Star BUSINESS

E-mail: business@thedailystar.net

Export earning marks 18.5pc rise in Jul-Apr

BSS, *Dhaka*

Country's export earnings in the first 10 months of the current fiscal 2006-07 stood at US $9912.79 million against the target of US$9990 million.

According to an Export Promotion Bureau (EPB) handout issued yesterday, the export earnings from July 2006 to April 2007 was 18.50 percent higher than that of the corresponding period of the previous fiscal.

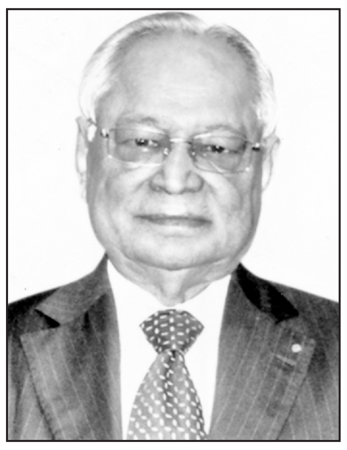
This was disclosed at a meeting of the Board of Management of the EPB yesterday. Finance and Planning Adviser Mirza Azizul Islam chaired the meeting.

During the period, earnings from exports of garments, knitwear, frozen foods, engineering products, ceramic products, handicrafts, textile fabrics, home textile, petroleum by-products and other industrial products increased considerably.

However, the earnings decreased in the fields of chemicals, tea, jute products, raw jute, agri-products, bicycle and electronic products, the handout said.

Commerce Secretary Firoz Ahmed, EPB Vice Chairman Mohammad Shab Ullah, President of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) Mir Nasir Hossain and President of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) Fazlul Haque were present among others.

New chairman, vice-chairman of Mutual Trust Bank



Samson H Chowdhury

Dr Arif Dowla

Samson H Chowdhury has been elected the new chairman and Dr Arif Dowla vice-chairman of Mutual Trust Bank Ltd.

They were elected at the 78th meeting of the Board of Directors of the bank in Dhaka recently, says a press release.

Chowdhury is a sponsor-director of the bank and is a recognised entrepreneur of the country. He was the vice-chairman of the bank earlier.

He is also the chairman of the reputed conglomerate Square Group and life member of Transparency International, Bangladesh Chapter and its former chairman.

Dr Arif Dowla is the managing director of Advanced Chemical Industries Ltd.

Govt's debt service liability doubles in 5 years

REJAUL KARIM BYRON

Government's debt service liability (DSL) has almost doubled during the last five years.

It rose to Tk 68209 crore in the FY06 from Tk 36771 crore in FY02, according to the Bangladesh Economic Review 2007 published yesterday.

The DSL marked around 17 percent rise over the previous fiscal's. The DSL was Tk 58592 crore in the FY05.

Meanwhile, the 37 state-owned enterprises (SoEs) paid only Tk 535 crore as DSL in the FY06. However, the rate of payment has decreased as the SoEs paid Tk 661 crore in the FY05.

The government for the first time published the actual amount of DSL turning down the tradition of hiding the actual figure of DSL.

The finance ministry has detected that the SoEs' liabilities were much larger than what it showed.

The ministry collected information on actual DSL during the last one year and found that the amount was shown much lower than the actual.

However, the amount of liabilities was shown only Tk 1,731crore in the economic review of the government last year.

The sources in the ministry said the real figure never came to light due to mismanagement in account handling and absence of proper documentation system.

The office of the Comptroller of Auditor General (CAG) brought such irregularities to the government's notice in 2000. Donors also raised the issue on several occasions.

Only three SoEs had 91 percent of the total liabilities. They are Bangladesh Power Development Board (Tk 46,925 crore), Petrobangla (Tk 7,086 crore) and Bangladesh Chemical Industries Corporation (Tk 8,128 crore).

But the major DSL holder PDB did not pay any amount this fiscal.

