

Repo auction held

UNB, Dhaka

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

Three bids of one-day tenor amounting to Tk 38.00 crore were received and accepted.

The rate of interest against the accepted bids ranged from 9.00 per cent to 8.00 per cent per annum, said a Bangladesh Bank press release.

EXIM Bank EC meets

The 150th Executive Committee (EC) meeting of the Board of Directors of Export Import Bank of Bangladesh Limited was held at its head office on Sunday, says a press release.

Md Nazrul Islam Mazumder, chairman of the bank, presided over the meeting.

Mohammed Lakiotullah, managing director of the bank, along with the bank's directors Md Nazrul Islam Swapon, Md Altaf Hossain, Md Mazakat Harun, Engineer Aminur Rahman Khan, AKM Nurul Fazal, Anjan Kumar Saha, Zubayer Kabir, Md Nur Hossain and Alamgir Kabir, advisor, were also present in the meeting.

Oil softer in Asia

AFP, Singapore

Oil prices were trading softer in Asia trade on Monday, with traders focussed on developments in the Middle East and potential supply disruptions in Venezuela.

The New York light sweet crude for April delivery was at 36.27 dollars a barrel in after hours trade, down from the New York close of 36.60 dollars on Friday and last week's high of 39.99 dollars.

Traders and refiners said prices lacked direction and remained volatile due to fears of a war against Iraq breaking out in March.

"Prices can move in either direction, depending on the action taken by the United States," said a Singapore-based refining industry source.

"March is a critical month and the US must decide on the action it would like to take on Iraq," said the source.

A car bomb incident near a Venezuelan oilfield on Sunday again sparked fears of supply disruption from one of the major suppliers to the US market, traders said.

Refiners were also keeping crude oil inventories down, given the higher prices while holding on to refined products, the traders said.

Although prices could spike past the 40-45 dollar level on war fears, refiners were not taking any chances of being stuck with expensive crude inventories.

HSBC net profit rises 25pc in 2002

AFP, Hong Kong

Global banking giant HSBC Holdings said Monday net profit jumped 25 per cent last year after having to put less money aside for losses on loans.

Net profit rose to 6.24 billion US dollars and pre-tax profit for 2002 was up 20.6 per cent to 9.65 billion dollars.

The charge for non-performing loans was 1.32 billion dollars, down 35 per cent or 716 million dollars from 2001. Last year's figure included a 600 million dollar provision for the bank's exposure to Argentina's financial crisis.

Net interest income rose five per cent to 15.46 billion dollars, while other operating income of 11.13 billion was little changed from 2001.

Chairman John Bond said Argentina continued to weigh on the bank's performance last year with operations there suffering a loss of 245 million dollars. The group's Argentine assets have shrunk to the equivalent of 1.6 billion dollars or about 0.2 per cent of the group's total.

He said the company's focus this year would be on integrating US consumer finance giant Household International, after the announcement in November of a 14.2 billion dollar takeover which is expected to be completed by the end of March. The deal is expected to be positive for earnings this year.

"This will bring together one of the world's most successful deposit gatherers and one of the world's largest consumer asset generators," Bond said.

"The successful integration of Household into HSBC will be our primary objective this year."

Bond said prospects for 2003 were hard to predict, given global economic uncertainties.

Govt, opposition MPs agree to form JS body on export

BSS, Chittagong

Ruling and opposition lawmakers yesterday agreed to pursue formation of a parliamentary committee and a taskforce in order to identify problems in export sectors and suggest solutions.

They said such committee and taskforce is required to face challenges of the post-multifibre arrangement.

Their views came during a roundtable on export sector where the speakers stressed the need for coordinated efforts by the government and opposition political parties and necessary policy supports for healthy survival and

promotion of export sectors, especially the garments sector, so that it could face the challenges in 2003.

They also pleaded for a broad based national consensus on core national issues ending prolonged 'politics of conflict' and responsible role of political parties.

Bangladesh Garments Manufacturers and Exporters Association (BGMEA) organised the roundtable on the sidelines of a 2-day exposition titled "CAFEXPO-2003" which began in Chittagong Club auditorium.

