

Sugar production increases

Sugar mills under Bangladesh Sugar and Food Industries Corporation (BSFIC) have produced one lakh 388 tons of sugar till January 29 in the current crushing season (2001-2002), says a press release.

This production is higher than the last crushing season's (2000-2001) total production of 98 thousand 355 tons.

In the current season, government has fixed the total sugar production target at one lakh 83 thousand 125 tons. Sugar production in 15 mills of the country is going on in full swing and it is expected that the target will be achieved in due time, it said.

Besides about two lakh 20 thousand acres of land has been brought under sugarcane cultivation so far and it is expected that sugarcane plantation target of two lakh 43 thousand acres would be exceeded, the release added.

Japan takes US anti-dumping law to WTO

AFP, Tokyo

Japan on Wednesday filed an action with the World Trade Organisation (WTO) against US anti-dumping measures on Japanese steel sheets, a government official said.

"Today, we brought the case to the WTO as we concluded that the US antidumping laws are violating WTO regulations," said ministry of economy, trade and industry official.

It was the second action filed by Japan against US antidumping measures on Japanese steel products.

"Under the WTO rule, member economies are supposed to end anti-dumping measures after five years, but the United States has taken the measures since 1993 against Japanese steel sheets for automobiles," the official said.

More layoffs in S'pore soon

AP, Singapore

Singapore will see thousands more lose their jobs in the coming months and the city-state will have to diversify its export-dependent economy to compete with China and neighbouring Malaysia, Singapore's labour minister said.

"We must still be prepared for quite a lot" of layoffs, said Lee Boon Yang, adding that layoffs would "certainly" exceed the 11,000 per year seen before the 1997 Asian financial crisis.

Japan's last coal mine shuts down

AP, Kushiro

Hundreds of miners clad in coveralls and wearing helmets with headlamps emerged for the final time Wednesday from Japan's last coal mine, marking the end of an industry that literally helped fuel the country's miraculous post-World War II recovery.

After 82 years of operations, the Taiheiyu Coal Mine Co. was forced to close its facility on the edge of this city on the northern island of Hokkaido because of high production costs and cheap imports.

"When I left the house this morning, the only thing my wife said was 'One more day. Be careful and don't get hurt,' said 36-year-old Choji Tsukigi, who has worked at the mine since he graduated from high school.

"I haven't really thought about what I'll do next. The coal mine has been my life. I have no training to do anything else," he said.

All of the 1,000 miners put out of jobs by the closure will receive a severance check of around 8 million yen (\$60,150).

But because of Japan's lingering economic doldrums, many of them will be hard-pressed to find new work. The government announced earlier this week that unemployment is at a record high of 5.6 per cent.

Hitachi to cut 4,000 jobs

AFP, Tokyo

Japan's electronics giant Hitachi Ltd. plans to cut 4,000 more jobs, news reports said Wednesday.

The firm plans to introduce a voluntary retirement scheme aimed at workers aged 40 or more, to further strengthen its fundamentals, the Asahi Shimbun newspaper said.

The company had previously announced a plan to cut 16,350 jobs before the end of March 2002.

SAREC to work for integrated energy market in South Asia

STAR BUSINESS REPORT

South Asian Regional Energy Coalition (SAREC) yesterday said it wants to help establish an integrated energy market in South Asia and develop energy sector in the region, but not to focus on any specific project.

This was stated by Herbert J Davis, chief executive officer of SAREC, an alliance of private sector energy organisations, while addressing a press conference in the city.

Herbert J Davis, who is also the Managing Director of South Asia Affairs Division of United States Chamber of Commerce, said former US energy secretary Bill Richardson and former commerce secretary Rebert A Bob Mosbacher have agreed to serve as co-chairmen of the association.

SAREC was formally launched on Tuesday in Dhaka. It is a partner organisation of South Asia Regional Initiative/Energy (SARI/Energy), sponsored by USAID. The US Chamber established the coalition through a cooperative agreement with the USAID.

SAREC will encourage governments in the region to involve private sector in implementing energy sector projects, he said.

"I am not speaking here on behalf of any company", said Herbert J Davis replying to a question.

Among others, member of the Permanent Advisory Committee of

SAREC Akteruzzaman Manju, representing the FBCCI, was present during the press conference.

Herbert J Davis said SAREC hopes to hold a South Asia Energy Summit in Washington in June or September this year.

