

## Int'l plastic goods fair begins today

STAR BUSINESS REPORT

A four-day international fair of plastic goods begins at Bangladesh-China Friendship Conference Centre in Dhaka today aiming to expand export market for Bangladeshi plastic goods.

Finance and Planning Minister M Saifur Rahman is expected to inaugurate the fair as chief guest. Commerce Minister Altaf Hossain Choudhury and Commerce Adviser Barkat Ullah Bulu will be present as special guests.

Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA) is organising the fair.

The fifth version of the fair will have around 60 stalls where some 40 exhibitors from both home and abroad will showcase their products. The Daily Star and ATN Bangla are the media partners of the exhibition.

The fair will remain open to visitors from 8am to 10pm everyday until Sunday. Entry fee has been fixed at Tk 10 a person.

## Bank Asia buys floor space at Rangs Bhaban

Bank Asia has purchased the existing premises of its Scotia Branch at Rangs Bhaban from Dears International, the owner of the building.

The sale deed was executed on Monday in Dhaka, says a press release.

Syed Anisul Huq, president and managing director of Bank Asia Ltd, and Romo Rouf Chowdhury, managing director of Rangs Properties Ltd, signed the sale deed on behalf of the buyer and the seller. Among others, A Rouf Chowdhury, vice chairman of the bank, was present at the signing ceremony.

## Novartis launches new drug for kidney patients

Novartis has launched a new drug, 'Myfortic', for kidney transplant patients.

The new drug is designed to reduce acute and chronic rejection of transplanted organs and to avoid gastrointestinal side effects, says a press release.

Myfortic, a research molecule of Novartis, has been specially designed with advanced enteric coating that allows the drug to dissolve in the intestine rather than in stomach.

Myfortic has been endorsed by the countries such as Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Iceland, India, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden and United Kingdom.

In Bangladesh, 13 percent -15 percent people suffer from kidney related disorders.

## NEW WTO RULES

# RMG benefits hinge on sensitive list modalities

## Stakeholders say

UNB, Dhaka

The country's textile sector will derive some benefits, as compared to the present level, out of the WTO trade agreement reached Sunday, but stakeholders could not yet estimate how many of their products will get duty-free market access.

The industry will get some benefits, which stakeholders claimed to be negligible, in one of the two possible approaches of listing the products the developed countries, mainly the US, have reservation.

In another approach, the apparel industry has the chance to get some more share of the cake.

"We'll have to study," former BGMEA president Anisul Huq, who was a member of the Bangladesh delegation at WTO Hong Kong conference, told a post-WTO press conference in Dhaka on how the industry would be affected due to the new WTO rules.

"Until now, the industry remains as it was (before the WTO conference)," he said, adding that the impact would be clear after intense negotiations to take place during the year 2006.

He explained that the products to fall under the 3 percent restricted list would be decided in one of two possible approaches-- 10-digit level or 8-digit level.

There will be some 780 apparel items in the 10-digit approach, of which 300-350 will come under the restrictive list and some 50-60 major items under the purview of the duty-free status.

But, in the 8-digit approach, the benefit will be reduced to a great extent, as the US will try to exclude major items of Bangladesh to protect its domestic industry and employment.

"It's not our pro-interest," Anisul said, as the industry is not going to get the desired benefit out of the

trade agreement.

He urged the government to make vigorous effort in getting the US Trade Bill passed by the US Administration.

Asked whether the country failed to negotiate for the bigger portion of the cake, Anisul said: "It's not a one country matter." He added that the Bangladesh delegation tried to put pressure even after being understood at a stage of negotiation that Bangladesh's demand for the market access for all products was not possible.

"The possibility comes to an end when Pakistan raised objection," he said condemning the role of Pakistan. He also condemned the role of Sri Lanka. "They are not to be our friends."

## Rahimafrooz to distribute Castrol lubricants

STAR BUSINESS REPORT

Rahimafrooz Distribution Ltd, a concern of Rahimafrooz Group, will distribute Castrol brand automotive and industrial lubricants in Bangladesh.

Castrol, a world leader in lubricants business, has signed an agreement to this effect with Rahimafrooz Group and launched its products on Tuesday in Dhaka.

Energy Ministry Adviser Mahmudur Rahman, who was the chief guest at the signing ceremony, called upon foreign companies for value addition to their products in Bangladesh instead of direct marketing.

Omer Mustafa Dorman, lubricant director of Castrol Middle East, said the company has confidence on Rahimafrooz that it will improve the image of the brand in the country.

Dorman, promising to increase the company's investment in the country gradually, said Bangladeshi customers will get all the Castrol products with its international quality and standard.

Afroz Rahim, chairman of Rahimafrooz Group, Feroz Rahim, managing director and chief executive officer, M Ismail, Niaz Rahim, Mudassir Moin, Munawar Moin, directors of Rahimafrooz Group, among others, were present at the function.

## Bank holiday Dec 25

UNB, Dhaka

Bangladesh Bank and all scheduled banks will remain closed on December 25 on the occasion of Christmas, said a central bank press release yesterday.

## New Kodak photo film launched

STAR BUSINESS REPORT

Aquamarine Distribution, a concern of MGH Group and exclusive distributor of Kodak brand film in Bangladesh, yesterday launched a new photo film that officials said is made especially for the environment of Asia.

The latest film 'New Colourplus 200' will have rich colourful pictures, Ghaziul Haque, chairman of MGH Group, said after launching the product in Dhaka yesterday.

M Rezaul Huq, head of Kodak-Bangladesh operation, said excellent colour accuracy as well as high resolution for enlarged prints are the unique characteristics of the product.

The price has been fixed at Tk 120 a film, officials said.

