

Buckingham Palace shops won't accept euro cash

AFP, London

Buckingham Palace has announced that its shops will not accept the new euro currency when the notes and coins are introduced in 12 of Britain's fellow EU member nations on Tuesday.

Britain, where most people are eurosceptic according to opinion polls, is not among the countries adopting the new common currency, although some major retail chains here have announced that they will accept the euro at the tills.

"It's purely a business decision," a palace spokesman said Sunday.

"Retail outlets at official residences have never accepted other currencies."

The palace stressed that "this is not an anti-European decision".

Major London shops such as Harrods and Selfridges, as well as the Marks and Spencer, WH Smith and Boots retail chains have said they will accept the euro currency after it is introduced elsewhere in Europe on January 1.

Electronics giant Dixons will do the same, despite the fact that its president, Stanley Kalms, is a member of the anti-euro Business for Sterling group.

AB Bank's open discussion held

An open discussion between the senior management and all the employees of Dhaka branches of Arab Bangladesh Bank Limited was held yesterday at the BCIC Auditorium, says a press release.

The employees shared their views on wide range of issues to which bank management responded and hoped to uphold the image of the bank in the coming years.

The managing director of the bank stressed the importance of accountability, transparency and sustainable growth and thanked the employees for their contributions and dedication.

Bangladesh Gas Fields earns Tk 50.78cr profit

Bangladesh Gas Fields Company Limited earned a net profit of Tk 50.78 crore during the year 2000-2001, says a press release.

The company earned a Tk 1126.59 crore from sales of gas, petroleum products and other sources.

The profit figures were disclosed at the 46th annual general meeting of the company, held at the company board room in the city recently.

Bangladesh Gas Fields Company Limited, a company under Petrobangla, commenced gas production on commercial basis in 1968 from 2 fields -- Titas and Habiganj. A maximum of 626 million cubic feet gas and 576 barrel condensate were produced daily during (2000-2001 FY) from the 6 gas fields -- Titas, Habiganj, Bakhrabad, Narsingdi, Meghna and Shaldanadi.

As a producer of 61 per cent of the total gas demand of Bangladesh, this company is the largest natural gas producing government controlled commercial enterprise in the country and is playing a significant role in strengthening the socio-economic structure of the country.

Techno Textile declares 10pc dividend

Techno Textile Mills Ltd has declared a 10 per cent dividend for its shareholders, says a press release.

The dividend was declared at the 6th annual general meeting of the company held Wednesday in the factory premises in Gazipur.

Syed Monzurul Huq, Chairman and Managing Director of the company, presided over the meeting.

Directors Syed Enayet Kabir, Hosne Ara Huq, Kamrunnabir Huq, and Md Khoshed Alam, nominated Director of Bangladesh Shilpa Bank, were present.

Takao Kobayashi, General Manager of Dhaka Office, attended the meeting as observer on behalf of M/s. Marubeni Corporation of Japan, the foreign counterpart of the joint venture.

The company during the past year under review earned a gross profit of Tk 115.50 million and a net profit of Tk 49.90 million, the AGM was told.

Besides, the company had paid all payable dues to the BSB and other financial institutions totalling Tk 106.00 million during the year, all in time.

FBCCI seminar calls for IT industry modernisation

STAR BUSINESS REPORT

Speakers at a workshop yesterday stressed the need for modernising Bangladesh information technology industry in order to keep pace with the rapidly changing world scenario.

They observed the business environment is changing fast with the rapid development in the IT sector.

The workshop styled 'Modernising IT Industries in Bangladesh' was held at the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) conference room in the city. It was organised by TechBangla, an IT firm, in collaboration with the FBCCI.

FBCCI President Yussuf Abdullah Harun attended the workshop as chief guest.

The workshop was divided into two sessions -- E-commerce in the Field of E-business in Bangladesh and Software Requirements Engineering and System Analysis.

Khaled Azizi Sumon, Information Technology Director of Atraphoenix, a Canadian IT company, presented key note paper on e-commerce in the field of e-business in Bangladesh while Mustafizur Rahman presented paper on software requirements engineering and system analysis.

Addressing the function, Yussuf Abdullah Harun said the software industry has tremendous potential in the country and the government rightly identified it as a thrust sector.

"In order to modernise the IT industry in the country it is necessary to have an appropriate IT policy in place," he observed.

Chief of the country's apex trade body also said the IT industry in Bangladesh will grow with increased use of the computerised system and Internet.

He also put forward six proposals for speedy development of the sector in Bangladesh.