Ministers, senior bureaucrats, business leaders from Bangladesh, India, Nepal, Bhutan, Maldives, Sri Lanka and the United States will discuss the opportunities of US private sector investment in the energy sector in the region at the summit. The issue of energy security is also likely to figure in the meet.

Davis was optimistic about joining of Pakistan and Afghanistan in the coalition within next few months.

According to him, SAREC members include 23 energy-related chambers and associations as well as private sector corporations having interest in energy and power development from South Asia. The secretariat of SAREC is headquartered at the US Chamber of Commerce headquarters in Washington DC.

From Bangladesh the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) is partner of the coalition while American Chamber of Commerce in Bangladesh (AmCham), Dhaka Chamber of Commerce and Industry (DCCI), Foreign Investors' Chamber of Commerce and Industry (FICCI) and Bangladesh Energy Companies Association (BECA) are the members of the coalition.



Zahid Hossain Chowdhury, Managing Director of Trust Bank, and Masud Khan, Finance Director of Lafarge Surma Cement Limited, sign an agreement on the bank's participation in pre-IPO placement in Lafarge on behalf of their respective organisations recently in the city.

Trust Bank completes pre-IPO placement of Lafarge Cement

A signing ceremony of the Trust Bank's participation in pre-IPO placement in Lafarge Surma Cement Limited was held recently at the Boardroom of the bank, says a press release.

The Trust Bank has taken over shares of Lafarge Surma Cement Limited worth Taka 10 million.

Zahid Hossain Chowdhury, Managing Director of the bank, and Masud Khan, Finance Director of Lafarge, signed the agreement on behalf of their respective organisations.



Photo shows a syndicated loan signing ceremony of Square Sarah Fashions Limited and three banks yesterday in the city. Under the deal, Square Sarah Fashions will get Tk 97 crore from Citibank NA Bangladesh operation, State Bank of India Bangladesh operation and Eastern Bank Limited.

Square Sarah Fashions signs Tk 97cr loan deal with 3 banks

STAR BUSINESS REPORT

Square Sarah Fashions Limited, a joint venture between Square Group and Sarah Tex GmbH of Germany, signed a syndicated loan agreement of Tk 97 crore with three banks yesterday.

The amount of loan is so far the largest financing in a single unit in the apparel sector. Two foreign banks -- Citibank NA and State Bank of India -- and one local bank - Eastern Bank Limited -- are providing the amount as term loan and working capital.

Tapan Chowdhury, Director of Square Sarah Fashions Limited (SSFL), K Mahmood Sattar, Managing Director and Chief Executive Officer of Eastern Bank

Limited, Jayanta Kumar Kanjilal, CEO of State Bank of India Bangladesh operation, and David E. Rees, CEO of Citibank NA Bangladesh operation, signed the agreement on behalf of the respective organisations.

After signing the agreement at Square Centre in the city, Tapan Chowdhury termed the project as a complete one and said it has been set up with post multi fibre agreement (MFA) in mind.

"We are very hopeful about the project," he said. "With the financial arrangement we would be able to compete with the countries like China and India after 2004," he maintained. The SSFL, designed to add total value from export, will start production by end March this year.

Tapan Chowdhury said the Square Group has a strategic alliance with Sarah Tex GmbH of Germany. As Sarah Tex GmbH is an integrated readymade garment (RMG) marketing company, it would look into the marketing side of SSFL. "We are targeting the higher end market," he said.

The SSFL will produce 48,000 pieces of men's, women's and children's wears a day. Square-Sarah Knit Fabrics Limited has been set up to feed the knit fabric requirements of Square-Sarah Fashions Ltd. The knit unit with dyeing, printing and mercerizing facilities has already started production.

ECNEC approves two projects

BSS, Dhaka

The Executive Committee of the National Economic Council (ECNEC) yesterday approved two projects to be implemented at a cost of Tk 192.24 crore.

An official handout said the cost of the projects will include project assistance to the tune of Taka 110.69 crore.

The approval was given at a meeting of the ECNEC chaired by Finance and Planning Minister M

Saifur Rahman, who is also the Alternate Chairman of the ECNEC.

The approved projects are modernisation of police hospitals under the ministries of home, and water supply and sanitation projects at nine district towns under the Local Government Division.

LGRD and Co-operatives Minister Abul Mannan Bhuiyan, Health and Family Welfare Minister Dr. Khandkar Mosharrif Hossain, Agriculture Minister Motiur Rahman Nizami, Communications

Minister Barrister Nazmul Huda, Industries Minister M K Anwar, Commerce Minister Amir Khosru Mahmud Chowdhury, Post and Telecommunications Minister Barrister Mohammad Aminul Huq, Home Minister Altaf Hossain Chowdhury, State Minister for Power Iqbal Hasan Mahmud attended the meeting.