Besides, the other DSL holders are Rural Electrification Board (Tk 2,103 crore), Dhaka Electric Supply Authority (Tk 702 crore), Desco (Tk 150 crore) and RPCL (Tk 117 crore),

In the industrial sector, Bangladesh Jute Mills Corporation has Tk 189 crore DSL, BSFIC Tk 313 crore and BSEC 295 crore.

In the banking sector, Grameen Bank has Tk 307 crore DSL, while Bangladesh Krishi Bank has Tk 114 crore such liabilities.

Dhaka City Corporation has Tk 142 crore debt service liabilities and BRTC has Tk336 crore DSL to the government.

Probe into irregularities in Malaysian jobs ordered

STAR BUSINESS REPORT

The government has instructed the labour wing of Bangladesh High Commission in Malaysia to investigate issues such as low and irregular payments and unemployment of Bangladeshi workers there.

The workers are facing the problems because of cheating by recruiting agencies in Bangladesh and outsourcing companies in Malaysia.

"We have already sent a letter to the labour wing there asking it to launch a probe into the allegations and report to the ministry in seven days," Abdul Matin Chowdhury, expatriates' welfare and overseas employment ministry secretary, said yesterday.

The move came following a report published in The Daily Star on June 17. According to the report, many Bangladeshi workers in Malaysia are being underpaid and even the employers often deduct salaries of the workers on various grounds that were never mentioned in the job contracts.

The employers also force the workers to work for longer hours and do not provide enough food, accommodation and other facilities, which they are supposed to provide.

Chowdhury also said the ministry also asked the Bangladesh mission to probe if there are any Bangladeshi workers stranded in some hilly areas as reported in newspapers.

He said the ministry on June 11 cancelled the recruiting license of Link-up International Ltd, a recruiting agency in Bangladesh, on charges of irregularities.

NBR rewards 63 income tax officials

STAR BUSINESS REPORT

The National Board of Revenue (NBR) awarded Tk 1.18 crore to sixty-three employees of income tax department for better performances in revenue collection and checking tax dodging.

Parvez Iqbal, commissioner, got the highest Tk 8 lakh, while the second highest amount, Tk 5 lakh, went to GM Abul Kalam Kaikobad, Abu Md Kamrul Hasan and Mutasim Billah Faruqi each.

Ranjan Kumar Bhowmik, first secretary, got the third highest Tk 3.75 lakh, while Mohammad Ali Asgar, joint commissioner of Chittagong, and Kazi Imdadul Haque, additional commissioner of Dhaka (now posted to the establishment ministry as OSD), got the fourth highest amount of Tk 3.5 lakh each.

Eight officials received Tk 3 lakh each as monetary rewards for their performances. The officials are Mohammad Nazrul Islam, additional commissioner, Madhab Chandra Das, additional director general, Harun-or-Rashid, joint commissioner, AKM Hasanuzzaman, deputy commissioner, Kazi Latifur Rahman, deputy commissioner, Apurba Kanti Das, additional commissioner, Sarwar Hossain Chowdhury, deputy commissioner, and Shah Ali, deputy commissioner.

Deputy Commissioner Md Manjur Alam would receive Tk 2.85 lakh, while Deputy Director General Dr SM Jahangir Alam and Deputy Commissioner Nurul Amin would receive Tk 2.5 lakh each.

Abdullah Al Arif, deputy commissioner, Mohammad Mahmudul Haque, assistant commissioner, and Selina Sultana, deputy commissioner, would get Tk 2.3 lakh, Tk 2.2 lakh and Tk 2 lakh respectively.

Abdus Samad Al Azad, deputy commissioner, got Tk 1.8 lakh, while deputy commissioners Mustafizur Rahman and Anjan Kumar Shaha got Tk 1.7 lakh each.

Appellate Joint Commissioner Muhammad Mustafa, and deputy commissioners Nurul Amin and Saful Alam would get Tk 1.5 lakh each.

Tax inspectors Firoz Alam, ASM Mustafizur Rahman, Mohammad Ali and Sukumar Odhikari would receive Tk 1.25 lakh each and Inspector Abul Bashar would receive Tk 1.1 lakh.

