Star Business

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40-member business team leaves for India

Unb, *Dhaka*

A 40-member business delegation, led by Mir Nasir Hossain, president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), left Dhaka yesterday for India accompanying Prime Minister Khaleda Zia on her state visit.

During the visit, the business delegation will meet the ministers and dignitaries of India. The FBCCI leaders will also have interactive meetings with the leaders of Federation of Indian Chambers of Commerce and Industry (FICCI).

A Memorandum of Understanding (MoU) is likely to be signed between FBCCI and FICCI. During the meetings, the FBCCI leaders are expected to discuss promotion of trade, investment and economic cooperation between the two countries.

Other FBCCI representatives include FBCCI First Vice-President Mohammad Ali, Vice President Dewan Sultan Ahmed and Directors of FBCCI Aftab Ul Islam, AKM Rafiqul Islam, Murshed Murad Ibrahim, MA Awal, Kamran Tanvirur Rahman, M Gias Uddin Chowdhury, Md Abdul Wahed and Mohammed Amirul Haque and Chief Advisor of FBCCI Syed Alamgir Chowdhury.

Housing fair in Sylhet from Friday

Staff Correspondent, *Sylhet*

A four-day housing fair will begin in Sylhet from March 24.

Officials of Real Estate & Apartment Association of Sylhet and Bangladesh Real Estate Directory announced the schedule of the show at a press conference in the city yesterday.

A total of 50 stalls will be set up at the fair, which will be inaugurated by Secretary of Public Works Ministry Iqbal Uddin Chowdhury at Sylhet Gymnasium.

Dell plans to double Indian headcount to 20,000

Reuters, *Bangalore*

Dell Inc, the world's top PC maker, plans to double its headcount in India over three years, its founder said on Monday, but there was no word on the location of a planned manufacturing unit in the country.

"India produces over 200,000 engineers and we see that as an asset for our hardware and software activities," Chairman Michael Dell told reporters in India's technology capital, Bangalore.

Bid to privatise container terminal against national interest: Ctg mayor

Star Business Report

Chittagong Mayor ABM Mohiuddin Chowdhury yesterday said the government move to hand over the management of the under-construction New Mooring Container Terminal to private sector is against the national interest.

Vowing to resist the privatisation bid, he said handing over the terminal's operations to private sector will be 'a threat to national security, and sovereignty'. The mayor also said if privatised, the terminal may be used for 'smuggling'.

The Chittagong mayor was speaking at an exchange-of-views meeting with editors and senior journalists at the National Press Club in Dhaka.

The government Sunday formed a high-powered committee to work out strategy for calling international tender for the management of the terminal by private operators.

The 12-member committee headed by Lutful Khabir, member (Operation) of Chittagong Port Authority (CPA), was asked to prepare necessary documents and submit a report within 15 days.

The country's leading chambers and trade bodies Sunday also urged the government to take immediate steps to privatise the operation and management of the terminal.

The Chittagong mayor also demanded punishment to those who are involved in the move to hand over the terminal to private sector 'violating the constitution and the rules and regulations of the port'.

He also said the privatisation will destroy the country's premier seaport as well as the economy.

The mayor said under the existing rules, only the CPA can operate the port activities.

Replying to a question, the mayor said the government should not make any changes in the port law to hand over the terminal to private sector.

Acting Editor of the Ittefaq Rahat Khan said the government decision on the terminal is not wise. He said people should take stand against the privatisation move.

National Press Club President Reazuddin Ahmed said the mayor took the stand for the welfare of the port.

The government should take steps to increase the efficiency of the port, he said. The terminal should not be privatised on security grounds, he added.

Acting Editor of the Bhorer Kagoj Shaymal Datta said the government should not privatise the operations of port.

The Bangladesh Observer Editor Iqbal Sobhan Chowdhury urged the government to stop corruption in port, not to privatise it.

Editor of the Sangbad Bazlur Rahman said privatisation of the terminal will serve the interest of a minor group.

Executive Editor of the Sangbad Monjurul Ahsan Bulbul said a vested quarter wants to destroy the national security by privatising the port terminal.

Editor of the Inqilab ASM Bahauddin said, "I am not against the privatisation, but I am against the privatisation of sensitive installations like seaport."

Our Chittagong correspondent adds: Chittagong district administration yesterday officially handed over 14.275 acres of land to the CPA, the implementing authority of the New Mooring Container Terminal project.

