

Prime Bank gives Phoenix Leasing Tk 80m loan

Prime Bank Limited has sanctioned a credit facility of Tk 80 million to Phoenix Leasing Company Limited for acquiring of Lease Assets.

A loan facility agreement between the two organisations was signed at the Prime Bank's head office in the city on Wednesday, says a press release.

Shah Md. Nurul Alam, managing director of Prime Bank Limited and A. Quadir Chowdhury, managing director of Phoenix Leasing Company Limited, inked the deal on behalf of the respective sides.

M. Shahjahan Bhuiyan, Additional Managing Director, Md. Motior Rahman, SEVP, Shafiqul Alam, EVP, Md. Reazul Karim, SVP, M. Shahidul Islam, SVP, Md. Sohrab Mustafa, SAVP, Md. Golam Rabbani, SAVP and Md. Touhidul Alam Khan, AVP on behalf of Prime Bank Limited, and Kazi Emdadul Hoque, EVP on behalf of Phoenix Leasing Company Limited, were present at the signing ceremony.

It may be mentioned that Prime Bank Limited is pioneer in financing non-banking financial institutions.

EPZ at Feni demanded

Speakers at an investment promotional seminar on EPZs of Bangladesh have demanded the establishment of an Export Processing Zone in Feni, says a press release.

The seminar, presided over by Member of Parliament Major (Retd) Sayeed Eskander in Feni on Sunday, opined that Feni is an ideal place for establishing an EPZ because of its close proximity to the Chittagong Port.

Local MP VP Joyal Abedin, President of Feni Chamber of Commerce and Industry Sheikh Nurul Alam, and journalist Gias Kamal Chowdhury demanded that an EPZ should be established in Feni immediately because the area has abundant supply of most inexpensive labours, raw materials and natural gas.

Sayed Eskander, speaking as chief guest said, he would take up the matter with the government and requested the Executive Chairman of BEPZA to consider this popular demand earnestly and sincerely. There is good scope for agro-based and backward linkage industries in Feni, he added.

In his speech Brig General (Retd) M Mofizur Rahman said, the government will do anything to expand the Export Processing Zones of Bangladesh.

Highlighting the efforts and plans of BEPZA to attract more investment in the Export Processing Zones, he said BEPZA has embarked upon fresh programmes to attract more investment in the new EPZs particularly the local investors.

Brig Mofiz said, BEPZA has reduced the rate of tariff at land, factory building and warehouse by 50 per cent than that of the Chittagong, Dhaka and Comilla EPZs.

MIDAS training for ex-child garments workers held

An 8-day entrepreneurship training organised by MIDAS for the adult family members of ex-child workers of garments industries was held at its head office in the city recently, says a press release.

The training aimed at developing family based micro-enterprises by the adult family members of the ex-child labourers as part of an action programme to protect working children and to combat and eliminate child labour.

The Italian Social Partners' Initiative sponsored the programme through ILO, Dhaka, under International Programme on the Elimination of Child Labour (IPEC) which makes a comprehensive approach towards removing child labour from employment in garments industries in Bangladesh.

It included workplace monitoring, counseling and social assistance for children and their families.

The participants of the training programme are supposed to receive micro credit from Social Investment Bank Limited (SIBL) under an agreement.

The closing ceremony of the course was attended by Ayesha Doza, project coordinator, and Shamima Helal of ILO, Tarik Morshed, Assistant Vice President of Social Investment Bank Ltd, Abdul Karim, Managing Director, Md Shafiqur Rahman general manager (Programmes), and M Khairul Bashar deputy general manager of MIDAS.

The Managing Director of MIDAS distributed certificates among the participants.

Jul-Apr borrowing thru' saving instruments soars 14.25pc

STAR BUSINESS REPORT

The government's net borrowing through saving instruments went up by 14.25 per cent during July-April period of the current fiscal year over the corresponding period of last fiscal.

According to the National Savings Directorate (NSD), the government's net borrowing by selling different types of saving certificates amounted to Tk 3957.6 crore in the first ten months of FY02, which was Tk 3464.16 crore during the corresponding period of the last fiscal.

Gross sales during the period under review increased by around 29 per cent, amounting to Tk 7182.92 crore this financial year

from last fiscal's Tk 5591.21 crore.

The government paid Tk 1839.24 crore in the first ten months of FY02 as interest and the amount was Tk 1480.38 crore during the corresponding period of last fiscal. The interest payment increased sharply by 24.24 per cent during the period.

"In fact, saving instruments still remain the secured mode of investment for which sales of certificates did not decline in spite of interest cut on various certificates by the government effective from October 30, 2001," said an official of the NSD.

