

PHILIPS
sense and simplicity

DVD Player
It'll take anything you've got.
Turn up your experience
with extreme versatility.

TRANSOM
ELECTRONICS

8555366-8, 01712-665463

Star BUSINESS

E-mail: business@thedailystar.net

Enjoy Your
Holidays With
Europcar

12 seater brand new microbus.

For Reservation: 8837696, 01713094040, 01713094041
** discount rate on Friday and Saturday ** condition apply

Govt moves to train RMG managers to counter labour unrest

JASIM UDDIN KHAN

The government has set up special training sessions on workers rights for garment factory managers in an attempt to counter the labour unrest that has threatened the success of the country's main export earner.

The sessions organised by the Ministry of Labour and Employment are aimed at middle level managers whose failure to deal professionally with disputes at factory level is seen by the government as one of the major reasons behind poor labour relations.

Three sessions have already been held with groups of around 30 managers in each. The government aims to involve two-to-three key middle managers from each of the country's more than 4000 factories.

"We found that mistreatment of the workers and wrong handling of issues by the mid level managers is one of the main reasons behind recent labour unrest," said Aminul Islam, deputy secretary to the Ministry of Labour and Employment.

"We are trying to make the managers aware of the workers' humanitarian needs, of the need for regular payment, payment of overtime, other allowances and leave etc," Aminul added.

Juliqar Haider, senior assistant secretary to the Ministry of Labour and Manpower Employment, said: "We found that when any crisis erupted at a readymade garments factory the workers never blamed the owners, they blamed the mid level management. Identifying

this, we are trying to convince the mid level management to act properly."

Taufiq Elahi, a 36-year old production manager of Nasrin Garments Industries located at Mirpur, attended one of the sessions. He said managers are aware of workers' rights, but it is sometimes difficult to act accordingly under enormous pressure to meet production deadlines.

