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Govt to set up SME exhibition centre in Dhaka

BSS, Dhaka

The government will set up a modern exhibition centre in the city to sell the products of Small and Medium Enterprises (SMEs) to help the sector further expand with increased trade and business.

The centre will be set up under the 'Strategic Support to SME Sector Training and Capacity Building Project' of the Ministry of Industry, an official handout said.

A meeting held here yesterday with Industries Secretary Dr M Nurul Amin in the chair discussed matters related to the centre and also reviewed the progress of the ministry's different projects, being implemented under the current fiscal year's Annual Development Programme (ADP).

The meeting was informed that steps would be taken to modernize the BSCIC design centre, skill development centre and the small and cottage industries training Institute (SCITI) to raise the capacity of SMEs and create massive employment opportunities in the sector.

The total ADP allocation in 2007-08 for the Ministry of Industry is Taka 156.8 crore to implement 14 projects, of which Taka 119.11 crore is provided by the government and the rest Taka 37.69 crore is coming as project assistance.

Nearly 17 per cent of the fund being provided by the government was spent till August this year while a project was undertaken at an estimated cost of Taka 58 crore to further strengthen the BSTI, the meeting was told.

High officials of the ministry, head of the different corporations and organizations and also the concerned project directors were present at the meeting.

Rangs launches Mitsubishi EX car

STAR BUSINESS REPORT

Rangs Limited, the sole distributor of Japan's Mitsubishi Motors, yesterday formally launched a new model Mitsubishi car in local market.

The Mitsubishi EX car will be available at Tk18 lakh-Tk19.5 lakh, Badiuzzaman, head of operation of Rangs Ltd, a concern of Rangs Group, told a press conference in Dhaka yesterday.

The 2008 model of 'Mitsubishi EX', available in 1,500 CC and 2,000 CC, is capable to run up to 12 kilometres in urban areas.

The features of the car include knee bags, keyless operation system, auto rain-sensing wiper and luggage compartment.

Rangs Limited is providing a one-year or 10,000 km after sales warranty.

The officials said Rangs is the market leader of 7,000-unit new car market of the country.

However, brand new cars represent only 12 per cent of the total car market of the country.

BA unveils new uniform for Bangladesh, India soon

Indian fashion designer Rohit Bal has designed a new uniform for British Airways cabin crew in India and Bangladesh, says a press release.

The new uniform comprises of a Kurta suit and a Sherwani. This will replace the current sari, a sari has also been designed to be worn especially at special promotional events along with the Kurta suit.

Nilufer Charna, British Airways' International Cabin Crew Manager, South Asia, said: "Our uniform is one of the most powerful symbols of the British Airways brand and it is important that our people feel proud to wear it."

"We felt it was essential that our staff were able to have a new uniform to replace the traditional sari, that is equally elegant and chic as well as being comfortable and practical."

Meghna Cement approves 25pc cash dividend

Meghna Cement Mills Ltd has approved a 25 per cent cash dividend for its shareholders for the year that ended on December 31, 2005.

The approval came at the 15th annual general meeting (AGM) of the company held on Thursday in Dhaka, says a press release.

Sponsor Director of the company Mahaboo Morshed Hassan presided over the AGM, which was also attended by senior officials among others.

Bol to embark on mission to woo more investment

To meet top 50 foreign investors

JASIM UDDIN KHAN

The Board of Investment (BoI) will request big foreign investors already present in the country to try and persuade others to follow their example and seek business opportunities in Bangladesh.

The request will be passed on by a series of meetings to be held by BoI officials with chief executives of the 50 top foreign investors in the country.

The move is part of a campaign to rejuvenate efforts to increase the flow of foreign investment. After falling in the fiscal year 2005-06, foreign investment grew by just two per cent in the fiscal 2006-07, according to Bangladesh Bank.

"We have decided to urge our existing investors to invite their fellow companies in their own countries to come here and

invest. We may start sitting with the executives from next month," an executive member of the BoI said.

The BoI also decided to write to all 44 heads of Bangladesh's missions abroad to invite potential investors to invest in Bangladesh.

"The foreign missions usually do not work on inviting investors into the country. However after gaining approval from the government the foreign missions will work in an organised manner to hold seminars and meetings with potential investors to invite them to invest in Bangladesh," a high official of the BoI said.

Sources said the BoI has assigned two officials to regularly communicate with Non Resident Bangladeshis (NRBs) who have shown an interest in investing in Bangladesh.

Recently the BoI arranged seminars in Canada and the UK to encourage NRBs to invest in Bangladesh.

Sources said around two dozen NRBs are in contact with BoI officials to invest in telecommunication, shipping, airlines, courier services, tourism and some other service sectors.

The BoI will soon arrange seminars at USA and Italy as part of the initiatives.

