

GMG completes four years of operation today

GMG Airlines, a leading private domestic airline of the country completes its four years of operations today, says a press release.

On this day in 1998, GMG Airlines first took to the skies and since then it has carried over 700,000 passengers to various destinations within Bangladesh.

Over the years, the company has marked new areas of focus to ensure uncompromising standards of safety, comfort, reliability and service to its valued customers & partners.

In its commitment to provide "First Class All the Way" travel experience to its passengers, GMG Airlines has introduced many innovative services over the last 4 years.

Sales Offices at prominent locations, computerized ticketing and check-in facilities, complimentary refreshments in lounge, separate check-in counters for passengers with only hand baggage, special arrangements for handicapped & infirm passengers and interline agreements with major international airlines are to name a few.

Since its inception GMG Airlines has been working steadily to evolve into a world-class international airline taking a true service oriented approach.

DSL, CNS sign deal with BR

An agreement on computerised seat reservation and ticketing system (CSTRS) of Bangladesh Railway (BR) has been signed between Bangladesh Railway (BR) and a consortium of Daffodil Software Ltd (DSL) and Computer Network System (CNS) Ltd in Chittagong, says a press release.

The contract was signed by Md. Sabur Khan, Managing Director of DSL, the leading partner of the consortium, and Monir Uddin Ahmed, Managing Director of CNS, on behalf of DSL-CNS consortium and Aftab Uddin Ahmed, Chief Traffic Manager East, on behalf of Bangladesh Railway.

From Bangladesh Railway A. K. M. Rezaul Karim, GM-East, S. M. Razzak, CME, Md. Hayet Khan, FACAQ-East, H. K. Nath, CEE-East, M Shahjahan, ACTM-East, and from the consortium Mostafizur Rahman, chairman of CNS, Munir-Uz-Zaman Chowdhury, Vice-Chairman of CNS, Md. Altaf Zafar, Project Director-DSL and A. H. M. Zahirul Haque, Project Coordinator, DSL-CNS consortium, were present.

Bangladesh Railway appreciated the project plan of the consortium for new CSRTS, which will include modern technologies of ticket reservation system.

ICAB workshop on IAS, ISA begins today

A 2-day (13th batch) workshop on International Financial Reporting Standards (IFRS: formerly IAS) and International Standards on Auditing (ISA) for its members under the World Bank Financed Project titled: "Development of Accounting and Auditing Standards in Bangladesh" will begin at ICAB auditorium in the city today, says a press release.

The workshop is being organised by the Institute of Chartered Accountants of Bangladesh (ICAB).

The workshop includes ISA-240 "Fraud and Error and IFRS-37 Provisions, Contingent Liabilities and Contingent Assets.

The key-note papers would be presented by the consultants of the project.

MA Baree FCA, president of ICAB would address the workshop while AK Chowdhury FCA, past President of ICAB would be the session chairman on the first day while on the second day Alan King, Finance Director of British American Tobacco Bangladesh Ltd, would act as session chairman.

A large number of members of the Institute will attend the opening session.

The training components of the project aims at developing and enhancing the technical competence and professional expertise of accountants in respect of practical applications of the International Accounting Standards (IAS) and International Standards on Auditing (ISA) through workshops, seminars and syndicated discussions.

ICAB adopted IAS as Bangladesh Accounting Standards (BAS) and ISA as Bangladesh Standards on Auditing (BSA) to ensure harmonisation with local laws and practices.

8-month govt borrowing thru' saving instruments rises 23pc

STAR BUSINESS REPORT

The government's net borrowing through saving instruments increased by 23 per cent in the first eight months of the current financial year compared to last the fiscal's corresponding period.

According to the National Savings Directorate (NSD), net government borrowing by selling different types of saving certificates amounted to Tk 3,161.37 crore during July-February period of FY02, which was Tk 2,577.20 crore in the corresponding period of last fiscal year.

"Although the government has cut the interest rates on different certificates effective from October 30, 2001, borrowing from non-banking system did not decline because people have no other option but to invest in the saving certificates," said an official of the NSD.

Capital market could not attract the investors over the past few years. Besides, bank rates are also on the decline for which most people want to invest in the saving certificates, the official observed.

Gross sales of saving certificates shot up by

24 per cent during July-February period of FY02 compared to last fiscal's same period.

The government sold saving certificates worth Tk 5,686.86 crore in the first eight months of the current financial year while the amount was Tk 4,330.34 crore during the same period of last fiscal year.

The encashment of the certificates till February this fiscal was Tk 2,525.49 crore while the amount was Tk 1,753.14 crore during last fiscal's same period.

Interest payment increased by 15 per cent during the period. An amount of Tk 1,401.46 crore was also paid as interest during July-February period of FY02 while the amount was Tk 1,220.96 crore during the same period of last fiscal.

The gross sales target of different saving certificates had been set at Tk 6,830 crore for this fiscal while the net borrowing target was Tk 3,881.84 crore.

"But we hope that we would be able to cross both the targets of gross sales and net borrowing at the end of the fiscal year," the official went on.

