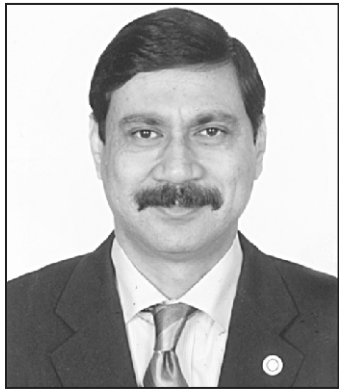


Star BUSINESS

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AmCham's new president, vice president



Syed Ershad Ahmed



Trevor MacDonald

Syed Ershad Ahmed has been elected the new president of American Chamber of Commerce (AmCham) in Bangladesh with effect from May 15, 2007.

Besides, Trevor MacDonald has been elected vice president of the chamber, says a press release.

Ershad Ahmed, who was vice president of the chamber prior to taking over as the new president, is the managing director of Expeditors (Bangladesh) Ltd, a subsidiary of Expeditors Int'l of Washington Inc, a global logistics solution provider.

Trevor MacDonald is general manager of Dhaka Sheraton Hotel and was a member of the executive committee of AmCham before being its vice president.

Square to export medicine to UK

BSS, Dhaka

Square Pharmaceuticals Ltd has got permission to export medicine to the United Kingdom (UK).

Executive Director (Operation) of Square Pharma, one of the leading pharmaceutical companies of the country, Parvez Hashim said this at a press conference in Dhaka on Sunday, while Director (Marketing) Saiful Islam and Deputy General Manager Mizanur Rahman, among others, were present.

"The Medicine and Healthcare Product Regulatory Agency of the UK after conducting various tests for one and a half years has certified Square to export its pharmaceutical products," Parvez Hashim said.

It has also created an opportunity for Square to export its pharmaceutical products to other European countries, he added.

The company has already completed all the necessary preparations for exporting medicine to the UK, the Square executive said, adding that there is a US\$170-billion market for pharmaceutical products in Europe.

Access to rural finance project to help farmers proposed

WB for re-capitalisation of BKB, RAKUB

REJAUL KARIM BYRON

The World Bank (WB) has proposed a new project to increase access to finance for the small farmers and rural micro and small enterprises (MSEs) through reform in two government-run specialised banks for agriculture and creating funds for natural disasters.

It conducted a study by its mission in April to assist the micro finance institutions (MFIs) to develop new products for small and marginal farmers and MSEs.

Another WB mission is due in Dhaka in July to discuss with the government for pre-appraisal of the Access to Rural Finance project.

According to the World Bank, through linkage with Palli Karma Sohayak Foundation (PKSF), the project will assist the microfinance sector to develop a robust computerised system that can accommodate the upscaling of its operations

into large volume of micro and small enterprise lending and can also facilitate their graduation into commercial banks' clients.

Together with the PKSF, the project will assist selected insurance companies and MFIs to develop a commercially viable index based weather insurance product.

A consultant will carry out a re-capitalisation plan of the state-run specialised banks for agriculture, Bangladesh Krishi Bank (BKB) and Rajshahi Krishi Unnayan Bank (RAKUB), with a proposal for a new governance structure.

The project will also sponsor the creation of an appropriate financing mechanism and technical assistance to the commercial banks so that the selected banks can reach out profitably to the micro and small enterprises (MSEs).

Referring to the fact that for every Taka of deposit collected in rural Bangladesh, only half a Taka

is on-lent in rural areas, the WB aid proposal said private banks are virtually non-existent in the rural financial market, while micro finance institutions (MFIs) account for roughly 30 percent.

The WB said the nationalised commercial and two specialised agriculture banks disburse about 60 percent of the rural lending (in volumes).

The lending volume to agriculture and small business from banks has been decreasing, while micro finance lending has marked a rise in the rural areas, the WB study found.

It said limited products have been developed for small and medium farmers and micro and small enterprises.

In fact, neither micro and small enterprises, nor small and medium farmers are the traditional clients of micro finance institutions, the study revealed.



New chairman of sugar, food industries corp

Kabir M Ashraf Alam, additional secretary to the government, took over as the chairman of Bangladesh Sugar and Food Industries Corporation under industries ministry on May 17, 2007.

Prior to this assignment, he was the divisional commissioner of Khulna, says a press release.

