

Ensure adequate electricity for RMG factories

Apparel makers urge govt

STAR BUSINESS REPORT

Garment manufacturers yesterday urged the government to save the country's apparel industry by ensuring adequate electricity for RMG units.

"Please save us. We are passing a tough time," Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Tipu Munshi made the request at a seminar titled 'Energy Conservation and Demand Management' jointly organised by BGMEA and Power Division of the

Ministry of Power, Energy and Mineral Resources in Dhaka.

State Minister for Power Iqbal Hasan Mahmood, who was also present at the seminar, did not assure the exporters of immediate solution. But he made a set of recommendations including load management, to improve power supply.

Tipu Munshi said uninterrupted electricity supply of at least for 8 hours to 10 hours a day is a must to save the sector. The industry also runs the risk of missing shipment deadlines, he noted.

He also said RMG units must run during daytime for the sake of women workers.

Former president of BGMEA Anisul Huq said erratic power supply is seriously hampering the work schedule at factories.

He requested the state minister to make a specific plan of load management and notify the factories of outage in advance.

When the minister gave accounts of mid and long term plans of power generation and development of transmission and supply system, Huq said, "We

want immediate solution to the crisis".

The state minister also said proper load management and use of energy-saving bulbs are the immediate measures to improve the power situation.

Power Division Secretary ANH Akhtar Hossain said lack of systematic urban planning is responsible for poor transmission and distribution system of electricity.

Shahidul Islam Khan, director, Center for Energy Studies, moderated the seminar.

Standard Bank approves 20pc stock dividend

Standard Bank Limited has approved 20 per cent stock dividend for the year 2005.

The dividend was approved at the 7th annual general meeting of the bank in Dhaka recently.

Chairman of the bank Kazi Akramuddin Ahmed presided over the meeting, says a press release.

The meeting was informed that the bank earned a net profit of Tk31 crore in 2005.

Central Asia-South Asia power trade confce begins

APP, Islamabad

A two-day Central Asia-South Asia Electricity Trade conference started here Monday to make consensus on the approach to adopt for implementing the electricity trading scheme.

Besides, Pakistan, delegates from Afghanistan, Tajikistan, Kyrgyzstan and representatives of international financial institutions including Asian Development Bank (ADB), Islamic Development Bank (IDB) and the World Bank attended the opening session.

During the conference, the investment schemes in generation and especially transmission needed to support such electricity trade between Central Asia and South Asian countries will be discussed.

The conference will also discuss the proposed investment plan and possible role of international financial institutions in structuring and financing these investments.

Addressing the opening session, Minister for Water and Power Liaquat Ali Jatoi said that Pakistan is aggressively developing indigenous power potential, especially the hydel potential which is relatively economical, he added.

Toyota set to report sixth straight record year

APP, Tokyo

Toyota Motor Corp is set to report Wednesday a sixth straight year of record operating profits after winning market share from struggling US rivals and gaining from a weaker yen, analysts said Tuesday.

Japan's top automaker, which is on track to overtake struggling US rival General Motors Corp as the world number one, has not given any fixed targets for the business year to March.

But it has said it expects to beat the previous year's net profit of 1.17 trillion yen (10.48 billion dollars), operating profit of 1.67 trillion yen and revenue of 18.55 trillion yen.

Analysts expect the world's number two automaker to report Wednesday operating profit of 1.17 and 1.82 trillion yen for the year which ended in March, on revenue of 20.3-21.3 trillion.

"Due to a weak yen and higher sales, especially in North America, operating earnings at Toyota appeared to have increased some nine percent from the previous year," said Shigeo Hayashi, analyst at Daiwa Institute of Research.

Hayashi sees Toyota's operating profit at 1.82 trillion yen on revenue of 21.3 trillion.

SEC's capacity needs to be strengthened

Seminar observes

STAR BUSINESS REPORT

Speakers at a seminar yesterday blamed the government for not giving proper attention to capital market regulator Securities and Exchange Commission (SEC), saying a lot of scams have taken place due to lack of SEC's capacity.

"The regulator was created but it is not properly taken care of. The SEC is now a forgotten child of the government," observed Mirza Azizul Islam, immediate past chairman of the SEC while presenting the keynote speech at the seminar.

He also stressed the need for making proper and timely disclosures for the sake of transparency in the capital market.

Commenting on the present ups and downs in the bourses, Islam, now the chairman of Sonali Bank, said index is now nearly double than what it was in 2003.

Faruq Ahmad Siddiqi, chairman of SEC, echoed his predecessor. "I accept that some more attention of

the government is necessary for the SEC and its capacity needs to be strengthened further."

Bangladesh University organised the seminar titled 'Capital Market and the Role of Securities and Exchange Commission in Bangladesh' at its auditorium in Dhaka.

The SEC chairman mentioned there are now around 700,000 beneficiary owners' (BO) accounts but there are allegations that a single person is operating many BO accounts still now.

"These people are targeting IPOs only and they are responsible for drying up the secondary market," he felt.

Siddiqi said Dhaka Electric Supply Company (Desco) and Power Grid Company of Bangladesh (PGCB) will be listed with the bourses within a month taking the opportunity of direct listing system.

