

FBCCI delegation off to Mumbai

A 16-member business delegation of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) has gone to the Indian city of Mumbai to attend a two-day meeting of North-East Business Summit beginning there today, says a press release.

The delegation is being led by the President of the federation Yussuf Abdullah Harun.

The submit is organised by the Indian Chamber of Commerce, Calcutta, together with the Department of Development of North-Eastern Region, Government of India.

Jaswant Singh, home minister, or L K Advani, Deputy Prime Minister, is expected to inaugurate the summit.

Union Minister for Development of North-East, Union Finance Minister, Union Commerce Minister, Union Minister for Power, Union Home Minister and Dr Manmohan Singh will present key-note papers as well as make presentations in different plenary sessions.

The purpose of the summit is to facilitate investment and enhance economic growth in the North East Asian region.

It will be an opportunity for the Bangladeshi businessmen to have an access to the market of North

Bush optimistic about future of US economy

AFP, Washington

US President George W. Bush said Wednesday he was "optimistic" about the future of the US economy, as "all the ingredients for growth are in place."

"The key thing for the American people is to realize the fundamentals that are there for economic vitality," Bush said during an appearance at the White House with the Polish counterpart, Aleksander Kwasniewski.

"I am optimistic about the future of the economy. All the ingredients for growth are in place."

The president's remarks came a day after Federal Reserve chairman Alan Greenspan said it was time to exchange a culture of greed for a culture of responsibility, as the markets continued to plummet in the wake of a string of accounting scandals at some of the country's largest, and at one time most profitable, companies.

Bush pointed to good monetary policy, increases in productivity and other "fundamentals" that are there for economic vitality, and again urged the US Congress to pass legislation to implement reforms to the corporate accountability structure before lawmakers leave for the August recess.

Chevron signs deal to end Nigerian oil siege

AFP, Lagos

US oil giant ChevronTexaco struck a deal Wednesday with Nigerian women blockading a major oil terminal, persuading them to leave in exchange for jobs and investment in their village, the firm said.

"We are delighted that this crisis has been resolved peacefully through dialogue," Chevron Nigeria's managing director Jay Pryor said in a statement released ten days after women stormed the Escravos export terminal.

A statement from the company said that the women had agreed to leave the terminal and to keep the peace, and that in return the Ugborodo community would be given jobs while money would be invested in its schools and businesses.

But the firm also confirmed that a second, copy-cat protest that broke out on Tuesday more than a week after the first occupation was still ongoing and that negotiations had yet to begin with women from a second community.

European stocks up

AFP, London

European share prices rose for the third day in a row in early deals as hopes mounted that the nascent economic recovery may be feeding through into an improvement in corporate performance.

The pan-euro zone Euro Stoxx 50 index rose 1.4 per cent to 2,858.5 points.

Meanwhile, the British FTSE 100 index leapt 2.1 per cent to 4,278.2, the French CAC 40 index climbed 2.2 per cent to 3,516.1 points while the German DAX 30 index rose 0.8 per cent to 4,125.2 points.

Slash lending rate or face 100pc tax on profit

Saifur tells commercial banks

STAR BUSINESS REPORT

Finance and Planning Minister M Saifur Rahman yesterday warned commercial banks against high lending rate, saying he will impose 100 per cent tax on 'excess' profit if they do not slash it to help grow real economy.

"I will take action soon if they don't take steps to cut the lending rate," the finance minister said while speaking as chief guest at the Half-Yearly Conference-2002 of Bangladesh Commerce Bank Limited (BCBL) at Hotel Purbani in the city.

The finance minister said he is

not finding a way to reduce the interest to help grow industry. If real economy cannot grow the service sector like bank and insurance cannot survive and would have to face the adverse impact in the long run, he mentioned.

The commercial banks are declaring high dividends, although their capital adequacy ratio is not good, far less than the international standard, he said, terming it an irresponsible banking.

"Many banks seem healthy from outside but I do know many of them have many weaknesses," he noted, adding many banks are transferring funds to another ones so that loans

are made available for their directors.

Mentioning that the number of banks in the country is high, he said if these banks cannot perform well the government would be blamed for the failure. Merger or acquisition would be better option in that case, he added suggesting that banks should come up to merge with others to avoid any adverse situation.

