

Star BUSINESS

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3 SoEs owe Tk 363cr to Agrani Bank for decades

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Agrani Bank's several initiatives to realise Tk 363 crore from its three government body defaulters have remained merely a futile exercise for decades.

According to the bank sources, the amount of money these three state-owned enterprises (SoEs) borrowed accounts for 45 per cent of the bank's total classified loans.

The three among the 20 top defaulters are Bangladesh Jute Mills Corporation-BJMC (Tk 183 crore), Bangladesh Textile Mills Corporation (Tk 163 crore) and Karnaphuli Carpet Factory (Tk 17 crore).

The sources said these SoEs did not come forward to repay the loans since 1984, the year the BJMC paid its last instalment. The BTMC or the carpet factory also went for similar exercises.

Although the bank relentlessly tried to recover the loans, there has been no response. Finally, the bank early this year proposed to these SoEs to pay one down payment so that the default loans could be rescheduled. But none of these defaulters responded to this proposal till date, the sources added.

The top 20 defaulters of Agrani Bank are indebted for Tk 962.41 crore, which accounts for 32 per cent of the bank's total classified loans.

Up to June 30, 2006, the Agrani Bank's total classified loan reached

Tk 2982 crore, which is 29 per cent of the bank's total outstanding loan.

Meanwhile, Dhaka Jute Mills Ltd remains another top defaulter among the remaining 17, which owes 59 crore to the bank. It stopped payment to the bank since 2004. The mill is learnt to have agreed to sell out its properties for repaying the default loans.

The bank has sued 6 defaulters so far to realise Tk 162.85 crore and is intended to file case against another 7 defaulters to recover 146.74 crore from them, although no case has been filed against the remaining 7 defaulters who owe Tk 494.37 crore to the bank.

The sources said the bank has been able to recover only Tk5.15 crore during the last six months, mainly from some enterprises in the private sector.

Private company Taj Tubes owes Tk 40 crore to the bank. The bank filed a case in 2004 and the company resorted to filing a writ petition. The bank is now trying to vacate the writ petition.

Javed Still Mills owes Tk 33 crore to the bank. Its owner Javed Akhtar, who is a son of former parliamentarian Aktaruzzaman Babu, becomes defaulter in three more loans from this bank, amounting to Tk 80 crore. The bank is currently negotiating with Javed over rescheduling the loans as he has recently paid the bank Tk 2.75 crore.

Gachihata Aqua Culture, owned

by former parliamentarian Major (ret'd) Aktaruzzaman, owes Tk 23 crore to the bank. Akhtar had made a down payment cheque of Tk 1.73 crore in April this year. But the cheque bounced and the bank sued him. An arrest warrant has also been issued against him.

"It is often found that once a court verdict goes against a long-time defaulter, the defaulter resorts to the High Court and through various legal measures slow down the loan recovery process for many years," said a high official of the Agrani Bank.

Other listed defaulters are Night Dying Industries (Tk27.92 crore), Bamwat Detergent and Chemical (Tk 27.31 crore), Vanguard Steel Ltd (Tk 25.80 crore), Shiddeshwari Cold Storage (Tk 24.15 crore), M Rahman Mills (Tk 21.62 crore), S K M Jute Mills (Tk 19.38 crore), Panchashar Cold Storage (Tk 9.62 crore), Chittagong Vegetable Oil Industry (Tk0.53 crore), Poly Fabrics (Tk 32.52 crore) and Goalanda Textile Mills (Tk13.52 crore).

Agrani Bank has decided to cut the interest of Free Press Ltd, which is indebted for Tk 16.83 crore, if it makes down payment of Tk 2.53 crore to the bank.

The bank did not sue R B Textile Ltd, which owes Tk 18.90 crore as it has proposed to reschedule its loan and is waiting for the central bank's nod.



The shopping malls in the capital city experienced thin presence of customers after a long break due to Eid vacation and siege programme enforced by the 14-party combine. The picture was taken from the Baitul Mukarram market yesterday.

CSR practices to up profit, productivity

Roundtable told

STAR BUSINESS REPORT

By complying with corporate social responsibility (CSR), the corporate houses will not make loss rather their productivity and profit will increase significantly, speakers observed at a roundtable yesterday.

Bangladesh Enterprise Institute (BEI) organised the discussion on 'CSR Practices and Challenges in Bangladesh' at its conference room in Gulshan, Dhaka.

"There is a misunderstanding about practising CSR, as many think that by complying with CSR the corporate houses would be losers. But the fact is the businesses that applied CSR practices could create a good working environment and increase productivity," BEI President Farooq Sobhan said at the roundtable.

The 13th version of the roundtable was a part of a series of dialogue on 'CSR in Action' that BEI organises every month in a bid to raise awareness of CSR practices and implement those in Bangladesh.

Shaheen Anam, executive director of Manusher Jonno Foundation (MJF), and Tapan Chowdhury, managing director of Square Group, among others, spoke at the discussion.

Shaheen Anam said the goal of the MJF, an organisation for promoting human rights and good governance in Bangladesh, is to help the have-nots establish their civil, political, economic, social and cultural rights and ensure their security and well-being.

Complying with CSR has direct link with rights, governance and public-private partnership, she said while presenting a keynote paper.

At the roundtable, the businesspeople who complied with CSR described how they could improve the productivity of their organisations through CSR practices.

Speakers said CSR is something more than charity as it engages the corporate houses in local communities and interacts with the companies' workforce, environment and sustainability, and community.

BTTB prepaid calling cards now available at banks

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BTTB pre-paid calling cards worth Tk 200 and Tk 500 are now available at all branches of The City Bank Ltd and Dhaka Bank Ltd, says a press release.

The cards will be available at Ramna, Sher-e-Bangla Nagar and Gulshan branches of Basic Bank Ltd as well.

