

## Khulna Newsprint Mill's land goes to BSCIC for industrial park

Hopes to resume mill disappear: Workers

STAFF CORRESPONDENT, Khulna

Khulna Newsprint Mill's 13 acres of land were handed over to Bangladesh Small and Cottage Industries Corporation (BSCIC) yesterday to set up an industrial park.

Following the handover of the 13 acres land out of 103 acres all hopes to resume the closed mill have disappeared permanently, officials and workers said.

The lone state-owned news-

print mill that sourced raw materials from the Sundarbans was closed in November 30, 2002 due to shortage of raw material and growing losses.

The mill started operation in 1957-58 on the bank of the Bhairab.

Agreement documents were signed by Managing Director of Khulna Newsprint Mill Muhamamd Shamsul Huq and Regional Director of BSCIC Khawja Nazimuddin.

Senior officials of Bangladesh Chemical Industries Corporation (BCIC) and BSCIC were also present.

Workers and employees were demanding the resumption of the mill for a long time.

The industries ministry on October 26, 2005 decided to setup an industrial park in the idle land of the mill.

Meanwhile, workers and employees staged a sit-in in mill area yesterday protesting the government decision.

## Dhaka int'l trade fair experiences thin crowd

STAR BUSINESS REPORT

The Dhaka International Trade Fair (DITF) yesterday experienced thin crowd following Sunday's bomb blast near the venue.

However, additional security measures were taken up in and around the fair venue at Sher-e-Bangla Nagar.

Exhibitors said the number of visitors fell drastically yesterday after a homemade bomb exploded on Mirpur Road Sunday night, a few yards away from Bangladesh-China Friendship Conference Centre.

"After the opening of the fair on December 10, we experience the lowest number of visitors today (Monday)," said Mokhes Ahmed of Johnny Textile Mills Ltd.

"Usually visitors crowd the fair in the evening, but today the visitors are leaving the fair in the evening," said a sales person of Swapan Plastic Door.

She also said no visitor visited her stall while her shop was full of visitors Sunday.

## CRISL upgrades City Bank's rating

Credit Rating Information and Services Ltd (CRISL), the premier rating agency of the country, has upgraded the City Bank Ltd to 'A' from 'A-' in the long term.

Muzaffar Ahmed, president and chief executive officer of CRISL, formally handed over the new rating report at a function to Abbas Uddin Ahmed, managing director of City Bank Ltd, recently, says a press release.

The CRISL rating has been done on the basis of some of the operational areas of the bank such as capital adequacy, asset quality operational efficiency and financial performance.

City Bank was a problem bank as per the evaluation of the central bank for a few years. But the upgradation in several areas assisted the bank to come out of the situation, press release mentioned.

Among others, AHM Nazmul Quadir, deputy managing director of City Bank, was present at the function.

## 22 listed firms fail to hold AGMs in Fy05

SARWAR A CHOWDHURY

A total of 22 listed companies failed to hold annual general meetings (AGMs) in 2004-05 as the companies did not get their financial statements audited to declare AGM dates.

As per the capital market regulations, the listed companies, which complete financial year in June, had to get the financial statements audited to declare AGM dates within 120 days after ending a year. According to the regulations, the companies also had to hold AGMs within six months after the end of the year.

According to capital market sources, October 31 was the last day for the companies, which complete financial year in June, to get financial statements audited to declare AGM dates while December 31 was the last day for holding the AGMs.

The companies which failed to hold AGM include Anwar Galvanising, Ashraf Textile, Bangladesh Luggage, BCIL, Bangladesh Zipper Industries, Bengal Biscuits, Chic Textile Ltd, Eagle Box & Carton, Eagle Star Textile, Eastern Cables, Eastern Lubricants, M Hossain Garments, Maq Enterprises, Metalex Corporation, Mona Food, Perfume Chemicals, Pharmaco International, Raspit Data Management, Raspit Incorporation (Bangladesh), Rose Heaven Ball Pen, Sonali Paper and Tamjuddin Textile. Of the companies, trading of Eagle Box & Carton, Metalex Corporation and Sonali Paper remains suspended.

The Securities and Exchange Commission (SEC) will take actions against the companies which failed to prepare their financial statements in due time and hold AGMs without

valid reasons.

The capital market watchdog will also fine the directors of the companies if they fail to provide valid reasons, said an SEC official.

