

FAILURE TO HOLD AGM SEC fines MDs of two cos

STAR BUSINESS REPORT

The Securities and Exchange Commission (SEC) yesterday fined the managing directors of two Z group companies -- Paragon Leather and Sonali Paper -- Tk one lakh each for not holding their annual general meetings (AGM) in due time.

According to a letter issued by the market regulators yesterday, both the chief executives will have to deposit the penalty amount within March 31. They have to pay Tk 10,000 as additional penalty for each day starting from yesterday until holding of their next AGMs.

Paragon Leather, which started trading on the stock exchange in 1997, held its last AGM on August 27, 2000. Sonali Paper began trading in 1985 and held its last AGM in 2000.

The companies are already facing suspension of share trading on the Dhaka Stock Exchange. Share trading of Paragon Leather was suspended by SEC on December 3 last year following an abnormal surge in its share prices.

New composite textile industry in DEPZ

A composite textile industry will be set up in the Dhaka Export Processing Zone (DEPZ) with an investment of US\$10.39 million.

The enterprise, Texas Composite Textile Ltd, a 100 percent local-owned company, will annually produce 3,000 metric tons of knit fabric, 9 million pieces of knit garments and 4,500 metric tons of yarn for sweater.

It will create employment opportunity for 96 Bangladesh nationals, says a press release.

An agreement to set up the industry was signed between the Bangladesh Export Processing Zones Authority (Bepza) and Texas Composite Textile Ltd in Dhaka on Wednesday.

General Manager (Investment Promotion) of Bepza AZM Azizur Rahman and Chairman of Texas Composite Textile Ltd Syed Faruque Ahmed inked the deal on behalf of their organisations.

New Product



Lafrost cream

Incepta Pharmaceuticals Limited has launched Lafrost cream in local market for the treatment of fever blister or cold sore, a common viral infection.

The cream is to be used only on the area of lips and face avoiding eyes, says a press release.

Lafrost, approved by US FDA, should be used five times a day onto the affected area until it is cured.

Govt to simplify process of issuing export-import licence

Khosru says at inauguration of Bangla Optica-2004

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A couple of hours before he resigned as commerce minister, Amir Khosru Mahmud Chowdhury yesterday inaugurated a fair of optical products and disclosed a government plan to simplify the process of issuing export-import licences.

"I know how difficult it is to get licences from government offices," Khosru said. "And to make it hassle-free, the government is planning to introduce online registration in the licensing process within a few months."

Khosru inaugurated the 6th Bangla Optica-2004 at Hotel Razmoni Isha Kha in Dhaka at 12 noon and tendered his resignation at about 2pm.

Bangladesh Optical Industries

and Traders Association (BOITA) organised the three-day exhibition to showcase a variety of optical products from home and abroad. Companies from six countries including Bangladesh are taking part in the show.

Describing spectacles industry as a potential sector, Khosru said the commerce ministry has already sent a paper to the Tariff Commission proposing a reduced duty structure for imported raw materials of the growing sector.

Manjurul Hoque Sikder, president of the BOITA, earlier urged the government to reduce duty on basic and intermediate raw materials of spectacles industry to 7.5 percent.

Turning to the plan of setting up a permanent fair ground, Khosru said no international company has

responded to the tender floated by the government three months ago. He invited local businessmen to take part in the tender process.

Speaking at the function, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Abdul Awal Mintoo reiterated his appeal to the politicians to give up the politics of hartal for the sake of better development.

"We the private sector businesspeople generate around 76 percent of total employment. If the present political situation continues, economy will get stagnant," Mintoo said.

Former president of BOITA Nazrul Islam and chairman of the fair committee and senior vice-president of the association Md Fazlul Haque also spoke.

Bangladeshi companies produce high quality lens and frames, including bifocal lens, the spectacles manufacturers said. Some companies now are taking initiatives to set up composite plant to produce lens and other optical accessories.

At present some 50 firms produce lens and meet 60 percent of domestic demand while three companies produce frames to meet 50 percent of local demand. They exported frames worth one lakh US dollars last year.

