

Agrani Bank cuts interest rates for RMG, jute exports

Agrani Bank has reduced interest rate on term loan for 100 per cent export oriented ready made garments (RMG) industry from 12 per cent to 9 per cent, says a press release.

The bank has also lowered interest rate from 8.5 per cent to 7 per cent on export loan (packing credit) for jute goods.

Singer declares 75pc dividend

Singer Bangladesh Limited has declared a 75 per cent dividend for the shareholders for the year 2001, says a press release.

Of the total dividend, 30 per cent is in final and 45 per cent in interim dividend making a total of 75 per cent.

The dividend was declared at the 22nd annual general meeting of the company at Singer Electronics Complex at Jahmur at Savar in Dhaka yesterday.

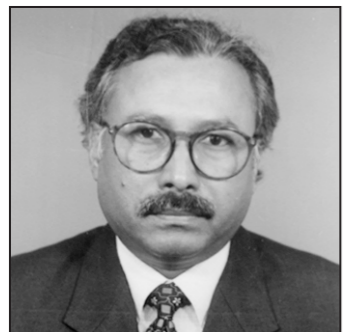
Mahub Jamil, chairman of the company, presided over the meeting. The audited accounts of the company for the year 2001 was also approved at the meeting.

In his speech, the chairman said the sales of the company for the year 2001 rose by 10.20 per cent, profit before tax increased by 11.82 per cent, product range was further extended and new showroom-cum-sales centres were opened to extend sales network.

The chairman also mentioned that under the business diversification programme, the company invested Tk 23.44 million in fixed assets. Singer Motor Cycle, an industrial undertaking successfully set up at Jahmur at Savar, went into commercial production from February 2002.

During the year, company paid Tk 410 million to the national exchequer in the form of duties/VAT and corporate tax.

New MD of Loyeds Ins



G F M Shawkat Ali joined The Loyeds Insurance Co Ltd as its Managing Director recently, says a press release.

Ali started his career in the field of insurance in 1985. Prior to joining The Loyeds Insurance Co Ltd, he served as General Manager, Dy Managing Director and Additional Managing Director in Rupali Insurance Co Ltd.

Shawkat Ali obtained his bachelor degree with Honours in 1975 and postgraduate in 1976 from Dhaka University in Accounting.

Ranitid 150mg tablet in AFT aluminium blister

Oposin, one of the top pharmaceutical companies in the country, has introduced Advanced Foil Technology (AFT) in packing its renowned product Ranitid 150mg tablet, says a press release.

This AFT aluminium blister packaging is the first of its kind in Bangladesh, which offers advantage over conventional aluminium blister packaging in terms of reducing the possibility of micro-leakage to a minimum extent.

It also reduces the size of the strip, which ultimately improves the overall quality and presentation.

Brazil, Argentina to take US farm subsidy to WTO

AFP, Buenos Aires

Argentina and Brazil will file a joint complaint at the World Trade Organisation over US farm subsidies, Argentine Foreign Minister Carlos Ruckauf told reporters Wednesday.

US relations with key trade partners have been soured by US President George W. Bush's decision to impose a three-year program of high tariffs on imported steel products to protect US steel makers.

Further straining ties, Bush signed into law Monday a bill providing domestic farm subsidies of 173.5 billion dollars over 10 years, marking a 70 per cent increase in US agricultural spending.

Economy pivots on law and order: MK Anwar

STAR BUSINESS REPORT

Terming improved law and order a pre-requisite for economic development, Industries Minister MK Anwar yesterday said all efforts will fail unless the situation is improved.

"Without improving it all initiatives taken for the development of the country will surely face setback," the minister said while speaking at a seminar on WTO: Challenges and Prospects for Bangladesh organised by Bangladesh Chambers of Industries (BCI) in the city.

State minister for Industries Prof Rezaul Karim was also present on the occasion.

MK Anwar said also the government is trying hard to improve the law and order situation.

On the WTO, the industries minister said it is established with a noble idea to remove the trade disparity between the developing and developed economies. "But for some protectionist attitudes of some developing countries the initiatives are facing hindrances."

The minister said we are not against globalisation but we have to pursue it cautiously. We want proper and speedy privatisation of state-owned enterprises.

Referring to the quota-free regime of the textile and clothing

sectors after 2004, the minister said the country may be able to export more once the quota restriction is removed. "In the quota-free regime, Bangladesh will have the advantage of cheap labour cost."

The country can increase its export quantity by improving human resources and standard of products.

