



Sanjay Prakash

HSBC Bangladesh's new CEO

STAR BUSINESS DESK

The Hong Kong and Shanghai Banking Corporation (HSBC) Limited has appointed Sanjay Prakash as the chief executive officer of HSBC Bangladesh. He will replace Steve Banner, who will move on shortly to assume a new role as Head of Strategy and Business Transformation in HSBC's Consumer & Mortgage Lending business in the USA, according to a press release.

Prakash brings with him more than 23 years of experience in financial services. He first joined HSBC in 2001 as the COO of HSBC Asset Management (India) Pvt. Ltd. In 2003, he became the first CEO of HSBC's Asset Management business in India.

Commenting on the move, Paul Leech, HSBC Asia Pacific Head of International, said, "We are keen to see the momentum of our growth in Bangladesh continue under Sanjay Prakash. He is an experienced, capable and ambitious executive."

Poor delivery of food grains creates Ctg port congestion

STAFF CORRESPONDENT, Ctg

Poor delivery of imported food grains due to godown shortage and unavailability of transports is creating congestion at the Chittagong port.

The slow delivery that has already slowed down the activities of the port almost to half has been forcing six rice-laden vessels lie at different jetties and another four vessels at the outer anchorage for over a week.

According to sources, seven vessels carrying a total of 53,936 tonnes of imported rice of Food Department arrived at Chittagong port on July 14.

But, due to shortage of silos in the city and lack of transports required to carry the food

grains outside the district these vessels had been lying at different jetties for over a week.

Under these circumstances a serious congestion is feared to arise at the port unless immediate steps are taken to speed up the delivery of the food grains.

At the back drop of the situation Chittagong Port Authority (CPA) in a meeting with other authorities concerned urged the Department of Food to take immediate measures to speed up the delivery of the food grains.

The meeting underscored the need for speeding up the process of restoring the Halishahar Godowns for Food Department from Bangladesh Export Processing

Zone Authority (Bepza) to overcome the godown shortage.

In the meeting it was decided that the Food Department would take step to store the food grains in the godowns owned by other state-owned enterprises in the port city until space crisis is solved.

If necessary the department would hire private godowns, said the sources present in the meeting.

"Besides, in the meeting we have also urged the Food Department to take delivery of the food grains by lighterage vessels from the vessels staying at the outer anchorage," said CPA Director (traffic and security) Lt Col Feroz Ahmed, who

also presided over the meeting. When asked Acting Regional Controller of Food M Kaiser Ali said that they were struggling hard to tackle the situation.

"As per the suggestions of the meeting we have already sent a set of proposals to the Director General of Food Department as well as to the secretary," he said.

When asked about the fare of inter-district trucks he agreed it was difficult to get inter-district trucks at a fare fixed several years back.

The truck owners were given an 18 percent raise in the fare before the price hike of fuel.

However, after the price hike of fuel they may not be able to supply trucks with the existing rate of fare.

Islami Bank to raise authorised capital

STAR BUSINESS DESK

The Islami Bank board has decided to raise the bank's authorised capital to Tk 1000 crore from Tk 500 crore, which is subject to approval of Bangladesh Bank and shareholders.

The board also decided to change the face value of the bank's shares into Tk 100 each instead of existing Tk 1000 each and change the existing market lot of 1 to 10, which is also subject to approval of Bangladesh Bank, Securities and Exchange Commission and shareholders.

The decisions were taken at a meeting of the board of directors of Islami Bank Bangladesh Limited in Dhaka recently, according to a press release.

The authorised capital will be raised by amending Memorandum and Articles of Association of the bank at an extraordinary general meeting to be held on August 29.

Taiwan jobless rate up 3.95pc

AFP, Taipei

Taiwan's unemployment rate rose to 3.95 percent in June from 3.84 percent in May as the number of first-time jobseekers increased, the government said Tuesday.

On a seasonally adjusted basis, Taiwan's jobless rate was 3.88 percent in June, almost flat from 3.89 percent in May, said the Directorate-General of Budget, Accounting and Statistics.