Customers can use these cards to make ISD phone calls across the world from any BTTB land phone at the existing BTTB call rate of BTTB.

Callers will enjoy economy call rates to 25 countries while NWD services will be available only from the Dhaka multi exchange areas.

Share indices on DSE continue declining

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Share indices on Dhaka Stock Exchange (DSE) continued to decline yesterday as all indices went down slightly for the second consecutive day.

DSE All Share Price Index went down by 8.02 points or 0.62 percent to close at 1283.25 points yesterday from 1291.28 points on Tuesday while the DSE General Index declined by 8.45 points or 0.54 percent to close at 1533.20 points from 1541.65 points on the previous trading day.

DSE-20 Index, which comprises blue chips, also shed by 4.76 points or 0.36 percent to close at 1310.83 points yesterday from 1315.60 points on Tuesday.

On the DSE, losers overwhelmed gainers as the bear dominated the market. Of the total 182 issues traded, 62 advanced, 113 declined and 29 remained unchanged. A total of 60,58,648 shares worth Tk 25.62 crore changed hands on the DSE yesterday against 35,84,517 shares worth Tk 26.12 crore on Tuesday.

Trading on the Chittagong Stock Exchange (CSE) also closed lower

yesterday.

The CSE All Share Price Index decreased by 25.26 points or 0.69 percent to close at 3617.73 points yesterday from 3643 points on Tuesday while the CSE-30 Index shed by 13.36 points or 0.42 percent to close at 3147.09 points from 3160.44 points the previous trading day.

A total of 88 issues were traded yesterday. Of them, 32 gained, 49 declined and seven remained unchanged. Some 17,34,499 shares worth Tk 5.52 crore changed hands on the CSE yesterday against 13,90,110 shares worth Tk 4.38 crore on Tuesday.

Market analysts said the market might see the bearish trend for another couple of days due mainly to current volatile political situation, which has thrown the investors into confusion to come in the market.

If there is no political programme from the 14-party combine after November 3, the market will be vibrant further, they hoped.

The fourteen-party alliance postponed its countrywide blockade programme until November 3 on Monday.

Dollar near one-month low

AFP, Tokyo

The dollar languished close to one-month lows in Asian trade Wednesday after soft US economic data fanned expectations that the Federal Reserve will hold US interest rates steady for now, dealers said.

The dollar was at 116.87 yen in Tokyo morning trade, little changed from 116.86 yen in New York late Tuesday.

The euro was at 1.2765 dollars after 1.2764 and at 149.17 yen from 149.22.

The dollar hit a five-week low of 1.2782 per euro in overseas trade Tuesday and a one-month trough of 116.62 yen after data on US consumer confidence and industrial activity came in below expectations.

The data, which followed softer-than-expected US growth figures on Friday, prompted players to buy back the yen to square positions,

said Satoru Ogasawara, a forex strategist at Credit Suisse First Boston.

MIDAS Financing recommends 10pc stock, 2pc cash dividends

MIDAS Financing Ltd has recommended a 10 per cent stock dividend and a 2 per cent cash dividend for its shareholders for the year 2005-06.

The dividends were recommended at a meeting of the Board of Directors of the company on Monday, says a press release.

The 11th annual general meeting (AGM) of the company will be held on December 20, 2006 in Dhaka, the release added.

Islamic Economic Forum to work for generating investment

APP, Islamabad

The World Islamic Economic Forum (WIEF) is planning to develop an institutional mechanism, seeking to generate investment for economic well-being of the Muslim Ummah.

WIEF will commence its 2nd session here from Nov 5 to deliberate upon the challenges confronting the Muslim World, it was officially stated here on Tuesday.

The three-day Forum is being organised by the government of Pakistan in collaboration with WIEF Foundation, Asian Strategy

and Leadership Institute has already geared up the necessary preparatory work to successfully hold the 2nd session of the WIEF.

The main objective of the Forum is to provide a platform for the positive and healthy interaction between government leaders, civil society and business players for the benefit of the Muslim community throughout the world.

Emerging Market Economies of more than 57 countries represented by the World Islamic Economic Forum have shown marked improvement in the levels of investor confidence, inflow of

foreign director investments, and performances of financial markets. Increase in the levels of foreign investment in these economies over the recent years shows that the world has begun to take notice of their true economic potential.

The 2nd Session of the World Islamic Economic Forum will provide a platform for the political and business leaders from all over the Muslim world to showcase their true economic opportunities to the developed world and forge linkages with other Muslim countries in fields of economics, social development, etc.

Turn Mongla Port into an Indo-Bangla business hub

Says Sikri

STAR BUSINESS REPORT

Mongla Port can be developed into a hub of business between Bangladesh and India, said outgoing Indian high commissioner to Bangladesh Veena Sikri at a function in Dhaka on Tuesday.

She also said Bangladesh has huge potential in regional business if the country improves its connectivity through train service, waterways and other infrastructure development, according to a press release.

Sikri was speaking at the function organised by the Dhaka Chamber of Commerce & Industry (DCCI) to bid her farewell.

She also emphasised the need for both-way foreign direct investment and cross matching of com-

panies between the two countries.

At the farewell function, DCCI President MA Momen highlighted her contribution to deepening bilateral trade and economic relations between Bangladesh and India.

Bangladesh's exports to India increased to US\$242 million in FY 2005-2006 from \$144 million in FY 2004-2005, helping reduce the trade gap between the two countries, Momen said, citing statistics of the Export Promotion Bureau.

Mahbubur Rahman, president of International Chamber of Commerce-Bangladesh, AK Azad, president of Bangladesh Chamber of Industries, and MA Awal, chairman of Bangladesh Textile Mills Association, among others, were present at the function.