

## SEC slaps Tk 39 lakh fines on 2 company directors, one broker

M SHAMSUR RAHMAN

The Securities and Exchange Commission (SEC) yesterday slapped Tk 39 lakh fines on some directors of two listed companies and a Dhaka Stock Exchange (DSE) broker for not complying with several securities laws.

The listed companies are JH Chemical Industries Ltd and Maq Enterprise Ltd while the brokerage house is SPM Ltd.

JH Chemicals' chairman has been fined Tk eight lakh, its managing director Tk four lakh and one of

its directors Tk two lakh for failing to hold annual general meetings (AGMs) of the company for three consecutive years.

SEC officials said the company also did not submit the half-yearly accounts of year 2001.

In separate orders, the SEC asked the three to initiate move to hold all the three pending AGMs in 15 days or pay Tk 10,000 fine for each day in default.

The directors of Maq Enterprise have been fined for not co-operating with the auditors engaged by the capital market watchdog.

Maq Enterprise's chairperson has been fined Tk two lakh, its managing director Tk four lakh and four of its directors have been fined Tk one lakh each.

The SEC orders issued yesterday directed all the six board members of the company to allow the special audit of the company in 15 days. Otherwise, they will be fined Tk 10,000 each for each day in default.

The orders also asked them to deposit the penalty amount within 15 days from receipt of the SEC order.

Regarding the brokerage house, SPM Ltd, the SEC had received a number of complaints from various clients of the brokerage house. The clients alleged that the broker was neither returning money against shares sold by clients nor delivering securities purchased by the clients.

Upon receipt of the complaints, the SEC had engaged Acnoin & Co to run a special audit on the broker and asked the broker to settle all clients' claims.

"Though the broker had committed to settle the matters, it neither

settled the claims nor co-operated with the auditors," an SEC official said.

Finally, the SEC decided to fine Tk five lakh for not complying with the auditor, besides Tk 10 lakh for not settling claims of clients.

Meanwhile, the SEC on Sunday suspended another DSE brokerage house, Square Securities Management Ltd, for 15 days for not co-operating with an inspection team of the DSE and the SEC.

The team visited the house recently to investigate some allegations brought against it.



French Ambassador to Bangladesh M Lummaux and Bangladesh Ambassador to France Jahangir Sadaat were present at the inauguration of the Bangladesh Pavilion at the world's largest garment exhibition in Paris recently.

## Shah Cement lottery draw results out

Shah Cement Industries Ltd has announced mega draw results of all coupons that were given to the visitors at the just concluded small and medium enterprise (SME) fair, says a press release.

The first prize went to Jasim Uddin, coupon no 24850 while second and third prizes to Pavel, coupon no 3835 and Kamil Akter, coupon no 24095 respectively.

All the winners are requested to contact Saiful Islam Helali, marketing manager of Shah Cement Industries Ltd at the company's head office at Dilkusha, within seven days with the counter parts of the coupons.

## City Bank renovates Posta branch

The City Bank Ltd renovated Posta Branch along with some other branches of the bank recently.

Deen Mohammad, chairman of the bank inaugurated the renovated Posta Branch on Thursday, says a press release.

Aziz Al-Kaiser, vice chairman and Abbas Uddin Ahmed, managing director of the bank were present on the occasion.

Clients, elites and local distinguisheds were present on the occasion.

AHM Nazmul Quadir, deputy managing director, Habibur Rahman consultant and other high officials were also present.

## Mercantile Bank EC meet held

The 85th meeting of Executive Committee (EC) of Mercantile Bank Limited was held recently at the bank's head office, says a press release.

Md Selim, chairman of the committee, presided over the meeting. Directors of the bank Md Anwarul Haque, Dr Toufique Rahman Chowdhury, S M Shakil Akhter, Engineer Mohd Monsuruzzaman, Md Aman Ullah, Md Abdul Hannan, Alternate Director Sitara Kabir, Chief Advisor Lutfar Rahman Sarkar, Managing Director M Taheruddin and Company Secretary A K M Shahidul Haque were present.

Md Abdul Jalil MP, chairman of Board of Directors of the bank, was also present in the meeting.

## 15-day course starts at Dhaka Bank Training Institute

A fifteen-day training course on "International Trade, Finance and Foreign Exchange" has started at Dhaka Bank Training Institute (DBTI) at Uttara in the city, says a press release.

Fourteen officers from Dhaka Bank Ltd (DBL) and eight from Social Investment Bank Ltd (SIBL) are participating in the course.

Md Mokhlesur Rahman, managing director of DBL, inaugurated the course.

