

Saifur leaves for Iran to attend JEC meet
UNB, Dhaka

Finance and Planning Minister M Saifur Rahman yesterday left Dhaka for Iran to lead the Bangladesh delegation to the 4th meeting of Bangladesh-Iran Joint Economic Commission (JEC) scheduled for July 24-25 in Tehran.

Iranian Housing and Urban Development Minister Mohammad Saeedi-Ki will lead the home side at the meet, being held after eight years, with trade and economic cooperation high on the agenda.

The 3rd JEC meeting was held in Dhaka in 1998.

Officials here hinted that duty-free access of Bangladeshi products, fuel oil purchase from Iran at favourable prices and Iran's offer to set up an oil refinery in Bangladesh might come up for the discussion.

Besides, operation of Dhaka-Tehran flights and easing of visa regime may also feature in the discussion.

The official said some agreements including avoidance of double taxation may be signed during the 4th JEC meeting.

The two-way trade stands in favour of Bangladesh with its exports to Iran totaling US\$ 48 million against the import bill of US\$ 23.87 million in fiscal 2004-05.

On the sidelines of the JEC, Finance Minister Saifur Rahman may call on Iranian President Mahmood Ahmadinejad and senior ministers.

Japan may end US beef ban Aug 3

ANN/ THE DAILY YOMIURI

The government is expected to officially decide on August 3 to reopen the nation's ports to US beef, which had been suspended since risky backbone matter was found in a shipment in January, it has been learned.

Investigators dispatched to the United States by the Agriculture, Forestry and Fisheries Ministry and the Health, Labour and Welfare Ministry said Friday they had completed their survey of 35 facilities that deal with meat earmarked for Japan and found no violations that would deeply affect the resumption of beef imports.

The ministries intend to resume imports of US beef after issuing a report on the team's findings and gaining consent from the Liberal Democratic Party and others concerned.

US beef had been banned following the discovery of backbone matter--designated as specific risk material for the transmission of mad cow disease, or bovine spongiform encephalopathy--in a shipment to Japan.

Spain spurs EU drive towards renewable energy

AFP, Madrid

Even as Britain, following a detailed review, mulls the need for increased nuclear capacity, Spain has the bit between its teeth as it champions renewable energy.

Spain is in the EU renewables vanguard as the European Union targets a 20 percent share of overall energy production by 2010, compared with a projected three percent for Japan.

Wind farms are a major part of the national strategy and the share of overall wind farm-generated production is set to double to 12 percent over the next four years -- giving some 20,000 megawatts (MW) of installed capacity.

While such comparisons are not precise, in the United States, one MW of wind power generates about as much electricity as 240-300 homes use, according to the American Wind Energy Association.

Currently, Spain, where the energy market was deregulated in 1998, is second only to Germany and just ahead of the United States in terms of installed wind power capacity, at 8,155 MW in December 2004, compared with 14,000 MW for Germany.

Analysts say Chinese capacity could hit 30 gigawatts (GW or 30,000 MW) by 2020, underscoring Spanish interest in that market.

Solar power is also on the rise, with Spain's photovoltaic association ASIF forecasting growth of up to 1,100 MW by 2010, exceeding government forecasts more than twice over.

Oriental Bank resumes partial credit operations

Normalcy in next 6 months: Administrator

REJAL KARIM BYRON

Oriental Bank resumed credit operation partially yesterday, a month after its taking over by the central bank.

"Transaction will be allowed to the regular investment clients within their respective limits only," the Oriental Bank said in a circular sent to all branches.

The circular, however, said the clients who have crossed limit with regard to loans and have incomplete documentation are not entitled to making any transactions.

On June 19, the Bangladesh Bank (BB) dissolved the Oriental Bank's board of directors for its poor financial situation and suspended all types of loan activities. The central bank also appointed an administrator for the bank.

Though the Oriental Bank did not disburse any new loan in the last one month, it has recovered about Tk 82 crore from borrowers during this period.

The Oriental Bank's recent circular said though the bank

resumed credit operation, the clients who in the past exceeded the sanction limits would not be allowed for loan transactions.

"The bank will not disburse any fresh loan ...only the regular clients will be allowed for transaction within their sanction limits," it stated.

Asaduzzaman said public confidence has also increased. There was no panic among the depositors and the bank is getting fresh offers for new deposits, he added.

The administrator hoped that the Oriental Bank would be able to resume normal activities within the next six months.

