

Mini packets of seeds to poor farmers' rescue

STAR BUSINESS REPORT

Poor farmers now have access to quality vegetable seeds, thanks to small packets, agriculture experts said yesterday.

"The marketing of small seed packets will help poor farmers, especially the landless ones, develop their financial situation," said Anwar Faruque, additional secretary and director general of the agriculture ministry's seed wing.

Faruque further said it would improve the nutrition and ensure food security of the society's poor, and urged all seed companies in Bangladesh to launch their good-quality seeds in mini packets, too.

"It is not possible for the government to provide seeds to all, so the private sector should take initiative to develop the agriculture sector," said Faruque. Many foreign companies are showing interest in importing seeds from Bangladesh, he added.

He spoke at a programme on 'mini-packet of quality vegetable seeds' organ-

ised by Katalyst at the capital's Ruposhi Bangla Hotel.

Katalyst and Action for Enterprise (AFE) have been working with two seed companies, Lal Teer and AR Malik, to improve the distribution channel of the mini packets, said Mehjabin Ahmed, a business consultant at Katalyst.

"The mini packets of quality seeds introduced in September of last year have proficiently reached small, landless farmers, as well as homestead producers in distant village," she said in her keynote speech.

The two companies have sold 71 percent of the mini packets through Mobile Seed Vendors, a service which provides information on the availability of the mini packets via mobile phones.

Mahbub Anam, managing director of Multimode which owns Lal Teer, said his company sold 1.5 crore mini packets until September of this year.

"The demand for mini packets is rising at such rates that it might cause supply shortage," said Anam.

Havas rebranded as Havas Worldwide

STAR BUSINESS DESK

As part of a rebranding operation, Havas has renamed the Euro RSCG Worldwide network its agencies as Havas Worldwide, according to a statement of the company recently.

The Havas group will now consist of two main brands: Havas Media and Havas Creative, according to the statement.

Havas Media will include all global media agencies and Havas Creative will include the Havas Worldwide network, the Arnold Worldwide micro network (16 agencies in 15 countries) and all other communications agencies.

As a result, all Euro RSCG agencies are renamed Havas Worldwide with 316 offices in 75 countries.

"We once again pioneers through the

integration of creative, media and digital to maximise collaboration and offer our clients a powerful combination of creative excellence, scale agility and innovation," said David Jones, global chief executive officer of Havas.

After rebranding, I Positive Communications Ltd, Dhaka -- a subsidiary of Impress Group -- will now be a part of Havas Worldwide network instead of Euro RSCG Worldwide.

"Our clients would now recognise us as the local partner of global communication giant," said Gautam Ghosh, CEO of I Positive Communications.

According to the statement, the rebrand will not create any changes in leadership but ramp up the creative and media efficiencies to deliver integrated communication services to clients.

Kingfisher may face prolonged shutdown

REUTERS, New Delhi

Kingfisher Airlines, which has cancelled all flights through Thursday, faces a potentially prolonged shutdown until the cash-strapped carrier clears a salary backlog going back half a year.

The government is taking a tougher stance after allowing the airline to operate for months without paying salaries, although it has stopped short of forcing a closure of the heavily indebted carrier. Kingfisher has debt

of \$1.4 billion, owed mostly to government-controlled banks including State Bank of India, the country's top lender.

"There is a stalemate," Vikrant Patkar, a Mumbai-based pilot in command, told reporters on Wednesday after a meeting with Kingfisher's chief executive and chief operating officers.

"The company has refused to pay us seven months of salary. So we will not let any flight to operate at least from Delhi, Mumbai and Bangalore," he said.



Professor AAMS Arefin Siddique, vice chancellor of Dhaka University; Alan Hatfield, director of the Association of Chartered Certified Accountants (ACCA); Lucia Real Martin, director for emerging markets of ACCA, and Afra Sajjad, regional head of education for MENASA of ACCA, attend the ACCA MENASA learning providers' conference 2012, at Radisson Hotel in Dhaka yesterday.



Abhay Seth, chief sales and marketing officer of Airtel Bangladesh, and Md Bahauddin Miah, director for human resources of Expo Group, Bangladesh, sign a deal on Monday. Expo Group will enjoy customised call tariffs and value-added services of Airtel.



