

# Narayanganj dockyard undertakes Tk100cr scheme to build ship

BSS, Narayanganj

The Dockyard and Engineering Works Ltd (DEW) run by Bangladesh Navy at Sonakanda in Narayanganj has undertaken a comprehensive plan for modernising the dockyard.

Official sources said under the Tk 100 crore scheme the DEW will build ocean-going vessels of international standards and overhaul old, obsolete and dilapidated machinery.

The naval engineers and technicians by this time under took a work plan to repair machinery and equipment worth of about Tk 25 crore. Nearly 80 percent work on the

plan has already been completed.

The repaired machinery included one jetty crane, one floating crane, one mobile crane, two overhead cranes of the workshop, six lathe machines, including one multipurpose universal machine, three shaper machines, one bending machine, two boilers, one saw mill and slippers plat and rail carriages along with hard standing floor, one blacksmith shop, one foundry, one Russian store and 11 workshops.

Established in 1926 on a 22-acre plot on the eastern bank of the river Shitalakkha, the ocean-going ship building dockyard went into production

in 1950.

Many foreign firms used to have their ocean-going tugs built at the dockyard through international tender during the pre-liberation period.

After independence of the country in 1971, it was placed under the supervision of Bangladesh Steel and Engineering Corporation (BSEC) of the Ministry of Industries. The dockyard was laid off on December 21, 2002.

Subsequently, it was handed over to Bangladesh Privatisation Board as a sick industrial unit in 2004.

The Ministry of Industries through the Defence Ministry handed over the management of the dockyard to Bangladesh

Navy on December 7, 2006.

When contacted, Managing Director (MD) of the dockyard Captain Mahmud Ali said Bangladesh Navy took over the management of the establishment with a working capital of Tk 7.19 crore.

He said three ships and one GRP boat were repaired in the dockyard during the last one year with 11 naval officers and 95 permanent staff.

The dockyard needs at least six hundred people for its smooth functioning.

He said one tank carrying landing craft and a high-speed boat of Bangladesh Navy are undergoing overhauling at the moment.

## 6 more firms to join CDS for scripless trading

STAR BUSINESS REPORT

With six more companies joining the central depository system (CDS) for scripless trading on March 30 the number of total companies, operating under CDS, will reach 145, or 51.05 percent of the companies, listed on the Dhaka bourse.

The six companies -- Aramit Cement, Aramit Limited, Information Services Network, Metro Spinning, National Polymer and Oriental Bank -- applied to the Securities and Exchange Commission (SEC) to convert paper shares into

electronic ones.

With permission from the market regulator, the six companies will start on their scripless trading from March 30, SEC sources said.

However, in case of Oriental Bank the scripless trading will start when the suspension on the trading of the bank will be withdrawn.

The electronic trading settlement system was first introduced in the country's capital market on January 24, 2004 with the shares of Square Pharmaceuticals Ltd.

Under the CDS, which is operated by Central

Depository Bangladesh Ltd (CDBL), all paper shares are turned into electronic ones and transactions in shares are held electronically. Listed companies do not need to maintain a full-fledged shares department at their offices as the CDBL performs all the depository and share transfer-related operations.

As of January this year, 90 percent of total market capitalisation has been done under CDS.

About 15 lakh beneficiary owner (BO) accounts have been opened for electronic trading settlement.

## StanChart completes acquisition of American Express Bank

Standard Chartered PLC announced on Friday that it has received all the required approvals leading to the completion of its acquisition of American Express Bank (AEB) Ltd from the American Express Company (AXP).

The total cash consideration for the acquisition is US\$ 823 million, says a press release.

The acquisition of AEB provides Standard Chartered with an opportunity to add capability, scale and momentum in the strategically important financial institutions and private banking business.

AEB will enhance Standard Chartered's private banking presence in its key markets, leveraging on its advantage to grow market share and build scale in existing markets like Singapore, Hong Kong, India and the Middle East.

It will also add capability in trust, fiduciary services, margin trading, wraps, and extend geographic reach with new booking centres in Geneva, Monaco, Miami, New York and London.

The acquisition doubles Standard Chartered's US dollar clearing business, reinforcing its position among the leading US dollar clearing businesses. In addition, AEB provides Standard Chartered with a direct euro and yen clearing capability.

In Bangladesh, financial institutions business of Standard Chartered will benefit from the acquisition.

## Pakistan opens micro-insurance agency

Pakistan has opened its first micro-insurance agency that is expected to make affordable life, health, and hospitalisation insurance available to hundreds of thousands of the country's poor.

