The Daily Star
BUSINESS
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Dhaka-Ctg power project to get $40m Kuwait Fund loan

The visiting Kuwait Fund Mission yesterday concluded a draft agreement on the Greater Dhaka-Chittagong Power Transmission and Distribution Project (Phase-III) that would cost about US$142 million, reports UNB.

Of the project cost, about US$70 million would be in foreign currencies, said a Kuwait Embassy press release.

Kuwait Fund for Arab Economic Development would be extending a loan of about US$40 million towards the financing of the foreign component cost of the project.

"The project aims at meeting the growing electricity demand in Chittagong Metropolitan City and its adjacent industrial area as well as Cox's Bazar town up to 2005," said the release.

The project consists of the extension, renovations and rehabilitation of transmission and distribution networks to meet additional demand of about 240 MW and serve about 106,000 new consumers.

It includes 1,400 km high and medium-voltage new and renovated lines, about 1,350 km low-voltage lines, the construction, expansion and renovation of 42 high and medium-voltage substations adding a total transformation capacity of about 1,900 MVA.

Also part of the scheme is provision of about 1,400 distribution transformers and 9,500 single and threephase energy meters.

Aptech seminar on e-commerce held at Sylhet

Aptech Computer Education arranged a seminar on e-commerce at its Sylhet centre on Saturday, says a press release.

Professor Dr Sadruddin Ahmed Chowdhury, ex-Vice Chancellor of Shahjalal University of Science and Technology, chaired the seminar as chief guest.

Principal of Sylhet Government College Miftaur Rahman and Press Club President Muqtabis-Un-Nur were present in the meeting as special guests. Tarun Mitra, Country Operation Head of Aptech (WOS) Bangladesh LTD, Tapan Kanti Sarker, Executive Director of Flora Systems LTD, Mahmudul Hoque, Centre Head of Aptech Sylhet Centre and a good number of people from various profession also attended the seminar.

Tapan Kanti Sarker presented the keynote paper and the multimedia presentation of the topic. He emphasised that computer skilled young generation of Bangladesh could contribute a lot to e-commerce.

Tarun Mitra said: "Aptech started its mission in Bangladesh with the vision to be the greatest institution for IT training. Like many other Aptech centres, Sylhet centre is also offering many kinds world class IT courses".

Professor Miftaur Rahman said "the people of Sylhet had a dream of world class computer training and Aptech has taken it to their door step."

Professor Dr Sadruddin Ahmed Chowdhury said: "Every year a good number of Sylhet people are going abroad especially to the UK and USA. They can increase their income tremendously by earning computer skill. He appreciated the Aptech Sylhet Centre by saying that the centre had open a new horizon of professional training for the young generation of Sylhet.

After the seminar prizes were distributed among the winners of Power Point Presentation Competition arranged by Aptech Sylhet Centre. Al-Amin Rana got the first prize, Foisol Ahmed the second prize and Mustafa Ahmed and Mustafizir Rahman jointly won the third prize.

New Personal Banking Manager of HSBC

Joe Barker-Bennett has joined HSBC Bangladesh as Manager-Personal Banking, says a press release.

Barker-Bennett has been working with HSBC Group since 1989. He worked in Asia, including postings to Thailand, Hong Kong, South Korea and Singapore. Most recently, he was Manager-Banking Services in Japan.

First auction begins in Ctg today

Brokers expect better price for tea this season

From Nurul Alam

CHITTAGONG, Apr 24: Stage is set for resumption of the new season's tea auction in the port city tomorrow amid a brightened prospect, brokers and officials said.

The first auction is scheduled to witness an offering of 15,000 bags of tea for sale, broker sources said.

"The market will be very interesting this season as we are expecting more tea to be put on sale due to favourable climate marked by good initial rainfall," said an official of a leading broker house, Rafay Nizam.

"We are expecting better price for our tea this time though the price and demand nosedived despite a production shortfall in the last season," Rafay said.

This year's production target of tea was set at 60 million kg as against 56 million kg set for the last year.

In 1999, production due to draught fell by 12 million kg to 44 million kg, compared with that of 1998, official sources said.

Tea export also declined to 15 million kg in 1999 from 22 million kg in 1998 due to less export enquiry. The average tea price slumped to Tk 58 per kg in the last season that ended in March this year while the average price recorded in the previous season was Tk 61 per kg.

