

Star

BUSINESS

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Kunming fair kicks off DCCI co-organiser

The five-day 15th China Import and Export Fair-2007, co-organised by Dhaka Chamber of Commerce and Industry (DCCI), began at Kunming International Trade and Convention Centre in China on Wednesday, says a press release.

Governor of Yunnan province of China Qin Guanrong, Bangladesh's Commerce Secretary Feroze Ahmed, Minister (commercial wing) of Bangladesh embassy to China M Aminul Islam and DCCI President Hossain Khaled, among others, were present at the inauguration of the show.

A total of 50 stalls – 25 set up by the DCCI and 25 by the Export Promotion Bureau – are showcasing products including handicrafts, jute and diversified jute products, garments, leather and leather goods, pharmaceuticals, food products and herbal items at the fair.

Speaking at the opening ceremony, Feroze Ahmed said trade deficit between Bangladesh and China stands at about US\$3 billion, while Bangladeshi export to China is only \$64 million.

In this respect, he underscored the need for establishing a direct road link between Dhaka and Kunming via Myanmar to increase people-to-people contact of the two nations. If the road link is set up, it will help increase Bangladeshi export to Kunming and reduce transportation costs for importing goods from China, he added.

China may send a delegation to Dhaka to initiate talks regarding the establishment of the direct road link, the release adds.

The DCCI president said China can invest in fertilizer, electronics, light engineering, pharmaceuticals, frozen foods, knitwear, ceramics and jute and diversified jute sectors.

Square Textiles declares 30pc cash, 15pc stock dividends

Square Textiles Ltd yesterday declared 30 percent cash and 15 percent stock dividend for the year 2006, says a press release.

The dividends were announced at the 12th annual general meeting (AGM) of the company held in Dhaka.

Presided over by Chairman Samson H Chowdhury, the AGM was attended, among others, by Directors Kazi Harunar Rashid, Samuel S Chowdhury, Anjan Chowdhury, Kazi Iqbal Harun, Charles C R Patra and Md Kabir Reza, Independent Director M Sekander Ali and Company Secretary Khandaker Habibuzzaman.

Power outage takes huge toll on tea industry

IQBAL SIDDIQUEE, Sylhet

The frequent power outage has badly affected the country's tea production this year, industry insiders said.

As the whole tea processing chain ranging from withering, cutting and fermenting to drying and sorting is dependent on electricity-run machines, frequent low voltage and load shedding for at least 5 to 6 hours a day are taking a huge toll on the industry.

Out of total 160 tea gardens in the country, some 140 are located in Sylhet, Moulvibazar and Habiganj districts.

Habiganj Palli Bidyut Samity and Moulvibazar Palli Bidyut Samity supply electricity to most of the gardens.

But they are not able to supply only 7 to 8 megawatt of electricity to the tea gardens in the three districts

against the gardens' total demand for at least 15 megawatt a day.

The two rural power distribution bodies now cannot supply more than 20 MW whereas the total demand for electricity in the area is 55MW a day on an average.

While talking to The Daily Star, Shahjahan Akand, manager of the Samonbhag Tea Estate in Barolekha upazila, said when load shedding is a common phenomenon, low voltage has added to the miseries of the tea gardeners.

"We are badly hit by the frequent fluctuation in voltage. In April and May, the area suffered from power failure for 120-130 hours on an average," he said.

Alternative arrangement could not ensure steady and normal supply of electricity, he lamented, adding that only a few multinational concerns had their substitute arrangements.

Sources said a number of small power plant projects the government took up in the last decade to ensure uninterrupted electricity supply for the tea gardens are yet to be implemented. The April 1997 inter-ministerial decision to ensure supply of an additional 10 MW to the industrial units still sees no light.

There are allegations that the Rural Electrification Board (REB) cancelled a private sector initiative for setting up a 10MW power plant at Shaistaganj in Habiganj district in the year 2000.

According to the REB, this project lacked any commercial viability.

Besides, in 2002, the plan for establishing 2 power plants, each of 35 MW at Moulvibazar and Habiganj districts for the tea sector, also remained unimplemented.

High-profile ROK business team in town

A high-profile South Korean business delegation arrived in Dhaka yesterday on a 4-day visit to Bangladesh to explore possibilities of investment in a number of key areas including energy, power and agriculture, according to a press release of Japan-Bangladesh Group.

The 6-member team led by Salim Proidhan will meet with Dr CS Karim, adviser to the ministries of agriculture, fisheries, livestock and environment.

A number of agreements are likely to be signed between Japan-Bangladesh Group and the Korean business delegation.

The Korean business delegation includes Park Dae Ryan, chairman of One Asia Club, Korea, and owner of a big trading house named 'Rich-O-Korea,' Kim Oon Tae, president of Munhwa Investment Corporation, Ching Young Chul, chief executive officer of Digital Bank Co Ltd and Jang Youn Jin, director of the same bank and Park Sung Hwan, owner of AAI Fund Korea.

US urges India to withdraw wheat ban

AFP, New Delhi

The United States urged India Thursday to end an effective ban on imported US wheat, saying the measure only meant New Delhi had to pay more than it needed on the international market.

The US embassy said the regulations, linked to India's concerns over possible contamination of local wheat varieties, involved "standards that are impossible to certify".

