

BRAC Bank opens new branch at Dhanmondi

BRAC Bank has opened a new branch at Dhanmondi in Dhaka. Fazle Hasan Abed, chairman of the bank, inaugurated the branch at a simple ceremony held at the branch premises at Dhanmondi in Dhaka recently, says a press release.

Faruq A Choudhury, director of the bank, M Ehsanul Haque, managing director, Imran Rahman, deputy managing director, Kaiser Tamiz Amin, executive vice-president, patrons and other officials of the bank were also present.

The Dhanmondi branch, like its other branches, will provide services to its retail, corporate, small and medium enterprise and cash management customers under a fully online banking platform.

The bank will also provide remittance services for non-resident Bangladeshis under its secure remittance services (SRS).

Pubali Bank, Trust Bank sign deal

Pubali Bank Limited (PBL) and Trust Bank Limited (TBL) have signed an agreement on remittance and development of banking service.

AKM Nurun Nabi, deputy general manager of Business Promotion Division of PBL, and Shamim Ara Khanom, assistant vice-president of TBL, signed the agreement on behalf of their organisations at the Pubali Bank head office in Dhaka on Tuesday, says a press release.

Khondkar Ibrahim Khaled, managing director, M Rafiqul Islam, deputy managing director, Mizanur Rahman Molla, general manager, AKM Saadat Hossain, AGM of Pubali Bank Limited, and Iqbal U Ahmed, managing director, Anthony D Costa, SPO of Trust Bank Limited, were also present at the signing ceremony.

Dutch-Bangla Bank workshop on lease financing begins

A 2-day workshop on 'Lease Financing' organised by Dutch-Bangla Bank Limited began at the bank's training centre in Dhaka on Wednesday.

Md Yeasin Ali, managing director of the bank, inaugurated the workshop.

A total of twenty-three participants from head office and branches are taking part in the workshop.

In his speech, the managing director said the bank has opened lease finance division considering the ever-growing demand of the market.

The bank has already launched a few customer-near-focused products so as to meet the financial need of its clientele with the eventual objective to diversify the portfolio.

The workshop is being conducted by both internal as well as external experienced resource persons.

Senior executives of the bank were, among others, present.

Lankan tea prices steady

REUTERS, Colombo

Sri Lanka tea prices were steady at the latest auction Wednesday with high-grown teas benefiting from improved demand but low-grown teas again feeling the effects of tension in Iraq.

The anticipated gross sales average was 155 rupees (\$1.60), compared with last 155.73 last week, Forbes and Walker Tea Brokers said in a statement.

"Overall the high and medium-grown markets looked solid. There was better demand," said Dilan Polonowita, a broker at Forbes and Walker.

He said the standout was broken orange pekoe fannings from the high altitude Western planting region, which appreciated 10 to 15 rupees.

The Uva region also saw good quality teas attracting prices above 300 rupees, and best quality broken orange pekoes picked up across the board.

But low-grown teas declined toward the end of the sale, as brokers said political uncertainty in the Middle East was hurting demand, with the closure of Iraqi border areas affecting transport routes.

"Prices came down slightly toward the end of the sale. That could be an indication of what might come next week," said Polonowita.

Govt on headhunting for SEC supremo

Poor remuneration package discourages prospective nominees

NAZRATUN NAYEEM MONALISA

Poor remuneration package is discouraging prospective nominees from taking over as the chief of Securities and Exchange Commission (SEC).

Market operators hope the government will come up with some special packages for such a senior position necessary for the ailing stock market.

The persons who refuse the offers are drawing higher salaries in their present jobs compared to the package offered by the SEC.

Two persons, who had been short-listed for the post, have refused the offer on low compensation package. As a result, the key position remained vacant for the last eight weeks.

The basic salary of SEC chairman is Tk 15,000 per month, plus 40 per cent house rent. He or she is entitled to get other allowances and facilities as per government pay scale.

The first person to decline the offer was professor Abu Ahmed of the Department of Economics of Dhaka University, also chairman of Bangladesh Shilpa Bank.

According to a source close to Ahmed, he refused the position as he found the package to be too low. Moreover, he will have to relinquish his other jobs once he takes over as SEC chairman.

CM Alam was the second person to refuse the offer. Alam is serving as the managing director of Industrial Promotion and Development Company (IPDC) of Bangladesh Ltd.