Meanwhile with a view to recapturing the Pakistani market, Bangladeshi tea growers and traders have started lobbying with the government to promote tea export to the country, concerned sources said.

A delegation from Bangladesh recently visited Pakistan to attend a tea convention and to persuade the Pakistani government and tea importers into buying more Bangladeshi tea.

Pakistan once used to import about 6 million kg of tea from Bangladesh, but the volume came down to 3.5 million kg in 1999 as the bulk of tea was imported by Pakistani traders from Kenya, sources said.

"We started lobbying for government-level talks between Bangladesh and Pakistan to win tariff facilities for our tea to Pakistan. This could help raise the country's export," said Qamrul Islam Chowdhury, Chairman of Bangladesh Tea Growers' Association, adding "we want to raise the export to Pakistan to at least 10 million kg a year."

"We are also trying to explore tea markets in other foreign countries," Qamrul added.

In Bangladesh, tea is produced in 156 gardens and exported to 25 countries.

Muhammad A Ali, General Manager and Country Head, and other officials of ANZ Grindlays Bank, are seen after the inauguration of the bank's newly-relocated Uttara sales and service centre yesterday.
— ANZ Grindlays photo

A seminar on e-commerce organised by Aptech Computer Education at its Sylhet Centre on Saturday.
— Aptech photo

US favours dismantling Microsoft

Move aims at ending market monopoly

WASHINGTON, Apr 24: The US Justice Department and 19 states are to ask a court to split the software giant Microsoft into two or three separate companies, the Washington Post reported today, says AFP.

Under the proposal, Microsoft would be forced to spin off the Windows operating system from the rest of the company, sources said. The Windows company would be permitted to include Internet browsing functions.

Microsoft would then be forced to spin off a second company that sells its software applications, such as a word processor and the Excel spreadsheet programmes. That company might also get parts of the company that make the Internet browser, the software used to access the World Wide Web, sources said.

Sources told the daily that the plan to dismantle Microsoft is a bid to end the software giant's monopoly in the US computer industry.

The drafting of a breakup plan marks only the first time since the 1974 antitrust lawsuit against AT and T Corporation that the federal government has considered such a drastic proposal for a corporate lawbreaker.

A US federal court judge ruled April 3 that Microsoft had broken antitrust laws, setting in motion the search for a remedy.

But a Microsoft spokesman told the Post that a breakup would be a step too far.

"There is nothing in the case that was brought that would merit such an unfounded remedy and one that is not in the interest of the industry or of consumers," Greg Shaw, a Microsoft spokesman, said.

"It is difficult to know what's being floated as a trial balloon and what is something that all the parties will agree upon," Shaw told the Post.

If Microsoft is divided into three companies, sources said, the third would be an Internet company that would get the browser and the Microsoft Network, which is the Internet service provider and Web portal that competes with America Online Inc. and other companies.

Judge Thomas Penfield Jackson, who presided over the case, will hear arguments May 24 on proposed remedies.

The federal judge gave the parties, including the 19 states that joined the federal government's case, until April 28 to file briefs on proposed remedies.

Microsoft will have until May 10 to reply with its own proposals, and the government will respond with a brief one week later.

Weekly Asian Currency

Yen strengthens against dollar following G7 meeting

HONG KONG, Apr 24: The yen strengthened against the dollar following the lack of concern expressed by the G7 meeting of finance ministers about its strength, reports AFP.

Elsewhere in the region, the Australian dollar continued to languish against the dollar while the Indonesian rupiah fell through a six-month low. Trade was shortened in most countries due to a holiday on Friday.

Yen: The yen edged up against the dollar during the past week as a Group of Seven (G7) statement said it was unconcerned about the yen's strength, dealers said.

The Japanese unit stood at 105.67-69 to the dollar late Friday, compared with 105.85-88 a week earlier.

The yen shot up into the 103 range on Monday with investors cheering the absence of concern about the yen's strength in the G7 statement on April 15, dealers said.

The yen also strengthened following concern about a fresh plunge in New York share prices following a meltdown on April 14.

The yen lost some ground late in the week, dragged down by dollar buy-backs and the US unit's bullishness against the euro.

Australian dollar: The "Aussie," faces another week of languishing below the psychologically-important 60 US cent mark, as interest rate differential factors and the persistent 'old economy' tag prove poor directors for the currency, analysts said Thursday.

