

## PCBs register Tk 775cr profit in six months

REJAUUL KARIM BYRON

Private commercial banks (PCBs) earned a total profit of Tk 775 crore during the first six months of the current calendar year.

During the period, deposits of the 31 PCBs increased by 22.78 per cent and advances by 21.48 per cent, compared with the figures of the corresponding period of last year.

As of June 30, 2003 total deposits of the banks stood at Tk 47,013 crore which was Tk 38,290 crore on June 30 last year, according to a draft study by a private bank.

The banks' total advances stood at Tk 36,396 crore on June 30 this year which was Tk 29,961 crore on the same day of last year.

Islami Bank Ltd topped the performance list in terms of volume of deposits, advances and profits during the six-month period. The bank is followed by Pubali Bank, Uttara Bank National Bank and Prime Bank.

Islami Bank earned Tk 107 crore profit, Uttara Bank came next with Tk 60.18 crore, Prime Bank Tk 52.86 crore, National Bank Tk 52.16 crore and Pubali Bank Tk 42.85 crore, the study

said.

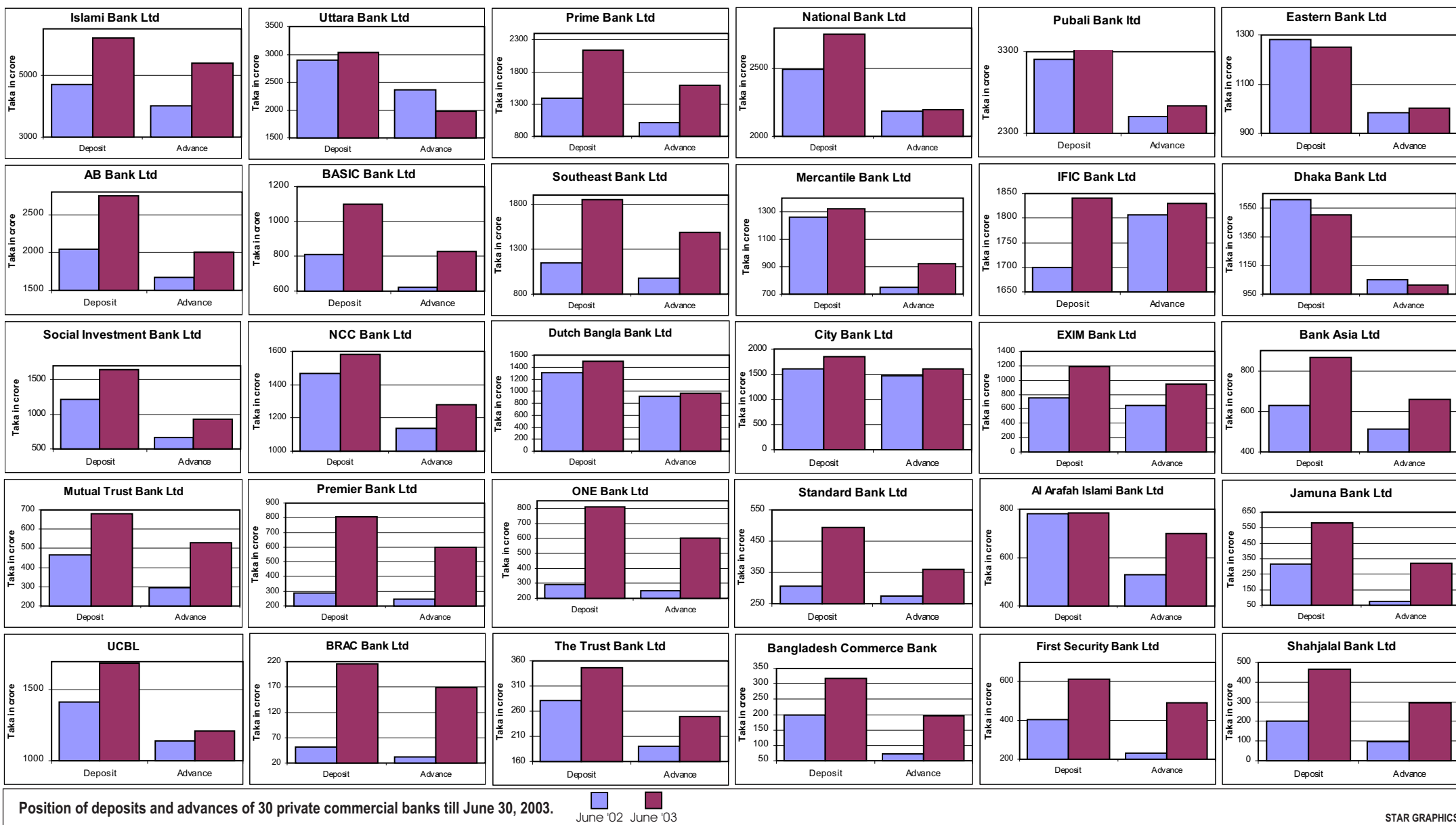
The figures show that the banks which came into operation in late 1990s have obtained handsome profits, compared to the new generation banks. The profit volume of new generation banks ranged from Tk 3 crore to Tk 25 crore.