He formally refused to be the SEC chairman on August 28.

Appointing the chairman of SEC from the private sector seems to be difficult with the existing financial packages as non-government institutions offer higher salaries and attractive packages to competent persons, sources said.

Another private sector executive had been given the offer informally but he refused on the grounds of being over-aged.

Manir Uddin Ahmed, immediate past chairman of SEC, handed over charges to senior SEC Member Iftikhar Ahmed on July 12 on expiry of his tenure. The SEC chairman is appointed for a period of three years.

Ctg businessmen want hassle free tax admin

BSS, Chittagong

Chittagong businessmen have urged the government to ensure a hassle free tax administration with simplified VAT realisation system.

On the other hand, Chairman of the National Board of Revenue (NBR) Shoaib Ahmed, who attended a meeting with the businessmen on Wednesday, urged them to contribute their best towards economic development by paying taxes.

Chittagong Chamber of Commerce and Industry (CCCI) arranged the session at its conference room to discuss problems in VAT collection, payment process and find possible solutions to encourage tax payment.

Outgoing President of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Yussuf Abdullah Harun and NBR member (VAT) AK Rezaul Karim also attended the meeting.

CCCI President Amir Humayun Mahmud Chowdhury, Bangladesh Doka Malik Samity President Amir Hossain Khan, former CCCI president Ali Ahmed, BGMEA First Vice-president SM Nurul Haque and

CCCI Senior Vice-president Ershadullah participated in the discussion.

Shoaib Ahmed said there were complaints against tax officials but despite the fact, he said the businessmen were evading revenue taxes amounting to hundreds of crores of taka annually. Such evasion is leaving a negative impact on the economy.

It is astonishing that a section of the rich people living in posh metropolitan areas pay only Tk 5,000 each annually in tax although their yearly expenditure exclusively for families is more than Taka two crore," he said.

"Now, you ask your good conscience how much you are paying for the country," the NBR chairman posed the question.

He said the government brought many significant reforms to make the tax department efficient with an easy tax assessment and realization process for the convenience of taxpayers to increase the present revenue income.

The NBR chairman said the government's reform measures as well as the participatory and voluntary tax payment system had enhanced revenue collection by

around Tk 6,000 crore over the last two years.

"It is a very unique system to accelerate revenue collection against the backdrop of continuous shrinkage in the foreign aid flow to enhance dependence on domestic resources," the chairman said.

Member (VAT) of the NBR AK Rezaul Karim urged the businessmen to pay VAT properly by taking the advantage of the current participatory VAT payment system.

FBCCI President Yussuf Abdullah Harun asked the businessmen to pay VAT through the self assessment system but he put emphasis on a corruption free and easy revenue collection process to encourage the business people to pay all types of taxes.

CCCI President Amir Humayun Mahmud Chowdhury said at least 50,000 additional shop owners would come under the VAT net in Chittagong, if a flat rate of Taka 3000 is fixed as VAT annually in the metropolitan cities and the district towns except Dhaka.



Board of Investment Executive Chairman Mahmudur Rahman speaks at the launching of UNCTAD World Investment Report 2003 yesterday at a hotel in Dhaka. (From right to left) Jorgen Lissner, United Nations Resident Coordinator in Bangladesh, Mustafa Kamal Mujeri, visiting fellow of Bangladesh Institute of Development Studies, and Kazi Ali Reza, officer-in-charge of UN Information Centre in Dhaka, are also seen.

Ensure market access for all products of LDCs

Make Trade Fair Alliance demands ahead of Cancun meet

STAR BUSINESS REPORT

On the eve of WTO ministerial meeting in Cancun, the Make Trade Fair Alliance, Bangladesh has demanded binding commitments by all WTO members on market access for all products of the poor nations to the developed world.

"Duty and quota free access should be allowed for least developed countries (LDCs) with relaxed rules of origin and without non-tariff barriers," Asgar Ali Sabri, coordinator of the alliance, told a press conference in Dhaka yesterday.

The 5th meeting of the trade ministers of World Trade Organisation (WTO) members will begin on September 10 in the Mexican city of Cancun to review the progress in WTO negotiations in the light of Doha Development Agenda.

