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# The Daily Star BUSINESS

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## Govt has no plan to export gas now, JS told

**SANGSAD BHABAN, June 14:** The government has no plan at present to export gas, State Minister for Energy, Prof Rafiqul Islam told the Parliament yesterday, reports UNB.

Replying to ruling party MPs, Wazuddin Khan and Sri-mati Bharti Nandi, he said drilling of Sangu South 1 well under block 16 in the Bay is on, but the extraction of gas from Feni gasfield remains suspended because of reduction of pressure in both the wells.

The state minister said two new gas fields have been discovered recently — one is Bibiana gas field in Habiganj and the other in Moulvibazar. Both these fields are now undergoing various surveys.

In reply to a question, he said the present production of LPG is less than 5 per cent in of the country's requirement. There are two LPG plants in the country.

The Kailashitla plant produces 5,000 metric tons of LP gas while Eastern Refinery in Chittagong 16,000 metric tons annually.

## Kibria in JS

## BKB to set up branches in each union

The government will set up Bangladesh Krishi Bank (BKB) branch in each union to step up disbursement of agri-credit to the farmers, Finance Minister Shah A M S Kibria told the Jatiya Sangsad yesterday, reports BSS.

Replying to a call attention notice moved by JP member Advocate Fazle Rabbi, the minister said a total of 107 branches of Krishi Bank would be set up in Rajshahi division within next three years.

The minister said the government also streamlined the Agriculture Credit Committee at the district and thana levels to curb corruption in agriculture credit disbursement. Provision has also been made to include NGO representatives in the Agriculture Credit Committee.

He said thana level complaints centres have also been set up to monitor loan disbursement activities for stopping harassment of borrowers.

The minister said the government has withdrawn restriction to setting up Krishi Bank branches. Henceforth, he said the bank authorities can take decision to open bank branches.

## NBR clarification says

## No tax proposed on local meat, frozen chicken

The National Board of Revenue (NBR) on Tuesday said no duty or tax was proposed in the 2000-01 budget on locally produced meat or frozen chicken, reports UNB.

In a clarification to remove the misgivings, NBR said proposal has in fact been made to raise duty on imported frozen chicken and meat from 25 per cent to 37.5 per cent.

It said the duty on imported chicken has been raised to give protection to the local poultry farms. There is also no VAT on locally-produced chicken or meat.

## Another new insurance co gets licence

Crystal Insurance Company Limited has obtained licence from the Controller of Insurance to operate in the country's general insurance sector, says a press release.

Abdullah Al-Mahmud Mahin and Syed Md Habibul Haque are the Chairman and Managing Director of the company respectively of the company.

## India to oppose anti-dumping steps at EU meet

**NEW DELHI, June 14:** India's steel, textiles and drugs face market access obstacles in Europe because of anti-dumping, anti-subsidy and sanitation regulations that will be discussed at the India-Europe summit in Portugal, according to government statement Wednesday, reports AP.

India's delegation will explain at the June 28 summit in Lisbon the difficulties faced by Indian exporters because of the European rules, said the government.

The EU accounts for nearly one-fourth of India's global trade, but India has less than 1.5 per cent of the EU market share, said the government.

India exported \$ 7.5 billion in products to the EU from April to December last year and the EU exported about \$10 billion to India, said the government statement. The amounts for the last three months of the fiscal year were not yet available.

# Write off unrealisable default loans with full provisions, BB suggests

By Shahriar Karim

Bangladesh Bank (BB) has suggested to write off the default loans sanctioned till 1980 which do not have any realisable collateral and against which banks maintain full provisions.

With a view to reduce the burden of classified loans, the central bank has also called for changing the related laws to provide legal basis to writing off these loans.

It also observed that the government should play an active role in realising the loans taken by different government organisations and autonomous bodies.

The BB prepared a report on the country's banking system and came up with a set of proposals to improve the order and restore discipline. The suggestions were placed before the Standing Committee on the Finance Ministry and the body

will discuss it in its next meeting.

Terming classified loans as the major problem facing the country's banking system, the BB report said although the situation has improved over last four years due to constant monitoring of the central bank, the banks are yet to overcome the problem.

The total classified loans of the banking system as of December, 1999 stood at Tk 23,879.26 crore, which is about 41 per cent of the total Tk 58,083.30 crore loans disbursed so far, the report said. The classified loans with the nationalised commercial banks (NCBs) and specialised banks stood at Tk 12,892.20 crore and Tk 6,333.23 crore respectively against their disbursement of Tk 28,256.93 crore and Tk 9740.23 crore.

