

Star BUSINESS

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Vegetable prices unlikely to drop in next two months

October rains shrink supply: Agro

STAR BUSINESS REPORT

Vegetable prices, which curved up mainly for a crisis in supply situation, are unlikely to come down in the next two months, according to a multinational engaged in agri-input business.

Rains in October ruined about 30 to 50 per cent of vegetable fields across the country leading to short supply of the agricultural produce in market, it added.

Syngenta Bangladesh Ltd in its monthly bulletin, 'Agro', identified the untimely rain as one of the major factors behind the price spiral of vegetables.

"Depressions in October left havoc on vegetable fields. Cabbage, cauliflower, cucumber, bitter melon, bottle gourd and radish had been badly damaged," said Syngenta based on field reports from its nationwide network.

The crops were 20-25 days old when the disaster came. Had the rain not come, the market would have now been glut with the vegetables, keeping prices to affordable levels, Agro mentioned.

It said many farmers have gone for fresh plantation following the damage. But new plants would take 60 days for harvest and so the high prices of vegetables would remain unchanged till end-December or January.

Adverse natural condition for potato farming also pushed vegetable prices up. Because of the October rain, potato

lands were too soaked for cultivation. As a result, potato farming has been delayed, it added.

"Now, consumers have a cross dependency on potato and vegetables - one supplanting the other. When potato supply is high, consumers will take more potato and reduce pressure on vegetables."

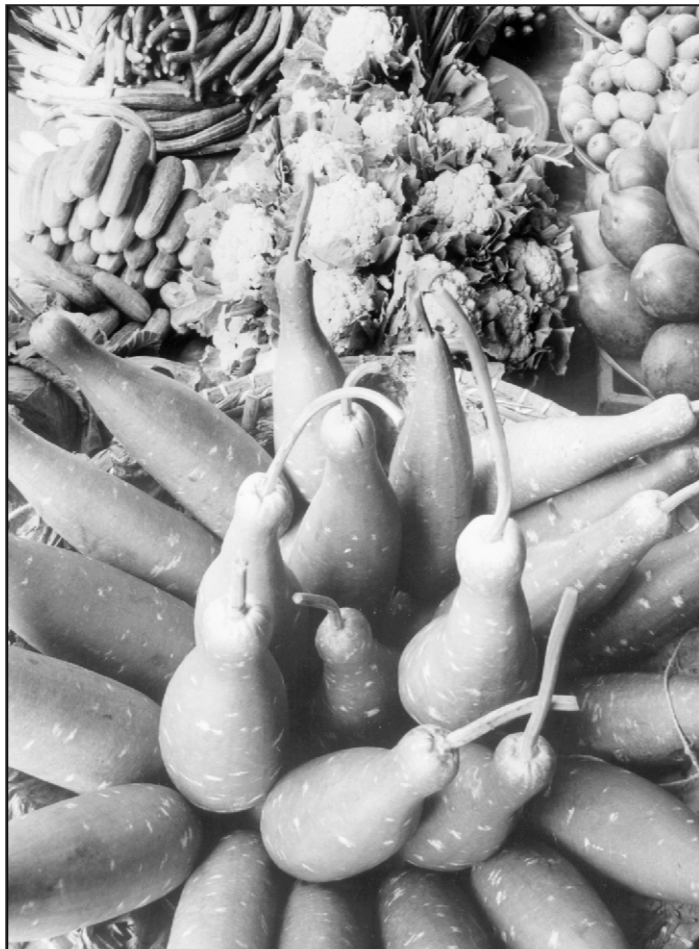
But in the present situation, as potato supply in market dwindles, consumers have been left with no other choice than buying high-priced vegetables, pushing its prices even higher, Agro said.

At the same time, it predicts, potato prices are also not likely to come down shortly, at least until the next crop comes.

Beans were selling at Tk 1,600 a maund and brinjal at Tk 500 a maund in October at the grower level. Added with transportation cost and wholesale and retail level profits, the market prices have gone much higher.

