

# Star BUSINESS

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## Entrepreneurship fund finds way in 12 schemes

### Tk 294 crore project proposals await approval

REJAUL KARIM BYRON AND ZAHIDUL HAQUE

The Equity Entrepreneurship Fund (EEF) has so far sanctioned around Tk 84 crore for various schemes and another Tk 294 crore project proposals are in the pipeline.

The EEF was created by the immediate past government in its last year to encourage new entrepreneurs. Bangladesh Bank (BB) was appointed to channel this fund to the promising thrust areas of software, food processing and agro-based industries.

According to available statistics, the money has been sanctioned against 12 projects till middle of June this year with total project expenditure at Tk 234 crore. Among

them, Tk 10 crore has been approved for two software development projects.

Another 58 projects, including 11 relating to information and communication technology (ICT) sector, are seeking approval.

Among them, 14 projects are close to getting approval from the central bank and rest of the projects is still under scrutiny.

It is found that many entrepreneurs from different parts of the country have shown interest to use the funds for different agri-based projects like production of mango, banana and guava juice. They are also interested in fisheries and poultry businesses.

Bangladesh Bank (BB) sources said Tk 200 crore has been pro-

posed for the EEF fund in budget for 2003-04 fiscal. They said additional money might be required for the projects in the pipeline.

Only three or four proposals were sanctioned by the Fund in fiscal 2001-2002. In the fiscal year 2002-2003, Tk 300 crore was approved. But due to poor response from entrepreneurs at the initial stage, allocation was cut by Tk 50 crore in the revised budget.

According to Bangladesh Bank Executive Director Khandaker Mazharul Haque, entrepreneurs were not interested to get the fund in the initial stage due to complicated rules and regulations.

Haque said the rules were made easier and the process of releasing fund was made speedier than

before.

He said now BB takes maximum three-week time to decide on project proposals on receipt from commercial banks.

The central bank has taken a number of other steps to popularise the EEF among entrepreneurs in the capital as well as at district levels. They also held several meetings with different chamber bodies in this regard.

Haque said after taking these measures, entrepreneurs are now showing their interest to get money from the EEF. They also placed their project proposals with different commercial banks, he said.



Traders sit almost idle in front of a heap of tuberoses at Shahbagh in Dhaka during hartal hour yesterday. Huge flowers remained unsold in the wholesale market due to the general strike called by main opposition Awami League. Usually, a bundle of tuberoses, which consists of around 200 sticks, sells at Tk 50-60. But, the price of a bundle came down to Tk 10 due to dull market yesterday.

PHOTO: STAR

## Driving into auto age

### Malaysian carmaker Proton plans assembling plant in Bangladesh

M ABDUR RAHIM

Bangladesh hopes to start its drive into auto age as Malaysia's national carmaker considers setting up an assembling and spare parts plant here.

Perusahaan Otomobil Nasional Berhad or Proton of Malaysia expressed its keen interest to install an assembling plant in Bangladesh when the company's Chief Executive of the International Trade Division (ITD) Aznita Binte Nazir Abdul Aziz led a two-member delegation in June 12-15 to assess commercial viability of the proposed plant.

The delegation, which also includes Noor Hamdan, director of ITD of Proton, held a joint meeting on June 15 with the officials of Ministry of Commerce, Board of Investment (BoI) and state-run and private enterprises to review prospects of the plant.

Commerce Secretary Suhel Ahmed chaired the meeting where Malaysian delegation also discussed the proposed plant with officials of state-run Bangladesh Machine Tools Factory and motor vehicle assembling plant Progoti Industries Limited.

A seven-member committee was formed at the meeting to suggest overall measures for installing the proposed plant with Vice Chairman of Export Promotion Bureau (EPB) Habib Abu Ibrahim as its convener.

The ITD chief executive told the meeting that a high-powered Proton technical team is due to visit Dhaka shortly to assess feasibility of the plant.