Craig James, Chief economist for Colonial State Bank, said the only factor likely to lift the currency remained the possibility of a recovery in commodity prices.

"With some justification, market participants have given up waiting for the mystical upturn to appear," he confessed.

"Until the Australian dollar gets a new compass, it will continue to sail around in circles."

Peter Clay, currency strategist at ABN AMRO, said gauging a trend in current circumstances was very difficult.

Clay said it was hard to pick the trend in the Australian dollar at the moment.

"I think you could safely say that volatility will remain high but picking the next one cent move is nigh on impossible," he said.

On the Reserve Bank's Trade Weighted Index the Australian dollar ended trade on Thursday at 52.5, the same as the previous week.

NZ dollar: New Zealand's dollar closed the holiday worth 49.83 US cents, little changed over the week.

A currency dealer said the "kiwi" had spent a very quiet week trading in a 49.71 cents and 49.85 cents range. It was likely to stay quiet going into the holiday break, and was expected to continue to find support around 49.60 cents and selling at 50 cents.

HK dollar: The Hong Kong dollar was trading at 7.7882-7.7887 to the greenback on Thursday, very slightly down on the previous week's 7.7878-7.788.

Singapore dollar: The Singapore dollar appreciated to 1.6965 against the US dollar on April 20 from 1.7085 on April 14 on the back of strong non-oil domestic figures for March and expectations of a stronger yen, dealers said.

Taiwan dollar: The Taiwan dollar slipped 0.1 per cent against the greenback over the week to close at 30.530 on Friday amid a volatile bourse, dealers said.

"The currency is expected to regain strength in the coming week as the stock market stabilises and foreign capital outflow eases," dealers said.

The currency closed at 30.539 Monday. It rose slightly to 30.535 Tuesday but fell to 30.550 Wednesday. The unit ended at 30.552 Thursday.

Philippine peso: The Philippine peso closed lower, week-on-week at 41.230 pesos to the US dollar on Wednesday from 41.170 pesos on April 15.

There was no trading on Thursday and Friday due to the Easter holidays.

S Korean won: The won strengthened from 1,111 won to the dollar a week earlier to 1,080.50 won Friday.

Dealers said the won is expected to trade within a range of between 1,050 won and 1,100 won in the coming week as dollars from export earnings are expected to flow into the market toward the end of the month.

Indonesian rupiah: The Indonesian rupiah weakened, sharply during the week falling through a six-month low to 7,965 to the dollar at Friday's close compared with 7,618 to the greenback last week.

Thai baht: The baht firmed marginally over the week to 37.90-92 compared to last week's close of 38.04-06 but could not strengthen further as many foreign investors were sidelined for the Easter weekend and did not need to buy the local currency.

ANZ Grindlays relocates Utara sales & service centre

ANZ Grindlays Bank officially inaugurated its newly relocated Uttara Sales and Service Centre yesterday, says a press release.

The centre was inaugurated by Neil Merrick, DGM and Head of Personnel Financial Services of the bank.

KM Sattar, Head of Corporate Financial Services and some valued customers of the bank were present.