The roundtable on "A coordinated efforts by political parties can help all export-oriented industries including readymade gar-

ments to survive in the competitive international market" was also participated by business leaders and politicians.

BNP MP Abu Hena, AL president Member Suranjit Sen Gupta MP and Asaduzzaman Noor MP (AL), Economic Affairs Secretary of the BNP central committee Golam Akhbar Khondaker, BGMEA President Kutubuddin Ahmed, first Vice-President Ershad Ullah, former Chittagong Chamber of Commerce and Industry President Engineer Ali Ahmed, Chief Executive of the James Finlay, Bangladesh, AQI Chowdhury, and B G M E A l e a d e r s K a z i Moniruzzaman, Anisul Hoq and M

Nasiruddin were, among others, took part in the discussion.

Editor of the daily Prothom Alo Motiur Rahman was the moderator.

Besides constructive criticism by the lawmakers, the roundtable had a lively discussion on various issues like construction of private port, bureaucratic bottlenecks in investment and export procedure, modification of age-old labour law, poor infrastructure facilities, malicious propaganda against the country abroad, culture of repetition of political oppression on the opposition by the government and hartal.

Top int'l watchdog official calls for self-policed shrimp

Formation of stakeholders' association suggested

STAFF CORRESPONDENT, Khulna

A top official of Aquaculture Certification Council (ACC), the international watchdog for shrimp standardisation, has suggested formation of an association involving all shrimp industry stakeholders to ensure self-policing of product quality.

The Vice president of ACC, Bill More, also said international certification will help Bangladesh shrimp to be competitive in global market.

Bangladesh can be a global shrimp industry leader if all the stakeholders unite, More said while visiting shrimp fields, feed

mills and depots in Khulna and Bagerhat districts on Sunday.

"Major shrimp producing countries have succeeded by adopting the self-policing approach. But this approach will not work if any group of industry stays away," More added.

Quality Feeds Limited, Bagerhat District Shrimp Farmers' Cooperative Society Ltd and Shrimp Hatchery Association of Bangladesh (SHAB) invited Bill More in an effort to acquaint Bangladesh shrimp industry stakeholders with the international codes of conduct for the shrimp industries that are coming into effect.

ACC is the organisation that formulates codes of conduct for shrimp industries, gives certification and acts as watchdog to maintain quality of shrimp products.

More said Bangladesh shrimp industry can earn 20 per cent more than the existing export prices in the global market by adhering to codes of practices, setting up independent testing laboratories with internationally credible third party certification.

Apart from food safety, working condition and environmental safety are the crucial issues that need to be addressed to increase credibility and improve image of Bangladeshi shrimp, said More.



Officials of GrameenPhone Ltd and Pacific Bangladesh Telecom Limited (PBTL) pose for photograph at an agreement signing ceremony in Dhaka yesterday. Under the deal, the PBTL will use GrameenPhone's transmission network to expand CityCell coverage.

PBTL to use GP network

GrameenPhone Ltd and Pacific Bangladesh Telecom Limited (PBTL) yesterday signed a memorandum of understanding (MoU), enabling the PBTL to expand its coverage area by using GP's transmission network, says a press release.

According to the MoU, GrameenPhone will sub-lease fibre optic network capacity and lease its transmission network capacity to the PBTL, the owning company of CityCell cell phone.

The agreement was signed by Ola Ree, managing director of GrameenPhone Ltd, and Faisal Morshed Khan, managing director of PBTL, on behalf of their companies at a local restaurant.

Senior officials of both the companies were also present.

This agreement is a milestone in Bangladesh's corporate sector in which two large companies are sharing their facilities, said Ola Ree after signing the agreement. "I hope this is just the beginning of sharing common resources by the two companies."

Thanking the GrameenPhone for extending its cooperation to PBTL, Faisal Morshed Khan said, "This will enable us to expand our coverage in many districts. We will use these facilities to go to places where we don't have coverage."

