



DHAKA, MONDAY, DECEMBER 20, 1999

Bangladesh-India
Chamber meets
today

A 34-member FBCCI delegation left for Calcutta yesterday to attend the first meeting of Bangladesh-India Chamber of Commerce and Industry today to discuss ways of boosting bilateral trade, says UNB.

Led by FBCCI President Abdul Awal Mintoo the delegation comprises its Vice-President MA Mumun, and Selima Ahmed, Zafar Ahmed Chowdhury, Sukumar Ranjan Ghosh, Dr Momenul Huq, Abdul Wahed, Afnan Hoque Sohel and Abdu Shahid, directors of the country's apex trade body.

Chief Minister of West Bengal Joti Basu will inaugurate the meeting that will also be addressed by Commerce and Industries Minister Tofail Ahmed.

FBCCI President Abdul Awal Mintoo, FICCI President GP Goenka, Bangladesh High Commissioner to India Mostafa Farrukh Mohammad, Indian High Commissioner to Bangladesh Deb Mukherji and FICCI's past President AS Kasliwal will speak on the occasion.

The meeting will discuss bilateral trade, investment and infrastructure between India and Bangladesh in two technical sessions.

Besides, the delegation will also attend the inaugural ceremony of 13th Industrial India Trade Fair organised by Bengal National Chamber of Commerce and Industry (BNCCI) and International Trade Promotion Organisation, New Delhi, on Tuesday.

The West Bengal Chief Minister will also open the fair where the Bangladesh Minister and FBCCI President will also speak.

The delegation is expected to return home on Thursday.

Indian inflation
slips to 2.44pc

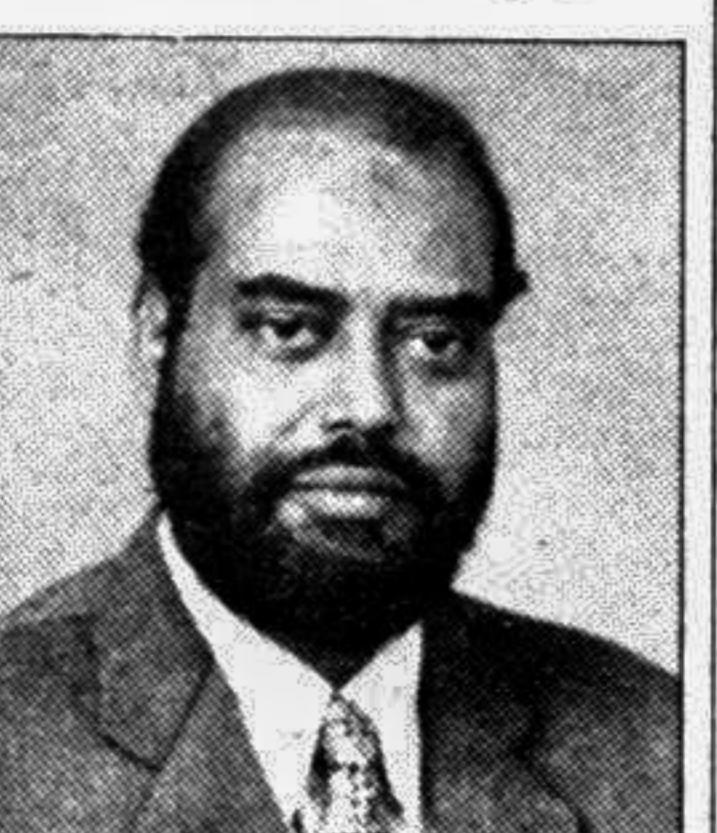
NEW DELHI, Dec 19: India's inflation rate continued to decline for the third consecutive week and stood at 2.44 per cent for the week ended on December 4 following the consistent fall in prices of major food products, reports Xinhua.

According to the Reserve Bank of India, prices of food articles recorded sharp decline resulting in a 0.3 per cent fall in the Wholesale Price Index (WPI) for all commodities during the week.

The lower rate of inflation during the most part of the current year is mainly on account of a comparison with a higher base last year when overall prices were up following abnormal increases in vegetable prices.

Forex reserves surge
Meanwhile, India's foreign exchange reserves rose by 33 million US dollars to 34.321 billion dollars on December 10 from 34.288 billion dollars in the previous week.

Enamul Hoq
reelected Federal
Ins chairman
Star Business Report



Enamul Hoq has been unanimously re-elected chairman of the Federal Insurance Company Limited.

The election was held at a meeting of the Board of Directors after the 11th annual general meeting of the company held in the city recently, says a press release.