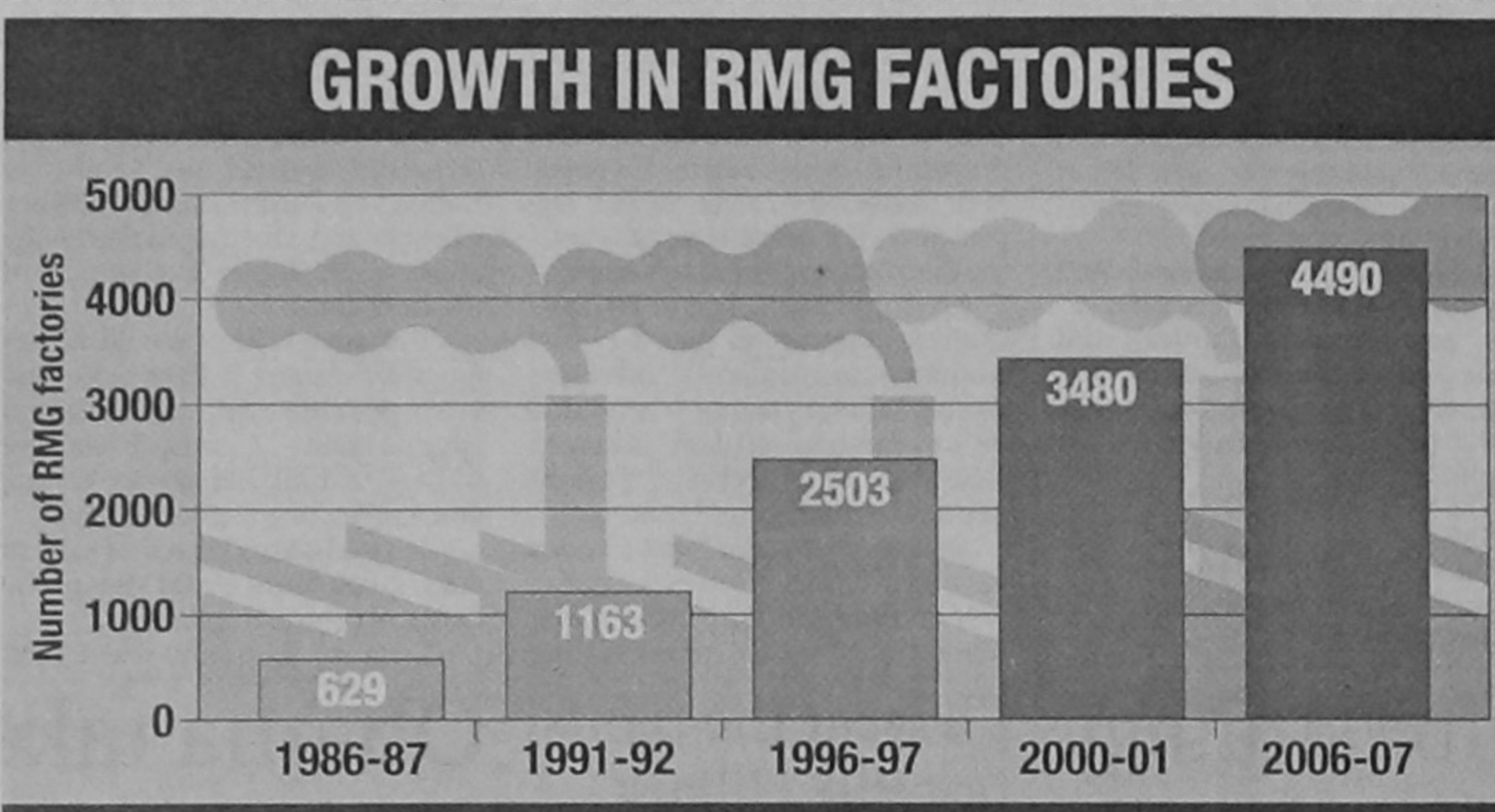
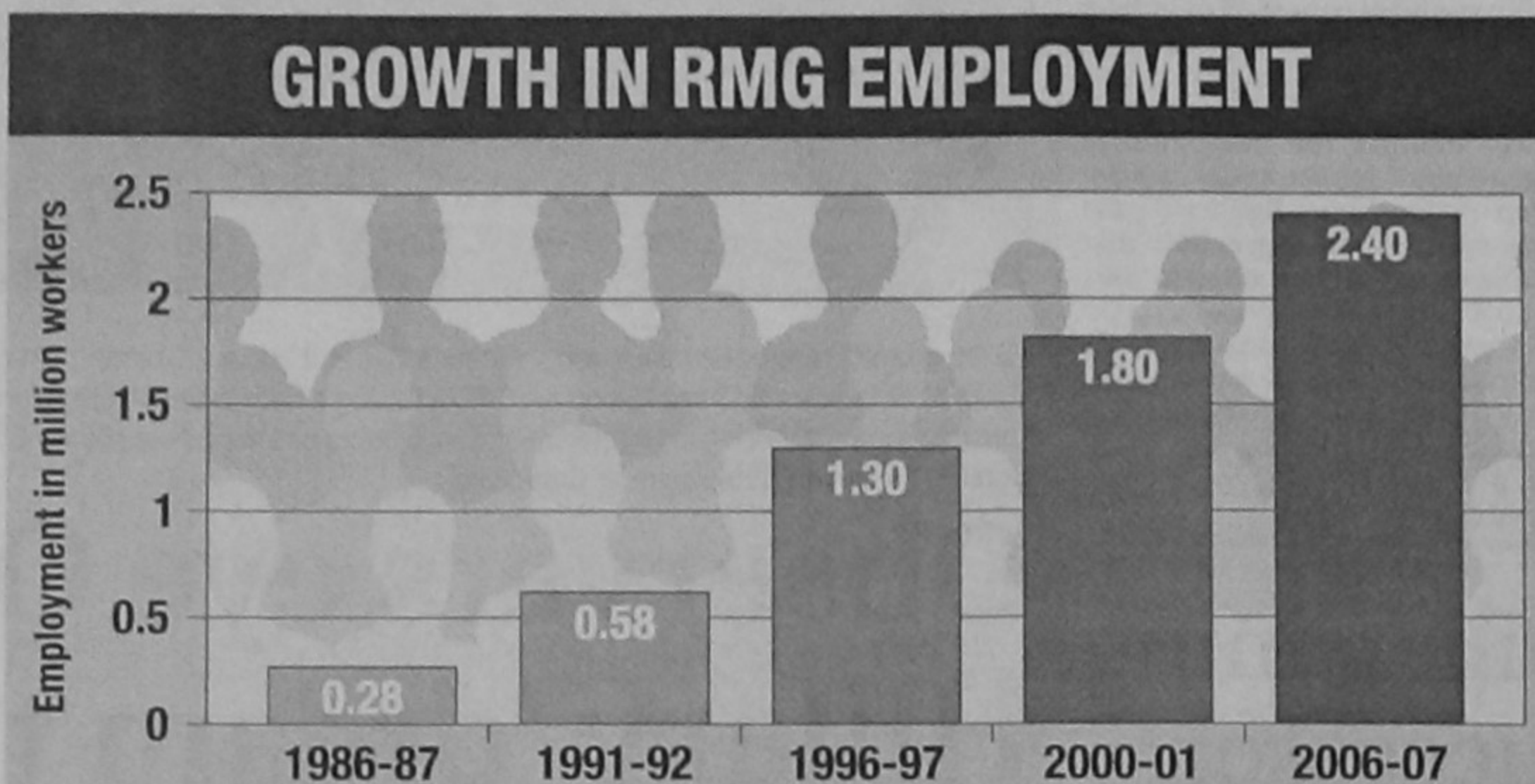
Ohidul Islam, another factory manager who participated in the session, said: "The consultation will help us to improve the overall managerial capacity as well as reduce the chances of disputes with workers."

