

Body on jute sector problem submits report

UNB, Dhaka

The committee formed by the government to resolve problems of jute sector formally submitted report to Jute Minister Hafizuddin Ahmed yesterday.

Convenor of the 7-member committee and Jute Secretary AFM Sarwar Kamal handed over the report to the minister, said an official handout.

The committee was formed to make recommendations for fixing interest rates of bank loan in jute sector, expanding and sustaining international market for jute and jute goods, and fixing export-subsidy rate for jute goods and green jute.

T-bill auction held

UNB, Dhaka

The 220th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills was held here yesterday.

Tk 577.00 crore, Tk 2.00 crore, Tk 50.00 crore, Tk 154.60 crore, Tk 110.00 crore and Tk 90.50 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year bills.

Of these, Tk 423.00 crore, Tk 1.00 crore, Tk 52.60 crore, Tk 65.00 crore and Tk 14.50 crore in total of Tk 556.10 crore of 28-day, 91-day, 364-day, 2-year and 5-year bills were accepted respectively.

The ranges of implicit yields were 7.50-7.70 percent, 7.50 percent, 9.99-10.00 percent, 10.50-10.61 percent and 10.85-11.01 percent per annum.

However, the bid offered for the 182-day bill was not accepted, said a Bangladesh Bank press release adding the bills worth Tk 577.00 crore would be retired in the current week.

India eyes 8pc growth

AFP, New Delhi

Indian Finance Minister Jaswant Singh said Friday that the domestic economy would grow by eight per cent annually in the long-term, despite a sluggish global economy.

"In spite of the drought... and the global economic recovery not really taking place, the Indian economy has still been performing well," Singh told a media conference here. "It can definitely achieve the predicted growth of eight per cent (in the long-term)."

This month the central bank cut its growth projection for the Indian economy in the fiscal year ending March 2003 by one per cent to between 5.0 and 5.5 per cent after a crippling drought.

The annual June-September monsoon rains are crucial to India's farm-based economy, with agriculture contributing 25 per cent to gross domestic product and employing 70 per cent of India's more than one billion people.

India recently approved a five-year economic plan that targets eight per cent annual growth and the creation of 50 million jobs through ambitious liberal reforms and more foreign investment.

"My timetable for the reforms process of economics has only one direction to go and that is forward," said Singh.

Market forces can dictate number of banks: KL

AFP, Kuala Lumpur

Malaysia's central bank will not set the number of banks the country should have or force further mergers following the creation of 10 big banking groups, a report said Sunday.

Bank Negara Malaysia governor Zeti Akhtar Aziz said there was no target number for further mergers.

"Now there are no target numbers, no specific timeline for mergers. These will be driven by a competitive environment," Zeti was quoted as saying by the Edge newspaper following industry concern that there could be another round of banking consolidation.

The previous round of mergers in 2001 saw 54 banks and finance houses merged into 10 groups to strengthen the sector against international competition.

Zeti said Bank Negara had indicated that in the future, Malaysia would have three or four large banks that would provide the full range of products and services.

Pvt Thai airline makes debut on Bangkok-Ctg route

STAFF CORRESPONDENT, Ctg

Phuket Air, a private airline of Thailand, yesterday introduced a direct flight service on the Bangkok-Chittagong route amidst a colourful ceremony organised at the Shah Amanat International Airport in the port city.

State Minister for Civil Aviation and Tourism Mir Mohammad Nasir Uddin inaugurated this direct flight service between the two cities. A Phuket Airline flight with 86 passengers, including the members of a Thai delegation and media people on board, landed at the Shah Amanat International Airport at 8-30am heralding the introduction of Phuket Airlines service on this route.

The state minister received the

passengers at the airport. The same flight of Phuket Air left Shah Amanat International Airport at around 2pm for Bangkok with 19 passengers from Chittagong. Before departure of the flight a colourful function marking the inauguration of the service was held at the Chittagong airport.

Addressing the function as chief guest, State Minister for Civil Aviation and Tourism Mir Mohammad Nasir Uddin said the introduction of Phuket Air's direct flight service on Bangkok-Chittagong route would help develop better relationship between Bangladesh and Thailand. He said it would also help the two countries to draw more tourists. He urged the Phuket Air authority to take up package programmes for

the tourists interested to visit Chittagong hill tracts and Cox's Bazar.

The state minister said Chittagong would have more importance with the introduction of such international airline services. "Our dream to bring Chittagong under international air network has come into reality," he added.

The function was also addressed by Secretary of the Ministry of Civil Aviation and Tourism Shafiqul Islam, President of Chittagong Chamber of Commerce and Industry (CCI) Amir Humayun Mahmud Chowdhury, Managing Director of Nora Travels Ltd Haideruzzaman, Senior Vice President of Phuket Air Kanin Phuvasien, Thai delegation leader Nipon Wisituthasart and Chairman

of Civil Aviation Authority Zhed Kuddus.