"By excluding the United States from its market, India decreases competition, which significantly raises the cost of imported wheat and translates into higher flour prices for Indian consumers," an embassy statement said.

India, the world's second-largest wheat producer, exported no wheat last year for the first time in six years after shortages forced it to import the commodity.

Domestic demand for subsidised wheat for the poor has also reached 12 million tonnes annually, but the country has on hand only five million tonnes of buffer stocks, according to farm ministry figures.

BUSINESS SOFTWARE

SAP may sign 10 deals with Bangladesh firms within months

JASIM UDDIN KHAN, from Mumbai

SAP, the Germany-based business software giant, is expected to sign around 10 business contracts in Bangladesh within the next few months.

"The prospective customers have already talked with us and they have agreed to adopt our business solution modules in their systems," said Debdeep Gupta, vice president of SME (Indian Subcontinent) of the company, at a press conference here at The Grand Hyatt yesterday.

Preferring not to mention the names of the Bangladeshi companies, Gupta said different firms from the sectors including telecoms, pharmaceuticals and banking are showing interest to adopt the solutions.

SAP India, the subsidiary of SAP Germany, will arrange some road shows in Dhaka soon to create awareness among the potential customers of how technology can help a business grow considerably.

The company through its partner will also arrange business-to-business contacts in Dhaka for bringing more customers under the SAP network.

SAP has already been providing software solutions for some companies operating in Bangladesh that include mobile phone operator AKTEL, British American Tobacco Bangladesh and Lafarge Surma Cement Ltd.

Citigroup announces 10 cash management mandates in Asia Pacific

Citigroup has announced the signing of cash management mandates for ten leading global and regional companies, says a press release.

The signings were conducted at EuroFinance's 13th annual conference on International Cash, Treasury and Risk for Finance Professionals in Asia held recently in Singapore.

The signings have demonstrated Citigroup's leadership in winning cash management mandates from leading global companies and Asian multinational corporations, the release adds.

The signings were conducted with global leaders in pharmaceuticals, home appliances, electronic product solutions, semiconductors, express services providers, global agency network and energy industries among others.

Anthony Nappi, Citi's Asia Pacific CEO of Global Transaction Services, said, "We're delighted that leading companies across Asia and globally have selected Citi as their cash management partner."

Khondoker Rashed Maqsood, acting Citigroup country officer in Bangladesh, said, "In Bangladesh, Citibank NA is also the leading cash management services provider for the top tier local and multinational companies in telecoms, pharmaceuticals, and fast moving consumer goods industries."

Stagnant farm output worries Delhi

AFP, Bangalore

India's finance minister said Thursday that he was worried about near-stagnant farm output that has forced the country to import grains to feed its billion-plus people.

Both manufacturing and services are expanding strongly, P. Chidambaram said in the country's high-tech hub, contributing to a record 9.4 percent rise in economic output during the financial year ended March.

"But we are concerned about the slow rate of growth in agriculture," he said at an annual gathering in Bangalore of biotechnology companies, noting India had turned from a food exporter to an importer.

Land under rice and wheat cultivation has remained stagnant in the past decade, he said, urging India's two billion dollar biotechnology industry to focus as much on devising better-yielding crop varieties as it does on drug research and discovery.

Agriculture contributes about a fifth of India's economic output but is a direct or indirect source of livelihood for two-thirds of its population.

Annual per capita food grain production declined from 207 kilograms (455 pounds) in 1995 to 186 kilos last year. The rate of agricultural growth fell from five percent in the mid-1980s to less than two percent in the past five years.

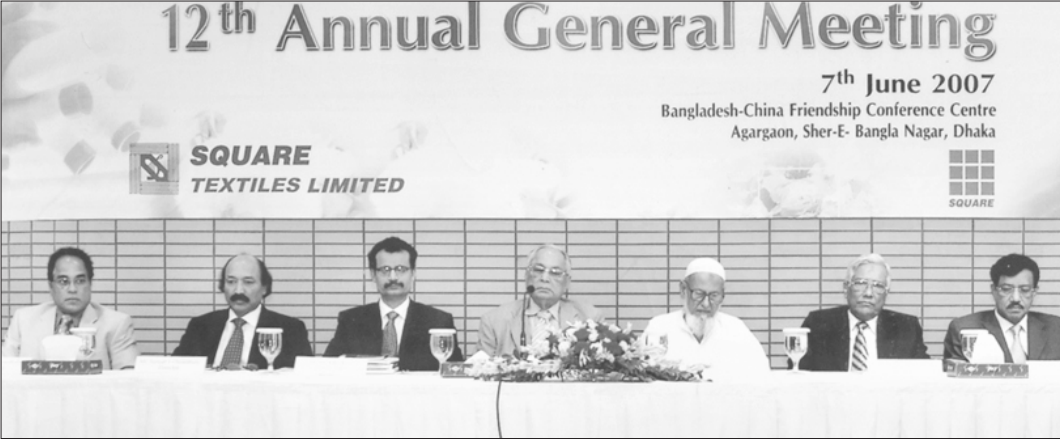


PHOTO: SQUARE TEXTILES

Square Textiles Ltd Chairman Samson H Chowdhury speaks at the 12th annual general meeting of the company in Dhaka yesterday. Directors and senior officials are also seen.



PHOTO: BATB

The 34th annual general meeting of British American Tobacco Bangladesh was held in Dhaka on Wednesday.