The ITD chief executive also expressed the hope assembling of Proton brand cars in Bangladesh will open a market for its vehicles as well as spare parts while creating new jobs in Bangladesh, where the annual demand for motor vehicles is

around 20,000 units.

Talking to The Daily Star, Vice Chairman of EPB Habib Abu Ibrahim said the committee, which includes representatives from Bangladesh Machine Tools Factory, Progoti Industries Limited, Gulfra Habib Ltd, Bangladesh Malaysia Chamber, Jute Diversification Project, and industries ministry, will evaluate the existing infrastructure facilities for automobile assembling.

Ibrahim said the committee will submit report by the end of the year and then the government will discuss it with Proton authorities.

"Existing facilities in Machine Tools Factory and Progoti Industries are enough to produce some spare parts and Gulfra Habib Ltd and Jute Diversification Project, concerns of Bangladesh Jute Mills Corporation, can complement them by supplying jute components for seat and body of cars," he said.

He said Proton still has to pro-

duce 250 car parts through global outsourcing. So, with the arrival of the company here, Bangladeshi companies can avail of the opportunity to supply parts.

In an interview with The Daily Star, Tabith M Awal, director of Multimode Transport Consultant Ltd, the authorised distributor of Proton in Bangladesh, said if the technical team scheduled to visit in August gives positive report, Proton will submit an investment proposal to the government by year-end.

He said as the plant involves huge investment, Multimode will lead a local consortium to form a joint venture with Proton for the plant.

He said the infrastructure facilities of Progoti, a concern of Bangladesh Steel and Engineering Corporation (BSEC) in Chittagong, can be used on an ad hoc basis in the initial stage.

He said Progoti currently possesses some facilities for body building and assembling but it needs upgradation with modern machines. It is now assembling Toyota Prado jeep.

"At present, we are importing Proton cars in completely built unit (CBU) format. At the initial stage, cars will be imported in semi-knocked down (SKD) format and the rest of the work will be done in the plant," Awal said.

In the next stage, completely knocked down (CKD) cars will be imported which means almost all parts of the cars will be produced in Bangladesh except engine, he said.

He said a car is built with 15,000 components and with the installation of the plant a lucrative opportunity will be created for local industries to supply the components to the plant. The plant and its ancillary industries like parts, window, bonnet, seat, tyre, music system, air-conditioner and so on will create huge employment opportunity, he added.

Proton, incorporated in 1983 in Malaysia to manufacture, assemble and sell motor vehicles and related products, produced its first car, the Proton SAGA, in 1985.

Bangladesh became Proton's first export market with the appointment of Multimode as distributor in 1986.

## Taka firm against dollar Call money rate steady

BSS, Dhaka

The US dollar was under pressure against the Bangladesh taka in thin inter-bank trade yesterday due to lower demand from importers amid higher remittance earnings, dealers said.

Local foreign exchange dealers said the demand for the US dollar and other foreign currencies was very thin Saturday as most international foreign exchange markets were closed due to weekend holiday.

The dollar traded at 58.3900-4200 on Thursday, dealers of leading commercial banks said. The dollar was being quoted at 1.3660 Swiss francs from 1.3512 and the pound was at 1.6495 dollars from 1.6610, they said.

Currency analysts said an upward revision to the University of Michigan consumer sentiment helped the dollar. The final reading of the June sentiment index rose to 89.7 from the preliminary estimate of 87.2.

Trading was depressed due mainly to holiday in the international markets and partly to country-wide strike programme called by some opposition political parties.

"A few customers Saturday came to our desks as road communication system was disrupted by opposition political workers when the global markets remained closed due to weekend holiday", dealers said.

In New York trade Friday, the euro edged up to 1.1430 dollars from 1.1419 late on Thursday while the dollar rose to 119.51 yen from 119.38, dealers said.

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## Call money rate steady

BSS, Dhaka

The call money rate was steady yesterday amid thin money demand from private banks and financial institutions, fund managers of leading commercial banks said.

