

## Asian Paints opens Colour World Outlet in Ctg

STAFF CORRESPONDENT, Ctg

Asian Paints (Bangladesh) Limited opened its first Colour World Outlet in Chittagong yesterday. Customers at the outlet will be able to browse through colour shades of their choice in a fully computerised system. Former Minister and Awami League leader Engineer Mosharrif Hossain inaugurated the outlet at one of Asian Paints authorised dealers' shops, Orient Builders, at Jubilee Road. Chief executive of Asian Paints (Bangladesh) Ltd RV Ramanujam, Marketing Executive Ashutosh Banerjee, and owner of the shop Jasimuddin Mirza were present. Two executives from Asian Paints briefed the gathering about the state-of-the-art system of selecting colour shades through browsing. They said the system allows the consumers to browse through various options including the product range offered, calculation of the volume of paint required, how a particular choice of shade will look like when painted on the wall of a room, which combination of shades will be the best mix and match and many more solutions.

## Call money rate steady

BSS, Dhaka

The call money rate remained steady in thin inter-bank money market yesterday as the demand was lower from private sector, fund managers said.

The rate touched to its intra-high high at 7.00 percent today and in most deals, ranged between 3.00 percent and 6.50 percent, fund managers of leading commercial banks said.

The call money rate remained very low in line with the central bank's monetary policy to force banks to cut their interest rates.

## 8 new Airbuses join Emirates

Eight A340-500 aircraft of Airbus, the world's longest-range passenger jet, joined Dubai-based Emirates recently.

This new type Airbus will be the first of its kind to enter commercial service anywhere in the world on December 1 when it will leave Dubai on its first trip to Sydney in Australia, says a press release.

The new aircraft will carry up to 12 first class, 42 business and 204 economy class passengers and nearly 14 tonnes of cargo.

## BB auction

UNB, Dhaka

The 271st auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills was held here yesterday.

A total of Tk 300.59 crore, Tk 121.50 crore, Tk 5.00 crore and Tk 117.90 crore were offered respectively for the 28-day, 364-day, 2-year and 5-year bills. All the bids were accepted.

The range of implicit yields of the accepted bids was 3.90-4.20 percent, 6.80-6.85 percent, 7.10 percent and 8.05-8.20 percent per annum respectively.

No bid was offered for the 91-day and 182-day bills, said a Bangladesh Bank press release.

## No merit in oil merger: YUKOS chief

REUTERS, London

The new head of embattled Russian oil firm YUKOS told a British newspaper on Sunday he did not see any sense in merging his firm with foreign oil giants and distanced himself from his jailed predecessor.

"I kept a distance from (Mikhail) Khodorkovsky as a person... I wish him good luck, but it is his problem," Simon Kukes, who took over as YUKOS chief executive a week ago, said in an interview with the Sunday Telegraph.

Khodorkovsky, Russia's richest man with a fortune estimated at \$8 billion, was arrested last month on charges of fraud and tax evasion in a move which was widely seen as a Kremlin drive to clip the billionaire's political wings.

# First quarter sees \$116.28m in aid

STAR BUSINESS REPORT

Bangladesh received a total of \$116.28 million from development partners during the first three months of the current fiscal year, Finance Minister M Saifur Rahman told the parliament yesterday.

Of the total amount, \$111.07 million was received in credit and \$5.21 million in grants.

Since July 1996, the country received a total of \$6231.77 million from donors as of September 30, 2003. During the same period \$1117.08 million was paid in interest on foreign loans, the minister said in the question answer session.

Of the total amount of credit, the World Bank provided the highest \$47.31 million while Asian Development Bank \$38.76 million and Japan \$25 million.

Replying to a question on income tax

collection, the finance minister said the number of income tax payers in the country is now 14,73,776.

"The number of income tax payers in proportion to population is not satisfactory," he said adding that a survey is on to enlist new taxpayers.

Besides, he said, the government has taken initiative to bring individual taxable people of different categories under the tax-net through enacting a law.

Saifur told the parliament that the National Board of Revenue (NBR) has so far identified 195,687 new taxpayers throughout the country, from whom income tax worth about Tk 75 crore could be realised annually.

