

Washing Machine

TRANSKOM ELECTRONICS

Dhaka: 8116163, 9882192, 9896285, 9569613
Chittagong: 637669, 637558, Bogra: 66215
Khulna: 729304, 723695

Star BUSINESS

DHAKA SATURDAY DECEMBER 25, 2004 E-mail: dsbusin@gononet.com

PAKISTANI 3 PIECE LADIES SUITS & SAREE

BUY ONE PAKISTANI 3 PIECE LADIES SUIT / SAREE AND GET ONE IMPORTED GIFT FREE. PLEASE VISIT:

JOYA FASHIONS:
House # 15, Road # 16, Sector # 3, Uttara, Dhaka.
Phone: 02-8961669 Mobile: 0173-018590, 0173-018591

জয়া ফ্যাশন্স
AN EXCLUSIVE LADIES FASHION HOUSE

বাড়ি # ১৫, রোড # ১৬, সেক্টর # ৩, উত্তরা, ঢাকা। ফোন: ০২-৮৯৬১৬৬৯, মোবাইল: ০১৭৩-০১৮৫৯০, ০১৭৩-০১৮৫৯১। E-Mail: joya_fashions@hotmail.com
সময়: সকাল ১০টা থেকে রাত ১০টা পর্যন্ত (বেশুয়ারি মহিলাদের জন্য)

Essentials import dependency up on falling production

MONJUR MAHMUD

The country is increasingly becoming dependent on imports of essentials including edible oil, sugar, lentil, onion, ginger, dry chilli and garlic, creating pressure on foreign exchange reserves.

Local production of these essentials is on the decline to meet the growing demands, said sources in the Trading Corporation of Bangladesh (TCB), a state-run organisation monitoring prices of essentials.

"In some cases, imported products such as sugar, lentil, onion, ginger, dry chilli are dominating the market and traders involved in importing these items control the market prices," said an official of TCB.

When price of a certain product goes up the ministry negotiates with the importers but in most cases the initiative fails mainly because of the involvement of different syndicates who import these essentials, he

added.

According to the Department of Agriculture Extension (DAE), the target for producing edible oil locally in the 2003-04 financial year was 1.30 lakh ton against the annual demand of over 1.1 lakh ton.

Around 8.5 lakh ton soya bean and palm oil was imported in the last fiscal. Letters of credit (L/Cs) worth Tk 394 crore have been opened in the first three months of this fiscal to import soya bean and palm oil.

Lentil is imported from Turkey and Syria. According to Bangladesh Bank, L/Cs worth Tk 596.17 crore were opened in the 2003-04 financial year to import lentil.

"We are increasingly becoming dependent on imports of some essential items to meet the growing demand. And it is creating pressure on foreign exchange," Commerce Secretary Md Aminur Rahman told The Daily Star.

The government, in some cases, provides incentives to encourage

farmers to increase production of these items but it is very difficult to motivate farmers as they have their own choices, he added.

Only 1.19 lakh ton sugar was locally produced in the 2003-04 financial year against the annual demand of around 8 lakh ton, while 5.78 lakh ton was imported, according to National Board of Revenue.

Besides, a large amount of sugar is imported from the neighbouring countries through unofficial channels, sources said.

"As local demands are mostly met by imported sugar, the market witnesses frequent fluctuation of its price due to involvement of some syndicates," said the TCB official.

Local demand for onion is around 11.54 lakh ton while its production target in the last fiscal was six lakh tons. Around five lakh ton onion is imported every year, mostly from India.

Onion price in the market also

fluctuates frequently due to import dependency.

Annual demand for ginger is around 1.40 lakh ton while local production is about 0.45 lakh ton. Ginger is mostly imported from China, Myanmar, India and Thailand.

Local demand for dry chilli is 3.22 lakh ton while local production is approximately 1.8 lakh ton.

Bangladesh Krishi Bank and Department of Agriculture Extension (DAE) have jointly undertaken a two-year programme to increase local production of pulses, oilseeds and spices in a bid to reduce dependency on imports.

BKB has set a target to disburse Tk 200 crore in loan to encourage farmers to produce these essential items.

