

Dhaka, Colombo to sign six deals

DIPLOMATIC CORRESPONDENT

Bangladesh and Sri Lanka have decided to sign six agreements on investments, exports, exchange programmes, agriculture, fisheries and education to further intensify bilateral ties between the two countries.

The decision to sign the agreements was taken at the first-ever foreign secretary level consultation between Bangladesh and Sri Lanka held in Dhaka on Wednesday.

Bangladesh Foreign Secretary Mohamed Mijarul Quayes led the Bangladesh delegation while his counterpart Chrysantha Romesh Jayasinghe led the Sri Lanka delegation.

In a joint statement issued yesterday, both sides agreed to sign and implement the

following agreements as early as possible:

Promotion and reciprocal protection of investment, deal between the Export Development Board of Sri Lanka and Export Promotion Bureau of Bangladesh, deal on cultural, educational and scientific exchange programmes, deal between Ministry of Fisheries and Aquatic Resources of Sri Lanka and the Ministry of Fisheries and Livestock of Bangladesh, deal between Bangladesh Agricultural Research Council and Sri Lanka Council for Agricultural Research Policy, and agreement between Tertiary and Vocational Education Commission of Sri Lanka and the Ministry of Education of Bangladesh.

The foreign secretaries agreed that early consultations would be held between the tax authorities in order to revise and attune the Agreement on the

Avoidance of Double Taxation and Fiscal Evasion law 1988.

Diplomatic sources said the agreements are likely to be signed during the upcoming visit of Sri Lanka President Mahinda Rajapakse to Bangladesh, tentatively after March.

During the consultation, Mijarul Quayes sought support for Bangladesh's candidature for the non-permanent membership of the UNSC for the period of 2016-17. The Sri Lankan side assured him of considering the request.

They also discussed cooperation in the various regional and multilateral forums including Saarc, Bimstec, IOR-ARC, UN, NAM and Commonwealth. Bangladesh appreciated Sri Lanka's support to establish permanent secretariat of Bimstec in Dhaka.

The two sides agreed to establish a joint

working group at director general level of the Ministries of Foreign Affairs to follow up on the decisions taken at various bilateral forums including the foreign secretary level consultations.

Both sides agreed to enhance bilateral trade and increase people to people contacts. They agreed to establish linkages between universities, educational institutions, museums and conduct youths and cultural delegations exchange.

Sri Lanka also agreed to explore Bangladesh's proposal to train its nurses there. They also emphasised the need to share experiences in other identified areas of skills development.

The next round of foreign office consultations that is annual foreign secretary level consultations will be held in Colombo in 2012 at a mutually convenient time.



BRAC BANK
Khwaja Shahria, head of cash management, custodial services and Probashi banking of BRAC Bank, and Md Mainur Rahman Bhuiyan, deputy director and head of corporate finance and treasury of Grameenphone, sign a memorandum of understanding on providing a cash management payment solution to the latter in Dhaka yesterday.

Hyundai Motor's net profit hits record

AP, Seoul

Hyundai Motor's net profit jumped 48 percent in the fourth quarter to a record high as the automaker reaped gains from strong overseas sales.

Hyundai said Thursday that it earned 1.4 trillion won (\$1.3 billion) in the three months ended Dec. 31 after recording 946 billion won in profit a year earlier.

Hyundai Motor Co. is South Korea's largest automaker and has become a major force in the global industry by expanding aggressively overseas with factories in China, India, Turkey, the United States, the Czech Republic and, from late last year, Russia. The company and South Korea's Kia Motors Corp. together form the world's fifth-largest automotive group.

Hyundai, the maker of the Elantra and Sonata sedans and the Tucson SUV, said total sales during the quarter rose 3.1 percent to 9.94 trillion won from 9.65 trillion won a year earlier.

India's food inflation inches up in mid-Jan

REUTERS, New Delhi

Food inflation remained sticky in mid-January on higher onion and fruit prices while fuel inflation eased, but it is unlikely to affect expectations of further rate increases by the central bank in coming months.

The Reserve Bank of India (RBI), which on Tuesday raised policy rates for the seventh time since last March, had said the balance of risks had tilted towards stronger inflation and that it was ready to respond if price pressures increased.

India's food inflation had remained in double digits for most of past one year and had been the key contributor to its headline inflation, which in December rose to 8.43 percent from 7.48 percent in November.

India's food inflation quickened to a one-year high late last month as unseasonal rains hurt the summer harvest of vegetables such as onions, potatoes and tomatoes.

The food price index rose 15.57 percent while the fuel price index climbed 10.87 percent in the year to Jan. 15, government data showed on Thursday.

Fair spotlights return of jute

STAR BUSINESS REPORT

A three-day international fair began yesterday in Dhaka in an effort to popularise and rebrand jute products made mainly by India and Bangladesh.

Textiles and Jute Secretary Md Ashraf Moqbul inaugurated the exposition, International Jute Fair, as chief guest, at a ceremony at Bangabandhu International Conference Centre in the capital.

International Jute Study Group (IJSJ) has organised the first ever fair to promote jute products in association with Jute Diversification and Promotion Centre and National Jute Board of India.

Moqbul said the biodegradable natural fibre is not only used in making sacks, but also in automobile industry. "I was told during a recent overseas trip that the jute will soon be used in the automobile industry in a big way. So, jute is coming up again."