According to the Bangladesh Bank statistics, the country received US\$ 760m foreign investment during the fiscal against \$743 million in the previous fiscal. This compares to \$854 in the fiscal 2004-05.

Sources said indecision about proposals by Tata Group and Mittal Group and political uncertainty limited the growth in investment.

Beximco Pharma starts export to Jordan

UNB, Dhaka

Beximco Pharmaceuticals Ltd has started supplying its medicines to Jordan.

The company received marketing authorization for four of its products in Jordan while a number of other products remained under registration process, said a corporate statement yesterday.

Jordan, a market for US\$315 million, is heavily dependent on imported drugs and more than 70 per cent medicines are imported from Europe.

Nazmul Hassan, CEO of Beximco Pharma, hoped export to Jordan will boost Beximco Pharma's entry into the Middle East markets.

S'pore among top 3 cities in world for meetings

Singapore is now ranked among the world's top three cities for meetings, based on the Union of International Associations' (UIA) latest rankings, says a press release.

In the UIA's International Meetings Statistics 2006 report, Singapore moved up one place from 2005 to third position in the Top International Meeting City category, placing it among the top three for the first time, and alongside well-established European cities that host international meetings, namely Paris (ranked 1st) and Vienna (2nd).

At the same time, Singapore topped the rankings in Asia, as Asia's top country and city for meetings. Singapore surged from fourth to first position, as Asia's Top Country for Meetings, while maintaining its standing as Asia's Top City for Meetings, a position it has held for the past 23 years.

The Singapore Exhibition and Convention Bureau (SECB), a group of the Singapore Tourism Board (STB), is the lead government agency for the business events in Singapore.

India remains outsourcing favourite

AFP, Bangalore

India remains the favoured technology outsourcing destination, an industry report said Sunday, amid concerns a rising rupee and soaring wages would blunt the country's competitive edge.

A study by industry publication Global Services and investment advisory firm Tholons put the Indian cities of Chennai, Hyderabad and Pune at the top of a list of 15 emerging outsourcing destinations for global companies.

Kolkata at number five and Chandigarh at number nine were the other two Indian locations on the list, which contained three Chinese and two Vietnamese cities as well.

The three hot cities for outsourcing from China were Shanghai at number eight, Beijing at 10 and Shenzhen at 13. Ho Chi Minh City and Hanoi were put at number six and number 12.

Cebu in the Philippines came in at number four, the Sri Lankan capital of Colombo at seven, Cairo at 11, Buenos Aires at 14 and Sao Paulo at 15, the study's sponsors said in a statement released in Bangalore.

The list is based on criteria such as scale and quality of workforce, financial infrastructure, risk environment and quality of life.

But it does not include established outsourcing locations such as Bangalore, the New Delhi capital region, Manila, Mumbai and Dublin that have had a decade's headstart.

Costs are surging in the prime cities in India, which has earned a reputation as the world's back office, as property values and rentals rise and wages increase at an annual pace of more than 15 per cent amid a shortage of skilled employees.

Indian outsourcing firms are also feeling the pinch from an appreciating rupee, which dents dollar-billed earnings, forcing them to cut costs by expanding to less expensive locations.

Clarification

In a news item headlined 'Summit Power goes for rights offer to build new plants' published on this page Sunday, it was said that Syed Fazlul Haque was the chairman of Summit Power Ltd, as was stated in a press release issued on behalf of the company. Summit Power wish to make it clear that in fact Haque is not the company chairman, but a director who chaired the 9th extra-ordinary general meeting of the company.

Use excess liquidity for more lending to productive sector

BB asks banks

STAR BUSINESS REPORT

The central bank yesterday officially asked commercial banks to use their excess liquidity to increase lending to the productive sector, especially small and medium enterprises (SMEs).

In a circular Bangladesh Bank said that entrepreneurs, especially women, are still falling outside regular banking services when it comes to getting loans. Commercial banks should provide loans to sectors that generate employment and strengthen the economy, the circular continued.

In recent weeks the central bank has criticised commercial banks on several occasions for their failure to increase lending to productive sectors. However this is the first

time it has used the official channel of its own circular to stress the need for increased.

It is believed that a total of Tk14300 crore of excess liquidity remained in the banking system till June, 2007.

Sources said the central bank also expressed disappointment at the commercial banks' failure to sanction any loan to women entrepreneurs in the SME sector.

Bangladesh Bank believes that loans are needed, especially in the agricultural sector, to help rebuild infrastructure and livelihoods devastated by the recent floods. To underline this point, the central bank has already changed its earlier stance of implementing a tight monetary policy, preferring an expansionary stance.

It is not possible to overcome

the losses in agriculture caused by recent floods if the disbursement of agriculture loans is not increased, said a central bank official.