The CPA started implementing the Tk 737 crore project on February 14, 2004.

BCL stages demonstration

Another report adds: Chittagong city unit of Bangladesh Chhatra League (BCL), the student wing of the main opposition Awami League, yesterday staged demonstrations against the move to privatise the management of the terminal.

BCL leaders during the demonstrations at Agrabad Badamtali Intersection, around 100 metres off the Chittagong Chamber of Commerce and Industry (CCCI) building, criticised the businesses for supporting the privatisation bid.

The BCL leaders lauded the stance of ABM Mohiuddin Chowdhury, who is also the general secretary of Chittagong city Awami League, for opposing the privatisation of the terminal.

When contacted, CCCI President Saifuzzaman Chowdhury said," We are the users of the port and we know better than anybody else about the importance of privatisation of the terminal."

Oil rises in Asian trading

Afp, *Singapore*

Oil prices rose slightly in Asian trade Monday as the market sought to balance news of fresh unrest in Nigeria against the high stockpiles in the United States, dealers said.

At 11:15 am (0315 GMT), New York's main contract, light sweet crude for delivery in April, rose seven cents to 62.84 dollars a barrel from its close of 62.77 dollars a barrel in the United States on Friday.

Victor Shum, an analyst with Purvin and Gertz, said reports of an attack on a pipeline in Nigeria were the main factor behind the uptick in prices.

"The market is reacting to news that a pipeline belonging to Italian oil company ENI was blown up in Nigeria," Shum said.

Nigeria, Africa's biggest producer of crude, has seen a 20 percent cut in output since militants launched attacks on foreign oil companies.

"This is an extension of the civil unrest and militant unrest which has already disrupted crude production out of Nigeria," Shum said.

Also supporting prices are concerns that Iran, the world's fourth biggest crude producer, may curb exports if hit by economic sanctions over its controversial nuclear programme.

However, offsetting this support was data last week that showed US crude inventories were at their highest level in seven years.

"Well it's really the same situation as over the last couple of weeks; we have bearish (negative) fundamentals fighting against geopolitical dramas," Shum said.

Elsewhere, the Organization of Petroleum Exporting Countries now foresees an increase of 1.8 percent to 84.5 million barrels per day (bpd) in global demand for next year, rather than the 84.64 million bpd it predicted in February.

The cartel attributed the small decline in its forecast to an expected contraction in US demand as well as pessimistic growth forecasts in Asian countries outside the OECD grouping of industrialised states.

Summit Power to add 25 MW more to national grid

Star Business Report

The Power Division yesterday signed a contract with the independent power project (IPP) company, Summit Power Ltd (SPL), to generate additional 25 megawatt (MW) power for the national grid.

A Power Division joint secretary and SPL Managing Director Muhammed Aziz Khan signed the agreement in Dhaka on behalf of their sides.

Power Division Secretary ANH Akhter Hossain and Rural Electrification Board (REB) Chairman AKM Helaluzzaman, among others, were present at the signing ceremony.

Following the agreement, the SPL's total contribution to the national grid will be 102 MW.

The new plant of the company at Ashulia, Savar is a sequel to another 25 MW expansion at Madhabdi, Narsingdi and 13 MW at Chandina, Comilla.

The SPL is the first 100 percent state-owned power company, which has been generating electricity for the last five years with a target of bringing its production capacity to 1000 MW by 2010.

Eastern Bank launches financial kiosks in Dhaka

Star Business Report

Eastern Bank Ltd (EBL), a local private bank, yesterday launched three financial kiosks in Dhaka, which will offer 24-hour electronic banking services to its customers.

From these kiosks the bank will provide three types of services -- cash transaction facility through ATM (automated teller machine), any kind of utility bill payment and internet banking.

EBL Managing Director and Chief Executive Officer K Mahmood Sattar inaugurated the kiosks at Khilkhet on Airport Road, at Mohammadpur, and on Satmasjid Road at Dhanmondi.

"We have plan to open two more kiosks in Dhaka," said the managing director at a press conference yesterday, adding the bank also plans to open financial kiosks across the country.

Ali Reza Iftekhar, deputy managing director, and Mashrur Arefin, head of Consumer Banking of the bank, among others, were present at the press conference.

EBL officials said by using these kiosks' online facilities, people can open new account, transfer balance, avail loan facility and deposit money.

