

CEMS machinery exposition begins in Dhaka today

STAR BUSINESS REPORT

A three-day machinery exposition begins today in Dhaka to showcase latest technologies in machinery from more than 12 countries.

Commerce Minister Amir Khosru Mahmud Chowdhury is scheduled to inaugurate the exhibition -- MachinExpo'04 -- formally at Dhaka Sheraton Hotel.

Organisers said the show is offering a great opportunity to local manufacturers to have firsthand knowledge about state-of-the-art technologies.

23 companies from the USA, UK, Germany, Singapore, India, Taiwan, Pakistan, China, Spain and Turkey will displaying their machinery for various industries such as food and beverages, power generation, printing and packaging, garment and textile.

The Conference and Exhibition Management Services Ltd (CEMS), a private event management firm, is organising the fair.

The exposition at the Winter Garden of the hotel will remain open to visitors from 10:00am to 8:00pm till Wednesday.

JS body formed for reopening Ctg Chemical Complex

UNB, Dhaka

The Parliamentary Standing Committee on Industries formed a sub-committee to formulate specific proposal for reopening Chittagong Chemical Complex as a profitable concern.

Shah Nurul Kabir MP is convener of the sub-committee formed at a meeting of the committee at Sangsad Bhavan yesterday, reviewing prospect of the factory in particular and other private-sector enterprises in general in the present perspectives.

Chaired by Committee Chairman Major General Mahmudul Hasan, the meeting also discussed the reports on "role of the Industries Ministry in setting up new industries" and "Tk 67-crore budget deficit of BSCIC".

The meeting was informed that "all small, medium and large-scale industries were first set up in the country at government initiative" under the Industries Ministry.

Another report on sugar mills' inspection by the sub-committee was also placed in the meeting.

Committee members Industries Minister Matuir Rahman Nizami, Mohammad Abdul Mottalib Akand and Shah Nurul Kabir (Shahin) attended the meeting. Engineer LK Siddiqui MP was present on special invitation.

Industry Secretary Soyeb Ahmed and other high officials were also present.

StanChart pre-tax profit rises 22pc in 2003

The pre-tax profit of Standard Chartered PLC rose 22 percent in 2003.

The profit was \$1,542 million in 2003, which was \$1,262 million in 2002, according to annual report of the bank published in London, says a press release.

Bank's 2003 net revenue stood at \$ 4,753 million, which is 5 percent higher than 2002. The amount was \$ 4,539 in 2002.

The Middle East and South Asia region, which contributed over 20 percent to the Group's pre-tax profits, was noted for its performance and for the product benefits provided to customers.

In 2003, Standard Chartered celebrated its 150th anniversary with the launching of 'seeing is believing' programme, which targeted to return eyesight of 28,000 people globally through cataract operations.

However, the bank raised enough amounts from the programme to return sight to 56,000 people.

Under the programme, Standard Chartered Bangladesh has set up a modern operation theater and a children's ward in Islamia Eye Hospital in Dhaka to restore sight to at least 12,000 people per annum.

Bepza takes over Ctg steel mills

PM asks officials to build infrastructures quickly for new EPZ

UNB, Dhaka

Chittagong Steel Mills Limited was formally handed over to the Bangladesh Export Processing Zones Authority (Bepza) yesterday for developing its 74-acre area into an export processing zone at the earliest.

During the ceremony at the International Conference Center, Prime Minister Khaleda Zia directed the officials concerned to "quickly complete" necessary infrastructure facilities for the new EPZ and distribute those among the interested investors.

Industries Minister Matuir Rahman Nizami, Deputy Minister for Industries Abdus Salam Pintoo,

PM's political secretaries Harris Chowdhury and Mosaddek Ali, Principal Secretary Dr Kamal Uddin Siddiqui, Industries Secretary Shoeb Ahmed, Chairman of Bangladesh Steel and Engineering Corporation M Nurunnabi and BEPZA Chairman in-charge AFM Solaiman were present on the occasion.

Some 100 industrial plots will be developed in the new export-processing zone, which will create employment opportunity for nearly 12,500 workers.

