

Star BUSINESS

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New president of Motorola Bangladesh

Sabbir A Khan has been appointed president of Motorola Bangladesh, says a press release.

Prior to the new assignment, he was the general manager and regional director to lead Motorola 'Go-to-Market team'.

Khan joined Motorola in 1998 and has been involved in many successful telecom projects in Bangladesh.

Tokyo bourse buys stake in Singapore exchange

AFP, Tokyo

The Tokyo Stock Exchange said Friday that it had acquired a stake of almost five percent in the Singapore stock exchange operator as part of its efforts to forge links with overseas bourses.

The Singapore group welcomed the move and said it was ready to explore prospects for further collaboration with Asia's largest bourse.

The TSE said it had purchased 53.051 million shares in Singapore Exchange Limited (SGX), or about 4.99 percent of its issued share capital.

The purchase has a value of about 528 million Singapore dollars (342 million US dollars) based on SGX's closing share price of 9.95 Singapore dollars, up 1.5 percent on the day.

TSE president Taizo Nishimuro said his exchange was considering "many possibilities" with the Singapore bourse.

"The Singapore exchange holds a unique position in Asia. We believe Singapore can be the cornerstone of our Asian strategy," he told reporters.

As global bourses are increasingly linking arms it was important for the TSE to move quickly, particularly with the SGX share price already rising rapidly, making any investment more expensive, he said.

"This is the trend among various Asian stock exchanges," Nishimuro said, noting that the TSE is now the largest private-sector shareholder in SGX.

The Tokyo bourse said it hoped to raise its stake in SGX to 5.0 percent if it receives the official stamp of approval from the Singapore authorities, but has no plans for now to hike it beyond that.

Toyota to make diesel engines with Isuzu

AFP, Tokyo

Japan's Toyota Motor Corp. will outsource production of low-pollution diesel engines to Isuzu Motors Ltd., a local business newspaper said Friday.

The move comes as the Japanese auto giant aims at solidifying its position as the leader in eco-friendly vehicles by tapping the technology of a capital tie-up partner, the Nihon Keizai Shimbun said.

Isuzu will invest about 30 billion yen (243.82 million dollars) to build a diesel engine plant to exclusively supply products for Toyota, which plans to use the engines in passenger cars sold in Europe, the newspaper said.

The new facility is expected to produce 200,000 units a year from 2012 on, the report said.

Diesel-powered vehicles emit 20 percent less carbon dioxide than gasoline vehicles but release such pollutants as particulate matter and nitrogen oxides, posing a technological challenge for automakers.

With other Japanese carmakers rushing to develop next-generation diesel engines, Toyota -- which has been the leader in hybrid cars -- is aiming to establish a solid footing in diesels as well, the paper said.

Duty on computer to hurt ICT growth

Four associations fear

STAR BUSINESS REPORT

Four leading associations of information and communications technology (ICT) sector have criticised the proposed budget, saying the imposition of duties on computer hardware and software will hold back Bangladesh's ICT growth.

In a joint statement issued on Wednesday, Bangladesh Computer Samity (BCS), Bangladesh Association of Software and Information Services (BASIS), ISP Association of Bangladesh (ISPAB) and Bangladesh Computer Association (BCA) said the duty imposition will directly create a negative impact on the use of submarine cable network.

The budget for 2007-08 has proposed 10-25 percent duties on computer, computer accessories and software, which have been enjoying zero duty facility since 1998-99.

"The SEA-ME-WEA-4 submarine cable network creates a huge opportunity for Bangladesh to join

the global information superhighway. The decision to impose duty will push up the costs of submarine cable rental and the government will have to face losses," the statement said.

The associations said now local users use only 10 percent of the SEA-ME-WEA-4 bandwidth and the number of users will not increase if the duties are imposed on computer and computer accessories.

The associations demanded the continuation of the zero duty facility on computer, computer hardware and software for the growth of the nascent industry.

They said the duties will increase the prices of the products and new users will lose interest to procure computers.

Md Fayeazul Khan, president of BCS, Sarwar Alam, president of BASIS, Md A Salam, president of ISPAB, and Dr. Aminul Haque, president of BCA, signed the statement.

