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Banks remain open Mar 5

UNB, Dhaka

Bangladesh Bank and all scheduled banks will remain open on March 5, as three-day government holiday for Eid-ul-Azha will begin on March 6 instead of March 5.

The central bank and all scheduled banks will remain closed from March 6 to 8 on the occasion of Eid, said a BB press release yesterday.

Exim Bank declares 14pc dividend

The 13th meeting of the Board of Directors of Export Import Bank of Bangladesh Limited was held at the bank's Head Office Tuesday, says a press release.

Md. Nazrul Islam Mazumder, Chairman of the bank, presided over the meeting.

The bank earned a net profit of Tk 10.24 crore from its operations in the year. The chairman and other members of the Board of Directors expressed their satisfaction for the overall performance and thanked the management for the operational success.

The Board unanimously declared a cash dividend of 14 per cent to the shareholders, which is subject to clearance from Bangladesh Bank. It also approved 2 incentive bonus to the employees from the profit.

Low Lintas wins more HSBC business

Low Lintas & Partners Worldwide yesterday announced that its office in Hong Kong has been appointed by HSBC to handle additional business worth well in excess of HK \$100m, says a press release.

Low Lintas & Partners was awarded the additional business following an internal HSBC review, and it will now handle HSBC Premier, Investment Services, Consumer Loans and e-business, all of which fall under the Personal Financial Services remit. In addition, the Investment Banking & Markets division, initially an Asia Pacific assignment driven out of Hong Kong, has also been awarded to the agency.

Low Lintas & Partners Worldwide was appointed by HSBC in March, 1999 to be Agency of Record for the global HSBC brand campaign. Following this win the Hong Kong office began handling the local brand communications and it secured the Trade Services and Payments & Cash Management assignments.

In addition, Low Lintas & Partners Hong Kong was also responsible for the Personal Installment Loan and Personal Tax Loan campaigns launched in the final quarter of 2000. It was the work in all of these areas and the positive results achieved for the bank that led to the agency being awarded this additional business.

Chowdhury joins Al Baraka Bank as Executive President



A H M Shawkat Ali Chowdhury, a career banker, has recently joined Al Baraka Bank Bangladesh Limited as its Executive President, says a press release.

He started his career as a probationary officer in the then United Bank Limited in 1966. Later, he joined IFIC Bank and served there in various capacities and was appointed its Managing Director in the 1994. Prior to joining Al Baraka Bank, he worked as Managing Director of Dutch Bangla Bank Limited.

Chowdhury obtained his Master's Degree in Management from Dhaka University. Awarded with Bangladesh Bank Gold Medal for securing first position at the Banking Diploma Examination of 1974, Chowdhury has 32 years of banking experience.

Karmasangsthan Bank finally wakes up to recover bad loans

Default loan portfolio reduced from 26 pc to 14 pc

SHAHRIAR KARIM

Karmasangsthan Bank, once suffering a setback as over one fourth of its loan portfolio turning classified, has succeeded in lowering its defaulted loans through tough loan recovery drive and selective sanctioning of new loans, sources said.

In seven months since July, 2000, the bank has succeeded in lowering the defaulted loans from 26 per cent to 14 per cent.

When the bank's defaulted loans reached as high as 26 per cent in July last year, the bank management came under salvos from the finance minister, the Bangladesh Bank and the Parliamentary Standing Committee on Finance Ministry.

The finance ministry blamed the bank management for its dismal performance. The management was accused of failing to properly scrutinise loan applications and ensure proper monitoring of the projects, sources in the ministry said.

However, according to bank insiders, a chunk of the loans which later went bad was given to ruling party men and the projects were never professionally assessed. Interestingly, the bank disbursed around Tk 18 crore in just about seven months.

As a result of harsh admonishment from the authorities, the bank management improved its recovery drive, strengthened monitoring and went selective in sanctioning new loans, bank

sources said. As a result of such efforts, the bank realised Tk 4.70 crore loans against a target of Tk 5.5 crore or 86 per cent of the target.

Four branches in Comilla, Sirajganj, Cox's Bazar and Chapainawabganj succeeded to fully meet their respective loan recovery targets. Two other branches in Narayanganj and Thakurgaon could recover 99 per cent of their targets, bank sources said.

Despite reasonably good recovery records in most of the branches, Dhaka and Tangail branches still lag behind their loan recovery targets. The recovery rate of Tangail branch is only about 67 per cent followed by Dhaka branch with 74 per cent.

The Dhaka branch's could re-

alise Tk 78.59 lakh against the target of Tk 1.06 crore. The Tangail branch could realise Tk 11.46 lakh against a target of Tk 17.15 lakh.