According to the NSD, the gross sales target for selling saving certificates has been set at Tk 6830 crore for this fiscal while the net borrowing target is Tk 3881.84 crore. "But now it seems that in both cases, we have

already crossed the respective targets in only 10 months. At the end of the fiscal year, both gross sales and net borrowing would go up sharply," the official added.

The government is currently operating some 11 types of saving certificates to borrow funds from the public. Of these, three-month profit giving certificates registered the highest sales till April, followed by Defence Saving Certificate.

Three-month profit giving certificates worth some Tk 2501.41 crore were sold till April of FY02, which was Tk 1336.61 crore during the same period of last fiscal. The net borrowing through the same instrument was Tk 1572.16 crore till April and the amount was Tk 1213.60 crore during the same period of last

fiscal.

Defence Saving Certificates worth Tk 2065 crore were sold in the first 10 months of FY02, which was Tk 1987.01 crore during the same period of last fiscal. The net borrowing from the same instrument was Tk 1269.08 crore against Tk 1516.60 crore last fiscal's same period.

Term deposit amounted to Tk 1012.14 crore during the July-April period of FY02, which was Tk 699.30 crore during the same period of last fiscal. The net borrowing from this instrument was Tk 468.27 crore during the period which was Tk 187.85 crore last fiscal.



Shah Md Nurul Alam, managing director of Prime Bank Limited, and A Quadir Chowdhury, managing director of Phoenix Leasing Company Limited, sign a loan agreement on behalf of the respective organisations at Prime Bank's head office in the city on Wednesday. M Shahjahan Bhuiyan, additional managing director, Md Motior Rahman, SEVP, Shafiqul Alam, EVP, Md Reazul Karim, SVP, M Shahidul Islam, SVP, Md Sohrab Mustafa, SAVP, Md. Golam Rabbani, SAVP and Md. Touhidul Alam Khan, AVP of Prime Bank Limited, and Kazi Emdadul Hoque, EVP of Phoenix Leasing Company Limited, were also present at the signing ceremony.

Bajaj group facing split

AFP, New Delhi

One of India's biggest business families is facing a split in its ranks, casting a shadow over the management of the 1.4 billion-dollar Bajaj group.

Shishir Bajaj, the younger brother of Rahul Bajaj, the chairman of the group's flagship Bajaj Auto Ltd, has said he wants to independently own and manage the three group companies he oversees.

The decision would mean the break up of one of India's oldest and most respected family businesses, founded by Jammalal Bajaj, a close confidante of independence hero Mahatma Gandhi.

Senior family member Rahul Bajaj has said he still hoped to keep the flock together.

"We are one of the largest old-generation joint families in the country and we want to be together and not let anybody leave us," he said.

"We hope to settle things amicably after I speak to Shishir when he returns on Tuesday. Talks of his separation from the family have been in the air for quite some time and I hope to settle the issue very soon," he told The Economic Times.

Shishir Bajaj, who recently returned from an overseas trip, said he was distressed by the publicity over the family problems.

"It pains me that our personal and family problems have been dragged out into the open. Having returned to India, I would like to assess comprehensively the turn of events that has taken place," he told The Business Standard.

"Only then will I interact with the media."

For the moment, both Rahul and Shishir are avoiding any further public statements.

Reports said that Shishir had proposed to sell his shares in all Bajaj group companies except the three under his control, Bajaj Hindusthan, Bajaj Shevashram and Ayurvedashram Pharmacy. He

plans to buy other family members' shares in the three firms.

Bajaj Auto is India's largest motor-scooter maker and a leading motorcycle manufacturer.

It also makes most of India's famous yellow and black three-wheel auto rickshaw taxis. In the late 1970s, there was a waiting list for 13 years for a new Bajaj scooter.

The group had its beginnings in the 1930s under Jammalal Bajaj. His son Kamalnayan took over the reins in 1942 and shortly after India's independence five years later built the business into a leading domestic group.

Rahul Bajaj, who succeeded his father Kamalnayan in 1968, has until now successfully delegated various business positions to members of the family to keep them under a single umbrella.

Other members of the family apart from Shishir -- Shekhar, Madhur and Niraj -- are believed to have rallied together to remain with Rahul Bajaj.



Photo shows Abdul Karim, managing director of MIDAS, speaking at the closing session of an entrepreneurship training for the adult family members of ex-child workers of garment factories in the city recently.

G8 grants add \$1b debt relief

AFP, Kananaskis, Canada

The Group of Eight agreed Wednesday to give an extra one billion dollars in debt relief to some of the world's poorest countries, a day before sitting down to consider Africa's plight.

Their contribution to the Highly Indebted Poor Countries initiative is to benefit 22 African states that qualify for the International Monetary Fund and World Bank plan established in 1996.

The world's poorest continent will be the focus Thursday of G8 attention at its two-day summit in the Rocky Mountain resort of Kananaskis.

