

# Green activists protest illegal housing projects

STAR BUSINESS REPORT

Three environmental groups yesterday urged government agencies and real estate trade bodies to take immediate and effective steps so that unapproved projects cannot take part in the housing fair that begins today.

Bangladesh Environment Lawyers' Association (BELA), Poribesh Bachao Andolon (POBA) and Bangladesh Poribesh Andolon (BAPA) have sent copies of their notice to the secretaries of housing and public works, land, environment and forest ministries, chairman of Rajuk, director general of environment department and president of Real Estate and Housing Association of Bangladesh (REHAB).

REHAB is organising the five-day housing fair at Bangabandhu International Conference Centre in Dhaka.

In a joint statement, the environment activists said advertisements on housing

projects to be put on display during the fair have been published in various national dailies recently.

But as per Rajuk data, many do not have approval, according to the statement.

They asked the fair organising authorities to provide a list of participating housing projects by 10am today. Otherwise, they would take the issue to court, according to the statement.

BELA, POBA and BAPA have long been fighting illegal housing projects, land grabbing, earth-filling of water-bodies and advertisements to sell unapproved flats and plots.

They are also involved in court battles against the land grabbers. The High Court on December 7 directed the related government agencies to take tougher legal action to stop land-grabbing by housing companies through unauthorised projects, advertisements for such projects and earth-filling of water-bodies.

# Bangladesh looks to enter Japanese knitwear market

## BKMEA to arrange knitwear expo in Tokyo

UNB, Dhaka

Bangladesh wants to explore the knitwear market in Japan as China with its 87 percent stake is now virtually controlling the market, said a top knitwear businessman yesterday.

"We're going to arrange the sixth Knitwear Exposition in Tokyo, which will help boost sales and win market share from China," said Mohammad Hatem.

Bangladesh has only 0.6 percent market share in Japan but there is ample scope to expand the market of Bangladesh's quality products, said the second vice president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

BKMEA will arrange the exposition at Japan's largest exposition centre -- Big Sight -- from January 25-27 next year.

"The Export Promotion Bureau (EPB) will share 50 percent cost of the event. There'll be 40 stalls in the fair," Hatem said.

A team of more than 120 members representing the government and busi-

ness bodies will leave for Tokyo on January 23, organisers said.

Commerce Minister GM Quader and Civil Aviation and Tourism Minister Faruk Khan are likely to attend the event.

Replying to a question, Hatem said, "Japan wants China-plus one to cut dependence on China. We want to take a bite from China's share."

According to the organisers, the 2012 exposition will be BKMEA's effort to support the government's policy of expanding and diversifying the market and reduce the industry's dependency on European and American markets.

The knitwear industry exported goods worth over \$6.48 billion during the 2009-10 fiscal year. According to a recent World Trade Organisation report, Bangladesh ranks fourth among the global apparel exporting nations.

The country's knitwear sector is the third in monetary value and second in terms of quantity amongst the world's knitwear exporting nations, according to BKMEA.



**JALALABAD GAS**  
Md Sefaul Islam, chairman of Jalalabad Gas Transmission and Distribution System Ltd, presides over the company's 25th annual general meeting at the Westin Dhaka recently. The company announced a net profit of Tk 51.68 crore for 2010-11.

## Indian inflation remains stubbornly high

AFP, New Delhi

Annual inflation in India stayed stubbornly high at 9.11 percent in November, down marginally from 9.73 percent the month before, government data showed on Wednesday.

The closely-watched Wholesale Price Index has been close to double figures for months, heaping pressure on the government and the central bank, which has aggressively raised interest rates to no avail.

Revised data for September showed inflation had broken into double figures, reaching 10.0 percent.

The "sustained high level of inflation, which has been a major policy concern for us in the last two years, is now beginning to moderate", Finance Minister Pranab Mukherjee said Wednesday.

Indian policymakers must now shift their focus from battling inflation to reviving economic growth, which fell to 6.9 percent in the July-September quarter, he said.

DK Joshi, chief economist with Indian ratings firm Crisil, told AFP the fall in November inflation would not be enough for the central bank to start cutting lending rates to spur activity.

Policymakers from the Reserve Bank of India meet in financial hub Mumbai on Friday, with ana-

## Europe's austerity zeal risks killing the patient

REUTERS, Dublin/Rome

Europe's "no pain no gain" attitude to solving its sovereign crisis risks exacerbating the bloc's problems, choking off the very growth needed to raise the money to pay down the debt.

From Athens to Dublin, and almost everywhere in between, administrations are imposing wave after wave of spending cuts and tax increases to persuade investors they are serious about improving their public finances and persuade them to start buying euro zone sovereign debt again.

The austerity zeal risks tipping the continent back into recession and a downward spiral of austerity as pitiful growth prospects undermine budgetary targets and ramp up debt burdens, meaning further austerity is required.

"The expansionary fiscal contraction story says that you cut, you show you are serious about cutting and then the confidence fairy will come along and she will start pulling in private investment," said Stephen Kinsella, professor of economics at the

## Germany's Merkel faces tough questions over EU summit

AFP, Berlin

German Chancellor Angela Merkel faced tough questions on Wednesday over EU summit decisions to save the euro as growing scepticism weighed on financial markets and the euro.