Additional Commissioner of Khulna Khondkar Mohammad Ferdous Alam, joint commissioners Md Harun or Rashid, Md Iqbal Hossain, Syed Masum Ahmed Chowdhury and Syed Golam Sarwar, and inspectors Alamgir Kabir Bhuiyan, Ranjit Kumar Barua and Fazlul Haque would get Tk 1 lakh each for their outstanding performance.

Besides, 22 have been awarded below Tk 1 lakh each. They are: additional commissioners Kanon Kumar Roy, Jalal Uddin Ahmed and Azmal Kabir, Joint Commissioner Abul Mansur, deputy commissioners SM Abul Kalam Azad, Shadhon Kumar Roy and Shudhangshu Ranjan Das, assistant commissioners Mirza Ashik Rana, Abdul Matin, Shamima Parvin, Hasina Akhter Khan and Shah Mohammad Itteda Hasan, Second Secretary Md Abdur Rakib, and inspectors Abdul Hannan Khondkar, AKM Abdul Matin, Harun-or- Rashid, AKM Shamsul Alam, Shafiqul Islam, Motaharul Islam, Bilkis Banu, Makbul Hossain and Sadat Hossain.

Shipping Corp to build 30-storey building in Dhaka

STAFF CORRESPONDENT, *Ctg*

Bangladesh Shipping Corporation (BSC) at a meeting here on Sunday approved a project to build a 30-storey commercial building in Dhaka.

Chaired by Communications Adviser Major General MA Matin (Retd), the meeting also approved tender documents for procuring a container vessel not over 13 years old with a capacity of 500-750 TEU containers at a cost of Tk 84 crore.

The BSC office-cum-commercial building will be built on DIT Avenue in Dilkusha commercial area.

In the first phase, 15 floors will be built at a cost of Tk 31 crore from BSC's own funds.

Shipping Secretary Sheikh Enayet Ullah was also present at the meeting.

Renata declares 50pc cash, 20pc stock dividends

Renata Ltd has declared 50 percent cash and 20 percent stock dividends (bonus share 1:5) for the year 2006.

The dividends were approved at the 34th annual general meeting (AGM) of the company held in Dhaka on Saturday, says a press release.

SH Kabir, chairman of the Board of Directors of the company, presided over the meeting where Managing Director Syed S Kaiser Kabir, Directors Manzoor Hasan, Md Ziaul Hoque Khondker, A Hasant Khan, Sajida Humayun Kabir and Company Secretary Md Shafiul Alam were present among others.

PHOTO: RENATA LTD

Renata Ltd Chairman S H Kabir addresses the 34th AGM of the company held in Dhaka recently.

Oil hovers at 9-month peak

AFP, *London*

The price of oil traded close to a nine-month peak in New York on Monday owing to concerns about fuel supplies in the United States where the summer driving season is underway.

Prices found further support on Monday from lingering supply tensions over Nigeria and the crude-rich Middle East, traders said.

Singapore investors seek special economic zone

UNB, *Dhaka*

Singapore sought a special economic zone (SEZ) in Bangladesh for the Singaporean entrepreneurs to boost investment.

A trade delegation of the Textile and Fashion Federation of Singapore pleaded for establishing the SEZ when they called on Industries Adviser Geteeara Safiya Choudhury at her office yesterday.

"Bangladesh has much potential as a strong economic force in the region," the business team from the Asean country was quoted as saying during the talks.

They noted that various countries have so far made huge investment here and various organisations of Singapore are interested to invest here.

Possible sectors of investment like textiles, ICT, jute, furniture and food- processing plant came up for discussion at the meeting.

The delegation informed that they would place a formal proposal soon on their planned investment after discussion with the Bangladesh Export Processing Zone Authority (Bepza) and the Board of Investment (BoI).

The industries adviser apprised the Singaporeans of the investment-friendly situation in Bangladesh and assured them of all-out cooperation in establishing the envisaged Special Economic Zone for the Singaporeans.