BGMEA President Anwarul Alam Parvez supported the government initiative saying that it could be one of the tools used to keep the industry free from labour unrest.

However he also alleged that the unrest was part of an international conspiracy to destabilise the industry.

Jamshed Rahman, Chief Inspector of Department of Inspection of Factories and Other Establishments (in Charge) said a recent survey by the department identified at least 145 garment manufacturers that have not implemented the Tk1662 minimum wage, while 262 factories do not pay regular salaries to workers.

"The inspection shows why there is still so much unrest in the garment factories. When hundreds of factories fail to pay regular salaries to thousands of their workers, it's quite natural that there will be agitation in the apparel units," Jamshed added.



SOURCE: BGMEA

RMG'S DUTY-FREE ACCESS

US envoy sees labour rights protection 'a pre-condition'

STAR BUSINESS REPORT

US Chargé d'Affaires Geeta Pasi yesterday said the protection of labour rights is a pre-condition for receiving duty-free access to the US market for Bangladesh's garment and knitwear exports.

The US diplomat said her government has been studying a request made by a US labour organisation to review Bangladesh's eligibility for the Generalized System of Preferences, a system that will give duty free access to Bangladeshi garments.

She said: "The US government recognizes Bangladesh's interest in obtaining duty-free access to the US market for Bangladesh's garment exports. Throughout the world, in all of our free-trade agreements, the US government's position is consistent: the condition for special trade benefits is the protection of worker rights and the freedom of association."

The US government will help Bangladesh in its efforts to improve the rights of its workers, she added.

Geeta Pasi was speaking at the Cotton Council International License Award Ceremony in Dhaka as the chief guest. Square Spinning Mills Ltd and Malek Spinning Mills Ltd have received the Cotton Council International USA for their excellent performance in yarn production.

She said labour groups and apparel industry representatives in the United States also sought to assist Bangladesh in protecting worker rights.



PHOTO: US EMBASSY IN DHAKA

US Charge d'Affaires Geeta Pasi poses for photographs with the recipients of the Cotton Council International License Award at a function in Dhaka yesterday. Square Spinning Mills Ltd and Malek Spinning Mills Ltd received awards for their excellent performance in yarn production.