Alhaj Sabirul Hoque and Alhaj Nurul Alam were elected vice chairmen while Alhaj Rafiqul Anwar, MP was unanimously re-elected chairman of the Executive Committee of the Board.

Former professor of Chittagong Govt College and Senate Member of Chittagong University Enamul Hoq is the chairman of Semco Fertiliser Ltd and Director of Sino-Bangla Industries Ltd, a Chinese joint venture, Central Hospital and Paradise Corporation (Pvt) Ltd.

Chairman of the governing bodies of Boalhali Haji Nurul Hoque Women Degree College, Alhaj Sabirul Hoque is the chairman of Shapla Ship Breakers Ltd and Managing Director of Dada Salt Factory, Noot Oil and Food Products Ltd and Arafat Ltd.

Director of Chittagong Chamber of Commerce and Industry, Alhaj Nurul Alam is Managing Director of Ronson Knitting Ltd and Chittagong Padding Ltd, a Korean joint venture, and Chairman of Dress Design Ltd and RANL Design Ltd.

NBR body readies list of PSI firms

By M Shamsur Rahman

A five-member evaluating committee of the National Board of Revenue (NBR) yesterday finalised the list of pre-shipment inspection (PSI) companies.

The companies which found their berth in the final list are: Inspectorate Bangladesh Ltd, Bureau Veritas and Intertech Testing Services.

Sources said the government wants these companies to begin functioning from early next month.

We will issue final letters to these firms very soon and negotiate the terms and conditions for their functioning," according to a committee member.

The mandatory PSI was scheduled to begin in early October this year, but the delay in tender floatation and other formalities held it back.

The government has recently formed a five-member body to select from the companies which participated in the

bidding. Some six companies had participated in the NBR-floated tender for selecting the PSI agents.

The PSI, which is currently optional, has been made mandatory in the current budget to check duty evasion and to streamline the collection system.

The government is optimistic that the new system will generate about Tk six billion more in revenue.

But revenue collection in the first five months of this fiscal witnessed a massive shortfall. The dearth was attributed mainly to the slump in imports and delay in PSI implementation.

As the latest figures suggest,

the deficit in the first five months have reached Tk 723.79 crore. In November alone, it fell

Tk 284.63 crore short of target.

The collection fell 24.79 per cent short of goal in October while the achievement was

94.62 per cent in September, 98.95 per cent in August and 95.49 per cent in July.

PSI, which was optional in

Bangladesh, is a standard practice in international trade and the agents normally make

consignment appraisals at points of origin. Tariff is fixed upon

their evaluation.

Wal-Mart eyes Indian market

NEW DELHI, Dec 19: US retail giant Wal-Mart is eyeing the giant Indian market and plans to open up shop here, a company official said in an interview published Sunday, says AFP.

Thomas M. Coughlin, president and chief executive officer of Wal-Mart Stores and Supercenters, told the Hindu newspaper in an interview in New York that India could not be bypassed by any foreign company.

BADC begins onion seed distribution

Bangladesh Agriculture Development Corporation (BADC) has already launched a country-wide onion seed distribution drive for the current Rabi season (1999-2000), a BADC press release said here yesterday.

As per the programme taken

up in September last, onion

seed distribution has already

been started through the country's 11 regional sales centres

including Dhaka with 320 kgs.

Mymensingh with 80 kgs.

Faridpur with 400 kgs.

Rajshahi with 200 kgs.

Dinajpur with 100 kgs.

Parsing with 100 kgs.

Bogra with 100 kgs.

Rangpur with 200 kgs.

Jessore with 200 kgs.

Kushtia with 200 kgs.

Barisal with 54 kgs.

The press release said

around 50 per cent of the onion

seed has already been sold out

while nearly 1000 kgs were still

available in 11 regional sales

centres. So there was no dearth

of seed anywhere in the country.

The government must have

a consistent and transparent

policy for a long period of time

and reform-minded bureaucrats

should be given key posts

instead of procedure-oriented ones," Pandurangi told the news agency.

Foreign investors have com-

plained of bureaucratic hurdles

India must shed inertia to woo foreign firms: Analysts

NEW DELHI, Dec 19: India, which badly needs foreign investment, has to wriggle out of administrative inertia and swiftly adopt consistent and transparent laws to avoid foreign firms pulling out, analysts said, reports AFP.

US-based Cogentrix Energy

and Hong Kong-based China

Light and Power International

Ltd walked out of giant 1.3 billion

dollar power project this

month, blaming red tape and

legal hurdles.

"This could happen again, maybe to smaller projects also, and if the government does not shake itself out of its inertia, it will have a cascading effect," Amrit Pandurangi, chief of infrastructure division at KPMG India Ltd., consultancy firm, warned.

