

Star BUSINESS

DHAKA TUESDAY FEBRUARY 25, 2003

Office bearers of frozen foods exporters' assoc



President
UNB, Dhaka

General secretary

Quazi Monirul Haq and Mahmudul Hasan have been elected president and general secretary of the Bangladesh Frozen Foods Exporters' Association (BFFEA) for 2003-2004.

The new executive committee of the association was announced at the 18th annual general meeting of the association held here on Sunday with its outgoing president Salahuddin Ahmed in the chair, said a press release.

The other office-bearers are vice-presidents MMA Salam and Nazir Ahmed; joint secretaries general S Humayun Kabir and Shahedul Alam Quaderi; and members Golam Mostafa, Rezaul Haque, AHM Shahadat Ali Khan, Towhidur Rahman, SM Amjad Hossain, Golam Kibria Sarker, Khalilullah, Tohrul Islam and Kazal Kanti Chowdhury.

Preparatory workshop for CeBIT fair participants

Job Opportunity and Business Support (JOBS) Program of USAID and Bangladesh Association for Software and Information Services (BASIS) jointly organised a preparatory workshop for the participating companies in CeBIT 2003 fair, says a press release.

Some 125 nations are expected to take part in this mega exposition of information and communication technology which is going to be held from March 12-19 in Hannover, Germany.

Dhaka Bank foundation course ends

A sixteen-day foundation training course for bankers concluded at the Dhaka Bank Training Institute (DBTI) at Uttara in Dhaka recently, says a press release.

Twenty-one officers of Dhaka Bank Limited participated in the course. Shahed Noman, acting managing director of the bank, addressed the concluding session.

Lanka wins 10m euro debt relief from Netherlands

AFP, Colombo

Sri Lanka said Monday it will receive nearly 10 million euros in debt relief from The Netherlands, in addition to aid amounting to 10.6 million euros annually.

The Dutch committed to the debt relief during a November meeting in Oslo when the Sri Lankan government and Tamil Tiger rebels for the first time went together before the international donor community to seek foreign support to rebuild the war-ravaged island.

"Through this debt relief, a considerable amount has become effectively available in support of the Sri Lankan budget, with a view to assist the government in meeting its public expenses," Economic Reforms Minister Miiinda Moragoda said.

Two weeks ago, the Dutch government announced it would grant nearly half a million dollars to help a mine-clearing project in Sri Lanka.

2 lakh BTTB connections for cell phones by June

MUSTAK HOSSAIN

Cell phone operators will get two lakh more connections with the fixed phone network of the state-owned BTTB under a project, which is expected to be complete by June this year.

Four private cell phone operators-- GrameenPhone, AKTEL, CityCell and Sheba -- finance the US\$2 million turnkey project to

expand the Bangladesh Telegraph and Telephone Board network.

At present, the BTTB does not have enough capacity for interconnection, a facility that allows an operator to enter another operator's network.

"It can also reduce high subscription charge of mobile phones with landline connectivity if the operators want," said a source in the telecom industry.

Nortel Networks, which owns the deal, will open L/C for telecom equipment after the post and telecommunications ministry gets the nod from the finance ministry to sign a memorandum of understanding between the BTTB and the operators.

Nortel will build the tandem exchange with a capacity of 16,320TCM, enabling as many subscribers to talk simultaneously.

Fujitsu will expand the BTTB transmission to match the new tandem exchange.

Each operator will get 31 interconnection links with which up to 50,000 people can use the BTTB network.

More than 90 per cent of the ten lakh mobile phone users are now deprived of such a facility.



PHOTO: HSBC
David J H Griffiths, CEO of HSBC Bangladesh, inaugurates the bank's relocated Anchor Tower Branch on the ground floor of the tower on Sunday. Mamoon Mahmood Shah, manager-Personal Financial Services of HSBC Bangladesh, was also present.

Nepal fears losses as India tightens drug import rules

AFP, Kathmandu

Nepal's struggling pharmaceutical industry is fearing another blow after India tightened controls on drug imports from its neighbour, industry leaders here said Monday.

Landlocked Nepal imports most of its medicine from India, a rising giant in the pharmaceutical industry. The kingdom's drug industry fears the gap will only widen further from March 1 when India starts higher restrictions and fees on Nepalese drugs.

Under the revised rules, a company wanting to export a medicine to India will need to pay 1,500 dollars for registration, 30 times the current charge, according to the Association of Pharmaceutical Producers of Nepal.