"However, these goals can ultimately be accomplished by Bangladesh's government, industry and labour representatives working together constructively," she said.

Strengthening the need for businesses and government to work together with other groups to preserve fundamental human rights, including the rights of workers, Geeta Pasi said businesses need to provide constructive feedback to the government on its anti-corruption and reform efforts.

"Investors living and working in Bangladesh need to continue to support the government's efforts

to reach elections by the end of 2008," she said.

Terminating labour rights as the key component of today's international trade, she said government, industry owners and labourers have already been working together in Bangladesh to protect the rights of workers.

She asked for the continuation of anti-corruption campaign in a fair and transparent manner.

She said textiles and apparel are key sectors for Bangladesh exports and high quality US cotton can greatly improve the quality of ready-made garments produced in Bangladesh.

37 firms to bid for int'l gateway licences

STAR BUSINESS REPORT

Thirty-seven local companies out of 41 have been shortlisted by the telecom regulator to participate in the final bidding process for getting International Gateway (IGW) service licences.

Bangladesh Telecommunication and Regulatory Commission (BTRC) yesterday sent letters to the qualified bidders of whom only three companies will be awarded licences for IGW services in the country.

IGW service is a switching system through which international voice traffic is sent and received. IGW also allows physical monitoring of the traffic flow.

According to the BTRC, the final bidding will be held on February 18.

In order to take part in the bidding, participants are required to make a payment of Tk 3 crore as 'bid security money' to the commission in the form of pay order. The payment must reach BTRC within seven working days from the receipt date of the letter.

A total of 41 companies submitted proposals to bid for IGW licence following a BTRC offer in October, 2007.

"To prevent all illegal international call termination, BTRC will finish the licence awarding procedure by this month," a BTRC official said.

There will be three more IGWs in addition to the existing IGW of Bangladesh Telegraph and Telephone Board. All the IGWs will be operated from Dhaka.

Barisal int'l trade fair begins Feb 20

UNB, Barisal

The 6th Barisal International Trade Fair will begin at BIWTC Marine Workshop ground here on February 20.

Barisal Chamber of Commerce and Industries (BCCI) will organise the month-long fair where 130 stalls would be set up.

BCCI Secretary MA Mannan said a three-member committee has been formed in this connection.

Local, multi-national and international companies as well as local producers and Iran and Pakistan will take part in the fair with their commodities, the event organisers said.

Cultural shows, puppet dance and circus shows would be arranged to entertain the visitors.

Radisson earns record profits in 2007 despite competition

STAR BUSINESS REPORT

Dhaka's Radisson Water Garden Hotel made an operating profit of more than US\$6.721 million in 2007, a record for a hotel in Bangladesh, senior officials claimed yesterday.

The jump in profits at the five star hotel came despite the state of emergency in the country and increasing competition in the sector, with two new rivals, the Westin and Regency, opening last year.

"The hotel's strength is its quality services and skilled manpower," said Saeed Ahmed, director (Sales and marketing) of the Dhaka Radisson Hotel at a press briefing marking the second anniversary of the hotel.

He said the hotel had gained about 40 percent of total market share among the five star hotels in the capital and achieved an occupancy rate of over 80 percent. Total revenues were up 40 percent to US\$13.377 million, also a record for a hotel in Bangladesh.

Ahmed said one reason for the increase in profits was that in 2006 the hotel was newly opened and some of its services were still under construction.

"The hotel went into full operation in 2007," Ahmed said, describing the success of the newly built five-star hotel.

"The hotel is committed to continue offering services of an international standard in 2008 and beyond. A lot of new initiatives will be adopted by the management looking at the changing demand of international business travellers and the local community," Andre Alex Gomez, general manager of the hotel, told reporters.



PHOTO: RADISSON

The Radisson Water Garden Hotel in Dhaka. The hotel made record profits in 2007 despite the state of emergency and increased competition.