Michael Pflaum, Airbus head of A380 delivery, and Captain Abbas Shaban, Emirates' chief pilot for A380s, shake hands with the Airbus and Emirates Hamburg delivery teams as the airliner took delivery of its 24th and 25th Airbus A380 and 78th Boeing 777-300, in Germany yesterday.

Economists call for higher investment

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Mustafa K Mujeri, director general of Bangladesh Institute of Development Studies, said although many indicators of the economy are performing well, there are some areas of concern.

"The economy seems ill-prepared to achieve the 7 percent growth under the Plan," he said.

Mujeri, also a former chief economist of the central bank, said there are dangers that poverty reduction and social development goals of the plan might be unattained.

He also said investment should be higher than savings in a country like Bangladesh to prevent export of the savings.

Former ambassador Inam Ahmed Chowdhury, however, said that the state of the economy could not be better given the circumstances at global and national level.

Wahiduddin Mahmud, a former caretaker government adviser, said Bangladesh would have to improve the sluggish investment scenario to reach the desired economic growth.

He said the utilisation of foreign aid and the FDI flow remain unsatisfactory, but National Board of Revenue's collection receipts paint a heartening scenario.

Mahmud also said there are problems in case of investment climate, infrastructure and bureaucracy, with political instability being a major risk factor.

He also said it would be meaningless to assess the economy if politics races to conflict.

PRI Executive Director Ahsan H Mansur said Bangladesh has been extremely successful with tax collection in recent years, with NBR exceeding their targets for three successive budget years.

In spite of the recent gains, Bangladesh still remains an inefficient tax administration, Mansur added.

Nasiruddin Ahmed, chairman of NBR, said Bangladesh is way off mark when it comes to tax efficiency, despite ongoing efforts to reform the sector.

He said about Tk 2,000 crore in tax money has been stuck in legal tangles.

"So we have introduced alternative dispute arrangement to realise the money."

Hiroyuki Minami, minister of the Embassy of Japan, Zaidi Sattar, chairman of PRI, Hassan Zaman, economic adviser to the governor of Bangladesh Bank, and Shamsul Alam, member of general economics division of the planning commission, also spoke.

DSE casts doubts on Delta Spinners' dividend

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But on September 29, the company said the rights issue offer was raised to 9.17 crore shares at the previously announced offer price.

But market insiders said, as Delta Spinners has sought Tk 5 as premium in addition to Tk 10 face value through the rights issue, it gave higher dividend and made handsome financial disclosures.

It would now be easy for the company to convince the regulator to get the premium, while the shareholders will also be encouraged to subscribe the rights offer, they said.

They also said the regulators should investigate the matter. In a reply to the DSE on Monday, Delta Spinners said its EPS increased due to a steady growth in its operational revenue.

Revenue income from deferred taxes also contributed to a rise in the EPS, the company said.

The NAV increased due to the asset valuation surplus of the company, it said. About the dividend declaration, Delta Spinners said it announced the dividend in line with the respective rules.

About the changes to the rights offer, it said, as the company's share capital will be increased due to the stock dividend, it was needed to revise the rights offer.

The reply did not satisfy the Dhaka bourse's management, which on Tuesday sent another letter asking Delta Spinners to provide its financial accounts for the year ended on June 2012.

When asked, Masudur Rahman, executive director and company secretary of Delta Spinners, said: "We had sufficient reserves that were transferred to the accounts as retained earnings."

It was possible to give the handsome dividend due to the retained earnings, which were Tk 24.63 crore at the end of June 2012, he said.

"We have given a clear and transparent reply to the queries by the DSE," Rahman said, adding that every-

How Japan Inc stole a march in Myanmar

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Myanmar was the first Southeast Asian country to settle reparation claims against Japan after the war.

Independence leader Aung San (Suu Kyi's father) and former dictator Ne Win were members of the "Thirty Comrades" movement against British rule, which was educated and trained by Japanese army officers. Myanmar has eschewed the sort of sharp attacks on Tokyo over the past that are routine in China and the Koreas, endearing it to many conservative Japanese politicians.

Unlike the West, Japan never imposed trade and financial sanctions against Myanmar. As a result, Japan Inc already has a significant presence in the country. Major banks such as Mitsubishi UFJ, Sumitomo Mitsui Financial and Mizuho Financial Group have branches in the commercial hub of Yangon. The time has come to "monetise" strong Japan-Myanmar relations, a top bank executive told Reuters.