Benny Pua, president of the Textile and Fashion Federation of Singapore, led his country's delegation.

Secretary of Textiles and Jute Ministry Abdur Rashid Sarker was present during the meeting.

Lack of strategy, exposure holds back Bangladesh IT

Says Danish expert

KAWSAR KHAN

Although Bangladesh has potential to emerge as an offshore destination for international IT companies, it is lagging far behind due mainly to lack of proper strategy and exposure, remarked a Danish information technology expert and entrepreneur.

"Yes, the country will have to go a long way for development of IT skills and infrastructure, but in the given situation, it could welcome many international IT companies, had it maintained business relationship with Denmark," said Henrik Egede, also vice president of Danish IT Industries Association (ITB), in an interview with The Daily Star recently.

ITB, the leading association for IT business community in Denmark, has around 400 IT member-companies.

Egede was on a visit to Bangladesh to sign a memorandum of understanding (MoU) with the Bangladesh Association of Software and Information Services (BASIS) on behalf of the ITB.

Under this MoU, a few local software companies will be trained up in the next two years for capacity building, enhancing consultative ability and export.

"The challenge for Bangladesh IT sector is that it is a newcomer in the international IT market, so you need to be more extrovert. You have energetic workers, but you need exposure and strategy," Egede said.

Henrik Egede

He also pointed out that Bangladesh, through supplying IT professionals, can avail of the dearth of skilled people in this sector Denmark now faces.

"Recently I met with 15 new members of our association who expressed their concern over the shortage of enough manpower", he added.

The ITB official informed this correspondent that the Danish Federation of SMEs (DFSME) with the support of Danida (Denish International Development Assistance) is now working in Bangladesh to bridge the gap between local and Danish IT firms and it has so far brought 30 Danish IT firms here.

Egede saw outsourcing as a booming sector because of availability of cheap labour in Bangladesh.

He also identified small number of IT graduates here as another obstacle to the sector's growth.

Citing an assessment of DFSME, he said presently the universities of Bangladesh supply 2.5 thousand IT graduates annually, but it should be many times higher to feed the local industries and to tap the export market.

"You have to take the young people and make them skilled for tapping offshore destination in international IT companies", Egede suggested.

When asked about how the local IT industries can be benefited by the ITB, he pointed to the possibility of more joint ventures in the IT sector.

In the short visit to Bangladesh he also found the high cost internet service facility as another bottleneck in flourishing the local industry.

"It (internet) is extremely expensive compared to that in other countries," he said.

PHOTO: STAR

A large number of visitors gather at the annual event, 'Nokia Connection 2007', in Singapore yesterday.

Latest devices, services unveiled at Nokia Connection 2007

NAFID IMRAN AHMED, *from Singapore*

Mobile phone giant Nokia unveiled its latest range of devices, solutions, applications and services with a vision to connect the people across the world who do not have telecommunications facility as Nokia Connection 2007, an annual event, was held in Singapore yesterday.

"We plan to connect 5 billion people by the year 2015," said Dr Tero Ojanpera, executive vice president and chief technology officer of Nokia, while addressing the daylong event.

"Our promise is to make people feel closer to what matters to them. We do that through human technology and combining simplicity and innovation in new ways," he added.

Pointing to the latest handsets and gadgets launched, Ojanpera said, "It is clear there is great potential for the industry that is increasingly focused on the ways we experience and share our lives."

At present, 900 million people all over the world use Nokia devices, Ojanpera also told the event. This year's tag line is 'My Connected Life'.

Senior executives from the Chief Technology Officer's office, Nokia Research Centre, Nokia Design and Multimedia also presented their strategies and solutions in support of Nokia's mission of taking a very human approach to technology.

This year's event mainly zeroed in on design, connectivity, mobile TV, music, games and maps. Devices such as the Nokia Bluetooth Display Cad Kit CK-15W and Nokia 330 Auto Navigation will definitely change the way people talk, make calls while driving and navigate.