According to an official estimate, the BEPZA will have a direct annual

income of Tk 2.96 crore and indirect earning of more than Tk 17 crore from the venture.

The heavy industry was set up in 1966 by the then EPIDC. In 1972, the post-independence government turned it into a separate company.

The mill was declared closed in July 1999, during the rule of past Awami League government.

Meanwhile, the Board of Investment in its 15th meeting on July 17, 2002, with Prime Minister Khaleda Zia in the chair, decided that the derelict industrial site would be transformed into an export-processing zone.

BATB ups cigarette prices

UNB, Dhaka

Prices of different brands of cigarette, produced by British American Tobacco, Bangladesh (BATB), have risen sharply across the country since Friday evening.

To utter dismay of the smokers, the price of a 20-stick packet of popular Benson & Hedges has gone up to Tk 80 from the previous Tk 55. The price of State Express 555 brand has also shot up equally.

The retail price of Benson & Hedges and 555 as fixed by the company was Tk 52.10 a packet, but usually these were sold between Tk 55 and Tk 60.

When contacted, an official of BATB told the news agency that the company had increased the price of Benson & Hedges and 555 by 36 percent to Tk 71.10 a packet from yesterday, but the retailers charged the increased price from Friday evening.

Head of Corporate and Regulatory Affairs of BATB Mahmudur Rahman said the government increased the duty on cigarette by five percent in July 2002, but the multinational com-

pany did not raise the price till last Saturday.

Through VAT and supplementary duty, the government took 70 percent from cigarette prices, enabling it to realise Tk 18.23,500 per million sticks till Saturday.

With the increase of price by 36 percent on the two brands (Benson & Hedges and 555), Tk 24.88,500 per million sticks of cigarettes will go to the government exchequer.

The BATB executive said that because of an increase in duty by one percent, the price goes up 3.3 percent. With the imposition of five percent more duty in July 2002, the company needed to raise the price by 16.5 percent.

The price of cigarette this time has gone up by 36 percent with the increase of duty on imported raw materials and also to adjust with the rising expenditures of the company, he said defending the price-rise.

BATB in a published announcement served to their sellers said the production cost of cigarette has increased significantly due to continuous rise in the prices of imported raw materials over the last few

years.

The BATB paid Tk 1,695 crore to the government exchequer as tax and duty in the last fiscal year (2002-03).

When asked, Mahmudur Rahman said the amount to be paid to the government exchequer for the current fiscal year would depend on the volume of sales.

The increased price has just absorbed the tax increase, he said adding that during the last over one and a half year, the company did not raise the price on cigarettes and paid the enhanced tax from its own pocket.

"In general, prices of cigarette in Bangladesh have not increased," he added.

The BATB official informed that the price of its new product, Rothmans, was not increased.

The retailers, however, also started selling the brand at Tk 65 per packet of 20-stick against MRP Tk 52.10.

Meanwhile, a street-side vendor, Shahid, said that with the increase of price, cigarette sale has gone down by 50 percent from Saturday.

FBCCI team flies for Tokyo to attend meet

STAR BUSINESS REPORT

A 42-member businessmen delegation led by FBCCI President Abdul Awal Mintoo left Dhaka yesterday to attend the two-day joint commercial and economic cooperation meeting in Tokyo beginning tomorrow.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) business delegation on February 24 will join the 13th meeting of Bangladesh-Japan Joint Committee on Commercial and Economic Cooperation which offers opportunity to discuss bilateral trade and investment opportunities and problems and prospects for joint collaboration in trade and investments.

There will be a Bangladesh business seminar for Japanese investors. Besides, Bol, BEPZA officials and business leaders will take part in the talks, said a press statement of FBCCI.

The business team will visit Seoul from February 26 to 28 to attend the 8th meeting of the Bangladesh-Korea Economic Cooperation to be organised by the Korea Chamber of Industry.

At the final stage, the delegation will visit Taiwan on 28 to attend the 4th Bangladesh-Taiwan Joint Business Council meeting.

Pepsi official drink of Fantasy Kingdom for 2nd year

Beverage Distribution Ltd, marketing company of soft drink Pepsi in Bangladesh, has been appointed the official drink of Fantasy Kingdom, a theme park constructed by Concord Entertainment Co Ltd, for the second consecutive year.