M Nazrul Islam, deputy managing director of SIBL, Shamshad Begum, senior vice president and principal of DBTI, Salahud Din Ahmed, senior assistant vice-president and faculty member, and Dr M Saiful Karim Chowdhury, assistant vice-president and faculty member, also spoke in the inaugural session.

## 90pc loan recovery from micro-enterprises

### Agrani Bank gets good returns

ZAHIDUL HAQUE

With around 38.49 per cent default loans with the nationalised commercial banks (NCBs), the Agrani Bank has found the recovery rate to be 90 per cent in a project, under which loans were disbursed among 21,975 micro-enterprises.

The bank has distributed Tk 95.75 crore loans among the enterprises over a period of six years under its Employment Generation for the Rural Poor (EGPRP) Project. The project, supported by International Fund for Agricultural Development (IFAD), was launched in October 1995, generating employment for 32,239 people.

The project was undertaken for a period of five years and it was subsequently extended by another year up to December 2001. Meanwhile, the loan account was closed on June 30 this year.

Agrani Bank solely implemented the project under the guidance of a national steering committee headed by finance secretary.

A cell, Micro Enterprise Development Unit (MEDU), was established at the bank's head office to supervise the project planing,

implementation, monitoring and evaluation of financial services for the micro entrepreneurs.

Loans were sanctioned for 40 different varieties of micro-enterprises that are grouped under three categories -- agro-processing, manufacturing and services.

Agro-processing enterprises include rice, flour mill, oil mill, poultry, nursery, fish hatchery and puffed rice (muri) production.

Manufacturing enterprises include metal works, aluminum products, chemical products, wooden and steel furniture, food products, handloom products, handicrafts, tiles and sanitary products.

Service enterprises include light engineering, repair and maintenance of different agricultural equipment, tailoring, power tilling and restaurant.

During the period, 7,675 micro enterprises were established through direct lending of Tk 64.06 crore by 115 project branches of Agrani Bank, officials said.

Besides, 14,300 micro enterprises were established through indirect lending of Tk 31.70 crore by NGO credit retailers.

The target group was identified following the net yearly income criteria of the existing entrepreneurs that ranged between Tk 10,000 and Tk 30,000.

Educated people got special preference for the credit.

The project loan size was between Tk 20,000 and Tk 5,00,000. There was no collateral security for up to Tk 75,000.

When contacted, some of the entrepreneurs who got loans under the project, said they are very happy that Agrani Bank has created a chance for them to build up their future.

It would be a welcome move if the bank reduced existing interest rate, they added. The bank charged 10 per cent interest in the project.

About the future plan of the programme, Agrani Bank Managing Director said, "We will continue the programme and will further strengthen the MEDU unit for better services."

"We made a rough estimate that shows a total of 46,400 micro-enterprises could be established over the next 3 or 4 years that would require a credit fund of around Tk 370 crores," he added.

## Bangladesh takes part in Paris garment show

Bangladesh participated in the world's largest garment exhibition held in Paris recently, says a press release.

The exhibition was jointly inaugurated by Michel Lummaux, ambassador of France to Bangladesh, and Jahangir Sadaat, ambassador of Bangladesh to France.

France-Bangladesh Chamber of Commerce & Industry (CCIFB) organised the representation from Bangladesh.

Five large garment manufacturers of the country exhibited their products under the banner "Bangladesh Pavilion."

The five companies which participated in the exhibition included Beximco Textiles Ltd, Consumer Products Ltd, Max Super Apparels Ltd, Shafi Processing Industries Ltd and Ulah Garments Ltd.

The five Bangladeshi companies and Texas Resources Ltd, a CCIFB member, were sponsors of the inaugural programme.

A brochure on Bangladesh and textile industry published on the occasion was sponsored by UNESCO, Dhaka. CCIFB Director, Dr Rifat Rashid, was also present in Paris during the period to coordinate the event.

Bibi Russell, UNESCO Artist for Peace in support of this initiative, arranged a fashion parade by Bangladeshi and French models on the opening day showing products of the participating companies and her special collections of accessories and of hand-woven fabrics made by weavers from Bangladesh.

French Ambassador, Bangladesh Ambassador, CCIFB President Gerard Marchand and French Trade Commissioner Pierre Boedoz also spoke on the occasion.

## IBBL workshop on ATM held in Ctg

A workshop on ATM operation at Chittagong organised by Information Technology Division of Islami Bank Bangladesh Limited was held on Sunday at Agrabad branch of the bank, says a press release.

Mohd Shamsul Haque, executive vice president, Chittagong Zone, inaugurated the workshop as chief guest. Eighteen officers from nine branches under Chittagong Zone of the bank participated in the workshop.