The scheme will help the farmers increase the production of 15 essential items including gram, lentil, maize, soya bean, mustard oil, onion, garlic, turmeric, tomato, betel leaf and chilli.

REHAB FAIR-2004

Flats beyond middle-class reach as land gets pricey

STAR BUSINESS REPORT

Middle-income group visitors at the fourth edition of the real estate fair being held at Dhaka Sheraton Hotel find apartment prices beyond their reach while real estate developers attribute the situation to unimaginable rise in land prices.

Visitors said flats are so costly that most people cannot dream of owning a house even with the help of lending institutions as their monthly salary cannot meet instalment requirements.

However, developers said as land area in Dhaka is dwindling, price of flats is going up. Some 75 companies are offering hundreds of apartments ranging from Tk 800 to Tk 4,000 per square feet with a price tag from Tk 10 lakh to Tk 1 crore for a flat.

Visiting the fair, families consisting of at least four members observe that they need at least Tk 15 lakh to buy a livable apartment in Dhaka. "We look for a flat but find not a single one suiting our choice in location and budget. We find no one below Tk 20 lakh that meets our requirements of a four-member family. We choose a flat worth Tk 15 lakh but that is out of Dhaka city, Shamsul Haq from Nakhla para said.

Ashrafur Islam, deputy manager (marketing) of Advanced Design and Developments Limited, a real estate developer, said, "Developers have to buy land or make deals with land owners to make flats. In Dhanmondi per bigha land now costs Tk 6 crore. As land becomes rarer, price is also going up."

"Although price of building materials especially MS rod is high, we can still offer apartments at affordable prices. It is the land not structure that makes apartments pricey," he said.

A sales official of Eastern Housing, another real estate company, said many companies now go outside Dhaka to develop land and make apartments in the outskirts but land price is also high there. "Go to Ashulia, Savar, Tongi or Narayanganj and you will see land price is almost similar to that of Dhaka," he pointed out.

"Apart from higher prices of flats and plots, high registration and transfer fees shatter dreams of middle-income group to own a house in Dhaka," Aminur Rahman, who runs a shop at Mirpur said.

Real estate companies put on sale a wide range of apartments and plots located at different parts of Dhaka and its outskirts at the fair.

Crescent Holdings has come up with six apartment projects and a commercial complex project at the fair. The size ranging from 950 to

1695 square feet, the apartments are located at Mirpur, Moghbazar, Sukrabad and west Dhanmondi.

Rangs Properties offers flats at Gulshan, Lalmatia, Uttara, New Eskaton, Khilgaon, Siddeshwari and Wari. Space of its flats varies from 1450 to 4370 square feet. It also has commercial and office space at four complex at Purana Paltan, Dhanmondi and Mohakhali.

Subastu Developments Limited is offering nine apartment projects, two shopping malls and an office space project. Ranging from 915 to 2150 square feet, the apartments are located at Dhanmondi, Lalmatia, Indira Road, Gulshan, Uttara and Shahjadpur. The shopping malls and office spaces are available on Elephant Road and Moghbazar.

Subastu offers free furniture for the ready-to-sale apartments and 20 percent discount for space in shop-

ping malls and office complex. Russell Lodge offers apartments at Dhanmondi, Kalabagan, Uttara, Mohammadpur, Shayamoli and other areas. On spot booking of Tk 1 lakh at the fair, the customers will get 10 percent discount.

East West Property Developments put on sale apartments and plots at its Baridhara, River View and Bashundhara city projects. On payment of Tk 25,000 as booking money at the fair, clients will get a 21-inch colour television set and a DVD player as gifts.

Brac Concord Lands offers plots at its Rajdhani Prokhalpo at Demra, City Homes at Uttara and Rainbow Lands at Ashulia with options of 2, 2.5, 3, 3.5 and 5 katha. On payment of Tk 25,000 as booking money, customers will get prize bond worth Tk 5,000 and a scratch card offering discount up to Tk 50,000.



Customers see list of residential and commercial projects at a stall yesterday on the second day of the real estate fair organised by Real Estate and Housing Association of Bangladesh (Rehab) at Dhaka Sheraton Hotel.