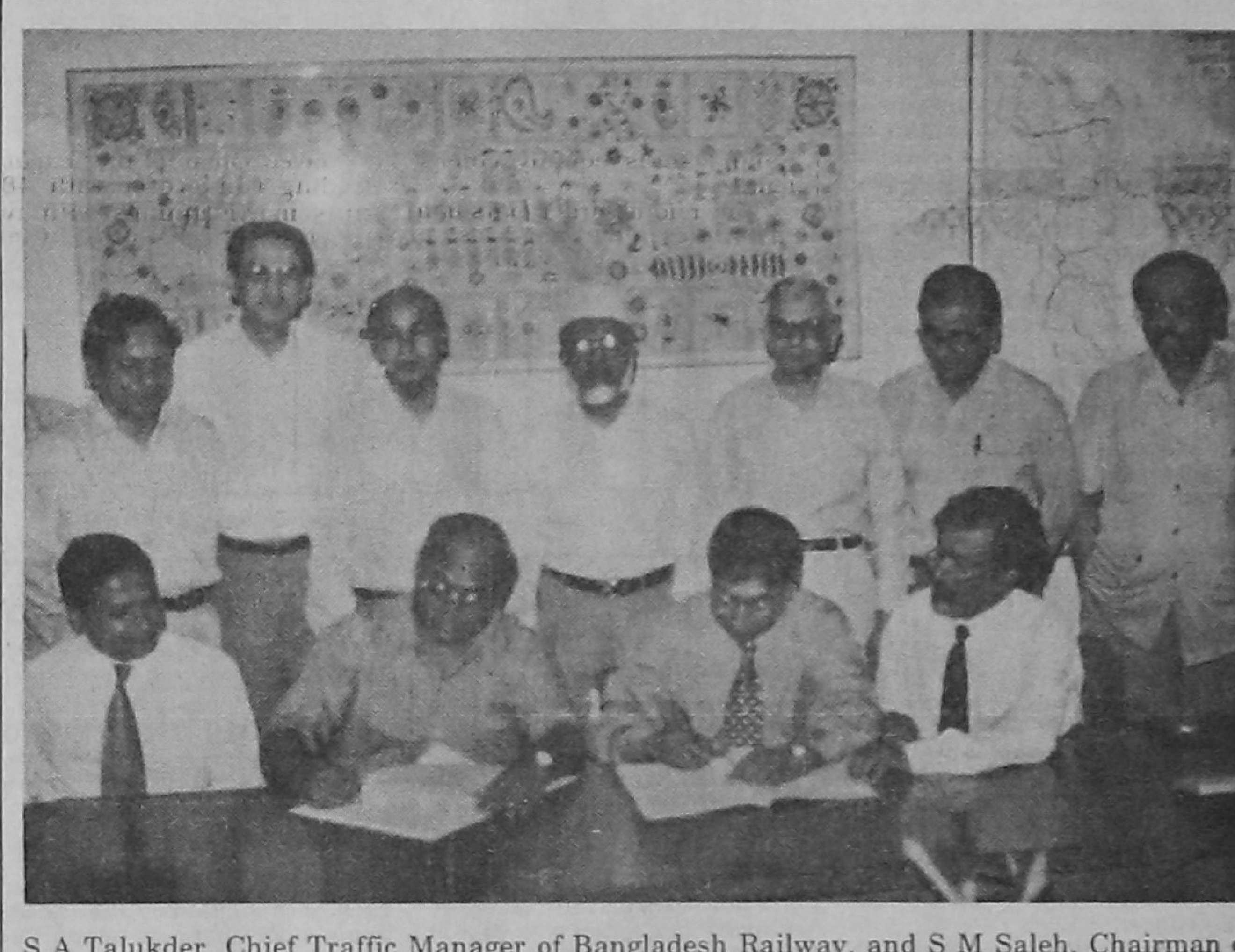
The newly relocated Uttara office started functioning from the 15th of this month.

ANZ's primary objective behind the relocation of the Uttara Sales and Service Centre is to make banking more convenient for customers of Uttara and to provide them with superior customer service.

All personal banking services, including lockers, will be available at the new premises.

ANZ Grindlays Bank has 14 Sales and Service Centres in Dhaka, Chittagong, Narayanganj, Khulna and Sylhet.

One centre will be opened in Bogra soon.



S A Talukder, Chief Traffic Manager of Bangladesh Railway, and S M Saleh, Chairman of Mian Traders, sign an agreement on Monday to operate the commercial activities of Surma Mail train in private sector.
— BR photo

Putin aims to double GDP in 10 yrs

Govt role in economy to be trimmed

MOSCOW, Apr 24: President Vladimir Putin's long-awaited economic programme will aim for doubling Russia's gross domestic product within 10 years and trim the government's role in the economy, one of its designers said Sunday, reports AP.

Alexei Ulyukayev, an economist with the Centre for Strategic Developments, which Putin formed to put together his long-term economic policy, said a key goal of the plan would be increasing average personal incomes.

Speaking on Russia's RTR television, Ulyukayev said the economic programme would aim at increasing the average Russian family's monthly purchasing power from the current $100 a month to $250 a month.

The plan will aim at doubling GDP within 10 years, an ambitious aim in a country where the economy has shrunk steadily for most of the past decade.

Russia's economy is plagued by corruption and deep structural problems, and Putin frustrated his rivals in the recent presidential campaign by saying he would release his economic plan only after the elections.

Putin, who easily won the vote last month, has indicated he would continue market reforms, but is also a proponent of a strong state.

Ulyukayev said Putin's economic plan would reduce direct government influence in the economy, except in social services and infrastructure. He said the government "should flex its muscles" in enforcing law.