## ICAB organises discussion on accountability

The Institute of Chartered Accountants of Bangladesh (ICAB) organised a continuing professional education (CPE) discussion meeting on "development cooperation and accountability" at its auditorium in the city on Thursday, says a press release.

Niels Severin Munk, ambassador of Denmark in Bangladesh was the guest speaker in the meeting.

MA Baree president-ICAB, Zahir Uddin Ahmed council member and former president of ICAB, Humayun Kabir, vice-president of ICAB were present.

Niels Severin Munk said the Danish government wants sustainable development and poverty reduction in Bangladesh and proper use of foreign aids with total accountability as well as best utilisation of domestic resources.

## BB training on money laundering for bankers

BSS, Dhaka

Against the backdrop of recent disclosures of money laundering from banks, a three-day training programme was launched Sunday under the auspices of Bangladesh Bank to enable bankers to check such crimes.

A total of 120 officials of all banks functioning in Dhaka are taking part in the training programme, aimed at creating extra vigilance and enabling the bankers in detecting the incidences like money laundering, a central bank press release said.

Bangladesh Bank Management Institute (BIBM), City Bank, A N Standard Chartered Grindlays Bank and American Express Bank Ltd, jointly organised the training at the BIBM complex at Mirpur.

BIBM Director General Dr Sohrab Hossain opened the training programme while Bangladesh Bank Deputy Governor Nazmul Huda was in the chair.

The programme has been designed to prepare the participants as a corps group to replicate their training among their colleagues in their respective banks.

## ADB, WB body agree to back FDI in Asia

AFP, Manila

A World Bank agency and the Asian Development Bank (ADB) agreed Monday to support foreign direct investment (FDI) in Asia through lending and the provision of investment guarantees, a joint statement here said.

ADB and the Multilateral Investment Guarantee Agency (MIGA), a member of the World Bank Group, "will support joint projects in which one or both will provide investment guarantees, in combination with ADB direct assistance, such as loans or equity investments," the statement said.

MIGA executive vice president Motomichi Ikawa said after the Manila signing that the step signals "our commitment to increasing the flows of foreign investment in the

region."

ADB vice president for finance John Linjter said "this partnership creates a powerful combination -- MIGA's experience in political risk, and ADB's regional expertise and resources."

"Together, they strengthen our hand for private sector development and reducing poverty in Asia."

FDI inflows in Asia stood at 65.65 billion dollars in calendar 2000, slightly below the 70.70 billion-dollar level during the Asian crisis in 1997-1998.

MIGA and the ADB said they were already collaborating on their first project -- the expansion and rehabilitation of a toll road leading to the Philippines capital being undertaken by the Manila North Tollways Corp.

## Asia looks to euro as alternative to dollar

AFP, Elsinore, Denmark

Asian leaders gathered here for the ASEM meeting with EU members have shown a keen interest in the euro as a possible alternative to the dollar in international trade, Danish prime minister Anders Fogh Rasmussen said.

"I wouldn't be surprised if in the future Asian countries were to use the euro as a means of payment in international transactions," Rasmussen told reporters Sunday after a dinner in Elsinore, marking the start of the two-day Asia-Europe meeting held in Copenhagen.

"Asian leaders were asking about the role of the single currency as a reserve currency internationally," he said, adding that exchange rate developments between the euro and the dollar were given particular attention.

According to diplomatic sources,

Malaysian Prime Minister Mahathir Mohamad took the lead in the discussions, focusing on the euro's role as rival to the dollar in international trade.

Others highlighted the possibility of Asian countries themselves moving towards the adoption of a single currency. Thailand's prime minister, Thaksin Shinawatra, raised the possibility of "Asia bonds" issued in a joint currency, according to the sources. Before the advent of the euro, a basket of national EU currencies, the ECU, was regularly used by governments and corporate borrowers to issue debt.

The summit participants are expected to return to the euro in the wider context of economic cooperation between the two continents in a working session on Monday.

## UCBL managers' confce held

The managers' conference of Dhaka area branches of United Commercial Bank Ltd was held on Sunday at the head office of the bank, says a press release.

Hamidul Huq, addl. managing director, and Md Salauddin Gazi and B H Chowdhury, deputy managing directors, attended the conference and took part in the deliberations.

The conference evaluated the performance of all branches and decided action plan to achieve yearly target set for 2002.

## New MD of Standard Ins



S M Abdul Mannan recently joined Standard Insurance Limited as Managing Director on current charge, says a press release.

Prior to his new assignment, he served Purabi General Insurance Co Ltd and Provati Insurance Co Ltd, in different senior positions.

After completing his post-graduation in Economics from Rajshahi University, he started his career in Sadharan Bima Corporation.