In Comilla, a major vegetable producing area, cucumber were selling at Tk 1,000 to 1,100 a maund, palwal Tk 600 to Tk 700, bottle gourd Tk 700 to Tk 800 and cabbage Tk 600 to Tk 650 a maund in October.

Besides, production area of tomato has come down by 30 per cent this year due to last year's price flop. This has spiked prices this year, which is expected not to come down much, Agro said.



Khosru urges women to come to mainstream economy

BSS, Chittagong

Commerce Minister Amir Khosru Mahmud Chowdhury has called upon the women entrepreneurs to involve themselves in the country's mainstream economic activities on a bigger way by cashing in on the incentives provided by the government.

"The country's balanced and long term development will not be possible unless we empower womenfolk through involving them in mainstream economic activities and productivity process" the Commerce Minister said this while inaugurating "WE Eid Bazaar-03" here Friday evening.

The Chittagong Women Entrepreneurs (WE) has organized the 3-week long fair being held at BAWA School ground in the city in collaboration of South Asia Enterprise Development Facility (SEDF), a wing of the World Bank.

A total of 90 shops are installed in the fair by the small and medium scale women entrepreneurs from across the country.

Chaired by the WE President Monowara Hakim Ali, the inaugural function was also addressed by SEDF General Manager Anil Sinha, Chittagong Chamber of Commerce and Industry (CCCI) President Amir Humayun Mahmud Chowdhury, former CCCI Vice-president MA Latif, Chittagong Stock Exchange Vice-Chairman Habibullah Khan, Bangladesh Mahila Samity, Chittagong Chapter president Mrs Quamrun Malek.

Bush sees hope for jobless

AFP, Washington

US President George W. Bush on Friday carefully avoided gloating about a surprise drop in unemployment, but told jobless Americans that the figures showed "there's hope for you."

Attending a job-training forum after scooping up 1.1 million dollars for his 2004 reelection bid, Bush heard from people who lost work but found new employment thanks to government-supported education programs.

"We can't make people dream, but we can help people once they start to dream," said Bush, whose campaign for a second four-year term is threatened by the loss of some 2.4 million jobs since he took office in 2001.

IMF MD to visit Central Asia, Russia

AFP, Washington

International Monetary Fund managing director Horst Koehler will tour Central Asia and Russia next week to discuss boosting economic growth and living standards, the IMF said.

Koehler is to visit business and political leaders in Armenia, Kazakhstan, Kyrgyz Republic, Russia and Tajikistan in the week beginning November 10, the Fund said in a statement.

"Mr. Koehler's trip underlines the importance the IMF attaches to relations with its members in the region, and to supporting their efforts to achieve sustained growth and to raise living standards," the Fund said.

"The brief stay in Moscow also affords an opportunity to discuss Russian perspectives on cooperation within the region."

India to open rail link to Nepal

REUTERS, Kathmandu

India will open a railway link to landlocked Nepal from the port city of Calcutta by March, a Nepali official said Saturday.

Trains will complete the 800-km (500 mile) journey in 36 hours against six days by road and reduce transport costs by \$16.2 million a year, Purushottam Ojha, joint secretary in Nepal's commerce ministry, told Reuters.

On Friday the two countries agreed to run trains on a 5.3-km (3.3 mile) track between Sirsiya, a dry port in Nepal and the Indian town of Raxaul, from where trains can travel to Calcutta.

"It is a major agreement that will greatly ease our transit problems and help boost trade," he said.

The World Bank helped Nepal set up the \$10 million dry port three years ago at Sirsiya, near the business hub of Birjung, close to the border with India.

Agri investment fair now in December

M ABDUR RAHIM

Although the organisers were forced to defer the first ever agri investment fair in Dhaka due to poor response, they are now hopeful that at least a dozen of foreign countries will take part in the fair in December.