In another new fee, every new brand of medicine that Nepal wants to export to India will incur a 5,000-dollar charge, with another 1,000 dollars for inspections.

"The new registration system, factory and quality inspection charges are absurd, making it impossible to compete with the Indian local products," said Shanker Ghimire, executive director of Asian Pharmaceutical Pvt. Ltd.

Nepalese drugs on the shelves in India are already subject to 10 per cent value added tax, unlike domestic pharmaceuticals.

Due to bureaucracy Nepalese drugs can wait more than six months in storage at border crossings before entering the Indian market, Ghimire said.

India has a burgeoning pharmaceutical industry, banking on an educated but low-cost work force to export drugs at cheaper costs than major European and US manufacturers.

Exports about 12.9 million dollars worth of drugs to India.

But an unofficial trade in pharmaceuticals is also vibrant. Indian drugs can be easily loaded in trucks and delivered to the lowland border areas of Nepal.

Industry leaders here fault the Nepalese government for allegedly looking the other way at low-grade imports even as India tightens controls on the other end.

They claim that Nepal has become a dumping ground for Indian medicine that did not meet local standards.

It is estimated that at least 13 million dollars worth of low-grade Indian medicines are sold each year in Nepal, and that the kingdom imports about 70 per cent of its pharmaceutical needs from India.

Repo auction held

UNB, Dhaka

The repurchase agreement (Repo) auction of Bangladesh Bank for commercial banks and financial institutions was held here yesterday.

Six bids of one-day tenor amounting to Tk 38.0 crore were received and accepted.

The rate of interest against the accepted bids ranged from 8.60 per cent to 8.0 per cent per annum, said a Bangladesh Bank press release.

Yen firms as Japan names new BoJ chief

AFP, London

The yen climbed against other leading currencies on Monday after Japanese Prime Minister Junichiro Koizumi named moderate Toshihiko Fukui as the new Bank of Japan (BoJ) governor.

The dollar was little changed against the euro as worries over a possible war in Iraq weighed on the US unit.

The single European currency traded at 1.0764 dollars from 1.0771 late on Friday in New York.

The dollar fell to 118.10 yen from 118.92 late on Friday after Koizumi nominated the 67-year-old former deputy governor, Fukui, as the new chief Japanese central banker.

Toshiro Muto, a former top bureaucrat at the finance ministry and university academic and bureaucrat Kazumasa Iwata were nominated as the central bank's deputy governors, said the official.

The Japanese unit had slipped briefly in Asian trading on news of the nominations, but dealers in Europe later chased the yen higher.

"The yen has rallied as market participants have concluded that the change in guard is unlikely to herald much change in policy," said Steve Pearson, chief strategist at HBOS Treasury Services.

In recent weeks the yen had been held back by fears of a possible introduction of an inflation target and a surge in the money supply that such a policy would imply, explained Pearson.

Hyundai stock surges after strong forecast

Shares of Hyundai Motor Co rose as much as 5.1 per cent on February 17 after South Korea's biggest automaker said operating profit might gain 43 per cent this year.

Hyundai Motor said operating profit this year could reach 2.3 trillion won (\$1.9 billion), helped by efforts to increase sales of its high-end Santa Fe sports-utility vehicle and Grandeur XG sedan, according to a message received in Dhaka.

The company, whose 2002 profit fell short of analysts' expectations, predicted that sales this year would rise 7 per cent to 28.2 trillion won.

"While profit last year was lower than a lot of investors were expecting the out look for this year's operating profit is encouraging to investors," said Sohn Jung Won of Good Morning Shinhan Securities Co in Seoul.

Sohn has a "buy" recommendation on Hyundai Motor, with a six-month target price of 40,000 won.

Hyundai Motor shares posted their biggest one-day gain in nine months, closing at 27,700 won, up 2,200 won.

Hyundai Motor forecast that vehicle sales at home would probably rise 5.9 per cent to 837,000 units this year and that overseas sales might increase 6 per cent to 985,000. The company expects US sales to gain 12 per cent to 420,000 units this year.

Hyundai Motor said net profit rose 24 per cent to 1.44 trillion won last year.



PHOTO: JAMUNA BANK
K Shamsi Tabrez, SEVP of Jamuna Bank Limited, and Azadur Rahman Khan, managing director of Bay Leasing & Investment Limited, sign a credit deal at the bank's head office in Dhaka on Wednesday. S A Chowdhury, managing director of Jamuna Bank Limited, and other executives of both the institutions were present at the signing ceremony.