A total of 28 companies from Bangladesh, Pakistan, Sri Lanka, Thailand, China and India are taking part in the fair, open from 10am to 8pm everyday.

Nepal to join WTO Apr 23

AFP, Geneva

Nepal will become the 147th member of the World Trade Organisation on April 23, the WTO announced on Thursday.

The Himalayan state submitted its formal acceptance and ratification of WTO membership on Wednesday, lifting the last barrier on the way to accession to the global free trade system, WTO said in a statement.

Nepal is the first least developed country to complete the cumbersome accession procedure by adapting its trading system after complex negotiations with WTO member states.

Although the Geneva-based WTO currently has 30 least-developed country members, the others joined when the organisation was established in 1995 because they belonged to the its predecessor, the General Agreement on Tariffs and Trade (GATT).

Samorita Hospital Ltd okays 10pc cash dividend

Samorita Hospital Limited has approved 10 percent cash dividend for its shareholders.

The approval was made at the company's 18th annual general meeting held in Dhaka recently, says a press release.

Chairman of the company Abu Ahmed Chowdhury presided over the meeting. Managing Director of the company ABM Harun was also present.



PHOTO: STAR

Amir Khosru Mahmud Chowdhury, who resigned yesterday as commerce minister, visits a stall at the three-day 6th Bangla Optica-2004 organised by Bangladesh Optical Industries and Traders Association at Hotel Razmoni Isha Kha in Dhaka.

Thai product show begins Monday in Dhaka

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A three-day exhibition of Thai products and services begins on Monday at Dhaka Sheraton Hotel.

The single country fair -- Thailand Exhibition 2004 -- is organised by the Department of Export Promotion (DEP) under the commerce ministry of Thailand.

Inthorn Wankeao, minister counsellor (commercial) of Royal Thai Embassy, announced the fair schedule at a press conference in Dhaka yesterday.

Some 96 Thai manufacturers and exporters will exhibit their products in the 4th version of the Thai show. The products include auto-parts and accessories, chemical products, games and toys,

construction materials, machinery, equipment and hardware, electrical appliances, food products and beverages, furniture, garments, textiles and fashion accessories.

Besides, gift and decorative items, leather products and footwear, hospital and medical equipment, household and kitchenware, stationary, computer and accessories and services such as medical treatment and education are among other products.

Speaking at the conference, Wankeao said if Bangladesh and Thailand sign bilateral trade agreement the trade relation between the two countries will improve further.

"The Thai government is con-

sidering starting bilateral talks with Bangladesh," he said.

Bangladesh exports fertiliser, frozen seafood, garments and textile products to Thailand while it imports cement, fabrics, sugar, iron, steel and aluminum products from Thailand.

The fair will remain open from 10am to 6pm everyday to visitors. A similar three-day display of Thai products and service will begin in Chittagong on April 2.

Paniti Uthairat, counsellor (commercial) of Royal Thai Embassy, and Meherun N Islam, managing director of CEMS (Conference & Exhibition Management Services Ltd), show manager of Thai exhibition, were present at the press conference.

Japan's trade surplus with Asia hits record high in Feb

AFP, Tokyo

Japan's trade surplus with Asia hit a record high in February as robust demand in China drove Japanese exports to the region, the finance ministry said Thursday.

Japan's trade surplus with Asia rose 41.3 percent from a year earlier to 790.3 billion yen (7.5 billion dollars), surpassing the previous record of 770.6 billion yen hit in March 1996, the ministry said.

Asia-bound exports rose 14.4 percent to 2.23 trillion yen while imports from the region rose 3.6 percent to 1.44 trillion yen, the

ministry said.

Exports of semiconductor processing equipment and audiovisual product parts fuelled the rise, the data showed.

"Exports of such products as LCD (liquid crystal display) devices, ICs (integrated circuits), digital camera parts and cellular phone parts were particularly brisk," a ministry official said.

