

## Move to wind up 20 listed companies

8 are not in operation; 12 fail to hold AGMs

JASIM UDDIN KHAN

The Registrar of Joint Stock Companies (RJSC) has initiated measures to dissolve 20 listed companies as eight of them are not in operation and the rest 12 fail to hold AGMs regularly.

"We have served initial notices to wind up the companies under Company Act 1994," Deputy Registrar of the RJSC Kazi Anwar Hossain said yesterday.

He said the shareholders will receive compensations after the sale of the properties of the companies.

RJSC will issue similar notices to the companies for the second time if they do not submit return within one month.

Earlier, the Securities and

Exchange Commission (SEC) and the Ministry of Commerce asked the RJSC to dissolve 36 companies for failure to hold annual general meetings regularly. But of them, 16 companies have already resumed their operations and held AGMs regularly.

Sources said trading of many of these companies has been suspended or closed on the Dhaka Stock Exchange.

The eight inoperative companies are Karim Pipe Mills Ltd, Metalex Corporation Ltd, AB Biscuit Company Ltd, Rupon Oil and Feeds Ltd, J H Chemical Industries Ltd, Eagle Box and Carton Manufacturing Ltd, Paragon Leather and Footwear Industries Ltd, and National Oxygen Ltd, the SEC

sources said.

The 12 AGM defaulting companies are Tulip Dairy and Food Products, Raspit Incorporation Bangladesh Ltd, Meghna Vegetable Oil Industries Ltd, Fine Foods Ltd, Saleh Carpet Mills Ltd, Eagle Star Textile Mills Ltd, M Hossain Garments Washing and Dying Ltd, Gem Knitwear Fabrics Company Ltd, Maq Paper Industries Ltd, Maq Enterprise Ltd, STM Ltd, and Bengal Steel Works Ltd.

"The companies drew a huge amount of money from the capital market but did not pay any returns to their investors," SEC Executive Director Mansur Alam said.

He said if the companies are dissolved the capital market will be benefited.

## India's tea workers on strike for higher wages

REUTERS, New Delhi

About 300,000 plantation workers in India, the world's largest tea producer, began an indefinite strike from Monday for higher wages and more benefits, union leaders said.

The strike has shut down hundreds of tea estates in the country's east, the largest tea-producing region, and hit output and exports, tea industry officials said.

Months of talks between plantation companies and unions have failed to resolve workers' demands for higher wages. Unions have also rejected a proposed scheme which would financially penalise leaf pluckers for failing to meet targets.

"Enough is enough. The workers can't let themselves be exploited endlessly," said Samir Roy, convener of the defence committee for plantation workers' rights, an umbrella organisation of tea workers in eastern India.

"We will continue our strike till the garden owners relent."

The strike affected work in some 300 tea estates in West Bengal state, including those on the foothills of the eastern Himalayas that produce the famous Darjeeling tea.

India's tea industry has been hit in recent years by high production costs and sluggish exports due to competition from producers such as Sri Lanka, Vietnam, Bangladesh and Kenya.

Estate owners say falling international prices and stiff competition from other countries makes it impossible for them to increase wages, which average around 46 rupees (\$1.06) a day.

## Oil rises above \$60, new storm gathers

REUTERS, London

Oil prices surged above \$60 a barrel on Tuesday, as relief that Hurricane Dennis had passed without major disruption to oil infrastructure gave way to concern about a new Atlantic storm.

U.S. light sweet crude for August delivery was \$1.68 higher at \$60.65 a barrel, after rising as high as \$60.85, within \$1.50 of the record \$62.10 posted last Thursday.

The contract closed 71 cents lower on Monday after companies expressed confidence Gulf of Mexico output would swiftly return to normal, following shut-ins because of the hurricane.

London Brent crude gained \$1.52 to \$58.96 a barrel.

"There was no big damage after Hurricane Dennis but people are looking at the next one," said Tetsu Emori, chief commodities strategist at Mitsui Bussan Futures. "People are quite nervous and doing some short-covering."

The National Hurricane Center in Miami said Tropical Storm Emily, the fifth named storm of the Atlantic hurricane season, had developed late on Monday. It was still far out in the ocean and several days away from posing a threat to any inhabited areas, the center added.