Finance Secretary Zakir Ahmed Khan attended the function as special guest. ATM Alamgir and Md Nurul Islam Khan, chairman and managing director of the BCBL respectively, and other directors also spoke on the occasion.

Speaking at the function, the finance secretary said it is possible to make profits for a bank even if it is small in size. He urged the management of the BCBL to computerise all the branches of the bank and compete with foreign banks by improving the standard of service.

The MD of the BCBL said although the bank had to incur loss in the last two years after it was reorganised, it would start making profit from this year. Despite present sluggish business environment, the bank would be able to achieve targets of fund mobilisation and sanctioning of advances, the MD hoped.

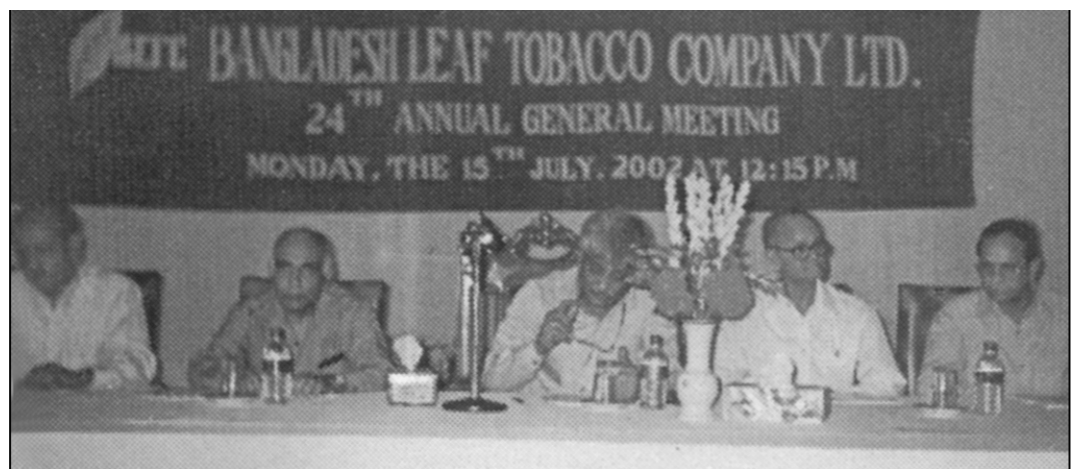


PHOTO: BLTC

A Ahmed Yusuf, director of Bangladesh Leaf Tobacco Co Ltd, presides over the 24th annual general meeting of the company on its factory premises in Kushtia on Monday. Photo also shows (from right) directors M A Khaleque, Maj. Gen. (Rtd.) M Nurul Huq, A K Labibul Huq and Rahmat Ali attending the meeting.

Bangladesh Leaf Tobacco okays 25pc dividend

Bangladesh Leaf Tobacco Company Ltd (BLTC) has approved a 25 per cent dividend for the year ending December 31, 2001, says a press release.

The dividend was approved at the 24th annual general meeting of the company held in the company's factory premises at Barkhada in Kushtia on Monday.

A Ahmed Yusuf, director of the company, presided over the meeting. Directors A K Labibul Huq, Capt Rahmat Ali, Maj Gen (Rtd) M Nurul Huq, M A Khaleque, and company secretary R H Rameez were present at the meeting.

Admission to Singer sewing schools begins

Admission to Singer sewing schools has started throughout the country, says a press release.

The admission will continue to its 82 schools till August 10, 2002.

The sewing activities reflect Singer's adherence to its social commitment focusing the slogan 'Earn at Home' to make the women of the society self-reliant.

Any one who wishes to assist his family financially can receive training from the skilled teachers of Singer Sewing School.

Interested women are requested to contact the nearest Singer approved Sewing Schools, Showroom-cum-Sales Centres or Exclusive Sales Agent shops for details.

German growth slowing for 30 years

AFP, Wiesbaden, Germany

Economic activity in Germany, the biggest economy in the 12-country euro zone, has been slowing consistently for the past 30 years, the Federal Statistics Office calculated on Thursday.

While the German economy (western Germany alone) grew at an average annual rate of 2.8 per cent between 1970 and 1980, the average annual rate of growth slowed slightly to 2.6 per cent in the years from 1980 and 1991.

But since unification in 1991, the rate of expansion for both eastern and western Germany combined has been a meagre 1.5 per cent in the period from 1991 to 2000, the statisticians said.