Six countries worldwide -- Bolivia, Burkina Faso, Mauritania,

Mozambique, Tanzania, and Uganda -- have already been granted debt relief, with the money "saved" being earmarked for reinvestment in health care and education.

The full project has a price tag estimated at over 27 billion dollars. The G8 decision came a day before leaders from Britain, Canada, France, Germany, Italy, Japan, Russia and the United States were to welcome counterparts from five African nations to discuss an indigenous plan known as the New Partnership for Africa's Development, or NEPAD.

The billion-dollar pledge, which had strong backing from Britain, Canada and Germany, will benefit countries hit hard by a plunge in

prices for their crucial raw material exports.

In Calgary, an international aid agency spokesman welcomed the G8 leaders' concern, but said the sum was equal to just 50 days of debt repayment by developing countries.

"We have got to see much bigger sums committed," said Andrew Graham, a spokesman for the Canadian chapter of CARE.

While the Global Fund to Fight AIDS, tuberculosis and malaria had not yet managed to raise two billion dollars, the US Congress had approved 40 billion dollars to combat terrorism three days after the September 11 attacks, he noted.

ACI declares 37.5 pc dividend

Advanced Chemical Industries Limited (ACI) has declared a 37.5 per cent dividend for the shareholders for the year 2001.

The dividend was approved at the 29th annual general meeting of the company held in the city on Thursday, says a press release. The dividend is Tk 3.75 per share of Tk 10.

M Anis Ud Dowla, chairman of the company, presided over the meeting.

The financial results presented to the shareholders showed an increase in sales turnover by 16.1 per cent over the previous year. The gross profit also increased by 12.67 per cent to Tk 453.33 million and profit after tax increased by 43.02 per cent to Tk 91.71 million over the previous year. The EPS (Earning Per Share) stood at Tk 5.67 this year against Tk 3.97 during the previous year.

The company's contribution to National Exchequer was Tk 315.37 million in the form of corporate tax, customs duty, sales tax, development surcharge, VAT, etc.

The report of the Directors to the shareholders informed that Pharmaceutical business recorded 10.90 per cent growth against a market growth of about 15 per cent. During the year, the division launched 13 new dosage forms. The business also launched a new product from their principal AstraZeneca, named Meronem which is known as the most powerful antibiotic injection in the world.

Consumer Brands Division of the company recorded a healthy 26 per cent turnover growth over last year which enabled this division to occupy the largest share in the ACI business pie.

Bashundhara signs deal to set up 2 parks

Bashundhara Group has signed an agreement with Australia's Atech Group International for setting up a theme park at in Bashundhara City, says a press release.

The accord also includes the establishment of an amusement Park at Bashundhara Residential Area in the city covering an area of seven acres of land.

Sadat Sobhan, vice chairman of Bashundhara Group, and Barry G. Cummings, operating director of Atech Group, inked the deal on behalf of their respective companies at a simple ceremony held at the head office of Bashundhara Group on Tuesday.

Mahaboob Morshed Hassan, vice chairman, A R Rashidi, advisor to the chairman, and Sr Executives of Bashundhara Group, Andrew Masters and Sohail of Atech Group, and Architect Mustapha Khalid of Vistaara Architects (Pvt) Ltd. were also present on the occasion.

The Group expects that both the projects would be completed and opened to public by next year.

Beximco Synthetics declares 5 pc dividend

Beximco Synthetics Ltd has declared a 5 per cent dividend for the shareholders for the year 2001.

The dividend was announced at the 11th annual general meeting of the company held in the city on Wednesday, says a press release.

The meeting was presided over by ASF Rahman, chairman of the company.

The company earned a gross profit of Tk 144.147 million and net profit Tk 61.95 million for the year 2001.



M Anis Ud Dowla, chairman of Advanced Chemical Industries Limited (ACI), presides over the 29th annual general meeting held in the city yesterday.

Govt takes steps to reduce trade deficit with India

Bangladesh's trade gap 1.109m last fiscal, JS told

STAR BUSINESS REPORT

Commerce Minister Amir Khasru Mahmood Chowdhury yesterday told the parliament the government has undertaken various measures to minimise the existing 'huge trade gap' between Bangladesh and India.

Replying to a question, the commerce minister said in the 2000-2001 fiscal, Bangladesh's trade gap with India was 1.109 million US dollars.

He said the government will continue discussion during the next fiscal with New Delhi to remove the existing tariff and non-tariff barriers in Indian market to narrow the gap between the two neighbouring countries.

BSS adds: He also said that

efforts were on to raise exports of Bangladeshi goods to the eastern states of India.

