

DHAKA WEDNESDAY AUGUST 7, 2002

BIA hails move to reform FBCCI

Bangladesh Insurance Association (BIA) has hailed the commerce ministry efforts to reform the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), says a press release.

"We have keenly followed the recent development in the FBCCI and observed with interest the reform package prescribed by the Ministry of Commerce, and hail the sincere efforts made by the commerce minister for bringing about timely reform in the apex trade body and wish its successful implementation," said the BIA.

Peoples Ins declares 26pc dividend

Peoples Insurance Company Ltd has declared a 26 per cent dividend, says a press release.

The dividend was declared at the 17th annual general meeting of the company held in the city on Thursday.

As the chairman of the Board of Directors Mohamed Mizanur Rahman was abroad, immediate past chairman Amir Humayun Mahmud Chowdhury presided over the meeting, which was attended, among others, by Directors Md. Rahim Uddin Bharosha, Nurul Islam Patwari, M Abu Taher, Md. Karim Uddin Bharosha, MP, Md. Abul Bashar, Md. Shamsul Alam, Hasan Ahmed, AKM Aminul Mannan, MA Rashid, Md. Motahar Hossain, Golam Faruk Ahmed and Md. Farhad Ahmed Akanda and Managing Director Syed Zahru Hug.

Shareholders attending the meeting expressed their deep appreciation for earning a pre-tax profit of Tk 36.50 million in 2001.

US services sector growth slows again

AFP, Washington

Growth in the US services sector slowed for the second month in a row in July, a survey by the Institute for Supply Management (ISM) showed Monday.

The ISM index of non-manufacturing activity slid further than expected to 53.1 points in July from 57.2 in June. Any figure above 50 points still indicates an increase in activity.

"In July, non-manufacturing business activity increased at a slower rate than in June," said the ISM survey coordinator, Ralph Kauffman.

"The reported growth represents the sixth consecutive month of expansion in non-manufacturing business activity but the second consecutive month of reduced rates of expansion."

An index reflecting growth in new orders slid to 52.6 points in July from 56.9 in June. A barometer indicating the size of the backlog of new orders slid to 43.5 in July from 49.0 in June.

The employment index rose to 45.8 from 44.3, indicating a slower contraction in job levels.

Microsoft moves to comply with anti-trust decree

AFP, San Francisco

Software giant Microsoft said Monday it has taken steps to comply with the terms of an agreement it made with US regulators to curb the company's past anti-trust behavior.

In a statement, the company said it was nearing completion of what it termed several key "milestones" toward compliance with a consent decree, an agreement reached with US anti-trust lawyers and nine states in the wake of Microsoft's conviction on charges it used its market dominance to engage in monopoly strategies to squelch competitors.

That decree has not yet been made binding by a US court hearing the anti-trust case since nine other US states have declined to opt into the decree and continue to pursue the company over anti-trust violations.

Microsoft declared in a statement it was moving ahead to complete contracts that apply uniformly to the top 20 computer manufacturers and that it was issuing updates to some of its Windows titles to allow users to remove unwanted Microsoft features.

The company also said it was going to unmask some internal source codes that would allow software from rival companies to work with Windows, which in various forms runs 95 per cent of the world's computers.

Blow in the beginning

Ambitious revenue growth target tumbles as collection falls short of goal by 9pc in July

STAR BUSINESS REPORT

The ambitious revenue growth target in the current fiscal has tumbled in the very first month as collection fell short of target by around nine per cent.

According to the National Board of Revenue (NBR), the revenue collection was Tk 1439.30 crore in July against a target of Tk 1528.40 crore.

The government has set an overall revenue growth target of 20 per cent in the current fiscal. Of the target, the government expects

about 18 per cent growth in revenue from NBR sources.

The earning at the import level faced a serious setback in July 2002 as the collection was only Tk 764.26 crore against the target of Tk 867.36 crore.

"The country's revenue earning so far was dependent on import. Statistics shows that when the import was robust the revenue increased proportionately. If import was on decline it reflected on the earning," said a NBR official.

Revenue collection from domestic activities amounted to Tk

464.03, up by Tk 37.18 crore from Tk 426.85 crore target. The earning was also Tk 125.71 crore higher than that of last fiscal's same period.

Of the total eight heads at the import, local, income tax and others, only supplementary duty at local level saw an increase of Tk 50.27 crore from the target.

Income tax collection in July amounted to Tk 193.01 crore, down by Tk 21.18 crore from the target.

Tax and duties from other sources was Tk 18 crore against the target of Tk 20 crore.

The NBR collected Tk 20261 crore revenue last fiscal year against the target of Tk 20,730 crore and set Tk 23750 crore target for the FY03. Total revenue collection target for the current financial year has been fixed at Tk 33,084 crore, up by 20 per cent from last fiscal year.

NBR chairman Dr Shobh Ahmed on June 8 at a press briefing said the target for the FY03 is achievable and not ambitious. "We have considered a moderate growth rate of 15 per cent for both income tax and VAT," he told the briefing.