They demanded adoption of e-governance and e-commerce at all

government institutions.

They also demanded extension of the tax exemption period for software and IT-enabled services until 2013.

The leaders also sought separate and specific allocations for ICT sector excluding the telecoms industry.

They requested the government to reduce the value added tax on internet use from the existing 15 percent to 2.5 percent.

The associations also hailed Finance Adviser Mirza Azizul Islam as he proposed formation of two new funds-- Agriculture Entrepreneurship Fund and IT Equity Entrepreneurship Fund--splitting the existing Equity Entrepreneurship Fund (EEF).

In his budget speech, the adviser also proposed allocation of Tk 100 crore for each of the segments. In the previous budget, the allocation for EEF fund was Tk 200 crore.



PHOTO: PRAGATI INS

Pragati Insurance Ltd Chairman Khalilur Rahman presides over the 21st AGM of the company held in Dhaka on Thursday.

ILO to protect 30m fishermen

AFP, Geneva

The International Labour Organisation on Thursday adopted new rules to ensure adequate conditions for an estimated 30 million workers involved in the hazardous fisheries industry.

The convention adopted by an overwhelming majority at the ILO's conference covers improved safety and health care at sea, sufficient rest, proper social protection and living conditions on board vessels.

"Fishing is a unique way of life," said Nigel Campbell, a South African maritime safety officer who headed negotiations to draw up the regulations.

"This convention reflects not only this uniqueness but the demands of globalisation in an ever expanding sector that

exposes men and women to considerable hardships and danger," he added.

The agreement also allows inspections of large fishing vessels on extended voyages in foreign ports to ensure that their crew do not work under hazardous or unhealthy conditions.

The ILO said the inspection measure would help remove unfit vessels from the seas.

A recent ILO report underlined that fishing was well documented as one of the most hazardous occupations around, combining the inherent dangers of work on the high seas, the industrial hazards of catching and processing fish, and the sustained fatigue that comes with the unpredictability of finding adequate catches.

It also highlighted the growing trend for fishing industry to both find

and sell their fish to buyers in ever more distant corners of the world, and the need for fishers to move ever further away from coastlines to secure catches.

About 45 percent of the total global catch is taken by the small-scale fisheries and the remainder by industrial fisheries, according to the ILO. More than 90 percent of those regularly employed work on small vessels.

Some 83 percent of people involved in the industry come from Asia and nearly 10 percent from Africa, according to the UN food and agriculture organisation for 2000.

The convention will come into effect when it is ratified by 10 of the ILO's 180 members, including eight coastal nations.

Thursday's conference grouped unions, employers and government representatives.

Pragati Ins declares 30pc dividend

Pragati Insurance Ltd has declared 15 percent cash and 15 percent stock dividends for the shareholders for the year 2006.

The dividend was announced at the 21st annual general meeting (AGM) of the company held in Dhaka on Thursday, says a press release.

The AGM reelected six directors from 'A' Group shareholders, namely-- Khalilur Rahman, Syed M Altaf Hussain, Nigar Jahan Chowdhury, Imam Anwar Hossain, Moazzam Hossain and A Ltf and four directors from public shareholders, who are: Ahmedul Hoque, AJM Enamul Islam, ASM Mainuddin Monem and Tafsir MohdAwal.

Presided over by the chairman of the company Khalilur Rahman, the meeting was also attended by Managing Director A K M Rafiqul Islam.

Special offer to visit S'pore

Singapore's biggest sale is back and it promises to be the most exciting yet. With an intention to attract Bangladeshis to visit Singapore, this time the Singapore Tourism Board and Singapore Airlines have come up with an exclusive offer, says a press release.

They have launched a 3-day and 2-night travel package, available only at Tk 29,400. This offer will allow the travellers to take an amazing tour to Singapore.

The grand sale from May 25 to July 22 covers the area from Downtown Orchard Road and Marina bay to the shops in the heartland. At this amazing sale shoppers can enjoy discounts up to 50 percent on just about anything, anywhere.

Starting from brand fashion apparel, accessories, jewellery, watches, electronic goods, cosmetics and fragrances, children toys to souvenirs.