On a separate question on revenue collection he said revenue earnings in the first four months (July-October) of 2003-2004 fiscal amounted to Tk 7507.52 crore as against the annual

target of Tk 27,750 crore.

During the first two months (July-August) of this fiscal, Tk 206 crore tax was collected from non-NBR sources as against the annual target of Tk 1321 crore. Non-tax revenue earning during the same period amounted to Tk 1322 crore.

Saifur Rahman said a total of 49 nationalised, private, specialised and foreign banks are now in operation in Bangladesh. "The government at this moment has no plan to give permission to any new bank," he told the parliament.

Replying to a question on share market cases the minister said 15 cases regarding the 1996 share scam are now under trial. Of them, charges were framed in seven cases in lower courts while the rest are pending in the high court.

# Ban polybag use in fertiliser packing

BJMA urges govt

BSS, Dhaka

Bangladesh Jute Mills Association (BJMA) yesterday demanded immediate cancellation of a cabinet decision that allowed uses of harmful polypropylene bags instead of environment friendly jute bags for fertiliser packing.

"Such a decision has shocked the jute industry as well as the members of the Bangladesh Jute Mills Association," said a statement of the BJMA. It also termed the decision as a 'stab to the ailing jute industry'.

The cabinet at a meeting on

November 10 took a decision allowing limited uses of polypropylene bags for packing of 10 per cent fertiliser produced in a domestic factory.

The packing of fertiliser either with an inner laminated layer or without it has always been the practice in the past and at present as well in all the fertiliser factories in the country, the statement said.

It said there has never been any complain with the technology either from the stock-holders or by the traders. Over the years, jute bags have proven their worth both environmentally and

economically in the fertiliser factories.

The statement said the use of damaging synthetics such as polypropylene was by the government and the Ministry of Environment was appreciated for prohibiting uses of polypropylene or polythene.

But, a 'vested quarter' in the Bangladesh Chemical Industries Corporation (GCIC) has misled the Ministry of Industries to replace jute bags through use of polypropylene which will halt growth of jute-based industries, it said.

# Asia needs to move towards EU-type integration: ADB

AFP, Tokyo

Asian countries should move towards creating their version of the European Union, with fast-growing China serving as an export market for poor countries along the Mekong River, according to a senior Asian Development Bank (ADB) director.

"Having a common market, having the European Union (EU)-type of arrangements... It's not something that will happen right away but certainly something we should work towards," the ADB's Mekong Department director general, Rajat Nag, told AFP in an interview.

"Countries have to think in the context of the subregion and the region" for collective economic growth, he said.

Japan's biggest-selling daily the Yomiuri Shimbun daily has reported Tokyo will propose the creation of an East Asian community or an Asian version of the European Union at the commemorative summit meeting here between Japan and ASEAN on

December 11-12.

Nag was in Tokyo for a seminar on Friday to drum up Japanese private-sector investment in new members of the Association of Southeast Asian Nations (ASEAN), namely Cambodia, Laos, Myanmar and Vietnam.

The ADB is aiming to raise 14 billion dollars by the end of the decade for 11 flagship projects for the Greater Mekong Subregion development.

They cover areas such as telecommunications, energy, transport, tourism and other forms of infrastructure and services along the Mekong and aim to help narrow the economic gap between old and new ASEAN members.

The river, extending for 4,000 kilometres (2,400 miles), is among the world's longest and least spoiled, passing through China, Myanmar, Thailand, Laos, Cambodia and Vietnam.

Nag said the new ASEAN countries needed to assure foreign investors about their political and economic environments as well as the existence of a fair dispute-resolution mechanism.

However, Toyota vice president Yoshio Ishizaka told AFP after the Tokyo seminar: "The sudden change of the rules of the game in Vietnam has somewhat dampened the automotive industry's eagerness to invest there."

He was referring to a series of planned tax hikes aimed at encouraging Vietnamese-based vehicle manufacturers, who include Toyota and Isuzu, to increase their local content ratios.

"I think they need consistency and transparency" to attract more investment, Ishizaka said.

To garner Japanese investors to the communist nation, Vietnam on Friday signed an agreement which would guarantee Japan access to its tightly controlled markets.

