

Star BUSINESS

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New plant of
Fu-Wang
Ceramic opens
in Gazipur

STAR BUSINESS REPORT

A jumbo line plant of Fu-Wang Ceramic Industry Ltd was inaugurated yesterday at Hotapara in Gazipur to manufacture floor and wall ceramic tiles.

Industries Adviser Geeteara Safiya Choudhury inaugurated the plant, which has the production capacity to produce 50,000 square feet ceramic tiles a day.

Nazrul Islam, executive chairman of Board of Investment (BoI), Hsu Chin Hua, chairman of Fu-Wang Group, and S M Mahbubul Alam, general manager of Fu-Wang Group, were also present at the inaugural function.

Inaugurating the plant, Geeteara said the government is committed to ensuring good governance to create congenial atmosphere for foreign investments.

She also said Fu-Wang has been working for 12 years and it has become a symbol of success in the field of foreign investments.

Inviting foreigners to invest in Bangladesh, the adviser said the country offers incentives for foreign investments.

Mahbubul Alam said the company, which has been producing tiles since 1995, is exporting its products to India, Nepal and the Maldives after meeting domestic demand.

He also said Fu-Wang Ceramic Industry Ltd, a concern of Fu-Wang Group, has created direct employment facilities for about 3,000 people, 60 percent of them are women.

AKTEL offers GPRS facility to prepaid subscribers

Mobile phone operator AKTEL has launched GPRS (General Packet Radio Service) facility for its prepaid subscribers, says a press release.

The GPRS enables the users to get the facilities of internet access, MMS (multimedia message service) and other value added services.

One can avail of the facility by dialling *140*# and following the instructions.

Oil prices slip

APP, London

World oil prices eased on Thursday, one day after New York hit a record high 78.77 dollars per barrel as weak US crude reserves sparked concern over tight global energy supplies, traders said.

New York's main futures contract, light sweet crude for delivery in September, slid 28 cents to 76.25 dollars per barrel in electronic deals before the start of US floor trading.

BB's new scheme to sell Oriental Bank's 57pc paid up capital

REJAUL KARIM BYRON

The central bank issued a scheme yesterday to sell 57 percent of Oriental Bank's paid up capital through an open tender.

The new scheme will increase the bank's paid up capital to Tk 700 crore from the existing Tk 57 crore, according to sources.

The Tk 700 crore scheme stipulates Tk 400 crore as sponsor shares and the remaining Tk 300 crore as general shares.

The account holders who have more than Tk 10 lakh deposited at the bank will be compelled to purchase ten to twenty-five percent of the general shares depending on the amount deposited with the bank, according to the official.

Those who have Tk 10 lakh or less deposited with the bank are free to purchase 10 percent of its shares, while the account holders who have between Tk 10 lakh to Tk 50 lakh deposited must buy 10 percent, those with Tk 50 lakh to Tk 1 crore must buy 20 percent, and the account holders with Tk 1 crore and above must buy 25 percent of the shares.

After these depositors are paid for by the shares, the central bank plans to start repaying the rest of the depositors from a date fixed by the Bangladesh Bank (BB).

Under the scheme, only the principal amount (excluding profit) of the liabilities as recorded in the books of accounts of the bank on January 25, 2007 will be payable. The amount of profit accrued on the deposit after

January 25 is supposed to be fixed by the Oriental Bank board of directors, which is yet to be formed.

The Bangladesh Bank-appointed Chief Executive Officer of Oriental Bank, Asaduzzaman Khan, told The Daily Star after receiving the scheme, "Oriental Bank will start to repay the account holders after a date fixed by the Bangladesh Bank."

A BB high official said, "The repayment date will be fixed after the sponsor shares are sold."

The central bank will publish an expression of interest to sell the sponsor shares, which will be sold at an excess value, in all major local and international newspapers next week, the official added. He said he is hopeful of selling the sponsor shares by the end of December.

Sources said the additional value added to sponsor shares' face value of Tk 1,000 will be considered as premium.

The sponsor shares would be sold like those of Rupali Bank through open tender bringing huge capital for the bank, the sources said, adding that Middle-eastern and British investors have already expressed interest to buy the sponsor shares.

