

India moves to impose anti-dumping duty on Bangladeshi battery

Dhaka urgently needs to take up issue with Delhi, WTO

MONJUR MAHMUD

The Indian authorities have unilaterally taken a decision to impose anti-dumping duty on Bangladeshi lead acid battery export, citing alleged non-cooperation by the country's biggest battery manufacturer Rahimafrooz.

Bangladesh government now urgently needs to initiate talks with the Indian counterpart at the highest level to avoid a big dent on the country's battery exports. If such talks fail, the issue will have to be taken to the arbitrary cell of the World Trade Organisation by this month, and delay in this regard would spell disaster, according to exporters.

The Indian authority alleged that Bangladesh battery exporter has not complied with the anti-dumping investigation requirement. "The exporter also expressed reservation regarding giving consent for verification visit by the investigation team of the authority to their premises for on the spot verification of the information submitted by them," Directorate General of Anti Dumping & Allied Duties of the Ministry of Commerce & Industry informed Bangladesh High Commission in

Delhi in a letter.

The Indian authorities have termed such 'reservation' as non-cooperation and threatened imposition of anti-dumping duty.

But Bangladeshi exporters have outright rejected such allegations of the Indian authorities.

"We did not deny our consent for investigation. We are ready to provide all documents and welcome the Indian authorities to visit our factory. But they need the government's consent and have to come through proper channel," Niaz Rahim, President of Bangladesh Accumulator and Battery Manufacturers Association (BABMA), told The Daily Star yesterday.

Besides, the grounds on which the non-cooperation charge has been brought are not covered under the anti-dumping investigation rules, local battery manufacturers said.

The exporters have now requested the commerce ministry to initiate dialogue at the highest level between the two countries. "If India fails to respond to the request for consultation, we request the commerce ministry that

the dispute settlement procedure of the anti-dumping agreement be invoked including referring the matter to the Dispute Settlement Board of the WTO," Niaz Rahim stated.

Meantime, BABMA has also replied to the Indian authorities, saying that the attempt of the Director General of Anti-dumping to impose anti-dumping duty will nullify the terms of preferential trade and tariff preference given under SAPTA and duly accommodated within the legal regime of WTO.

Regarding on the spot factory verification, the agreement requires the authorities to inform the Bangladesh government and seek its consent. The association has also submitted all information to Indian authorities to assess the impact of battery export from Bangladesh.

Two Indian companies filed a petition demanding initiation of an anti-dumping investigation, and imposition of anti-dumping duty on battery exports to India from Bangladesh. Exide Industries and Amara Raja Batteries Limited filed the petition, saying that huge numbers of lead acid batteries are making their

way into India from Bangladesh, Japan, Korea, and China due to easing of import restrictions, and bringing import of lead acid batteries under open general license.

A move to slap anti-dumping duty on automotive lead acid battery exports to India was rejected on March 21 this year by the Indian government after the former Bangladesh commerce minister raised the issue with his Indian counterpart during his visit to India on March 13.

Subsequently, the matter against Bangladesh was dropped pending further investigation. But India went ahead on similar charges against Japanese, Korean, and Chinese exporters.

The Indian customs authorities revived an anti-dumping petition in May against Bangladeshi lead acid battery imports. As a result, Bangladeshi battery exporters are being harassed by the Indian customs.

Bangladeshi automotive battery manufacturers were allowed to continue exports to India under the preferential tariff allowed under the SAPTA.

New index calculation method put into place

Indices go higher, but make little movement

M SHAMSUR RAHMAN

Both the bourses of the country yesterday introduced the Securities and Exchange Commission (SEC) prescribed index under weighted average method and excluded 'Z Group' shares from the calculation list.

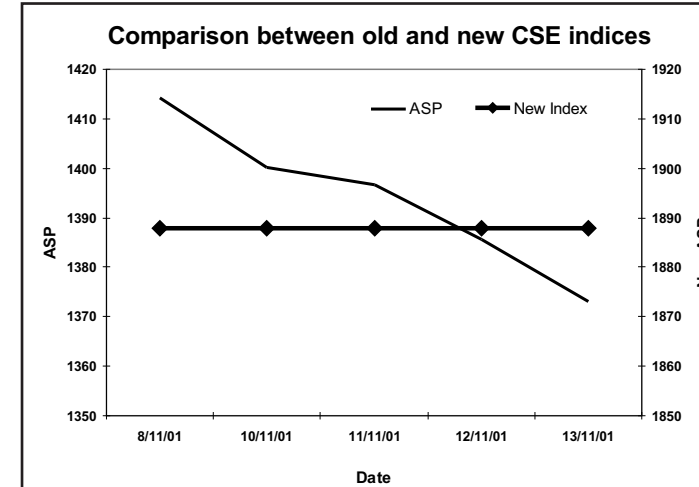
Both the indices have replaced the conventional age-old all share price indices which had been seen as the benchmark barometer of the bourses.

