals and fuels marketing project with foreign participation in China."

The refining joint venture, which will start operations in early 2009, will expand one that already existed in the southeastern province of Fujian between Sinopec and the Fujian government.

It will lead to a tripling of the production of refined Saudi Arabian crude to 240,000 barrels per day, the statement said.

A joint venture co-owned by Sinopec, China's top refiner, has a 50 percent stake in the venture, while Exxon Mobil and Saudi Aramco each have 25 percent.

The second joint venture will operate some 750 service stations and a network of terminals across Fujian province, according to the statement.

Sinopec holds a 55 percent stake in the service station venture, with Exxon Mobil and Saudi Aramco each holding 22.5 percent.

The partnership, which aims to meet China's rapidly growing demand for petroleum products and petrochemicals, also includes a long-term crude supply agreement

with Saudi Aramco, the statement said.

"The cooperation benefits all parties. All the three companies get what they need," said Qiu Xiaofeng, an oil analyst with Everbright Securities.

"Sinopec can take advantage of capital and refining technologies provided by Exxon Mobil, and Exxon Mobil gets access to China's wholesale oil products market."

The three companies said the government had approved both joint ventures. A breakdown for the investment for each of the ventures were not provided.

"It will ... boost the development of China's petrochemical industry and contribute to the economic development of Fujian province," the statement said.

Earlier, state media reported that Sinopec reached a preliminary agreement to sell a 25 percent stake in an eastern China refinery to Saudi Aramco.

## S'pore's DBS aims to be major player in Islamic finance

AFP, Singapore

Southeast Asia's biggest lender, DBS Group Holdings, wants to be a major player in the 300-billion US dollar Islamic financial market and has engaged four specialists to help the bank achieve the goal, the Singapore-based company said Friday.

Chief executive Jackson Tai described the four Islamic scholars as among the world's "most prominent" and said they would help the bank better understand Sharia Law.

Islamic finance fuses principles of sharia or Islamic law and modern banking. Funds are banned from investing in companies associated with tobacco, alcohol or gambling considered taboo by Muslims.

The system also bans the earning of interest.

"With the guidance of the four scholars, DBS hopes to be a leading player in the 300 billion US (dollar) Islamic financial market," Tai said at an Islamic banking dialogue organised by the bank.

"Today, we announced the association with four prominent scholars who understand the intricacies, the importance of sharia-compliant financing."

"We'll look to them for advice on how we should approach a stronger participation in the Islamic financing world for DBS."

The four scholars include Sheikh Nizam Mohammad Saleh Yaquoub who is a member of the Sharia Supervisory Board for a number of Islamic banks and institutions.

DBS began its serious foray into Islamic finance last year when the bank was granted a licence to

operate at the Dubai International Financial Centre. It has opened a flagship branch there offering wholesale banking products and services.

The Dubai operations have performed strongly and the bank is open to expanding its presence in the Gulf region, Tai said.

"It's only one year but we are doing very well. We are very pleased so far in our success and progress in Dubai," the DBS chief said.

"We will look to see if it makes sense to do other locations over time," he said.

DBS has a significant presence in Asia with a subsidiary in Hong Kong as well as operations in China, India, Indonesia, Malaysia, Thailand and the Philippines.

## US unhappy over China's lack of progress in opening economy

AFP, Beijing

China has made "little to no progress" in opening key market sectors, a senior US commerce official said Thursday, as he warned of a souring mood in Washington over trade issues with the Asian nation.

China cannot rest on its laurels after the steps it has taken to liberalise its economy during its first five years in the World Trade Organisation and it needs to move forward, US Undersecretary of Commerce Frank Lavin said.

"In a number of critical sectors there has been little to no progress in market opening," Lavin told an audience of US businesspeople in Beijing.

"Our point is that the world economy is moving, so we should always look ahead. We can't simply say in 2002, we fixed a problem, in 2004 we fixed another problem. We have to say, what are we fixing in '07 and

'08."

China accounted for 28 percent of the US record 763.6 billion-dollar deficit in 2006 and Lavin warned that concerns in Washington about the imbalance were growing stronger.

"The atmosphere on US-China trade issues is probably more negative now than at any time I've ever seen," Lavin said.