Jute traders threaten fresh agitation from August 6

Demand payment of Tk140cr dues

STAFF CORRESPONDENT, Ctg

Jute traders yesterday threatened to go for further agitation from August 6 if their Tk 140 crore dues from state-owned 22 jute mills are not cleared by August 5.

The traders earlier on July 12 stopped supplying jute to the mills for the same reason.

Declaring a fresh agitation programme at a press briefing here yesterday, leaders of the Chittagong Jute Traders Association said they would lay siege to the Bangladesh Jute Mills Corporation (BJMC) head office in Dhaka on August 6 and start a fast-unto-death strike there from the same day unless their demand is met by August 5.

"In fact we, the small traders, fell into a serious problem by selling jute to the mills on credit. We had supplied jute to the mills after procuring the item from farmers across the country," said Mohammad Bashir Ullah, general secretary of the association.

He said, "We have patiently waited for over a year for the dues, but the government so far appeared too indifferent in this regard, prompting us to

resort to agitations."

Sources said Tk 140 crore remained outstanding as the government didn't pay the amount against buying jute for the fiscal year 2006-2007 from the traders for eight mills in Chittagong, seven in Khulna and six in Dhaka.

The mills that owe Tk 140 crore are: Bangladesh Jute Mills (Tk 7.85 crore), Karim Jute Mills (Tk 7.73 crore), UMC Jute Mills (Tk 17.32 crore), Rajshahi Jute Mills (Tk 4.98 crore), Latif Bawani Jute Mills (Tk 9.51 crore), Alim Jute Mills (Tk 3.22 crore), Karpeting Jute Mills (Tk 55 lakh), Crescent Jute Mills (Tk 8.60 crore), Eastern Jute Mills (Tk 4.63 crore), People's Jute Mills (Tk 7.12 crore), JJI Jute Mills (Tk 3.85 crore), Platinum Jute Mills (Tk 9.40 crore), Star Jute Mills (Tk 5.55 crore), M Rahman Jute Mills (Tk 1.24 crore), Amin Jute Mills (Tk 6.02 crore), RR Jute Mills (Tk 1 crore), Gul Ahmad Jute Mills (Tk 5.56 crore), Hafiz Jute Mills (Tk 6.50 crore), Karnaphuli Jute Mills (Tk 1.50 crore), Forat Jute Mills (Tk 1 crore) and Baghdad Jute Mills (Tk 1 crore).

Tourism fair begins tomorrow

STAR BUSINESS REPORT

A three-day tourism fair 'BRAC Bank Bangladesh Travel and Tourism Mart 2008' begins in the capital from tomorrow.

"We are arranging the fair with the aim to encourage tourism in the country, as well as to attract the foreign tourists," said Mamun Ashrafi, chief executive officer (CEO) of Amazing Holidays, a travel agency and organiser of the fair, at a press conference in Dhaka yesterday.

He said the tourism sector, if developed, could be a major

foreign currency earner of the country.

He urged the government to allocate budget and develop a database to promote the historical and natural sites of the country.

Abedur Rahman Sikder, head of marketing and corporate affairs of BRAC Bank, said it is a part of social responsibility of the business community and the government to help the tourism sector develop further.

He stressed the need for promoting domestic tourism by developing infrastructure

and communication to different tourist spots.

A total of 70 organisations, including local banks, tour operators, hotels, motels and airlines, will display their services and products at the fair, which will remain open for all from 10am to 8pm everyday.

A campaign to vote for Cox's Bazar and the Sunderbans will also be arranged at the fair, so that these two places can stay at the top of the list of seven natural wonders of the world.

"If we can hold our position

at the top of the list, it will boost our tourism sector," said Mamun Ashrafi.

Abdur Rahman, head of non-funded business and secured value centre of BRAC Bank, was also present at the press conference.

The Daily Star, Ittefaq, Channel i and Radio Foorti are the media partners of the fair.

The entry fee of the fair, which will be held at level seven of the Bashundhara City Expo Centre, is Tk 10 per individual. However, students can visit the fair without any entry fee.



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BIZ LETTERS

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Branding Bangladesh

How do we brand Bangladesh? How can we highlight our motherland's good image to the world at large? It is a million dollar question but the answer is definitely not worth million dollars.