## New MD of Fuchs Lubricants



Md Nazmul Hoque has taken over the charge as managing director of Fuchs Lubricants (Bangladesh) Ltd, says a press release.

Prior to his new assignment, he was the general manager of this company.



Deen Mohammad, chairman of The City Bank Limited, inaugurates the bank's renovated Posta branch on Thursday. Vice-Chairman of the bank Aziz Al-Kaiser, Managing Director Abbas Uddin Ahmed, Deputy Managing Director A H M Nazmul Quadir and Consultant Habibur Rahman are also seen in the picture.

## Textile industry leaders call for open markets

REUTERS, Geneva

Textile and clothing industry leaders from both rich and developing countries agreed Sunday that all markets for their products should be opened and non-tariff barriers removed.

At the end of a two-day conference organised by the European Euratex body, they also called on the World Trade Organisation (WTO) to enforce current rules protecting brands and trademarks, the chairman of the meeting said.

"There was unanimity among the 36 countries present that where textile and clothing markets are closed, they should be opened, and that non-tariff barriers should be removed," Euratex Director-General William Larkin told Reuters.

He said that apart from the brands and trademarks issue, a key problem for the industry which in many countries faces massive counterfeiting, the meeting also

agreed that ethical, social and environmental standards should be followed.

"The atmosphere was excellent, and everyone agreed we should meet again next year," Larkin added.

The conference, the first bringing together companies and organisations from the sector from north and south, was aimed at creating a framework for discussion on how to handle the major challenges facing the industry over the coming decade.

Textiles and clothing are a major global industry, employing around 30 million people and with an annual turnover of some \$290 billion.

For some 40 years global trade in its products has been governed by an agreement largely based on country quotas and preferences, which has enabled infant industries in some of the poorest states to blossom.

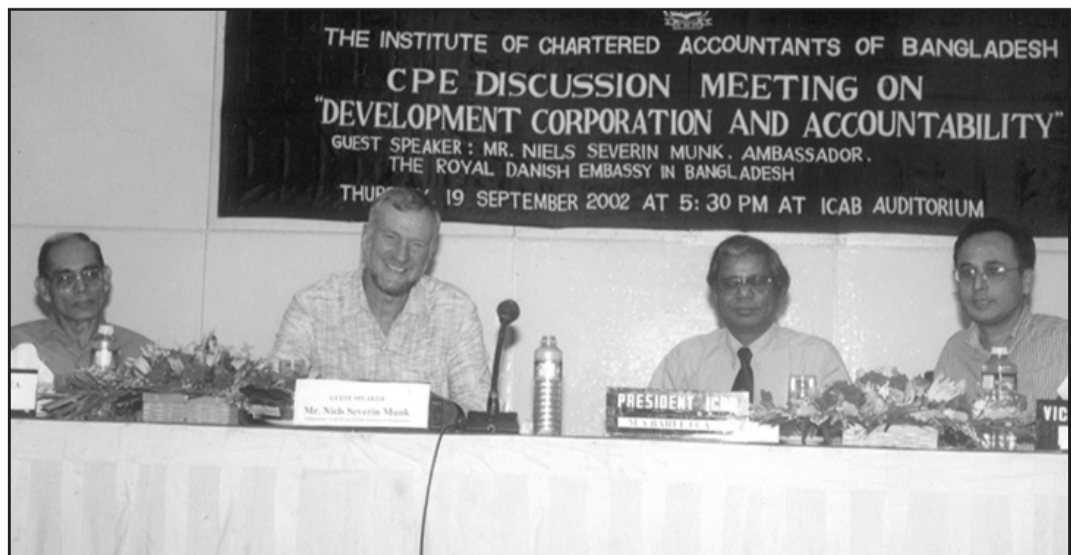
But from the start of 2005, textile trade will come under the rules of

the currently 144-member WTO which provide for tariffs to replace quotas and for an end to special deals -- often extended by European countries to former colonies.

Smaller countries fear that this could sound a death-knell for many firms by opening the floodgates to China, now a member of the WTO with already around 20 per cent of the global market.

The World Bank estimates that this could climb to nearly 50 per cent by the year 2010 -- a prospect that has driven countries like Bangladesh, Indonesia and Pakistan to push for a better foothold.

China, although invited, did not attend the Geneva meeting. Larkin, who is planning to meet Chinese officials in the coming months, said he hoped a delegation from Beijing would be at the next gathering.



Niels Severin Munk, ambassador of Denmark to Bangladesh (2nd from left), addresses the CPE discussion meeting on development cooperation and accountability on Thursday at ICAB auditorium in the city. MA Baree, president of ICAB (2nd from right), is also seen in the picture.