Knitwear exporters see bright prospects after quota expiry

BSS, Narayanganj

Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), which is surpassing the government set export target of 2.50 billion US dollars in the current fiscal, finds no uncertainty and pressure as the post-MFA era comes into effect after a week.

"No, there is no uncertainty, pressure and joblessness situation in the knitting sub-sector of textiles

due to the post-MFA era," BKMEA President Md Fazul Haque told BSS yesterday at his office at the industrial town of Narayanganj.

Fazul said BKMEA has no doomsday prediction about the MFA situation for its 700 members who employed around 7.5 lakh workers. "Rather we are certain to earn \$2.75 billion through exporting knitwear in the current fiscal ... as we have already on the verge of surpassing the record."

BKMEA will hold a press conference today to give a full account on knitwear industries which includes the global market situation and potentials of the sector at its Dhaka office, he informed.

He said in the global market in the post-MFA era, China is not a competitor of Bangladesh as the 'imminent fabric emperor' does not produce knitwear which we produce for the low income group of Europe. And the Chinese workers

are more costlier than Bangladesh and India.

Fazul said India will be the main competitor of Bangladesh in the global knitwear market in the post-MFA situation. Because it has cheap labour, produces cotton and is investing 1.4 lakh crore rupees in the textiles sector to face the post-MFA situation.

Fazul said Bangladesh in future will compete with India in the field of the knitwear, which is mainly produced from imported Indian yarn. To cope with this unique situation, BKMEA demands import of Indian yarn through land routes. In this context, the BKMEA president said they challenged the authorities concerned to show a single instance of yarn smuggling in which BKMEA members are related.

CARE-BANGLADESH Procurement Section
Pragati RPR Center (8th floor)
Kawran Bazar, Dhaka-1215
Phone- 9112315, 8114207
Ext.385,365,360,355,361

Notice for New Enlistment of Firms and Renewal of Existing Enlisted Firms

Sealed Applications are invited from the bona-fide suppliers/Manufacturers/Sole agents/Distributors/Whole sellers/Contractors/Procurement providers for enlistment with CARE-Bangladesh in the following categories for the period from 1st April 2005 to 31st March 2006.

- Group-A: Printing, Stationery & General Suppliers:**
- Group-B: Photocopiers, Training Aids, Computers, Printers, Communication tools Home appliances and IT related appliances:**
- Group-C: Motor Vehicle, Motor Cycle and its spare parts:**
- Group-D: Construction, Maintenance and Furnisher & Engineering works:**
- Group-E: Miscellaneous Services: Surveyor, Advertising Firm, Transport services, Cleaning & Fumigation, and Security services.**
- Group-F: Training Venue:**

The following documents are to be submitted with the application:

- a) Valid Trade License, VAT Registration, TIN Certificate (Mandatory).
- b) Experience/performance certificate as supplier from any reputed organizations along with a list of its present customers with their telephone number (Mandatory)
- c) Sole Agency/dealership/distributorship certificate and their price list of products (if any)
- d) Name of the Proprietor/Partner/Managing Director, CEO and the key person with business address, telephone/fax number, e-mail (if any), must be enclosed with the application
- e) Money receipt as an evidence for purchasing the enlistment schedule.
- f) CARE prescribed vendor information form duly filled-up
- g) Certification of antiterrorism clause (Prescribed by CARE)

Renewals of firms:

Those who are already enlisted for the year 2004 (April 2004-March 2005) are required to submit the above documents, no need to submit the enlistment fee further.

Enlistment Fees:

For Group A, B and D (except interior decorator) Taka 20,000.00 (Twenty thousand) only and for other Groups along with interior decorator Taka 5,000.00 (Five Ten thousand) only by DD/PO (refundable) issued from any scheduled bank & drawn in favour of CARE-Bangladesh, must be submitted with the application. Enlistment fee of the selected Vendors will be treated as security deposit & be retained by CARE during the period of enlistment, while enlistment fee of the unsuccessful applicants will be refunded. No firm will be enlisted for more than two main groups (A, B, C, D, E, F) for which separate earnest money and application is not needed. In one application details group and sub group (if needed) are to be mentioned.

