

## Tea price up in Ctg auction

AFP, Chittagong

Prices of tea rose in this year's second seasonal auction yesterday by 3.83 Taka (six cents), with active participation by internal and foreign buyers, brokers said.

The average price of more than 842,000 kilograms (1.8 million pounds) of tea offered in the auction was 71.83 taka (1.23 dollar) per kilogram up from last week's 68.00 taka (1.2 dollars) per kilogram, they said.

"Local buyers joined those from Pakistan and Afghanistan making the auction very aggressive and pushed the price up," Rasul Nizam of the leading National Brokers told AFP in this southeastern port city.

Local buyers were largely absent in the last auction due to lesser domestic demand. Afghanistan and Pakistan are expected to buy about 13 million kilograms this season.

Auction officials were also upbeat as withdrawal came down to 23.3 percent from 50 percent in the previous sale.

## Suvastu show from today

A three-day exhibition of shops and apartments starts today at Shahjadpur in Dhaka, says a press release.

The exhibition, Ek Nazarey Nazar Valley, organised by real estate company Suvastu Development Limited, will serve prospective clients with all types of information about the shops and apartments of the company's

## SIBL chairman, vice-chairmen reelected



Chairman

The Board of Directors of Social Investment Bank Limited (SIBL) at a meeting held in Dhaka on Monday reelected Ahmed Akbar Sobhan its chairman, says a press release.

Sobhan is the Chairman of Bashundhara Group also. The Board also reelected Kamaluddin Ahmed and Mohammed Shamsuzzaman vice-chairmen of the bank.

The meeting was presided over by Ahmed Akbar Sobhan.

## Bata launches new footwear

Bata Bangladesh yesterday launched a new shoe for men, says a press release.

B Rhodes, managing director of Bata Bangladesh, officially launched the new shoe, Austin, at a function held at Tongi.

Area managers, store managers and executives from marketing and production departments of the company were also present at the function.

## Emirates bags another cargo Oscar

When Emirates recently won the Best Air Cargo Carrier-Middle East award for the eighth year running at Asia's freight industry Oscars, the full team of regional Emirates SkyCargo managers was there to celebrate, says a press release.

Emirates cargo managers from 15 online and offline destinations in West Asia and the Pacific Rim met in Singapore for their regular regional meeting.

At the same time, the Asian Freight and Supply Chain Awards (previously known as the Asian Freight Industry Awards) took place in Singapore's Fullerton hotel.

Peter Sedgley, general manager of Cargo Commercial Operations, said: "The AFSCAs are the Oscars of the Asian freight industry. We are thrilled to have won this major accolade for eight years running. In recent years, we have focused on playing a larger role in the trade process and adding value to our customers' business. This award is a powerful spur to provide even better services."

# Booth-based cellular card phone shortly

## Wintel launches new VTech handset

STAR BUSINESS REPORT

Wintel Limited, an authorised dealer of VTech handsets, is planning to launch mobile pay phone, a booth-based cellular card phone service, for the first time in Bangladesh.

"We have obtained a licence from the Bangladesh Telecommunication Regulatory Commission (BTRC) to start the service," said Faisal Alim, Managing Director of Wintel Limited at a press conference in Dhaka yesterday.

He hoped that the new service would hit the market within the next three months.

Wintel is now in talks with a Pakistani company for technical assistance for the project, he told the press conference which was organised to mark the launch of a new VTech handset.

Alim said they will use the GSM (Global System of Mobile communication) networks of Grameenphone Limited and Telecom Malaysia International Bangladesh (TMIB), service provider of AKTEL mobile phone, for the mobile pay phone.



PHOTO: STAR

Managing Director of Wintel Faisal Alim (R) speaks at the launching ceremony of VTech's new set. Executive Director of the company ATM Mahabubul Alam was also present.

The booths will be installed in the areas where mobile phone network exists.

The company has a plan to launch cards worth Tk 300, Tk 600, Tk 1,200 and Tk 2,400 for the

booth-based pay cell-phone, he said.

"These will help low income group people have access to telephony as the teledensity of mobile phone in Bangladesh is around

0.67 per cent well below that of many South Asian countries," he said.

With the new service, card subscribers would need not to buy mobile phones rather they would be able to make calls from booths that will mostly be placed in rural areas, he said.

At the press conference, Wintel Limited launched a new model phone set -- A600.

The VTech mobile handsets will be sold with GrameenPhone and AKTEL connection.

The A600 handset weighs 68 grams and has joystick and pre-stored country code facilities.

Faisal Alim said his company will introduce more brands of world class mobile phone sets in Bangladesh soon.

For fixed phone users, Wintel will also market VTech cordless and CLIP (caller line identification protocol) phone sets and other high tech wireless phone sets shortly, he added.

Executive Director ATM Mahabubul Alam and other officials of the company were also present in the launching ceremony.

# CSE wants 50pc tax holiday benefit invested in bourses

## 15-point budget proposals submitted to NBR

STAR BUSINESS REPORT

In a bid to perk up capital market, Chittagong Stock Exchange (CSE) has sought steps to make companies enjoying tax holiday to invest 50 per cent of their tax holiday benefits in the secondary market.

