

Partex Sugar Mills receives largest consortium loan

10 financial institutions arrange Tk 290cr

STAR BUSINESS REPORT

Ten financial institutions yesterday arranged the largest ever syndicated loan of Tk 290 crore for a sugar refinery of Partex Group.

The new venture -- Partex Sugar Mills Ltd -- is expected to go into commercial operation from December next year with an annual production capacity of 5.4 lakh tonne refined sugar.

The officials of the new company hope their new venture will enable Bangladesh to meet entire sugar demand together with public and private mills.

Led by Standard Chartered Bank, other participating banks and financial institutions in the syndicated loan facility are Bank Asia, Dhaka Bank, Dutch Bangla Bank Limited, Mercantile Bank, National Bank, National Credit and Commerce Bank, Southeast Bank,

State Bank of India and IDLC of Bangladesh Ltd.

However, nationalised commercial banks (NCB) could not participate in the syndicated loan due to a memorandum of understanding (MoU) between the NCBs with Bangladesh Bank which bars loans to any individual organisation above five percent of bank's paid-up capital.

As per the MoU, Sonali Bank cannot lend to an individual borrower above Tk 16 crore, Janata Bank Tk 12 crore, Agrani Bank Tk 8 crore and Rupali Bank above Tk 7 crore.

Addressing the syndicated loan signing ceremony in Dhaka, MA Hashem, chairman of Partex Group, urged the government to introduce a separate customs HS code for import of raw sugar.

Presently, duty on both refined and raw sugar is fixed under the

same HS code. "Domestic production from sugarcane cannot meet the entire demand and Bangladesh has to import over five lakh tonnes sugar a year. So refineries can meet the deficiency if duty structure is changed," he said.

Hashem urged the government not to allow any other sugar refinery in the next seven years to save the sector from over investment like cement, edible oil refinery, CI sheet sectors.

The announcement of the new venture came close on the heels of the government's plan to refine sugar in one of its 14 mills, Pabna Sugar Mills, with a 30,000 tonne refining capacity.

All state-run sugar mills may also expand to refinery operation if the Pabna experiment succeeds. The plan to keep mills operational in non-crushing season is aimed at coming out of perennial loss in the sector.

Sugar mills usually remain idle for about eight months non-crushing season a year which is the main reason for loss of the state-run mills.

Buying Kaliachapra Sugar Mills in Kishoreganj through Privatisation Commission, Nitol Group had also announced plans to produce 60,000 tonnes refined sugar beside 10,000 tonnes sugar from local sugar-canes. Deshbandhu Sugar Mills is also engaged in refining sugar.

Law, Justice and Parliamentary Affairs Minister Moudud Ahmed was chief guest at the function. State Minister for LGRD and Cooperatives Ziaul Huq Zia, CEO of Standard Chartered Bank in Bangladesh Osman Morad, Vice-chairman of Partex Group Aziz Al-Kaiser Tito and Managing Director of Partex Sugar Mills Showkat Aziz Russel also addressed the function.

PHP exports 15,000 tonnes steel products

UNB, Chittagong

PHP Steel Mills in Kumira exported 15,000 tonnes of steel products to 15 countries of Asia, Europe, America and Africa in 2003.

The steel plant under Bangladesh Steel and Engineering Corporation produces 40,000 tonnes of CR coil and CI sheets per month.

This was informed when Commerce Minister Altaf Hossain Chowdhury visited the steel plant Saturday.

Later the minister addressed a meeting at mill premises and laid emphasis on producing quality products to compete in the world market.

The meeting was addressed, among others, by Chairman of Chittagong Tea Board Brigadier General SM Tawhid, Chairman of PHP Group Sufi Mohammad Mizanur Rahman, Managing Director of the group Mohammad Mohsin and former mayor of Chittagong Mahmudul Hassan Chowdhury.

Earlier, the minister went round two CR coil mills and two modern CI sheet mills in the complex and inspected the production activities, said an official release.

No immediate change in cargo handling cost

Chittagong chamber to conduct study on proposed hike

STAFF CORRESPONDENT, Ctg

The decision by Bangladesh Master Stevedores Association (BMSA) to raise cargo handling charges by 15 percent will not come into force immediately as the Chittagong Chamber of Commerce and Industry (CCI) has decided to conduct an independent study before the new rates are imposed.

The decision came after a meeting of the chamber leaders with Chittagong Port Authority (CPA) at the chamber secretariat yesterday.

The BMSA early this month decided to raise cargo handling cost by 15 percent on the grounds of

increase in staff remuneration.

Talking to The Daily Star CPA Chairman Shahadat Hossain said, "We have urged the CCCI leaders to study the cost involvement in stevedoring services and ascertain the reason behind the unilateral decision."

He said the port authority would help the chamber in conducting the study.

CCI President Amir Humayun Mahmud Chowdhury said the chamber would begin their study by initially collecting data from the port authority.

"The stevedores will not be allowed to impose the new rate until

completion of the study," he said adding, "The cost involvement will be clear once the study is completed."