Two banks incurred loss during the period. One of them, which started operation in 1980s, saw a Tk 12 crore loss. The other loss-making bank is a new generation one.

In terms of deposits, Islami Bank is leading with Tk 6,200 crore, followed by Pubali Bank with Tk 3,400 crore and Uttara Bank with Tk 3,028 crore.

Advances of Islami Bank stood at Tk 5,400 crore, Pubali Bank followed with Tk 2,633 crore and National Bank with Tk 2,196 crore on June 30, 2003.

Among the new generation banks, Mercantile Bank performed well. During the first six months of 2003, the bank obtained Tk 28 crore profits. Its deposits reached to Tk 1,325 crore and advances Tk 924 crore as of June 30, 2003.



Position of deposits and advances of 30 private commercial banks till June 30, 2003.

June 02 June 03

STAR GRAPHICS

## Bangladesh to export 4 lakh bicycles

Parliament told

UNB, Dhaka

Bangladesh will export 400,000 pieces of bicycles this year to different countries, Commerce Minister Amir Khosru Mahmud Chowdhury informed Parliament yesterday.

Replying to Abu Yusuf Khalilur Rahman, a lawmaker of BNP, the minister said the government has taken a vigorous drive through participating in international trade fairs and organising single country fairs in different countries with its traditional and non-traditional goods to increase exports.

Replying to another supplementary question of GM Qader of Jatiya Party, Khosru said Bangladesh is also trying to get access to new markets and now under its "look east policy" organising and taking part in trade fairs in South Asian and South-East Asian countries.

The government has procured 35 acres of land to build a permanent international trade fair centre to promote exports, the commerce minister said replying to Shahiduzzaman.

The minister said construction of the Bangladesh-China Friendship Centre at Sher-e-Bangla Nagar has reduced the space of the trade fair ground by 50,000 square feet. The government has selected a new venue for building a permanent structure for trade fairs, Khosru said. But he did not say where would be the new venue.

He said there were 80 stalls of different Bangladesh companies at a recent fair held in Myanmar. The country would soon organise single country fairs in Vietnam, Cambodia, Laos and other Asian countries.

The commerce minister said Bangladesh products received good response at fairs held in Russia and Myanmar.

He said the country is looking for new markets around the world to export products like readymade garments, frozen foods, leather and jute products, light engineering, pharmaceuticals, bicycles and other items.

## BB T-bill auction

UNB, Dhaka

The 253rd auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills was held here yesterday.

Tk 1351.10 crore, Tk 83.00 crore, Tk 67.00 crore, Tk 87.00 crore, Tk 230.40 crore and Tk 185.00 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year bills.

Of these, Tk 1184.10 crore, Tk 20.00 crore, Tk 15.00 crore, Tk 84.00 crore, Tk 218.40 crore and Tk 158.00 crore of 28-day, 91-day, 182-day, 364-day, 2-year and 5-year bills were accepted respectively.

The range of implicit yields was 5.88-6.95 percent, 8.50-8.55 percent, 9.15-9.20 percent, 9.75-9.80 percent, 10.45-10.70 percent and 10.60-10.95 percent per annum, said a Bangladesh Bank press release.

## Impasse over duty on UPS ends

M ABDUR RAHIM

After nearly two months, an impasse over fixation of import duties on uninterrupted power supply (UPS) units ended yesterday.

The deadlock left several thousand units of UPS, a key accessory for computer, stranded at the Chittagong seaport during the period, causing harassment to importers.

The impasse surfaced when the Chittagong Customs House (CCH) in a letter to the National Board of Revenue (NBR) on June 19, 2003, suggested placing UPS under 'accumulator' category for duty assessment instead of 'converter' category or HS Code 8504.40.00.

The CCH argued that the main function of a UPS is to reserve power and supply during power outage which similar to the functions of accumulator.

Referring to the general rules for the interpretation of the harmonised system (HS Code), the CCH letter said a composite product falls under the HS Code of the component, which bears the prime character to the product.