PBTL has similar agreement with AKTEL cell phone. Under the deal, AKTEL has launched Sylhet

operation by using CityCell backbone. A separate agreement between the PBTL and Sheba was also signed under which Sheba Telecom launched Chittagong operation by using CityCell network.

The GP fibre optic network, leased from Bangladesh Railway, is 1800-kilometer long and is spread across the country. PBTL will also lease the transmission capacity of GrameenPhone, particularly in the southern region where GP has a microwave link.

The agreement will enable CityCell to greatly expand its coverage to additional 25 districts.

Computer fair begins in Comilla

UNB, Comilla

A six-day Computer Fair-2003 began here on Sunday.

Health and Family Welfare Minister Dr Khanadkar Mosharraf Hossain inaugurated the fair organized by District Computer Association.

President of the Association Ramiz Khan presided over the inaugural ceremony where Anwarul Azim MP, Secretary of Health and Family Welfare Ministry M Fazlur Rahman and Deputy Commissioner Tariqul Islam were also present.

ROK in trade deficit for 2 consecutive months

AFP, Seoul

South Korea posted a trade deficit for two consecutive months this year due to the rising cost of imported oil, the Ministry of Commerce, Industry and Energy said Monday.

The deficit also widened to 317 million dollars in February from 87 million dollars in January, according to the ministry's monthly report.

The country posted a surplus of 552 million dollars in February 2002.

The ministry expected the trade account to improve this month on steady export growth but with international oil prices under pressure, it would be unlikely there would be a surplus.

Last month, exports rose 22.5 per cent to 13.51 billion dollars from a year earlier while imports jumped 32.0 per cent to 13.82 billion dollars, it said.

"The surge in imports was largely attributed to rising imported oil prices due to the unstable situation in the Middle East," the ministry said in the report.

"Unless oil prices stabilize in the future, it would be hard to be optimistic about turning the deficit into a surplus."

Hugh Osmond launches bid for Six Continents

AFP, London

Entrepreneur Hugh Osmond on Monday formally launched a bid to win control of Six Continents, valuing the British pubs and hotels operator at around 5.6 billion pounds (8.8 billion dollars, 8.2 billion euros).

Capital Management and Investment (CMI), an investment vehicle headed by Osmond, said in a statement that it proposed to offer shareholders 36 new CMI shares for each of their Six Continents shares.

It added that there would be a partial cash alternative, of 157 pence cash and 27 new CMI shares per Six Continents share.

"It is clear that Six Continents has persistently destroyed shareholder value over a prolonged period," Osmond said in a statement.

"CMI's strategy addresses Six Continents problems and is designed to realise maximum value for Six Continents shareholders and do so quickly. CMI's innovative bid structure secures this value for Six Continents shareholders and we look forward to discussions with them," he added.

Osmond called on Six Continents shareholders to reject their board's demerger proposals.

"Our message is simple. Vote down Six Continents demerger. Accept CMI's better alternative. Realise the value in your business," Osmond said.

A silent revolution in hybrid vegetable seed development

UNB, Dhaka

A private initiative has carried out a silent revolution in developing improved varieties of vegetable seeds meant for farming with uniformity in size and shape, essentially required for export markets.

East West Seed (Bangladesh) Limited, country's lone venture of its kind, made this breakthrough from its farm and research centre on 40 acres of land at village Bashon in Gazipur district, some 45 kilometers off the capital along the Dhaka-Mymensingh highway.

Eminent businessmen Abdul Awal Mintoo ventured the project with one Netherlander, Simon Groot, in 1995 and the Dutch-Bangla joint venture started functioning in 1996 aiming at ensuring quality seeds for the farmers.

The venture also aimed at supplying quality seeds that suit the climatic and soil conditions even of different parts of Bangladesh and assuring at least 80 per cent germination to the farmers, who are often cheated by untested imported seeds or seeds of unknown quality.

"We now supply around 25 per cent of the vegetable seeds being traded annually," the farm chairman Mintoo told a group of newsmen who visited the site yesterday.

He expected that they would be able to share 30-35 per cent of the seed market within next five years.