The report also said that two

private sector banks — Pubali and Uttara — are still burdened with huge classified loans which were disbursed as directed loans in favour of different government enterprises. These loans were given before the banks became privatised.

In its report, the BB also mentioned that Uttara and Pubali had been requesting the government to realise the loans, but couldn't make any headway on that front.

As it has become difficult for the banks to realise year-old classified loans with their existing human resources, the central bank also suggested establishment of a special organisation like an Asset Management Company for managing and realising the old classified loans.

BB also suggested to make it mandatory for the banks to li-

nance big projects through syndication, as the rate of classified loans is high in the cases of term-lending for big ventures.

Bangladesh Bank found that outside pressure, insider lending and release of loans without proper project appraisals are the main reasons for the high rate of classified loans. The BB said that bank directors should not interfere into everyday bank affairs.

The central bank also called for making provisions interest-free until the banks do not meet their provision shortfalls. The provision shortfall of the banks stood at Tk 4897.36 as of December 1999.

When the required provision is Tk 10,051.09, different banks kept Tk 5153.73 crore provision against Tk 23,879.26 crore classified loans.



Emirates Chairman Sheikh Ahmed bin Saeed Al-Maktoum delivers the opening address at the annual Ground Service Conference in Dubai recently. Also seen (from left) are: Mohammed H Mattar, Emirates' Senior General Manager-Ground Services; Murice Flanagan, Emirates' Group Managing Director; Tim Clark, Emirates' Chief Director-Airline; and Don Foster, Emirates' Director Service Delivery. Airport managers from across the airline's network of 51 destinations discussed the future of travel, future developments in e-commerce such as electronic ticketing, the enhancements Skywards members will now experience in their journey through airport, etc. — Emirates photo

# Weak company shares to be traded separately: SEC

Bourses told to adopt new system from July 1

By M Shamsur Rahman

As the country's stock exchanges have failed to implement a proposal to trade shares of "irregular" companies through a separate system, the Securities and Exchange Commission (SEC) yesterday decided that scrips of companies with weak track records would be traded separately on a "trade-for-trade settlement system".

In its board meeting yesterday, the SEC came to the decision that trade of those listed companies which failed to hold annual general meetings (AGMs) last year or could not declare dividends during the last four consecutive years, will be settled through the "trade-for-trade settlement system".

Under the new system, a buyer will not be allowed to

trade on a "day netting" basis. He will rather have to deposit the full money with the broker before purchasing the shares. In case of selling such scrips, the buyer will have to deposit the shares first, SEC officials said.

The mutual funds will, however, be out of the purview of this new settlement system.

The "day netting" system will continue for the good companies. Under this system, shares are bought and sold electronically and the balances are settled by depositing scrips and money at the end of the day.

The SEC yesterday issued orders to both the bourses directing them to take to the new system from July 1, 2000.

SEC officials said that the

move came as many stock brokers and investors were found to be involved in huge "day netting" of weak company shares, which gave a wrong impression about the country's capital market.

"The trade is confined mostly to certain company shares with weak fundamentals. These companies neither hold their AGMs nor they pay dividends regularly. They have small capital base with low face-value of their shares," one SEC official said, adding that companies with good track records were worried about such trading.

Another official of the Commission said that the matter was discussed on several oc-

casions with both the stock exchanges and they were requested to take appropriate measures by making two or three categories of companies, depending on their fundamentals and trading them separately.

"These exchanges were also advised to change the netting trade settlement system for those companies which do not hold AGMs and declare dividends on a regular basis," he said.

The official said that although both the stock exchanges had agreed to implement the proposal from February 1, 2000, these are yet to materialised it.



Masud Ahmed, President and CEO of WebBangladesh.com, Abdullah H Kafi, President of Bangladesh Computer Samity (BCS), DCCI President Aftabul Islam, President of BASIS SM Kamal, Nurul Kabir, Managing Director of Technovista and Editor of PC Quest, Tanveer Chowdhury, Editor of News from Bangladesh, are seen at the launching ceremony of WebBangladesh.com at a city hotel yesterday. — WebBangladesh.com photo

# Another Bangladeshi mega portal hits the Net

Star Business Report

Click to WWW.WebBangladesh.com and the largest Bangladeshi Internet search engine will appear on your PC screen.