Replying to a question from Prof. Zainal Abedin of BNP from Feni, Chowdhury said India had agreed to allow duty-free access to 40 Bangladeshi items. In reply to another question from Prof. Zainal Abedin, he said the government decided to provide cash incentive for several items in the export sector for three years from July 1, 2002.

Amir Khasru, replying to another question from BNP member Amjad Hossain Sarker (Niphamar) said the total export income from several items was Taka 29,367 crore during the 2000-2001 fiscal year.

Of these items, RMG and knitwear fetched Tk 26,196 crore,

leather and leather goods Taka 1,567 crore, jute goods Tk 1,242 crore and raw jute Tk 362 crore.

Replying to a question from BNP lawmaker M Giasuddin (Narayanganj), the Commerce Minister said several steps were undertaken for expansion of trade among the SAARC countries.

"SAPTA agreement was signed for increasing trade among the SAARC countries and three discussions have already been completed for trade liberalisation under this agreement, he said.

The first meeting of the fourth talks on trade liberalisation was held in Kathmandu from March 27 to 28 while the final meeting is scheduled to be held in September this year, he said.



Sadat Sobhan, vice-chairman of Bashundhara Group, and Barry G Cummings, operation director of Australia's Atech Group International, exchange documents after signing an agreement in the city on Tuesday for setting up two amusement parks at Bashundhara City.

Lanka coming out of economic troubles, says minister

AFP, Colombo

Sri Lanka is coming out of an unprecedented economic contraction as government forces and Tamil Tiger rebels observe a Norwegian-brokered truce, a senior minister announced here Thursday.

Constitutional Affairs Minister G. L. Peiris said the economy grew by three per cent in the first half of the year compared with an historic 1.4 contraction of the economy last year.

The Gross Domestic Product result for the first six months compares with a drop of only 0.9 per cent in the corresponding period last year, putting Sri Lanka into recession for the first time since independence from Britain in 1948.

Peiris said the ceasefire agreement with the Tamil Tiger rebels that went into effect from February 23 has been bearing fruit, with a large number of Buddhist pilgrims travelling to the war-torn northeast of the

island.

"The change of mindset of the people was reflected in the two million people who visited (the pilgrim towns of) Polonnaruwa and Anuradhapura over the long weekend," Peiris said, referring to Monday's Buddhist holiday.

Only a few people visited Buddhist shrines in the embattled regions in the past two decades fearing attacks from the Liberation Tigers of Tamil Eelam (LTTE) which is known to have targeted pilgrims and monks.

The ceasefire between the LTTE and the government had been largely holding without any major clashes between the two sides.

Scandinavians monitoring the truce have reported violations by both sides, but said it was not serious enough to jeopardise the peace process.

However, proposed talks between the LTTE and the government have been delayed amid rebel

insistence that the terms of the ceasefire agreement be fully implemented before opening negotiations.

The talks which were due to open at a neutral venue in Thailand in May have now been put off indefinitely with political sources saying that the end of July or early August was more likely for their start.

Peiris, who is Colombo's key negotiator, said that nonetheless the government and the LTTE were preparing an agenda for talks.

"Obviously there are difficulties. You would encounter such problems given the history of the conflict," Peiris said.

Opposition legislator and former foreign minister Lakshman Kadirgamar, who handled the peace process under the previous government, said last week that the proposed talks may not take place at all and that the country could slide yet again into conflict.

US may drop anti-Russian steel tariffs, boost investment

AFP, Moscow

Russia may benefit from further exclusions to restrictive American steel tariffs, soon to be announced in Washington, the US Deputy Secretary of Commerce William Lash said Wednesday.

Washington's recent acknowledgement of Russia as a country with market economy allows the United States to reconsider several anti-dumping measures introduced against Russian exports, Lash said as quoted by the ITAR-TASS news agency.

Though Lash, who was emerging from talks with Russian officials, refrained from giving precise details, he suggested that Russia's raw steel exports may be one of the Russian

steel products that would be spared restrictive tariffs.

On March 5, US President George W. Bush announced a three-year hike in tariffs on selected steel imports, intended to protect the US steel industry which had been losing out to foreign competitors.

The move was slammed by steel producers in Europe, Russia and Asia who said it was anti-competitive, while Moscow hit back at the "unjustified" hikes by introducing a month-long ban on US poultry imports.

Analysts agreed that Bush's trade measures would negatively impact Russia, which exports steel worth up to 400 million dollars (460 million euros) a year to the United

States, according to US trade figures.

But Washington recently announced 107 exclusions to the steel tariffs, and US administration officials have said they expect to announce more exclusions by July 3.

Russian President Vladimir Putin also hinted earlier this week that Moscow managed to win Washington around in some of the steel trade row's key issues.

Lash also praised the successful development of Russia's investment market, saying that more and more US companies would be willing to risk their money as Moscow implemented new laws to facilitate investment.