The proposals include expediting privatisation process of telecom sector, getting connected with global information superhighway through sub-marine cable, access to telephone connections at competitive prices, introducing soft credit for e-commerce, e-health, e-education and Internet service providers, introduction of computer science in all secondary school and colleges, recasting the traditional syllabi to generate IT professionals.

Harun appreciated some government decisions to facilitate IT growth in the country.

Khaled Azizi Sumon, in his key-note paper on e-commerce in the field of e-business in Bangladesh, said Internet has opened up avenues for Bangladesh to access global market.

He noted Bangladeshi businessmen are shy to invest in the IT sector as it is relatively a new sector in the country, adding that one does not need to be IT specialist to start an IT business.

He further said the world-wide business to business (B2B) through e-commerce is expected to reach \$6335 billion by 2004 and business to consumers (B2C) e-commerce is estimated to rise from \$32 billion in 1999 to \$380 billion by 2003.



An open discussion between the senior management and all the employees of Dhaka city branches of AB Bank was held at the BCIC Auditorium yesterday. Picture shows C M Koyes Sami, President and Managing Director (3rd from left), delivers his speech. Abu Haniff Khan, Joint Managing Director (4th from left), and other senior executives attended the discussion session.

India posts 5.3pc growth

Analysts see brighter prospects next year

REUTERS, New Delhi

India's economy posted a better-than-expected 5.3 per cent growth in the second quarter of 2001/02 on the back of its agriculture sector, which analysts said pointed to brighter growth prospects next year.

A government website on Sunday showed second quarter gross domestic product growth outstripped the 4.4 per cent in the preceding quarter, helped by expansion of 3.4 per cent in the farm sector compared with just 0.5 per cent a year earlier.

"It's better than expected. I had expected it to be around 4.9 per cent," Saumitra Chaudhury, economic adviser with credit rating agency ICRA Ltd, told Reuters.

While the figures indicated signs of recovery in the rebound economy, analysts said a slowing would hinge on stability in the region following the recent spiraling of tensions between India and Pakistan.

"There are signs of recovery due to good agriculture growth. But its longevity depends on stability. If there's a war, it will hurt," said D K Srivastava, economist with the National Institute for Public Finance and Policy.

Relations between the two nuclear-capable neighbours have soured since a suicide attack on India's parliament this month, which New Delhi blames on two Pakistan-based militant groups.

Both nations have massed troops and weapons along the borders, scaled down diplomatic relations and traded tit-for-tat sanctions.

Even though the second quarter GDP growth was lower than the 6.2 per cent recorded in the same period last year, the numbers left most analysts pleasantly surprised.

Most of them had expected growth to be hit by the global economic upheaval, especially after the attacks in the United States in September.

"Agriculture is doing the trick of pulling growth up. But other sectors like manufacturing need to pick up," said Arun Kumar, economist with the New Delhi-based Jawaharlal Nehru University.

India's economy has been slowing with lower exports, revenue and industrial growth slipping. It grew 5.2 per cent in 2000/01 (April-March), down from 6.4 per cent a year earlier.

The services sector, the growth engine which contributes nearly 50 per cent to GDP, grew 7.5 per cent in July-September quarter against 8.5 per cent a year earlier, the figures of the Central Statistical Organisation showed.

But the manufacturing sector continued to be the worst hit, reflecting poor domestic demand and lower exports. It grew by a paltry 2.3 per cent compared with a healthy six per cent in the same period last year.

However, analysts said a pick up in other sectors in the coming months would pull up this crucial sector too.

Lankan economy shrinks 3.7pc in third quarter

AFP, Colombo

Sri Lanka's economy shrank by 3.7 per cent in the September quarter from a year earlier, partly due to fallout from a terrorist attack against the country's international airport, the central bank said Monday.

The central bank said gross domestic product (GDP) contracted 0.7 per cent in the first nine months. This stood in stark contrast to an expansion of 6.4 per cent in the corresponding period last year.

The sharp contraction in the third quarter compared with 0.4 per cent growth in the second quarter.

"Several adverse factors that confronted the Sri Lankan economy during this period were responsible for this unusual negative growth," the bank said in a statement.

It said a Tamil Tiger attack against the island's only international airport in July contributed to the slowdown.

The rebel strike caused a loss of

some 1.5 billion dollars to the war-battered economy, which relies heavily on tourism, officials have said.

Deputy Finance Minister Bandula Gunawardena said the economy is expected to shrink 0.5 per cent in the full year, sharply lower than the 6.0 growth seen last year.

