

## Timber traders call 2-day hartal from tomorrow in Rangamati

UNB, Rangamati

Timber Traders 'Sangram Parishad' (action council) has called for a two-day dawn-to-dusk hartal in the hill district beginning on Sunday (Feb 26) to realise their 10-point demand. The timber traders and labourers jointly gave the call for the shutdown from a press conference at the Sangram Parishad office yesterday. They said the hartal is aimed at protesting the Forest Department's 'illegal' halt to all businesses relating to timber transportation. The Sangram Parishad leaders said they called the hartal again as their previous programmes, including hartal and siege, have failed to resolve the complications over timber trade.

## Indian airlines to buy 40 Airbus planes

PALLAB BHATTACHARYA, New Delhi

Continuing the spurt in buying of planes by Indian air carriers, two more low-cost airlines ordered 40 Airbus A320 and 321 aircraft for a total of \$2.35 billion. Jagson Airlines, which is set to launch services in domestic sector in April-May this year, said on Thursday that it had firm plans to buy 20 Airbus A321 planes at an estimated price of \$1.3 billion.

"Talks with the European manufacturers' consortium is on and we will be signing the agreement soon. We are working on the financial aspects of the agreement," Jagson Airlines CEO Uttam Kumar Bose told reporters here.

Besides state-owned Indian Airlines, Jagson is so far the only Indian air carrier to place orders for A-321 aircraft.

Another budget airline GoAir will purchase 20 Airbus A-320 planes for \$1.2 billion, the carrier's Managing Director Jeh Wadia said.

The airline, which is operating on 24 routes connecting 11 Indian cities with a fleet of leased A-320 planes, will expand its services in domestic sector in northern India and metropolitan cities, he said.

GoAir is the third private Indian budget carrier after Kingfisher Airlines and Air Deccan to pick an all-Airbus fleet.

The announcements by GoAir and Jagson Airlines came a day after SpiceJet, another low-cost Indian air carrier, made public a \$1.4 billion deal to buy 20 Boeing 737 planes.

With the latest orders by GoAir and Jagson, Airbus secured the shopping list in 2005-06 fiscal year of nearly 280 planes to Indian carriers, once again driving home the point that India is emerging as an attractive market for the European consortium.

## Delhi, Yangon eye gas pipeline sans Dhaka

UNB, New Delhi

India and Myanmar are exploring the possibility of laying a gas pipeline through the northeastern territory, bypassing Bangladesh.

State Minister for Petroleum Dinsha Patel said this in a written reply in the Lower House of Indian Parliament to a question on the status of India-Bangladesh-Myanmar gas pipeline.

"An alternative pipeline route through the northeastern territory of India, thereby bypassing Bangladesh, is being explored and discussion with Myanmar side for importing their gas is continuing," the minister stated.

He said the energy ministers of Bangladesh, India and Myanmar met in Yangon in January 2005 to discuss various aspects of the gas pipeline project.

In pursuance of this discussion, a techno-commercial working committee (TCWC) with representatives of the three countries was constituted to take further steps regarding the project. The first meeting of the TCWC was held in Yangon last February and prepared a draft memorandum of understanding (MoU).

However, it was not possible to sign the MoU so far on account of differences in which Bangladesh has made references to some of its

bilateral issues with India, which are not related to the project, Patel said.

He mentioned that a memorandum of cooperation in the field of oil and natural gas was signed with China this January. The agreement envisaged cooperation between oil companies of the two countries in oil and natural gas production, execution of large engineering projects and supply of drilling equipment and petrochemical processing units.

The minister said the proposed cooperation with China in the hydrocarbons sector is wide ranging and promises to yield enormous benefits for the two countries.

## Reuters net profit up 25pc in 2005

UNB, London

Reuters Group PLC, the news and financial data provider, on Thursday reported a 25 percent increase in net profit last year as earnings were boosted by the sale of its majority stake in the electronic trading platform Instinet.

Profit attributable to equity holders rose to 456 million pounds (euro668 million or US\$793 million) compared to 364 million pounds in 2004.

Sales rose 2.9 percent to 2.41 billion pounds (euro3.53 billion; US\$4.19 billion) from 2.34 billion pounds.