Branding Bangladesh is not actually an overwhelming task. All we need is the right people at the right time to make things happen. We can brand Bangladesh in several different ways, some of which are discussed below.

The 'Boishakhi Mela' is a colourful event which we celebrate every year. Observance of 'Pohela Boishakh' has become very popular in Dhaka city. I think the Boishakhi festival should not be limited only to the Bengalis. It should be translated into a global festival where travellers from all around the world will have the golden and life-time opportunity to come to Bangladesh to attend this colourful festival. This event can be just like Brazil's carnival. Special package tours for tourists from all around the world can be provided. There is already a group in the popular website 'facebook' called the 'World Boishakhi Festival', which promotes the festivities to the users of the internet.

Similarly, the 'chom chom mishti' of Tangail can be branded and presented to the world community as the best sweetmeat on this planet. Sweet lovers all over will appreciate the unique taste of the dessert item.

Rajshahi silk can also be branded as the best quality of cloth material and as the world-class material to make the traditional outfit called 'Saree'.

We always label 'Dholai khal' as a source for finding stolen parts of vehicles. It is such a place where various motor parts are found at affordable prices. The notorious reputation of this place can be changed and built into the 'World's cheapest automobile manufacturing zone'.

Let's not forget the famous, 'Jinjira'. It can be branded as the '2nd China' where all sorts of raw and finished goods are made at affordable prices. Jinjira can even become an 'economic export processing zone', once the quality of the products are improved.

'Chinigura' is small grain of rice. It is distinctly scented and some even say that it is better than the 'Bashmati' rice. Chinigura can be branded as the 'world's best-scented small grain rice'.

These are only a few examples by which we can brand our motherland and boost the image of our country to the rest of the world.

Minhaj Ahmed

Dhaka.

RMG workers' riot

Being in the industrial management sector for the last 30 years, my observation of the riots in the Ready Made Garments (RMG) sector are as follows.

Entrepreneurs dilly-dally to pay salaries on time and this leads to discontentment among the workers. Some self-styled leaders among the workers, whose interests are to jeopardize work routines, instigate the workers against the management and hence the riotous behaviour of the workers. Some irresponsible Non-Government Organisations (NGO) are also behind the scene to serve the interest of the neighbouring country. This is done to lure away the international buyers to that country where the industrial estate is being created. The bad image of Bangladesh will certainly provoke international buyers to go for another country.

Our nation's leaders also have a part to play in the riotous behaviours of the workers. They have little respect for law and order, they come out of bail after being arrested and they do not even get adequate punishment. They do not pay much attention to the sector and neglect leads to riots and grievances. Management techniques are also to blame in this context. The exchange of information in day-to-day business is absent between employers and employees, as a result of which the workers are kept in the dark.

GMF Abdur Rob

Dhaka.

CSR: A unique business tool

Every day we come across various news items, but they hardly create any impact in our minds. However, certain steps taken by an organisation can draw our attention and deeply affect us. For example, the news on the leading cellular company that recruited 6 disabled people into their workforce or the news that a bank donated funds towards the treatment of acid victims. These are two examples of Corporate Social Responsibility (CSR), the most attractive feature followed by organisations.

Corporate social responsibility (CSR) is voluntarily taking steps to improve the quality of life for employees as well as for the local community and society at large. If we carefully look at the activities of any organisation we will understand why companies undertake CSR. According to me, CSR is a unique business tool.

It is true that companies do this kind of activities due to their commitment to the society. It is also a kind of advertisement, which catches the attention of the consumer or the media. Just like people remember the name and the CSR activities of any specific organisation, it works as a marketing tool when people need to buy anything. The name of that company comes into the customer's mind in the first go.

In many instances, CSR sometimes creates a more effective outcome than advertisements. Nowadays the thought process or purchasing behaviour of consumers have changed.

We notice the CSR activities carried out by the multinational companies and cell phone companies at large and wonder why we do not find much initiative taken by our local companies. They should start to think seriously about this matter for their own benefit, otherwise they will be far behind in positioning their name in the consumer's mind. I am not denying their activities, but the consumer should more easily notice the efforts.