The Dhaka Stock Exchange (DSE) named the new index as Share Price Index and the base index has been calculated at 817.62 points. The Chittagong Stock Exchange (CSE) calls the new index Trade Volume Weighted Index, which stood at 1836.72 points after the close of yesterday's trading.

Despite significant price changes of many scrips in both the bourses, the day's change in index was only 0.00208 per cent in DSE, which was .01 point higher compared to the base index. For CSE, the change was a mere 0.0004 per cent.

Under the weighted average method, the index is calculated on the basis of price change of the shares traded on the day.

The market capitalisation of non-traded shares remains constant while prices of the traded scrips are



taken to derive the market capitalisation.

SEC termed the new move an attempt to arrest any bid to bring down or push share prices up by trading a small number of shares.

Many stockbrokers alleged that the SEC is actually trying to hide its own incompetence and artificially putting the market at a higher level through the new calculation method.

They also said the new calculation will make index movement very negligible even though the market may lose significantly. For example, if the index fluctuated 50 points under

the previous calculation method, it would not move by hardly 1.5 point.

The Chittagong Stock Exchange (CSE) has made a comparison between the All Share Price Index (ASP) and SEC prescribed index.

"We found that while there were significant changes in the All Share Price Index, we did not find much movement in the SEC prescribed index," said CSE Chief Executive Maroof Matin.

On November 13, 2001, the change in ASP was 12.71 points. But under the new calculation, it showed only 0.04 points movement.

Qatar interested to recruit more skilled workers from Bangladesh

UNB, Dhaka

Showing interest in recruiting more skilled manpower from Bangladesh, Qatar Ambassador in Dhaka Abdulla Almana yesterday stressed the need for signing a bilateral agreement to this effect.

The ambassador gave the assurance following a request made by Labour and Employment Minister Abdullah Al Noman during a meeting at the minister's office yesterday.

Recalling the contribution of Qatar government in Bangladesh's development, the minister said that the ties of fraternity between the two countries have been consolidating fast, said an official handout.

Nearly one lakh Bangladeshi people have been working in Qatar since 1976 with their efficiency, honesty and sincerity, the minister told envoy.

He said the devoted, hard working and disciplined labourers of Bangladesh are working in different countries across the world with good reputation.

FONS exports fibre optic components to Denmark

FONS (Fibre Optic Network Solutions Bangladesh Ltd.) for the first time exported different fibre optic components recently to Denmark, says a press release.

More export orders are promised by the Denmark buyer, BBT, ApS Holte, the release added.

As part of market promotion activities with the financial support of MGF, FONS has achieved this new buyer from Denmark.

This export is the outcome of visit to European countries during April-May, 2001 by Emdad Ul Haq, Managing Director and CEO of FONS Bangladesh Ltd. Haq arranged the export of fibre optic connector, pigtail and patch cords adaptor and patch panel.