Sabri said free movement for LDCs' workers, especially the less skilled ones, to developed countries on temporary work visa under the general agreement on trade and tariff should also be allowed.

Masud Ali, executive director of INCIDIN, Farid Hasan Ahmed, country programme manager of Oxfam, Rokeya Rafiq of Kormojibi Nari, and other members of the alliance were present at the press briefing held at the National Press Club.

The Make Trade Fair Alliance is a joint platform comprising INCIDIN, BRAC, Proshika, Kormojibi Nari, Phulki, Telceline Subtext, Oxfam GB, ActionAid, SST and Bangladesh Environmental Lawyers' Association (BELA).

As part of its campaign for a discrimination-free world trade order, the alliance recently completed a signature campaign with the slogan "Make Trade Fair",

collecting signatures of one million people in favour of the demands of LDCs.

A delegation of the alliance yesterday met with Commerce Minister Amir Khosru Mahmud Chowdhury, who will act as the coordinator of 49 LDCs at the Cancun meet, at his office and handed him over the list of signatures.

The alliance demands elimination of domestic support and export subsidies for agriculture in developed countries, as well as exclusion of LDCs from binding compliance to the trade agreements.

Masud Ali of INCIDIN said special and differential (S&D) treatment measures for LDCs should be time bound and precise while operational and effective S&D agreements should be made for the poor nations.

He stressed the need for an

effective integrated framework as well as country-specific implementation plans for the agreements in every LDC.

Farid Hasan Ahmed termed the present world trading system "un-fair" that has been contributing to poverty. "Commitments made at the Doha round by the rich nations should be fulfilled immediately," he said.

Ahmed said trade related aspects of intellectual property rights (TRIPS) should be interpreted to maximise poor people's access to medicine.

On a question, Rokeya Rafiq said the campaign for collecting signatures of 10 lakh people had started on March 8 and ended on August 31 this year.

First organic tea launched

STAR BUSINESS REPORT

Meena Tea, the first organic tea produced in Bangladesh, was formally launched at Meena Bazar superstore in Dhaka yesterday.

"The new brand tea will be available at different large stores in Dhaka from the next month," said Kazi Nabil Ahmed, director of Kazi & Kazi Tea Estate Limited, producer of Meena Tea, at a press conference.

The company, which owns a garden at Tentulia in the northern tip of Bangladesh, will start marketing of the organic tea in other parts of the country within this year.

Asked why Meena Tea is organic, Ahmed explained, "The tea is produced without using chemical

fertiliser. We use cow-dung in our garden."

"We also rear 2,000 cows providing them with organic food to get cow-dung," he said.

Ahmed said Kazi & Kazi Tea Estate has already been certified by the Bangladesh Tea Board (BTB) as the first organic tea producer in Bangladesh.

The price of each 70gm pack of Meena Tea has been fixed at Tk 45.

The tea estate's Project Director A Azeem, Executive Director Abdur Rahman and Consultant Kazi Jamil Islam were also present at the press conference.

Azeem said the 350-acre tea estate, located at Rowshanpur in Tentulia under Panchagarh district,

is the first tea garden in the northern part of the country. The district is not far from Darjeeling in India, famous for world class tea.

Kazi & Kazi Tea Estate, having some 600 employees, is hoping to produce 10,500 kg tea this year. "We have a plan to extend our land area up to 1,000 acres by 2010 for producing one million kg tea per year," Azeem added.

According to Bangladesh Tea Board, domestic consumption of tea is increasing by three per cent, while production is increasing by one per cent annually. Bangladesh may not be able to export tea after 2015 if production could not be increased substantially.

Bank Asia to lend Tk 50m to Int'l Leasing

Bank Asia Limited will lend Tk 50 million to International Leasing and Financial Services Limited to help develop productive enterprises of the country.

An agreement to this effect was signed between the two organisations in Dhaka recently, says a press release.

Erfanuddin Ahmed, senior executive vice-president and head of Operations of Bank Asia Limited, and Mafizuddin Sarker, managing director of International Leasing and Financial Services Limited, signed the agreement on behalf of their organisations.

Other senior executives of both the organisations were also present.

The bank engages itself in adopting strategies relating to diverse range of services and strengthening the sector to fulfill the growth objectives of the economy.

It also continues to expand business including cooperation with other banks and financial institutions through syndication.