Trade bodies argue that India, with more than 3,000 federal statutes, is over-legislated and under-governed.

"There needs to be a process

to simplify laws. But before doing

that there must be transparent laws so that the courts can

throw out public interest litigations

of corruption," Pandurangi said.

The Supreme Court rejected

a verdict by Bangalore high

court for a federal probe into

corruption allegations based on

a public interest litigation

against China Light and Power

International in the Bangalore

power project.

K P Singh, chief of the Associated Chambers of Commerce and Industry, called on the executive and the judiciary for reviewing the public interest litigations by setting a time-frame to end such court cases.

"Cogentrix has invested more than 10 billion rupees (232 million dollars). Today they are nowhere in sight ... we have to make business attractive and allow overseas players to make profits."

The US ambassador to India, Richard Celeste, warned that Cogentrix has become a "high visibility case among the American businesses."

"The message is not about the power sector, but the difficulty of doing business in telecom, construction and other major infrastructure areas," he told the Times of India.

"When an overseas entrepreneur wants to invest in India, his project must be cleared in one package, by one authority. Red-tapism still remains in core infrastructure," Singh said.

PC sales nosedive in local market on Y2K menace

While computer sales on the world market has grown by 17 per cent in the terminal quarter of 1999, the business in high-tech products recorded a sharp fall in Bangladesh in a grim contrast, reports UNB.

The contact was signed by CS Muthu Subramanyam, DGM (Exports) of Ashok Leyland Ltd, and Mir Mohammad Hussain, Managing Director of Pragoti Industries Ltd. This contract was signed initially for 250 truck chassis for a period of two years.

Ashok Leyland has agreed to give all necessary supports and assistance to Pragoti Industries Ltd for progressive manufacture of different parts of the truck chassis in course of time. The quantity of vehicles may be increased in future depending on the market demand and the agreement may be renewed with mutual consent, he said.

Engt Sultan Ahmed Sikdar, Director (P&D) and Chairman of Pragoti Industries Ltd Board, and Iftekhar Ahmed Tipu, Managing Director, Ifad Autos Ltd, the local representative of Ashok Leyland Ltd, were present at the signing ceremony.

BB treasury bill auction held

The 67th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held in Dhaka yesterday, reports UNB.

The mock trading session today, he said, was participated by a large number of brokers but not all could do it due to network jam.

The brokers' terminals had

also been tested, he said.

The central system of the bourse, he said, would remain unaffected even if the virus affected brokers' terminals.

The millennium bug had

been completely tested to make

the system compliant.

Those who logged on could

place orders and transact during the mock trading session, he said.

BB treasury bill auction held

The 67th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held in Dhaka yesterday, reports UNB.

A press release said that Tk 681 crore, Tk 3 crore, Tk 57 crore, Tk 17 crore and Tk 18 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day and 2-year bills.

Of these, Tk 631.10 crore, Tk 3 crore, Tk 49 crore, Tk 11 crore and Tk 2 crore of 28-day, 91-day, 182-day, 364-day and 2-year bills were accepted. The range of implicit yields were 6.00-6.35 per cent, 6.60-6.63 per cent, 7.20-7.50 per cent, 7.99-8.00 per cent and 8.85 per cent per annum respectively.

No bid was offered for the 5-year bill.

France-India 2000 held in New Delhi

French urged to exploit new offers from Bangladesh

Syed Fahim Munaim, back from New Delhi



Francis Dubus, President of France-Bangladesh Chamber of Commerce and Industry (CCIFB), Mokammal Haque, Executive Chairman of the Board of Investment (BOI), Pierre Boedoez, French Trade Commissioner in Bangladesh, Kazi Zafarullah, Chairman of Privatisation Board, Mostafa Mohammad Farook, Bangladesh High Commissioner in India, are seen at a seminar on Economic Trends in Bangladesh at France-India 2000 exhibition held recently in New Delhi.

highlighted the progress the government had made and explained in detail why one should invest in Bangladesh. He said except four reserve sectors, all industries are now open for investment. The reserve sectors are defence, nuclear energy, forestry and security printing. He stated that the liberalisation process which started in the 90s had made Bangladesh even more liberal than India.

Pierre Boedoez, French Trade Commissioner in Bangladesh, gave a presentation on economic trends in Bangladesh in one of the seminars attended by representatives of the French and Indian companies interested in investing in Bangladesh. Mokammal Haque, executive Chairman of BOI, Kazi Zafarullah, Chairman of the Privatisation Board, and Mahbub Jamil, President of Metropolitan Chamber of Commerce and Industry, also spoke on the occasion. Mostafa Mohammad Farook, Bangladesh High Commissioner to India, and members of the Bangladesh trade delegation were present