Monjur Alam, chairman of BMSA, a body of cargo handling contractors, said the association was ready to extend all sorts of cooperation to the chamber.

He also said that the outcome of the chamber study would determine the charges that would be applicable for cargo handling.

BMSA decided to increase cargo handling charges by 15 percent from September 16, 2004 drawing severe criticism from both importers and exporters.

DSE plans to raise ground floor level by three feet

Five-member committee formed

STAR BUSINESS REPORT

In the wake of severe damage caused by last week's incessant rain, the Dhaka Stock Exchange (DSE) is planning to raise level of its ground floor by at least three feet to ensure safety of the system.

The DSE in its board meeting on Thursday formed a five-member committee to suggest means to save its automated trading engine worth Tk 12 crore from any water logging in future.

The five-member committee headed by DSE Director Mohammad Shahajhan includes DSE Chief Executive Officer (CEO) Salahuddin Ahmed Khan, directors Mohammad Mujibur Rahman and

Shakil Rizvi and Member Rezaul Karim.

The committee at its first meeting on Saturday decided to submit a comprehensive plan within the shortest possible time to prevent the sophisticated equipments from rainwater.

DSE President Ahmed Iqbal Hasan said the DSE premises house hardware worth crores of taka and it needs to be protected to ensure smooth stock trading.

"We believe the move to raise the DSE ground floor will ensure safety of the high-tech equipment and prevent trade suspension in future," the DSE president added.

He said the four-day non-stop rain has caused extensive damage

to some hard discs, main UPS component, several PCs, web-server, supporting UPS, furniture and documents among others.

The DSE president said most of the hardware is located on the ground floor along with the main-frame servers, which are kept in dust and moisture free condition to ensure uninterrupted trading.

"But, DSE trading was suspended for four days when rainwater found its way to the ground floor of the premises affecting stock trading and settlement," said DSE CEO Salahuddin Ahmed Khan.

He said the DSE IT department had to work round the clock to restore the system and make it functional.

Country has potential in UK spices, food market

Bangladeshi restaurant owners in the UK say

STAR BUSINESS REPORT

Bangladesh has a fair chance to grab a big chunk of spices and other allied food markets in the United Kingdom (UK) if manufacturers initiate aggressive marketing efforts there, said Bangladeshi restaurant and hotel owners in the UK.

"We are very much interested to use Bangladeshi food items in our restaurants, but we do not get these items sufficiently," said Mahmud Rashid, president of Bangladesh Caterers Association (BCA), UK, while exchanging views with the local food producers and exporters

in Dhaka yesterday.

Bangladesh can earn £32 to £35 million a year by exporting spices to the UK where some 10,000 restaurants use these items by importing mainly from India and Pakistan, he said. Bangladesh presently holds insignificant share in the UK spice market.

Export Promotion Bureau (EPB) organised the meeting between the local producers, exporters and the visiting BCA delegation at its boardroom.

"If you can push the items to the UK market, we will buy these for our restaurants," he told the local manu-

facturers. The BCA president urged the EPB to include their representatives in the EPB's agro-processing food related committee so that they can give their inputs to help Bangladeshi producers and exporters to find and expand market in the UK.

On observation from BCA delegates that a training institution of agro-processed food is needed to explore overseas market, the EPB Vice-chairman Mir Shahabuddin Mohammad said, "I will propose the government to set up a training institution for the sector immediately."

Bangladesh investment seminar in Paris on Wednesday

UNB, Dhaka

Paris Chamber of Commerce and Industry will hold a seminar on Bangladesh Trade and Investment on its premises in the French capital on Wednesday.

The daylong seminar will be held to make French importers and investors aware on growing business opportunities in Bangladesh, said a Export Promotion Bureau (EPB) press release yesterday.

Some 70 big investors and importers of France are expected to participate in the seminar where the president and other important office bearers of the Paris Chamber will be present.

Bangladesh ambassador to France, outgoing French ambassador to Bangladesh, ambassador-designate of France to Bangladesh, trade commissioner of French Embassy in Dhaka will participate in the seminar.

On invitation from Paris Chamber, Vice-chairman of the Export Promotion Bureau of Bangladesh Mir Shahabuddin Mohammad will make a multimedia presentation on the investment and trade opportunities in Bangladesh.

After the presentation, a documentary film on Bangladesh exportable will be shown to the audience.

Besides, detailed discussion will be held in French Trade Ministry and Chamber of Commerce regarding a proposed high-level trade and investment delegation to Bangladesh from France from November 27 to December 4.

BTMA team off to Taiwan to attract more business

With a view to attracting more investment in textile sector in Bangladesh, a 15-member BTMA delegation, led by its Chairman MA Awal left for Taiwan yesterday.

The team will participate in the three-day Taipei International Textile & Apparel Show (2004 Titas Taipei) which will begin tomorrow.

During the visit, the delegation will meet senior officials of Taiwan Textile Federation, the foremost textile and garment promotion organisation of Taiwan, and Bureau of Foreign Trade under Ministry of Foreign Affairs to enhance cooperation between Bangladesh and Taiwan, said a Bangladesh Textile Mills Association (BTMA) press release.