The 17th annual general meeting of Peoples Insurance Company Ltd was held in the city on Thursday. Amir Humayun Mahmud Chowdhury presided over the meeting.

Indian telecom firm seeks \$90m from WorldCom

AFP, Bombay

India's largest international telecommunications operator Videsh Sanchar Nigam Ltd said Tuesday it was in talks with WorldCom to recover up to 90 million dollars from the bankrupt US telecoms giant.

The newly privatised VSNL said it had an exposure of between 2.94 billion rupees and 4.41 billion rupees (61 to 90 million dollars) to WorldCom at the end of July.

It said WorldCom, which filed for bankruptcy protection on July 21, recently paid around 3.36 billion rupees to VSNL to cover part of earlier fees.

"VSNL has been in discussions with management at WorldCom and has been monitoring WorldCom's financial situation since its financial problems were first disclosed," VSNL said in a statement.

"There can be no assurance that VSNL will be able to collect its WorldCom receivables or that VSNL

will not be adversely affected by WorldCom's financial difficulties."

WorldCom is one of VSNL's major telecoms carrier partners and the two exchanged fees for calls between India and the United States.

VSNL said its gross revenues from WorldCom were around 14 per cent of the company's total revenue in the year to March. Fees still to be received from WorldCom amounted to 37.7 per cent of total owed fees.



The second annual general meeting of South Asia Insurance Company Limited was held recently in the city with Ghulam Akbar Chowdhury, chairman of the company, in the chair.

Russia denies waging price war with OPEC

Rising oil exports defended

AFP, Moscow

Russia denied it was waging a price war with the powerful oil-producing cartel OPEC on Tuesday but defended its recent decision to boost exports as justified to meet growing market demand.

Energy Minister Igor Yusufov told reporters after meeting the new secretary general of the Organisation of Petroleum Exporting Countries (OPEC), Alvaro Silva Calderon, that there was no reason to fear a slide in oil prices.

"The rise in oil production in Russia as in other countries in OPEC is aimed at satisfying growing market demand," Yusufov said.

"There is no reason for concern today given the growth of the US and western European economies," he added.

Calderon for his part said he believed Moscow, the world's

second-largest oil exporter, was cooperating with OPEC to stabilise the market.

"There is no price war. No member of OPEC or non-member could imagine such a situation. Russia has supported the stabilisation of oil prices," he said.

The meeting followed criticism by OPEC of recent export increases by major rival Russia in a bid to boost its market share -- particularly of oil sales to the United States.

Russia increased exports by 150,000 barrels a day from July 1, despite OPEC's call for Moscow to limit sales in a bid to stabilize global oil prices.

The 11-member cartel, which produces over 30 per cent of the world's crude, believes world oil prices remain fragile and is concerned that a new increase in global oil supply would send prices back through the floor.

"Russia behaved in a civilized

manner in reducing exports in the first quarter. It was not an easy decision for us but we prolonged it in the second quarter," said Yusufov.

"We abandoned the move judging that there was a balance between OPEC members, non-member producers and consumers," he added.

The Russian minister stressed that Moscow would keep the situation under review and act accordingly.

Moscow decided in mid-May to progressively ease restrictions on its exports, despite a call by outgoing OPEC Secretary General Ali Rodriguez to non-OPEC producers that it was "imperative" that they maintain their ceilings.

Russia had agreed to cut its exports by 150,000 barrels per day in December in a deal to revive oil prices that had slumped sharply to 17 dollars a barrel amid global economic slowdown fears.

Japan's financial watchdog said Tuesday it would introduce new restrictions on short-selling next month to help boost the battered stock market.

The Financial Services Agency (FSA) plans to implement pricing rules on short-selling using margin trades by institutions such as brokerages. The system would be similar to one in the United States.

The rules would not allow short-selling orders at prices the same or lower than a stock's market price when it is falling.

In March, the FSA implemented similar pricing regulations for institutional investors who short-sell by borrowing shares in the stock loan market, which resulted in a sharp decline in short-selling.



The 7th annual general meeting of Southeast Bank Limited was held in the city on Monday. Picture shows (from left) directors Syed Shahid Ali, Jusna Ara Kasmeh, Jalur Rahman, Duluma Ahmed, Md. Akikur Rahman, Mohammad Abu Tayub, Azim Uddin Ahmed, Vice-Chairman Rabig Ali, Chairman Yusuf Abdullah Harun, President and Managing Director Syed Abu Naser Bukhtear Ahmed, directors Muhammad Abdul Kasmeh, MA Ahad Mostori Miah, Rabeya Khatun Chowdhury, Rehana Rahman, Alamgir Kabir and Company Secretary AK Qureshi at the AGM.

Politics allegedly played role in business

India cancels 3,500 fuel station, gas licences

AFP, Bombay

Southeast Bank declares 30pc cash, 10pc stock dividends

30

10

per cent

per cent