Under the leadership of Bank Asia, ILFSL has also participated in similar syndication financing project.

Repo auction

UNB, Dhaka

The reverse Repo auction of Bangladesh Bank (BB) for commercial banks and financial institutions was held here yesterday.

Six bids of two-day tenor amounting to Tk 400.00 crore were received and accepted.

The rates of interest against the accepted bids ranged from 3.00 to 3.40 per cent per annum, a BB press release said.

India for \$30b annual trade with ASEAN by '07

ANN/THE STATESMAN

Indian Prime Minister Atal Bihari Vajpayee yesterday urged ASEAN and Indian businesses to aim for an annual trade turnover of 30 billion dollars by 2007.

Inaugurating the second India-ASEAN (Association of South East Asian Nations) Business Summit yesterday, he stressed on the complementarities between India and the ASEAN countries.

The current level of Indo-ASEAN trade now exceeds 10 billion dollars annually.

A key part of the Indian government's 'look east' initiative, the Business Summit was launched last year as a curtain raiser for the annual India-ASEAN summit of heads of state and government, scheduled to be held next month in Bali, Indonesia.

The Indian ministry of external

affairs, the Confederation of Indian Industry

(CII) and the Federation of Indian Chambers of Commerce and Industry (FICCI) are jointly co-sponsoring the meeting that aims at increasing synergies between India and the ASEAN.

The very fact that these meetings are being held at these venues (the third day of the business summit will be in Mumbai on Saturday) is an indication, a senior official said, of the strong vote of confidence in the ability of these cities to overcome recent devastating acts of terrorism.

It is also an indication of the surge of confidence that permeates the business establishments of these countries, and their ability to overcome odds to make this century the Asian century, FICCI President AC Muthiah said.

Vajpayee, in his address, called upon the ASEAN and other nations

to unite to protect the interests of their farmers and removing the asymmetries and imbalances in multilateral trade agreements at the WTO ministerial meeting to be held at Cancun, Mexico, next week.

"We have to insist that the multilateral trading regime takes into account the genuine concerns of the 'not-so-rich' countries for the welfare and livelihood of billions of their citizens," the prime minister said.

Developing countries were painfully aware that the development dimension of the Doha round was not receiving sufficient attention.

Concerns of the developing nations were "on a slower track," Vajpayee said, and despite attempts to highlight the asymmetries and imbalances in the multilateral trade agreements, these were getting side-tracked into non-trade related issues.

Taka remains under pressure

BSS, Dhaka

Taka remained under pressure against the US dollar in inter-bank trade yesterday as traders sold euro and yen on profit-taking, dealers said.

Meanwhile, the euro held its ground against the dollar in after noon trade today before an interest rate decision from the European Central Bank. But the yen fell sharply against the dollar on suspected intervention by Japanese authorities, dealers on online trading said.

The dollar traded at 58.4350-58.4550 taka to the dollar yesterday, slightly higher from its previous closing on Wednesday, foreign

exchange dealers of leading commercial banks said.

Foreign currency trading was higher today as many dealers replenish their accounts ahead of weekend holiday on Friday when pressure for dollar buying was strong from importers and traders after the outlook for the US dollar appeared increasingly rosy dealers said.

Dealers were awaiting monetary policy verdicts from the euro zone and British central banks later Thursday, though neither was expected to change policy.

There are reports that the Bank of Japan intervened aggressively in the foreign exchange market to turn speculative positions, dealers said.

Sentiment on taka, however,

remained bearish thanks to huge surplus funds in the banking system, they said.

Meanwhile, the euro gained ground and stood at 1.0836 dollars today against 1.0844 late on Wednesday in New York while the dollar rose to 116.86 yen from 115.87, dealers said.

They said the fundamental case for another rate cut remains strong in the euro zone but this is unlikely to happen in the near future.

Markets were hoping for some hints on the ECB's outlook for the euro-zone economies and monetary policy at a post-meeting press conference chaired by ECB vice president Lucas Papademos, dealers said.



Kazi & Kazi Tea Estate Limited Project Director A Azeem speaks at a function marking the launch of Meena Tea in Dhaka yesterday as the company's Director Kazi Nabil Ahmed, Executive Director Abdur Rahman and Consultant Kazi Jamil Islam look on.