State minister for Industries Prof Rezaul Karim said the country can expand its export base by setting up backward linkage industries and light engineering sector.

Inviting private sector to work concurrently with the government, the state minister said the government will try to improve the gas,

electricity, telecommunications and communication sectors needed for the industrialisation.

Key note paper of the seminar was presented by MA Mannan, chairman of Bangladesh Small and Cottage Industries (BSCIC) and former economic minister in Bangladesh mission in Geneva.

Syed Jamal Uddin, former economic minister of Bangladesh mission in Geneva, and Dr. Mostafa Abid Khan, deputy chief of Tariff Commission, were also spoke on the occasion.



Mahub Jamil (C), chairman of Singer Bangladesh Limited, speaks at the 22nd annual general meeting of the company held at Savar in Dhaka yesterday. Mosharrar Hossain, alternate director, Barrister Akhtar Imam, director, S R Khan, alternate director, and Mohd. Sanaulah, company secretary, are also seen in the picture.

China threatens to tax imports of US soy oil

REUTERS, Singapore

China threatened to tax imports of US soy oil Wednesday in retaliation at the United States' imposition of tariffs on its steel exports.

The move adds to doubts whether China will fulfil its commitment to open up its agricultural markets when it entered the World Trade Organisation (WTO) last December, traders said.

Beijing plans to impose an import duty of 24 per cent on US soy oil if the WTO rules on the case against Washington, spokeswoman for the Foreign Trade Ministry said.

The 15-nation European Union and Japan have filed formal complaints to the WTO over the US steel tariffs, and the world trade body has formed a panel to look into the issue.

The procedures are lengthy and the dispute may not be settled until early 2004.

The Chinese tariffs on US soy oil would not be imposed until the WTO dispute settlement procedure had run its course, the China Daily newspaper said on Wednesday.

China is already running short of soybeans after months of disruption from Agriculture Ministry rules on genetically modified organisms (GMOs), which took effect on March 20.

The GMO rules, first announced

in June last year, brought China's soy purchases to a virtual standstill threatening US soy sales to China worth \$1 billion a year.

While China is expected to allow its first soy cargoes since March 20 to be discharged in June, traders said it had become increasingly difficult to obtain import permits for the oilseed.

Some said the authorities had issued permits only for 15 cargoes recently, holding back the soy trade despite keen interest due to the shortage.

"We've been trying to forge more of a harmonious, cooperative relationship with China, especially in agriculture. This (trade dispute) has sort of given a kick in the teeth. It's quite unfortunate," said a US industry source in China.

The announcement underlined uncertainties over the fate of soy oil imports of which Beijing said it would allow up to 2.52 million tonnes this year under the tariff-rate quota system.

Though China has already booked about 250,000 tonnes of soy oil mostly from South America mainly for June shipment, the cargoes may face difficulties getting into China due to another set of rules on GMOs announced by the Health Ministry last month.

One trader in China, who has a

US soy oil cargo booked for China, said: "We are still thinking how to deal with this... It is very close to loading."

The Health Ministry has said the GMO rules would apply only to soybeans imported for human consumption. But it is still uncertain what would happen to soy oil imports and soy oil crushed in China from imported soybeans.

Some traders worried the trade dispute with the United States over steel might also affect China's intention to buy US wheat as a gesture following its entry into the WTO.

"There was hope that US agricultural products will go into China, especially wheat," said another trader.

"But recently the political tension killed a lot of business... I'd say the tension may have caused them to switch to other origins," he said, referring to the steel dispute.

The trader said China had been quiet after booking about 250,000 tonnes of wheat from Canada and the United States before the one-week holiday starting on May 1.

Customs data showed China imported 150,000 tonnes of wheat in April, boosting the grain's imports during the first four months to 353,000 tonnes, up 112.7 per cent year-on-year.

New garment accessories industry at DEPZ

A garments accessories industry is to be set up at the Dhaka Export Processing Zone (DEPZ) for production of interlinings, says a press release.

The industry, Osman Interlinings Ltd, will be established at a cost of US\$ 1.04 million. This 100 per cent Bangladeshi industry will annually produce 4 million meters of interlinings.

When fully commissioned, the industry will create employment opportunity for 54 Bangladeshi nationals.

An agreement to this effect was signed in the city on Wednesday between the Bangladesh EPZ Authority and Osman Interlinings Ltd.

Member (Investment Promotion) of BEPZA Md Azmal Chawdhury and the Managing Director of Osman Interlinings Saiful Islam initialled the agreement on behalf of their respective sides.

