

BB scales down large bank loan limit

STAFF CORRESPONDENT

Bangladesh Bank (BB) has scaled down the large loan limit of commercial banks to reduce and diffuse their credit risk.

In a circular issued yesterday, the central bank said the cash (funded) loan of a commercial bank to a single borrower, individual or institutional, must not exceed 15 percent of the bank's total capital.

The ceiling on loan facilities -- funded or cash and non-funded together -- to a single borrower, excepting the export sector, was cut back to 35 percent of a bank's capital from the existing 50 percent.

In case of exports, however, the single borrower exposure limit will remain unchanged at 50 percent of the bank's capital, with cash credit not exceeding 15 percent.

The central bank's regulatory move comes in line with a World Bank prescription. In an aide memoire on Development Support Credit III, the WB in mid-March told the government, "as part of the tightening of accounting standards, the single exposure limit would be lowered to 35 percent of capital by June 2005 and further to 25 percent by June 2006."

BB sources said the new measure will both reduce and diffuse the

risk of loan and improve the banks' credit risk management. Because, the bigger the amount of a bank loan turned bad the more adverse is its impact on the bank's financial health. So, if a bank gives more small loans, the possibilities of their negative effect on its financial condition also lessens, they explained.

However, the deflation of single loan exposure limit will not affect the borrowers as the capital requirement of all banks has been increased, they pointed out.

In case of loans exceeding the new ceiling that have already been disbursed, the BB circular directed

SEE PAGE 15 COL 1



Young job hunters through the National Job Fair 2005 at Osmani Memorial Hall yesterday. The participating firms received some 50,000 applications at the fair organised by North South University.

PHOTO: STAR

1 dies, 50 missing in trawler capsizes

OUR CORRESPONDENT, Madaripur

A woman died and 50 others went missing when a passenger trawler, hit by a launch, capsized in the river Arial Kha in Kalkini upazila yesterday.

Police said the Madaripur-bound trawler from Kasherhat of Kalkini, with 75 passengers aboard, sank in the river after it was rammed by a launch, MV Tarika, at about 8:30am.

About 25 passenger of the trawler swam ashore and the

remaining 50 are still missing.

On information, fire service personnel and divers from district headquarters rushed to the spot and recovered the body of the woman, Joytunnessa, 45, of Kalkini upazila.

A search for the missing and efforts to salvage the ill-fated trawler continued until the filing of this report at 6:30pm yesterday.

Police seized the passenger launch, but its master and crew managed to flee.

Naved, Butt script Pak victory

REUTERS, Jamshedpur

Swing bowler Navedul Hasan grabbed a career-best six-wicket haul and opener Salman Butt struck a century as Pakistan crushed India

SEE PAGE 15 COL 3

Prayer Timing		
April 10		
	Azan	Jamaat
Fair	4-35	5-10
Zohr	12-45	1-15
Asr	4-45	5-00
Maghrib	6-24	6-28
Esha	7-45	8-15

Source: Islamic Foundation

DCC launches 15-day cleanliness drive today

STAFF CORRESPONDENT

Dhaka City Corporation (DCC) today launches a 15-day special cleanliness drive to clean the city's footpaths, streets and drains as well as to free its walls of unwanted graffiti and posters.

LGRD and Cooperatives Minister Abdul Mannan Bhuiyan and DCC Mayor Sadeque Hossain Khoka will inaugurate the drive, to be conducted simultaneously in the city's 90 wards from April 10 to 24, at Rajdhani Super Market in Tikatuli at 11:00am, the DCC's public relations sources said.

Apart from the DCC's regular 7,000 cleaners, 5,000 more will work under the drive every day from

9:00am till 12:00 noon, said Mayor Khoka yesterday at an opinion exchange meeting with media professionals and entrepreneurs.

Under the drive, every ward will be divided into 15 operational sections. Along with the officials concerned and inspectors of the DCC Conservancy Department, ward commissioners and distinguished locals will supervise the activities, he said.

The special drive will include extensive cleaning of drains, footpaths and streets. Damaged footpaths, medians and road islands will be repaired. Any illegal shops on footpaths, lanes and by-lanes, and unwanted posters, banners and

SEE PAGE 15 COL 5

Charles, Camilla exchange vows

AFP, Windsor

Britain's Prince Charles married Camilla Parker Bowles, the true love

MORE ON PAGE 8

of his life, yesterday in a private civil ceremony that inevitably paled against his storybook wedding to

SEE PAGE 15 COL 7

Miladunnabi April 22

UNB, Dhaka

The holy Miladunnabi will be observed on April 22.

This was decided at a meeting of the National Moon Sighting

SEE PAGE 15 COL 7

CCC POLLS

IOJ ignores alliance, fields own candidate

STAFF CORRESPONDENT, Ctg

A faction of the ruling four-party alliance component Islami Oikya Jote (IOJ) yesterday fielded its own mayoral candidate apparently dissociating itself from the BNP-led coalition for the May 9 Chittagong City Corporation (CCC) polls.

IOJ city unit convener Moulana Iqbal Bin Yaqub along with other leaders loyal to IOJ central committee chairman Moulana Fazlul Haq Amini MP, picked up nomination papers from the office of deputy election commissioner yesterday morning. They declared Moulana

Iqbal Bin Yaqub as the mayoral candidate from a press conference at Chittagong Press Club in the afternoon.

"We've been compelled to contest the polls on our own. We've taken the decision to give a befitting reply to the disregard that BNP leader Mir Mohammad Nasiruddin has showed for us at the instigation of Jamaat-e-Islami," Moulana Iqbal told the journalists.

The other faction of IOJ led by Mufti Izharul Haq Chowdhury and Abdur Rahman Chowdhury could not be reached for their reactions to

SEE PAGE 15 COL 7