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The Daily Star BUSINESS

DHAKA, TUESDAY MAY 23, 2000

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GMG celebrates completion of 2nd year today

GMG Airlines will celebrate its successful completion of 2nd year with a gala programme this evening, says a press release.

The programme includes a celebration party at a local hotel, awarding the raffle draw winners and a gala dinner followed by musical soiree.

Secretary of the Ministry of Civil Aviation and Tourism Chowdhury M. Mohsin and Chairman of CAAB Air Commodore Iqbal Hossain will be present as chief guest and special guest respectively at the party, which will be attended by raffle draw winners, as well as other distinguished guests.

On the eve of the occasion, GMG acknowledges thankfully the support of their valued passengers and patrons.

As a part of the celebration they had a month long Raffle Draw Promotion. Lucky winners from all the corners of Bangladesh will be awarded on the celebration programme.

Besides, top sixteen travel agents will be awarded crest and certificates.

BB T-bill auction held

The 89th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held in the city Sunday, says UNB.

A total of Tk 577 crore, Tk 6 crore, Tk 129 crore, Tk 71.50 crore and Tk 16 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day and 2-year bills.

Of these, Tk 527 crore, Tk 3 crore, Tk 54.50 crore, Tk 12 crore in total of Tk 596.50 crore of 28-day, 91-day, 364-day and 2-year bills were accepted respectively.

The range of the implicit yields were 5.94-6.10 per cent, 6.30-6.41 per cent, 7.53-7.73 per cent and 8.40-8.51 per cent annum respectively.

The bids offered for the 182-day bill were not accepted and no bid was offered for the 5-year bill. Due to maturity of the bills, the total amount of Tk 593.50 crore will retire in the current week. So, the net amount of the issuing bills will stand at Tk 3 (596.50-593.50) crore this week.

Reception for Business Club Australia members held

Australian Trade Commission (Austrade) Dhaka hosted a dinner reception for the members of the Business Club Australia at the Ball Room of Dhaka Sheraton Hotel Saturday, says a press release.

Around 40 leading businessmen and members of the Club, Chamber Presidents, Australian high commissioner, senior trade commissioner and officials of the High Commission and Austrade attended the reception.

In his welcome note, Robert Flynn, the Australian High Commissioner, cordially welcomed the Bangladesh Business people to further strengthen the trade relationship between the two countries.

Colin Hook, Senior Trade Commissioner — South Asia, gave a presentation on the facilities available for the members of the Business Club Australia during the Sydney 2000 Olympic Games.

Some souvenirs of Sydney 2000 Olympic were also distributed among the winners of the raffle draw.

Japan's big three automakers enjoy higher output

TOKYO, May 22: Nissan Motor Co Ltd posted its first domestic output rise in 17 months in April, with both Toyota Motor Corp and Honda Motor Co Ltd also benefiting from stronger markets, the firms said today, reports AFP.

Nissan, which is undergoing a restructuring drive under France's Renault SA, saw vehicle production at home rise 23.2 per cent to 106,669 in April, the first increase in 17 months.

The increase was "supported by the production increase of the SUV (sports utility vehicle) models such as the Serena and the Wingroad for Japan and the Maxima and the 130 for the US market," Nissan said in a statement.

Nissan, which unveiled dismal annual earnings on Friday, said its worldwide production was up 21.5 per cent at 197,533 in April.

Honda, with global output up 4.6 per cent to 199,114, took second spot among the big three Japanese motor firms, its domestic output grew 15.6 per cent to 102,303 vehicles.

Honda's domestic sales increased 13.1 per cent to 55,203 thanks to "the continued popularity of its mini-vehicles" and its exports shot up 28.9 per cent to 56,706 in April.

ProshikaNet launches first online payment service

By Monjur Mahmud

The move may be a small leap forward, but it certainly holds out an immense future for the country's e-commerce.

Internet Service Provider ProshikaNet has for the first time launched online payment service for its subscribers.

"Only our subscribers holding National Bank Limited (NBL) MasterCard can pay their monthly service bills through this online service," said M Rezaul Hassan, Business Manager of Proshika Computer Systems (PCS).