Perfetti Van Melle is a privately owned global company that manufactures and distributes sugar confectionery and chewing gum products in over 130 countries employing over 11,000 people, the company official said.

Among others, Sandro Pennacchio, deputy head of mission, Embassy of Italy in Bangladesh, was present at the function.

## PCB operating profits up 33pc in 6 months

STAR BUSINESS REPORT

High growth in foreign trade, remittance and credit expansion have pushed operating profits of private commercial banks (PCBs) up by around 33 percent in the first six months of this year.

According to sources, operating profits of 29 PCBs amounted to 1,267 crore during January-June period of this year, which was Tk 956 crore during the same period of last year.

Islamic Bank Bangladesh Ltd, Prime Bank Ltd, Uttara Bank, National Bank Ltd and Southeast Bank Ltd are the top five profit earners during the period.

Remittance grew by 14.5 percent amounting to \$3.87 billion in the just

concluded financial year, export rose by 15.03 percent totaling \$7.78 billion and import by 17.22 percent adding up to \$13.01 billion in the first 11 months of the last fiscal.

"Import growth in the last fiscal year was robust and it helped banks to earn more. Almost all the banks made a good profit from import business," said a top official of a PCB.

Even some small banks took risks by opening more letters of credits (L/Cs) to bag commission although they did not have adequate stock of greenback, he added.

Their attitude, in fact, created the ongoing dollar crisis in the market. However, the banks made profit from such business, said another

top PCB executive.

As the central bank has taken some initiatives to rein back import surge, profits might calm down in the second half of the year, he observed.

Commission, exchange earning and brokerage combine 50 percent of the banks' total operating profits.

On the other hand, credit in banks rose by 14 percent in the first six months of this year. Banks' income from the money market rose substantially as call money rate hit as high as 70 percent early this year. Inter-bank foreign exchange market is also showing a high trend in recent weeks, pushing profits of some banks up, sources added.

Operating profits of Islamic Bank Bangladesh Ltd went up to Tk 152

crore in June 2005 from Tk 26.75 crore in June 2004. Prime Bank's profit rose to Tk 80 crore from Tk 61 crore in June 2004. Uttara Bank's operating profits amounted to Tk 74 crore from Tk 62 crore in June 2004 and National Bank's profit went up to Tk 72 in June 2005 crore from Tk 50.56 in June 2004.

Of the 29 PCBs, profit growth of Pubali Bank was the highest, which was 87 percent. Southeast Bank posted a 71 percent profit growth, Dutch-Bangla Bank a 60 percent, National Bank a 44 percent and United Commercial Bank a 43 percent. However, profit growth of two banks dropped during the period.

## 4m workers migrate from Bangladesh in 29 years

STAR BUSINESS REPORT

Some four million Bangladeshi migrant workers left the country through official channels in the last 29 years.

International Organisation for Migration (IOM) said this while launching the 'World Migration Report 2005--Economics of Migration: Costs and Benefits of International Migration' in Dhaka yesterday.

The workers remitted \$3.866 billion in 2004-05, a 14.5 percent growth over the previous year.

The most popular destination of the workers is Saudi Arabia where more than two million workers migrated.

Saudi Arabia is followed by the UAE with about 5,18,818 migrants and Kuwait with 4,13,077 migrants.

More than 2,50,000 Bangladeshi workers migrated to Malaysia in the last 29 years.

Secretary in charge of the Ministry of Expatriates' Welfare and Overseas Employment AKM Samsuddin formally launched the 494-page report.

The report also said worldwide

remittance flow figure is \$100 billion per year.

The total remittance inflow in Bangladesh constitutes 20 percent remittance inflow of South Asia and two percent of the world, the report said referring to World Development Indicators 2002.

AKM Samsuddin also said now some 5,000 Bangladeshi workers are behind the bar for various offences in many countries.

He said the government is going to take initiative to create awareness among people about legal process for migration.

## AirAsia to impose fuel surcharge

ANN/THE STAR

From Thursday, all AirAsia bookings made on or after that day will be subject to a surcharge in view of the continuing escalating jet fuel prices.

Fuel surcharge for flights within Peninsular Malaysia will be RM5 (US\$1.32) per sector, to East Malaysia RM10 (US\$2.63) per sector and to Macau, the Philippines, Thailand and Indonesia RM25 (US\$6.58) per sector. This is the first time the no-frills airline is imposing such charges.