An agreement to this effect was signed between the two companies in Dhaka recently, says a press release.

Golam Quddus Chowdhury, executive director of Beverage Distribution, and Shahriar Kamal, director of Concord Group, signed the deal on behalf of their respective sides.

Pepsi Country Manager Anish Roy and Key Account Manager Kazi Abdul Haider and Fantasy Kingdom General Manager Zakir Hossain and Marketing Manger Anup Kumar Sarker were present at the signing ceremony.

BB T-bill auction

UNB, Dhaka

The 8th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills was held here yesterday.

A total of Tk 410.30 crore, Tk 35.00 crore, Tk 35.00 crore, Tk 44.60 crore, Tk 16.00 crore and Tk 2.00 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year bills.

Of these, Tk 410.30 crore, Tk 35.00 crore, Tk 35.00 crore, Tk 41.60 and Tk 16.00 crore in total of Tk 537.90 crore of the 28-day, 91-day, 182-day, 364-day and 2-year bills were accepted respectively.

The range of implicit yields of the accepted bills were 4.00-4.05 percent, 5.00-5.05 percent, 5.98-6.00 percent, 6.40 percent and 7.00 percent per annum.

The bid offered for the 5-year bill was not accepted.

Mentionable that the bills worth Tk 191.20 crore will be retired in the current week and the net issuance would be increased by Tk 346.70 crore during this week, said a Bangladesh Bank press release.

Tax cuts top Singapore budget agenda

REUTERS, Singapore

Income and corporate tax cuts, the final step in an overhaul of Singapore's taxation system, could lead to a record fourth straight deficit when the government unveils its budget this week, analysts said.

But the well-telegraphed changes, which will see corporate tax and the top rate of income tax cut to 20 percent from 22 percent, are priced in by financial markets as the government had already given a commitment to make them by 2005.

They said the budget for the year to March 31, 2005, due on Friday, could also feature moves aimed at boosting the fertility rate among Singaporeans, help for an ageing population and for older workers made redundant by changes in the economy.

India to export petrol, jet fuel to Bangladesh

PALLAB BHATTACHARYA, New Delhi

The state-owned Indian Petroleum Corporation (IOC) has finalised a contract for exporting 240,000 tons of petrol and jet fuel to Bangladesh.

Under the one-year deal between the two governments, IOC will supply about 220,000 tons of petrol and 20,000 tons of jet fuel with a total value of eight million dollars, IOC sources here said.

The deal caps months of talks IOC had been holding with state-owned firms in Bangladesh as part of its bid to explore Saarc market for petroleum products.

The petrol and jet fuel will be delivered to Khulna port, close to Haldia port in West Bengal, on the insistence of Bangladesh while IOC had preferred Chittagong, said the sources.

Of Bangladesh's total require-

ment of 3.8 million tons of petroleum products, two million tons are produced indigenously and the rest imported. So far, Kuwait has been the main exporter of petroleum products to Bangladesh.

What helped IOC clinch the deal with Bangladesh is more competitive price mainly because of lower

freight charge owing to geographical proximity between the two countries, said V K Nayyar, chief of IOC's Planning and Business Development section.

He said IOC has launched a drive to tap the market for petroleum products in the countries of the region.

Efforts are on to export diesel to Pakistan and Nepal with both countries expressing keenness to buy the product from India because of lower freight tariff.

Meanwhile, an economic think-tank has suggested that Bangladesh and Myanmar, with their rich natural gas reserves, Nepal and Bhutan, with immense hydro electricity potential, and the growing energy demand in India and Sri Lanka, the economic grouping BIMSTEC can set up a Bay of Bengal Economic and Energy Community.

The think-tank Research and Information System, attached to External Affairs Ministry, says in a report that the efficient utilisation huge untapped energy reserves in BIMSTEC countries calls for greater trade co-operation among the member-countries.

The main aim of the co-operation

in hydrocarbon and hydro electricity sector will be to ensure energy security of BIMSTEC countries, says the think-tank.