But this is just the beginning of a long journey, as

ProshikaNet has plans to expand the service shortly to cover payment of school tuition fees, mobile phone bills, insurance premium payments and other things. And hopefully all these services will be out of the service provider's store by the end of this year.

Proshika is already busy contacting different service organisations with a view to roping them into its online payment system.

Hassan hoped that other banks will also okay the use of their cards in making online payments. Besides, there is a

possibility that debit cards would also be included in the system as these have wide acceptance in the country.

Under Proshika's payment system, an Internet user has to give his name, credit card number and its expiry date for making online transactions.

Besides, ProshikaNet has taken some additional security measures to guard against fraudulent bids. As part of the stand against frauds, the service provider will give an e-commerce password to a credit card holder who's keen to pay online, Hassan added. More-

over, he said that the client will have to make a disclosure to NBL saying that he will make online payment to ProshikaNet.

Hassan felt that enactment of a cyber law is necessary to prevent online payment forgery.

Besides, he identified the lack of social creditworthiness and too much prejudice and fear of the banks in issuing credit cards as the other tumbling blocks, which, he felt, were necessary for kickstarting the online payment system in the country.



Pierre Boedoz (R), French Trade Commissioner in Bangladesh, speaks at a luncheon meeting organized by France-Bangladesh Chamber of Commerce and Industry at a local hotel yesterday. The picture also shows (left to right) Rifat Rashid, Director of France-Bangladesh Chamber of Commerce & Industry, Francis Dubus, President of the chamber, Phiphit Suphaphiphat, Resident Representative of ADB, and Jean-Guy de Wargny, Charge d'Affaires of the French embassy in Dhaka at the meeting.

— France-Bangla Chamber photo

Bangladesh may achieve its projected 6.4pc growth ESCAP survey report says

A survey report of ESCAP released in the city Monday predicted that Bangladesh might achieve the official projection of 6.4 per cent GDP growth rate in the current fiscal year, reports UNB.

The UN body made the projection in view of a bumper harvest of aman rice, an upturn in industrial production and higher output in the construction, power and transport sectors, and wholesale and retail trade.

Director General of the Bangladesh Institute of Development Studies (BIDS) Abu Ahmed Abdullah presented the "Economic and Social Survey for Asia and the Pacific 2000" at a press conference at CIR-DAP.

UNDP Resident Representative in Dhaka Andre Klap launched the report. Officer-in-charge of UNIC Dhaka office, Kazi Ali Reza, was present on the occasion.

"Despite extensive floods between July and September 1998 which lowered projections, GDP in Bangladesh registered a growth of 5.2 per cent in fiscal 1999 due to a significant increase in the *boro* rice output," the report said.

It said growth in the manufacturing and services sectors declined partly due to effects from the floods. It recorded higher output in readymade garment, leather and leather goods, ceramic products and tea sub-sectors.

The report said the total export growth declined to less than three per cent in 1999 from nearly 17 per cent recorded the previous year, as extensive flooding depressed production and disrupted transport and communication links.

Readymade garment export to Canada, the European Union and USA accounted for three-fourths of merchandise export

receipts, it said. ESCAP said import liberalisation, removal of quantitative import restrictions and reduction in import duties led to a more outward-looking trade regime in Bangladesh.

"Complementary measures include removal of or significant reduction in tariff and non-tariff barriers, strengthened customs administration, foreign exchange convertibility on current accounts, and greater transparency in export promotion."

In 1999, the huge trade deficit contributed to shortfalls in the current account and balance of payments, the report said.

It said foreign exchange reserve, which declined to the equivalent of two months' import cover, was expected to improve with the decline in import pressure and recovery in export earning in 2000.

Prime Bank to open 5 more branches soon

Prime Bank Limited will introduce debit card and ATM (automatic teller machine) and open five more branches across the country soon, says a press statement.

Outgoing Chairman of the bank Md Nader Khan dwelt upon the future plan and past activities at a gathering of the newsmen. The Board of Directors organised the programme in connection with the commemoration of the 5th anniversary of the bank.

Khan said that the bank, which had corresponding contacts with 236 bank branches in 52 countries, was considering to set up a joint venture finance company.

Addressing the function, Managing Director Kazi Abdul Mazid said that the bank's deposits stood at Tk 857.7 crore till April this year, which is 49 per cent higher than the previous year.