Underlying recurring revenue - subscriptions to terminals, which accounts for 93 percent of Reuters' sales - was up 1 percent for the year, including a 1.7 percent gain in the second half.

The results were in line with analysts' consensus, said Charles Peacock of stockbroker Seymour Pierce. But Morgan Stanley said Reuters' revenue growth was "slightly shy of expectations."

In trading on the London Stock Exchange, Reuters shares were down 6 percent at 425 pence (euro6.22 US\$7.39).

## British economy grows 1.8pc in 2005

AFP, London

The British economy grew by 1.8 percent last year, the slowest pace since 1992, official data confirmed on Friday.

A second estimate from the Office for National Statistics was unchanged from an initial reading in January.

British gross domestic product (GDP) growth rose by 0.6 percent during the fourth quarter of 2005 from the previous three-month period, again unchanged from last month's estimate by the ONS.

GDP growth rose by 1.8 percent during the fourth quarter on a 12-month comparison. The figure was revised up from an initial reading of 1.7 percent.

## Navana launches energy saving lamps

Navana Group launched energy saving lamps at a function in Dhaka yesterday.

Navana Group Chairman Shafiqul Islam Kamal presided over the launching ceremony, which was also attended by Director Saiful Islam Suman, General Manager (Electrical Division) MA Hashim Bhuiyan and General Manager (Finance) Md Asadul Islam, says a press release.

## Bangladesh makes new record in tea production

BDNEWS, Sylhet

Bangladesh produced a record amount of 60 million kg tea in last year.

Tea production exceeded target for the first time last year, according to tea industry sources. The production target for the year 2005 was 57.50 million kg.

Tea production exceeded the

target due to favorable weather. The previous record of tea production was 59.50 million kg in 1998, sources said.

Tea experts say the production would have been more if the sunlight was adequate in the month of August last year. According to statistics, due to draught, tea production in three years in the 90s and four years in

the 80s was severely hampered.

Managers of some tea gardens said the production last year would have exceeded 95 million kg if there was no load shedding. Experts said although the country's tea production is mainly dependent on the mercy of nature, this huge production has raised hope among the tea traders.

## Prices of essentials spiral

BDNEWS, Dhaka

The prices of broiler chickens, beef, milk powder, including baby food, and fine quality rice increased in the city's retail market yesterday compared to the previous week.

Price of a kg broiler chicken increased by Tk 5 and was found selling at Tk 80 in retail markets while it was selling at Tk 92 in departmental stores. The price of beef and mutton also increased.

"The poultry farm owners have raised the price considering the future shocks to their business due to outbreak of bird-flu in neighbouring India," said WI Mayiz, an official of a departmental store at

Farmgate.

Miniket, medium-quality rice, which was found selling at Tk 27.50 last week in wholesale market, was selling at Tk 28 yesterday.

However, the price of sugar, pulses, soybean, onion and vegetables remained steady.

"We are selling baby food cereal at Tk 190 against Tk 150 two weeks before," said Nasrin, a seller. She said price of most of milk powder brands increased nearly by Tk 15 to Tk 20. A one-kilogram pack of Diploma was selling at Tk 305 against Tk 290 a week ago, she added.

"The price of beef has increased by Tk 10 per kg," said Enamul

Haque, a butcher at Karwan Bazar. Ayub Ali, a rice trader, said Friday the prices of most of the rice varieties increased by Tk 50 a sack on an average compared to those of the last week.

At the kitchen market, one kg of bean was selling at between Tk 10 and 14, eggplant at Tk 14-16, ladies finger Tk 20 and bitterguard Tk 24-28 and green chili Tk 20.

A medium-size cauliflower was selling at Tk 15 while a cabbage at Tk 10 yesterday. A kg of onion was selling at Tk 14-16, retailers said.

A five-litre bottled of soybean was found selling between Tk 268 and Tk 280.

## Indian Railways posts record revenue surplus

AFP, New Delhi

Indian Railways, which five years ago was on track to bankruptcy, announced a record financial surplus Friday and a slew of fare cuts and massive spending on new lines in a populist budget.