A group of non-resident Bangladeshis have sponsored this portal website having more than 3,000 pages.

Dhaka Chamber of Commerce and Industry (DCCI) President Aftabul Islam formally inaugurated the website as chief guest at a launching ceremony held at a city hotel yesterday.

Speaking on the occasion, Aftabul Islam pointed at infrastructure problems in the country for information Technology and said that the nation's expectation from the sector would not materialise unless these drawbacks are properly addressed.

Presently there is only one computer for 700 persons in the country. Steps should be taken so that there can be one computer per 100 persons by the year 2003, the DCCI president

stated. "Besides, our target would not be achieved if the number of telephone lines are increased as soon as possible," he added.

He also praised the government for allocating Tk 100 crore in the proposed budget for FY2001 as equity development fund for software development and agro-processing industries.

SM Kamal, President of Bangladesh Association of Software Information Services (BASIS), Abdullah H. Kafi, President of Bangladesh Computer Samity (BCS), Nurul Kabir, Managing Director of Technovista and Editor of PC Quest, Tanveer Chowdhury, Editor of News from Bangladesh, and Masud Ahmed, President and CEO of WebBangladesh.com, spoke at the launching ceremony.

SM Kamal praised the effort to launch the website, saying non-resident Bangladeshis can play a vital role in exploring the country's IT potential. He called for heavy investments in

the IT sector.

Abdullah H Kafi stressed the need for continuously updating the website, saying information given in the website should be accurate.

Masud Ahmed said WebBangladesh.com is a customised product which has been designed to reap the benefits of Internet and meet the growing expectation of the people.

Information, entertainment and business directory have been given priority in the website and these will be updated from time to time, he said. "We have tried to provide necessary information about education, immigration and working visas. Moreover, there are information about business opportunities," Ahmed stated.

"We consider it a complete website which is as powerful as the Yahoo! search engine. WebBangladesh.com search engine has a server in the US," he said, adding that it took more than five months to develop the portal.

## Sonar Bangla Insurance launched

The launching ceremony of Sonar Bangla Insurance Ltd was held at Dhaka Sheraton Hotel on Sunday, says a press release.

Commerce Minister Md Abdul Jalil was present as chief guest at the function. Dr Mohammed Farashuddin, Governor of Bangladesh Bank, and Syed Tanveer Hussain, Chief Controller of Insurance, attended it as special guest and guest of honour respectively.

Addressing the inaugural function, the minister called upon the businessmen to utilise part of their profits in human development activities.

Sheikh Kabir Hossain, Chairman of Sonar Bangla Insurance Ltd, presided over the function, which was also addressed, among others, by Mohammed Farashuddin, Governor of Bangladesh Bank, Syed Tanveer Hussain, Chief Controller of Insurance, Sheikh Shahjahanuddin, Managing Director and Syed Mosharraf Hossain, Vice Chairman of Sonar Bangla Insurance Ltd.

Dr Mohammed Farashuddin said that the number of insurance companies should be increased in the country.



Commerce Minister Md Abdul Jalil addresses the inaugural function of Sonar Bangla Insurance Limited at Dhaka Sheraton Hotel on Sunday. Syed Tanveer Hussain, Chief Controller of Insurance, Dr Mohammed Farashuddin, Governor of Bangladesh Bank, Sheikh Kabir Hossain, Chairman, Syed Mosharraf Hossain, Vice Chairman and Sheikh Shahjahan, Managing Director of the company, are also seen in the picture. — Sonar Bangla Insurance photo

# US for immediate Supreme Court review of Microsoft ruling

**WASHINGTON, June 14:** Microsoft and the US government go before different courts in their battle over last week's ruling that the software giant should be broken up for abusing its monopoly power, reports AFP.

The US Justice Department Tuesday asked a judge to certify the case for an "immediate" Supreme Court review that would bypass the Court of Appeals.

"Immediate Supreme Court review of this case is in the public interest because of its importance to the American economy," the Justice Department said in a brief statement, calling on the judge in the case to expedite the appeal to the highest court.

The government's move came as Microsoft Tuesday asked the US Circuit Court of Appeals for the District of Columbia (Washington) to hear its appeal of last week's antitrust judgement against it and

delay enforcement of the ruling. Microsoft's petition asks the appellate panel to stay, or postpone the enforcement of Judge Thomas Penfield Jackson's landmark ruling pending a resolution of the appeal process.