The central bank has already issued a circular for loan rescheduling through the easing of down payment conditions. Earlier, the BB has also directed that a monitoring cell be formed so that the farmers would not face any harassment in receiving agricultural loans.

There are three refinancing schemes on SME in the central bank to reduce poverty and create employment through expanding SME activities. The schemes are the Small Enterprise Fund-ADB with a fund of Tk 210 crore allocated, Bangladesh Bank Fund with an amount of Tk 300 crore, and EGBMP with a fund of Tk 116 crore.

Aureos Capital invests \$5m in Apollo Hospitals

Aureos South Asia Fund (ASAF), an investment fund focused on the South Asia region, has invested US\$ 5 million as equity in STS Holdings Ltd, the owning company of Apollo Hospitals Dhaka, says a press release.

Aureos South Asia Fund (ASAF) is one of the 10 funds established by Aureos Capital, a joint venture between CDC group plc, a UK government fund and the Norfund, the Norwegian Investment Fund for Developing Countries that focuses on investments in India, Sri Lanka and Bangladesh.

Apollo Hospitals Dhaka is the world-class hospital in Bangladesh under private healthcare sector.

Recognised as a referral hospital, it has been providing international class healthcare services since its inception in April, 2005.

Established with the technical management and also operating with the management of Apollo Hospitals Group, India, Apollo Hospitals Dhaka has become the leader in the private healthcare services market in Bangladesh serving patients who would otherwise have to travel overseas to obtain similar quality services.

The investment will help implement STS Holdings' plan of expanding broader healthcare services with desired resources and support.

Warid Telecom reaches 56 districts

Warid Telecom has expanded its network to five more districts raising total number of districts under Warid coverage to 56, says a press release.

Mymensingh, Jamalpur, Sherpur, Rajbari and Narail towns are now under Warid network.

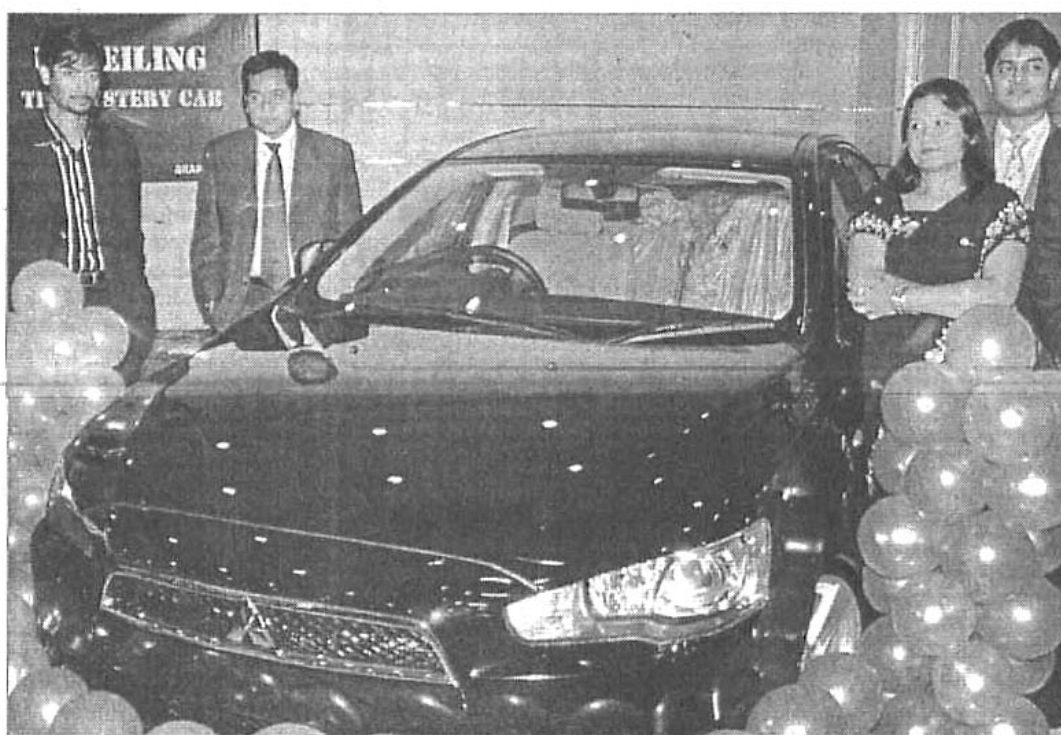
The introducer of Next Generation Network (NGN) technology in Bangladesh, Warid Telecom's primary objective in the market is to ensure highest level of telecommunications service and customer care.

Citibank bids farewell to outgoing GP CEO

Citibank, N.A. Bangladesh recently bade farewell to Erik Aas, outgoing chief executive officer of Grameenphone, at a function in Dhaka, says a press release.