Taiwan to allow its companies to make notebook computer in China

AFP, Taipei

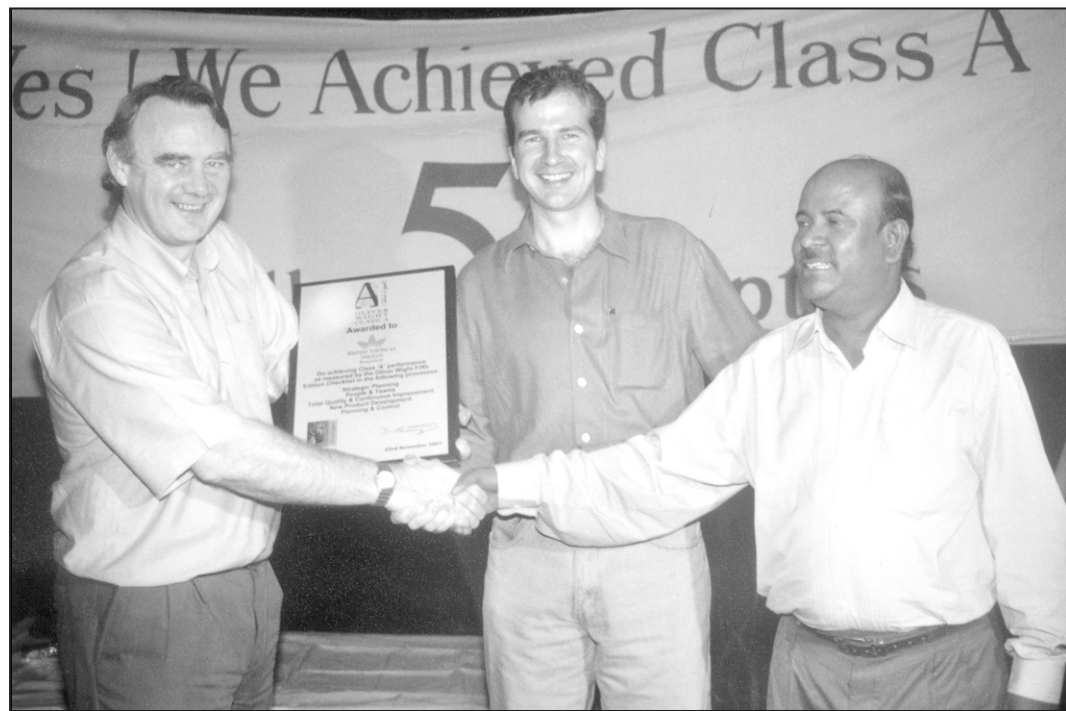
Taiwanese firms will be allowed to make notebook computers and other electronic goods in rival China as part of government relaxation on mainland-bound investment, a report said Saturday.

A government-led panel has decided to end a ban on China-bound investment for high-end laptops, third-generation mobile phones and peripheral computer hardware, the United Daily News said.

The panel was expected to finalise a new list of product lines to be opened for investment in the mainland next month, it said.

As part of the liberalisation package, the government is expected in January to end a ban on direct investment in China imposed in 1949 when the two sides split at the end of a civil war.

Currently Taiwan's massive investment in China goes via third territories, notably Hong Kong.



Dave Manning (extreme left) of renowned consultancy firm Oliver Wight hands over the MRP II Class A certificate to Saidul Islam Minu (extreme right), CBA General Secretary, and Paul Kirkham (middle), Managing Director of British American Tobacco Bangladesh, recently.

BATB awarded MRP II Class A status

British American Tobacco Bangladesh has been awarded Class 'A' status in all 5 chapters of the international and prestigious total business excellence programme MRPII, says a press release.

The results were announced on Thursday after the audit was conducted by renowned consultants Oliver Wight which gives recognition to companies in any industry measuring the performance of its people, processes and tools.

Last year, BATB was audited on four of five possible chapters in the programme in their first try, namely 'Strategic Planning Process,' 'People & Teams,' 'Planning & Control' and 'New Product Development' and won class A status in all of them. In 2001, BATB completed the set with Class A in the final chapter, 'Total Quality & Continues Improvement' British American Tobacco Bangladesh is the first company in the country to get such an award in the country.

The challenge to sustain the Class A position was positively accepted by the people of BATB and they all worked as a team to continuously raise the standards for achieving class A status in the final chapter.

Throughout the company there were drives for initiating changes to bring continuous improvement in different processes. Those initiatives gave improved results in parallel with this success. Significant volume and profit growth, working capital reduction and balance sheet strengthening, competitive positioning in the marketplace and remarkable improvements in employee motivation, development and commitment are clear examples of the power of the MRPII programme.

Following the announcement, the Managing Director of British American Tobacco Bangladesh thanked all the people in BATB saying, 'I feel so proud and privileged to be a part of this team at BATB. It is a winning team, a learning team, a modest team and a successful team.'

Other class A companies in the world are Kodak, Coca Cola, SmithKline GlaxoWellcome, Ericsson and Caterpillar.

Belgian govt, Sabena sue Swissair for \$1.7b

AFP, Brussels

The Belgian government and Sabena, the bankrupt national airline, have launched proceedings in Belgian courts to sue Swissair for 1.94 billion euros (1.7 billion dollars), said Public Works Minister Rik Daems Friday.

"The SAirGroup (the holding company of Swissair) and SAirLines have committed a number of contractual and non-contractual errors," he said in a written statement.

He said the case centred on an agreement by Swissair to cover the financial needs of Sabena, and to order nine new aircraft.

Sabena's bankruptcy on November 7, followed that of Swissair, although Swissair is still operating after a 2.1 billion Swiss Franc (1.4 billion euro) rescue package was put together by the government and private businesses.