Talking to pressmen at the airport Mir Nasir said the patients intending to go to Bangkok from Chittagong for treatment could easily take advantage of the Phuket Air service. He informed that Thai Air would also introduce its direct flight service on Chittagong-Bangkok route from December 12. However, the Phuket Air's 118-seater flight will operate three days a week on Chittagong-Bangkok route. After arrival the Thai delegation members held a meeting with the members of Chittagong Chamber at a local hotel.

Tk 447cr housing project for homeless endorsed

ECNEC okays eight schemes

UNB, Dhaka

The Executive Committee of National Economic Council yesterday approved 8 projects involving some Tk 1611.28 crore, including Tk 596.37 crore in project aid, mainly for housing, transport and power sectors.

Other approved projects are Dapdapia bridge project on Barisal-Patuaikhal road, important road rehabilitation project (revised) for Barisal and Borguna districts, flood rehabilitation project-2000 (revised) under RRMP-3, Support to ICT Task Force programme under Water Resources Ministry, Jamuna-Meghna River Erosion Mitigation Project and Small Enterprises Development Credit Project (SECP).

"This year the government would release Tk 50 crore for the project to rehabilitate the target people who do not have access to even micro-credits," he said.

Another among the major schemes approved is the 100-megawatt Baghabari Gas Turbine Power Plant project.

Cabinet Secretary, Prime Minister's Principal Secretary, Members of the Planning Commission, secretaries of different ministries and other high officials concerned were also present.

Rashidpur-Habiganj Gas Pipeline Project and revised Dhaka Urban Transport Project—were placed for consideration of the national economic council.

Communications Minister Nazmul Huda, Industries Minister M K Anwar, Post and Telecommunications Minister Aminul Haq, Water Resources Minister LK Siddiqui, State Minister for Energy and Mineral Resources AKM Mosharraf Hossain and State Minister for Power Iqbal Hasan Mahmud attended the meeting.

Besides, two other projects

lems arisen from non-issuance of BL.

Both the parties agreed to form a committee to look into the BL process.

From now on, negotiating banks would be made consignees for BLs instead of forwarders, the meeting also decided.

BGMEA president Kutubuddin Ahmed chaired the meeting where other leaders of BGMEA and representatives of shipping lines were present, said a press release.

FedEx Express doubles capacity

FedEx Express, a subsidiary of FedEx Corporation, has increased its capacity for heavyweight shipments between Asia and Europe with an aircraft upgrade to an MD-11, says a press release.

The westbound flight directly connects the company's AsiaOne hub in Subic Bay, the Philippines to its EuroOne hub in Charles de Gaulle (CDG) Paris, via Bombay and Dubai.

In addition to increasing the company's capacity by 100,000 pound, this change enables FedEx to offer later cut-off times for shipments to Western Europe, and earlier flight arrivals at CDG by four hours. The earlier flight arrival provides more extensive connectivity to various European destinations for Asian shippers.

"FedEx recorded a seven per cent growth rate in FedEx International Priority (R) volume during our most recent fiscal quarter, led by strengthening exports from Asia, where volume increased 26 per cent year-over-year," said Michael L Ducker, executive vice-president of international for FedEx Express.

This infrastructure improvement, which benefits multiple markets in both Asia and Europe, is the result of strategic re-engineering of FedEx Express flight schedules without adding aircraft to its fleet.

According to DRI World Economic Outlook (August 2002), exports in Asian and Europe account for US\$4.390 billion of annual trade, which is almost 75 per cent of total world-wide exports value.

With annual revenues of \$21 billion, FedEx Corp is the premier global provider of transportation, e-commerce and supply chain management services.

Tax evasion under 'zero tariff' cover in Ctg

Customs decides to tighten monitoring

BSS, Chittagong

Chittagong Customs authority has decided to examine and monitor physically the 'zero tariff' category imported goods besides taxable ones before its delivery to check the increasing trend of tax evasion by the importers under the cover of 'zero tariff' facility.

Sources in the Chittagong Custom House said that a section of unscrupulous importers with the connivance of officials reportedly are dodging huge amount of revenue annually by taking advantage of the zero tax facilities through making 'false declaration' of imported goods.

Commissioner of Customs, Chittagong Dr Rashidul Ahsan

Chowdhury told BSS that a total of 70 incidents of tax dodging detected by the officials of CCH in last one year, contributed to a revenue protection of Taka 18 to 20 crore.

Five customs officials were suspended and administrative actions taken against a number of staffs for their negligence of duty and on charges of other irregularities during the period.

He also said strict measures have been taken to check the tax evasion against importing firms involved in irregularities.