With China, Japan registered a trade surplus of 13.7 billion yen, the highest since March 1994, the finance ministry said.

"The overall trend has remained the same," said Ryo Hino, econo-

mist at JP Morgan Securities. "Continued strength of Asia-bound exports, driven by robust growth of China, contributed to the expansion of Japan's trade surplus," he said.

"External demand is supporting Japanese economic growth. If the Chinese economy slows down, Japan will be in a big trouble," he said.

Japan's overall trade surplus rose 51.7 percent to 1.41 trillion yen for an eighth consecutive monthly increase, with exports up 10.3 percent to 4.77 trillion yen while imports fell 1.0 percent to 3.36 trillion yen.

Outsourcing backlash may hurt US high-tech sector

AFP, Washington

The impact of outsourcing on US unemployment has been grossly exaggerated, according to a study released Wednesday that said US authorities should improve supply-side initiatives before penalising companies that ship jobs overseas.

Productivity gains, the 2000 dot.com bust, and weak US and international economies were much more important factors in the job losses of the past three years than the much ballyhooed phenomenon of offshoring, according to the trade group that represents the US high-tech sector.

The American Electronics Association did not provide figures to back up its analysis: researchers noted that there is no hard data on

the number of jobs that have been relocated to India, China, and other countries by corporations seeking cheaper labor and lower overheads.

But they argued that election-year "hysteria" had obscured the facts, and that projections that as many as 3.3 million service jobs would go overseas by 2015 were both flawed and misleading.

The AeA, which represents industry titans such as Microsoft Corp., Intel Corp., Cisco Systems and Motorola Inc., cautioned against the protectionist sentiment that is sweeping through state legislatures across the country.

"Protectionist legislation may result in retaliation, jeopardizing 171 billion dollars in high-tech exports and large surpluses of high-tech services sold overseas,"

it said. "Indeed, for many high-tech companies, the majority of their revenues are at risk."

US IT companies draw 60 percent of their revenues from markets outside their domestic market, according to the US Bureau of Economic Analysis.

State and federal authorities should look to boost the high-tech sector as an engine of growth for US jobs, instead of ditching their commitment to free markets, the AeA said.

It urged US authorities to put their own house in order first by addressing structural problems that make it difficult for US companies to compete on a global stage, from skyrocketing employee health care costs to rising litigation and regulatory costs.

BJMC URGES GOVT

Discourage use of poly bags in packaging

UNB, Dhaka

A delegation of Bangladesh Jute Mills Association (BJMC) Wednesday met the industries minister and sought measures to discourage the use of polypropylene bags in packaging.

During the meeting, the 7-member delegation elaborately discussed the development and prospect of jute industry and the problems facing the jute sector with Industries Minister Motiur Rahman Nizami.

Mentioning the bright prospect of jute in the international market, the delegation members, led by BJMC Chairman Mirza Ali Behrouze Ispahani, said Bangladesh could earn huge foreign currency by exporting jute and jute goods.

There is ample scope of creating employment opportunities by setting up jute industries, they said underscoring the need for increasing internal use of jute.

Describing jute and jute goods as eco-friendly, the minister said the government is aware of the present condition and problems in jute industries.

He assured the association of all possible co-operation in flour-

ishing the jute sector alongside increasing the use of jute and jute goods in the interest of pollution-free environment.

The delegation members also included Vice-chairman Kamran T Rahman, executive council members Mohammad Nasim, Mohammad Talha, Shahidul Islam Helal and Modi Ghidhari and Secretary MS Haq Khan.

Int'l trade fair begins at Barisal

OUR CORRESPONDENT, Barisal

A month-long international trade fair began here yesterday.

Barisal City Corporation Mayor Majibar Rahman Sarwar MP formally inaugurated the fair organised by Barisal Chamber of Commerce and Industry.

The organisers said companies from China, Iran, India and Pakistan are expected to take part in the fair at Barisal outer stadium.

A total of 70 stalls, 30 premier stalls, 10 mini pavilions and four pavilions have been set up in the fair.