Importers said UPS mainly consists of converter, along with transformer and accumulator. Therefore it should be kept under

converter category.

Under the classification of UPS in converter category importers have to pay 7.5 per cent duty but they would have to count around 60 per cent duty once the appliance is placed under accumulator category.

However, after reviewing the proposal, the NBR in a letter on July 7 instructed customs authority to continue following the previous classification system placing UPS under converter category.

Talking to The Daily Star yesterday Suresh Chandra Biswas, deputy commissioner of Chittagong Customs House, said following the NBR instruction they have started releasing UPS under the HS Code 8504.40.00.

About the fact that UPS units were stranded at the port for two months, he said CHH kept open the option for importers to take delivery their UPS with bank guarantee and some importers used the facility.

But most of the importers waited for the NBR decision on the matter and did not take delivery that led to the situation, he said.

Meanwhile, the importers welcomed the NBR decision but they said that they have to count huge amount of demurrage charge "I have to pay Tk 1.5 lakh in

extra charge for the delayed delivery," said an importer.

Another importer questioned why the customs wanted to change the classification after so many years.

Biswas said CHH reviews classification of composite products regularly and when any suspicion arises they refer the matter to NBR for taking decision.

"We have no intention to harass importers," he said.

In 1997, the government exempted computer and all its accessories from import duties to help grow ICT sector.

When the CHH wanted to change the HS Code of UPS, Bangladesh Computer Samity (BCS) sharply reacted to it and urged the NBR through FBCCI to keep the existing code for UPS unchanged.

BCS said UPS is a static converter-like product. Its prime job is to transform the reserved DC voltage into AC and provide it to computer to ensure uninterrupted power supply.

Bangladeshi companies import around 25,000 units of UPS a year. The prices of UPS for computer range from Tk 3,000 to Tk 10,000. Some local companies like Rahimafrooz, Navana and Micro Electronics also manufacture UPS.

## New Product Olympic Power battery

Olympic Industries Ltd, a local battery manufacturer, has launched a battery -- Olympic Power -- recently.

The battery is now available at all retail shops at Tk 13 a piece, says a press release.



## Prime Bank's foundation course begins

A month-long foundation training course for the officers at the entry-level of Prime Bank Limited has begun at its Training Institute.

Shah Md Nurul Alam, managing director of the bank, inaugurated the course as chief guest on Saturday, says a press release.

About 23 entry-level officers of the bank are taking part in the course.

The objective of the course is to give orientation to the participants in different areas of banking operation.

Speaking at the course, the managing director advised the participants to be serious in learning what would be told in different working sessions.

The opening ceremony was conducted by Md Anwar Hossain, EVP and principal of the Prime Bank Training Institute.

## Rajshahi traders for withdrawal of VAT

OUR CORRESPONDENT, Rajshahi

Rajshahi Babosayee Oikya Parishad (RBOP), an organisation of traders in the divisional headquarters, has urged the government to withdraw the value-added tax (VAT) imposed on small traders in the budget for 2003-2004 fiscal.

Addressing a press conference here yesterday, the RBOP leaders said small traders are already burdened with various taxes and they will not be able to pay VAT ranging from Tk 2,000 to Tk 4,200 annually.

Mosharrif Hossain Akhujji presided over the press conference, which was also attended by Harun-ur-Rashid, Nurunnabi Lahu, Farhad M Hassan, Tajul Islam, and Majibur Rahman Dulal.

## Donors to help HRD face post-MFA challenges

NAZMUL AHSAN

A number of multilateral donor agencies have recently agreed to extend supports to the human resources development in Bangladesh's businesses to help face the challenges in the post-MFA (multi-fibre arrangement) era, sources said.

The external supports will be made available both in the forms of financial and technical ones within the next six months. The donors will lay stress on enhancing capacity in productivity of manufacturing and industrial sectors, which have long been affected due to acute shortage of skilled manpower.

The donor agencies are the World Bank (WB), Asian Development Bank (ADB), European Union (EU), Canadian International Development Agency (CIDA) and the GTZ (German Technical Assistance).

In the first phase, donors will initiate a need assessment study for the purpose. The United Nations Development Program (UNDP) will co-ordinate the task, according to a decision taken recently at a meeting held at the commerce ministry with

Commerce Secretary Suhel Ahmed in the chair.

Representatives from donor agencies concerned were present at the meeting.

A Need Assessment Committee, headed by Export Promotion Bureau (EPB) Vice Chairman Habib Abu Ibrahim, has been formed in this connection. The committee comprises representatives from the donor groups including David Hollborn, Head of the World Bank's Export Diversification Project now being implemented under the commerce ministry.