The Radisson's main competitors in Dhaka are the Sonargaon and Sheraton, located in the heart of the city, and the newly opened Westin in Gulshan. However the Radisson's closeness to the airport and the protected diplomatic zone has made it popular with business travellers who prefer avoiding traffic congestion in and around the hotel.

As in 2006, the hotel continued to generate the largest volume of credit card transactions in Bangladesh with transactions amounting to US\$ 5,919,471 (BDT 40.6 crore) within the merchant portfolio of Standard Chartered Bank in Bangladesh.

Total foreign currency revenue earned in 2007 was US\$ 8,393,156 (cash US Dollar and credit cards).

When asked, Selina Momen, spokesperson of Pan Pacific Sonargaon Hotel, told The Daily Star that the hotel lost some of its business because of renovation works last year. "The occupancy

rate is quite high since October," she added.

Officials at the Dhaka Sheraton declined to comment.

Radisson was inaugurated on February 05, 2006 and went into partial operation in February 11, 2006.

The hotel is a chain of US based Carlson Hotels Worldwide. Sena Hotel Developments Limited, a local joint venture of Sena Kalyan Sangtha and Army Welfare Trust, owns the hotel.

US NRBs launch venture capital investment services company

A group of non-resident Bangladeshi (NRB) investors from USA has taken an initiative to set up a specialised SME-focused venture capital investment services company in the private sector in Bangladesh.

The company with the name of Venture Investment Partners Bangladesh (VIPB) Ltd is registered as a public limited company, says a press release.

VIPB is a joint venture between US-based NRB institutional investors -- US-Bangladesh Investment Group, Inc and Terra Resources International, Inc -- and Bangladeshi institutional sponsors The City Bank Ltd, Southeast Bank

Ltd, NCC Bank Ltd, National Life Insurance Company Ltd and TRIIMS Consultants Ltd.

The company was formally launched on January 29 at a function in Dhaka where M Haider Choudhury, chairman of National Life Insurance Company, Alamgir Kabir, chairman of Southeast Bank, Mani Rahman, director of US-Bangladesh Investment Group Inc (USA), and Dr Zia U Ahmed, chairman of VIPB, among others, were present.

Zia U Ahmed said VIPB will introduce innovative equity and quasi-equity (non-interest based) investment products and services to meet the specific needs of the SMEs

(small and medium enterprises) in Bangladesh, particularly for the low-end small and cottage industry segments.

Haider Chowdhury said venture capital investment can be a new instrument for insurance companies to invest in the growth and development of SMEs. Alamgir Kabir emphasised the role of banks in supporting venture capital operations for the expansion of SMEs.

The NRBs formed the US-Bangladesh Investment Group Inc in USA to provide a formal and professional platform for NRBs to invest in Bangladesh, said Mani Rahman.

Indian Laser brand shaving products hit market

India-based Malhotra Shaving Products Ltd has launched a wide range of its Laser brand shaving products in Bangladesh market.

Local ACI Consumer Brands is the exclusive distributor of the products in the country, says a press release.

Laser brand products include flat blades, regular disposables, rubberised long handle razors, triple blade systems and disposables, antiperspirants, aftershave skin conditioners, shave gel, aftershave splashes and bath gel.

The products are sold in over 107 countries, especially in the USA, Europe and the Middle East, the release adds.

Citycell makes loss in Q3

Says main owner Singtel

STAR BUSINESS REPORT

Citycell, Bangladesh's only CDMA standard mobile phone operator, continued to lose money in the three months to December 31, according to its largest shareholder Singapore Telecom.

Singtel, which owns 45 percent of Citycell, said its share of the mobile operator's pretax loss was \$5million Singapore dollars, around Tk25 crore.

The loss is 75 per cent less than in the same period a year earlier, Singtel said. "This was primarily due to lower subscriber acquisition costs from

lower net additions," it said.

Citycell is the Bangladesh's fifth largest mobile operator in terms of subscriber numbers.

If the losses are evenly spread among all the shareholders this would mean Citycell's pre-tax loss was around Tk55 crore during the period. Yesterday Citycell refused comments on its results.