Cabinet Secretary, members of the Planning Commission and secretaries of the ministries concerned were present.

Workshop on 'asset liability management' held at BIBM

A three-day workshop on "asset-liability management in banks" concluded at the Bangladesh Institute of Bank Management (BIBM) yesterday, says a press release.

The workshop was designed to develop knowledge and skills for effective handling of asset-liability management functions of banks and financial institutions.

A total of 23 senior executives of different banks participated in the workshop. The workshop covered discussion on a wide range of subjects like asset-liability and capital management, policy and legal implications, profitability and productivity management in banks, problems of asset-liability management in banks.

It also included a panel discussion on "strategies for asset-liability management in banks."

Dr Mohammad Sohrab Uddin, Director General of BIBM, M Aminuzzaman, Managing Director of Uttara Bank Ltd and S A Choudhury, former Managing Director of Sonali Bank took part in the panel discussion.

Dr Mohammad Sohrab Uddin chaired the concluding session and gave away certificates to the participants.

Abdul Jalil Chaudhury and Md Saidur Rahman, assistant professors of BIBM served as coordinators of the workshop.

Branch managers' confce of SIBL held

The first branch managers' conference of Social Investment Bank Limited (SIBL) was held recently at the bank's head office, says a press release.

Ahmed Akbar Sobhan, Chairman of the bank, inaugurated the programme as chief guest. Vice Chairman Kamaluddin Ahmed was present as special guest. Managing Director Golam Mustafa presided over the conference.

The overall performance of the previous year of all branches was discussed in the conference. The deposit growth of the bank was 118.55 per cent, the investment growth was 56.11 per cent and the growth of profit was 285.69 per cent in 2001, the conference was told.

The chairman of the bank gave award to several branches for their best performance.

Fed weighs interest rates as US sees consumer-driven recovery

AFP, Washington

More evidence of a consumer-driven recovery for the US economy emerged Tuesday as Federal Reserve policymakers met to consider ending their aggressive policy of cutting interest rates over the past year.

The Conference Board, a New York business research group, said its consumer confidence index rose to 97.3 in January from a revised 94.6 in December, reaching the highest level since August.

Lynn Franco, director of consumer research for the board, said the data indicates that "while the economy has not turned around yet, the worst may well be over."

The rise was the second consecutive increase in the confidence measure and above expectations on Wall Street, another sign pointing to an end to the recession that began in March.

The index is seen as an important indicator of economic activity, since consumer spending accounts for about two-thirds of US gross domestic product (GDP).

"Consumers cushioned the downturn and now they appear poised to lead us into the recovery," said Oscar Gonzalez, economist at John Hancock Financial Services.

"We're clearly coming out of the gloom that descended as the economy slowed much faster than expected following the events of September 11. Throughout, most Americans continued to spend, albeit cautiously. Had they run scared, we'd have been a lot deeper in the hole. Now, I'm expecting spending to pick up and help spur the economic rebound."

The government meanwhile reported that orders for durable goods -- big-ticket items such as cars, washing machines or planes -- rose two per cent in December.

"These strong order numbers confirm that business activity is recovering from the hole created

immediately following the September 11 terrorist attacks," said Sung Won Sohn, Wells Fargo chief economist.

"Businesses have successfully worked down their inventories, signaling that the worst is behind us and that production in many sectors will be ramping up in the not too distant future."

The figures were released as a meeting opened of the Federal Open Market Committee, which has cut its target for the federal funds rate 11 times since January last year, bringing it down from 6.50 per cent to just 1.75 per cent.

With mounting signs of strengthening, economists say chances of yet another rate cut are nil, and that the Fed may even shift its bias toward tightening to prevent a resurgence of inflation as the economy recovers.

"Barring some unforeseen event ... we are coming out of (recession) and growth should become evident quite soon," said

Joel Naroff of Naroff Economic Advisors, who suggested that the Fed may be looking at boosting interest rates soon.

"It would not be surprising if the FOMC members want to start unwinding their extremely aggressive position sooner than is currently believed."

Karen Hendershot, acting director of macroeconomic analysis at the Treasury Department, said it is too soon to call an end to the US recession, but that positive signs are increasing.

"While it is too soon to declare the recession over, positive signs are becoming more abundant," she said at a quarterly meeting of the Treasury Department's Borrowing Advisory Committee.

