

# Star BUSINESS

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## SEC issues show cause notices on 4 companies

UNB, Dhaka

Capital market watchdog Securities and Exchange Commission (SEC) yesterday issued show-cause and hearing notices on four companies and warned two others for violating rules.

The show-cause and hearing notices were issued on Himadri Limited, First Lease International Limited, Padma Printers & Color Limited and MJ Abedin & Company while it warned Bangladesh Hotels Limited and Bengal Fine Ceramics Limited, according to DSE officials.

The SEC issued the show cause and hearing notices against managing directors and company secretaries of Himadri Limited and First Lease International Limited in connection with statutory audit reports for the year that ended on December 31, 2005.

The show-cause and hearing notice against the Padma Printers & Color Limited, its directors, managing director and company secretary was issued in connection with non-submission of the half yearly financial statements for the period that ended on June 30, 2005.

## Industrial credit up 30pc, farm loan down 10pc in Q1

### Political impasse to take toll on growth in Oct-Dec

#### STAR BUSINESS REPORT

Industrial credit marked a staggering 30 percent rise in the first quarter this fiscal, while farm credit registered around 10 percent fall.

The disbursement of loan in the industrial sector during the July-September period in the current fiscal (2006-07) rose to Tk 2652 crore from Tk 2033 crore in the corresponding period last fiscal. The last financial year experienced a 12.83 percent growth in industrial credit.

Commercial banks attributed such push-up in industrial credit to the entrepreneurs' urge to invest more in the country's apparel sector in order to cope with the increasing global competition in the post-MFA era.

The bank sources, however, said poor recovery in loans has pushed down the credit in the agricultural

sector.

The 30 percent rise in industrial credit has propelled a growth of 19 percent in imports, while its percentage was 13 during the same period last fiscal, the banking sources added.

They said imports showed an upward trend due to greater investment in the garment and pharmaceutical industries.

According to the sources, investors' confidence about renewed market vibrancy following the forthcoming general elections in January is responsible for the investment drive and the resultant rise in industrial credit.

A lesser growth in industrial credit than it was in the July-September quarter is, however, apprehended in the October-December quarter due to the present political turmoil.

The current financial year started with a good sing for the Bangladeshi garment entrepreneurs as because EU and US have imposed embargo on importing Chinese products, said SM Fazlul Hoque, president of Bangladesh Garment and Manufacturers and Exporters Association (BGMEA).

"People were encouraged to invest in the garments sector as it has been boomed with registering 20 percent average growth in the last few years, even though in the regime of post-MFA," the chief of the apex trade body in the apparel sector observed.

As a result, entrepreneurs have come forward to take risk in investing in the sector for a long time, he said, hastening to add that the current political impasse might hurt this trend of industrialisation badly.

"Despite having huge barriers, a silent industrial revolution has occurred," Mir Nasir Hossain, president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), told The Daily Star.

He said the upward trend of industrial credit throws a positive hint that by overcoming all odds—either political or global—local entrepreneurs will go ahead with their hope of infusing dynamism into business.

Meantime, in the agriculture sector, bank data shows, Tk 840 crore loan was disbursed during the July-September period this fiscal, while the amount of farm loan was Tk 931 in the corresponding period last fiscal, registering an 18 percent agricultural credit growth.

## Beximco Pharma enters Somalia market

Leading drug manufacturer Beximco Pharmaceuticals Ltd has stepped in Somalia drug market, says a press release.

The company has already shipped the first consignment of 62 products worth Tk25 lakh to the East African country.

"Entry to Somali drug market will bolster Beximco's presence in East Africa," said Beximco Pharma Chief Executive Officer Nazmul Hassan.

He said the company also hopes to get its products registered in other East African countries soon.

With the entry into Somalia Beximco Pharma's export destinations now stands at 20.

## Tata Consultancy inks \$100m deal in China

PTI, Beijing

Indian IT major Tata Consultancy Services (TCS) has won a landmark deal worth a whopping USD 100 million from the state-run Bank of China (BOC), industry sources said on Sunday.

It is being dubbed as one of the major IT-related deals signed by a Chinese bank ahead of the opening up of the country's banking sector to foreign competition by December 11 under Beijing's commitment to the World Trade Organisation (WTO), industry sources told PTI.

"It is a major breakthrough for Indian IT companies who are aggressively expanding their operations and bidding for government contracts in China, a software expert said.

Under the just-inked deal, the Indian IT giant will provide a range of banking solutions to BOC. However the details are not yet known.

All major Indian IT giants, including TCS, Infosys, Satyam, Wipro and NIIT, and i-flex have set up bases in China, servicing their multinational customers in the country and targeting the huge domestic software market as well as the Japanese and South Korean markets.

## Call for narrowing digital divide to fight poverty

### Int'l telecoms show begins in HK

AFP, Hong Kong

Government regulators worldwide must narrow the "digital divide" that bars poor communities from benefiting from the hi-tech revolution, Hong Kong's financial chief urged Monday.

Speaking at the opening day of the International Telecom Union's (ITU) three-yearly trade show, Telecom World, financial secretary Henry Tang said information and communication technology were key to lifting communities out of poverty.

"One of the questions is how can we ensure that the digital world is open to all?" he asked delegates

to the world's largest telecom expo.

"There are many people throughout this world who are deprived of the opportunity to access information digitally and process that into knowledge," he said.

"In my view it is squarely governments' responsibilities to reduce this digital divide in a modern and progressive society."

Tang's comments are likely to spark debate in Hong Kong over the government's role in the economy at a time when critics say the China-backed administration is moving the city away from its traditional laissez faire policies.

This year's trade show, the first

time it has been held outside of the ITU's Geneva home, will emphasise the role technology can play in alleviating poverty.

At the opening ceremony Sunday, Nobel laureate Professor Muhammad Yunus whose Grameen microcredit bank has brought business opportunities to millions of poor women in his native Bangladesh, said private enterprise had the answer.

He announced a tie-in with major telecom firms to bring IT centres and Internet connections to poor villages.

"(Technology) has become a fast track for getting out of poverty," Yunus said.



PHOTO: SHAHJALAL ISLAMI BANK

Sajjatzum Jumma, chairman of Shahjalal Islami Bank Ltd, inaugurates the bank's 19th branch on M Saifur Rahman Road in Moulvibazar on Wednesday. Directors, managing director and senior officials of the bank, among others, were present at the opening ceremony.



PHOTO: FICCI

Masih Ul Karim (C), president of Foreign Investors' Chamber of Commerce & Industry (Ficci), Peter A May (L), Ficci vice president, and MA Matin, chamber secretary, are seen at the chamber's 43rd annual general meeting held on Wednesday in Dhaka.