"Many foreign countries are now confirming their participation under the new schedule," said an official of Board of Investment (BoI), co-organiser of the exposition, which was earlier scheduled to begin on October 20.

To promote agri-industries with maximum value addition and create business networking opportunity the BoI is holding the 'Agri-Invest 2003' fair in association with agriculture ministry and South Asia Enterprise Development Facility (SEDF).

The three-day exposition of agricultural products and technologies will begin on December 3 at the Bangladesh-China Friendship Conference Centre in Dhaka.

The organisers targeted 15 countries, including Thailand, Malaysia and France, to take part in the fair. But they

were compelled to defer the event as they got confirmation from only a Malaysian firm in the last two months.

However, following persuasion of Bangladesh missions abroad, five companies from Denmark and one each from Sweden and Norway have confirmed their participation under the new schedule, sources in the BoI said.

Tetra Pak of Norway on Thursday signed an agreement with BoI to sponsor official kits of the event.

Apart from Australia, Norway and France, some Indian and Malaysian enterprises have also shown interest about the fair after they were invited through respective governments and trade bodies, a BoI official said.

"Foreign missions are working with BoI for convincing more companies to take part in the fair and we are hopeful all our targeted countries will confirm their participation by deadline," he said.

The participants will exhibit food, fruits, vegetables and spice processing, flavour and fragrance, medicinal and herbal plants, ornamental plants, eco-forestry and tourism, packaging of agri-products, food safety and quality con-

trol, supply chain and logistics, fisheries, livestock, dairy and poultry, biotechnology and agribusiness, organic farming and bio-fertilizer, agri-machinery and financing agribusiness projects in the fair.

The fair would be beneficial for Bangladesh as the packaging system, marketing and advanced processing technology are crucial to maintain WTO standards.

"If agro-processing industries of the country can adopt appropriate technology to preserve exportable fruits and vegetables, international market of these products could further be expanded," said the BoI official.

The fair will also be able to create an opportunity for setting up joint venture agro-processing plants in Bangladesh, he said.

Agriculture constitutes 23.46 per cent of Bangladesh's GDP and 62.3 per cent of national employment. The country has enormous scope of capacity expansion, productivity improvement, value addition and market access, the BoI official said.

Aktel eyes 5 lakh clients

TM International Bangladesh Limited (TMIB), the owning company of Aktel mobile phones, has planned to increase its subscriber base to more than 5 lakh by the year end.

The company's network expansion project has already started and is scheduled to be completed by early 2004, says a press release.

On completion of the project, TMIB's network coverage will extend to more districts while its network capacity and service quality will enhance substantially.

TMIB signed a contract with Ericsson Bangladesh for the expansion of its GSM network at a local hotel in Dhaka on Tuesday.

The contract is for the supply, installation and commissioning of network equipment and solutions as well as the provision of professional services.

TMIB Managing Director Dato Ezaanee Abdul Aziz hoped Ericsson's GSM solutions and professional services will allow TMIB to quickly expand its GSM coverage.

Bangladesh offers a tremendous opportunity in the Asia-Pacific region, which is one of the fastest growing markets for mobile communications in the world, Ericsson Bangladesh Managing Director Mats Bosrup said at the agreement signing function.

Mobile subscription in Bangladesh has increased substantially over the past few years, he added.

Among others, TMIB Chief Financial Officer M Rosdi Bin Mustafa and Ericsson Bangladesh Key Account Manager Megat Zukarlai were present.

Repo auction

UNB, Dhaka

The Repo auction of Bangladesh Bank for commercial banks and financial institutions was held yesterday.

Eight bids of two-day tenor amounting to Tk 324 crores were received, of which, seven bids of two-day tenor amounting to Tk 304 crores were accepted.

The rates of interest against the accepted bids ranged from 4.52 per cent to 4.50 per cent per annum.

Rancon Motors starts service campaign

The weeklong second service campaign of Rancon Motors Ltd, general distributor of DaimlerChrysler in Bangladesh, has started in Dhaka.