She also noted that while the governments estimate of fourth-quarter GDP, to be released by the Commerce Department Wednesday, is likely to be negative, the report will likely show signs of underlying strength.



Picture shows (from left to right) Kamal Uddin Ahmed, Vice Chairman, Ahmed Akbar Sobhan, Chairman, and Golam Mustafa, Managing Director of Social Investment Bank Ltd, attending the first branch managers' conference of the bank in the city recently.

VSNL slashes prices to boost Indian IT sector

AFP, New Delhi

India's international telecom giant, Videsh Sanchar Nigam Ltd. (VSNL), Wednesday slashed its prices for bandwidth by 35 to 40 per cent, in a move which will give a huge boost to the domestic information-technology sector.

Telecom bandwidth, of which VSNL is the sole supplier in India, is vital for data transfer between companies as well as networking with corporate customers and subsidiaries located overseas.

The Indian telecom industry, particularly the IT sector, has long complained that scarcity of band-

width is cramping India's potential in the global market.

"I am very pleased to announce that ... VSNL today have decided to reduce the annual rental of international bandwidth ... by 35 to 40 per cent," Indian Telecommunications and IT Minister Pramod Mahajan announced.

"I am confident that this will result in greater usage of bandwidth by Indian industry and provide a boost to India's IT sector," he said, adding that the drop in rates was subject to approval from the national telecom regulator.

Mahajan also announced the resolution of a contentious dispute

between international bandwidth provider FLAG and state-owned VSNL -- which had virtually frozen the bandwidth capacity available in the country.

The minister said the move would mean a doubling of available bandwidth capacity.

He said private operators would also be free to purchase bandwidth directly from FLAG from April 1, subject to a small fee given to VSNL.

The minister voiced confidence that the move would improve the level of IT penetration in India and the country's presence in the global IT market.

Mahajan also said the government hoped to complete the sale of a 25 per cent stake in VSNL to a strategic investor by end-March.

The move will reduce the government's holding in the company to 26 per cent. The remaining equity is with retail investors.

VSNL was allowed last year to enter the domestic long-distance market as partial compensation for losing its monopoly on international services -- the firm's main money spinner.

The company is also India's largest Internet service provider and has chalked out aggressive expansion plans.

Mahajan said VSNL was preparing to take on new private competitors through moves like the bandwidth rate cut.

India targets 11.9pc exports growth a yr

AFP, New Delhi

Indian Commerce Minister Muralisaran on Wednesday set an 11.9 per cent target for compounded annual export growth over the next five years, in order to increase India's share of global trade to one per cent.

Maran said the target envisaged annual exports of 80 billion dollars by 2007.

"This is not a difficult task as we have achieved 10 per cent compounded annual growth in the last decade," Maran told reporters.

India currently has a 0.7 per cent slice of world trade, valued at around 45 billion dollars.

The strategy unveiled by Maran

adopted a sector specific approach to make Indian products price competitive in international markets, concentrating on 25 focus items from sectors like engineering, textiles, gems and jewellery, chemicals and agriculture.

It also identified a wider range of 220 commodities for stepping up exports mainly to major trading partners such as the United States, the European Union and Japan, which account for 55 per cent of India's exports.

To maintain price competitiveness, the strategy underlined the need to keep exchange rates at an appropriate level and balance overall tariffs by protecting sensitive items while dismantling quantitative restrictions.

BDCOM signs partnership deal with TISL

BDCOM Infotech Ltd, as alliance company of BDCOM Online Ltd signed an IBM business partner agreement with Thakral Information Systems Pvt. Ltd, the strategic alliance partner of IBM in Bangladesh on Monday in the city, says a press release.

Moynul Haque Siddiqui, Chairman of BDCOM Group, and Ravi Lakshman, Chief Financial Officer of Thakral Information System Pvt Ltd, exchanged documents in connection with the business partnership agreement. Jyoti P Das and other high officials of TISL and BDCOM were also present on the occasion.

BDCOM Infotech Ltd will market full range of IBM enterprise servers like IBM AS/400 and IBM RS/6000 and IBM personal computing product range together with state-of-the-art banking software Bank 24 developed jointly by HCL Infosystems Ltd, India and other software solutions for financial, insurance, utility and energy sectors.



Moynul Haque Siddiqui, Chairman of BDCOM Group, and Ravi Lakshman of Thakral Information Systems Pvt. Ltd. exchange the documents of IBM business partner agreement in the city recently.