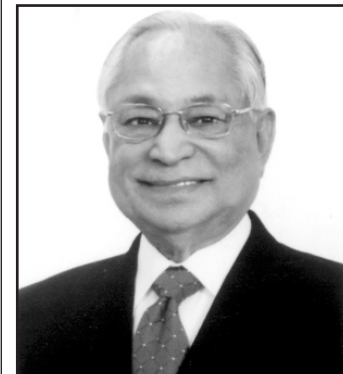
**Two new companies on DSE**  
Dhaka Stock Exchange (DSE) at a board meeting yesterday permitted two new companies to get listed with the country's premier bourse.

The two companies are Berger Paints BD Ltd and Progressive Life Insurance Ltd.

With the two, the DSE listed 14 companies for trading on the bourse in 2005, the highest annual listings in last five years.

Progressive Life Insurance floated its initial public offering (IPO) in October while Berger Paints BD in November.

## President, vice president of listed firms' assoc reelected



President



Vice-president

Samson H Chowdhury and Syed Manzur Elahi have been re-elected president and vice-president of Bangladesh Association of Publicly Listed Companies (BAPLC) for 2006, says a press release.

Samson H Chowdhury is the chairman of Square Group of Companies. He is also vice-chairman of Mutual Trust Bank Ltd, chairman of Central Depository Bangladesh Ltd (CDBL), advisor to Bangladesh Aushad Shipa Samity and former president of Metropolitan Chamber of Commerce and Industry (MCCI).

Syed Manzur Elahi, who was elected adviser twice to the caretaker government, is the chairman of Apex Group of Companies, Mutual Trust Bank Ltd and Bangladesh Association of Banks. He is also president of Bangladesh Employers' Federation and former president of MCCI. He is also the honorary consul of Belgium in Bangladesh.

BAPLC is an organisation of the companies listed with the stock exchanges of Bangladesh.

## Opec woos Russia ahead of G8 presidency

AFP, Moscow

Opec chiefs met officials here Monday to coordinate oil pricing and production policies as Moscow prepares to take the helm of the G8 and amid worries in the cartel that Russia is taking world market share away from Opec countries, officials and media said.

In an interview published ahead of the meetings, Sheikh Ahmad Fahad Al-Ahmad Al-Sabah, president of the Organization of Petroleum Exporting Countries (Opec), said the cartel wanted to coordinate policies more closely with Russia to support world oil market stability.

"Of countries that are not in OPEC, Russia is the most important supplier of oil to world markets," he told the daily Vremya Novosti.

"But we view Russia today not as a competitor but, on the contrary, we are hoping for a coordination of forces with your country to maintain stability in the oil market," Sheikh Ahmad said.

High taxes and strict ecological policies in Western consumer countries meant they bore as much responsibility as Opec producers for high oil prices of the past year, and Russia's chairmanship of the Group of Eight (G8) industrialized nations could enhance dialogue on this point, he said.

"Through its chairmanship of the G8, Russia can, at a minimum, explain the position of fuel-supplying countries to consumers," Sheikh Ahmad said.

The business daily Kommersant said Opec officials had made clear they wanted to see world crude prices floating next year in a 44-to-55 dollars-per-barrel range but said controlling prices at this level required coordination among both producer and consumer countries.

## JATRABARI-GULISTAN FLYOVER

## SEC gives clearance for bonds to raise fund

BDNEWS, Dhaka

The Securities and Exchange Commission (SEC) yesterday accorded registration to the issuance of asset backed zero coupon bonds to raise funds for financing the Jatrabari-Gulistan flyover project, official sources said.

The bonds will be issued under a joint initiative of the Investment Corporation of Bangladesh (ICB) and the Dubai-based Belhassa-Accom and Associates Ltd through securitisation of toll receivables of the flyover project.

Bonds worth Tk 10.32 billion will be floated at an issue rate of Tk 4.30 billion by the Jatrabari-Gulistan Flyover Securitisation Trust 2005, which is based on a Deed of Trust to be executed between ICB and Belhassa-Accom, the sources said, adding a total of 103,200 bonds, with a face value of Tk 100,000 per bond, will be issued.

"This will help reducing dependence on bank credit for implementing large scale projects," Mirza Azizul Islam, chairman of SEC, told the news agency, praising the initiative.

Asked on the details, he said the SEC had given its consent and accorded registration to the issuance of the bonds. Now the issuer will decide when the bonds will be floated, he added.

The asset backed zero coupon bonds will be the first of its kind in Bangladesh for infrastructure financing.

The issuer of the bonds will settle the payments against the bonds through raising tolls from the users of the flyovers, the sources said, without giving further details.

