

Electra Telecom
becomes GP
dealer

Electra Telecom (BD) Limited, a sister concern of Electra Group, has signed an agreement with GrameenPhone Limited (GP) to become GP dealer.

Mahbub Hossain, head of Distribution of GrameenPhone Limited (GP), and Md Zakiullah Shahid, managing director of Electra Telecom (BD) Limited (ETBL), signed the agreement recently in Dhaka, says a press release.

Among others, GP Managing Director Ola Ree, Director of Sales and Marketing Division Mehboob Chowdhury, Electra Group Chairman Md Sanullah Shahid and founding chairman Md Shahidullah were present.

GP subscription and all other products will now be available at all Electra sales centres across the country.

Pakistan cotton
prices remain
soft on dull
activity

REUTERS, Karachi

Pakistan's cotton prices have remained soft in the past week amid dull activity and will not pick up until next month, when arrivals of the new crop come into the market, dealers said.

Dealers said around 400,000 375-lb bales of unsold cotton were still available, but these were attracting little interest because of their low quality.

"There are no buyers in the market, as most textile mills have already covered their positions by importing good quality cotton," said Karachi dealer Mustafa Hussain.

Hussain said the market was likely to remain depressed until late August, when fresh arrivals from the new cotton crop would start.

Pakistan expects to produce 10.72 million bales of cotton in the 2004/05 crop year, against around 10 million in the current season. The season begins in April and ends in February.

The country imported over 1.9 million bales of cotton in the fiscal year to June 30.

On Thursday, the key cotton crop varieties were quoted in a range of 2,400 to 2,550 rupee per maund (40 kg).

The Karachi Cotton Association fixed the official spot rate, or base price, for Grade 3 cotton at 2,840 rupees per maund.

Grade 3 has a staple length of 1-1/32 inches and micronaire value between 3.8 and 4.9 NCL (no control limits), which represents fine to coarse varieties.

Japan grants
tax breaks to
Mitsubishi
Motors

AFP, Tokyo

The government Friday decided to grant tax breaks to scandal-hit Mitsubishi Motors Corp. in a bid to help Japan's fourth-largest carmaker regain consumer confidence and recover lost sales.

Industry Minister Shoichi Nakagawa met Mitsubishi Motor chairman Yoichiro Okazaki to announce the government's decision, made under the Industrial Revitalization Law, a ministry official said.

"In a meeting with the leadership of Mitsubishi Motors, I was able to confirm their resolve that they would do their best to regain public trust," Nakagawa told reporters ahead of his meeting with Okazaki.

The trade ministry had told the company to revise its application for government help, saying its business recovery plan was not good enough to regain public confidence.

Mitsubishi Motors is reeling from the fallout of a series of vehicle defect cover-ups of its own and by its truck-making affiliate, Mitsubishi Fuso Truck and Bus Corp., formerly a Mitsubishi unit and now a subsidiary of the US-German auto giant DaimlerChrysler.

The transport ministry Thursday raided a factory of Mitsubishi Fuso in Kawasaki, southwest of Tokyo, to probe whether the firm had covered up facts about defective clutch housings, which are believed to have caused accidents, including one fatal.

On Thursday Mitsubishi Motors said emergency funding for its rescue from group firms and other investors totalled 496 billion yen (4.5 billion dollars), below its target of 546 billion yen.

The monsoon between June and

September, providing 80 percent of the country's annual rainfall, has been capricious during most of the sowing month of July, with scant rain in the oilseeds-rich northwest and floods in the rice-growing east.

Rain is the only irrigation source for two-thirds of India's cultivated land, and in the absence of modern facilities, the monsoon is crucial for sowing crops and output.

Analysts said the economy was unlikely to achieve the government's 7 percent growth forecast since some crop development had already been hurt by a lack of rainfall.

A record monsoon helped generate 8.2 percent economic growth in the last financial year, marking the biggest annual expansion in 15 years.

"If monsoons revive properly, I expect 6.0-6.5 percent growth. If they fail it will be around 5.5-6.0 percent," said M.R. Madhavan, Singapore-based strategist at Bank of America.

About 600 million of India's billion-plus population depend on the farm sector, which generates a quarter of gross domestic product and is a crucial driver of other parts of Asia's fourth-biggest economy.

The monsoon between June and

Textile alliance can benefit
both Dhaka, Delhi

BoI chief says as Bangladesh business team visits Kolkata

SAKYASEN MITTRA, Kolkata

Both Bangladesh and India will reap benefits if the two next-door neighbours form a strategic alliance in textile sector, said executive chairman of Board of Investment (BoI) here yesterday.

Addressing a gathering of entrepreneurs in the West Bengal capital, Mahmudur Rahman, who is leading a high-powered business delegation in India, said an alliance will help both the countries capture a top slot in the world market.

"India as a developing country

will not be given GSP facility. But Bangladesh has the advantage and gets 12 percent duty relief in the international market. So, Indian entrepreneurs can invest in Bangladesh's textile sector for the benefit of both," said Rahman.

"Bangladesh can be the manufacturing base for any investors. Labour is cheap and the country has a very business-friendly government."

He also said the government is ready to help any Indian investor willing to set up factories in Bangladesh.

"Recently, I was in Karnataka

state. IT secretary there said 35 days are needed for foreign direct investment (FDI) approval. In our country, we do it in 72 hours. It can also be done online," said Rahman.

Indian investors willing to start ventures in Bangladesh, however, complained Bangladesh is yet to give "business visa" to business people.

Bangladesh's Deputy High Commissioner in Kolkata Touhid Hussain said a proposal to introduce "business visa category" has already been sent to the government. "Some positive actions will be taken very soon," he added.

India's inflation rate soars to
more than 6pc as
oil prices rise

AFP, Mumbai

India's inflation rate has climbed to more than six percent fuelled by rising petroleum and manufactured goods prices, government figures showed Friday.

Inflation rose by over a percentage point to 6.16 percent for the week ended July 3, from the corresponding period a year earlier, despite efforts by the government to keep a lid on prices.

"I think inflation will increase. The increase in crude oil prices is going to stoke inflation further and it can easily reach up to 6.5 percent," said Raja Bandyopadhyay, an economist with Birla Sunlife Securities.

India's annual economic review released this month warned rising international oil prices were likely to boost inflation as the country imports nearly 70 percent of its oil requirements.

Foreign Secretary Shamsher Mobin Chowdhury and senior officials of the foreign ministry were present at the airport.

The foreign minister said Vietnam strongly supports Bangladesh's membership in ARF

MOBIN CHOWDHURY AND PAVI LTD. (BANGLADESH) COLLABORATED STORE

SIGNING CEREMONY OF
MEMORANDUM OF UNDERSTANDING FOR

MOBIN CHOWDHURY AND PAVI LTD. (BANGLADESH) COLLABORATED STORE

Joint venture fast food shop to be set up in Dhaka

Hassan and Associates Limited (HAL), a developer, and Jinding Industrial Investment Management Company Limited, a Chinese firm, will set up a joint venture fast food and wholesale shop at Maghbazar in Dhaka.

An agreement to this effect was signed between the two organisations, says a press release.

Mahmudul Hassan, managing director of HAL, and Liu Hui, managing director of Jinding Industrial Investment Management Company, signed the deal on behalf of their organisations.

Among others, Deputy Managing Director of HAL Naimul Hassan and Director of Jinding Industrial Investment Management Deng Jing Chang were present.

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AFP, Mumbai

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