The recommendation was made while a CSE delegation led by its Vice President Mahmudul Huq met National Board of Revenue (NBR) Chairman Shoaib Ahmed to place its budget proposals yesterday at the board room of NBR in Dhaka.

The 15-point proposals were exclusively aimed at revitalising the capital market and restoring investors' confidence in the share market.

If a listed company enjoying tax holiday fails to pay dividend for two consecutive years the tax holiday facility should be withdrawn, CSE proposed.

The CSE also said fund managers who can bring Tk 100 crore and above foreign fund in capital market should be declared commercially important person (CIP).

CSE proposed that income from dividend of listed securities should be made totally tax-free.

CSE suggested maintaining at least 20 per cent corporate tax gap between listed and non-listed

public companies.

A publicly traded company is entitled to enjoy a tax rebate of 10 per cent of income tax upon declaration of 20 per cent dividend. But in some sectors it is not at all possible to earn such profits to declare dividend at 20 per cent or above.

In view of this, CSE recommended to rationalise the tax rebate. Companies declaring 10 per cent dividend should be given 10 per cent tax rebate, for 15 per cent dividend rebate should be 15 per cent and for 18 per cent or more dividend tax rebate should be 18 per cent, the CSE said.

It urged the government to offer special incentives for foreign and profitable companies to encourage listing in stock exchange. In case of foreign companies coming to Bangladesh and reputed profitable companies coming for registration as public a clause should be inserted that within a certain period a portion of capital must be offered for public subscription, it added.

Mentioning that introduction of BTTB's multi-metering system is increasing costs of stock brokers and dealers, it pressed that the brokers should be given immunity of the new system like the status given to Internet service providers (ISPs).

The second bourse of Bangladesh also demanded that brokers and dealers should be kept outside VAT net for the next five years.

To increase investment in capital market, CSE suggested bank loan at preferential interest rate should be allowed for stock brokers and dealers, merchant banks, investors and other market intermediaries.

To increase the number of listed securities in capital market, it also proposed the shares of 100 per cent government owned profit-making companies should be offered for public participation.

The CSE has urged the government to cut interest rates on all types of deposits and savings instrument to mobilise savings of mass population in the capital market.

Some more savings instruments should be withdrawn for making the field for diversification of fund to the capital market.

CSE delegation included directors Prof Abu Ahmed, AK Chowdhury, MKM Mohiuddin, Al Maruf Khan, CEO Wali-ul-Maruf Matin while Quazi Delwar Hossain, member, Tax Policy, and AK Reazul Karim, member, VAT of NBR, were present in the meeting.

## Siemens opens showrooms in Sylhet

Siemens has opened two showrooms of home appliances in Sylhet.

Of the two, one is for service centre and the other for home appliances.

The Managing Director and CEO of Siemens Bangladesh Limited Peter E Albrich inaugurated the showrooms at Zindabazar in Sylhet recently, says a press release.

Among others Aminur Rashid, general manager of Consumer Products Division of Siemens Bangladesh Limited, TP Biswas, chairman of Lipro Communications Ltd, and M Shaki Wahed, managing director of Lipro Communications Ltd, were present.

Siemens dealers of Sylhet and local elite were also present.

Consumer durable products of Siemens like refrigerators, washing machines, small and kitchen appliances and lighting products will be displayed and sold in these showrooms.

The showrooms are inaugurated in line with Siemen's plan to reach the consumers of Bangladesh easily.

Siemens will open showrooms in the major cities of the country including Dhaka, Chittagong, Bogra, Rajshahi and Khulna.

## STB's initiative to prevent SARS

As part of a series of initiatives, Singapore Tourism Board (STB) has announced a new initiative to help reassure tourists and local residents that appropriate precautions have been undertaken to prevent SARS (Severe Acute Respiratory Syndrome) at hotels.

The board made the announcement in Singapore recently.

A first-ever industry-wide initiative, the launch of the temperature checks at hotels was supported and officiated by Deputy Secretary General of National Trade Union Congress (NTUC) and Senior Minister of State (Prime Minister's Office) Matthias Yao, says a press release.

The new initiative jointly supported by Singapore Tourism Board (STB), National Trade Union Congress (NTUC), Food, Drinks and Allied Workers Union (FDAW) and nine major hoteliers will encourage regular temperature checks of employees from participating hotels beginning on 25 April 2003.

This translates into 50 per cent of gazetted hotel rooms embarking on this scheme. All hotels will participate in this scheme.

The temperature checks will be conducted on a daily basis, before an employee's shift begins. Once the employee has cleared the temperature check, a sticker will be provided declaring the employees as fit to work on that particular day.

# Call money keeps jumping

BSS, Dhaka

The call money rate further jumped to 22 per cent yesterday as some private banks and leasing companies faced serious liquidity crunch, fund managers of different commercial banks said.

