

# Star BUSINESS

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## Jubok gets 3 months more to return deposits

STAR BUSINESS REPORT

The Bangladesh Bank (BB) on Wednesday granted additional three months to Jubok (Jubok Karmasangsthan Society) to return all savings and deposits to its members and depositors.

In response to a Jubok application dated December 12, the central bank extended the deadline. In the letter, Jubok also claimed it had already returned Tk 60 crore to the clients.

Earlier in July this year, the BB directed the Jubok to stop its all schemes and return the deposits by December 31.

## SingTel, Advance Data to offer int'l IP-VPN network in Bangladesh

Singapore Telecommunications Limited (SingTel), Asia's leading communications group, on Monday announced an alliance with Advance Data Networks System Limited (ADNSL), Bangladesh's leading provider in satellite and wireless solutions, to offer the first international IP-VPN network in Bangladesh, says a press release.

They will jointly deliver Multi-Protocol Label Switching IP-based Virtual Private Network (MPLS IP-VPN) solutions to corporate customers in South Asia, including Bangladesh, India, Pakistan and Sri Lanka.

With this landmark agreement, SingTel ConnectPlus IP-VPN now covers all major markets in South Asia, strengthening SingTel's position as Asia's leading IP-VPN provider. Currently SingTel ConnectPlus IP-VPN has extensive coverage in key business cities throughout Asia, Europe and North America. It is a high quality, fully managed and secure networking and integrated communications solution for corporate customers.

Wong Soon Nam, SingTel's vice president of Business Marketing, said: "Through this alliance, companies that have business in South Asia can enjoy a one-stop service from SingTel to connect their regional offices in Bangladesh, India, Pakistan and Sri Lanka."

Asif Mahmood, chairman of Advance Data Networks System Limited, said, "Launching this service with SingTel is a strategic milestone in our efforts to offer superior communication solutions in Bangladesh."

## AMCL-Pran declares 26pc dividend

Agricultural Marketing Company Ltd (AMCL)-Pran has declared a 26 percent dividend for its shareholders for the year 2005-06.

The dividend was announced at the 21st annual general meeting (AGM) held yesterday in Dhaka, says a press release.

Mahtabuddin Ahmed, chairman, Rathendra Nath Paul, director, Ahsan Khan Chowdhury, deputy managing director, Md Eleash Mridha, executive director, Choudhury Atiur Rasul, executive director (Accounts), and M Shafiqul Islam Khan, director (Finance), among others, were present at the AGM.

## BUSINESS LOSS DUE TO ONGOING POLITICAL UNREST

# Apparel makers seek loans to pay salary

STAR BUSINESS REPORT

Garment manufacturers yesterday sought special bank loans to pay salary and bonus to workers before the Eid-ul-Azha as they said the ongoing political unrest has taken a hefty toll on their business.

"The RMG units have failed to operate in full-swing since the Eid-ul-Fitr due to the political instability, causing huge losses to the industry. If the factories fail to pay salary and bonus, the country may see another spell of labour unrest," SM Fazlul Hoque, president of BGMEA, told Finance Adviser Shoab Ahmed.

A delegation of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) met the adviser at his office in Dhaka and placed six-point demands.

The BGMEA leaders also demanded immediate rehabilitation of sick factories, extension of bond license tenure, flexible auditing on short shipment, simplification of new bond license rules and measures to uninterrupted loading and unloading at ports. They demanded extension of bond license tenure to two years from existing 15 months.

The BGMEA president said the

garment manufacturers have been experiencing manifold problems including delay in releasing raw materials at ports, cancellation of letter of credits and power outage for the last couple of months.

The finance adviser said the government will look into garment makers' demands. However, he said the caretaker government right now is too much busy to resolve the political crisis.

According to the Export Promotion Bureau (EPB), the export growth of woven and knitwear sub-sectors slowed significantly by 9 percent and 5 percent respectively in October.

# Six countries may lose duty-free access to US market in 2007

PTI, Washington

The United States Trade Representative (USTR) has identified six countries, including India, which could lose duty-free access to the American market in 2007 under a revamped trade programme signed into law by President George W Bush.

Brazil, India and Venezuela along with Thailand, Philippines and Ivory Coast could lose trade benefits because of recent changes made to the US Generalised System of Preference (GSP) programme for developing countries, the chief American trade negotiator said.

Under the current revamped GSP programme, the administration can

revoke waivers when one of two conditions have been met—import of a certain goods from one country exceed an annual cap of about USD187.5 million, or comprise 75 percent of total US imports of that goods.

According to USTR statistics, a preliminary assessment shows that India would lose duty-free access for gold jewellery and brass lamps. The country shipped USD1.6 billion in gold jewellery and USD20 million in brass lamps to the United States under the GSP programme in the first 10 months of 2006.

And Brazil stands to lose duty free access for brake and brake parts, which totalled USD242 million in January through October, and for ferrozirconium, which totalled USD700,000; and Thailand also would lose duty-free

access for gold jewellery, of which it shipped USD611 million to the United States in first ten months of 2006.