After taking over the bank, the new management sent notices to 122 loan defaulters of the bank asking them for repaying the loans within a month.

"The bank has recovered Tk 82 crore loans from borrowers, Tk six crore of which was classified loan," he said, adding "drastic drives by the branches yield good results and the bank is now recovering about Tk three crore daily."

During the last one month the

bank also minimised operating cost and overall loss, he said, giving a data that the bank's monthly operating cost was Tk five crore before the central bank's take-over while the operating cost was only Tk two crore in the last one month.

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"Many of the defaulters responded to the notice. The one-month deadline has not ended and we hope the rest will also repay their default loans," Asaduzzaman said. He said the bank would go for legal steps against the defaulters after expiry of the deadline.

The company will invest US\$ 606,000 in Chittagong Export Processing Zone (EPZ) to set up a garment manufacturing plant.

The company will create employment opportunities for 463 Bangladeshis.

An agreement to this effect was signed between Bangladesh Export Processing Zones Authority (Bepza) and the company yesterday in Dhaka.

Prasanta Bhushan Barua, member (Investment Promotion) of Bepza, and Anis Ahmed Bhuiyan, managing director of Presentation Apparels, signed the lease agreement on behalf of their sides.

The shareholders of a certain company should also have responsibility to ask the management of that company about the qualified opinion of the auditors," he said.

Sources said the SEC recently made some special audits on several companies as professional auditors found discrepancy in those financial statements. Afterwards, it also started monitoring on the issue and asking the auditors to put qualified opinion in the financial report concerned.

The SEC has also taken some initiatives to bring about accountability and transparency among the listed companies. As per the initiatives, a company is entitled to re-appoint an auditor for a span of over three years on receipt of allowance from the regulatory body, if the company concerned declares at three per cent to 200 per cent.

"Due to strict monitoring of SEC and implementation of the guidelines, we have already achieved a significant progress with regard to financial statement of the companies," he said.

Besides, he said, in recent times, the auditors also put their 'qualified opinion' in the statements, which were not practiced earlier.

Based on such qualified opinion, which provide information on any

VIOLATION OF RULES

28 listed firms fined in FY06

SARWAR A CHOWDHURY

Securities and Exchange Commission (SEC) fined 28 listed companies in the last fiscal year due to their non-compliance with rules and regulations.

In FY 2005-06, the capital market watchdog also warned 120 listed companies against violation of securities laws, the commission sources said.

Besides, during the period the SEC also gave directives to 16 listed companies for complying with the commission's certain orders.

The regulatory body in the last fiscal also sought explanations for 72 times from different companies for their non-appointment of auditors in accordance with securities laws, non-submission of audio visual recording of annual general meetings to the commission and for not placing the statement on dividend distribution to the commission.

In addition, the SEC sought explanations for 177 times from different listed companies regarding

discrepancy in the financial report, the SEC is also taking actions against those companies.

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Kamaluddin Chowdhury, managing director of Shahjalal Islami Bank Ltd., and Mahbubur Rashid, managing director of Bay Leasing & Investment Ltd., pose for photographs at an agreement signing ceremony on Tuesday in Dhaka. Under the deal, the bank will extend an investment facility worth Tk 6.92 crore to Bay Leasing. Senior officials from both the sides are also seen.

China eases capital controls on overseas investment

AFP, Beijing

China's foreign exchange authority has granted 4.8 billion dollars in overseas investment quotas as part of efforts to allow the greater convertibility of the yuan, state press said Sunday.

The approval marked the first time that the State Administration of Foreign Exchange (SAFE) has allowed state commercial banks to invest funds in overseas investment projects on behalf of their clients, Xinhua news agency said.

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Solar power is also on the rise, with Spain's photovoltaic association ASIF forecasting growth of up to 1,100 MW by 2010, exceeding government forecasts more than twice over.

Padma Textile Mills okays 5pc cash, 10pc stock dividends

Padma Textile Mills Ltd has declared a 5 per cent cash dividend and a 10 per cent stock dividend for the year 2005.

The dividends were announced at the 22nd annual general meeting (AGM) of the company held on Saturday in Dhaka, says a press release.

Chairman of the company ASF Rahaman presided over the AGM, which was attended, among others, by Vice Chairman Salman F Rahman and Directors MA Qasem and AB Siddiqui Rahman.

The agreement was reached during a meeting between the two ministers at the commerce minister's office yesterday.

