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# Star BUSINESS

DHAKA SATURDAY JULY 31, 2004 E-mail: dsbusins@gononet.com

**100% Charity Dinner**  
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**Heritage**  
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30th July  
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Road # 109, House # 10, Gulshan 2, Dhaka - 1212

## Floods cast shadow on tea

STAFF CORRESPONDENT, Sylhet

The rising floodwaters twinned with excessive and continual rains have cast a shadow on Bangladesh's tea industry.

Floodwaters swamped canals and low-lying areas around tea gardens, besides plantation and nursery plots. There have also been incidents of landslides in many tea gardens.

Bangladesh Tea Research Institute (BTRI) has already started assessing the loss, a top official of the institute said.

Officials with the BTRI said floods have played havoc with tea cultivation for the first time in recent

memory in the country since almost all tea gardens are located at high lands.

According to officials, after medium level rainfalls recorded in the second week of July, tea garden areas experienced cloudburst until July 22. In total, 3,027 millimeters rainfalls were recorded until July 24 this year against 2,726 mm up to July 31, 2003.

1,401 mm rainfalls were recorded in 24 days of July at the Met office located at the BTRI, Srimangal against 1,478 mm in 31 days of July last year.

According to tea industry sources, more than 50 tea gardens in Monu-Dholoi, Lashkarpur and

Balisera areas have been badly affected by the sudden flooding.

An official with BTRI said class one gardens suffered huge loss. Some 25,000 saplings in only a tea garden nursery have been damaged, he added.

BTRI Director AFM Badrul Alam said it is difficult to recoup the huge damage in a sensitive area like tea industry, which in many ways depends on weather condition.

Bangladesh's 160 tea estates, mostly owned by private companies, produce about 55 million kg tea a year.

Roughly two-third of the production is consumed locally while the rest of the portion is exported.

Some 0.15 million people are employed in the tea industry, which contributes about 3.3 percent to the country's total industrial employment.

**Chairman of Mercantile Ins reelected**



Abdul Haque has been re-elected chairman of Mercantile Insurance Company Limited for the fourth consecutive year.

The election was held at the eighth annual general meeting of the company in Dhaka on Thursday, says a press release.

A sponsor-director of the company, Haque is a member of the National Council for Industrial Development. He is also the senior vice-president of the Dhaka Stock Exchange Limited.

He is the chairman of Royal Green Securities Limited, Royal Green Products Limited, Artisan Constructions Limited and managing director of Evergreen Group of Companies.

**SIA swings back to profit in first quarter**

AFP, Singapore

Singapore Airlines (SIA) on Friday reported a 259 million-Singapore dollar (152.35 million US) net profit in its first quarter ending June as it swung back from a 312 million-dollar loss the year before due to SARS.

The carrier said a recovery in air travel from the impact of the Severe Acute Respiratory Syndrome epidemic underpinned the rebound, with revenues up 64.8 percent to 2.725 billion dollars.

The quarterly rebound continues the momentum seen earlier in SIA's year-to-March earnings performance and further strengthens the airline's recovery from the turbulence spawned by the regional health crisis in the first half of 2003.

SIA filled 72 percent of available seats during the quarter, up 14.6 percent as revenue passenger kilometers jumped 83.8 percent from last year.

The airline's cargo subsidiary, SIA Cargo, carried 9.7 percent more cargo.

**Microsoft touts growth prospect**

REUTERS, Redmond

Microsoft Corp, fresh from unveiling a plan to return \$75 billion to stakeholders, Thursday began the tough task of trying to convince investors it can maintain its past growth rate.

As part of Microsoft's pitch at its annual analysts meeting, the world's largest software maker unveiled a search engine that looks for information on computer hard drives as well as information on the Web, considered the next battleground among search technology providers.

Microsoft's executives are trying to deflect the perception that it has become a mature, slower-growth company, despite 13 percent revenue growth in the year to June at a time when corporate spending is low.

For two decades the industry leader, Microsoft shares now trail the broader market, rising only 12 percent in the company's past fiscal year while the Nasdaq composite index climbed 26 percent.

## US slaps up to 67.8pc duties on shrimp from 4 countries

AFP, Washington

The United States slapped tariffs Thursday on shrimp from Brazil, Ecuador, India and Thailand in the second phase of a probe into a petition alleging "dumping" at artificially low prices.