Merkel prepared to explain to the German Bundestag or lower parliamentary house why she believes the agreements reached at last week's EU summit are a success, despite fading market confidence with stocks falling across Europe and the euro sharply lower against the dollar.

European Union leaders from 26 of the 27 member states agreed at a high-stakes Brussels summit last week to back a Franco-German drive for tighter budget policing in a bid to save the eurozone.

After Britain, which does not use the euro, blocked changes to an EU-wide treaty, the other 26 EU states signalled their willingness to join a "new



**ROBI**  
Michael Kuehner, managing director of Robi Axiata, inaugurates a day care centre near the mobile operator's corporate head office in the capital yesterday.



**MIDAS FINANCING**  
Rokia Afzal Rahman, third from right, chairman of Midas Financing Ltd, attends the company's 16th annual general meeting at Trust Milonayatan in Dhaka recently. The company declared 10 percent stock dividends for its shareholders. Shafique-ul-Azam, managing director, was also present.

# EBL launches payroll banking

STAR BUSINESS DESK

Eastern Bank launched three new products under EBL Payroll Banking on Monday, the bank said in a statement.

A full service savings account, debit card only savings account and a pre-paid card solution combine the product suite of EBL Payroll Banking.

Ali Reza Iftekhar, managing director of the bank, launched the products at a press meet in the capital.

Payroll banking is a package to customise service according to an organisation and its employees' needs facilitating convenience, accessibility and efficiency in offering a structured staff benefits programme.

Under the service, employees having salary of Tk 15,000 and above are entitled to open EBL Executive account. This is a regular interest bearing savings account where employees will get debit card, cheque book and internet banking facility.

In this package, employees may avail EBL credit card with a full waiver of annual fee among other perks.

EBL Easy account is a debit card only interest bearing savings account for staff having account range between Tk 5,000 to Tk 15,000. This card can be used anywhere for purchases and withdraw cash from ATMs.

EBL Visa payroll card is a prepaid card that simplifies paying employees without a regular bank account.

A single instruction to the bank will disburse the payments to the employee fast and safe. The card can be used anywhere for purchases, paying bills or withdrawing cash.

## Trade comes to a halt at Sonamasjid

OUR CORRESPONDENT,  
Chapainawabganj

The Indian traders have suspended exports through Mohodipur land port to Sonamasjid land port of Shibganj upazila in Chapainawabganj since yesterday morning.

Shariful Islam Swadhin, president of Sonamasjid land port clearing and forwarding agents' association, said, "The Indian exporters verbally informed us yesterday morning that they did not send any goods trucks through Sonamasjid land port due to problems between Indian customs authority and exporters."

Hundreds of trucks loaded with goods were stranded on the Mohodipur land port of Maldah in India opposite to Sonamasjid.

# Govt signs deal with Indian firm to make jute mills machinery

STAR BUSINESS REPORT

The government yesterday signed a memorandum of understanding (MoU) with an Indian company to manufacture machinery and spare parts locally for jute mills in Bangladesh.

The MoU is aimed at turning the state-run jute machinery manufacturing factory Galfra Habib Ltd into a profitable one.

To this effect, Bangladesh Jute Mills Corporation (BJMC) and Lagan Engineering Company Ltd, a leading jute mill machinery manufacturer in India, signed the MoU to make spare parts and machinery under a joint venture from early next year.

TD Mitra, chairman of BJMC, and Anirudh Kajaria, managing director of Lagan Engineering, signed the deal to run the Chittagong-based factory until 2021.

The number of spare parts that Galfra Habib Ltd, now under BJMC, produces cannot meet the country's demand.

Under the initiative, the Indian company would invest around Tk 5 crore, while BJMC will invest around Tk 3 crore to modernise the factory.

The production capacity of Galfra

Habib will treble in 2021 from 325 tonnes a year now, said BJMC.

At the deal signing ceremony, Textiles and Jute Minister Abdul Latif Siddiqui said: "The Indian company would help with its technical expertise and funds to modernise the factory."

The minister said the government has taken the initiative to make Galfra Habib a modern and profitable factory.

He said the joint venture will be able to meet the local demand and will turn profitable by 2015.

Initially, Galfra Habib will make spare parts for jute mills and will manufacture jute machinery from 2014.

There will be a joint management to look after the venture. The jute and textiles secretary of Bangladesh will be the chairman of the board, while the managing director will be from Lagan Engineering.

Lagan Engineering makes a wide range of products such as spreader, breaker card, finisher card, all types of drawing and spinning frames, flyer twisting, and other modern machinery needed in the jute industry.

The losses that Galfra Habib incurred until last fiscal year were Tk 37.33 crore.



**EBL**  
Ali Reza Iftekhar, managing director of Eastern Bank, launches the bank's three new products under 'payroll banking' at a press meet at Sonargaon Hotel in Dhaka on Monday.



**HSBC**  
Major General ATM Shahidul Islam, executive chairman of Bangladesh Export Processing Zones Authority, inaugurates an ATM booth of HSBC at Comilla Export Processing Zone yesterday.



**NCC BANK**  
Md Nurun Newaz Salim, chairman of NCC Bank, inaugurates the bank's 85th branch in Dinajpur recently. Mohammed Nurul Amin, managing director, was also present.