The overnight money rate ranged between 2.50 per cent and 6.50 per cent -- its lowest ever level

as the demand for short-term money was very thin, fund managers said.

"Huge liquid funds are now in the banks' cash vaults when banks are busy to close their accounts two-day ahead of June closing", fund managers of leading commercial banks said.

## CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling	BC	Currency	TT Clean	Buying	Transfer
58.8000	58.8500	USD	57.8700	57.7000	57.6310
68.1904	68.2483	EUR	65.2600	65.0683	65.0192
97.9138	97.9970	GBP	94.6290	94.3511	94.2209
40.0663	40.1004	AUD	37.9280	37.8166	37.7022
0.4958	0.4962	JPY	0.4791	0.4776	0.4770
43.9232	43.9606	CHF	42.5296	42.4047	42.3352
7.3043	7.3106	SEK	6.8852	6.8650	6.8525
43.9495	43.9868	CAD	42.5546	42.4296	42.4444
7.5483	7.5548	HKD	7.41118	7.3900	7.3812
33.6346	33.6632	SGD	32.7653	32.6690	32.6299
16.1321	16.1458	AED	15.6283	15.5824	15.5637
15.7975	15.8110	SAR	15.3091	15.2642	15.2459

Exchange rates of some currencies against US dollar

Indian Rupee	Pak Rupee	Lankan Rupee	Thai Baht	Nor Kroner	NZ Dollar	Malaysian Ringit
46.455	57.7	97.075	41.995	7.2538	0.5825	3.80

### Local Interbank FX Trading:

The local interbank foreign exchange market was subdued yesterday. USD/BDT continued to remain steady in the local interbank forex market Saturday.

### Local Money Market

Demand for overnight borrowing remained moderate. Call money rate was almost unchanged yesterday and ranged between 2.50 and 3.00 per cent.

### International Market:

International market was closed on Saturday. The dollar notched some gains against the yen and GBP on Friday, but lost ground to the euro even after upbeat June consumer sentiment survey, with trading patterns dominated

by end-of-quarter positioning. The euro gained slightly against the dollar and yen, but surged higher against sterling after a report and yen, but surged higher against sterling after a report showed that Britain's economy expanded at its weakest pace in 11 years in the first quarter. Data showed UK GDP rose only 0.1 per cent in the first quarter, lower than the previous estimate of 0.2 per cent. The dollar fell 0.16 per cent against the Swiss franc.

At the closing of New York on Friday, euro was at 1.1432/37, GBP at 1.6489/95 and yen at 119.62/67 against the dollar.

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## ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh Office at Dhanmondi in Dhaka on Thursday, says a press release.

Prizes	Name of Winners	Card no
Sentra Travels and Tours free Dhaka		
Cox's Bazaar Dhaka Biman Ticket	Md Nazim Uddin	5047980000026819
Saint Martin free Domestic Tour for two	Habibur Rahman Khan	5047980000002296
YMCA free Computer/English Spoken Course	Ajite Kumar Das	5047980000012532
System Information Technology free Computer learning Course	Md Mozammel Hossain	5047980000012673
Drik.net free 100 hours Browsing	Ruel G. Halder	5047980000034474
Longla free Panjabee	M M Islam Chisty	5047980000021393
Thai House free Lunch/Dinner for two	Dr Dilruba Nilufar	5047980000030092
Sleep and Shop free Gift Box	Masum Ahmed	50479800010013318
Fedex free Shipment	Tanvir-Ur-Rahman	5047981000006334
Fedex free Shipment	Masum Nahar	5047980000007298
Fedex free Shipment	Shofiq Sowdagar	5047980010004354
Fedex free Shipment	C M Nahid-Al-Hasan	5047980000008773
Great Wall free lunch/Dinner for two	Md Rzaul Karim	5047980000021139
Great Wall free lunch/Dinner for two	Md Monir Hossain	5047980000009333
Great Wall free lunch/Dinner for two	J B M Ibrahim	5047980010011474
Great Wall free lunch/Dinner for two	Mr Gulshan	5047980010015336
White Castle free lunch Dinner for two	Md Humayan Kabir	5047980000037216
White Castle free Lunch Dinner for two	Zahid Hossain	5047980000009754
White Castle free Lunch Dinner for two	Md Mehedi Hasan Mitu	5047980000013663
White Castle free Lunch Dinner for two	Shahida Rahman	5047980000031007