The scheme also outlined the ways of paying out liabilities of the bank. As per the scheme, if depositors wish, the bank will pay first Tk 1,00,000 within six months after two months of activation of the scheme. Further Tk 1,00,000 will be paid out within 12 months after six months of scheme activation, another Tk 1,00,000 within 18 months

after 12 months of the scheme activation, another Tk 1,00,000 within 24 months after 18 months of the scheme activation, another Tk 1,00,000 within 30 months after 24 months of scheme activation, another Tk 1,00,000 after 36 months after 30 months of the scheme activation, another Tk 1,00,000 within 42 months after 36 months of the scheme's starting, another Tk 1,00,000 within 48 months after 42 months of scheme activation, another Tk 1,00,000 within 54 months after 48 months of scheme activation, another Tk 1,00,000 within 60 months after 54 months of scheme activation and the balance after 60 months of the scheme's starting.

About formation of the board of directors, the proposals say it will consist of 13 members -- 10 from sponsor shareholders and the other three from general shareholders. The BB will approve the first board of directors for three years, while it will also appoint the first chief executive officer for a three-year term.

The central bank will have the authority to settle any dispute that arises under the new scheme.

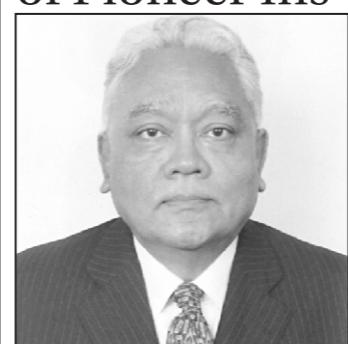
In August 2006, a serious financial crisis and liquidity shortage in the Oriental Bank forced the BB to intervene and dissolve the bank's board of directors and sack the bank's managing director.

The BB also cancelled a large chunk of 'benami' shares owned by fugitive businessman Obaidul Karim and now-dethroned businessman Abul Kairat Litu.



PHOTO: FU-WANG CERAMIC INDUSTRY
Industries Adviser Geeteara Safiya Choudhury inaugurates a jumbo line plant of Fu-Wang Ceramic Industry Ltd at Hotapara in Gazipur yesterday.

New chairman of Pioneer Ins



Syed Manzur Elahi has been elected chairman of Pioneer Insurance Company Ltd for 2007-2008 term, says a press release.

He was made chairman at a meeting of the Board of Directors of the company held on Monday.

Rangpur Dairy introduces RD Milk

Rangpur Dairy and Food Products Ltd has introduced liquid milk - RD Milk -- in local market.

As the milk is processed through ultra high temperature (UHT) method, it does not need to be preserved in freezer, says a press release. Besides, no preservative is used in the milk.

Presently, RD Milk is available in 500ml and 230ml packets while RD Mango Milk and RD Banana Milk are available in 200ml packets.

The company, financed by Equity Entrepreneurship Fund (EEF) Unit of Bangladesh Bank and NCC Bank, is also planning to introduce RD Ghee in 450 and 200 gm packets, RD Butter in 1000 gram packet, RD Sweetmeat and RD Energy Drink in future.

Located in Rangpur, Rangpur Dairy and Food Products is producing the liquid product with the technical assistance of Denmark, the release said.

Emirates offers seat selection feature to online buyers

Emirates has expanded its seat selection features to all customers who book their tickets online, according to a press release.

Customers of the airline can now select and secure their preferred seats on their flights at the time of booking, when they purchase their tickets online at www.emirates.com.

Previously available only to customers who purchase first and business class tickets online, Emirates is now making this feature available to all classes of travel.

"We are pleased to extend our internet seat selection feature to all our customers who book online, and we are confident this initiative would be very well-received," Ghait al Ghait, Emirates executive vice president for Commercial Operations Worldwide said.

Chevron to invest in bigger way in 5 years

Oil giant's Bangladesh chief says

STAR BUSINESS REPORT

New President of Chevron Bangladesh Steve N Wilson yesterday said his company will make significant investments in its existing stakes in Bangladesh, including block 7, in the next five years.

