

26/09/2002

Fima hopes to start producing bank notes in 4th quarter 2003

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SECURITY printing company Fima Corp Bhd hopes to start producing bank notes in the fourth quarter of 2003, with the completion of its bank note printing factory in Shah Alam.

Fima Corp in March this year entered into an agreement with Munich-based Giesecke & Devrient GmbH to set up a money-printing facility in Malaysia.

Fima has a 30 per cent stake in the joint venture company, G&D Malaysia Sdn Bhd, while 70 per cent is owned by the German group.

Fima executive chairman Ahmad Riza Basir said the company is also looking at introducing at least three new products annually aimed at tapping into higher security-based products market.

"An example would be the newly-introduced road tax, which is more difficult to copy or be tampered with," he told reporters after the company's annual general meeting (AGM) in Kuala Lumpur yesterday.

Chief executive officer Roslan Hamir said Fima also plans to pitch for overseas projects. "That's why we need a foreign partner as in G&D," he added.

Roslan said Fima Corp formed a joint venture with G&D because it gives good returns besides providing technical know-how to the company.

He said contribution from the currency note business "will not be too substantial to (revenue) but it will be good enough".

Roslan said the abolition of import duty of 5 per cent and sales tax of 10 per cent on quality paper in Budget 2003 tabled last Friday will not have an impact on the company.

"We have been getting exemptions all the time, so the abolished tax will not have an impact on us," he added.

Last Friday, Prime Minister Datuk Seri Dr Mahathir Mohamad announced that import duty and sales tax on quality paper will be abolished to promote the printing of books using such paper.