

Banks to stand by Standard Group

STAR BUSINESS REPORT

When many business houses in Bangladesh have a tendency not to repay bank loans on time, Standard Group stands out. And banks will continue supporting this trusted client.

"The Group is a wonderful client. We are ready to support their business," said Ehsan Khasru, managing director of Prime Bank.

Standard Group was overwhelmed by a massive disaster on Friday when a deliberate fire gutted its 10-storey apparel factory building in Gazipur. Four other buildings in the complex were reportedly damaged, along with 22 trucks loaded with garments.

The fire gutted capital machinery, finished garments, fabrics and raw materials housed in more than 8.5 lakh square feet of floor space in the buildings.

The fire and the losses of Tk 1,200 crore were supposed to make the bankers of the garment maker concerned, but for this case, they were not, mainly due to the business house's reputation.

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BGMEA gives govt a week to arrest arsonists

Standard Group seeks govt support to make a comeback

STAR BUSINESS REPORT

The apex trade body for garment manufacturers yesterday gave the government a week to arrest the masterminds behind the sabotage of Standard Group factory complex in Gazipur.

"The attackers responsible for the fire have to be identified and brought to justice within seven days," Atiqul Islam, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told reporters after an emergency meeting with leaders of all garment sector related associations.

The meeting condemned Friday's arson attack on Standard Group's factory compound in Konabari of Gazipur, which burnt valuables worth Tk 1,200 crore.

The garment leaders also urged the government and other stakeholders, including banks and insurance companies, to come forward to help rehabilitate the units, where 19,000 workers are employed.

Islam said the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) would do everything to help the reputed garment exporter recover from the setback.

The leaders also harshly criticised the major political parties for their failure to find an answer to the ongoing countrywide violence, which gave the attackers a chance to execute their plot.

"The violence must come to an end now. Otherwise, the sector and its workers will not survive," the BGMEA president said, adding that the sector cannot be a casualty of the squabbles between the two political parties.

FBCCI President Kazi Akram Uddin Ahmed warned compliant factories would be made targets in a planned manner so the country's main export earning sector cannot stand on its own. "Political parties will carry out political activities -- we have no problem with that. But nobody has the right to destroy the garment sector," he added.

AKM Mosharraf Hussain, managing director of Standard Group, who also attended the meeting, told reporters that he would plead with the central bank and the commercial banks to find a way so he could repay the loans and at the same time continue the business.

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Blockade disrupts goods delivery from Ctg port

DWAIPAYAN BARUA, Ctg

The delivery of imported goods from the Chittagong port and the 16 adjoining wharfs has severely been disrupted by the latest stint of countrywide blockade that started on Saturday.

Over the last two days, some 46,000 tonnes of imported goods remained stranded at the wharfs, as the 72-hour blockade barred vehicles from the highways, according to officials at the Water Transport Cell.

Onion price spirals again

STAR BUSINESS REPORT

Onion prices yesterday marked a fresh spiral in the wake of serious supply disruption brought about by the latest spell of countrywide blockades enforced by the opposition alliance.

Prices rose as high as 24 percent since Saturday, when the 72-hour blockade started.

Some retailers were seen selling locally-grown onions for as much as Tk 100 each kilogram yesterday, up from Tk 80 a kilogram on Friday. Imported onions rose to Tk 60-70 per kilogram from Tk 50-55 on Friday.

Overall, onion is selling at Tk 60-90 a kg, up from Tk 50-80 per kg on Friday, according to Trading Corporation of Bangladesh.

The fresh spike in prices of the essential cooking ingredient comes at a time when it was starting to decline following increased arrival of fresh harvests.

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Foreign investment in stocks rises 22pc in Nov

NET FOREIGN INVESTMENT IN CRORES OF TAKA

SARWAR A CHOWDHURY

Foreign investment in the capital market rose 22 percent in November though the investment amount or growth was not satisfactory due mainly to the ongoing political uncertainty, local stockbrokers said.

Foreign investors bought shares worth Tk 342.44 crore and sold shares worth Tk 65.72 crore to take their net investment for the month to Tk 276.72 crore, according to Dhaka Stock Exchange.