A Master in public administration from Dhaka University, Ashraf Alam was also the chairman of Trading Corporation of Bangladesh.

Bangladesh Lamps declares 30pc cash dividend

Bangladesh Lamps Ltd, the official licensee of Philips Electronics NV Holland for lighting products and manufacturer of Philips brand electric bulbs, has declared a 30 percent cash dividend.

The announcement came at the 46th annual general meeting (AGM) held on Sunday in Dhaka, says a press release.

Chairman and Managing Director of the company Latifur Rahman presided over the AGM, which was attended, among others, by directors Saifur Rahman, Shamsur Rahman, Shahnaz Rahman, Obaidur Rahman Khan, Atiqur Rahman and Ahmed Shafi Choudhury.



PHOTO: BANGLADESH LAMPS

Chairman and Managing Director of Bangladesh Lamps Ltd Latifur Rahman (4-L) presides over the 46th annual general meeting (AGM) of the company on Sunday in Dhaka. Directors Saifur Rahman, Shamsur Rahman, Shahnaz Rahman, Obaidur Rahman Khan, Atiqur Rahman and Ahmed Shafi Choudhury are also seen.

Indices slide on profit taking

STAR BUSINESS REPORT

After eight days of steady gains, price indices on the Dhaka Stock Exchange (DSE) slipped back yesterday as investors rushed to take profits.

The DSE General Index went down by 32.91 points, or 1.7 percent, ending the day at 1894.13 points, while the DSE All Share Price Index declined by 25.05 points, or 1.55 percent, finishing the day at 1591.03 points.

The turnover also fell down slightly on the premier bourse. The total turnover came down to Tk 156.36 crore yesterday from Tk 160.70 crore of the previous day.

Losers dominated the gainers on the bourse. Of the issues traded, 69 advanced, 128 declined and 16 remained unchanged. A total of 1,0125,072 shares changed hands on the DSE.

"It is a good sign that the market is not just witnessing upward trend, but experiencing downturn as well," said DSE Chief Executive Officer Dr Salahuddin Ahmed Khan.

At the end of the day, Power Grid Company of Bangladesh (PGCB) topped the turnover leaders followed by Brac Bank, Heidelberg Cement, Southeast Bank, Prime Bank, Shahjalal Islami Bank, Square Pharma, Dhaka Electric Supply Company, Summit Power and EXIM Bank.

PGCB, the state-run power company, topped the turnover leaders with 343,000 shares worth Tk 19.68 crore.

UNB adds: Trading at the Chittagong Stock Exchange (CSE) closed lower yesterday with the losers strongly dominating the gainers.

CSE All Share Price Index shed 40.47 points or 0.86 percent to close at 4644.27 points from Sunday's 4684.74 points.

The CSE-30 Index also decreased by 21.95 points or 0.53 percent to close at 4059.31 points from 4081.26 points on the previous day.

A total of 105 issues were traded. Of them, 29 gained, 67 declined and nine remained unchanged. Some 3,099,550 shares worth Tk 29.53 crore changed hands against 1,740,381 shares valued at Tk 28.52 crore on the previous trading day.

Good corporate governance to boost investors' confidence

DCCI seminar told

STAR BUSINESS REPORT

Speakers at a seminar yesterday stressed the need for promoting effective corporate governance in the country to boost investors' confidence.

They said the capital market in Bangladesh is still at an emerging stage with market capitalisation amounting to only 6.5 percent of GDP, while neighbouring countries like India, Pakistan and Sri Lanka enjoy much higher rates of market capitalisation.

Lack of investor confidence caused by inadequate practice of corporate governance is primarily responsible for such situation, the speakers observed, according to a press release.

They were speaking at a seminar on 'Corporate Governance in Bangladesh: How Best to Institutionalise it' organised by Dhaka Chamber of Commerce & Industry (DCCI) in cooperation with Center for Private Enterprises (CIPE), an affiliate of US Chamber of Commerce, in the capital.

DCCI President Hossain Khaled chaired the seminar while Shahab Enam Khan of Jahangirnagar University presented the keynote paper.

Shahab Khan in his keynote paper said due to the small size of market capitalisation in Bangladesh, most of the companies here depend on the banks as

their major source of financing.