## Miracle Industries okays 12.5pc dividend

Miracle Industries Ltd has declared a 12.5 percent dividend for its shareholders for the financial year 2004-05.

The dividend was approved at the 11th annual general meeting (AGM) of the company held recently in Gazipur, says a press release.

Imamuz-Zaman, chairman of the company board, presided over the AGM, which was attended by other senior officials of the company.

# Low export growth worsening forex crisis

STAR BUSINESS REPORT

Low export growth is aggravating the crisis of foreign currency in the inter-bank foreign exchange market despite decline in import growth and rise in remittance inflow.

Given that the structural shortfall in merchandise exports over imports will take time to correct itself, a central bank report forecast that the recent weakening of the currency would persist well into the financial year 2005-06.

The dollar crisis is acute in the exchange market with greenback selling at Tk 66.15 to Tk 66.20. But it is the scant supply of dollars than its prices that is the real worry. A few banks are selling dollars in very small amount.

The report prepared by the Policy Analysis Unit of Bangladesh Bank (BB) however anticipated that any further weakening of the currency will be both orderly and well-contained within Tk 65 to Tk 67.

The current and prospective performance in the leading export

sectors along with the visibly healthy flow of workers' remittances will contain further weakening of the local currency, explains the report.

Again a BB statistics show taka has been devalued by three percent against the dollar prices over the first four months of the current fiscal. BB has hinted at further devaluation of taka in the coming days.

Growth in LC (letter of credit) opening during July-November period has been 4.95 percent compared to the growth in the corresponding period of the previous year. However last year saw 22 percent growth compared to that of its preceding year.

LCs worth \$615 million have been opened in the first 15 days of December, while the same period of the last year saw LC opening of \$654 million.

Meanwhile, during July-November period remittance inflow rose by 26.18 percent compared to the same period of the previous year. An average of \$352 million worth remittance came a month this

financial year while the figure was \$279 million last year.

A BB source said, remittance worth \$199 million flowed in over the first half of December and at the end of the month the figure may well exceed \$400 million.

The present dollar crisis may ease a bit due to the remittance growth, but the situation is unlikely to improve substantially as the export growth continues to be scant. The latest available statistics show an export growth of 4.4 percent in the first three months of the current fiscal year.

Although import growth has declined, the volume remains strong with the figure reaching \$1,186 million on an average per month in the current fiscal, which was \$1,130 million in the last financial year.

# Fresh NBR drive likely to boost income tax

UNB, Dhaka

National Board of Revenue (NBR) is likely to launch a fresh drive against the existing TIN-holders to boost revenue collection from income tax head.

According to NBR sources, the lifestyle, wealth and other related matters of the TIN-takers will be strictly monitored by the NBR to collect more income tax.

The NBR took the decision following a directive by Finance Minister M Saifur Rahman to boost income tax by up to 25 percent.

Buoyed by what he sees as a steady expansion of economic activities in the country, Saifur Rahman on December 14 projected an income-tax growth touching 25 percent this fiscal year if his directives were followed.

AS Jahir Muhammad, member (income tax policy), said the NBR is now looking forward to collect the income tax return as early as possible.

"We will strictly monitor the lifestyle of the TIN-takers and their assessment which they had submitted to the NBR for giving income tax," he said.

"If we see any difference between the income tax return and the lifestyle of the TIN-takers, we will ask him/her to do a fresh assessment with correct information," the NBR member said adding that their focus would now be more on doctors, engineers, corporate officials and the likes.

"We've already given strict instructions to the field level tax officials and hope to see the good results within a short time," he said.

The NBR through its Central Intelligence Cell (CIC) recently launched drives against some 'big-shots', including BGMEA leaders, and achieved a good success.

The total growth of the income tax was 21 percent in the first five months (July-November) of this fiscal year, as targeted earlier.

The finance and planning minister in his Dec. 14 meeting with tax officials emphasised collection of tax from the existing TIN-holders, rather than increasing the number.

The finance minister also directed the NBR to submit a report within December explaining why some TIN-holders did not submit returns.



PHOTO: BANK ASIA

Syed Anisul Huq, president and managing director of Bank Asia Ltd, shakes hands with Romo Rouf Chowdhury, managing director of Rangs Properties Ltd, after signing a sale deed for purchase of floor space at Rangs Bhaban in Dhaka on Monday. Among others, A Rouf Chowdhury, vice chairman of the bank, was present.

# India, China win bid for Syrian oil field

PALLAB BHATTACHARYA, New Delhi

Energy-hungry India and China, which had been competing against each other for overseas energy source acquisitions, have for the first time teamed up to win a bid for an oil field in Syria for nearly \$700 million.

Himalayan Energy, a fifty-fifty joint venture between state-owned Oil and Natural Gas Corporation (ONGC) of India and China National Petroleum Corporation, successfully bid for PetroCanada's 38 percent stake in Al-Furat oil and gas field in Syria, ONGC Chairman

Subir Raha told reporters in Mumbai on Tuesday.

Royal Dutch Shell is in charge of running the Al-Furat oil fields, which account for about 58,000 barrels of oil equivalent and half of Syria's production.

The state-owned companies of India and China beat back competition from eight other firms' bid for the Syrian oil and gas fields.

"This is the first collaborative acquisition by the two companies and it will be a pace-setter for more such deals along the entire oil and gas value chain," Raha said.

He said both India and China are energy deficient and need to scout for oil and gas reserves abroad to feed their fast-growing economies as domestic sources of energy fell far short of requirements.

Both India and China have so far been competing with each other in seeking overseas energy properties. CNPC had beaten ONGC for takeover of the Petro Kazakhstan recently.