India targets 20pc growth in electronic hardware exports

AFP, New Delhi

India has set an ambitious 20 per cent growth target for electronic hardware exports in fiscal 2002-2003, a ministry of information technology official said Wednesday.

Nalin Kohli, vice chairman of the state Electronics and Computer Software Promotion Council (ESC), said exports from the electronics hardware sector were "out of synch with potential."

"Hardware exports have been growing at eight per cent every year while the software industry has

posted a 35 per cent annual growth. We would now like to see a 20 per cent growth in hardware exports which is a realistic target for this year," said Kohli.

According to the council, Indian software exports surged to 7.6 billion dollars in fiscal 2001-2002, while electronics hardware exports lagged at 1.2 billion dollars.

"Given the potential that exists in the electronics hardware segment, their exports can catch up with that of the software sector," said Deepak Puri, the newly appointed chairman of the ESC.

"What is critical is evolving a proactive policy which should address the problems faced by hardware exporters and manufacturers," added Puri.

The Indian hardware industry has been lobbying for import duty cuts on a host of hardware inputs.

"Many of the inputs that go into hardware component manufacturing attract peak import duties of 35 to 40 per cent," said Kohli who is also the chief executive of Delhi-based Terabyte, which exports high-end security monitors to niche markets in Europe.

Karzai pledges business friendly Afghanistan

AFP, Kabul

Afghan President Hamid Karzai pledged Thursday to create a business friendly climate, including an overhaul of the country's road system and a crackdown on bribery to attract foreign investment.

Karzai and a host of senior cabinet ministers were addressing the first major business conference of his transitional government, aware that efforts to kick-start the country's war-shattered economy depend on continued stability.

The cabinet agreed this week to set up a special investment commission to attract foreign companies and expatriate Afghan businessmen by creating a frame-

work of company law and a comprehensive complaints procedure.

"We want to run an administration in which bribery is a thing of the past and where businesses can come to us to solve their problems," Karzai said.

He earmarked the rebuilding of the country's highways as one of the key priorities of his administration, although revenue for the reconstruction would be partly raised by taxes on companies.

"When we have a proper road network it will be much easier for companies to export and import goods. If we can achieve this it will create a lot of wealth for everyone," he said.

Karzai said it was vital to build a

climate where foreign companies were happy to do business as "no country can stand on its own feet".

"If foreign businesses and (overseas-based) Afghan businesses feel free to invest then Afghanistan as a whole will benefit."

Reconstruction Minister Amin Farhang told delegates the government needed to work faster to revamp its infrastructure if it wanted to boost business confidence.

"We need to accelerate our financial development," Farhang said. "I think the way in which we are working right now means it could take a long time, even years, to achieve the goals we have set ourselves."

Concord fair receives high response

Show extended till July 26

STAR BUSINESS REPORT

Concord Fair 2002 has received high response from buyers as good numbers of Concord apartments have been sold at the fair.

Out of six projects in city's Gulshan area, apartments of five projects have already been sold at the fair while apartments of three, out of its four Dhanmondi projects have been sold. Ninety per cent apartments at its Segunbagicha project have also been sold.

Thirty to forty per cent of vacant shops, office spaces and apartments at Concord's Shantinagar Twin Tower, Shantinagar Concord Grand and Panthapath Concord Regency have been sold at the fair so far.

The fair has been extended for another eight days after it received tremendous responses from visitors. The fair was scheduled to conclude yesterday.

The fair, where different Concord Group companies are displaying their products, started on July 11 at the Concord Centre at Gulshan.

"We have decided to extend the

duration of the fair till July 26 following repeated requests from visitors," said a Concord official.

Different types of building materials of Concord like concrete brick, hollow block, ceiling block, roof tiles, cladding tiles and block, wall cladding and toilet fittings, besides Concord's real estate projects are attracting visitors. Furniture are also courting them.

Concord launched its new product Conpac solid brick at the fair. Billed as environment-friendly one the brick is made of cement, sand and stone. Besides, the production process does not pollute environment as in the case of traditional clay bricks, officials said, adding that the new brick does not use clay, the prime ingredient for traditional bricks, saving the natural resource.

Concord authorities have already received a good number of orders for their concrete bricks, named Conpac.

"But we are yet to start supplying the concrete bricks. We have sent specimens of the brick to BUET and the BSTI. We will start supply the brick as soon as we get the testing

reports," said Abdullah-Al-Mahmood, marketing manager of Concord Real Estate and Building Products Ltd.