Besides, clients of any banks can pay their gas, water, electricity and telephone bills through these kiosks.

India's move to float rupee to boost investment

Say analysts

Afp, *Mumbai*

Prime Minister Manmohan Singh's plans to end India's remaining currency controls will boost confidence and investment in a fast growing economy which now allows the government more leeway on the rupee, officials and analysts said Monday.

"This is a confidence-boosting measure and comes as a pleasant surprise," said Bidisha Ganguly, chief economist with BRICS Securities. "We had expected the issue to be covered in the recent federal budget."

The Reserve Bank of India is likely to announce steps on making the rupee fully convertible in the coming days, Finance Minister Palaniappan Chidambaram said Monday, echoing Singh's comments Saturday.

"The prime minister has made a very definitive statement (on a rupee float) ... and the (Reserve Bank) and government would in the next few days announce the next steps," Chidambaram told business leaders Monday.

The rupee, which currently trades at almost 45 to the dollar, is now convertible on the current account which allows companies and individuals to buy foreign currencies for offshore goods and services.

However, it is not fully convertible on the capital account, which includes fund and investment flows that are now restricted.

Singh and Chidambaram, citing foreign currency reserves of more than 144 billion dollars, said allowing the currency to trade freely whould enable easier repatriation of earnings and so boost foreign investment.

Analysts said the move would make it easier for foreign funds to invest here, which would help India bridge chronic budget deficits and lead to lower inflation as competition increased.

Chidambaram Monday said he is confident of bringing India's fiscal deficit to 4.1 percent of Gross Domestic Product (GDP) at the end of this financial year to March 31, below a target of 4.3 percent.

"With fiscal deficit measures announced and inflation steady, there is greater comfort today. The overall picture allows for gradual (reform) steps to be introduced," said Sanjeet Singh, an analyst with ICICI Securities.

"Overseas fund flows (including foreign direct investment or FDI) are robust and there is greater strength seen through India's external commercial borrowings," Singh said.

India's economy is expected to grow 8.1 percent in the year ending March 31, up from 7.5 percent the previous year, with FDI put at around 7.0 billion dollars, almost double.

In 2005, India got a record 10.7 billion dollars in foreign portfolio investment, mainly in its stock market, and has chalked up 3.4 billion dollars in new investments since the start of 2006.

PHOTO: **SUMMIT POWER**

Officials of Power Division and Summit Power Ltd (SPL) exchange documents after signing an agreement yesterday in Dhaka. Under the deal, the SPL will generate additional 25 MW power for the national grid through its Ashulia power plant in Savar.

China seeking alternative sources of iron ore

Afp, *Sydney*

A junior Australian iron ore producer said Monday it was in talks to sell its output to a major steel firm in China, which has accused mining giants BHP Billiton and Rio Tinto of using monopolistic behavior to hike ore prices.

Gindalbie Metals said it was in discussions with China's fourth largest steel company, Anshan Iron and Steel Group, about supplying iron ore from its proposed Karara project in Western Australia's Mid-West region.

However, the iron ore project developer said discussions were incomplete and no agreement had been concluded.

Its statement coincided with a report in The Sydney Morning Herald Monday that another miner, Cape Lambert Iron Ore, was expected to release details of an agreement with a top-three Chinese steel maker on Tuesday.

Cape Lambert, which entered a trading halt on the Australian Stock Exchange on Friday, was believed to be negotiating with Sinosteel, which last year earmarked a billion US dollars for overseas investment as part of a strategy to diversify supply away from price-setters like BHP and Rio, the paper said.

Gindalbie issued its statement in response to an article in the Weekend Australian newspaper suggesting that Chinese Premier Wen Jiabao could witness a signing ceremony between Gindalbie and Ansteel when he visits Australia next month.

Gindalbie said the report was premature but it will make the necessary disclosures to the market.

Gindablie is one of a number of Australian companies hoping to develop iron ore projects as China's steel mills seek to diversify sources of supply.

PHOTO: **EBL**

K Mahmood Sattar (C), managing director and chief executive officer of Eastern Bank Ltd (EBL), speaks at a press conference in Dhaka yesterday to announce the launch of the bank's financial kiosks in the capital. Ali Reza Iftekhar, deputy managing director, and Mashrur Arefin, head of Consumer Banking of the bank, were also present.