Among others, BEPZA Executive Chairman Brig. General (Retd) M Mofizur Rahman was present in the signing ceremony.

Gold prices in India hit 10-year high on tensions with Pakistan

AFP, Bombay

Gold prices in India -- the world's largest consumer of the precious metal -- were at a ten-year high on Thursday on sustained fears of a possible all-out war between India and Pakistan, dealers said.

Wednesday's closing price was 5,235 rupees (111.38 dollars) for ten grams, the highest level since 1992 when the prices were around 6,800 rupees.

The levels were still rising Thursday and at 4pm (1030 GMT) gold was trading at 5,310 rupees.

"The price of the yellow metal has surged today on the back of a firm opening on the London Metal Exchange. Globally there is a jump in gold prices," said Rashmikanth Gandhi, gold dealer at Bombay Bullion Exchange.

"Some cautiousness will set in later in the day leading to a moderate weakness at high levels. However the overall firmness will remain," he added.

The basic factor driving the price was the latest round of tensions between India and Pakistan as buyers wanted to put their money into something seen as "safe", Gandhi added.

Trade body electoral reform in the offing

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmood Chowdhury said the government will soon bring changes in the electoral process of trade organisations.

He said a seven-member committee is working on the issue and is expected to come up with recommendations by June or July this year.

He said the reforms will be carried out as per recommendations of the committee.

He invited the business community to come up with suggestions. The commerce minister was speaking as the chief guest at a seminar on "Role of Trade Bodies in Development of the Private Sector".

Shilpa Babshayee Parishad organised the seminar which was presided over by its Chief Coordinator Abul Kashem Haidar. Former FBCCI director Abdul Haq presented keynote paper of the

seminar.

Among others, former MCCI president Samson H Chowdhury, former FBCCI presidents Aakram Hossain and MA Kashem spoke on the occasion.

Addressing the seminar, the commerce minister also emphasized on capacity building of the trade bodies.

He said that the government wants to entrust the private sector with more responsibilities by reducing the role of government.

"But before doing that government needs to know whether the private sector has the capacity to play the role. If the private sector does not have the capacity and it is given the responsibility, there will be a disaster," Khosru said.

He said in order to strengthen the trade bodies, the process of giving membership has to be transparent. The members should elect the right leadership through fair election. They should not elect a bank

defaulter, accused in criminal cases, the minister observed.

Khosru expressed his dissatisfaction over representation of a single sector by many associations. "If so many associations come up with different recommendations it will be difficult for the government to listen to them."

"I am already facing problems due to this. They are coming with conflicting recommendations," the minister said.

Speaking on the occasion, Abul Kashem Haidar said the FBCCI has not been getting due importance in different forums because it has failed to play its due role. The country's business community wants a fundamental change in the structures of trade bodies, he said.

In the keynote paper Abdul Haq stressed the need for required amendment to the existing Trade Organisation (TO) Ordinance in order to let the trade bodies of the country to play more effective role.

BB T-bill auction held

UNB, Dhaka

The 194th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held here Thursday.

A total of Tk 3336.50 crore, Tk 28 crore, Tk 17 crore, Tk three crore and Tk 252.50 crore were offered respectively for the 28-day, 91-day, 364-day, 2-year and 5-year bills.

Of them, Tk 3236.50 crore, Tk four crore, Tk 17 crore and Tk 20 crore amounting total Tk 3277.50 crore of 28-day, 91-day, 364-day and 5-year bills were accepted respectively.

The ranges of the implicit yields were 4.00-4.50 per cent, 5 per cent, 5.80-6.00 per cent and 8.69 per cent per annum. No bid was offered for the 182-day bill and the bid offered for the 2-year bill was not accepted.



Md Azmal Chawdhury, member (investment promotion) of Bangladesh EPZ Authority, and Saiful Islam, managing director of Osman Interlinings, sign an agreement in the city on Wednesday on setting up of a garment accessories industry at Dhaka EPZ.

US blocks EU bid at WTO for ruling on steel tariffs

AFP, Geneva

The United States on Wednesday blocked a request by the European Union to have the World Trade Organisation (WTO) rule on the legality of US steel import tariffs, US and EU sources said.

The 15-nation EU became the first of the WTO's 144 members to have its complaint against the bitterly-contested US measures taken up by the Geneva-based organisation's dispute settlement body.

Under WTO rules, the member "in the dock" can reject the creation of an expert panel once, though a second request cannot be blocked and would automatically lead to a panel being set up.