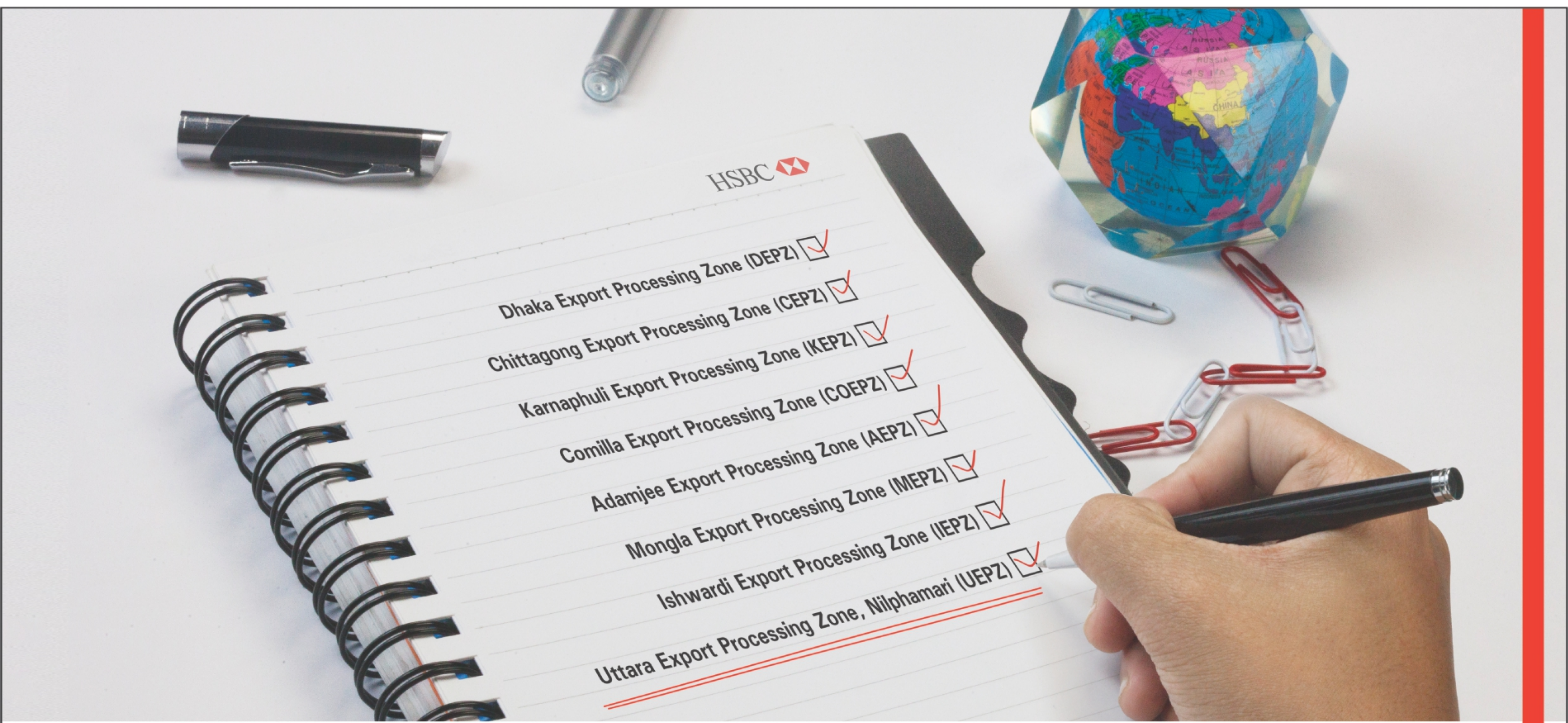
In October, they bought shares worth Tk 266.85 crore and sold shares worth Tk 38.50 crore.

Local stockbrokers said foreign investors were on a buying spree as they found the time appropriate to take positions at lower prices.

"The prices of stocks were attractive to the foreign investors," said Md Saifuddin, managing director of IDLC Securities, a local stockbroker that deals with foreign investment.

However, he said, the investment amount could have been higher, even double or triple, as foreign fund managers see the Bangladesh economy and stockmarket as an emerging one.

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