It feels that co-operation in energy sector will take the BIMSTEC beyond the ambit of free trade and galvanise the countries straddling the Bay of Bengal into an Energy Community.

In this context, the Research and Information System recalls that European Union had also begun coal and steel grouping before developing into a comprehensive economic union.

It proposes the creation of a regional institutional mechanism for charting the restructuring of the energy sector in BIMSTEC countries so that the grouping becomes competitive and efficient as a common market.

The combined size of BIMSTEC economies is 750 billion dollars with a population of 1.3 billion. Although the trade among member-countries is small but a huge potential of trade remains untapped because of inadequate transport links, tariff and non-tariff barriers and information gap on supply capability, says the think-tank.



PHOTO: WEA

Women Entrepreneurs' Association, Bangladesh (WEA) received award of Dhaka International Trade Fair-2004. On behalf of WEA Khadija Afzal receives the award from Dr Khandaker Musharraf Hossain, minister for Health and Family Welfare.

Int'l trade fairs seen to help diversify exports

STAR BUSINESS REPORT

In a bid to promote Bangladeshi products abroad more entrepreneurs should participate in international trade fairs as expositions serve as a tool for export diversification programme, said officials of Job Opportunities and Business Support (JOBS) project at a press briefing in Dhaka yesterday.

Bangladesh will face a challenges in the readymade garment sector, which earned 75 percent of the total export income, after phasing out of quota from January next year, they said.

JOBS, an USAID project creating opportunities for Bangladeshi entrepreneurs, organised the briefing at a local restaurant. Imran Shuket, project director of the JOBS, gave the welcome address while Asif U. Ahmed, deputy project director of the organisation, briefed the JOBS participation in recent international trade fairs. Some local entrepreneurs also spoke at the press briefing.

Speaking at the press conference, Shahidul Haq of Nandan mentioned local entrepreneurs need to participate in trade fair both home and abroad to gain experience for improving their product quality.

Hand made papers and gift items have developed substantially and local entrepreneurs can start export, he felt.

Shahidul Alam Selim, the owner of Satranji, underscored the need for creating local market, saying it is very difficult to compete in the global market if there is no domestic market for local products.

Citing the example of ceramic industry, Mohammed Shahidul Islam, owner of Bengal Braided Rugs Ltd, said: "Ceramic industry has been able to get foreign market as it has got strong support from local buyers."

US businesses in Vietnam cries foul over shrimp dumping case

AFP, Hanoi

A ruling by a US trade panel that Vietnam is dumping shrimp on the American market has triggered predictable outrage from Hanoi but also cries of protectionism from the US business community in the communist nation.

The American Chamber of Commerce (AmCham) expressed concern that last week's decision to continue the investigation against Vietnam, Brazil, China, Ecuador, India and Thailand "may be subject to protectionist pressures".

"Given Vietnam's natural competitive advantages, it would be difficult to square with economic reality any imposition of US anti-dumping duties on imports of shrimp

from Vietnam," the Hanoi chapter of the business group said.

Its comments followed Tuesday's finding by the US International Trade Commission (ITC) that there was "reasonable indication" that certain low-priced shrimp and prawns from the six countries were hurting US shrimpers.

The ruling cleared the way for the Department of Commerce to press ahead with an anti-dumping investigation. It is due to make a preliminary finding in early June that could result in the imposition of punitive import tariffs.

The outcome was widely expected and both the Vietnamese government and the country's seafood industry body hit back

swiftly, expressing their bitter disappointment that the ITC did not terminate the legal action.

"This not only fails to contribute to promoting growing economic and trade relations between Vietnam and the United States but it also fails to protect the legitimate interests of US consumers, exporters and distributors," foreign ministry spokesman Le Dung said.

For its part, the Vietnam Association of Seafood Exporters and Producers called on Washington to "avoid imposing absurd conclusions on shrimp farmers, processors and exporters in Vietnam and other defendant countries".



PHOTO: CONCORD ENTERTAINMENT

Golam Quddus Chowdhury, executive director of Beverage Distribution Ltd, and Shahriar Kamal, director of Concord Group, exchange documents after signing a deal on behalf of their respective sides in Dhaka recently.