The EU told the WTO meeting that officials would again ask WTO experts to examine the US measures when the dispute settlement body meets on June 3, US sources said.

An EU representative told delegates the union was "confident" the WTO would rule against "abuse" by the United States of the WTO's agreement on safeguards.

Listing reasons why the US measures were deemed by the WTO rule against "abuse" by the United States of the WTO's agreement on safeguards.

The EU has already notified the global trade body of its intention to retaliate against the controversial US steel measures, and Japan, China and Norway have followed suit.

South Korea, Brazil, New Zealand and Australia meanwhile have agreed with the US that they can notify the WTO of retaliation plans up until March 2005.

steel industry." On six past occasions, the WTO had condemned tariffs on a range of products over the same point of law, the EU delegate said.

Describing the EC's challenge of the measures as "regrettable", the US delegate said the measures were "fully consistent" with the terms of WTO accords and that they were confident of an eventually favourable ruling.

The growing trade row comes as US President George W. Bush begins a tour of Germany, France, Italy and Russia.

He is expected to try to appease European allies on a number of divisive issues that could sow the seeds of a damaging trade war.

Washington's major trade partners have slammed the three-year steel tariffs of between eight and 30 percent introduced in March as well as a recent move by the US Congress to boost agricultural subsidies as pure protectionism.

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US farm subsidy, steel tariffs seen dooming world trade pact goal

REUTERS, Geneva

Mounting tensions between the United States and trading partners in the developed and developing world look set to sink prospects for a new global trade pact by the end of 2004, diplomats and analysts say.

"The target was already highly optimistic. Now I don't see that it has a snowball's chance in hell of being met," said one senior trade envoy in Geneva Wednesday.

The diplomat, from an active World Trade Organisation (WTO) member not directly involved in burgeoning rows over the US farm bill and steel tariffs, was speaking as the body geared up for a flood of new complaints against the United States.

And trade analysts say that while the steel actions angered mainly

richer WTO powers from North and South like the European Union and Japan, China and Brazil, the huge subsidies for US agro-businesses enthusiastically approved last week by President George W Bush have infuriated just about everyone.

"The climate has suddenly soured," said a Latin American official whose country firmly backed the launch, agreed at a ministerial conference in the Qatari capital Doha last November, of a new round of free trade negotiations in the 144-member WTO.

"An agreement in just two and a half years time now looks like a very, very long shot indeed."

To win support for a round, seen as crucial to boosting world economic growth, from a range of extremely reluctant poorer countries in Doha, the United States and

the European Union had to agree to give priority to helping them tackle their economic problems.

A key demand of nations ranging from South Africa to Bolivia and Kenya to Bangladesh was the opening up of markets in Europe and North America to their exports -- especially farm produce.

High on their longer-term agenda was an end to the system of agricultural subsidies which not only keeps prices low for home grown food produce in western Europe but gives European farmers a competitive advantage around the globe.

Farmers in the Third World -- like the peasant leaders who marched on a Millennium year conference in Bangkok of the United Nations Trade and Development agency UNCTAD -- argue that they face ruin by being priced out of their home markets,

opened under WTO accords, by subsidised imports from Europe.

The 15-nation EU, and to a lesser extent the four-nation European Free Trade Association (EFTA), where keeping farmers happy is primordial for politicians, were long viewed as the main villains in this piece.

Keen to get talks going in a new round that would give its manufacturers and service providers greater access to developing country markets, the EU agreed in Doha to put its subsidy programme on the table.

The 18-member Cairns Group of agricultural-exporting countries -- which links richer nations like Australia and Canada with emerging and poorer economies in Asia and Latin America -- also pointed a finger at the United States.



Delwar H Khan, managing director of Gonophone Bangladesh Ltd, hands over a prize of Tk 20,000 to Nahid Hassan, winner of the Gonophone quiz contest held recently.

New branch of UPS opens at Mirpur

Air Alliance Ltd, the authorized service partners of United Parcel Service (UPS) in Bangladesh, recently opened its new branch at Mirpur in the city, says a press release.

This is the 5th office covering the metropolitan city of Dhaka. With two branches already at Chittagong, UPS intends to offer better access to its customers by setting up more operating centers at major points nationwide.

The opening ceremony was inaugurated by Abdul Mannan, former state minister for civil aviation and tourism. Others present were managing director, executive directors, director in-charge, and other staff.

UPS, the world's largest express package delivery company, serving more than 200 countries and territories, delivers more than 13.6 million packages and documents a day.