There are 14 other branches which clocked around 90 per cent recovery rate. The bank management had earlier taken initiatives to expand its activities by opening 96 new branches. But due to the dismal performance, it opened 27 new branches, making the total number of branches at 59.

The bank started its formal operation on September 22, 1998, under the directives of Prime Minister Sheikh Hasina to create employment opportunities for the jobless youths. It received a Tk 100 crore special fund from the government.



A country consultation mission of the Asiah Development Bank (ADB) headed by its Director, Infrastructure, Energy and Financial Sector Department and the Private Sector Group, Christine Wallich (centre) called on the President of Foreign Investors' Chamber of Commerce & Industry (FICCI) Wali Bhuiyan (extreme left) at the Chamber office yesterday. They exchanged views on matters relating to the prevailing trade and investment scenario in Bangladesh. FICCI Secretary Jahangir Bin Alam and Omark Shrestha of ADB are also in the picture.

EU readies tough laws on tobacco marketing

AFP, Brussels

The European Parliament and the EU Council of Ministers Wednesday reached an accord on tough new restrictions on tobacco marketing that will among other things ban the use of deceptive labels such as "light" and "mild."

The new directive, not yet law also sets lower limits on such addictive substances as nicotine, tar and carbon monoxide in cigarettes and increases the mandatory size of health warnings on cigarette packs.

"I am very pleased with the outcome," said Lars Engqvist, Minister of Health and Social Affairs for Sweden, which holds the current EU presidency. "As a result of this directive, we in Europe have taken a step forward in the fight against tobacco consumption," he said.

The directive, he added, "means that we now have the means to take rigorous measures against the greatest threat to public health in Europe today."

The law applies to all tobacco products, said a Swedish presidency statement, including cigarettes, cigars, cigarillos and snuff. "The agreement represents a watershed in the fight against the scourge of tobacco," said EU Health and Consumer Protection Commissioner David Byrne.

"It sends a strong message to industry and consumers," he said. "My key priority is to ensure that young people do not start smoking."

Jules Maaten, a liberal Dutch MEP who as parliament's rapporteur steered the text of the directive through the legislative process, said the final product met all his expectations.

"Despite the terrible health consequences," he said, "I believe that young people have the right to smoke, but the tobacco manufacturers spend huge sums of money trying to make their products appear glamorous, and this image needs to be countered."

Cigarette package labels such as "light," "ultra-light" and "mild" will be banned as misleading under the directive, which was expected to become law within a few months and to enter into force at the end of September 2002.

before the law goes into effect. The directive limits tar to 10 milligrams per cigarette, nicotine to one milligram and carbon monoxide to 10 milligrams. At least 30 per cent of the front of a cigarette pack must be set aside for health warnings.

Although the law does not go into force until September 2002, it will be applied progressively, to cigarette packaging in the first ensuing year, then to other tobacco products and, finally over as long as five years for tobacco exports outside the EU.



Picture shows the Grameen Cybernet Ltd officials at the launching ceremony of their job site.

Oil down on worries over US economic health

REUTERS, London

Oil prices ended weaker yesterday, dragged down by worries over the health of the US economy and the weaker performance of gasoline futures.

The fall was set against the backdrop of continuing uncertainty over whether the Organisation of Petroleum Exporting Countries will cut crude supplied when it meets next month.

London Brent blend crude futures for April delivery last traded 46 cents weaker at \$25.56 a barrel, their lowest level since January 24. US light April crude futures stood 74 cents down at \$27.36 a barrel at the close, the daily low.

Oil prices fell after Federal Reserve Chairman Alan Greenspan said the US economy seems set to turn in an excessively weak performance even after deep interest rate cuts.

"The economy appears to be on a track well below the productivity-enhanced rate of growth of its potential and, even after the policy actions we took in January, the risks continue skewed toward the economy remaining on a path inconsistent with satisfactory economic performance," Greenspan said in prepared remarks ahead of the testimony.

The US Federal Reserve cut interest rates twice for a total one percentage point in January, giving oil prices a boost at the time. But Wednesday's statement failed to indicate another cut ahead of the next meeting, disappointing markets.

Oil prices are acutely sensitive to the economy of the United States, the world's biggest oil consumer.