The company will also explore other opportunities like the third round block bidding, Wilson said as he was addressing a press briefing in the capital.

Wilson said Chevron is already the leading investor in Bangladesh and it will stay for another 30 to 40 years in the country.

He also said Bangladesh has made significant progress in the last few years -- leading to a sharp increase in gas demand prompting Chevron to develop Bibiyana gas field eying domestic market.

Earlier, Chevron, previously known as Unocal, aimed at developing the same field for Indian market.

Focusing on Bangladesh's plan for importing gas from Myanmar, Wilson said, "Bangladesh should take its decision quickly, because China is eyeing Myanmar's gas. Geographically it's logical for Myanmar to export gas to Bangladesh, but China is a big market."

He said Chevron has conducted

1000 km of seismic survey in block 7, but did not have indications of oil and gas reserves that would be commercially viable.

"However, it will need more works to evaluate the whole opportunity," he said adding that there is a possibility of a new core area in the south of the block.

Chevron is currently producing around 585 million cubic feet per day (mmcf/d) gas from Jalalabad, Moulvibazar and Bibiyana fields against the country's total production of around 1750 mmcf/d.

The Bibiyana field, launched earlier this year, alone is producing 300 mmcf/d and it will be ready to produce 600 mmcf/d from September.

Now, the gas infrastructure of Petrobangla cannot take more than 300 mmcf/d from Bibiyana. In this context, the IFC (International Finance Corporation) has designed a new plant near the gas field, which will help utilise Bibiyana's gas.

Wilson, who joined Chevron in 1985 and had served as the company's general manager of Commercial Development in Nigeria for two years before coming to Bangladesh, said the process plants of Jalalabad and Moulvibazar were remarkably performing with 100 percent plant reliability.

Maintenance fee for BO account comes into effect

Errant accounts to face cancellation or freeze

SARWAR A CHOWDHURY

decided to introduce the annual maintenance fee in a bid to stop opening of fake BO accounts or shady BO accounts by using other person's information.

As per the new rules, of the annual fee of Tk 300, a depository participant will get Tk 100, the CDBL will receive Tk 150 and the SEC will get Tk 50.

Previously, the BO account holders had to pay a custody fee annually to the CDBL, if there were shares in the accounts. The custody fee was calculated on the basis of existing shares in a BO account and an account holder had to pay 0.05 percent of the current market value of the shares.

According to sources, around 14 lakh BO accounts have so far been opened and most of the accounts are used only to participate in the IPOs (initial public offerings).

A group of so-called investors participate in the IPOs with many BO accounts, which ultimately cut the real investors' competitiveness, said a SEC high official.

Earlier, the SEC issued a gazette notification regarding annual maintenance fee for BO accounts by using other persons' information, the official said.

Foreign automakers capture half of US market

AFP, Detroit, Michigan

The Big Three US automakers lost control of their home field Wednesday as foreign automakers captured half of the US market for the first time.

General Motors, Ford and Chrysler, which have suffered from a steady loss of market share to Asian rivals, ended July with just 48.1 percent of the market.

Chrysler was surpassed by Honda for the first time in July and Ford continued to cede the number two spot to Toyota.

Asian carmakers captured 44.6 percent - with Toyota Motor accounting for 17.1 percent of the market - while European brands held 7.3 percent, according to Autodata.

The decline in share came as American carmakers cut back sharply on low-margin sales to rental companies in the midst of an industry-wide slump.

All but one of the top six manufacturers reported a decline in sales during July as higher gasoline prices and turmoil in the housing market helped trim overall sales by an estimated 12 percent.

But the Big Three were hit hardest at a time when they can't afford it.

Since the end of 2005, GM and Ford have cut their payrolls by more than one-third and invested more than 14 billion dollars in massive restructuring programs aimed at making them more competitive.



PHOTO: PAPER RHYME
Bank Alfalah Ltd opened its fourth branch in Bangladesh at Mira Bazar in Sylhet yesterday. Country Head of the bank Majedur Rahman and senior officials, among others, were present at the inauguration.