The Commerce Department said the duties would range up to 67.80 percent for Brazil, 6.08 to 9.35 percent for Ecuador, 3.56 to 27.49 percent for India and 5.56 to 10.25 percent for Thailand.

The agency said a preliminary probe indicated imports from the four countries were sold "at less than fair value," opening the door to punitive tariffs.

It was the second action on shrimp in the past month after duties were imposed on shrimp from China and Vietnam.

A separate investigation was used for the other four countries because they are considered market-based economies, unlike China and Vietnam.

The duties may be adjusted, but will be collected until a final ruling by the quasi-judicial International Trade Commission next January.

A group representing the US shrimp producers that filed the petition welcomed the decision but said the preliminary tariffs may be

too low.

US shrimp producers argue that their wild-caught shrimp cannot compete with farm-raised shrimp from the other countries.

"We command the Department of Commerce for imposing antidumping duties, but feel that in certain instances the duties underestimate the seriousness of the violations," said Southern Shrimp Alliance President Eddie Gordon.

"Today's findings confirm that unfair trade has allowed importers to slash import prices 41 percent since 2000 while flooding the US market with a 71 percent increase in imports. This is not the result of efficient production, but unfair competition."

But a trade group representing grocers, restaurants, processors and distributors called the duties an unneeded "tax" on US consumers.

"These four countries are not dumping shrimp in the US. They are efficiently producing a high-quality product, and the US industry has failed to compete effectively with these imports," said Wally Stevens, chairman of the Shrimp Task Force.

"This is a case of the current administration imposing a new food tax on millions of Americans that will do nothing to help the shrimp industry except line the pockets of a

few shrimpers. It's a classic case of unnecessary, undeserved and unwise protectionism."

The fact that the preliminary duties were lower than what the US industry sought "is convincing evidence that imports are not the cause of domestic shrimpers' problems," said Stevens.

"Attempting to shut out competition by imposing a food tax won't make the US industry's problems go away."

Thailand last week pleaded with US trade authorities not to impose tariffs, claiming the move could devastate thousands of Thai shrimp farmers and workers in food processing plants as well as raise prices for US consumers, according to reports in Bangkok.

The US decision, in a further blow to some producers, found "critical circumstances" exist on imports from one Indian producer, meaning duties can be imposed 90 days retroactively. The agency said there was insufficient evidence to impose retroactive duties on Thai shrimp.

The duties affect some 956 million dollars in imports from Thailand; 398 million dollars from India; 206 million from India and 97 million from Brazil.



A man uses a roadside space on Dhaka-Aricha highway to keep his diesel-run husking machine running as floodwaters have submerged his shop at Balitha village in Dhamrai, Dhaka.

## Karnaphuli Ins declares 16pc dividend

Karnaphuli Insurance Company Limited has declared a 16 percent dividend in the form of bonus share for its shareholders for the year 2003.

The dividend was announced at the 17th annual general meeting of the company held in Dhaka recently, says a press release.

Nizam Uddin Ahmed, chairman of the company, presided over the meeting.

Vice Chairperson Ummi Kawser Salsabil, directors Raquiba Fakhru, Maria Zaman, Mafizur Rahman, Shahjahan Golder, Mohammad Shah Alam, Md Abdul Hai and Zobaida Parveen, Executive Director Nasir Uddin Ahmed and Managing Director Md Aliuzzaman Khan were present.

## Tata chairman steps down

BCB ONLINE

One of India's most famous businessmen, Ratan Tata, has stepped down as chairman of the Tata group of industries.

Mr Tata is expected to go on playing a significant role at the company as a non-executive chairman for a further five years before relinquishing charge at the age of 70.

Ratan Tata will not nominate his successor.

Like the Wallenbergs in Sweden and the Oppenheims in South Africa, the Tatas' interests span much of India's economy.

They founded India's biggest private sector steel company, as well as a truck manufacturer, hotel chain, tea producer, and chemicals and software exporter.

A replacement to head the \$10.4bn (£6.5bn) Tata group of companies has yet to be announced.

US gross domestic product, a measure of total output within the nation's borders, climbed at a modest 3 percent annual pace in the

## China sees foreign investment remaining flat this year

AFP, Beijing

In 2003, Vice Minister of Commerce Yu Guangzhou said in a statement.

Although retail sales were expected to pickup this year from last year's growth rate of 9.1 percent, slowing consumption was a problem for the commercial sector, Yu said.