"Process for direct listing has already started. We are receiving

applications and good shares held by the government need to be offloaded," he added.

Salahuddin Ahmed Khan, chief executive officer of Dhaka Stock Exchange, observed capacity of the regulator should be strengthened. "Running the regulator with a very few people should not be continued. And the SEC needs more autonomy."

Many companies took money from the investors through initial public offerings but later they got lost, he said citing the example of Mark (BD) Limited.

Proper regulation was not there in the past, the CEO said. "As a result, a lot of incidents took place in the capital market."

Ahmad Rashid Lali, senior vice president of the DSE, said, "Unfortunately, charge-sheets for the 1996 scam have not been prepared yet."

Quazi Azher Ali, vice chancellor of the university, also spoke at the seminar.



Chairman

New chairman of SIBL

Rezaul Haque has been unanimously elected chairman of Social Investment Bank Limited (SIBL).

Mohammed Afzal Hossain and Nasiruddin have also been elected vice-chairmen of the bank, says a press release.

They were elected at the bank's 126th board meeting in Dhaka recently.

Prior to his new assignment, Rezaul Haque performed as vice-chairman of the bank while Nasiruddin as executive committee chairman and Afzal Hossain as board audit committee chairman of the bank.

US-UAE trade talks resume with labour rights in spotlight

AFP, Dubai

Trade talks between the United States and the United Arab Emirates resumed Tuesday as the booming Gulf state faced pressure to give more rights to an increasingly restive blue-collar foreign workforce.

The negotiations had been postponed in March amid a row over a major US port deal involving a UAE company.

The latest round is expected to go on until Thursday in Abu Dhabi amid a virtual media blackout, according to a US embassy official.

US Congress, citing the UAE's alleged poor record in fighting terror, had opposed part of a 6.9-billion-dollar acquisition of British shipping giant P and O by Dubai Ports World that would have transferred the operation of six major US ports to the government-controlled Emirati company.

US President George W. Bush backed the deal, but ultimately the UAE, averse to any controversy with its major ally, pulled the plug with a decision on March 9 to cede control of the ports to a US entity.

However, Dubai International Capital, another Dubai government-controlled entity, sealed on Sunday a 1.27-billion-dollar deal to take over British engineering company Doncasters Group, which owns a US company supplying parts to the US military, after it was given the green light by Bush.

But the dust had not settled in the ports row when Dubai was in the headlines again over abusive labour practices following violent riots in March and April by thousands of Asian construction workers at two high-profile building sites demanding better pay and living conditions.

The offer of opening up the Indian sky further was made by

China's Evermarch plans to assemble printer cartridges in Bangladesh

Company MD talks to *The Daily Star*

JASIM UDDIN KHAN

Evermarch Technologies (Suzhou) Co Ltd, the Chinese manufacturer of printer cartridges, plans to assemble their products in Bangladesh targeting the entire South Asian market.

"We are conducting an assessment study on Bangladesh market. If we find the market viable we will set up a plant in Bangladesh soon to assemble our products," ST Lim, managing director of the company, told *The Daily Star* Monday.

Assembling the products in Bangladesh will reduce price range from 15 per cent to 20 per cent, as the company will not have to pay import tariffs and other customs duties, said Lim during his visit to Bangladesh as part of the company's two years of operations in the country.

Evermarch has emerged as one of the leading suppliers of laser jet toner, ink and ribbon cartridge in Bangladesh bagging around 15 per cent share of the \$10 million annual market.

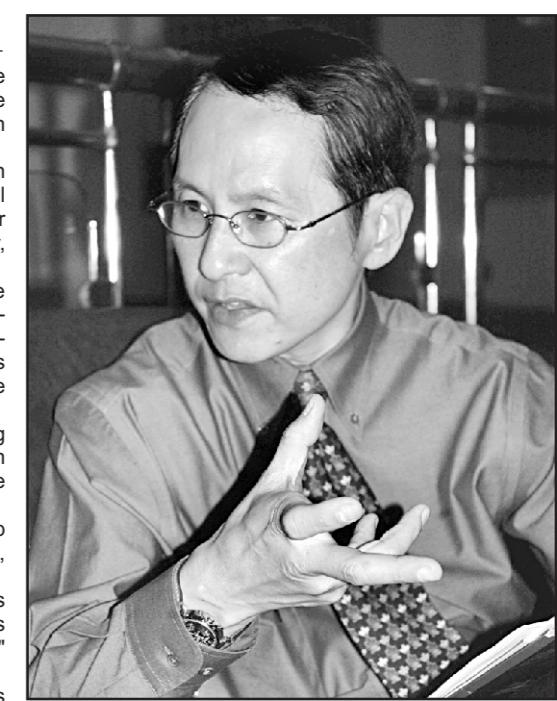
He said the prices of printers are getting very cheap day by day but the cartridge prices are increasing, making the entire printing process costly.

The company has a vision to make quality cartridges available at affordable prices. "The price of our products is up to 35 per cent less than that of other companies," the managing director of the company said.