Indian entrepreneurs planting feet in two worlds

NEW YORK, Apr 24: Sumit Kapur and Raj Yerasi are businessmen taking a path that was unthinkable only a few years ago, says AP.

Sons of immigrants from India, they've been educated in the United States and are recent graduates of Harvard. Both got their first jobs as investment bankers at JP Morgan.

It was the American Dream, but not enough. The two quit their jobs and poured all their money into a Web site — back in India.

"A lot of people are outsourcing to India, whereas we're going the other way — building software in America and taking it to India," said Kapur, 24. "For now, we will have offices in Bombay and New York."

Keeping one foot in the United States and the other in India is allowing a trickle of entrepreneurs to take advantage of the growing connections between the two countries' technology industries.

Those who can couple their knowledge of Indian culture with the business acumen of the United States are positioned to succeed in both places.

For instance, when Yerasi and Kapur came up with their Web site — TeriMeri.com, an auction site geared specifically toward Indians and Indian products — they discovered a few people had already tried the idea.

"They just threw up the site quickly and walked away from it," Yerasi said. "They didn't have the American land grab mentality when it comes to marketing to pull it off."

AnnaLee Saxenian, an economics professor at the University of California-Berkeley who has studied the contribution of immigrants to Silicon Valley's economy, said the phrase "land grab" is telling.

"These are the pioneers, the early goers. And if they succeed economically and are very happy, the word will travel quickly," she said.

And while the numbers of Indians coming to the United States certainly outpaces the numbers returning, Saxenian sees a nascent economic bridge developing between the countries' technology industries.

"You will see more circulation, more brain circulation," she said. "I think it is extremely important for India and beneficial for the US as well."

The benefits for the United States are large. Silicon valley companies founded by Indian and Chinese immigrants accounted for more than $16.8 billion in sales and some 58,000 jobs in 1998, her study found.

On the other end of this bridge is the opening markets of India.

India had 950,000 Internet users at the end of 1999, said Richard Jacobson, an IDC analyst in Malaysia, and IDC expects 17.2 million within four years. IDC valued e-commerce transactions originating in India at $9.7 million last year and forecasts $4.3 billion by the end of 2004.

In Silicon Valley, Saxenian's study, released last June, found that Indians had started more than 770 high-tech firms. That number is certainly higher now, she said.

It is these people, Indians who found their riches in Northern California, who are beginning to cast their gaze back home.

Hotmail co-founder Sabeer Bhatia is one of the more prominent Indian expatriates turning his attention toward India.

"Our roots are back there, so we feel a strong sense of obligation to the country to do something for it," said Bhatia, 31. "At the outset, that defines the framework for all we do."

Bhatia, who is now heading up the e-commerce company Arzoo after selling Hotmail to Microsoft, is on a Securities and Exchange Board of India committee that is looking to create a mini Silicon Valley.

"Its purpose is to create an infrastructure in India just like the one that exists over here — a place where people can create wealth both for themselves and for their investors," Bhatia said from his office in Fremont, California.

William H Draper, managing director of the venture capital firm Draper International, is placing his bets on US-India high-tech ties, too. It has offices is both Silicon Valley and Bangalore, India.

"There is definitely a conductivity between brains in Silicon Valley and brains in India," Draper said. "There is a definite nerve system that has been built up and that is becoming very productive."

He estimated $150 million-dlrs 200 million in venture capital poured into India from the United States last year and said the flow will only increase.

For Yerasi and Kapur, starting TeriMeri.com was a business decision. But, like many others of Indian descent in the United States, their business is giving them a route to their past.

"We had been looking at ideas concerning just the US, but when we came up with this, we thought it was the best of both worlds," Yerasi said. "It is very entrepreneurial, and it gets us back in touch with our roots."

Commercial activities of Surma Mail go private

Commercial activities of passenger train Surma Mail running between Dhaka and Sylhet will be operated by a private firm, Mian Traders, from May 1, says a press release.

A contract to this effect has been signed between Bangladesh Railway and Mian Traders in the city yesterday.

S A Talukder, Chief Traffic Manager of Bangladesh Railway, and S M Saleh, Chairman of Mian Traders, signed the contract on behalf of their respective organisations.

The commercial activities include selling and checking of tickets and ensuring cleanliness and safety of the coaches.

Earlier, Bangladesh Railway leased out commercial activities of 23 pairs of passenger trains.