The yawning trade surplus has led to American calls for more open trade and a rise in the Chinese currency to erase some of the alleged unfair advantages enjoyed by the Asian giant's exporters.

The undersecretary mentioned barriers to business in sectors ranging from telecom to civil aviation, saying US carriers were eager to open up new routes to China.

"If there is that kind of demand (in aviation), let's just liberalise. Why not just open them all up?" he said.

## Asia's No 2 auto show opens in Bangkok

AFP, Bangkok

Asia's second-largest motor show opened in Bangkok on Friday amid plummeting domestic sales, dragged down by consumer worries over Thailand's uncertain post-coup politics.

The Bangkok International Motor Show, the biggest in Asia after Japan, will display 440 vehicles, with 1.6 million people expected to attend the 10-day event, said the show's organisers, Grand Prix International Co.

"Some 13,000 units were sold during last year's motor show. We expect this year's sales to be no fewer than that," Jaturont Komolmis, senior vice president of Grand Prix, told AFP.

Toyota's Lexus RX 400H, the world's first luxury hybrid vehicle, and Mercedes-Benz's 150-million-baht (4.28-million-dollar) racing car CLK-GTR were among the highlights of the show.

While the Lexus hybrid is sold here at 6.25 million baht (178,500 dollars), the CLK-GTR, the priciest vehicle at the show, is purely for display, the organisers said.

Automakers hope the event will spur domestic sales, with year-on-

year sales figures falling sharply for five straight months after the military overthrew the elected government of Thaksin Shinawatra in a coup in September 2006.

In the first two months of the year, sales were down 20 percent compared with the same period last year.

With Thailand's consumer confidence at a five-year low and new political uncertainties arising due to swelling anti-coup sentiment, the auto industry is anything but upbeat about car demand.

"Political uncertainty is a major concern for auto sales. If March sales are at the same level of last year, we should be quite satisfied," Morikazu Chokki, president of Tri Petch Isuzu Sales Co. told AFP.

"We want political uncertainty to be short-term and hope that auto demand will recover in the later half of the year," said Chokki from the Japanese truck maker.

Even Toyota, the biggest automaker in the Thai market, was modest in its estimates about the motor show, saying its targeted sales would be the same as last year at 4,900 units.

## Euro-zone inflation may rise to 1.9pc

AP, Brussels

Inflation in the euro-zone will probably reach 1.9 percent in March, the European Union announced Friday.

The EU's statistics agency Eurostat also said that unemployment in the 13 countries that use the euro dropped to a new low of 7.3 percent in February. The jobless rate stood at 7.4 percent in January.

The Netherlands had the lowest euro-zone unemployment rate with 3.5 percent, while provisional figures for France posted the highest with 8.8 percent.

Unemployment in Germany dropped from 7.6 percent in January to 7.1 percent in February.

The inflation estimate sees the first rise in prices in the euro-zone for this year, Eurostat said. Inflation in the euro-zone held stable at 1.8 percent in February.

## French luxury brands eye Indian market

AFP, New Delhi

India may not be seen as a likely place to sell a 1,000-dollar handbag, but top luxury brands from France said on Friday that the country holds the key to a major boost in their global sales.

"After China, India will be the next growth story," Yves Carcelle, CEO of Louis Vuitton, said in the Indian capital at the start of a two-day conference promoting international luxury goods.

The per capita income in India hovers just above 700 dollars, according to the World Bank, but with a one-billion-plus economy, increasing numbers of people are crossing into the category of super-rich.

India now has the highest number of billionaires in Asia, accorded to Forbes magazine, and 1.6 million households earn more than 100,000 dollars a year, making them

all potential customers of luxury goods.

The Indian luxury market is thought to be worth some two billion dollars and is growing at 20 percent a year, according to India's main trade federation FICCI.

"We believe in the potential of the Indian market," added Carcelle. "But right now we are just at the beginning."

For the moment, sales in India for the brands represented by the Comité Colbert, an association of 70 French luxury houses, are tiny, accounting for a quarter of a percent of worldwide sales of 40 billion dollars.

But according to retail consultancy Technopak, which last year surveyed 4,000 affluent consumers across the country, the Indian market could potentially be worth up to 14 billion dollars a year.