Silvea Akther

Dhaka.

Pharma industry: are we prepared?

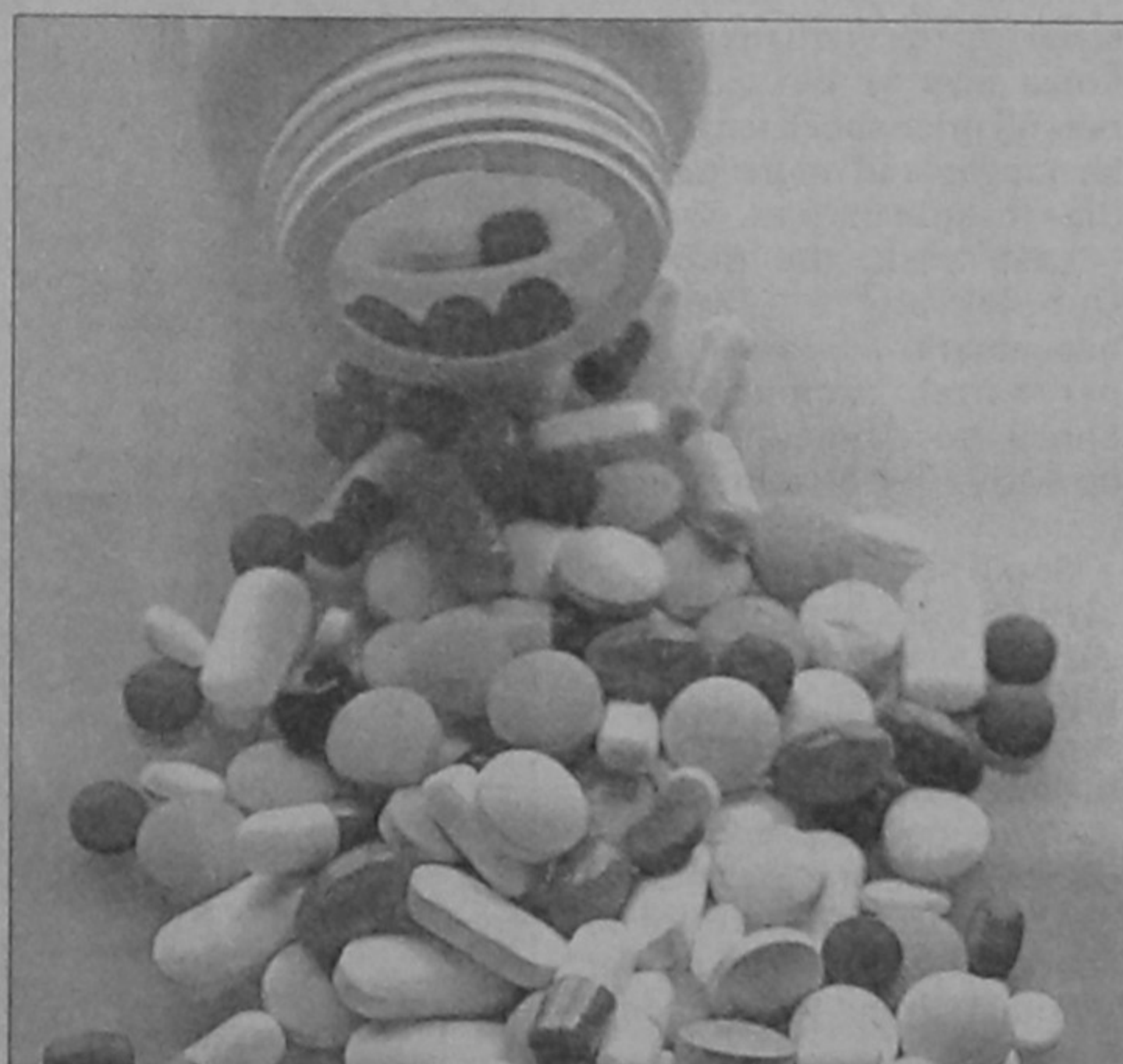
Over the years, the pharmaceutical sector has attracted overseas buyers, mostly in unregulated markets, and it has earned a good reputation as a quality drug manufacturer. It is indeed encouraging when we hear about its tremendous export potential. With recent certifications of the top 3-4 pharmaceuticals, by major

drug regulatory agencies, the sector has reached new heights. I am not contradicting the popular notion but would like to draw attention to some of the ground realities.