Honda considers making hybrid cars in China

AFP, Shanghai

Japan's Honda Motor is mulling making hybrid cars in China, where regulators want more energy efficient vehicles to help combat the nation's choking pollution problem, state media said Friday.

Honda plans to test demand in China for its Civic hybrid cars within three months, the Shanghai Daily reported, citing a deputy manager of Honda's China joint venture, Dongfeng Honda Automobile.

"It would be a trial operation to test the market response before localized production begins," the official was quoted as saying.

Toyota, Honda's larger rival in Japan, became the first foreign car maker to produce hybrid autos in China with its Prius model in late 2005.

US Congress questions FTA with ROK

AFP, Washington

The United States and South Korea are about two weeks away from inking a mega free trade agreement but the US Congress, which needs to approve it, is becoming increasingly sceptical about the deal.

With protectionist sentiment rising in Washington ahead of critical 2008 elections, legislators from the Democratic-controlled Congress fear the deal will worsen the already troubling US trade deficit and does not go far enough in dismantling trade barriers, especially in the key auto sector.

Spearheading the opposition is Hillary Clinton, the top Democratic presidential contender, who chose to speak against the deal last weekend in Michigan, the birthplace of the US automobile industry.

National Tea Company okays dividend

National Tea Company Ltd has approved a dividend of Tk 20 per share for its shareholders for the year 2006.

The approval came at the 29th annual general meeting (AGM) of the company held on Sunday in Dhaka, says a press release.

Chairman of the company Md Sirajul Islam presided over the AGM, while directors were present among others.

Book publishers demand zero duty on newsprint

STAR BUSINESS REPORT

Book publishers have demanded total withdrawal of duty on newsprint in the budget for 2007-08 and sought initiatives to recognise book publication as an industry.

They also called for tariff reduction in white and offset paper import to help provide books at cheaper rates for students and general readers.

The finance adviser has proposed reduction in customs duty on newsprint import from the existing 25 percent to 15 percent.

Mirza Azizul Islam said the reduction proposal was made "considering the problems of newspaper industry and at the same time keeping the raw materials for newsprint duty-free to develop the local newsprint industry."

The book publishers made the pleas at a press conference in

Dhaka on Thursday focusing on the problems relating to publication and book sales.

Bangladesh Pustak Prakashak and Bikreta Samity (an association of book publishers and sellers) organised the press conference to press home their demands.

Reducing duty on newsprint only by 10 percent is not sufficient to safeguard this business, President of the association Md Abu Taher said, urging the authorities to recognise the book publication as an industry.

The leaders of the association also demanded establishment of a book research complex under private sector management.

Association Vice President Abul Kalam and directors MA Salam, ANM Mizanur Rahman and ABM Shah Alam were also present at the press conference.

Indian wholesale inflation dips to 4.80pc

AFP, New Delhi

Annual wholesale inflation in India fell to its lowest level in nearly a year Friday on a continuing trend of lower food prices, official data showed on Friday.

The weekly wholesale price index was up 4.80 percent for the week ended June 2, a slight decline from 4.85 percent last week, the country's Central Statistical Organisation said.

The price decline comes after a higher than expected 13.6 percent gain in industrial output for April, the first growth-related data of the new financial year, was reported on Tuesday.

That has brought a mixed picture

for investors on the possibility of a central bank rate hike at its next review in July.

Prices are just above a central bank inflation target of 4.0 to 4.5 percent for the current year to March 2008, but now well below a two-year high of 6.69 percent hit in January.

But analysts have speculated that continued strong growth may prompt it to continue a monetary tightening cycle that began in late 2004 to tame prices further.

Wholesale prices are more closely watched than consumer prices in India which are published monthly for urban consumers, farmers and industrial workers.

Thai firm to develop Laos economic zone

ANN/ VIENTIANE TIMES

The Thai Airports Ground Services Company has agreed to develop infrastructure for a trade and services centre on 270 hectares in Savannakhet's Savan-Seno Special Economic Zone Authority (SEZA).

The agreement was signed between the Thai company's Chief Executive Officer Anuphong Rojnuckarin and the SEZA Governor Buakham Sisoulath.