Gunawardena's United National Party came to power at the December 5 elections promising an economic revival and an end to the island's dragging Tamil separatist war.

The poor economic news came a day after the government warned the country is also facing a major debt crisis.

Gunawardena said Sunday debt servicing in the first three months of 2002 would be 46 billion rupees (500 million dollars) while anticipated revenue was much less.

"There will be no money for any other government expenditure after we service the debt," Gunawardena told reporters.

Debt servicing next year was seen at 295 billion rupees (3.2 billion dollars) compared with estimated government revenue of 275 billion (2.9 billion dollars).

It will be the first time that Sri Lanka's debt servicing exceeded total state revenue, Gunawardena said.

Winners of Virgin New Year 2002 raffle draw

The draw of the Virgin New Year 2002 was held at a city hotel on Thursday, says a press release.

Noted artiste Afsana Mimi and Rezakul Haider, Director of Global Beverage Co Ltd, conducted the raffle draw.

Faruqa Tarannum Nabillah, a 7-year-old girl from Dhaka, won the first prize-- a four-member family trip to Singapore.

Mahzuba Tazri Oishi, a 6-year-old girl from Mymensingh, bagged the second prize-- a four-member family trip to Kuala Lumpur while Zeenat Ara Khan Eva from Dhaka clinched the third prize-- a four-member family visit to Nepal.

Among others, Abul Kashem Haider, Chairman of Global Beverage Co. Limited, Feroz Alam, Managing Director of the company, and other Directors were present on the occasion.

Alltex okays 5pc dividend

The shareholders of Alltex Industries Limited approved a five per cent dividend at the company's 17th annual general meeting held on Sunday on its factory premises, says a press release.

Hasna Ahmad, Chairperson of the company, presided over the meeting. Engr. Afsar Uddin Ahmad, Managing Director, M A Mohsin, Additional Director, and Liaquat Ali Chowdhury, Company Secretary, were also present at the meeting.

It was also informed in the AGM that the export proceeds during 2000-2001 was 57 per cent higher than that of the previous year and the company earned a net profit of Tk 4.37 crore.

The managing director told the meeting that the company's export would stand at Tk 2.6 billion after completion of final phase of BMRE.

China economy grows 7.3pc

REUTERS, Beijing

China said Sunday its economy grew an annual 7.3 per cent in 2001, according to a preliminary estimate, slowing from 2000 but still the envy of Asia and the world's major economies amid the global downturn.

Gross domestic product (GDP) was more than 9.58 trillion yuan (\$1.16 trillion), the State Statistical Bureau said.

This marked only the second time China's GDP has exceeded \$1.0 trillion, as it did in 2000 when GDP rose an annual 8.0 per cent to 8.94 trillion yuan.

"Compared to the rest of Asia, it's definitely one of the highest economic growth rates. Most of the Asian economies are doing much worse than China," said Liao Qun, senior economist for Standard Chartered Bank in Hong Kong.

China's economic growth is the envy of Asian economies hit hard by the slowdown in the United States. Singapore and Japan are in recession, Hong Kong is on the brink and Taiwan expects its first contraction ever -- its economy reeling in the worst slump in nearly three decades.

But analysts say China will be hard pressed to maintain seven per cent growth in 2002, as its major trade partners including the United States and Japan struggle to get their economies back on track.



Noted artiste Afsana Mimi conducts the Virgin New Year 2002 raffle draw at a hotel in the city on Thursday as officials of Global Beverage Co. Ltd look on.

SB receives Tk 3900cr remittance in 5 months

BSS, Dhaka

Country's leading scheduled bank, the Sonali Bank has given a new package to attract expatriate Bangladeshi workers to use authorised means of money transfer to their families in Bangladesh.

The bank, which so far was the first choice of the Non Resident Bangladeshis (NRBs) for remitting money to their families at home, received about Taka 4,000 crore in foreign currencies last year from the NRBs.

The Sonali Bank during the five months of the current fiscal received Taka 3900 crore in foreign currencies as remittances from the expatriate workers.

A highly placed source in Sonali Bank said that with the new incen-

tives given in the new package for remittance, they expected more NRBs to use their services. This will also substantially reduce the use of illegal means for remittance including through "Hundi," he observed.

Under the new package, the Sonali Bank will ensure transfer of remitted money to the receivers within three days anywhere in Bangladesh and by 24 hours in the city areas of Dhaka, Chittagong and Sylhet.

The bank has also set up a Foreign Remittance Cell at its head office for quick dispensation of any complain and provide advice to the clients in this regards.