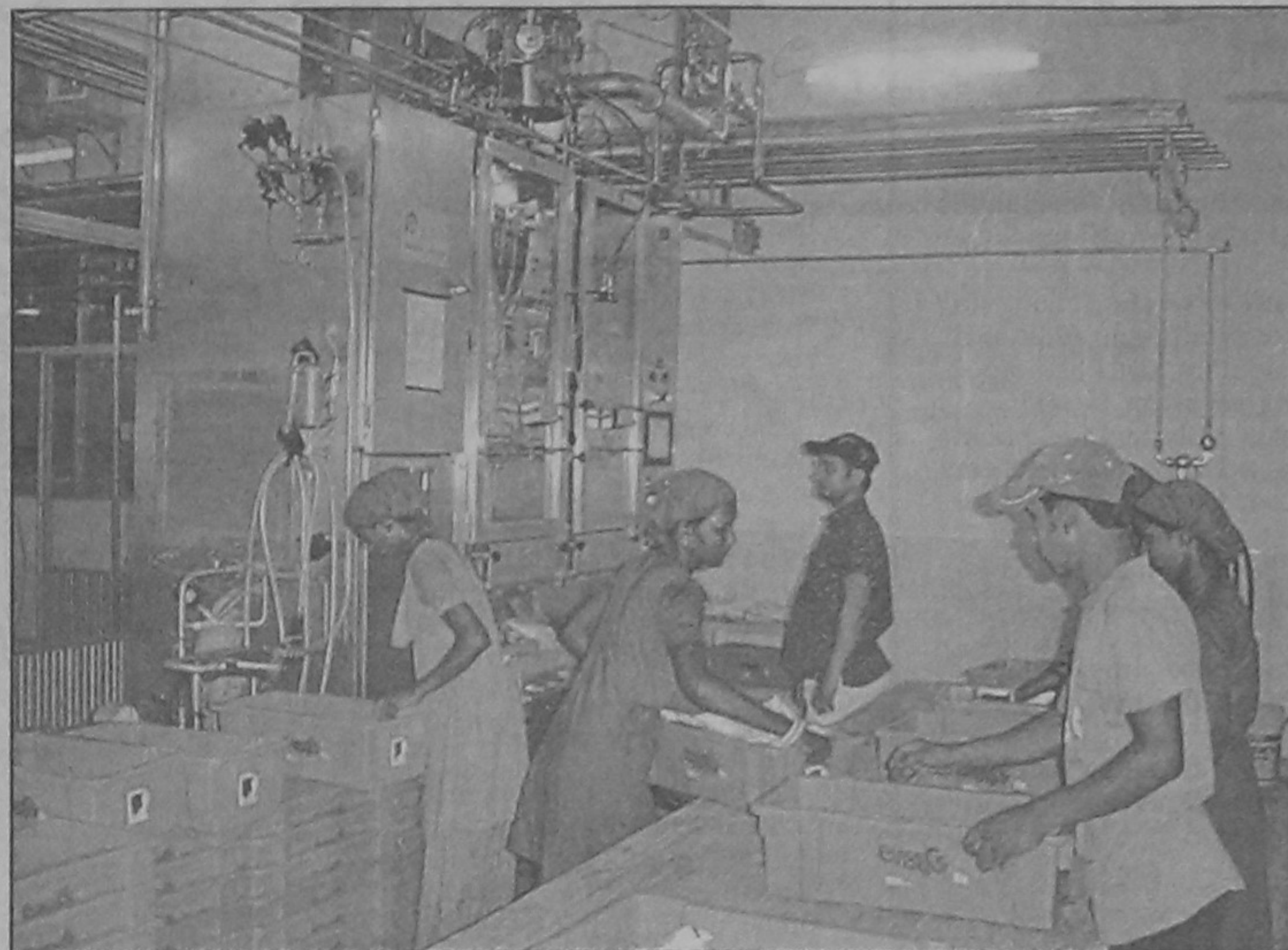
The agency will offer innovative life and health micro-insurance products that are carefully tailored to the needs of poor families, says a press release.

It is working in partnership with New Jubilee Life, a subsidiary of the Aga Khan Fund for Economic Development, and one of Pakistan's leading insurance companies, as its principal insurer.

Micro-insurance includes a range of products that can help the working poor manage their economic hardship such as natural disaster, hospitalisation, or a death in the family.

Less than three percent of people in the world's 100 poorest countries have any type of insurance coverage to protect them from financial shock.

## Rangpur dairy candy plants to start up in April



RAFIQUE SARKER, Rangpur

Two candy making plants of Rangpur Dairy Milk, a farm based in Rangpur district, are expected to go into operations in April.