Concord Group is also offering a number of family packages and different types of discount on their product sales at the fair, which is open to all from 9am to 9pm everyday.

A buyer would get ten per cent discount or free furniture package along with a discount card allowing purchase of Concord furniture for one year if he or she buys a Concord apartment in city's Uttara area.

By making the payment at a time, buyer of a flat would get 12 per cent discount in addition to discount card for Concord furniture, five tickets of amusement park Fantasy Kingdom and free rides at the park or a free furniture package with a decorated kitchen.

While purchasing a Concord apartment on Elephant Road a buyer would get ten per cent discount with discount card for furniture or a free Concord furniture package.

BSC earns Tk 7 lakh net profit in FY02

BSS, Dhaka

Bangladesh Shipping Corporation (BSC) earned a net profit of Taka 7,00,000 in the 2001-2002 fiscal overcoming huge losses incurred over the past years.

The BSC earned this profit recovering a loss of Taka 19.91 crore incurred in 2000-2001 fiscal by carrying goods in 13 cargo vessels which made 112 voyages to different ports across the world.

"Recovering huge loss of the BSC and making it profitable one was possible due to different steps of the present government including strong supervision and reducing expenditures," Shipping Minister Lt Col (Rtd) Akbar Hossain told newsmen while talking to them in his office at the secretariat yesterday.

He said the corporation earned a net profit of Taka 1.03 crore including depreciation interests during the first quarter of the fiscal.

But, the minister, said a recession hit the international shipping business after the September 11 tragedy in the US and as a result

charter hire and fare declined.

Therefore, the amount of profit was only Taka 0.3 crore during the second quarter of the fiscal, Akbar said.

He said the corporation incurred a loss of Taka 4 crore in the third quarter due to the same reason but the situation improved in the fourth quarter when charter hire and rate of goods fare increased to some extent. For it, BSC recovered previous loss and achieved the profit, he said.

Besides, the corporation was deprived of Taka three crore as the Eastern Refinery remained closed in May last for maintenance, he said.

Meanwhile, disputes over realising charter hire of two ships of the corporation arose during the fiscal 2001-2002 and an arbitration case was filed in London to dispose of the case of Banglar Dootship, Akbar said.

The process for filing another arbitration case regarding Banglar Kakoliship, is going on, the Shipping Minister informed journalists.



PHOTO: GREY

Junior Chamber Bangladesh, a voluntary organisation in the field of developing new leadership and corporate responsibility among the new generation of corporate houses in Bangladesh, launched its student wing in the city on Wednesday. Photo shows Amir Khashru Mahmud Chowdhury, commerce minister, with members of the new wing at the launching ceremony.

WTO negotiators seek to spur progress on Doha talks

AFP, Geneva

World Trade Organisation (WTO) negotiators began a two-day meeting here Thursday to spur momentum in the drive to lower global trade barriers that was launched by WTO ministers in the Qatar capital Doha last November.

Ahead of the meeting, a senior European Union official described progress so far as "very uneven" and warned WTO members against "cherry picking," stressing the need for progress on all issues at the same time.

But Deputy US Trade Representative Peter Allgeier disagreed with the assessment early Thursday, saying: "Obviously countries have different interests, and so everybody is looking to see whether the areas where they have

the greatest interest are moving along as quickly as other areas."

"I think it's really much too early to characterise the situation as one of cherry picking."

The WTO talks are taking place within the Trade Negotiations Committee (TNC), chaired for the last time by WTO Director-General Mike Moore.

Ministers from the 144-strong global trade body are due to meet again in the Mexican city of Cancun in September 2003 to review progress on the talks.

The new push to promote global commerce has been dubbed the Doha Development Agenda and is scheduled to be completed near the end of 2004.

Both the European Commission's director-general for trade, Peter Carl, and US represen-

tative Allgeier acknowledged to reporters this week that progress had been slow on the launch of market access negotiations on non-agricultural goods, such as industrial products.

"It's a little bit frustrating," Allgeier commented on Thursday.

"There are a number of delegations that have continuing concerns about the specific date which we should set for agreeing on the modalities in non-agricultural market access," he added.

Several developing countries have expressed disappointment at what they regard as a lack of progress in negotiations aimed at improving the "special and differential treatment" that has been accorded them by the WTO.