The delegation will also meet selected exhibitors of 2004 Titas Taipei.

The delegation is expected to expedite process of setting up a joint business council. BTMA proposed the business council during a meeting in Dhaka with the then visiting Taiwanese delegation on August 12.

The proposed council is expected to help develop textile sector for the mutual benefit of the two countries. The council will also work to promote joint venture projects and relocate existing units by serving as an effective means to follow up the recommendations put forward during the various meetings of the two countries.



PHOTO: STAR

Former Vice-chancellor of Bangladesh University of Engineering and Technology (Buet) Iqbal Mahmud, 2nd from left, Centre for Policy Dialogue Executive Director Debapriya Bhattacharya, right, Executive Chairman of Board of Investment Mahmudur Rahman, left, and Chairman of Chemical Engineering Division of the Institution of Engineers, Bangladesh Serajul Majid Mamoon, 2nd from right, are seen at a seminar on "Prospects of investment in chemical industries in Bangladesh" in Dhaka yesterday.

Entrepreneurs urged to invest more in chemical sector

STAR BUSINESS REPORT

Speakers at a seminar yesterday urged entrepreneurs to invest more in chemical sector saying the sector has immense potential to become a major exportable item.

They said many investors, both foreign and local, are getting good return by investing in the sector.

Mentioning that the country registered some Tk 22,400 million investment in the first 8 months of this calendar year Executive Chairman of Board of Investment (BoI) Mahmudur Rahman said some of the large investments in Bangladesh's recent years were in chemical sector.

The BoI chief was making a presentation at a seminar on "Prospects of Investment in Chemical

Industries in Bangladesh" organised by the chemical division of the Institution of Engineers, Bangladesh (IEB) in Dhaka.

According to the BoI boss, at present chemical is the most potential sector to attract both foreign direct investment and local investment.

According to the BoI, chemical sector includes 10 sub-sectors, which are gas-based chemical industries, pharmaceuticals, glass and ceramics, cement, soaps and detergents, dies and chemicals, manmade fibres, pulp and paper, plastics and rubber and coal chemicals.

Former Vice-chancellor of Bangladesh University of Engineering and Technology (Buet) Iqbal Mahmud, Centre for Policy

Dialogue (CPD) Executive Director Debapriya Bhattacharya and Chairman of Chemical Engineering Division of the IEB Serajul Majid Mamoon also spoke at the seminar.

Mahmudur Rahman said Bangladesh being an LDC (least developed country) enjoys patent rights exemption on medicine manufacturing until 2016. "So pharmaceutical sector can be a major chemical sector which can earn huge foreign currency for Bangladesh."

The CPD executive director echoed Rahman and said "As a leader of LDCs regarding medicine export, Bangladesh has the opportunity to fetch huge foreign currencies from the sector."

Frame environment policy to retain export markets

Speakers urge government at DCCI seminar

STAR BUSINESS REPORT

Businessmen yesterday urged the government to formulate a comprehensive environment policy covering all sectors, as environment issues are becoming vital to compete in international export markets.

They said the products causing environmental hazard are discouraged in the international market. Environment management is of immense importance in the multilateral trading system, the business people said.

They were speaking at the seminar on 'Sustainable Environment Management System for Small and Medium Enterprises (SMEs)' organised by

Dhaka Chamber of Commerce and Industry (DCCI).

At the seminar chaired by DCCI Director Omar Faruque, the speakers said environment management system is needed for waste minimisation and reducing the cost of pollution control.

Speaking at the seminar as chief guest, Environment and Forests Minister Tariqul Islam said that exporters are facing difficulties in international market due to poor environment management record.

"The entrepreneurs have to be aware of the environment management system and regulations to face the challenges of multilateral trading world," he said.

The minister asked the entrepreneurs to learn about the methods and technology for reducing industrial pollution and economic waste management strategies.

Acting President of DCCI AM Mubash-Shar said businessmen need to go through continuous and extensive training programme to comply with environment management system (EMS).

Among others, M Abu Horaira, vice-president of DCCI, Manzur Ahmad, director of DCCI, Razeeb Gopal of SouthAsia Enterprise Development Facility, MS Shekil Chowdhury, convener, environment pollution control of DCCI, also spoke in the seminar.

New DFID chief calls on Saifur BSS, Dhaka

New Chief of Department for International Development (DFID) in Bangladesh David Wood yesterday called on Finance and Planning Minister M Saifur Rahman at his secretariat office here.

During the meeting, they recalled the existing long friendship between the two countries and exchanged views on the positive role of Britain particularly in the economic cooperation with Bangladesh, an official handout said.

The minister welcomed and thanked the DFID chief for Britain's cooperation in the fields of agriculture, education and health and urged Wood to extend cooperation for the establishment of a time befitting good governance.

They hoped that the mutual cooperation would be further expanded and consolidated in the days to come.

The British government has provided 1,108 million pound for the economic development since the independence of Bangladesh, the handout said.