Under the service campaign, the owners and users of Mercedes-Benz vehicles in Bangladesh will get service and guideline at the Tejgaon workshop of the company.

Bernhard Appeltauer, a German technical expert, is conducting the service campaign, says a press release.

Zakia Rouf Chowdhury, executive vice-chairperson of Rangs Group, formally inaugurates the campaign.

Workshop on survey findings

Katalyst, a business development research organisation, organised a workshop on the findings of a survey on accounting, finance and taxation (AFT) service sector in Dhaka recently.

The aim of the workshop was to validate the findings of the survey, which is done in Bogra, Chittagong and Dhaka, says a press release.

Ram Neupane, the chief consultant of the survey, moderated the workshop while Suman Rayamajhi, research assistant, supported the proceedings.

Chartered accountants, company secretaries, individual consultants and members of the academia participated in the workshop.

China computer sales reach 17m in first 9 months

AFP, Beijing

Sales of computers in China reached 17 million in the first nine months of 2003 on the back of government policies to promote high technology, state media reported Saturday.

For the full year 2003, computer sales are expected to at least double compared with 2002, when sales were 9.2 million, Xinhua news agency reported.

Tax return submission up, collection down

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Although the number of people submitting income tax returns increased a little this fiscal, the collection declined by 5.34 per cent from last year's amount.

Income tax returns of the individual category increased by a marginal 0.58 per cent this year with 4,71,325 people submitting returns against 4,68,606 last year.

But this year's collection from income tax amounted to Tk 156.85 crore which was Tk 165.24 crore in the last fiscal, according to National Board of Revenue (NBR) sources.

In general category, 3,31,895 sub-

mitted their returns paying Tk 58.96 crore in income tax. Besides, 1,39,430 individuals submitted returns under the self-assessment category contributing Tk 97.86 crore to the national exchequer.

The NBR had set a deadline to submit tax returns by September 30 and later extended it up to October 30. At present, some 14 lakh people have taxpayers identification numbers (TIN), NBR officials said.

Of the total income tax, only 10 per cent come from the individual category.

Meanwhile, in a bid to bring more people under income tax net, the NBR

will start a survey from this month and it will continue till June next year. Five or six teams of every tax zones will be engaged in the survey.

An additional tax commissioner or joint tax commissioner will lead the five-member teams which will conduct the survey in Dhaka and at the upazila level to bring all business firms under the tax net.

Finance and Planning Minister M Saifur Rahman at a meeting with NBR officials recently asked the tax collectors to conduct a survey to increase contribution of direct tax in the total revenue collection.

High lending rates, red tape hurt industrialisation

UNB, Dhaka

Bangladesh Chamber of Industries (BCI) said investment remained disappointing for lack of investors' confidence in the overall environment, policy and infrastructures.

Deterioration of law and order, foot-dragging bureaucracy, high lending rates and poor infrastructures are among the roadblocks to the country's industrialisation and economic

growth, it pointed out.

The Chamber identified these hurdles yesterday at its 17th annual general meeting that urged the government to devise immediate remedies for the sake of industrialisation.

BCI President AK Azad, who chaired the meeting, observed confidence and trust among the local and foreign investors in the investment climate, policy consistency, improved law and order and infrastructures are the pre-

conditions for investment.

"In absence of these pre-conditions it is almost impossible to achieve required economic growth," he said.

The Chamber president said banking sector ought to be more efficient and interest rate must come down to help trade and investment grow.

The AGM also discussed abnormal price hike and sought measures to tame the bullish market.



PHOTO: RANCON MOTORS

Zakia Rouf Chowdhury, executive vice-chairperson of Rangs Group, formally inaugurates the second service campaign of Rancon Motors Ltd, general distributor of DaimlerChrysler in Bangladesh, in Dhaka recently. Rancon Motors Managing Director Romo Rouf Chowdhury and General Manager CA Hafiz and Bernhard Appeltauer, a German technical expert, were also present.