"Although there are official orders not to examine the 'Zero Rated' items during or before delivery but we are preparing a list of those category of goods to pinpoint

tax evasions for greater interest by keeping close eye on those consignments during the time of delivery," said Dr Rashidul.

Chittagong Customs House (CCH) authority yesterday suspended an Appraiser Jahangir Aalam for his negligence to check a tax evasion attempt by two importers through false declaration.

In last week, officials of Customs Audit Intelligent and Research (AIR) seized two imported container at Chittagong Port for making false declaration by two importing firms—Faisal Enterprise and NS Enterprise, Kawran Bazar, Dhaka.

Acting on a secret information, AIR officials had detected the big tax haul as they found huge electronic and cosmetic items in two containers obnoxious to the 'declaration paper' and other import document submitted by the importers for taxation.

CCH authority constituted a five-member enquiry committee headed by Wahidul Islam, Deputy Commissioner of Customs to look into the matter and prepare an inventory of two seized containers. The committee has already submitted its report to the Customs Commissioner and administrative action against the official was taken following the committee report.

A total of 363 carton of wrist watch and perfume found instead of check bulb (use in water pump and line) in one container while 2,244 pieces of Video Cassette Disc detected from another against the declaration of drill machine which involved tax evasion of total Taka one crore and twenty lakh.

Non-issuance of Bill of Lading \$2m RMG export proceeds not repatriated

UNB, Dhaka

Export proceeds worth US\$ 2 million against 51 consignments were not repatriated as shipping lines did not issue Bill of Lading (BL), a requirement for negotiating banks to verify RMG export proceeds.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the local agents of international shipping lines at a meeting yesterday decided to work together to settle the prob-

lems arisen from non-issuance of BL.

Both the parties agreed to form a committee to look into the BL process.

From now on, negotiating banks would be made consignees for BLs instead of forwarders, the meeting also decided.

BGMEA president Kutubuddin Ahmed chaired the meeting where other leaders of BGMEA and representatives of shipping lines were present, said a press release.

BMW brand car, jeep set to hit local roads

STAR BUSINESS REPORT

World renowned BMW brand car and jeep of Germany will hit the local roads soon.

Executive Motors Ltd, a concern of Meghna Group, is going to introduce three brand new models of BMW cars and jeeps for the first time in Bangladesh.

Md Mokhlesur Rahman Pintu, director of Meghna Group, said in the first phase Executive Motors will import BMW three series, five series and seven series luxury cars and BMW X Five jeep. He said BMW X

Five jeep hit the world market just five months ago and earned the top position in world jeep market. He said customers have to place order at least five to six months early for the jeep.

He informed the Executive Motors Ltd would open a service centre and showroom in the city's Teigaon industrial area by March next year. He expressed hope that it would be the best BMW showroom in the south Asia.

Executive Motors would ensure the presence of German technicians at the service centre, he added.

Disclose holdings not entitled to dividend SEC orders directors

BSS, Dhaka

The Securities and Exchange Commission (SEC) in a notification issued yesterday made mandatory for all issuers to mention the number of shares held by sponsors and/or directors of the issuers which will not be entitled to recommended dividend.

The SEC also barred sponsors and directors from offloading their shares during the period starting from the board meeting till the date of annual general meeting (AGM).

The SEC in a press release said board of directors of the issuers, while recommending dividend for the shareholders, excluding sponsors and/or directors, should also declare the quantity of shares held

by sponsors and/or directors who will not be entitled to the recommended dividend along with the amount payable to the public shareholders as dividend.

Sponsors and/or directors, who will not be entitled to the recommended dividend will be barred from disposing of their shares through stock exchanges during the period commencing from the date of concerned board meeting until the date of holding the concerned annual general meeting of the issuers, the SEC added.

The SEC imposed these additional conditions on the security issuers listed with the stock exchanges with a view to protect investors' interest, the press release said.



PHOTO: ICSMB

A five-member delegation from the Institute of Chartered Secretaries and Managers of Bangladesh (ICSMB) met Maodud Ahmed, minister for Law and Parliamentary Affairs, on Saturday in the city. The delegation comprising Muzaffar Ahmed, president, Md Asad Ullah, Council member, MS Alam Mia, secretary, Mohd Sanaulah, vice-president, and AKA Muqtadir, senior vice-president of the Institute, discussed various issues relating to the profession of company secretaries with the minister.

BFFEA seeks govt help to solve packaging problem

STAFF CORRESPONDENT, Khulna

Frozen foods exporters have requested the commerce ministry to remove hurdles prevailing due to acute crisis of polysheet used for packaging the inner carton.

The exporters of frozen shrimps and fishes use polysheet as basic raw material for packaging the products to be exported.