The company General Manager Dr Gul Hossain and Manager Research and Development Dr Wahiduz Zaman briefed and demonstrated the advantage of the vegetable seeds developed by the

farm.

There is an annual requirement of about 4,000 tons of vegetable seeds in the country. Of which, as per a Food and Agricultural Organisation (FAO) estimate in 1996, 1,500 tons of vegetable seeds are being traded annually and 75 per cent of those were imported. The farmers met the rest 2,500 tons from their own. But the yielding rate of the farmers' seeds would range 30-40 per cent compared to 80 per cent as the East West Seed ensures.

"The quality of our seeds satisfied the farmers as the demand rose to that height we can not meet at present," Mintoo said, explaining the lengthy procedure to develop seeds as well as get return from this type of project.

He said the project with an investment of about Tk 17 crore is still to reach at the break-even point, but expected to be flying from next year at a high rate of return at around 40 per cent.

The setback for such a unique agro-based project is to pay a high interest rate of 15 per cent for a loan of Tk seven crore. The company has to pay an annual interest of Tk 1.5 crore, he added.

Till 2002, the breeders of the farm said they have so far developed 96 varieties of improved seeds and 81 of those introduced to the farmers.

The varieties included beans, chilli, pumpkin, cucumber, onion, cabbage, cauliflower, carrots, gourds, Kangkong, amaranth, spinach, watermelon, okra, beet, egg plant, radish, coriander, tomato and broccoli.

Some varieties of the vegetables

could be grown round the year, about nine or more months of a year, to meet the off season demands, they said.

The seeds have already been in the market through the dealers of the company across the country.

"A farmer who once used our seeds is seen to be reluctant to use seeds of others," said one of the breeders, indicating the acceptability of the seeds developed by the farm.

Despite comparatively double or triple germination rate compared to imported or farmers own seeds, the officer in charge of marketing said, the price in most cases is lower than that of the imported ones.

The price of cauliflower seeds range between Tk 10-12,000 per Kg while the price of imported variety is Tk 14-15,000 per Kg.

However, the price of onion seeds is Tk 800 per kg against a range of Tk 300-500 for imported seeds from India.

He said the onion seed of East West is an improved variety of popular Taherpuri onion that tastes much better than those of Indian varieties.

The breeders told the newsmen that some high quality vegetables produced from the seeds developed by them have already found export markets due to uniformity in the size and shape of vegetables that is essential for developed markets.

The household seeds or imported seeds are not suitable for producing uniform standard of vegetables, said one of them.

Kenya Airways starts Bangladesh operation

STAR BUSINESS REPORT

State Minister for Civil Aviation and Tourism Mir Mohammed Nasiruddin said the appointment of the sales agent could be the beginning of a direct flight between Bangladesh and Kenya.

National Travel Bureau has been made the GSA of the airline.

State Minister for Civil Aviation and Tourism Mir Mohammed Nasiruddin inaugurated the launching ceremony. The ceremony was attended, among others, by Secretary in-charge of Ministry of Civil Aviation and Tourism Md Shafiqul Islam, High Commissioner of Kenya in Dhaka, Lazarus Amayo, Area Manager, India and Sri Lanka of Kenya Airways Fred G Kiige and Chairman of National Travel Bureau MA Muhaimin Saleh.

State Minister for Civil Aviation and Tourism Mir Mohammed Nasiruddin said the appointment of the sales agent could be the beginning of a direct flight between Bangladesh and Kenya.

Kenyan Airways was established in 1977 and it was privatised in 1996 to make the carrier a profit-making organisation. In 1997, the airline made US\$ 140 million revenue and in 2001 the revenue increased to US\$ 300 million, said Lazarus Amayo.

He said the airline incurred US\$ 10 million loss in 1997 but in 2001 it posted a profit of US\$ 40 million. Under its expansion programme, the African airline is planning to add four new Boeing aircraft to its existing fleet.

S'pore shipping group wins \$220m deal

AFP, Singapore

A unit of Singapore's Neptune Orient Lines (NOL) has secured a seven-year 220 million US dollar contract to transport fuel from Venezuela to Asia, the shipping group said.