Seven of the 10 judges on the appeals court — which has been favourable to Microsoft in the past — cited the exceptional importance of the case promising a prompt review of Jackson's ruling. Normally three panel judges are required to review an appeal.

Some analysts said that if the appeals court considers any aspect of the case, it could dissuade the Supreme Court from accepting an accelerated hearing.

The government called Microsoft's move "an ill-conceived attempt to end-run" an expedition of the appeal to the Supreme Court.

The government's petition must be approved by Jackson. In its legal petition, Mi-

crosoft called Jackson's decision "profoundly flawed," said it would "present an overwhelming case for reversal of the judgment."

It cited "an array of serious substantive and procedural errors that infected virtually every aspect of the proceedings."

Microsoft said if it is forced to comply with his order limiting its business conduct, it would "result in confiscation of large amounts of the company's intellectual property," interfere with the release of new products and require Microsoft to redesign all of its existing operating systems within six months or withdraw them from the market.

Such a course of action would "make it difficult for Microsoft to conduct business in the highly-competitive, fast-moving software industry," Microsoft said.

The effect of Jackson's ruling "will be devastating, not only to Microsoft, but also to its

employees, shareholders business partners and customers, and could have a significant adverse impact on the nation's economy," Microsoft's attorneys said.

## Aventis declares Tk 12 dividend

Aventis CropScience Bangladesh Ltd (formerly Rhone Poulenc Agrovet Bangladesh Ltd) declared a dividend of Tk 12 per share at the annual general meeting (AGM) of the company held in the city on Sunday, says a press release.

Aventis CropScience Bangladesh, a joint venture company with the government-owned Bangladesh Chemical Industries Corporation, was incorporated in June 1994 and commenced operations in December the same year.

The AGM was chaired by Chairman of the company Anwarul Haq, who is also the Chairman of BCIC.

## Filipino president signs electronic commerce law

**MANILA, June 14:** Philippine President Joseph Estrada signed Wednesday a law providing a legal framework for electronic commerce in the country, including penalties for computer crimes, reports AP.

"We now leave the confines of the industrial age to embrace the immense possibilities of an economy that is based not on land or capital, which are the privileges of a few, but on talent, ingenuity and skill, which are common to all," Estrada said in signing ceremonies at the Malacanang presidential palace.

Legislators were spurred to pass the law after the "ILOVEYOU" computer virus, which spread last month to millions of computer systems worldwide, was traced to the Philippines.

Under the law, hackers and those who spread computer viruses can be fined a minimum of 100,000 pesos (\$2,350) and a maximum "commensurate" with the damage caused, and can be imprisoned up to three years. The law, however, does not apply retroactively to those involved in the "Love Bug".

# Weekly Ctg Tea Sale Market witnesses good demand

**CHITTAGONG, June 14:** Offerings in the weekly tea sale here yesterday (Tuesday) once again met with a good demand with prices generally advancing in sellers' favour, reports UNB.

Internal buyers, particularly Blenders, were quite active with fair support from Pakistan and the out-markets, according to a market report of the National Brokers Ltd.

Pakistani buyers again operating at slightly better limits, ranging between Tk 52 and Tk 57. Once again clean leaf with better liquors were a bright feature of the sale.

**CTC leaf:** 9,281 chests, 6,293 gunnysacks and 225 chest and 590 gunnysacks of old season on offer met stronger demands at mostly dearer rates.

**Broken:** Clean well-made broken with good liquors were a stronger feature, selling at mostly dearer rates and advancing by Tk 2 and more.

Medium broken were a good market at firm to slightly dearer following quality.

Plainer types once again were an irregular market but mostly sold at firmer rates. Large and bold broken were a good market and generally sold at firm rates.

Fannings met with a strong demand and were generally fully firm to slightly dearer, except for the plainer varieties which were often easier.

**CTC dust:** 1,058 chests, 2,059 sacks and 13 sacks of old season on offer met a slightly less demand at mostly easier rates. Select few lines of well-made better-liquoring types were fully firm to dearer, while others eased by Tk 3 to Tk 5 in line with quality.

The plainer-liquoring types and CDs eased by Tk 5 to Tk 10. Blenders were active in liquoring types with good support from loose tea buyers.