The mobile TV technology such as the Nokia Digital Video Broadcast-Handset (DVB-H) will put the television into pockets and surely change the way people think about personalised television.

The new Nokia N800 Internet Tablet enables users to have portable internet access from home and on the go, with hi-resolution wide screen display.

Nokia also launched three phones for the mid-range market and three bluetooth headsets. The phones -- Nokia 6267, Nokia 3500 classic and Nokia 6121 classic -- offer enhanced music capabilities, multimedia applications and utilisation of 3G technology.

At the event, Nokia also announced its collaboration with MiTV Corporation Sdn Bdh to bring commercial broadcast of TV services using DVB-H technology to Malaysia.

Meanwhile, Communic Asia 2007, the largest telecommunications and IT showcase, kicks off today at Singapore. The show will run until June 22.

IMF reforms exchange-rate policies

AFP, *Washington*

The International Monetary Fund said Monday it is tightening the monitoring of exchange-rate policies, putting new focus on destabilizing risks to the global economy.

"The change we are making is the first major revision in the surveillance framework in some 30 years, and it is the first ever comprehensive policy statement on surveillance" of exchange-rate policies, the IMF managing director, Rodrigo Rato, said in Montreal, according to the published text.

The new policy was adopted Friday by the 24-member executive board in Washington.

At the heart of the new legal framework for surveillance is the guiding principle of external stability, the 185-member IMF said.

In addition to updating and broadening guidelines to reflect best practices that were not envisioned in the 1977 Decision on Surveillance over Exchange Rate Policies, the new policy focuses on the external effects of monetary policy.

It established four guiding principles for members' exchange-rate policies, including a new one: "A member shall avoid manipulating exchange rates or the international monetary system in order to prevent effective balance of payments adjustment or to gain an unfair competitive advantage over other members."

The Fund also toughened its definition of factors that could lead to a review of foreign-exchange policies and the opening of bilateral discussions on the subject with a member country.

Shanghai set to overtake S'pore as world's busiest port

AFP, *Singapore*

Shanghai is set to overtake Singapore as the world's busiest port in 2008 as the Chinese economy continues with its stellar growth, an executive of the city-state's port operator said in remarks published Monday.

Flourishing global trade has enabled Singapore terminals to handle a record number of shipping containers in May, but volumes in Shanghai are growing faster, Kuah Boon Wee, chief executive of PSA for Southeast Asia and Singapore, told the Straits Times.

"It's a function of their growth and China's exports are surging," Kuah said. "But even if we're not number one, we will still be a significant player in world trade."

Chinese state media said last month that Shanghai has overtaken Hong Kong to become the world's second largest container port in the first quarter as containers handled rose 28.1 percent from a year ago.

In the first three months of the year, Shanghai Port processed 5.9 million TEUs (20-foot equivalent units) while Hong Kong handled about 5.5 million TEUs during the same period, up 2.3 percent from a year earlier.

Shanghai Port had been the third biggest container port worldwide after Singapore and Hong Kong since the end of 2003. Its container throughput capacity has kept a growth rate of over 20 percent in the past three years.

Kuah said PSA Singapore Terminals moved a record 2.28 million containers in May on the back of robust global trade.

In the first five months of the year, PSA handled 10.79 million containers in Singapore, up 14.42 percent over last year, he said.

"Areas such as Eastern Europe, the Baltic area, the Middle East and of course China, all showed strong growth in trade this year," he said.

"We have been working very hard to find ways to help customers make incremental growth in their business so that they will continue to increase their volumes here."

PSA Singapore Terminals is the flagship terminal of PSA International which is owned by state-linked Singapore investment firm Temasek Holdings.

PSA International handled record container volumes of 51.29 million TEUs last year, 18.6 percent more than in 2005. Its Singapore terminals handled 23.98 million TEUs last year.

The port operator earned net profit of 1.21 billion Singapore dollars (786 million US) on revenue of 3.74 billion dollars.

PSA is one of the world's top port operators with facilities in 15 countries in Asia, Europe and the Americas.