The call money rate touched its day-high at 21 per cent yesterday compared to Monday's high at 14 per cent when some private banks and leasing companies rushed into the market for cash to meet their liquidity short-fall, they said.

"Some leasing companies and investment institutions borrowed such a high rates in a few good deals", fund managers of private bank said.

But the overnight money rate, in

most deals, ranged between 15 per cent and 20 per cent yesterday compared to Sunday's range between 11.00 per cent and 13.00 percent, they said.

Fund managers of leading commercial banks said the money market fell into a liquidity crunch since Sunday as most banks placed their surplus funds in the government treasury bills.

A number of commercial banks bought government treasury bills worth 242.60 crore taka Sunday higher than the government's scheduled payments at Tk 195.00 crore to banks.

"This mismatch of funds has created liquidity shortfall in the money market and forced some private banks and leasing companies to borrow money such a high

rates", fund managers said.

Following depressed money demand, fund managers are placing their surplus funds in long-term deposits and government treasury bills when some private banks and leasing companies already invested funds in long-term portfolio for higher yield.

Such banks normally meet their liquidity short-fall by borrowing money from call money market which, in most times, remain below the bank rate, fund managers said.

High call money rate forced some banks to sell their securities to the central bank yesterday. The 1-day tenor repo rate was rose and ranged between 9.37 per cent and 10.37 per cent yesterday.



PHOTO: IIDFC

Managing Director of Industrial and Infrastructure Development Finance Company Limited (IIDFC) AKM Najmul Haq and Managing Director of Investment Corporation of Bangladesh (ICB) Ziaul Haq exchange documents after signing a trusteeship agreement in Dhaka on Monday regarding issuance of zero coupon bonds.

## Arabian Travel Market begins in Dubai

M SHAMSUR RAHMAN from Dubai

The Arabian Travel Market 2003 -- Middle East's premier travel and tourism exhibition -- began at Dubai yesterday.

The exhibition is the first major travel and tourism event to take place after the Iraq war.

A total of 783 exhibitors from 55 countries are participating at the four-day annual event spread over a 9,000-square-metre area.

Organisers say participation this year reflects the resilience of the tourism industry in the aftermath of war and in the face of the SARS threat.

"Despite the tremendous challenges of the past few months, Arabian Travel Market 2003 is almost 10 per cent larger than last year in terms of contracted exhibi-

tion space," said Tom Nutley, chairman, Reed Travel Exhibition (RTE), which organises the annual event.

Participants include companies which are housed in numerous national and industry pavilions, explained Nutley. "The final contracted floor space represents a healthy performance and clearly demonstrates the sheer resilience of this industry which is the world's largest employer."

"This show should rightly be seen as a barometer of the determination of the international tourism industry to rise above all circumstances," he said. He said that though several exhibitors did cancel their participation before the war and during the conflict, the past few weeks have seen an upturn in bookings.

## Zero coupon bonds ICB, IIDFC sign trusteeship deal

A trusteeship agreement was signed between the Investment Corporation of Bangladesh (ICB) and Industrial and Infrastructure Development Finance Company Limited (IIDFC) on Monday in Dhaka regarding issuance of zero coupon bonds, says a press release.

The IIDFC is going to issue three-year zero coupon bonds for an amount of Tk 100 crore soon.

The issue price of each bond shall be Tk 75.13 and redemption price of each bond at maturity of three years shall be Tk 100.

ICB will act as trustee to this bond issue.

With the execution of the agreement both the parties have reached to a consensus for executing a trust deed within 15 days, which will enable ICB to play the role of trustee to protect the interest of bondholders.

## India's Kashmir attracts 8,269 tourists in '02

AFP, New Delhi

The insurgency-hit scenic Himalayan state of Kashmir attracted only 8,269 tourists out of a total 4.82 million who visited India last year, Tourism Minister Jagmohan Malhotra told parliament Tuesday.

The western Indian state of Maharashtra and southern Tamil Nadu state attracted the highest number of tourists, 949,269 and 804,641 respectively, the minister told the upper house.

# EU for 'preferential textile system' for poor countries

AFP, Brussels

EU Trade Commissioner Pascal Lamy Monday called for the creation of a "preferential system" in favour of the world's poorest countries when textile quotas are lifted worldwide in 2004.

Speaking at the opening of a two-day seminar on textile quotas, Lamy said their demise is "effective"

for the world economy, but could cause "real concerns" for poor countries.

The world's least developed countries as well as the most vulnerable nations should be allowed to benefit from a preferential system, Lamy said.

The current quota system, which has been around for 40 years, allows industrialised coun-

tries to put limits on textile products coming from big exporters such as China.

World Trade Organisation head Supachai Panitchpakdi, who was at the seminar, welcomed the prospect of scrapping quotas, but also warned that either financial aid or a preferential system could be necessary in order to avoid trade imbalances.



PHOTO: BATA

B Rhodes, managing director of Bata Bangladesh, describes the features of the Austin shoes to sales personnel at the launching ceremony of the footwear at Tongi yesterday.