On Friday, Malaysia Airlines will impose a new fuel surcharge for regional and international flights.

## US textile industry asks for more curbs on China imports

AFP, Washington

The US textiles industry demanded extra government intervention Monday to stem a flood of imports of cheap Chinese clothes.

The petitions for help came as top US and Chinese trade officials met in Beijing for wide-ranging annual talks with the issue of Chinese textiles imports to the fore.

The US government in May imposed quotas on seven types of textiles imported from China to tackle a huge jump after global limits on the garment trade were scrapped on January 1.

Three industry groups demanded fresh curbs on four types of Chinese import -- non-knit shirts, which they said had exploded 463 percent since January 1, skirts (up 879 percent), nightwear (647 percent) and swimwear (408 percent).

The groups -- the American Manufacturing Trade Action Coalition, National Council of Textile Organizations and the National Textile Association -- also re-submitted a request for Chinese curbs to be limited after it was rejected on technical grounds last month.

Karl Spilhaus, president of the National Textile Association, said the groups wanted Washington to hold China to account based on the terms of its entry into the World Trade Organization.

"We're filing these petitions because of the extreme disruption in the American textile industry caused by an unprecedented flood of imports from China," he said in a statement.

"The special textile China safeguards contained in China's accession agreement to the WTO give the US government the right to invoke safeguards if the US market is threatened with disruption that will impede the orderly development of trade," he said.

"The US textile industry is simply asking the US government to act within the rights granted to it by China's accession agreement to the WTO."

In Beijing, technical talks leading up to Monday's top-level trade meeting failed to resolve the simmering row over US limits on Chinese clothing imports, the Chinese commerce ministry said.



PHOTO: CONCORD COMMUNICATION

Shahriar Kamal, director of Concord Group, and SR Rao, chief executive of Asian Paints Ltd, shake hands after signing a joint promotion agreement in Dhaka recently. Under the deal, Asian Paints will supply paint materials to Fantasy Kingdom, a theme park of Concord Group.

## US-Thai trade talks raise ire of sugar producers

REUTERS, Washington

Negotiators from the US and Thailand met for free trade talks Monday, drawing the ire of US sugar producers already fighting to derail another trade pact due for a final vote in Congress this month.

The US-Thailand talks, taking place in Great Falls, Montana, and lasting a week, will be the fourth round of wide-ranging discussions, a spokesman for the US Trade Representative's office said.

Most US farm groups support negotiations with Thailand, but the sugar lobby, having failed to secure an exemption from the US-Central American Free Trade Agreement, or CAFTA, reacted with alarm to the prospect of a trade deal with the world's second largest sugar exporter.

Sugar beet farmers met US and Thai officials on Monday to argue that sugar should not be included in the pact.

CAFTA, approved by the US Senate in a close vote last month, eliminates tariffs on US exports to Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic and expands the duty-free access those countries already have in the US market.

## European candy maker launches plant in Bangladesh

STAR BUSINESS REPORT

Perfetti Van Melle Group, an Italy-Dutch joint venture confectionery company, yesterday formally launched its manufacturing operation in Bangladesh with a view to exporting its worldwide brands to some Asian countries and marketing it locally.

Stefano Pelle, managing director of Perfetti Van Melle, India Pvt Ltd, inaugurated the manufacturing operation at the company's Bangladesh factory site at Rajendrapur in Gazipur.

Initially, Perfetti has launched five brands including Alpenliebe candy and Fruittella Foot Pop lollipop in Bangladesh. With a 6,000-tonne of yearly production capacity, the company will later export products to Sri Lanka, India, the Maldives, Nepal and Afghanistan.

Starting its commercial production in February 2005, the company has invested worth Tk 250 million in its Bangladesh plant, said Jayant K Ambast, general manager of Perfetti Van Melle Bangladesh Pvt Ltd. The company will increase its

existing production capacity in terms of consuming and exporting ration.

Stefano Pelle told reporters 25,000 tonnes of candy products are consumed in Bangladesh each year.

"Our plan is to achieve a 10 percent of the total market share by the next two years using the latest and most advanced technology," he said.

"Perfetti brands are available in Bangladesh through export for a few years. But, seeing the potential candy market here, we have decided to invest for producing Perfetti brand products locally," he added.

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