Yu claimed that frequent trade restrictions against China were hurting commerce and resulting in unfair treatment for Chinese enterprises in the international market place.

Full-year retail sales are forecast to grow by over 10 percent year-on-year to five trillion yuan (603 billion dollars) compared with 4.58 trillion dollars in 2003.

High global oil prices and growing stockpiles of some commodities were also impacting the Chinese economy.

Overseas investment this year is expected to exceed two billion dollars.

## US economy cools amid shopping slowdown

REUTERS, Washington

The US economy braked more sharply than expected in the second quarter as shoppers curbed their free-spending ways amid a sharp advance in energy prices, government data released on Friday showed.

US gross domestic product, a measure of total output within the nation's borders, climbed at a modest 3 percent annual pace in the

April-June period after an upwardly revised 4.5 percent clip at the start of the year, the Commerce Department said.

Wall Street economists had looked for GDP to slow less sharply to a 3.6 percent pace after the first-quarter's previously reported 3.9 percent advance, and said they were surprised by the big pullback in consumer spending.

The dollar slipped against the euro, while prices for US bonds

move higher after the data as investors bet on an easier pace of interest rate rises from the Federal Reserve. The stock market was expected to open lower on the news.

"We're looking at a more pronounced than expected slowing of economic activity, mostly because of the shockingly small increase by consumer spending," Moody's Investors Service chief economist John Lonski said.

**Subject : Dividends on ICB Unit Fund & Mutual Funds for the Year 2003-2004, Notice of Closure of Registers of ICB Mutual Fund Certificates & Fixation of Repurchase Price of Unit Certificates.**

This is for information of all concerned that the Board of Directors of the Investment Corporation of Bangladesh in its fund related meeting held on the 29th July, 2004 approved Dividends on ICB Unit Fund & ICB Mutual Funds for the year ended 30th June, 2004 as follows:

SI No	Name of Fund	Dividend per certificate of (Tk) 100.00 each
1.	First ICB Mutual Fund	200.00
2.	Second ICB Mutual Fund	50.00
3.	Third ICB Mutual Fund	50.00
4.	Fourth ICB Mutual Fund	45.00
5.	Fifth ICB Mutual Fund	24.00
6.	Sixth ICB Mutual Fund	17.00
7.	Seventh ICB Mutual Fund	15.00
8.	Eighth ICB Mutual Fund	14.00
	ICB Unit Fund (Tk. per certificate)	11.50
02.	Registers of certificates of all ICB Mutual Funds will remain closed from 15-08-2004 to 24-08-2004 (both days inclusive). The certificate holders of the Mutual Funds whose names will appear in the respective Registers on 14-08-2004 will be entitled to the dividends. The certificate holders of Unit Fund whose names appeared in the respective Registers on 30-06-2004 will be entitled to the dividend.	
03.	The repurchase price of unit certificates has been fixed at Tk. 105.00 with effect from 01-08-2004.	

**Dina Ahsan**  
Deputy General Manager/Secretary

Investment Corporation of Bangladesh

8, DIT Avenue, Dhaka.

## Oil prices hit new highs on supply fears

REUTERS, London

"There's a sense with Yukos of postponing the inevitable. Yukos' financial problems will get worse in the coming weeks and the market is very nervous that we will see some of its 1.7 million barrels a day shut in for some period," said Steve Turner, an oil analyst at Commerzbank Securities.

Yukos has said the company could collapse by mid-August because of a freeze on its bank accounts and assets, adding that its rail shipments of oil, which make up a quarter of its total sales, could be affected soon.

Yukos, whose former CEO Mikhail Khodorkovsky is on trial for tax evasion and fraud, pumps a fifth of Russian oil.

IRAQ VIOLENCE FEAR Traders also remain wary over accelerating Iraqi oil flows after repeated export disruptions this summer.

Problems could always occur in Iraq. It's difficult to see someone turning a switch and the situation changing there," Turner added.

The Iraqi oil minister said Thursday the country's oil exports would average between 1.7 million and 1.8 million barrels per day (bpd) next month, from 1.5 million in July.

The IMF and economists have forecast global growth in excess of 4.5 percent this year even as oil prices rise and more increases in US interest rates loom.

One of India's largest financial institutions, the Industrial Bank of India (IBBI), announced plans Thursday for an in-house merger with its retail banking subsidiary IDBI Bank to create a mammoth IDBI entity.