The government has not banned polysheet. But producers cannot supply these products due to harassment by members of law

enforcing agencies, alleged Bangladesh Frozen Food Exporters Association (BFFEA) president in a meeting held on November 21 in the ministry of commerce.

The BFFEA president said there is no alternative to polysheet to protect the temperature and safety of exportable frozen foods. So, export will suffer setback with the crisis of polysheet, he said.

The commerce secretary who presided over the meeting stressed the need for inventing substitutes of using polysheet. He suggested that

words like "Use for export only" on polysheet for packaging of frozen foods can help remove the present crisis.

The meeting was attended, among others, by senior officials of the Ministry of Environment and Forests, Ministry of Fisheries and Livestock, Ministry of Home, President of BFFEA Salahuddin Ahmed and President of Bangladesh Marina Fisheries Association (BMFA) AKM Shamsuddin.

Deutsche Bank proposes debt rescheduling for Hynix

AFP, Seoul

The foreign financial advisor of South Korea's ailing Hynix Semiconductor Inc. has proposed a massive debt rescheduling plan to stave off the company's credit crisis, reports said Sunday.

Korea Exchange Bank, the key creditor of Hynix, would convene a meeting of creditors this week to discuss Deutsche Bank's offer aimed at keeping afloat the world's third largest memory chip maker, Yonhap news agency said.

Yonhap quoted an unnamed KEB official as saying: "Deutsche Bank suggests Hynix must normalize its operations and at the same time push for its sale."

Deutsche Bank warned Hynix's crisis would deepen next year without the rescheduling of its debt estimated at 6.2 trillion won (5.1 billion dollars), it said.

The foreign advisor suggested creditors should convert the chipmaker's 1.85 trillion won debt into equity and extend the maturity of bonds for up to three years.

Deutsche Bank has pored over the chipmaker's assets since the failure of its deal with US giant Micron Technology Inc. earlier this year.

The proposed bailout package came after Hynix signed a deal with China's BOE Technology Group last week to sell its liquid crystal display unit for more than 380 million dollars.

Hynix vowed to use the proceeds for restructuring. But creditors have yet to approve a 210 million dollar syndicated loan to allow BOE to proceed with the deal.

Saudi Arabia unhappy with responses to gas project

AFP, Nicosia

Saudi Arabia is unhappy with the latest responses from oil majors on three core ventures in its multi-billion-dollar gas initiative but has left the door open for further consultations, the Middle East Economic Survey (MEES) reports in its Monday edition.

ExxonMobil, as the lead company for Core Venture 1 (CV1) and Core Venture 2 (CV2), submitted a

draft response early last week after Shell submitted its response the week before, but both "fell short of the requirements stipulated by the Saudi ministerial committee in its final offer of June," MEES reports.

As a result, the ministerial committee indicated to the oil majors that individual members of the committee would be available for further consultations on outstanding issues in late November and mid-December.

The oil majors will be "required to submit their final responses by year-end," it adds.

The Cyprus-based energy newsletter said last week that Shell had "submitted a mostly positive response to the final offer from the Saudi ministerial committee ... relating to the five-billion-dollar Saudi Gas Initiative CV3, opening the way for the project to go ahead once final modifications are agreed."

New tea gardens in CHT on the cards

UNB, Rangamati

Bangladesh Tea Board is contemplating to expand tea gardens in the falling but fertile land of the Chittagong hill tracts region.

According to agriculturists and BTB officials, tea garden expansion can be possible on about 50,000 hectares land in the region.

BTB has already completed the preliminary work after conducting soil test by the experts as part of its countrywide tea garden expansion programme.

The aims of the programme are

to meet the growing local demand and enhance its export market to earn foreign currency.

BTB hoped that the country's tea production could be doubled by setting up small-scale tea gardens in the CHT region, which would also create employment opportunities for over one-lakh families.

BTB sources said that high-level board officials have already exchanged views with the local public representatives and government officials to make the initiative a success.

Donors give \$4b to stave off Lebanon debt crisis

AFP, Paris

Lebanon on Saturday obtained more than four billion dollars in credits to help shoulder its crippling debt and head off a financial crisis.

French President Jacques Chirac, emerging after a key donors' conference held here, said that more than four billion dollars had been earmarked to rescue Lebanon, still reeling from a devastating civil war in the 1970s and 1980s.

"Financial engagements and programmes will come to between 4.2 and 4.3 billion dollars," Chirac, who hosted the conference, said.

Saudi Arabia was the main donor, promising 700 million dollars.

However several participants, including Washington, stepped back from any immediate commitment, saying they wanted to see progress first.

Lebanese Prime Minister Rafiq Hariri, who was also present, said some three billion of this would go directly into Lebanese state coffers, and that 1.3 billion involved proposals from the World Bank and other financial institutions.