After the meeting, the commerce minister told reporters that due to the absence of a diplomatic mission in Chile, entrepreneurs of Bangladesh are lagging behind in utilising the opportunity for exporting their goods to Chile.

"Our trade with Chile is not much

Bangladesh, Chile to form bilateral economic body

UNB, Dhaka

Commerce Minister Hafizuddin Ahmed and visiting Vice Minister of Economy and Executive Vice President of Foreign Investment of Chile Carlos Eduardo Mena have agreed to form a bilateral economic committee to boost trade and investment.

The agreement was reached during a meeting between the two ministers at the commerce minister's office yesterday.

After the meeting, the commerce minister told reporters that due to the absence of a diplomatic mission in Chile, entrepreneurs of Bangladesh are lagging behind in utilising the opportunity for exporting their goods to Chile.

"Our trade with Chile is not much

and the balance of trade is in their favor... we'll have to increase the volume of our trade," he said.

In this regard, Hafiz mentioned the need of a bilateral agreement that would help Bangladesh to export various items such as RMG, leather and leather products, and pharmaceuticals.

He requested the visiting Chilean vice minister to encourage his country's businesses for investing in Bangladesh.

Bangladesh's trade gap with Chile was US\$ 8.93 million in fiscal 2004-05 with Bangladesh exports totalling US\$ 2.79 million against the import bill of US\$ 11.72 million. In FY 2003-04, Bangladesh exports totaled US\$ 0.59 million while its imports from Chile stood at US\$ 5.81 million.

The Chilean minister termed the

meeting with the Bangladesh commerce minister very important and useful.

"We exchanged views on ways to increase trade between the two countries and also on signing a FTA with Bangladesh," he said.

Carlos Eduardo Mena requested the Bangladesh minister to start as soon as possible the exchange of business delegations between the two countries to promote bilateral trade and investment.

Indicating Chile as a potential market for Bangladesh, he said Bangladesh can export garments, shoes, pharmaceuticals and food items to Chile.

"We can work together in a win-win situation... the geographical distance does not at all matter in this modern time," he said.



Prasanta Bhushan Barua, member (Investment Promotion) of Bepza, and Anis Ahmed Bhuiyan, managing director of Presentation Apparels, a local company, exchange documents after signing a lease agreement yesterday in Dhaka. Under the deal, Presentation Apparels will set up a garment manufacturing plant in Chittagong Export Processing Zone with an investment of US\$ 606,000. Ashraf Abdullah Yussuf, Bepza executive chairman, among others, was present.

Business stutters back to life in tsunami zone

AFP, Pangandaran

Soldiers and workers were still clearing up the rubble, but businesses in Pangandaran were starting back to life almost a week after a tsunami devastated the beach resort.

Indonesia's President Susilo Bambang Yudhoyono visited the area on Friday and ordered the clean-up process following Monday's disaster, which was triggered by a 7.7-magnitude undersea earthquake, to be hastened.

Split into groups of 30, hundreds of soldiers were helping out the relief workers, as a truck upon truck crowded the main avenue to the beach which was filled with putrid smoke from the piles of burning debris.

Fishermen and their families worked in teams to salvage nets and other equipment from the piles of rubbish, while workers and volunteers busily repaired hotels not completely destroyed by the onslaught of the waves.

Several of the better-constructed hotels were already touched up and were receiving a fresh lick of paint despite the mounds of debris on their front lawns.

Progress was more marked in town, where the majority of stalls were up and running again in the local market.

"About 70 percent of shops and stalls have today (Saturday)

Sri Lanka port limps back to normal after 11-day go-slow

AFP, Colombo

Sri Lanka's main port slowly returned to normal Saturday after the government agreed to higher wage demands for its workers, ending an 11-day union work-to-rule campaign, officials said.

Sixteen ships bypassed the Colombo port during the "go-slow" period with an estimated revenue loss of 20 million rupees (200,000 dollars) a day, the Sri Lanka Shippers Council said.

"The work-to-rule campaign by the unions ended late Friday following government assurances that they will resolve the issue of salary increments within three months," council president Dayanath Perera told AFP.

Ports Minister Mangala Samaraweera announced that an interim salary increase of up to 1,500 rupees would be given from July with the balance paid within three months.

The unions had asked for salaries to be raised between 3,250 rupees and 9,000 rupees.

"It will take a while to clear the backlog. But the damage to reputation, loss of business, on top of demurrage