The figures exclude the Tk150 crore compensation Citycell has agreed to pay the Bangladesh Telecommunications and Regulatory Commission (BTRC) for its alleged involvement in illegal international call termination.

Citycell has only paid Tk14 crore

of the amount so far, according to sources at BTRC.

Citycell has not accepted any liability and has maintained that it has been conducting business in accordance with the applicable rules and regulations. It agreed to pay compensation "out of goodwill," it said.

Citycell's other shareholders are Pacific Motors Limited and Far East Telecom Ltd that have 31.43 percent and 23.57 percent shares respectively. As of December 31, 2007, Citycell's total mobile subscriber base reached 1.4million, up 30 percent or 326,000 from a year earlier, Singtel said.

DSE turnover hits new peak

SARWAR A CHOWDHURY

Turnover on the Dhaka Stock Exchange (DSE) hit another record of Tk 372 crore yesterday for a second consecutive day due mainly to hefty transaction of shares in Meghna Petroleum Company.

Meghna's share trading alone reached Tk 153.52 crore, an amount that accounts for more than 41 percent of the total turnover, on the premier bourse.

On Monday, the total turnover hits all time high at Tk 343 crore.

With the increasing trend, market capitalisation on the prime bourse also reached its highest level at Tk 78,612 crore yesterday, which is 16.82 percent of the country's gross domestic product (GDP).

Market operators said the turnover of the country's premier bourse marked a rise during the last couple of days on the buying spree from investors' end.

They said there is a huge flow of liquidity on the market following the stock market regulator's move to restore netting facilities and re-fix merchant banks' loan ratio.

"Apart from small investors, institutional investors, who account for 58.5 percent of the total transactions on the DSE, have become active in recent days," said Salahuddin Ahmed Khan, the DSE chief executive officer (CEO).

"However, the market witnessed a price correction with all the indices going down that means the market is behaving rationally," he said.

The DSE General Index fell by 17.29 points, or 0.58 percent, ending the day at 2922.62 points, while the DSE All Share Price Index declined by 14.02 points, or 0.56 percent, finishing at 2462.9 points.

Demand to lift duty on MS rod raw parts

STAR BUSINESS REPORT

Leaders of the trade bodies of rod and steel industries have demanded of the government to withdraw duty on the import of raw materials for producing mild steel (MS) rods.

Blaming the continued price hike of raw materials for the industry's recent 'dull business', they voiced their demand at a press conference in Dhaka yesterday.

They also demanded tariff reduction to save the industry.

"Government's continued inaction to reduce tariff could further deteriorate the already worsening business condition in the sector," said Sheikh Masadul Alam, general secretary of Bangladesh Re-rolling Mills Association.

"Withdrawal of duty free access of imported raw materials and increased tariff caused continued price hike of the MS rod and steels," he added.

In 2005 the government withdrew the zero tariff facility for importing such raw materials and imposed a 5 percent duty on the imports.

Ali Hossain, chairman of

Bangladesh Re Rolling Mills Association, and Mizanur Rahman Babul, chairman of Bangladesh Steel Mill Owners Association, were also present at the press conference.

The association leaders also demanded quick solution to the erratic power supply and withdrawal of taxes on generators.

According to the industry insiders, the price of raw materials for manufacturing rod and steel increased to US\$500 from US\$ 250 a tonne over the last two years. In addition, the government almost doubled the taxes on the imports of these raw materials in recent years.

They said the industry, which meets the local demand for about 5 million tonnes of rod per annum, is faced with numerous problems that include rising prices of imported steel owing to rising global steel prices, as well as irregular power supply.

Industry expert estimates the total size of the industry at around Tk50 billion.

Ship breaking industry is the main source of raw materials for the steel industry, since Bangladesh does not have a local source of iron ore.

www.corporatebazaar.com

Corporate BAZAAR

Example to you by

Aamra NETWORKS

3 days to go

Date : February 09, 10 & 11, 2008
Venue : Bangladesh-China Friendship Conference Centre