Winners can collect their prizes from the Executive, Promotions of ReadyCash, within 30 days of this news circulation. ReadyCash encourages its cardholder to read The Daily Star and The Daily Prothom Alo on every Sunday for a new listing of card winner or call our Customer Service at: 8125294-7, 8130497, and 8123850.



PHOTO: MULTIMODE TRANSPORT CONSULTANT

A Proton Waja car is on display. Malaysia's national carmaker Proton has shown interest to set up an assembling and spare parts plant in Bangladesh.

## Tap agro prospects of N-W region to boost exports

### Seminar urges entrepreneurs

BSS, Rajshahi

Speakers at a day-long seminar here on Friday emphasized the need for enhancing export items through establishing food processing and agro-based industries in the northwestern region by utilising government initiatives aimed at earning foreign currency.

Export Promotion Bureau (EPB) in collaboration with Rajshahi Chamber of Commerce and Industry (RCCI) organized the seminar styled "Export Packaging for Agricultural Products" at the EPB

premises here.

Presided over by Deputy Director of EPB Nurul Haque Mia, the meeting was addressed, among others, by RCCI Vice-president Professor Afrauzzaman Khan Chowdhury, EPB Investigator Bokhtir Jalal, Deputy General Manager of Rajshahi Krishi Unnayan Bank (RAKUB) Dr Probhat Chandra Roy, Director of Biotech Seeds and Professor of Botany, department of Rajshahi University Dr Monzur Hossain and entrepreneur Dr Akhtarul Alam. Managing Director of Urostr

Food Ltd and Consultant of Quantum Agro and Food Technology International Mijanur Rahman was the chief speaker of the seminar.

Highlighting the present export position of agri-products sectors of the country and their global market the speakers asked the bankers to come forward with fund.

They also urged the producers of the region to produce more qualitative agro-commodities using the favorable climatic condition to promote export activities.

## Ctg Customs' new system to expedite export processing

BSS, Dhaka

Chittagong Customs House (CCH) has introduced a special system named 'Direct Trader Impute (DTI)' for completing export processing within only two hours.

CCH will also introduce another system named 'Authorised Trader Grown Channel Facilities (ATGCF)' soon for simplifying the import processing, a CCH press release said yesterday.

The authorities introduced the system at the directive of Dr Shoeb Ahmed, chairman of National Board of Revenue (NBR), for further expansion of export business.

## US economy getting lift from falling prices

AFP, Washington

The US economy appears to be getting a boost from falling prices that encourage consumer spending, according to data Friday, but analysts say the outlook remains clouded by uncertain job prospects.

The Commerce Department reported that US consumer spending edged up 0.1 per cent in May, while personal income increased 0.3 per cent.

Because of a decline in prices, the "real" or inflation-adjusted rises in spending and income were even larger. Inflation-adjusted after-tax incomes rose 0.4 per cent in May, matching April's gain as the largest since June 2002, the government said. Real consumer spending rose 0.3 per cent.

"This was a very good report,

especially when you look at the inflation-adjusted data," said Joel Naroff of Naroff Economic Advisors.

"People are spending money -- and not that cautiously. Given how wet the weather was in May in many parts of the country, it was surprising that anyone had any interest in visiting the malls. ... This report tells us that we can still count on consumers to hold up the economy."

The personal consumption expenditure price index fell 0.1 per cent in May. This inflation gauge, which Federal Reserve officials prefer over the consumer price index, is up 1.7 per cent in the past 12 months, matching 40-year lows.

On the other hand, a separate report showed that US consumer sentiment, which is often a harbinger of economic activity, remained somewhat weak in June.