Bush signed the legislation that continued the GSP programme for two years until December 31, 2008.

Congress provided new guidance to address product competitiveness when it extended the programme "we will ensure that the programme adapts so that it continues to assist developing countries in becoming more active participants in the global trading system," USTR Susan Schwab said.

The expectation is that the USTR will issue a Federal register notice in February 2007 which will identify those waivers that meet either of the new thresholds and thus subject to potential revocation.



The 21st annual general meeting (AGM) of Agricultural Marketing Company Ltd (AMCL)-Pran was held yesterday in Dhaka. Mahtabuddin Ahmed, chairman, Rathendra Nath Paul, director, and Ahsan Khan Chowdhury, deputy managing director, among others, were present at the AGM.

# Japan, Brunei to sign FTA

AFP, Tokyo

Japan said Thursday it had agreed in principle on a free trade accord with major gas producer Brunei that will help Asia's largest economy in

its quest for stable energy supplies.

"We aim to finalize further the details by continuing to hold talks with the Brunei side and sign the accord as soon as possible," a foreign ministry official said.

The two countries hope to put the agreement into effect during the first half of next year, local media said, adding that the move would accelerate similar talks between Japan and the Association of Southeast Asian Nations.

ASEAN groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

Thursday's accord is part of resource-poor Japan's effort to secure stable energy supply from Brunei. Some 70 percent of Japan's total imports of liquid

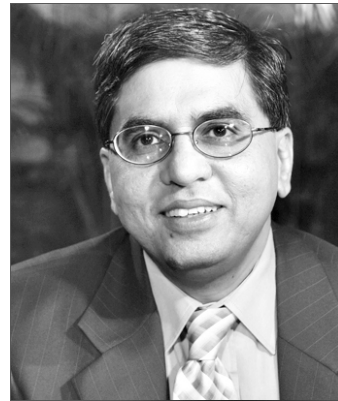
natural gas come from the wealthy sultanate.

Nearly all of Japan's imports from Brunei are natural gas and oil, while some 70 percent of Japan's exports to Brunei are cars or auto parts.

Brunei is the eighth country with which Japan has reached a free trade accord or agreed in principle to do so. The Japan-Brunei accord came after six months of talks, the shortest term for free trade talks so far held by Japan.

The seven other countries are Chile, Indonesia, Mexico, Malaysia, the Philippines, Singapore and Thailand.

Japan has increasingly sought free-trade deals with key economic partners amid the collapse of global liberalization talks.



## Sanjiv Mehta to move as chief of Unilever Philippines

Sanjiv Mehta, chairman and managing director of Unilever Bangladesh Ltd (UBL), has been appointed as the chairman & CEO of Unilever Philippines Inc, says a press release.

Unilever Philippines is a US\$500 million business and is one of Unilever's top ten businesses in Unilever's AsiaAMET (AA) region.

Mehta moved to Bangladesh in December 1998 after an extremely successful stint in Unilever Arabia, based in Dubai. Initially the commercial director, in early 2002 he took over as the chairman and managing director of Unilever Bangladesh Ltd.

During his tenure in Bangladesh, UBL has been transformed into a high growth and one of Unilever's fastest growing businesses.

## Goldman Sachs chief gets record \$53.4m bonus

AFP, New York

Goldman Sachs boss Lloyd Blankfein will have a very merry Christmas with a year-end bonus worth an estimated 53.4 million dollars, a record for a Wall Street executive.

Documents filed with the Securities and Exchange Commission late Tuesday showed the 52-year-old Blankfein received 27.3 million dollars in cash, 15.7 million dollars worth of stock and options worth 10.5 million dollars.

The bonus for the chairman and chief executive, who took the helm at the biggest US investment bank this year after Henry Paulson left to become Treasury secretary, topped the record set last week of 40 million dollars for John Mack at Morgan Stanley.

The prior record was for Paulson, who was granted a 38.3-million-dollar bonus in 2005.

## BJIT to up its number of IT engineers to 1000 by 2009

STAR BUSINESS REPORT

BJIT Ltd, a Japan-Bangladesh joint venture information technology company, is planning to increase its number of computer engineers to 1000 at its Dhaka office by 2009.

As part of the company's expansion strategy, JM Sawkat Akbar, president & CEO of the company, announced the plan at a press conference in Dhaka yesterday.

The company has already enhanced its management strength by appointing Timo Vantinen, former senior development executive of Nokia Japan, and Nobuhiro Hayashi, former senior development executive of IBM Japan.

BJIT Ltd was founded in Dhaka in July 2001 while BJIT Inc, the partner company of BJIT Ltd, started its journey in Tokyo in April 2004.

With its new corporate management team, comprising nationals from Bangladesh, Finland and Japan, BJIT Ltd has won business deals for several new clients both in Europe and Japan.