EU trade chief explores areas of co-op with Indian IT sector

AFP, Hyderabad, India

European Union Trade Commissioner Pascal Lamy Saturday visited the southern Indian city of Hyderabad to explore areas of potential cooperation with the region's booming IT sector.

"We have heard that this is an investment friendly, dynamic region with great potential for growth in new age sectors like IT. I am here to

check this out for myself," Lamy told reporters in the city, which is the capital of Andhra Pradesh state.

Lamy was due to hold meetings with local business leaders and the state's IT-savvy chief minister, Chandrababu Naidu.

Naidu has actively promoted the development of technology in the state, turning Hyderabad into one of India's fastest growing IT hubs. Lamy took part in the India-EU

summit in New Delhi on Thursday and Friday, which identified information technology as a priority area for cooperation.

The EU is India's largest trading partner and the annual bilateral trade is nearly 25 billion dollars.

Lamy said Friday that trade between India and the EU had the potential to double within five years. Lamy's visit to Hyderabad was on the final day of his four-day visit to India.

Japanese banking giant to cut 4,000 jobs

AFP, Tokyo

Japanese banking giant Mitsubishi Tokyo Financial Group Inc. (MTFG) will cut 4,000 jobs, or 17 per cent of its group workforce, to cope with flagging profitability, a report said Saturday.

The bank, which currently employs some 23,000, will reduce its workforce to 19,000 by March 2005, the Yomiuri Shimbun newspaper said.

It will also step up streamlining its branches and selling shares from its stock portfolio, Japan's top-selling newspaper said.

"Given a dismal corporate environment, the bank has decided to take restructuring measures in a bid to strengthen its profitability," the daily said, citing sources close to the bank.

The Yomiuri said in September the bank would post a net loss totaling tens of billions of yen (several million dollars) in the six months to

September against a net profit of 150 billion yen forecast in May.

The projected loss was due to massive appraisal losses in stocks holdings amid a slump in Japanese share prices, the daily said.

Mitsubishi Tokyo Financial Group was created in April after a merger between the Bank of Tokyo Mitsubishi Ltd., formerly Japan's biggest lender, Mitsubishi Trust and Banking Corp. and Nippon Trust Bank Ltd.

China sets up gold assoc in market reform move

AFP, Beijing

China has set up an association to promote the interests of gold companies as the government prepares to open up the state-dominated market, state media said Saturday.

The China Gold Association (CGA) was set up as part of an effort to reform the country's gold market, the China Daily said.

Since the communists came to power 51 years ago, the People's Bank of China has monopolized all gold purchases and allocation to users.

The government is planning to deregulate the gold industry, and will open the Shanghai Gold

Exchange next week, marking the end of the state monopoly in trading of the precious metal.

Cheng Fumin, newly elected chairman of the CGA, said the association will meet the requirements of the World Trade Organization (WTO) and use market principles to manage and supervise the operation of gold businesses, the China Daily said.

It will provide a platform and create channels for China's gold producers, processing businesses, wholesalers and retailers to exchange information and promote the development of the gold industry, the paper said.

CGA will act as a bridge between

the government and gold companies in protecting business interests and providing information, consultancy, coordination and intermediary services for them.

The association is expected to help gold enterprises complete market reform and sharpen their competitive edge during the transition period after China's formal entry to the WTO, set for December 11.

It will also be involved in market supervision. China produced 173 tonnes of gold last year and is expecting production in 2001 to top 175 tonnes.

CURRENCY

American Express Bank Ltd foreign exchange rates (indicative) against Taka to major clients.					
Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	57.6500	57.6800	56.5000	56.2970	56.2250
Pound Stg	81.8515	81.8941	79.0548	78.7708	78.6700
Deutsche Mark	26.3534	26.3534	24.9361	24.8465	24.8147
Swiss Franc	34.8149	34.8330	33.7012	33.5801	33.5371
Japanese Yen	0.4677	0.4680	0.4508	0.4492	0.4487
Dutch Guilder	23.3770	23.3891	22.1312	22.0517	22.0235
Danish Krona	6.8452	6.8487	6.6276	6.6038	6.5953
Australian \$	30.4565	30.4723	28.6625	28.5595	28.5229
Belgian Franc	1.2770	1.2777	1.2090	1.2047	1.2031
Canadian \$	36.4090	36.4279	35.0062	34.8804	34.8358
French Franc	7.8536	7.8577	7.4351	7.4083	7.3989
Hong Kong \$	7.4063	7.4102	7.2298	7.2038	7.1946
Italian Lira	0.0266	0.0266	0.0252	0.0251	0.0251
Singapore \$	31.7107	31.7272	30.3960	30.2867	30.2480
Euro	51.5160	51.5428	48.7708	48.5956	48.5334
Saudi Rial	15.4149	15.4229	15.0250	14.9710	14.9519