Other information:

Enlistment form & schedule may be purchased on cash payment of Taka 100.00 (Taka one hundred) only (non-refundable) from CARE-Bangladesh's petty cash under General Service Section (GSS), Pragati RPR center 9th floor, during office hours (9.00 a.m to 3.00 p.m) from 2nd January to 31st January 2005. Applications along with required supporting documents/papers must be dropped positively by February 06, 2005 in the "Enlistment Application Box" which would be kept in 8th floor from January 10, 2005. The authority reserves the right to accept/reject any or all applications partially or wholly without assigning any reason whatsoever. For further and more information please contact with Procurement Section.

Women Entrepreneurs are encouraged

Contract Manager - Procurement

National Tubes okays 30pc cash dividend, 40pc bonus share

National Tubes Ltd, a gas and oil line pipe producing company, has declared a 30 percent cash dividend and 40 percent bonus share for its shareholders for the year 2003-04.

The dividends were declared at the 24th annual general meeting of the company held at Tongi in Gazipur on Thursday, says a press release.

Md Sakawat Hossain, additional secretary to the government and chairman of the company, presided over the AGM. Md Abdus Sattar, managing director, was also present.

Square Pharma's formulation growth up in '04

Square Pharmaceuticals Ltd posted 11 percent growth in pharmaceutical formulation in 2004 and the company also introduced 43 new products during the period.

The statistics were reported at the company's annual sales and marketing conference held on Thursday at Bangladesh Public Administration Training Centre in Savar, says a press release.

Among others, company Chairman Samson H Chowdhury, Vice Chairman Samuel S Chowdhury and Managing Director Tapan Chowdhury were present at the conference.

KL cuts SE Asian car import duties

AFP, Kuala Lumpur

Malaysia on Friday announced it will cut import duties from January 2005 on cars from Southeast Asian countries in line with a regional trade pact but will still give local producers rebates.

The Finance Ministry in a statement on Malaysia's 2005 auto tax policy said it will cut import duties to 20 percent from January 1 on cars that are at least 40 percent produced in member countries of the Association of Southeast Asian Nations.

Indian inflation eases below 7pc in year to Dec 11

REUTERS, New Delhi

Wholesale prices in India rose 6.73 percent in the year to Dec 11, dropping the rate below 7 percent for the first time in six months, due to lower food prices and a marginal fall in energy rates, data showed.

The inflation rate for the year to Oct 16 was revised to 7.21 percent, the government said in a statement on Friday.

The fall in inflation is in line with the central bank's forecast that the rate would moderate in the coming months to around 6.5 percent in the year to the end of March 2005.

Indian federal bonds dipped slightly from highs as some traders took profits after the data was released. But the undertone was

firm as the inflation rate eased more than expected, dealers said.

The yield on the popular 7.38 percent 2015 bond was quoted at 6.5495 percent, slightly above 6.5305 percent struck immediately after the release of the inflation data, but below the morning level of 6.5672 percent.

Officials say price stability is a top government priority but high oil prices, a weak monsoon and higher commodity prices had driven the annual inflation rate above 7 percent in Asia's fourth-largest economy since June.

Finance Minister Palaniappan Chidambaram this week ruled out further cuts in petroleum duties to ease the impact of high oil prices. Previous cuts in oil duties had

cost the government 44 billion rupees and no further relief would be forthcoming ahead of the 2005/06 budget, due in February, he said.

Analysts expect the inflation rate to fall further in coming weeks when cheaper produce from the winter harvest hits the market but higher rail freight prices may mute the effect.

State-run Indian Railways, one of the world's largest networks, raised freight rates for most commodities 7.7 percent last month due to higher diesel and steel prices.

The railways, India's biggest consumer of steel and diesel, carry nearly 30 percent of the country's freight and the increase is expected to put pressure on prices.

Europe powerless to stop euro's rise

AFP, Frankfurt

European officials' reactions to the euro's seemingly unstoppable rise against the dollar appear to range from nonchalance to outright alarm.