# Lafarge Surma zeroes in on domestic cement market

SARWAR A CHOWDHURY, back from Chhatak

As Lafarge Surma Cement Ltd has started production, the French-Spanish joint venture zeroes in on domestic market.

"Bangladesh is a growing market and there has always been a demand for quality cement. So, the thrust is to sell our Supercrete brand cement in the local market as Bangladesh is our major market," Yong Ngai Chan, managing director of the cement plant at Chhatak in Sunamganj district on Wednesday.

"As we are producing clinker in our own plant using raw materials—limestone and shale— from our own quarry in Meghalaya, India, we can ensure consistent supply of cement," said Chan.

Jointly built by world leader in building materials Lafarge of France and renowned Spanish cement maker Cementos Molins, Lafarge Surma Cement is the first fully integrated dry process cement manufacturing plant in Bangladesh.

According to Chan, Lafarge Surma cement plant, built on an

area of about 90 acres of land on the bank of river Surma, is one of the best and technically advanced plant in the entire network of Lafarge, which has operations in 76 countries.

"It is also a unique cross border project as the cement plant is linked between its quarry site at East Khasi Hills in Meghalaya and clinker and cement manufacturing plant at Chhatak in Sylhet with a 17 kilometers (ten kilometers in Bangladesh side and seven kilometres in Indian side) long belt conveyor," he said.

The conveyor belt has a capacity of bringing 800 tonnes of limestone and shale per hour from quarry site.

Lafarge also set up a modern crushing plant at the quarry site that crushes the limestone and feeds into the belt conveyor to be transported to the cement plant in Bangladesh. "In the quarry there is a stock of limestone for over 50 years," the managing director said.

The managing director said at the moment the cement plant has the capacity of producing 1.5 million tonnes of cement per year. "We are also studying the feasibility of increasing the capacity," he

added. Chan also said there is a chain of extremely high standard quality control system from the raw materials to the finished products, as the plant has the state-of-the-art high tech equipment to test and ensure quality.

Replying to a query, Chan said around US\$ 270 million was invested in the cement plant. "We also expect to make profit from the next year," he hoped.

The company started its trial production of clinker in August, commercial production of cement in September and marketing of Supercrete cement in November this year.

Apart from cement production, Lafarge is also carrying out a community development project, under which the company is running a school to educate the children of the people, who have been rehabilitated from the project site.

Construction of the project began in late 2003. Earlier, a massive land development was done for raising the 90 acres of landmass to be flood safe. Over three million cubic metres of sand and earth were filled in the area.



A view of the newly launched Lafarge Surma Cement plant on the bank of the Surma at Chhatak in Sunamganj.

# Bangladesh holds huge potential for spices export to UK

Discussion of NRBs told

STAR BUSINESS REPORT

The country has a huge potential for exporting spices to the United Kingdom (UK), said Non-Resident Bangladeshis (NRBs) at a discussion on Wednesday.

They said about 90 percent of around 15,000 restaurants worth 3 million pound are owned and managed by the British citizens of Bangladesh origin and India is the main supplier of spices, including onion, garlic and ginger to those restaurants.

"Being a farm-based economy, Bangladesh can produce a large portion of these spices for export to the UK and can earn a huge remittance," said Chairman and Chief Executive Officer of Nandan Group Masrur Chowdhury.

Bangladesh Journalists Forum on Migration organised the discussion on 'Bangladeshi Diaspora in the UK: Their Linkages with Origin' at British Council auditorium in Sylhet while Refugee and Migratory Movements Research Unit and British Council, Dhaka supported the meeting.

"The negative mindset of the NRBs about the country's investment climate should be changed. There are problems everywhere in the world, and the investors have to tackle the problems," Masrur Chowdhury said.

Referring to Nandan Group, a five-year old joint venture by 15 Bangladeshi origin British citizens, he said the group has planned to set up at least 15 stores in Bangladesh and one main store in the UK to export the local products.

## New MD of Dragon Sweater



Mostafa Qamrus Sobhan has been made the group managing director of Dragon Sweater Bangladesh Ltd, says a press release.

A business graduate from Nottingham Trent University of UK, Sobhan joined the company in 1999 as an associate director.

## Iran, China sign \$16b gas deal

AFP, Tehran

Iran and China's biggest offshore oil producer, CNOOC, have signed a memorandum of understanding worth more than 16 billion dollars to develop a giant natural gas field, the Fars news agency reported Thursday.

The deal is aimed at developing Iran's northern Pars gas field and build plants to produce LNG (Liquefied Natural Gas).

"The agreement to develop the northern Pars gas field was signed with Chinese firm CNOOC, this contract involves a 16 billion dollar investment," the report from the semi-official agency said.

It said the project will be developed in four phases, with each party taking 50 percent of the produced LNG.



BJIT Ltd, a Japan-Bangladesh joint venture information technology company, organised a press conference in Dhaka yesterday to announce the company's expansion plan.