He said that bank disbursed Tk 545.56 crore till April this year, which is seven per cent higher than the previous year. The MD added that the percentage of classified loan is less than two.

He said that the bank made a profit of Tk 36.5 crore in the 1999, which is 63 per cent higher than 1998. Till April of this year, the Prime Bank made a profit of Tk 14.59 crore, he added.

Meanwhile, the bank has given dividend for the year 1999. The dividend was declared just two months after the final accounts at an annual general meeting.

ROK, Bangladesh cos plan disposable syringe plant

COA International, Korea, and Deshdosh Services Ltd of Dhaka will set up a disposable syringe plant in joint venture in the city.

To this effect, an agreement between the two companies was signed at the corporate head office of the local firm on Saturday, says a press release.

Deshdosh Service Ltd has also been appointed Exclusive Sales Agent of COA International for marketing their disposable syringe and other medical equipment for Bangladesh, India and Nepal.

Harun Ur Rashid, Chairman of Deshdosh Group, and Gi Tae Kim, President of COA International signed the agreement on behalf of their respective companies.

Gazi Md Delwar Hossain, managing Director of Chitra Ltd., M A Jalil, Director of Deshdosh Group, Q F Ahmad, Director of Deshdosh Group, and Chung Hoon Ha (John), representative of COA International, were also present at the signing ceremony.

The proposed disposable syringe industry will create employment opportunities for about 100 people and marketing of the imported syringe and other equipment will create a good number of jobs for the educated people of the country.

Swedish Embassy to sign aid deal with ACD

The Swedish Embassy in Bangladesh will sign an agreement with Association for Community Development (ACD), an NGO of the Rajshahi region, for a three-year period (2000-02) at the embassy in the city on Friday, says UNB.

Ambassador of Sweden in Bangladesh Anders Johnson and Salima Sarwar, Director of ACD, will sign the agreement on behalf of the respective organisations.

The visiting Swedish Minister for Development Cooperation, Migration and Asylum Policy, Maj-Inger Klingvall, will be present at the ceremony.

Under the agreement, an amount of 1.5 million Swedish Kroner equivalent to Tk 82.50 crore will be made available for ACD to implement a project titled "Promotion of Human Rights and Women's Participation in the Democratic Process" within the project period.

Prime Bank Limited Meet the Press commemorate its 5th Anniversary



The Board of Directors of Prime Bank Limited met the press Sunday to commemorate its 5th anniversary at a city hotel. Md Nader Khan, Chairman of the Board of Directors, addressed on the occasion. Kazi Abdul Mazid, Managing Director, and members of the Board of Directors also attended.

— Prime Bank photo

Aventis CropScience quits animal health business

Agrochemical, environmental health businesses eyed

Star Business Report

The Aventis CropScience Bangladesh Ltd., which came into being as a result of the merger between Rhone-Poulenc SA and Hoechst AG, has announced that the company will now move away from animal health business and get zeroed in on agrochemical and environmental health business.

This was disclosed by Russell Brown, Managing Director of Aventis CropScience Bangladesh Ltd., at a press briefing held at a city hotel yesterday.

As a direct result of the global merger decision, MERIAL — a joint venture company of Rhone Poulenc SA and Merck and Co, of which Rhone Poulenc Agrovet Bangladesh Ltd. is a distributor — terminated its distribution agreement from January 2000.

Aventis CropScience has de-

cided to direct all its resources to the crop protection, production and environmental and public health markets only.

However, this does not necessarily mean that MERIAL products or Rhone Poulenc Animal Nutrition products will be withdrawn from the markets. Both the companies have expressed their intentions to continue to market products in Bangladesh through another distributor.

Speaking at the press briefing, Brown said that new ideas for the agriculture sector was needed to produce more crops, as arable lands were continuously on the wane.

"We believe that the solution lies in sustainable crop production systems known as Integrated Crop Management (ICM), which is a comprehensive system of farming that balances

profitable production of high-yielding crops with environmental responsibility."

Brown said Aventis CropScience has a diverse portfolio covering non-agriculture applications for public hygiene, leisure and amenity markets.