Watanabe's emergence as Tokyo's man on Myanmar represents a second act in a career marked by an ability to cultivate influential friends across the political spectrum.

Watanabe was 11 when World War Two ended. His older brother was one of the last "kamikaze"

pilots to die in the battle for Okinawa, a memory he sometimes shares in public speeches.

He embarked on a long career as a conservative politician and in the 1990s was head of Japan's Posts and Telecommunications Ministry. His first involvement with Myanmar came in 1987, when he hosted junta generals in Tokyo as deputy chief cabinet secretary to Nakasone. Even after the generals cracked down on student protesters and put Aung San Suu Kyi under house arrest two years later, Nakasone urged Watanabe to develop and deepen Japan's unofficial ties to Myanmar.

Watanabe's support for the junta never wavered, though the crackdown had made the regime a pariah. "Myanmar had no choice but to introduce a military regime to preserve internal law and order," he wrote this year on the website of the Japan-Myanmar Association, a group he launched to rally support for the wave of investment.

He met Thein Sein in 1996 during a trip to carry medical equipment to Myanmar in Shan State, where the Burmese general was regional military commander. Afterward, the general invited him to play a round of golf.

"That was the only fun we had,"

Watanabe recalled in an interview

with Reuters. "He was pretty good at golf. And back in the day, with the army uniform on, he was awe-inspiring."

It's not the usual description of Thein Sein, who was born to humble rice farmers and held mostly bureaucratic jobs in a four-decade military career that culminated in his 2007 appointment as interim prime minister. The bookish-looking general became the first civilian president in 49 years, after overseeing a new constitution in 2010 that guarantees the military a place in government.

Watanabe's personal diplomacy has sometimes left Japan's foreign ministry scrambling to keep up.

Last October 21, Japanese Foreign Minister Koichiro Gemba hosted a dinner in Tokyo for Myanmar's foreign minister. It was the first meeting between the two nations' top diplomats in 16 years. Gemba pledged new investment from Japan -- provided that Myanmar show "substantial progress" in democratic reforms.

That same night, Watanabe was poring over a map in Myanmar's capital with President Thein Sein. But the senior Japanese power broker sent a very different signal about the pace of rapprochement.

The new president told

Watanabe an attempt to build the

Dawei economic zone with Thailand was floundering. Thein Sein had also just stopped a Chinese-funded hydroelectric project, after protests by people in the area whose livelihoods it threatened. That opened the door for Japan.