Under the new incentive package an NRB remitting money to Bangladesh will now have to pay US dollars 5, 10 and 15 for slab up to

500 dollars, 1000 dollars and 1001 and above respectively. The previous bank commission was 10, 15 and 20 to 50 dollars respectively according to the slabs.

The Sonali Bank will operate the remittance from abroad through its subsidiaries and representatives office in USA and UK and its associated Exchange Houses and Banks in Middle Eastern countries and Malaysia.

The country received over Taka 10,000 crore in foreign currency as remittance from expatriate Bangladeshi workers this year through authorised means of money transfer. With the new measures taken by the government, more remittance this year through the authorised channel is expected.



Picture shows (seating from left), M A Mohsin, Additional Director of Alltex Industries Ltd, Hasna Ahmad, Chairperson, Engr Afsar Uddin Ahmad, Managing Director, and Liaquat Ali Chowdhury, Company Secretary, at the company's 17th AGM held in Narayanganj on Sunday.

Japan seeks economic alliance with ASEAN

AFP, Tokyo

Japan is to propose an action plan to form a comprehensive economic alliance, including free trade accords, with the ASEAN members, a daily said Monday.

The proposal will be made when Prime Minister Junichiro Koizumi visits five members of the Association of Southeast Asian Nations (ASEAN) in early January, the Yomiuri Shimbun said, quoting government sources.

The Japanese government is expected to hold a working-level meeting in late January with ASEAN counterparts to begin drawing up the action plan, the mass-circulation daily said.

Tokyo hopes the proposed alliance will be launched in five to 10 years, the newspapers said.

The plan is part of Japan's effort to secure its economic position in Asia, where China is enhancing its

presence by speeding up dialogue with ASEAN members, the daily said.

The action plan is to clarify procedures in talks over the alliance by setting a range of cooperation among signed members and a deadline for its conclusion, the newspaper said.

Japan hopes the alliance will include free trade accords, mutual investment agreements, energy security treaties and a framework designed to protect intellectual property, it said.

Japan plans to call for official approval of the plan when Japanese and ASEAN leaders are to hold a meeting in Cambodia in late 2002, it said.

Japan had previously favored multilateral pacts in bodies such as the World Trade Organisation (WTO), but is now shifting its focus to free trade accords.

KL sees stable growth in '02

AFP, Kuala Lumpur

Prime Minister Mahathir Mohamad Monday predicted Malaysia's economy will enjoy stable growth in 2002 despite the woes facing its two key economic partners -- the United States and Japan.

"The economy will continue to strengthen even though the world economy is becoming worse due to the dampening of the US and the Japanese economy," Mahathir was quoted as saying by Bernama news agency in his annual New Year message.

Falling foreign investments which in the past helped to fuel growth would be replaced by public spending to ensure growth, he said.

Malaysia has introduced two fiscal measures in a three billion ringgit (789 million dollars) package in March and a 4.3 billion ringgit package in September to boost the ailing economy.

Mahathir, who is also the finance minister, said Malaysia need not seek foreign borrowing since domestic funds were sufficient.

"The country's financial position

Pubali Bank relocates its Mughaltuly branch

Pubali Bank Ltd's Mughaltuly branch under Dhaka South Zone has been shifted to Monsur Khan Plaza, says a press release.

Chairman of the Board of Directors of the bank Monir Uddin Ahmad inaugurated the new premises. He said the bank's 250 branches have already been computerised and rest of the branches would be computerised by 2002.

Ansaruddin Ahmed, Deputy Managing Director and General Manager and Regional Head of Dhaka South Zone Mizanur Rahman Mollah also spoke on the occasion.

S'pore economy contracts 2.2pc

REUTERS, Singapore

Singapore's recession hit economy contracted by 2.2 per cent in 2001 after shrinking seven per cent in the final quarter of the year in year-on-year terms, Prime Minister Goh Chok Tong said yesterday.

The outcome was slightly better than the government's latest forecast for Gross Domestic Product (GDP) in 2001, which was for a contraction of about three per cent compared with 9.9 per cent growth in 2000.

The Prime Minister said the government was sticking to its GDP forecast for 2002 of minus 2.0 to plus 2.0 per cent and expected a fairly tough year ahead.

"It is better for us to prepare for another lean year," Goh said in his New Year's message.

The city state is scheduled to release an official advance estimate of GDP for the fourth quarter and for the full-year GDP on January 2.



Syed Monzurul Huq, Chairman and Managing Director of Techno Textile Mills Ltd, presides the 6th annual general meeting of the company in Gazipur on Wednesday.