But it is precisely the lack of a common position -- and the unlikelihood of any concrete action to clip the single currency's wings -- that means the euro is likely to soar to ever new highs in the coming weeks, analysts here said yesterday.

As the euro topped a new record high of 1.3543 dollars in London, the Dutch EU presidency appeared unfrustrated, insisting that the swings in the euro-dollar exchange rate were still moving within an "acceptable range".

In an interview with the French newspaper La Croix, Dutch Finance Minister Gerrit Zalm, whose country currently chairs the EU presidency, said: "If one remembers that the euro, when launched, was worth about 1.20 dollars, the rise of the European currency is no more than

10 percent. So the euro is moving within a range which is still acceptable."

Such complacency contrasts sharply with the rather alarmist tone of remarks made by French Finance Minister Herve Gaymard on Thursday.

Speaking on a visit to a General Motors factory in Strasbourg, Gaymard warned of a global economic catastrophe if the US, Europe and Asia did not work together to stem the dollar's decline.

Huge oil reserves found in China

ANN/ CHINA DAILY

Exploration teams have found the Bohai Bay Basin of North China may contain 20.5 billion tons of offshore oil reserves, with 9 billion tons already proven, experts said. The remaining 11.5 billion tons need to be further explored.

The find indicates that total oil resources in place in the basin -- one of China's major oil-producing centres -- could potentially sustain the country's energy needs for a considerably long time, Jin Zhijun, president of the Exploration and

Production Research Institute of Sinopec (China Petroleum and Chemical Corporation), said in an interview with China Daily.

Jin added that for a long time to come, the nation can still mainly rely on its domestically produced oil and natural gas to sustain its development.

His conclusion was based on reporting of newly found energy resources.

Such discoveries have proven that marine facies basins, in China, such as the Bohai Bay Basin, have the conditions for hydrocarbon

formation and, hence, oil or natural gas resources.

Marine facies, or geologic fossilized mineral content, formed basins from ancient ocean.

The East China Sea, South China Sea and Yellow Sea may all have rich oil resources, according to Jin.

He said China's western land areas also have large potential for untapped oil resources.

The Tarim Basin of Northwest China's Xinjiang Uygur Autonomous Region, for example, may contain over 20 billion tons of oil resources.

ADB extends \$315m in aid to India, Sri Lanka

AFP, Manila

The Asian Development Bank (ADB) has approved a 250-million-dollar loan to India and 65 million dollars in loans and grants to Sri Lanka, the bank said Thursday.

The loan to India will go to a project to rehabilitate infrastructure in the strife-torn Jammu and Kashmir regions, the ADB said in a statement from its headquarters here.

Jammu and Kashmir 'lag far behind other similar states in India. The condition of roads has deteriorated and many bridges have been damaged. Public services such as water supply and drainage are in poor condition," the ADB said.

The ADB also approved 60 million dollars in loans and five million dollars in grants to help develop Sri Lanka's private sector by strengthening financial markets and the banking system.

Newbridge to sell Korea First Bank to HSBC

AFP, Seoul

Global banking giant HSBC has agreed to buy Korea First Bank in a deal which will put the British bank in competition with its US rival Citigroup in the world's 11th largest economy, sources said yesterday.

US investment fund Newbridge Capital plans to sell its entire 48.56 percent stake in Korea First Bank (KFB) to HSBC Holdings PLC, the source close to the deal said.

KFB, the country's eighth-largest lender with 47 trillion won (45 billion dollars) in assets, has held a board meeting "to approve the proposed transfer of management control to HSBC," the source said.

KFB confirmed the board meeting was held but indicated the deal could be delayed.

"An announcement on the deal with HSBC will not come this week," a KFB official told AFP.

The state-run Korea Deposit Insurance Corp. (KDIC) also holds a 48.49 percent stake in KFB.

The source said HSBC would subsequently try to buy out all other shareholders in a deal which would be worth some 3.5 trillion won (3.34 billion dollars) in total.

Newbridge purchased its KFB stake at 5,000 won per share in 1999 following a Asian financial crisis which devastated the South Korean banking industry and it will realise a substantial profit on its investment if the deal closes.