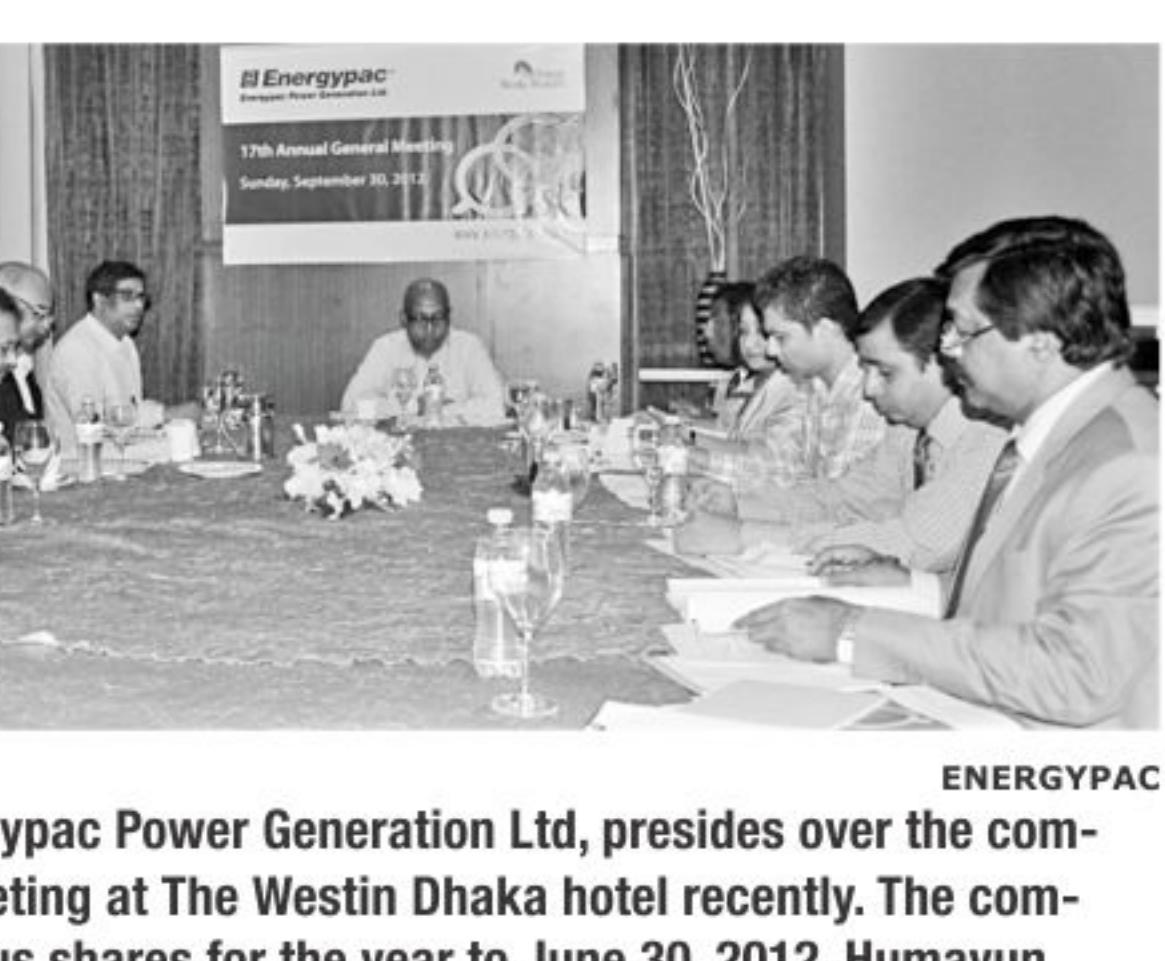
"Thein Sein said, 'Watanabe-san, I have something for you.' He sent his secretary out to come back with the documents. And that's how we came to Thilawa," said Watanabe.

The Myanmar embassy in Tokyo and the president's office in Naypyitaw did not respond to requests for Thein Sein's account of the meeting with Watanabe.

When he returned to Tokyo after the October 2011 meeting, Watanabe said, he got in touch with Foreign Minister Gemba.

"I told Gemba: 'You have to go to Myanmar on an official visit before year-end to tell them we are looking into the Thilawa deal closely.' If he didn't do that, it wouldn't have become an official government initiative, right?" said Watanabe.

To pressure Gemba to act, Watanabe says he persuaded Japan's trade minister, Yukio Edano, together with Yoshito Sengoku, an influential politician in the ruling Democratic Party of Japan, to go to Myanmar as soon as possible.



Rabiul Alam, chairman of Energypac Power Generation Ltd, presides over the company's 17th annual general meeting at The Westin Dhaka hotel recently. The company declared 105 percent bonus shares for the year to June 30, 2012. Humayun Rashid, managing director, was also present.

Slow exports to pull down GDP growth to 6pc: ADB

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However, the ADB said several downside risks could upset the projections.

It said fiscal management could come under pressure if the revenue target is not realised and planned foreign financing does not materialise.

If political pressures quash the expected increases in fuel and electricity prices, it may also strain fiscal management, the ADB said.

The lender also said the monetary discipline could be undermined if the government increases bank borrowing to

finance subsidy spending.

Finally unfavourable weather or political unrest could affect economic activities, it said.

The ADB country director said it is important to enhance macroeconomic stability in the short-term and strengthen internal and external balances.

Kho also said ensuring adequate credit for the private sector is a priority.

Policy actions at the same time should focus on keeping inflationary pressures in check, she added.

There have been allegations of illegal banking by some cooperatives. Early this year, the central bank found proof of illegal banking by Destiny Multipurpose Cooperative Society, a concern of Destiny.

The NBR also detected tax evasion of more than Tk 100 crore by Destiny.

The tax authority found that Destiny Multipurpose Cooperative Society violated tax-related laws.

Earlier, the NBR collected the list of national and central cooperative societies and cooperative banks from the Department of Cooperatives.

There are 21 national and 1,107 central cooperatives. The number of primary cooperatives is 1,63 lakh, according to the department's website.

The number of cooperative banks is around 130,