Brent futures fell sharply near the close of business on the

Singer launches fully-automatic washing machine

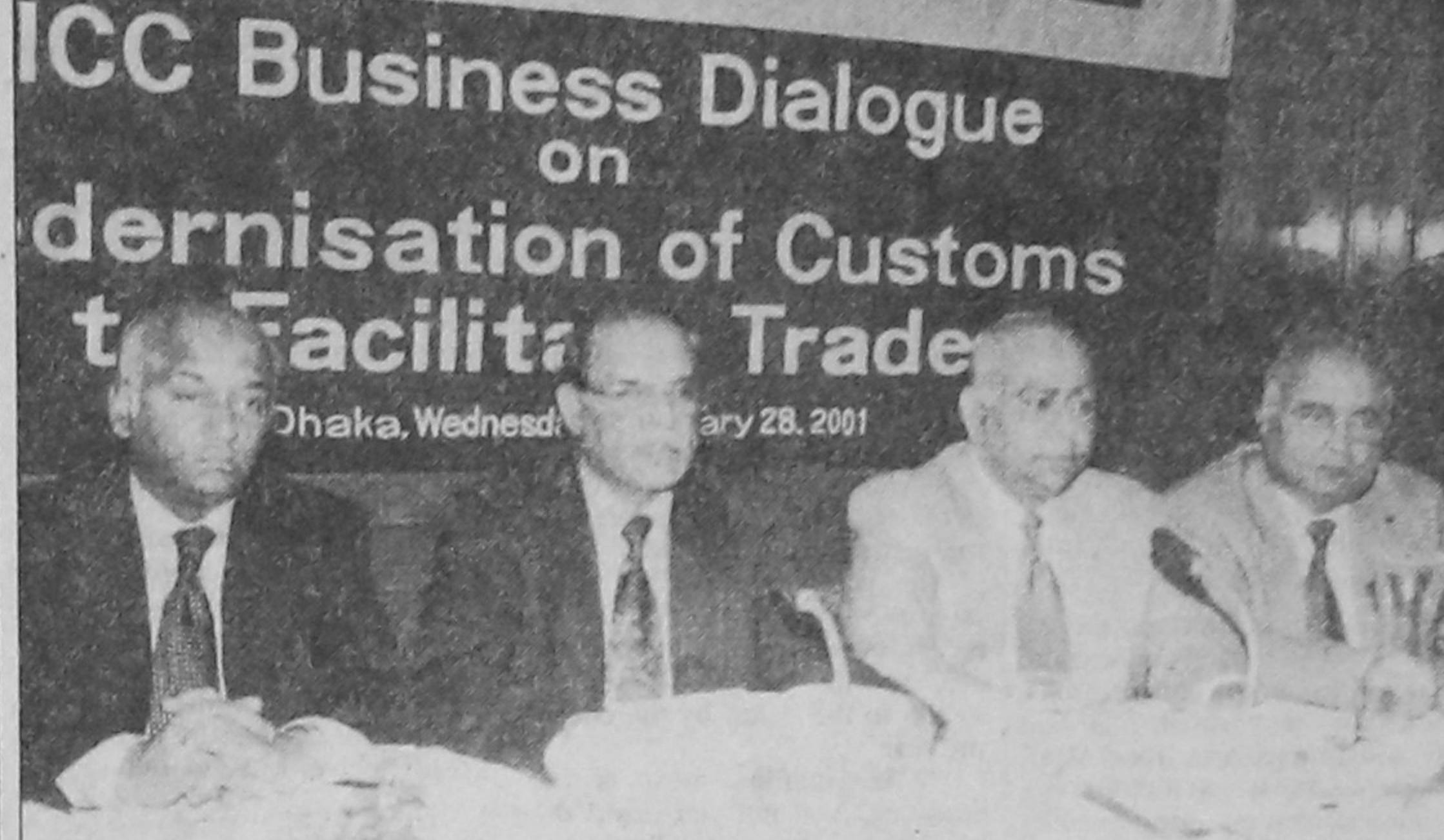
Singer has added fully-automatic washing machine to its product line. This washing machine, equipped with top loading facility, can wash upto 6kg clothes, says a press release.

Featured with many unique attributes, this grey coloured washing machine has see through window with transparent cobalt blue lit. It has electronic power-off system. After finishing the entire work, the machine gives a warning and finally shuts up automatically. Its air power washing system creates 50 million air bubble to heat water which prevents unnecessary friction of clothes. It also reduces friction between tub and clothes, which lessens erosion of clothes.

Besides, this ultramodern machine offers one-touch or computer control operation. It offers soak mechanism for heavily soiled clothes, heavy programme for jeans, blankets and heavy clothes, speedy programme for less dirty clothes. Singer automatic washing machine has an artificial brain named Fuzzy Programme. This artificial brain sensor selects properly the various kinds of washing condition such as washing time, rinse time, spin time and water level.

This technologically-improved washing machine is now available at all Singer showroom-cum-sales centers and exclusive sales centres at Tk 18,500.

ICC Business Dialogue on Modernisation of Customs to Facilitate Trade



Zakir Ahmed Khan, Chairman, National Board of Revenue (2nd from right), speaks at the ICC Business Dialogue on Modernisation of Customs to Facilitate Trade at a local hotel on Wednesday. Mahbubur Rahman, President, ICC Bangladesh, and A.S.M. Quasem, Vice President, ICC Bangladesh, are seen on his left while ICCB Vice President and MCCI President Latifur Rahman is on his right.