"Our objective is to contribute to the production of quality and healthy foods in sufficient quantities, whilst constantly protecting the environment and bio-diversity in accordance with the principles of sustainability."

In Bangladesh, Aventis ranks 5th among the crop protection companies with a market share of 8 per cent and its key market are rice, vegetables and plantation crops.

DP Bony, Director, and other senior officials of Aventis CropScience Bangladesh Ltd attended the press briefing.



An agreement was signed between COA International, Korea, and Deshdosh Service Ltd of Bangladesh at the corporate head office of Deshdosh Group on Saturday to set up a disposable syringe plant in Dhaka in joint venture. Seen in the picture (from left to right) are Chung Hoon Ha, Gi Tae Kim, President of COA International, M A Jalil, Gazi Md Delwar Hossain and Harun Ur Rashid, Chairman of Deshdosh Group.

— Deshdosh photo

TU-free EPZs hailed Increased ROK investment sought

South Korean Ambassador in Bangladesh Young Joo Jung expressed his satisfaction over trade union-free quiet and favourable working atmosphere in the Dhaka and Chittagong export processing zones, says BSS.

He made this observation when he met the Executive Chairman of Bangladesh Export Processing Zone Brig M A B Siddique Talukdar in the city on Thursday, said a press release on Sunday.

During the meeting, the ambassador expressed his concern that if trade union or collective bargaining agent is introduced at export processing zones Korean investors would not be interested to invest in Bangladesh.

He said that the government of Bangladesh should take necessary steps so that trade union activity cannot be introduced in export processing zones.

Brigadier Siddique sought the cooperation of the Korean Ambassador for increased investment of his country.

Pak govt, traders seem on tax collision course

ISLAMABAD, May 22: Pakistan's military government and the nation's traders seemed on collision course today over a new tax regime on which a lifeblood IMF loan depends, says Reuters.

A weekend protest strike by traders shut shops nationwide and set the stage for a showdown between traders and the government's attempts to start documenting and taxing a huge black economy.

"This is the issue which, I think, will go to a showdown," said Mansoor Ali, chief economist at stockbrokers Jefferies, Siddle and Co.

"It is far too important for the government to back down on."

At issue is the imposition of a general sales tax (GST) at retail level, a modest incision into a black economy estimated to equal the official \$60 billion economy.

The government's financial managers believe the GST and a tax survey it plans would for the first time bring the free-spirited traders into the tax net and meet a central demand of donors, which successive governments have balked at for years.

payments on its \$38 billion debt after a grace period from a rescheduling exercise ends in December.

"Pakistan will not get a penny from the donors if it does not carry out necessary reforms," said an editorial in the English-language newspaper The News on Monday.

That being the state of things, it is only prudent that the traders reconcile with reality.

BCS Trade Cadre hails WTO cell at Commerce Ministry

S M A Gofran Gazi, President, and M Shamsul Alam, Secretary General of the BCS Trade Cadre Association, in a joint statement issued in the city hailed the creation of a World Trade Organisation (WTO) cell comprised of the Trade Cadre officers at the Ministry of Commerce.

A delegation of the association recently called on Commerce Secretary Ghulam Rahman and the Commerce Minister Md Abdul Jalil to apprise them of the problems and possibilities of the Trade Cadre in managing modern trade and commerce in the context of the global economy.

ity and pre-empt further trouble.

Neither the traders nor Musharraf appeared in any mood to back down or compromise over the weekend, setting the stage for a trial of strength when GST becomes law after a budget expected some time next month.

"It could come to arrests," said Mansoor. "People are especially wary of antagonising a military government."

The strike was the biggest organised challenge to Musharraf's government since it came to power in a bloodless October 12 coup.

Musharraf, who does not mind words, said there was "no justification" for the stoppage, which passed off peacefully but left most major cities looking ghost towns.

The traders threatened further protests if the government goes ahead with a tax survey which is expected to greatly swell the number of people paying tax — less than one per cent of Pakistan's 135 million people pay any tax at all.

"We do not want a confrontation with the army... but when a survey team comes to a market, we will close the shops and refuse to accept the forms," said Umer Saliya, chairman of the All Pakistan Organisation of Small Traders and Cottage Industries.