Established in 1999 in Suzhou-China, Evermarch is specialised in manufacturing and re-manufacturing of laser jet, inkjet, thermal transfer printer cartridge for use of all the brands.

"As a contract manufacturer, our commitment is to provide the market with a better economical alternative to original brands which are very costly," Lim added.

The company started its business in Bangladesh in



2003 in association with Evermarch Bangladesh.

The company has already established a good corporate customer base in the country involving companies in banking, telecoms, media, and pharmaceutical sectors.

Oil prices recover in Asian trade

AFP, Singapore

Oil prices recovered to 70-dollar levels in Asian trade Tuesday after falling sharply on news that Iran's hardline president had sent a conciliatory letter to the United States, dealers said.

US officials downplayed the Iranian gesture and high-level talks among world powers in New York have not yet produced any breakthroughs on the key issue of Iran's disputed nuclear energy program.

At 11:00 am (0300 GMT), New York's main contract, light sweet crude for June delivery, was trading at 70 dollars a barrel, up 23 cents from its close of 69.77 dollars in New York on Monday.

Brent North Sea crude for June delivery was at 70.53 dollars, up 32 cents.

"There was a knee-jerk reaction to the letter in the markets yesterday," said Tony Nunan, a Tokyo-based energy risk manager for Mitsubishi Corp. "Maybe people realized that the letter didn't actually say much."

"The geo-political risk in Iran still there and as we come into the (US) hurricane season, we are definitely not out of the woods yet; the market will go higher in the medium- to longer-term," Nunan said.

Iranian officials said Monday that President Mahmoud Ahmadinejad had written to President George W. Bush to propose ways to resolve a quarter-century of tensions between the arch-foes.

The United States has called for UN sanctions to stop Tehran's nuclear energy drive, which it sees as an effort to acquire nuclear weapons.

The letter went "beyond the nuclear question" and instead "proposed new ways for getting out of the existing vulnerable world situation," Iranian government spokesman Gholam Hossein Elham said.



AM Hamim Rahmatullah, director and chief operating officer of Singer Bangladesh Ltd, and Mahboob Hossain, general manager and head of corporate sales of GrameenPhone (GP), pose for photographs at an agreement signing ceremony recently. Under the deal, GP will offer complete communication facilities under its 'Business Solutions' package to Singer. Erik Aas, GP managing director, and Mahbub Jamil, Singer Bangladesh chairman and CEO, among others, were present.

China wants to invest in engineering, construction sectors

UNB, Dhaka

China has expressed its keen interest to invest in joint venture projects in Bangladesh, particularly in engineering and construction sectors, and sought necessary economic information.

"We seek your cooperation in going for joint venture investment in engineering and construction sectors," said Yu Ping, leader of a high-profile 27-member business delegation of China.

"We need necessary economic information to encourage our prospective investors to come to Bangladesh," Yu Ping, also vice-chairman of China Council for the Promotion of International Trade (CCPIT), told a meeting with Federation of

Bangladesh Chambers of Commerce and Industry (FBCCI) in Dhaka yesterday.

Describing the existing political relations between China and Bangladesh as 'very good', the delegation leader said this would encourage increased business cooperation on both sides.

"The visit of this delegation will undoubtedly create business opportunities between the two countries," he observed.

About the prevailing huge trade gap between China and Bangladesh, Yu Ping underscored the need for joint efforts of the business community and chambers of the both countries in reducing the gap.

Speaking on the occasion, FBCCI President Mir Nasir Hossain

raised a few points that need to be addressed immediately for increasing bilateral trade and investment.

The veteran business leader urged the delegation to pursue their government for making the procedure of issuance of visa easier for the Bangladeshi business groups.

"Now it (visa issuance procedure) is difficult because we need invitation from a Chinese counterpart which often takes a long time and in some cases become impossible," he pointed out.

Nasir sought Chinese assistance in technology transfer to Bangladeshi entrepreneurs, especially in agricultural and light engineering sectors, so they can achieve competitive production capacity.

India to take up labour issues with KSA

PTI, Dubai

Labour issues involving Indian migrants and delay in repatriating bodies of expatriates would come up during talks Overseas Indian Affairs Minister Vayalar Ravi would have with the Saudi Labour Minister Tuesday.

The Indian minister who arrived in Saudi Arabia after visiting Bahrain and the UAE where he looked into the problems of millions of Indians working in Gulf countries, said he was aware of the problems of his countrymen working abroad.

Ravi is set to meet Saudi Minister of Labour Ghazi Al-Gosaibi on Tuesday. Some of the problems relate to labour contracts being and fulfilled and delays in repatriating the bodies of dead Indians.

"While the community has to abide by the law of the land, we'll be suggesting (to authorities) that unreasonable delays in repatriating the bodies of dead Indians should be avoided," the minister told reporters in Jeddah Sunday.

"A major problem facing our workers is the fraudulent manner in which they are recruited in India," he said adding that his immediate priority was to streamline the recruitment system and check or prevent fraud.



A Quadir Choudhury (left), chairman of Bangladesh Leasing and Finance Companies Association (BLFCA), speaks at a press conference in Dhaka yesterday as Vice-chairman of the association Anis A Khan looks on.