What have we done to realise the potential? How far have we progressed in terms of infrastructure development or competitiveness? Nothing mentionable. After many years of tiring efforts by the pharma industry, the government has just allocated land for the proposed central API (active pharma ingredient) facility. Again, the industry is yet to have any bioequivalence testing facility, which is mandatory for product registration in developed markets, and there is mounting pressure from even semi-regulated markets for such compliance.

Generic drug producers like India and China are already present and we will have to double our efforts to enter any export destination. India has over 100 US FDA-approved pharmaceutical plants and they are increasingly focused on research and development. The ever-increasing number of generic players are fiercely competitive in the 75 billion dollar generic drug markets. As of now there is little infrastructure in Bangladesh to support this industry to compete even in African countries where Indian companies have already set up plants, taking advantage of the 'Least Developed Countries' status of those countries- particularly for HIV drugs.

To build up the capabilities, we must start at the university level, which is the skill development workshop. Our education system should be more practical-oriented and have access to adequate laboratory facilities. There should also be more industry-university alliances and collaborative research between universities home and abroad to promote research activities. India has one of the largest talent pools with the right skill set. Every year, India produces over 3 million graduates: 90,000 with MBA degrees, 400,000 engineering graduates, 25000 pharmacists, and



1,500 PhDs.

This is why India is still competitive in the world market. And for us to consolidate our presence in the overseas markets, India is a major rival and this competition gets more intense day by day. We can only sustain in overseas markets if we have our own skill set, which will moderate our dependency on India or China. This is largely a knowledge-based industry- unlike many other industries such as RMG and cheap labour or conventional wisdom is not enough.

Shawkat Haider

Dhaka.



Future of poultry industry

The poultry industry is a rising and important industry in our country. But it is a matter of regret that 'Bird Flu' has hampered the growth of this industry. Millions of birds have been killed all over the country due to risk of spreading the avian influenza in humans.

Avian influenza is a viral disease, which is caused by the virus avian influenza type-A. In Bangladesh, Bird Flu was first detected in March 2007. More than 10 lakh poultry have been stamping out all over the country. A general calculation says that the direct loss stands at approximately Tk 2.5 crore, and the loss of capital is at about Tk 2000 crore. Enterprises associated with the poultry industry recorded about Tk 5,000-10,000 crore loss due to the disease. Furthermore, more than 50 thousand people have also become unemployed.

Today the matter of hope is that there is no record of the disease, although about 382 people have been affected in the past and 241 of them are dead.

The poultry industry is one of the most advancing industries in Bangladesh, just after the garment industry.

Once we said, 'machhe bhate bangali', but nowadays it shows a gloomy picture, as the number of rivers and ponds are decreasing. In the mean time, more than Tk13,000 crore has been invested in the poultry industry. The total number of employees engaged is about 5 crore. There is a great contribution of this industry in improving the socio-economic condition of women and in declining rural poverty.

But it is a matter of regret that even though the disease has subsided, the farmers are not interested in poultry rearing any longer. The small farmers are uninterested due to the great loss they incurred in capital investments. Many farmers have become penniless after the attack and they can revive their business only if the government arranges loans and ensures a proper supply of feeds and medicine, creates a suitable market and a share price for their commodities.

Without the government's help they are just like a boat without a rudder. So the government should immediately take steps before those farmers become disheartened or figure out alternative living source.

District veterinarians should also come forward and give the farmers proper knowledge about the bio-security of the farm and the most effective measures of rearing poultry. The government should increase the extent of its work in rural areas. Finally, to fulfill our biological protein need and to make this sector one of the leading sectors for earning foreign currency, special emphasis should be given by the government.

Dr. Md. Shamim Ahasan

Mymensingh.