American Eagle Tankers (AET), the oil transportation unit of NOL, will ship oil - a bitumen-based fuel - for Venezuelan national oil company PDVSA to Singapore power company Power Seraya, it said in a statement over the weekend.

The contract is due to come into effect in 2004 and AET will expand its fleet of very large crude carriers (VLCCs) by three to five to cope with the additional capacity demands, NOL said.

Linux fast emerging as threat to Windows

AFP, Singapore

Microsoft's Windows is still the dominant software operating system for computer users in the Asia-Pacific region but Linux is fast emerging as a threat to the US giant, an industry monitor said Monday.

A poll of users in 12 regional economies showed 90 per cent used Windows for their desktops and mobile computers and more than 50 per cent of servers used Windows compared just six per

cent for Linux, technology research firm International Data Corp. (IDC) said.

But the adoption of Linux, a free operating system based on Unix, is set to grow at a faster rate than Windows in the server-operating market, increasing 24 per cent in 2003.

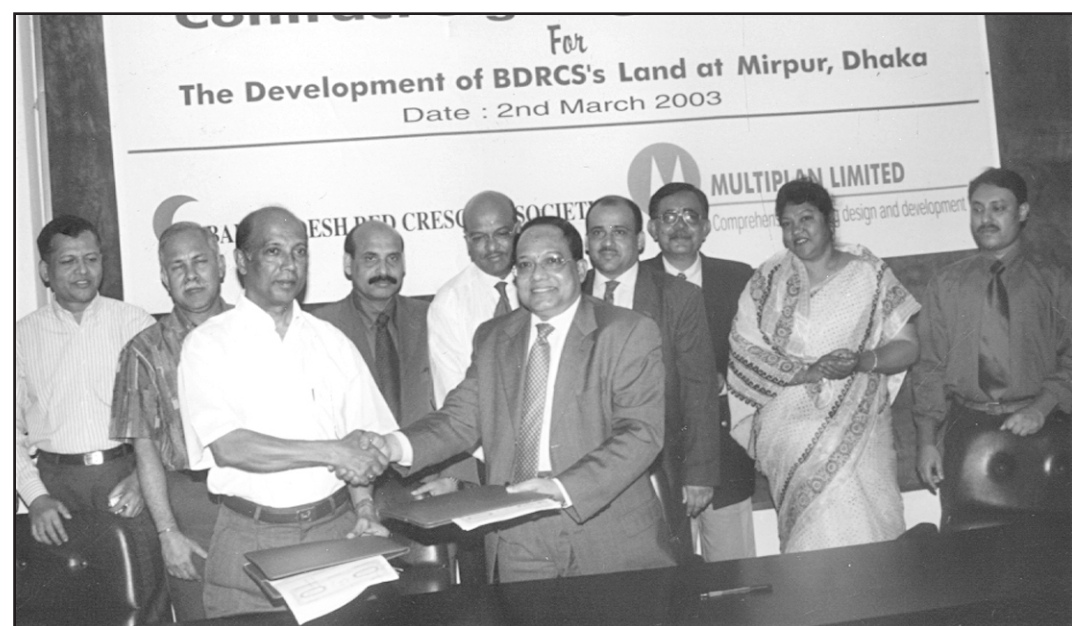
In contrast, the use of Windows amongst server users is only projected to grow by six per cent, and Unix usage will expand by nine per cent.

"Microsoft is not going to take

this Linux development lightly," said Andrew Chew, IDC's regional research manager for infrastructure software.

"There may yet be a shift in Microsoft's pricing and product positioning to keep Linux at bay," he said.

The 12 economies polled are Australia, China, Hong Kong, India, Indonesia, South Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan and Thailand.



AFM Obaidur Rahman, secretary general of Bangladesh Red Crescent Society, and Engineer Syed Munsif Ali, managing director of Multiplan Limited, exchange documents after signing a joint venture agreement Sunday on the design, development and construction of multi-storied commercial buildings on Red Crescent's 2.5 acres of land at Mirpur in Dhaka.