

Cut red tape in commercial projects

BSRM chief suggests roles of honest and efficient government officials in project implementation

DWAIPAYAN BARUA, Chittagong

DYNAMIC senior officials from the bureaucracy should be engaged in implementing the country's commercial and development projects, said a leading entrepreneur in Chittagong.

If the bureaucrats are given the authority to take decisions independently, economic progress will happen naturally in the port city, said Alihussain Akberali, chairman of Chittagong-based Bangladesh Steel Re-rolling Mills Group.

"We set up our first plant in Chittagong in 1952. Since then we have been doing modernisation and upgrading in our plants continuously. We face many hurdles, but there is a huge potential here," he said.

If the government wants development in the country, there are chances, but a good intention is needed first, he said.

"If a joint secretary or a secretary is made the head of the body of private-public partnership projects, they will not be able to perform well because they are not tuned to commercial projects."

Running a country and running a business is different, said Akberali.

The body could be formed comprising a group of dynamic officials from the bureaucracy and it should be headed by someone who is honest, capable, educated, experienced, he said.

If it can be done in such a way, the bureaucracy will really get a big



Alihussain Akberali

boost for the development of the country, and side by side the government should enact necessary rules and laws for land acquisition, Akberali said.

The government has to make sure that the present rules of land acquisition are upgraded, he added.

If the government can take these

dynamic decisions, the economy will get a boost. The only problem is in the governance -- the bureaucratic bottlenecks and some cumbersome processes.

The major problem in doing business in Chittagong is in the communication sector, especially road transport, he said.

"I have to carry my goods at Tk 800

to Tk 900 per tonne from Chittagong to Dhaka. If it was any other country, the cost would be half," Akberali said.

However, he said the crisis of gas and electricity will be eased within a few years.

He also said there should be a separate budget for the development of Chittagong.

"There should be a parallel government within the central government to give sanction independently for any new project. And that is the way how Chittagong will boom."

Akberali said the Board of Investment (BoI) should be made proactive and it should have representatives from the private sector or from the technocrats.

"We are planning to set up coal-based power project and a steel plant involving Tk 5,000 crore but got no response from the board," he said.

He also stressed the need for major reforms in the BoI.

Akberali said the ministries and different government departments such as the National Board of Revenue should consider the proposals of the businessmen seriously while framing policies.

The government should be transparent and show respect to the recommendations from the businessmen, he said.

Akberali also said chambers in Chittagong are not doing their work properly.

The chambers should look into the problems of the businessmen seriously and take proper steps to get effective solutions to those problems, he said.

Akberali said his factories were never closed due to workers' unrest. "Our workers and officers are the shareholders of the company and many become millionaire."

"We are the number one in the steel sector and will remain so."

The government has to make sure that the present rules of land acquisition are upgraded. If the government can take these dynamic decisions, the economy will get a boost. The only problem is in the governance -- the bureaucratic bottlenecks and some cumbersome processes

India's auto expo and publicity blitz



REUTERS



AFP

Top left, Bollywood actress Katrina Kaif poses with Audi's new SUV Q3 car at an auto-expo in New Delhi on Thursday. Bottom left, A model poses with TVS new RTR-250 bike. Right, Visitors look at Mercedes-Benz's concept A.

REUTERS, Mumbai

AFTER fighting through the sea of camera-wielding car enthusiasts clutching their bags filled with corporate gifts to meet with Anand Mahindra, vice-chairman of the Mahindra group, it was difficult to argue with his rosy view of India's car industry.

"Just look at all these people," said Mahindra. "If these crowds translate into market appetite, it's not much of a slowdown," he added, shaking his head at the view from a glass-walled office high above the teeming masses at the India Auto Expo on Friday.

Mahindra has reason to be cheerful. Sales of cars by his group's autos arm have remained strong this year. But he wasn't the only executive shrugging off a slump in India's car industry with

glib comments about the sharp elbows of hundreds of thousands of excited punters that thronged the India Auto Expo this weekend.

The data is much less encouraging. Come April, the same executives could likely be digesting a year that saw sales volumes fall. Just a year previously, they were toasting 30 percent growth. But the Auto Show, held every two years in the capital, didn't give the impression of an industry filled with ideas to tackle the slide.

SUVs, green technology vehicles and cutting-edge concept cars stole the headlines and drew in the crowds, aside from the free calendars and the chance to catch a glimpse of a Bollywood star or two.

But conspicuous by its absence amongst a sea of oversized SUVs was a new offering for the low-cost compact space,

the segment that has accounted for most of the sales slump, as first-time buyers and those requiring financing balk at high interest rates and rising fuel costs.

Many executives offered reasons for the struggles of Tata Motors' much-touted low-cost Nano model, and the company's struggles to shift anywhere near its targeted sales volume appear to have spooked an industry that couldn't get enough of cheap, small cars just two years ago.

Strikingly, few initiatives to stimulate sales were offered, as most industry players that spoke to Reuters batted away suggestions of financing schemes or price cuts, and instead offered suggestions that the slowdown was just a passing cloud that would soon move along. A "temporary blip" was the most popular way of dismissing the gloom.

The market may well recover,

and India's rising salaries, growing middle-class and young population are all huge advantages that carmakers in the country can reassure themselves with. But, as Maruti Suzuki's chairman RC Bhargava said, overall economic growth, which will likely struggle to scrape in at 7 percent for the current financial year, needs to recover before the heady heights of 30 percent car sales growth can be contemplated again.

Mahindra would later use Twitter to complain of the lack of crowd control [8] at the event. The stages were certainly packed with potential customers excited by the products on offer. But when the concept cars are wheeled back to the research centres and the new launches arrive in showrooms, the near future of India's car industry will be measured in sales volumes, not camera flashes.

Advertisorial

On January 7th 2012, AB Bank Limited arranged a day long workshop on "Overview and Impact of Financial Stability Report 2010" which was prepared by Bangladesh Bank.

Mr. S. K. Sur Chowdhury, Executive Director of Bangladesh Bank was the keynote speaker of the said workshop. Mr. M Wahidul Haque, Chairman, AB Bank Limited, Mr. M A Awal, Director, AB Bank Limited and Mr. Kaiser A Chowdhury, President & Managing Director of AB Bank Limited were also present at the workshop. Besides, almost 100 executives of different levels of AB Bank Limited participated at the workshop.