Vo Hong Phuc, Vietnam's minister of planning and investment, said he expected the accord would encourage Japanese companies to invest in his country.

An official from a Japanese trading house welcomed the pact as it "widens investment options."



Customers take closer look at sarees at a stall at handloom fair in Panthapath Road area in Dhaka yesterday. Consumer spending picks up as Eid-ul-Fitr nears. Buyers spend major portion of their budget on clothing.

PHOTO: STAR

## Lever Brothers awards top wholesalers

Lever Brothers Bangladesh Ltd awarded its top wholesalers on Saturday.

Company Chairman Sanjiv Mehta and Customer Management Director Reazul Haque Chowdhury jointly distributed the prizes among the wholesalers, says a press release.

Brand and Development Director Sreenivas Nagappa, Trade Marketing Manager Mizanur Rashid and Channel Manager Gazi Mahfuzur Rahman were present at the prize giving ceremony held at local hotel.

Addressing the ceremony, Mehta said the company took the initiative of awarding the wholesalers, styled as Dosti or friendship programme, for a win-win situation for both the company and the wholesalers.

## Saudi Arabia, Shell-Total sign \$5.5b deal

AFP, Riyadh

Saudi Arabia's Oil Minister Ali al-Nuaimi Saturday signed an estimated 5.5-billion-dollar landmark deal with a consortium led by majors Royal Dutch/Shell and Total for gas exploration and production in the south of the kingdom.

Nuaimi signed the 40-year deal in Riyadh with Total chairman and CEO Thierry Desmarest and Sir Phillip Watts, chairman of the committee of managing directors of Royal Dutch/Shell.

According to an official in the Saudi oil ministry, the deal is valued at four billion dollars in direct investment and 1.5 billion dollars in indirect investment, but a final figure will depend on effective production.

"This evening, we witnessed the signing of the kingdom's first natural gas investment agreement, which is being implemented... to encourage international oil companies to invest in the kingdom's gas sector," Nuaimi said after the signing ceremony.

## Online travel industry to boom in Asia Pacific

AFP, Singapore

Online travel bookings are set to soar in the Asia Pacific as tech-savvy travellers gain confidence in the security of the Internet and high-speed web access becomes more widespread, industry experts said.

The rise of no-frills airlines, changes in travel patterns in favour of shorter holidays and older travellers getting hooked on the benefits of the Internet should help drive more people to book their holidays by clicking a computer mouse.

"The trend is people are showing more confidence in online booking. Online booking systems are using local languages not just English," Ken Scott, managing director for communications at the Bangkok-based Pacific Asia Travel Association (PATA), told AFP.

"Word of mouth is spreading so that when people book and fulfill their travel plans, they tell their friends there was no hitch. So consumer confidence in online booking is growing."

# Asian nations adopt Grameen Bank model

## Bank expands its horizon over 30 countries

BSS, Dhaka

The success of Grameen Bank in reaching large numbers of poor clients with financial services and making significant impact on their economic lives has generated intense international interest on the micro-lender's approach.

As of now Grameen Bank has disbursed \$3 billion in micro-credit loans and \$185 million in housing loans. Currently, it serves 2.35 million clients, 94 per cent of them are women, covering 40,000 villages.

Grameen Global Network, a body to coordinate the international activities of Grameen Bank, now conducts more than 80 micro-credit programmes in 30 countries around the world, bank sources said.

The bank sources said Malaysia was the first country where the Grameen micro-credit methodology was piloted in 1980s with some funds from UNDP (United Nations Development Programme).

Selangor state government of Malaysia was keen to try the Grameen approach to poverty reduction and

wanted to co-sponsor the pilot project.

The pilot project in Malaysia has now blossomed into a full-scale national micro-credit programme for the hard-core poor known as Amanah Ikhtiar Malaysia (AIM), with more than 56,000 borrowers and savers.

This accounts for over 50 per cent of the total population of hard-core poor of the Southeast Asian country. As of January 2000, AIM had an average loans outstanding of \$21 million and a portfolio-at-risk of 0.37 of 1 per cent.