Japan-Bangladesh jt venture to assemble CNG-run vehicles

STAR BUSINESS REPORT

A joint venture four-stroke motorcycle and auto-rickshaw assembling company was formally launched yesterday.

The company, Pride Japan-Bangladesh Limited, will market locally assembled Japanese four-stroke CNG-run motorcycles and auto-rickshaws from May this year.

The company has also signed an agreement with Japanese Chiyoda Kikai Works Co Ltd to set up CNG refilling station on a turnkey basis.

State Minister for Commerce Barkatullah Bulu was present as chief guest at the launching ceremony held at a city hotel.

Bangladesh Road Transport

Corporation (BRTC) chairman, Shahjalal Bank managing director, Pride Japan-Bangladesh Limited managing director and Pride International, Japan general manager were also present.

Appreciating the joint venture initiative, BRTC Chairman Taimur Alam Khandkar said efforts should be made for manufacturing vehicles rather than assembling.

Pride Japan-Bangladesh Limited Managing Director Aminul Islam said the prices of 100cc and 120cc motorcycles have been fixed at approximately Tk 80,000 and Tk 125,000. The price of auto-rickshaw has been fixed at Tk 130,000, he added.

Jamuna Bank inks credit deal with Bay Leasing

Jamuna Bank Limited (JBL) has signed a credit deal with Bay Leasing and Investment Limited.

K Shamsi Tabrez, SEVP of Jamuna Bank, and Azadur Rahman Khan, managing director of Bay Leasing & Investment Limited, inked the agreement at the banks head office in Dhaka on Wednesday, says a press release.

S A Chowdhury, managing director of Jamuna Bank Limited, and other Executive/Officials of both the Institutions were present at the signing ceremony.

Under the deal, the credit line will be utilised for extending lease financing for development of productive enterprises of the country in the field of leasing of plant, machinery, professional and office equipment.

Vietnam exports grow 44pc in February

AFP, Hanoi

Vietnam's February exports rose 44.2 per cent compared with a year ago to 1.25 billion dollars, offset by a 25.9 per cent rise in imports to 1.4 billion dollars, preliminary government figures showed Monday.

Rice exports soared 149.8 per cent to 23 million dollars, while exports of rubber were up 118.2 per cent, cashew nuts 59.4 per cent and tea 45.2 per cent, according to the General Statistics Office.

Exports of crude oil grew 71.9 per cent to 330 million dollars even though the volume rose just 0.5 per cent to 1.34 million tonnes.

Textile and garment exports also rose 81.5 per cent, while seafood grew 31.9 per cent.

On the other side of the equation, motorbike imports recorded the largest jump, up 111.6 per cent to 29 million dollars, while iron and steel imports increased 58.5 per cent to 114 million dollars.

The import bill for refined oil products rose 38.5 per cent to 169 million dollars. Despite having sizeable oil reserves, Vietnam has no operating refineries and so is reliant on imported petroleum-based products.



PHOTO: INTERSPEED
Md Arifur Rahman, director of Esquire Group, inaugurates a new showroom of Esquire Electronics Ltd at Tejgaon industrial area in Dhaka recently.

4 former Soviet republics eye economic alliance

AFP, Moscow

The presidents of Russia and three other former Soviet republics agreed during talks Sunday to take a new step towards creating a free-trade zone within several months.

The idea of building an economic union between the neighboring nations has been discussed since 1994, yet had made little progress.

But a statement issued by presidents Vladimir Putin of Russia, Alexander Lukashenko of Belarus, Kazakhstan's Nursultan Nazarbayev and Ukraine's Leonid Kuchma said the countries intended

to create a single economic mechanism by September.

"The end result of our work is the creation of an organization of regional interests," said a statement issued by the Kremlin and signed by the four presidents.

"We declared a new stage in the economic integration and are beginning negotiations on steps that are necessary for forming a unified economic base," said the Ukrainian president during the signing ceremony.

But Putin, who is keen to restore Russian interests in the former Soviet republics, remained vague in

his comments.

"It goes without saying that we are open to other interested states," Putin said, without going into further details.

Yet the other three presidents suggested that they were pressing for a closer friendship with Russia.

"I would like to hope that this is a completely new breakthrough in our relations," said Nazarbayev.

The Belarus president said the four countries must unite in defense of their markets.

"We are taking concrete steps to protect our states," Lukashenko said.