The secretary said jute was the major exports-earning sector for

Bangladesh in 1950s and 60s. "We lost the position later. But, with pragmatic and timely initiative of the present government, the jute is regaining its position."

Jute accounted for 2.56 percent in Bangladesh's export basket in 2008-09. But its contribution grew by 2 percentage points in the following fiscal year to 4.6 percent, Moqbul said.

"It will continue to grow. It no longer can be neglected and undervalued," he said. "India and Bangladesh should work together in popularising use of jute products."

IJSJ Secretary General Bhupendra Singh said the future of jute and jute products is bright. "But we have to set where we want to go and how to achieve our target."

He said nowadays jute products are a preferred choice of global consumers due to its environment-friendly nature. "We have to go for diversification," he added.

JDCP Executive Director Khondaker Mokhlesur Rahman said the country's jute-based industry has grown recently, providing jobs to hundred of thousands.



SHAWKAT JAMIL

A visitor looks at jute products in a stall at the International Jute Fair organised by International Jute study Group and Jute Diversification and Promotion Centre and National Jute Board of India in Dhaka yesterday.

"The world is increasingly growing conscious about harmful polythene and other products, and looking at jute products as alternative. We have to work on the shift."

Atri Bhattacharya, secretary of National Jute Board of India, said the world's two major jute-producing countries, India and Bangladesh, should work together to change people's perception about the products

made up of natural fibre. "Many still think about only sackings when we talk about jute. They do not know it can be used in producing many other high quality products."

Bhattacharya said India and Bangladesh should work hand in hand, as many other countries are moving fast to become a major player in the sector. "We have to re-brand our products," he said.

Andrew Barnard, first secretary of EU Delegation to Bangladesh, and Siddiqur Rahman, consultant of IJSJ, also spoke.

The fair, which is expected to introduce and promote international trade and find new market segments for jute and jute products, remains open to visitors from 9am to 9pm.

A fashion show was also organised on the sidelines of the fair, where a dozen stalls have been set up to showcase jute products.



Abdur Rouf Chowdhury, chairman of Reliance Insurance Ltd, and Akhtar Ahmed, managing director, attend the company's sixth extraordinary general meeting at Lake Shore Hotel in Dhaka yesterday. The meeting amended the clause V of the memorandum of association and clause 6(a) of the articles of association.



Towhid Samad, chairman of Bangladesh General Insurance Company, speaks at the annual conference of the zonal and branch managers at Ladies Club in Dhaka on Wednesday. AK Azizul Huq Chaudhuri, managing director, presided over the meeting.

Indo-Bangla trade fair kicks off in May

STAR BUSINESS REPORT

The second Bangladesh-India joint trade show will be held on May 5 to 7 at Sonargaon Hotel in Dhaka with a special focus on trade and investment between the two neighbouring countries.

India-Bangladesh Chamber of Commerce and Industry (IBCCI) will organise the trade show styled "The second Indo-Bangla Trade Fair 2011", with support from the Indian High Commission in Dhaka.

"The main objective of the three-day show is to increase trades and investments between the two countries," said Abdul Matlub Ahmed, president of IBCCI, at a press conference in Dhaka yesterday.

Ahmad, who is also the chairman of Nitol-Niloy Group, said "We have changed the title of the fair -- Indo-Bangla Trade Fair -- to attract more local companies



Matlub Ahmed, president of India-Bangladesh Chamber of Commerce and Industry, speaks at a press conference at Pan Pacific Sonargaon Hotel in Dhaka yesterday.

to participate in the fair." "We will stage cultural functions and organise two seminars alongside the fair," said Ahmad.

Road shows will be held to attract more companies to participate in the fair, he added. In this edition of the fair, the

business people will have the opportunity to communicate with each other exclusively because IBCCI will fix a special

time for business leaders.

"We expect prominent chambers of commerce and business associations of India to send their delegations to participate in the seminars," said Ahmad, "because these mutual interactions will benefit the both countries."

Ahmed said they will take special initiatives to boost tourism sector between the two countries in the fair, which will also strengthen the relations between the two countries.

The first edition of the fair was held in early 2010 as India Trade Fair 2010. The fair will remain open from 10am to 8pm with an entry fee of Tk 20 per person.

Dewan Sultan Ahmed, vice president of IBCCI, Jahangir Bin Alam, secretary of IBCCI, and Kazi Wahidul Alam, managing director of TEEMS, an exhibition and event management company, also spoke.

Novartis posts 18pc growth in annual profit

AFP, Zurich

Swiss pharmaceutical group Novartis said on Thursday that its annual net profit grew by 18 percent in 2010 as strong sales helped it stay in line with forecasts.

But Novartis hinted that its performance this year might be affected by moves by cash-strapped governments to cut costs and US health reforms.

Net profit reached 9.97 billion dollars (7.28 billion euros), the group said in a statement.

Sales grew by 14 percent year on year to 50.6 billion dollars. Novartis acknowledged that its operating income, which grew by 15 percent, was nonetheless "impacted" later in the year by the drop in sales of special flu vaccines with the declared end of the H1N1 flu pandemic.

"Novartis achieved excellent results in 2010 as all divisions contributed to above-market growth," said chief executive Joseph Jimenez.