The encouraging results of the pilot project in Malaysia has prompted other Asian nations including India, Nepal Vietnam to replicate the Grameen Bank approach to alleviate poverty.

The Indian pilot project, Share, has now converted itself into a non-bank financial institution, providing micro-credit services to more than 30,000 active borrowers, while maintaining a portfolio at risk of zero per cent.

The Nepali project has transformed itself into a development bank called the

Nirdhan Utthan Bank Ltd. It serves 22,000 active borrowers and maintains a portfolio-at-risk of less than 3/5 of 1 per cent.

The Vietnam pilot project has become a full-fledged micro-credit programme of the Vietnam Women's Union known as Tau Yu Mai. It has over 10,000 active clients, and a portfolio-at-risk of less than 1/5 of 1 per cent.

The encouraging results of the early replications of the Grameen micro-credit methodology in the Asian region has given birth to a regional network called Credit and Savings for the Hardcore Poor (CASHPOR) which promotes establishment of Grameen-style programmes in Asia.

CASHPOR now has 20 member institutions in China, India, Indonesia, the Philippines, Vietnam, Nepal, Malaysia and Papua New Guinea. The institutions provide micro-financial services to some 3.17,876 of the poorest in Asia. Their combined loans outstanding are \$43 million.

# Dollar eases against taka on higher remittance flow

BSS, Dhaka

The US dollar eased slightly against the Bangladesh taka in thin inter-bank trade yesterday due to higher remittance inflow on the occasion of Eid festival, dealers said.

The dollar touched its high at 58.4650 taka per unit compared to its previous high at 58.4850 taka on Saturday, dealers of different commercial banks said.

Some commercial banks experienced robust inflow of remittances from Middle East countries that eased pressure on dollar. Dealers said Bangladeshi people living abroad are now sending

dollar to their relatives on the occasion of holy Eid festival.

"We have experienced higher volume of inflow of remittance, which is enough to meet our importers' demand and eased pressure on the dollar," a dealer of a private commercial bank said.

Dealers said the US currency rose to its record high at 58.5000 taka last week due to sudden high demand from importers who bought foreign goods to meet the growing demand of eid-shopping, which is picking up day by day.

Another reason for dollar's slide was

changing attitude of dealers towards the prospect of US economy. Some dealers are selling their dollars holdings after the suicidal incidents in Iraq fearing that the US economy would face jolt in the coming days.

Dealers of big commercial banks are now selling their funds. Every one is doubtful about the US economy as the Iraq situation sparks gloomy signal to it, they said.

The foreign currency trading, however, was depressed by thing volume of trade due to weekend holiday in most overseas foreign exchange markets, dealers said.

# Japan may hit back at US steel tariffs

REUTERS, Tokyo

Japan is considering raising duties on at least five products in retaliation against import tariffs protecting the US steel industry, the daily Nihon Keizai Shimbun said on Sunday.

Quoting Trade Ministry sources, the Nikkei said the products Japan was considering as targets for the retaliatory tariffs included coal, chemicals, steel, textiles and electrical machinery.

If introduced, the tariffs would cost US exporters \$91.9 million a year, the Nikkei said. The US imposed the duties

on steel in March 2002.

The paper said Japan would inform the World Trade Organization (WTO) of its decision to raise duties on the products at the end of November if the U.S. did not remove its steel tariffs by then.

Last week, the WTO issued a final ruling stating that the U.S. "safeguard" tariffs on steel were inconsistent with global trade pacts.

The European Union has threatened sanctions against \$2.2 billion worth of U.S. exports, including citrus products from Florida, where

President Bush's brother is governor and which was a key state in the president's 2000 election victory.

But the Nikkei said Japan's Agriculture and Finance ministries wanted to avoid slapping higher duties on agricultural products, so as not to directly affect domestic consumers.

President Bush said on Thursday he would make a decision on whether to lift the import tariffs "within a reasonable period of time."

No one was available to comment at the Trade Ministry on Sunday.



Award winning wholesalers of Lever Brothers Bangladesh Ltd pose for a photograph at a prize giving ceremony held at a hotel in Dhaka on Saturday.

PHOTO: ASIATIC