## Vietnam shoemakers denounce EC probe

ANN/VIETNAMNEWS

Domestic shoemakers have asked the European Commission (EC) to vacate the ongoing anti-dumping investigation on the import of

Vietnamese footwear, and criticised the plaintiffs' evidence.

In a press briefing on Dec 21, the Viet Nam Leather and Footwear Association (Lefaso) Deputy Chairman, Nguyen Ngoc Lam, reiterated that local shoemakers have never dumped products in Europe, and therefore should not be subject to the lawsuit.

He said that the arguments of the European Confederation of Footwear Industry (ECFI) and the EC's conclusion, which rejected the market-economy status of the eight Vietnamese footwear companies named in the investigation, were unreasonable.

He said that these enterprises had been operating under the market-economy mechanism, and that they were accountable for their business results.

Under current laws, the government does not interfere in enterprises' business, Lam added.

He said that ECFI's accusations that Viet Nam was selling leather shoes and hats below factory price by 130 per cent were based on pure statistics.

In addition, 80 per cent of Vietnamese footwear companies are processing goods for foreign counterparts under sub-contracts, hence they are not involved in major production processes and cannot decide export prices, said the association official.

The remaining enterprises who do export directly to the EU are small- and medium- sized companies and are inferior to their European rivals in terms of technology and competitive edge, he said, adding that they were unlikely to destabilise the EU footwear industry.

A European Committee delegation in November concluded a two-month investigation into the operations of eight local footwear companies suspected of violating European anti-dumping laws.

The group's preliminary findings suggest the companies in question were not operating in a manner conducive to conventional business practices of market economies.

The delegation arrived in Viet Nam in September to conduct a comprehensive investigation on the firms involved in the anti-dumping case, following a petition filed in July by ECFI, whose members produce 40 per cent of leather shoes sold in the EU.

An official announcement by the EC is expected next March.

According to the Trade Ministry, the lawsuit had a major impact on the industry as the EU makes up 70 per cent of the country's shoe exports, and the affected enterprises own up to 60 per cent of industry value.

## Businesses lost \$1b during NY transit strike: Mayor

AP, New York

Businesses lost US\$1 billion in revenue during the three-day transit strike, Mayor Michael Bloomberg said in a Sunday radio address.

Comptroller William Thompson and other officials had estimated the city economy would lose US\$400 million a day during a transit strike.

Transit workers walked off the job Tuesday, shutting down buses and subways for millions of riders. Service resumed Friday after the Transport Workers Union agreed to return to work without a contract.

The mayor said he hoped "we never have a replay" of the strike.

"This morning, thousands of hardworking New Yorkers dearly

miss the wages and tips they lost during what would normally have been a busy pre-Christmas week," he said.

Bloomberg said that restaurants, museums and cultural institutions were especially hard hit and several construction sites shut down because deliveries couldn't be made through traffic-clogged streets.

The city spent US\$10 million a day on police overtime and strike-related costs and lost tens of millions of dollars in sales tax revenue, the mayor said.

The day the strike ended, however, several economists said the city's cost estimate of US\$400 million a day appeared too high.



PHOTO: CITY BANK

Muzaffar Ahmed, president and CEO of Credit Rating Information and Services Ltd (CRISL), hands over the City Bank's credit rating report to Abbas Uddin Ahmed, managing director of the bank, recently.

## Chinese auditors uncover \$35b in illegally spent funds

AFP, Beijing

Chinese auditors have uncovered 290 billion yuan (35 billion dollars) in funds illegally spent by government offices in the first 11 months of this year, state media said Monday.

The improper spending was found during a nationwide annual audit of 22,000 officials by the National Audit Office, Xinhua news agency said in Beijing.

Details were not given but previous findings about misspending involved officials using public funds

to build apartments for employees or to give themselves bonuses.

About 196 of the officials were disciplined by their superiors or prosecuted in court, the report said, which cited sources with a national audit conference that opened in Beijing Monday.

The annual audits are an attempt by the government to stem a rising tide of corruption, which is tarnishing the Communist Party's image and fuelling ordinary people's anger against the government.

Next year, the audit authority

plans to scrutinize some of the branch offices of China's biggest commercial banks, the Bank of China, the Bank of Communications and the China Merchants Bank, Xinhua said.

Corruption is endemic in China and has grown during its economic reform period, threatening the legitimacy of the communist government, the Organization for Economic Cooperation and Development said earlier.