Citigroup Country Officer Mamun Rashid handed over a small plaque to Aas as a token of appreciation on behalf of Citibank, N.A. Bangladesh.

Among others, Securities and Exchange Commission Chairman Faruq Ahmad Siddiqi, ADB Country Director Hua Du, high officials of government bodies, CEOs of other mobile phone companies, AmCham President Syed Ershad Ahmed and senior officials of Grameenphone and Citibank were present.



Officials of Rangs Limited, the sole distributor of Japan's Mitsubishi Motors, pose with a Mitsubishi EX car at the launching function in Dhaka yesterday.

Ex-communist EU states feel pinch of labour shortage: WB

AFP, Warsaw

The European Union's 10 ex-communist states, which were hit by massive unemployment after they shifted to a market economy almost two decades ago, are now facing a labour shortage, according to the World Bank.

The EU newcomers need to enact new reforms to boost their workforces, singling out measures to discourage early retirement and to open their labour markets to foreigners, the bank said.

The region has undergone a "major shift," said economist Jan Rutkowski, the lead author of the World Bank report released in Warsaw last Thursday.

"Two years ago, there were a lot of people looking for jobs, but there were no jobs," he told reporters.

In the early 2000s, unemployment rates across much of the region were still above 10 per cent.

Robust growth did little to bite into the figures, because the region's companies continued to slash their work forces in order to

compete with their counterparts in leading industrialised nations.

By the middle of the decade, however, the balance began to tip as job-creation outpaced losses.

The shift coincided with the 2004 EU entry of eight ex-communist countries: the Baltic states of Estonia, Latvia and Lithuania, plus Poland, the Czech Republic, Slovakia, Hungary and Slovenia.

Romania and Bulgaria joined the EU at the beginning of 2007, bringing the bloc's total membership to 27.

Companies across the region, and particularly in the 2004 entrants, have now largely completed their often painful restructuring process, and their ability to compete on the world stage has helped boost production and demand for employees.

In the past two years, the rate of vacant jobs has more than tripled in Lithuania, doubled in Poland, and almost doubled in the Czech Republic and Latvia.

Emigration to other EU member

states, notably from Poland and the Baltic states to the open labour markets of Britain and Ireland, has amplified the domestic shortfall in skilled workers.

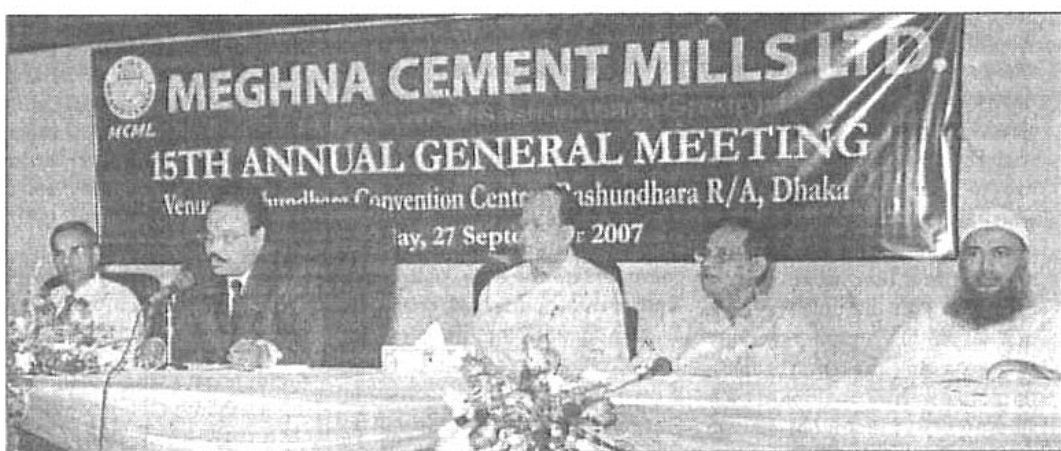
According to the World Bank, the region is still doing too little to tap its labour market potential.

In Poland, for example, only 54.5 per cent of the population aged 15-64 was working in 2006, compared with 66 per cent in the EU's 15 more established western member states.

Only Estonia has come close to meeting the EU's overall target of 70 per cent participation in the labour force in that age group.

The bank recommended that governments place more restrictions on early retirement, pointing again to the case of Poland, where the median retirement age is 57, eight years less than the official age.

"The abuse of disability schemes should be eliminated by improving governance, curbing corruption and enforcing eligibility conditions," the report said.



Mahaboo Morshed Hassan, sponsor director of Meghna Cement Mills Ltd, speaks at the 15th annual general meeting (AGM) of the company on Thursday in Dhaka. Senior officials were also present.