Customs rules reform a must to ensure competitive edge

ICC business dialogue in city observes

The need for reforms in the country's customs rules and procedures have become imperative to ensure competitive edge in international trade.

This was unanimously underlined by policy-makers, business leaders, senior government officials and international customs consultants at an ICC Business Dialogue on 'modernisation of customs to facilitate trade' held in the city on Wednesday, says a press release.

The conference was chaired by

Mahbubur Rahman, President of ICC Bangladesh, The World Business Organisation.

The need has gained greater momentum in view of trade liberalisation, globalisation of market and impact of technological development bringing in competitiveness in terms of efficiency, time and prices.

Initiating the discussion ICCB President Mahbubur Rahman said modernisation of customs administration was an important catalyst to economic develop-

ment. He said updated customs rules and administration not only benefits growth and investment but helps develop trust and confidence amongst trade partners. Inefficient customs administration can be an important barrier to trade and thus deny many opportunities that come through trade liberalisation.

Mahbubur Rahman cautioned that countries which fail to keep pace with world-class standards for customs administration shall shy away the foreign investors. As trade barriers fall, multinationals and other companies look increasingly to the existence of business friendly policies, including an efficient customs administration, in deciding where to invest.

The ICC Bangladesh President also informed that International Chamber of Commerce, the Paris-based world business organisation having a network in 136 countries, was actively working with World Customs Organisation in demanding simplification and harmonisation of customs procedures all over.

Speaking on the occasion National Board of Revenue Chairman Zakir Ahmed Khan stated that reforms in the customs rules and practices should be made to ensure value addition. He said modernisation of customs administration was already in the process and informed that certain measures have already been taken to streamline better efficiency in the administration.

Taking part in the discussion, former NBR Chairman Abdul Mueyed Chowdhury said we must develop our customs to take advantage of globalisation. He said the NBR was a critically placed body as it is entrusted to generate revenue for the country and trading is a vital source for it.

Shah Abdul Hannan, also a former Chairman of NBR, said modernisation should not be a procedural change alone. Rather it needed changes in the morality, education and attitude of the people working in customs and concerned organisations.

President of Chittagong Stock Exchange Amir Khosru Mahmud said the modernisation programmes must have a futuristic outlook. He said lack of a modernised customs would deter the flow of trade and investment in favour of the country.

President of the Metropolitan Chamber of Commerce and Industry (MCCI) Dhaka and ICCB Vice-President Latifur Rahman said customs rules and procedures should be business-friendly.

He said the pitfalls in these rules and process should be addressed forthwith to ensure a smooth flow of trade.

Two new BKB branches open in Comilla

UNB, Comilla

In an effort to expand its coverage area, Bangladesh Krishi Bank has opened two new branches in the district.

The branches have been opened at Chowdhury Bazar in Choudhagram upazila and Asmanla Bazar in Daudkandi upazila.

Whip Mujibul Haq Mujib inaugurated the Chowdhury Bazar branch while bank Chairman Dr Mirza Abdul Jalil opened the Daudkandi branch.

WJC seeks to blunt boycott Call for broad Arab economic block against Israel

REUTERS, Damascus

A senior Syrian official said Damascus should strive for a broad Arab economic bloc to counter what he called US-Israeli plans to dominate the Middle East market before and after peace is achieved.

"They Syrian economy has special features - it cannot be separated from politics and the state of war with Israel," Issam al-Zaim, minister of state for planning, said in a lecture on Tuesday evening.

Since peace was unlikely to be achieved in the near future, Syria had the challenge of confronting what Zaim termed US-Israeli efforts to control the Middle East market by integrating Israel's economy with others in the region.

The high-tech Israeli economy is more advanced than its surrounding Arab counterparts and could easily end up dominating them, Arab economists say.

"Syria has to work for the achievement of Arab economic

unity. This means that Syria has a special role to play - it needs to expand its economic zone and play a regional and not a local role," Zaim said.

Zaim said Syria should merge economically with Lebanon and Jordan and later with a future Palestinian state. It should then form economic alliances with Iraq and Egypt, linking eastern Arab countries with the North African (Maghreb) Arab states.

"The mergers would create an Arab economic alliance (like the European Union) to... bypass the so-called Middle Eastern Project (promoted by Israel)," he said.

"Syria should be in the heart of the economic battle by uniting with Lebanon, Jordan and tomorrow with Palestine, and to ally with Iraq and at a later stage to build bridges with the Maghreb countries through Egypt," he said.

"If Syria does not do that, it will leave the stage clear for Israel to block the establishment of Arab economic unity and for play the role of mediator," he said.