The government is currently operating some

11 types of saving certificates to borrow fund from the public.

Of these, three-month profit giving certificates registered the highest sales till February, followed by Defence Saving Certificates.

Three-month profit giving saving certificates worth some Tk 1,984.73 crore were sold till February of FY02 while the net borrowing through the instrument was Tk 1,233.50 crore.

During July-February period of last financial year, three-month profit giving certificates valued at Tk 1,093.04 crore were sold while the net borrowing through sale of this certificate was Tk 992.76 crore.

Defence Saving Certificates worth Tk 1,625.99 crore were sold during July-February period of this fiscal while net borrowing through sale of this certificate was Tk 1,059.28 crore.

The government sold Defence Savings Certificates amounting to Tk 1,411.48 crore during July-February period of last fiscal while net borrowing by selling the same instrument was Tk 1,015.68 crore.

Russel Knitting seeks ICC help in realising dues from HK firm

UNB, Dhaka

A local RMG exporter sought intervention of the International Chamber of Commerce (ICC) to help realise about US dollar 192,530 from a Hong Kong-based buying house.

In a letter to the ICC's Bangladesh chapter, Russel Knitting said they exported readymade garments worth US\$305,027 to Poland in three consignments between April and June 2001 against two letters of credit (LCs) guaranteed by Linmark International (HK) Ltd.

Out of the amount, US\$192,529.64 is still lying unpaid, the apparel company stated.

Agrani Bank, the local bank for Russel, sent several messages to the buyer's bank HSBC Hong Kong and its head office in London, but no positive response was so far available, the Russel Knitting authority complained to ICC, requesting the international business facilitator to act on.

US jobless claims soar

AFP, Washington

The number of new claims for US unemployment benefits soared last week as thousands rushed to get extended post-September 11 benefits, the government said Thursday.

The number of people making fresh claims leapt 64,000 to a seasonally adjusted 460,000 in the week ended March 30, Labor Department figures showed.

The dramatic surge defied Wall Street analysts' consensus expectation for a decline of 14,000.

But the number was inflated by people laid off in the aftermath of the terror attacks, who had to file new claims for a special 13-week extension on their benefits, a Labor Department spokesman said.

The same factor may distort data for a few weeks, he said.

"These increases are technical and do not reflect underlying economic fundamentals," said Merrill Lynch economist Gerald Cohen.

India to explore investment opportunities in Indonesia

AFP, New Delhi

Indian Prime Minister Atal Behari Vajpayee has told Indonesian President Megawati Sukarnoputri that a top-level business delegation will soon visit Jakarta to explore investment opportunities, officials said Thursday.

An Indian foreign ministry statement said Vajpayee also urged the need to strengthen bilateral cooperation in industry sectors such as telecommunications, power and ports development.

"In his meeting with President Megawati (on Wednesday), Prime Minister Vajpayee expressed India's keen interest in participating in railway projects in Indonesia," it added.

President Megawati, who is on a five-day visit to India, said she was receptive to the idea of India developing rail projects in Indonesia.

The two countries signed an agreement Wednesday under which New Delhi will build a railway line and port terminal worth 260 million dollars in the Indonesian province of South Sumatra.

Japan business leader sees more investment in Bangladesh

BSS, Dhaka

The presence of YKK, a leading Japanese company manufacturing zipper in Bangladesh, is both an inducement and catalyst for more Japanese companies to invest in the country, opined a top business leader of Japan.

Seizo Kano, leader of Japanese delegation, who took part in the just concluded 12th meeting of Bangladesh-Japan Joint Committee for Commercial and Economic Cooperation (BJJCEC), said Friday that the success of YKK would "encourage" Japanese entrepreneurs in future to invest in Bangladesh.

"I am sure about YKK's success more than expectation," he said, adding that this would attract other investors of his country in Bangladesh.

Kano made the comments after visiting YKK factory at Dhaka Export Processing Zone (DEPZ) at Ganak Bari, about 40 KM from here. The visit of YKK factory was part of the delegation's tour to familiarise them with the atmosphere in which foreign companies, including the Japanese ones, are working in EPZs.

BJJCEC meeting ended Thursday with the signing of a joint

understanding expressing willingness to promote trade and economic relations between the two countries.

YKK, which set up its factory on an area over 50,000 square metres with an investment of US\$ 16 million, went into production from February this year.

Eiji Sekine, Managing Director of YKK Bangladesh, briefing the visiting delegation members at the factory site, said he has plans to produce 32 million zipper during the current year and raise the production to 104 million by 2005.

YKK has 250 factories across the world and the company officials said they have plans to manufacture hook and loop, snap and button in future in this factory.

YKK is one of the five Japanese enterprises operating in DEPZ. Japan ranks third with 19 units out of 170 in two EPZs in Dhaka and Chittagong. South Korea is in the top with 21 units. Annual global sales of YKK is around 4 billion US dollar, a company official said.

Earlier, Brigadier General (ret'd) Mofizur Rahman, Executive Director, Bangladesh Export Processing Zones Authority (BEPZA), said since early 80s, investment in EPZs reached US\$ 514 million and the total export

earnings since then exceeded US\$ 5.5 billion.