US dollar London Interbank Offered Rate (LIBOR)						
TC Buying (USD)	TC Selling (USD)	Current	1 Month	3 Months	6 Months	9 Months
56.2250	57.6500	USD	2.10875	2.15625	2.2225	2.4000
TC Buying (GBP)	TC Selling (GBP)	GBP	3.86	3.94063	3.99	4.06688
78.6700	81.8515	EURO	3.34313	3.37375	3.29213	3.27513

Exchange rates of some Asian currencies against US dollars					
Indian rupee	Pak rupee	Thai baht	Malaysian Ringgit	Indonesian rupiah	Korean won
48.00/48.010	60.70/61.00	44.13/44.17	3.7995/3.8005	10480/10510	1260/ 1270

Amex notes on Saturday's market

The inter-bank USD/BDT market was moderately active. The average call rate ranged between the previous range of 5.50 and 6.25 per cent.

The dollar hit its highest level in 3-1/2 months against the euro and yen on Friday, helped by rallying US stock markets and waning expectations of an eventual UK referendum for euro membership. Overnight, advance leaks of a speech by British Prime Minister Tony Blair had many traders speculating over a long-awaited timetable for a referendum for euro membership, sending the single currency higher in holiday-thinned markets. But the actual address gave now new information in regards to a timetable, prompting the market to give back the euro's earlier gains.

Meanwhile, the yen was undercut by speculation that the United States would not object if Japan weakened its currency by buying foreign bonds. At the close of an abbreviated US session, the Dow Jones Industrial Average posted at 1.3 per cent gain and the Nasdaq Technology Composite gained 1.5 per cent, helping underpin the dollar's gains.

In late US trading, the yen trimmed earlier losses against the greenback but was still hunkered at its weakest level since early August, trading near 124.20 per dollar, down more than 0.30 per cent from its previous close. Sterling fell to a four-month low against the dollar in the wake of advance leaks of the speech, but staged a rapid recovery as traders tempered their bets. It drifted around \$1.41 after falling as low as \$1.4042 overnight.

A New York close on Friday, the exchange rates of major currencies against USD were GBP/USD 1.4092/1.4098, USD/CHF 1.6659/1.6665, USD/JPY 124.26/124.32, EUR/USD 0.8782/0.8786.

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Pakistan keen to increase investment in Bangladesh

UNB, Dhaka

Pakistan is keen to increase trade and investment with Bangladesh.

Pakistan High Commissioner to Bangladesh Iqbal Ahmed Khan said this when he called on Commerce Minister Amir Khasru Mahmud Chowdhury at his office yesterday.

During the meeting the Pakistani envoy said there is a vast prospect of increasing trade and investment between the two countries.

But bilateral trade could not reach to the expectation due to some barriers including lack of direct shipping communication between the two countries, he added.

He also apprised the commerce minister of Pakistan's interest to participate in ensuring Dhaka International Trade Fair.

The commerce minister told the envoy that both the countries could gain profits through joint-venture projects as there are many common sectors between the two countries.

The minister sought for increased import from Bangladesh to Pakistan and expressed Bangladesh's view to expand regional trade for increasing intra-SAARC business.

Commerce Secretary Sohel Ahmed was present in the meeting, said an official statement.

DCCI training course on lease financing held

The certificate-awarding ceremony of the 5-day training course on leasing financing -- easy access to finance was held at DCCI Business Institute in the city on Thursday, says a press release.

The course was organised by DBI under DCCI-GTZ partnership programme.

36 participants from leasing companies and private business organisation attended the course.

The course incorporated topics like concept of leasing, importance of lease financing, advantages of leasing, basic issues of leasing, types of leases and basis of leasing mechanism, leasing procedures, rights and duties of lessor and lessee, buy or lease decision, comparison vs loan option, marketing of lease financing, lease accounting, documentation of lease proposal, monitoring of lease and handling of default leases.

Speaking on the occasion Matur Rahman, DCCI director, said lease financing has become one of the very dynamic and vital sources of finance in manufacturing and businesses in Bangladesh during the last couple of years. He said proper knowledge about the procedures and related functions of a leasing company is a pre-requisite to get funds from leasing company. He called upon the participants to utilise the acquired knowledge for the promotion of business in Bangladesh.