"The Thai company will invest about US\$48 million on the trade and service centre which will include three-to-five-star hotels, a trade centre, a national conference building, a sports centre, a bank and other buildings," Buakham said.

The Thai company will begin to develop infrastructure in the area soon, to prepare for construction of the new buildings, he added.

"The infrastructure in the area needs to be improved before construction takes place. The area still lacks many things, which we need to install before construction for example, water supply," said the Thai Airports Ground Adviser, Channai Lohachitranon.

The project is located near the Second Lao-Thai Friendship Bridge. The Savan-Seno Special Economic Zone Authority allows Thai investors in the trade and service centre in the

area called "Site A".

"We can't allow them to build factories on Site A because the government doesn't want visitors coming to Savannakhet over the bridge to see factories and possible pollution from them. However, it does allow attractive buildings like hotels and a business centre," said Buakham. Factories will be allowed on another part of the area "Site B".

Chamni explained that the entire 270-hectare area would be the principal development in the planned East-West Economic Corridor (EWEC).

The project would help provide work for more than 10,000 local people in construction, and later in the new buildings themselves, supporting government policy on poverty eradication.

"We will spend three years to develop infrastructure in the area, then we will start construction. We expect there will be many jobs for people in the area after construction is completed," said Chamni.

The Thai company also plans to build a new international airport in Savannakhet province to serve visitors to the region.

The Lao government is allowing the company a trade concession of 30 years and a services concession of 50 years, according to the economic zone authority.

Zoellick sole WB candidate despite controversy

AFP, Washington

Despite widespread criticism of the US grip on the World Bank presidency, Washington's nominee Robert Zoellick remained the sole contender late Thursday.

"As of today we are only aware of the US nomination," said a World Bank official, speaking on condition of anonymity.

US President George W. Bush announced in late May he had chosen Zoellick, a former US trade chief and deputy secretary of state, to succeed bank president Paul Wolfowitz, who was forced to resign in a favoritism scandal.

Wolfowitz announced his resignation on May 17, under pressure from the development lender's employees association and an internal probe that found he broke rules by arranging a lavish pay-and-promotion package for his companion, a bank employee.

The announcement by Wolfowitz, who leaves office June 30, revived the debate over an unwritten rule that the United States picks the leader of the World Bank and European countries name the head of its sister institution, the International Monetary Fund.

Critics, including nongovernmental organizations and political leaders in developing countries and elsewhere, called for a transparent selection process based on merit, not nationality.

"Future appointments should be made using an open and transparent selection process with candidates not restricted by nationality," South Africa's president Thabo Mbeki said earlier this month.

International development agency Oxfam said the traditional practice "disempowers poor countries, the main clients of the Bank and the IMF."

"The US and other rich countries must now show that they are serious about good governance by allowing the next head of the bank to be appointed based on merit through an open, accountable process," said Bernice Romero, advocacy director of Oxfam International.

The Committee for the Cancellation of the Third World Debt condemned a US-headed World Bank as "simply an instrument at the service of US foreign policy and US multinational interests."

Garment producer Cotton Group celebrates 10th anniversary

STAR BUSINESS REPORT

Established in 1997, The Cotton Group, one of the leading promotional garment producers in Europe, and its brand B&C celebrated the 10th anniversary at a function on Thursday in Dhaka.

The B&C brand includes t-shirts, polo shirts, polar fleeces and jackets designed for printing or embroidery.

With a turnover of 72 million euros and 52 million pieces of products sold in 2006, B&C has become a major player with an outstanding market share.

B&C garments are sold in 29 European countries through a network of 57 independent distributors.

Over the last 10 years in Bangladesh, The Cotton Group has built relationships with over 150 suppliers and imported a total of more than 450 million pieces of lightweight knitted garments.

The Cotton Group Bangladesh office has 40 permanent staff.



PHOTO: STAR

Officials of The Cotton Group, among others, pose for photographs at the company's 10th founding anniversary celebration on Thursday in Dhaka.



PHOTO: NATIONAL TEA COMPANY

The 29th annual general meeting (AGM) of National Tea Company Ltd was held on Sunday in Dhaka. Chairman of the company Md Sirajul Islam presided over the AGM, which was attended, among others, by directors.