In order to overcome this situation, he suggested that the provision for companies' disclosure of information be made a pre-requisite.

DCCI Senior Vice President M Shahjahan Khan, former president M A Momen and the directors were present among others, the release adds.

UAE minister visits Warid Telecom office

Visiting Labour Minister of the United Arab Emirates Dr Ali Bin Abdullah Al-Kaabi yesterday paid a visit to the office of Warid Telecom, the recently launched fifth private mobile phone operator of the country, at Shyamoli ASA Centre in Dhaka.

During the visit, he expressed satisfaction over the business centre and customer support centre of Warid Telecom, a concern of UAE-based business consortium Abu Dhabi Group, according to a press release.

As per a memorandum of understanding signed with Bangladesh government in 2005, Dhabi Group has pledged to invest US\$ 750 million in the country's telecoms sector and another \$250 million in pharmaceuticals, hospital and energy sectors.



PHOTO: NCC BANK

Mahbubul Alam Tara, chairman of National Credit and Commerce (NCC) Bank Ltd, inaugurates the relocated Jessore branch of the bank on MK Road recently. Md Nurul Amin, managing director, and senior officials of the bank were present among others.

Long-term plan for jute sector development underway

Says industries adviser

STAR BUSINESS REPORT

The government has conducted a study to find out problems of the jute mills in the public sector aiming to revive the mills, said Industries Adviser Geetara Shafiya Choudhury.

"The jute sector is in a horrible stage. There are huge ghost workers in the public jute mills. All of them will be identified by the study. And then we will decide how the jute sector will go further," she said, adding that a long-term plan for the development of the jute sector is being worked out.

The adviser was speaking at a seminar titled 'National Budget for 2007-08: What's in the basket for SMEs,' organised by the Economic Reporters Forum (ERF) in partnership with Katalyst.

Hossain Khaled, president of Dhaka Chamber of Commerce and Industry (DCCI), Zakaria Kazal, ERF president, and Nazmul Ahsan, general secretary, were present at the function.

Titu Datta Gupta, joint news editor of the New Age, presented the keynote paper on SMEs in Bangladesh's Business Landscape: A Journalistic Review.

The adviser, also in charge of the ministries of textiles and jute, said buyers for Bangladeshi jute products are now shifting to another country.

"We are trying to communicate with them so that they come to Bangladesh again as jute products now marked an improvement," she said.

The adviser stressed the need for developing the small and medium

enterprises in the interest of the country's economic development.

She said the people, especially the women, who have not enough money for bigger enterprises, are the main engine behind the growing SME sector.

A long-term plan for the SME sector is needed so that it runs smoothly and contributes to the country's economy significantly, she suggested.

In his paper Gupta recommended rationalisation of duty rates for industrial raw materials, intermediate and finished products.

He also laid emphasis on the central bank's refinancing for the SME sector.

Budgetary allocation for technical support, skill training and quality control for the SME development is also needed, he said.

Opec urged to pump more oil to avoid record prices

AFP, London

The Organization of Petroleum Exporting Countries (Opec) must increase supplies to avoid oil prices spiking to record levels, the Centre for Global Energy Studies said in a report published Monday.

"The world needs more oil than Opec seems willing to supply, making it difficult to avoid another surge in oil prices over the coming summer," the influential energy research group said in a monthly report.

"Far from being 'in balance' as Opec suggests, the oil market is experiencing a period of high price volatility that will persist as long as producers continue to seek prices above 60 dollars per barrel."

Last Friday crude futures reached an eight-month high

above 70 dollars per barrel in London, as traders saw no end to concerns over tight supplies caused by unrest in key crude producer Nigeria and tight US supplies of gasoline or petrol, traders said.

In July and August last year, amid an already tight supply situation, prices had surged to all-time highs above 78 dollars per barrel on concerns about geopolitical instability in key producing regions -- particularly Iran.

The International Energy Agency (IEA) energy watchdog, meanwhile, had revealed last week that it plans to ask oil exporters' cartel Opec to increase output by the middle of the year to avoid a cut in stocks.



PHOTO: MUTUAL TRUST BANK

The eighth annual general meeting (AGM) of Mutual Trust Bank Ltd was held on Thursday in Dhaka. Chairman of the bank Syed Manzur Elahi presided over the AGM, which was also attended by directors, managing director and senior officials among others.