Railways Minister Lalu Prasad Yadav, announcing the budget for the financial year to March 2007, said the sprawling state-owned railway, had built up an unprecedented surplus of 110 billion rupees (2.47 billion dollars).

"There has been a turnaround in the financial situation of Indian Railways," said the maverick minister, known more for his championing of the downtrodden and political theatrics than as a financial manager.

"With this unprecedented achievement, we are striding ... (toward) making Indian Railways the premier railway of the world," he said.

The surplus, driven by higher freight loads thanks to a booming

economy, came after a government body five years ago warned the over 150-year-old network was facing bankruptcy with a surplus of just 3.5 billion rupees.

The railway, built by India's former British colonial rulers, has some 1.6 million employees, making it the world's biggest civilian employer and is one of the world's biggest networks.

Taking on new lost-cost airlines which have been taking away

passengers, Yadav slashed already rock-bottom fares by up to 18 percent and announced loyalty reward fare schemes and non-peak discounts for passenger and freight traffic.

To meet rising freight transport demand, Yadav announced record spending of 240 billion rupees -- the most ever -- to expand the network, including dedicated freight corridors on eastern and eastern routes.



Senior officials of Navana Group show off 'Navana Energy Saving Lamps', launched yesterday at a function in Dhaka.

## GDP can grow at 10pc if parties shun confrontational politics

STAR BUSINESS REPORT

The gross domestic product (GDP) of the country can grow even at a rate of 10 percent in the coming years if parties discard confrontational politics, said speakers at a seminar in Dhaka.

The country has been successful to maintain over 5 percent growth rate despite political confrontations, they told the seminar

titled 'Political Consensus is a Must for Trade and Investment' on Thursday.

Dhaka Language Club organised the seminar at the National Press Club. Mahmudur Rahman, executive chairman of Board of Investment and energy ministry advisor, and Nago Van Hoa, Vietnamese ambassador in Dhaka, among others, attended the seminar, presided over by

Mizanur Rahman Shelley, chairman of Centre for Development Research.

Mahmudur Rahman said, "We should not enforce hartal, which hurts economy. We need to support private sector to help grow the economy at a faster rate."

Vietnamese ambassador underscored the need for joint venture projects for the development of economy.

## Japan, India ink treaty to avoid double taxation

AFP, Tokyo

Japan and India signed an agreement Friday to avoid double taxation, the first revision of their tax treaty since 1989, in a bid to boost slow-growing bilateral trade.

Japanese Foreign Minister Taro Aso and Indian Ambassador to Japan Manilal Tripathi signed the revised treaty, which was finalized by finance ministry teams earlier this month.

The revised treaty would take effect 30 days after the countries exchange official documents.

Double taxation -- in which a company or individual pays tax to two jurisdictions -- discourages trade because of the extra costs involved.

Japanese leaders are increasingly calling for ties with India amid strained relations with China, Japan's biggest commercial partner, over history and energy disputes.

Japanese businesses were early investors as India opened its state-controlled economy, with Suzuki Motor now holding a majority stake in India's top automaker Maruti, but India's trade has grown more with other nations including China.

Indian Finance Minister Palaniappan Chidambaram on a visit here last month said trade with Japan was merely "satisfactory" and pushed for a free-trade agreement.



AKM Shahidul Haque, deputy managing director of Mercantile Bank Ltd, and Shaikh Ebrahim Rashid Al Khalifa, chairman and managing director of Dalil Exchange, Bahrain, exchange documents after signing a remittance agreement recently. The deal will help Bangladeshi expatriates remit their money home from Bahrain easily and quickly.

## Tata Tea won't uproot from Sri Lanka

PTI, Colombo

Indian tea giant Tata Tea on Wednesday said it would not quit its plantation venture in Sri Lanka, despite a strategy to exit from the business in India.

Tata has invested in Sri Lanka through a joint venture with Watawala Plantations, who sell Ceylon tea under the 'Zesta' and 'Watawala' brands.

"Tata Tea does not have any intentions at the present moment to exit from Watawala Plantations," Watawala Plantations CEO Vish Govindasamy said though Tata had sold out of its South Indian plantations last year.

Tata Tea transferred tea estates in South India to an employee-owned private company last year, with a similar model planned to be adopted with its North Indian estates this year.