

HIGH DOLLAR PRICES IMF wants to see no intervention

STAR BUSINESS REPORT

Although dollar prices are on the continuous rise, the International Monetary Fund (IMF) does not want the government to intervene in the foreign exchange market.

After a meeting with the visiting IMF team, Finance Minister Saifur Rahman said, "The IMF does not like intervention (in the foreign exchange market), as it is a free economy."

Thomas R Rumbaugh, advisor, Asia Pacific Department of IMF, is leading the team.

Regarding the high dollar prices, Saifur said the dollar price mentioned by the media is usually the highest and a small volume of dollars are actually transacted at such high rates. The larger portion of transaction is actually done at much lower prices, he added.

Dollar was sold yesterday at highest Tk 71.85 in case opening letter of credit, up by Tk 0.20 from the previous day. In the inter-bank foreign exchange market, dollar was sold at Tk 67.95, up by Tk 0.15 from the previous day.

The IMF mission also asked the government to limit different kinds of tax facilities including tax exemptions and tax holiday. They are also going to submit written proposals in this regard to the government.

Oil prices up

AFP, Singapore

Oil prices rose in Asian trade Thursday as the market ignored healthy US crude and gasoline stockpiles to focus on geopolitical worries, particularly Nigeria, dealers said.

At 12:50 pm (0450 GMT), New York's main contract, light sweet crude for delivery in April, was up 18 cents to 62.15 from its close of 61.97 in the United States on Wednesday.

Foreign aid dips 40pc in six months

REJAUL KARIM BYRON

Bangladesh's foreign aid dipped 40 percent in the first six months of the current fiscal year due to slow implementation of project aid.

The government received total \$ 488 million in foreign aid during July-December of FY06 against \$815 million in the corresponding period of the last fiscal year.

The net foreign aid during the period also dipped as the government repaid \$251 million in principal amount of the previous loans to donor agencies. The net foreign aid in the first six months of the current fiscal year stood at only \$237 million.

In the first six months of FY05, the government repaid \$241 million

principal amount and the net foreign aid was \$573 million.

In three of the six months of this fiscal year, the government's principal amount payment was more than what it received in foreign aid. The government paid \$16.70 million principal amount in July, \$1.30 million in August and \$2.92 million in November.

Sources in the Economic Relations Division (ERD) said the project aid implementation under the Annual Development Programme was slow.

The government implemented only 22 percent of the total project aid allocation during the six-month period, the sources added.

Planning Ministry sources said

the foreign aided projects are getting delayed due to complexity in appointing consultants and delay in tendering process. The project directors are also not efficient, added the sources.

The World Bank (WB) will give \$ 300 million in the Health, Nutrition and Population Sector Programme (HNPPSP) project of Health Ministry.

In the FY 06 the WB will release \$ 70 million but up to December the ministry has not get more than half a million from the WB.

The project directors of HNPPSP are all doctors and they are busy with their professional works and they have no expertise in tendering process.



PHOTO: ESKAYEF BANGLADESH LTD

Ophthalmologists visit the pavilion of Eskayef Bangladesh Limited on the sidelines of the 33rd annual conference of Ophthalmological Society of Bangladesh in Dhaka.

Eskayef displays Allergan ophthalmic products

The three-day 33rd annual conference of Ophthalmological Society of Bangladesh (OSB) at Bangladesh College of Physicians and Surgeons (BCPS) auditorium in Dhaka ended yesterday.

Eskayef Bangladesh, a leading pharmaceutical company, and Allergan Inc jointly installed a pavilion and displayed their different products at the conference.

Allergan is a world-renowned ophthalmic pharmaceutical company.

Eskayef Bangladesh Limited is marketing six ophthalmological products of Allergan Inc in Bangladesh from 2002. products in the country.



PHOTO: RANCON MOTORS LTD

(Sitting from Left) Saiful Alam Masud, chairman and managing director of S Alam Group, Romo Rouf Chowdhury, managing director of Rancon Motors Ltd, and Hefazatur Rahman, managing director of Mostafa Group, pose for photographs after signing an agreement in Chittagong on Wednesday.

Rancon Motors signs deal with S Alam, Mostafa groups

Rancon Motors Ltd, the general distributor of Mercedes-Benz passenger and commercial vehicles in Bangladesh, signed an agreement with S Alam Group and Mostafa Group of Industries on Wednesday.

Under the deal, S Alam Group of Companies and Mostafa Group of Industries will exclusively operate the world's most prestigious Mercedes-Benz luxury AC coach for the next two years in Bangladesh, says a press release.

Romo Rouf Chowdhury, managing director of Rancon Motors Ltd, Md Saiful Alam Masud, chairman and managing director of S Alam Group, and Kafil Uddin, director of Mostafa group, signed the agreement on behalf of their respective organisations at a function in Chittagong.

Abdus Samad Labu, vice-chairman of S Alam Group, Hefazatur Rahman, managing director of Mostafa Group, Md Ariful

Azim, head of operation, Masuduzzaman Subhani and Nasimul Gani, deputy managers (Sales) of Rancon Motors Ltd, were also present at the signing ceremony.

Thailand halts FTA talks with US

AFP, Bangkok

Thailand has suspended free trade talks with the United States until a new government takes office after snap elections set for April 2, officials said Thursday.

"We have officially informed Washington that the FTA (free trade agreement) talks would be suspended during the change of the government," Foreign Ministry spokesman Sihasaak Phuanketkeow told AFP.

Air India announces cheapest economy class fares to Kolkata

STAR BUSINESS REPORT

Air India yesterday announced some cheapest economy class fares to Kolkata.

Under the offer, passengers will get 10 to 13 percent discounts in economy class to fly to Kolkata.

"We are the only carrier offering first class to Kolkata. But even so we offer additional discounts in the first class as well as business class fares to Kolkata to the tune of 5 to 10 percent," said AK Mitra, manager Air India, Bangladesh, at a press conference in Dhaka.

For the New Delhi flights, the airline also offers 5 to 10 percent discounts in first class and business class, he said. Economy class passengers will also get discounts, he added.

Air India also offers a promotional scheme titled Companion Free Scheme (CFS). Under the scheme, first class passengers of

Dhaka-London-Dhaka can take a companion along for a surcharge of 25 percent and business class passengers can take a companion along for no additional cost except the applicable taxes.

Under the companion free scheme, the one-way fare for first class passengers is \$1179 and returned fare is \$2353 per passenger. The one-way fare for business class passenger is \$683 and return is \$1366.

The airline has also decided to increase its passenger capacity in its all flights operated from Bangladesh, Mitra said. The capacity will be increased to 292 from 272 in April, he added.

VA Sarika, airport manager, and AK Roy, assistant account manager of Air India, were present at the press conference.



PHOTO: AIR INDIA

AK Mitra (C), manager Air India, Bangladesh, yesterday speaks at a press conference to announce some promotional offers of the airline in Dhaka. VA Sarika (R), airport manager, and AK Roy, assistant accounts manager of Air India, are also seen.