Prior to finalise the need assessment the committee will evaluate the curricula of different public-private institutions engaged in human resources development activities, sources said.

Presently, Dhaka Chamber of Commerce and Industry (DCCI), the Fashion Institute of BGMEA and some other organisations have been imparting training to disseminate knowledge among professionals and fresh ones to enhance their skill.

But, the existing facilities with these institutions are inadequate to cope with the present need in the country's manufacturing front,

particularly in the export-oriented sector.

According to unofficial sources as many as 5,000 foreign workers are currently employed in readymade garment (RMG), textile and leather sectors in Bangladesh. The number has been increasing every year putting pressure on the exporters and manufacturers.

Shortage of employees conversant with English language has emerged as one of the major hurdles for the export oriented firms, sources in the business circle said.

Imparting knowledge on design, management, computer literacy, software and increasing productivity could be a few sectors, where donors might concentrate on, sources said.

Bangladesh's export front might face a setback after phasing out of the quota facility in 2005, a World Bank's recent study warned.

The study, however, suggested development of human resources, increasing productivity in industry and development of backward linkage for the export sector to face the challenge.

## Govt to open up gas transmission

UNB, Dhaka

In a policy liberalisation move, the government is going to open up the gas transmission sector for private investment, officials sources said.

The planned involvement of the private sector is mainly due to fund constraints of the government in developing the required transmission lines.

Under the plan, private sector would be engaged in developing gas transmission pipelines and allowed to take investment returns from wheeling charges.

The state-run Petrobangla and the Gas Transmission Company Limited (GTCL) are now working out the details of the pipelines the government is not able to make investment for and put them up for private investment, officials said.

At a review meeting yesterday, State Minister for Energy AKM Mosharrar Hossain asked the officials concerned to submit the report on the transmission lines by July 30.

Earlier, the GTCL had an elaborate report on future required transmission lines of which the government can provide funds for only two.

Allocation has been made for Rashidpur-Habiganj and Nolkaboga pipelines in the annual development program (ADP) and for Dhanua-Savar under ADB's Clean Fuel Project.

Among the major gas transmission lines awaiting funding,

Ashuganj-Monohordi and Bakhrabad-Meghnaghat pipelines are most vital for the country's expanding power sector.

Officials said that the country would need an investment of Tk 3,000 crore in the gas sector including Tk 2,600 crore for transmission lines by December 2005.

"Since we are suffering from fund constraints in developing the vital gas sector, we'll engage the private sector in constructing transmission lines," Mosharrar said.

"The private entrepreneurs will get a return on their investment from the wheeling charges," AKM Mosharrar Hossain told the news agency after the review meeting.

The meeting also reviewed the plan for increasing gas production to the level of 400 million cubic feet per day (MMCFD) by December 2005 to meet the growing demand of energy.

Mosharrar said that the rise would take place only through development and augmentation of production at the existing gas fields, not by drilling any new wells.

Meanwhile, the meeting formed a committee for making recommendations on rationing gas supply as well as realising bills in time.

"From 1st August, we'll go for a massive drive for disconnecting lines of any subscribers who failed to pay for three months," said the minister.

## Qatar Airways starts flight to Moscow on Aug 13

Qatar Airways, world's fastest growing airline, will start thrice a week service to Moscow from August 13 this year.

Moscow will be its 42nd destination and flights to Tripoli will start from October 2003, says a press release.

Meanwhile, Shamsad Ahsan, area manager of Qatar Airways in Bangladesh, inaugurated a workshop for the travel agents of Dhaka on Thursday.

Over 100 participants from top IATA, non IATA and GSA staff mainly responsible for sales, ticketing and reservations attended the workshop.

The purpose of the workshop was to give the airline's travel partners up-to-date information about the new routes, latest fleet, Qatar Holidays as well as innovative facilities offered to the customers on board the aircraft and on the ground.

Similar workshops were earlier held for agents at Chittagong and Sylhet.

Shamsad Ahsan said, for the Bangladesh passengers travelling to Moscow, Qatar Airways will offer a night's stay at Doha at the airline's expense as well as make the visa arrangements for them.

The airline will offer discover Qatar packages starting US\$ 23 which includes one night's accommodation on twin share basis, daily breakfast, return airport transfers, and taxes and service charge.



PHOTO: BCI

A delegation of Bangladesh Chamber of Industries (BCI) led by its President AK Azad called on Leader of the Opposition in Parliament and Awami League chief Sheikh Hasina at her residence in Dhaka yesterday.