He said CEPZ started operation 10 years later. Last year export earnings from EPZs was US\$ 1067 million, which is 16 per cent of the country's total export earnings.

General Rahman said 170 factories in the EPZs employed 11500 Bangladeshis where the number of expatriates is about 1000. He said one Japanese entrepreneur is planning to set up a plant for bottling water at Comilla EPZ.

BEPZA Executive Director, who gave a brief outline of the facilities offered by his organisation, described Japanese investment as "precious" for the entire investment scenario. He told the delegation members that BEPZA will extend all out cooperation to speed up all formalities to set up units here.

Earlier Kano, Advisor of ITOCHU, a giant in general trading in Japan, said important improvements have been brought in the investment climate in Bangladesh. "But more has to be done to encourage entrepreneurs," he added. He said 70 Japanese projects are in operation in Bangladesh outside the EPZs.

S'pore for EU-ASEAN free trade

AP, Singapore

The prime minister of trade-dependent Singapore asked a senior official from the European Union to consider creating a free trade agreement with the Association of Southeast Asian Nations, or ASEAN.

Chris Patten, the EU commissioner for external relations, and Prime Minister Goh Chok Tong discussed ways to boost trade between Europe and Asia during an official meeting in the Southeast Asian city-state, Goh's spokesman Ong Keng Yong told The Associated Press.

Goh also suggested that the EU consider negotiating a bilateral free trade deal with Singapore, Ong said. Patten was not immediately available to comment. Ong said Patten expressed interest but no formal commitments were made.

Singapore is wealthy but resource-poor and has been aggressively seeking free trade pacts with other countries. Singapore has completed deals with New Zealand and Japan and is expected to complete negotiations with the United States soon.

Earlier on Friday, Patten and Singapore Foreign Minister Shan Jayakumar exchanged letters about

plans to open a European Commission office in Singapore. The commission is the EU's executive branch.

The commission is also considering opening offices in Malaysia, Laos and Cambodia, Ong said. The commission currently uses staff in Jakarta to follow events in the region.

The ASEAN comprises Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. More EU officers working in the regional grouping would boost ties with Europe, Ong said.



PHOTO: AFP

Japan's Fujifilm subsidiary AXIA employee Yuko Saito displays a card sized digital camera "eyeplate", measuring 85.6 x 54 x 6mm and weighing only 35g, at the company's headquarters in Tokyo Thursday. The world's thinnest digital camera is equipped with a 310,000-pixel CMOS on its image sensor and a 6.87mm/F3.8 lens on its tiny body. The eyeplate is now on sale here with an estimated price of 77 US dollars.

Japanese economic index indicates brighter outlook

AFP, Tokyo

Japan's forward-looking index of economic activity pointed to a brighter future in February as demand for exports improved, while the government hinted Friday it may upgrade a key report on the economy.

But depressed household spending over the month meant weak demand at home would dampen recovery prospects, economists said.

The leading index for the next three to six months came to 66.7 points, up from a revised 60.0 in January, the Cabinet Office's economic and social research institute said.

It rose above 50 points, regarded as the dividing line between economic growth and contraction, for the second straight month.

"If the economy has yet to bottom out, it is just about to," said Hideki Matsumura, economist at the Japan Research Institute.

"The economy may not be improving, but it is either moving sideways or the rate at which it

deteriorates is slowing," he said.

Conditions in the world's second largest economy, however, remained severe, with the unemployment rate drifting around historically high levels and consumption still weak, Matsumura said.

Japanese household spending in February fell 3.8 per cent from a year ago after rising 0.8 per cent the previous month.

Outlays on education suffered the largest drop, down 15.6 per cent, followed by transport and communications expenditure, which fell 11.6 per cent, the Ministry of Public Management, Home Affairs, Posts and Telecommunications said.

Private demand was unlikely to recover in the foreseeable future, with companies cutting back on bonuses and reducing salaries, warned economists.

"But inventory adjustment has progressed quite a bit. Production is starting to recover," said Matsumura.

"With the upbeat forecast for the US economy, exports are up as well. That's helping the Japanese economy," he said.

The Japanese government may upgrade its monthly economic assessment in April for the second straight month on growing hopes of an imminent recovery.

"We can see three or four economic indicators" that point to an economic improvement, Heizo Takenaka, state minister in charge of economic and fiscal policy, told reporters.

"Our basic stance is that we will relay our objective assessment to the public," he said, when asked if the government's monthly report would be upgraded.

Japan's leading index is based on a raft of financial figures which offer a pointer to the future of the economy, such as commodity indices, new car registrations and the number of new home building projects.

Recession in Japan deepened to three straight quarters from April to December last year, marking the worst nine-month contraction on record.



PHOTO: AFP

Japan's electronics giant Sharp employee displays the company's latest LCD television series Aquos at the company's showroom in Tokyo yesterday. Sharp will enjoy a 23 per cent surge in operating profit to 90 679.9 million US dollars for the year to March 2003 on increased demand for LCD televisions and mobile phones, an economic paper reported.