With a total investment of Tk 20 crore, the two plants will produce milk candy and sweet candy, said Faquruzzaman Jahangir, managing director of Rangpur Dairy Milk.

Inspired by the success in milk business Rangpur Dairy Milk, which was established in 2007, is now going for expansion. The company also plans to produce cheese and sweets in near future.

Rangpur Dairy Milk, which employs around 150 people, now produces pasteurised fresh milk and fruit-flavoured milk. About 10,000 litres of milk are pro-

cessed a day.

The company sources milk from farmers in Rangpur and neighbouring districts. 176 booths have already been set up to collect raw milk.

Bangladesh Bank under its Equity Entrepreneur's Fund (EEF) financed the company.

The managing director of the company said crisis of raw milk is the major problem for the company.

## Govt to give loans to jute farmers

STAR BUSINESS REPORT

The government will give loans to farmers to encourage jute cultivation to boost the country's jute sector.

"The government has undertaken a reform project to boost the sector by helping the jute growers and the BJMC," LGRD Adviser Anwarul Iqbal told reporters yesterday.

Under the programme, farmers in jute growing areas will receive loans, the adviser said emerging from a meeting on implementation of ADP (annual development programme) of Bangladesh Rural

Development Board (BRDB).

A farmer will receive Tk 9,000 for growing jute on an acre of land.

"We will also distribute high-yielding jute seeds among the jute growers through the BRDB," said the adviser.

The government will also issue Tk 1,000 crore bonds to boost jute mills operated by Bangladesh Jute Mills Corporation (BJMC), the adviser said.

Now, 14 jute mills are operated under BJMC.

About the condition of closed jute mill workers, the

adviser said, "Employees of the closed jute mills of BJMC are passing hard days. The government is paying their dues gradually."

Meantime, BJMC Chairman Ataharul Islam and Jute Secretary Abdur Rashid Sarkar had a meeting with Anwarul Iqbal at his office where they discussed agitation of jute mills workers in Khulna.

The adviser, who will attend a cabinet meeting in Barisal on Thursday, will meet the agitating employees at Khulna Circuit House Friday to get a firsthand account of their problems, the BJMC chairman told reporters later.

## NY-based ad firm debuts in Bangladesh

STAR BUSINESS REPORT

A New York-based ad firm, Ogilvy and Mather, started its direct operations in Bangladesh on a joint venture basis yesterday.

"We see the future beyond today" that gets us involved in direct operations in Bangladesh, Miles Young, chairman of Ogilvy and Mather's Asia Pacific zone, told a function in Dhaka.

Ogilvy and Mather Communications Ltd has partnered with Marka, a local company, with 70:30 equity.

Advertisement industry has huge prospects in Bangladesh, said Young.

He said: "With its huge population and consumers, the future of Bangladesh's advertisement industry must be bright."

Young also focused on developing Bangladesh's own brands and building competitions among the firms for a sustainable growth of the industry.

He asked local entrepreneurs to create and develop the idea of brands to promote the economy.

"Bangladesh also needs to develop healthy competitions among the advertising agencies to develop the sector further," Miles added.

The current size of Bangladesh's ad market is around TK1,000 crore.

## DEFTA Partners CEO due today



George Hara, group chairman and CEO of DEFTA Partners and Japanese prime minister's special commissioner on tax reform, is scheduled to arrive in Dhaka today with a 15-member business delegation, says a press release.

DEFTA Partners implements pervasive ubiquitous communications (PUC) in industries through its operations in Tokyo, San Francisco, London, Tel Aviv and Seoul.

Hara is internationally known as a leading edge technology investor and visionary architect in the field of post-computer technology known as PUC.

During his stay, Hara will call on Fazle Hasan Abed, founder and chairperson of BRAC, a leading local non-government organisation. He will also visit BRAC's programmes, particularly BRAC school and Gonokendra Pathagar with internet connection in north-western districts.

Hara along with the delegation will call on the ambassador of Japan and attend a meeting at the embassy where members of Japan International Cooperation Agency (JICA) will also be present.

## Citi's new financial institutions head



Citibank NA Bangladesh has recently appointed Tawfiq Ali to head its financial institutions

business in Bangladesh, says a press release. As head of financial institutions business, Ali will be responsible for managing the bank's relationship with bank and non-bank institutions.

Ali joined Citi in early 2006 and has been working as head of bank relationships for almost two years. Before joining Citi, he worked with ANZ Grindlays Bank and Standard Chartered Bank.

## ICC-B stresses practice of int'l trade, finance rules



Mahbubur Rahman (C), president of International Chamber of Commerce-Bangladesh (ICC-B), is seen at the inaugural session of a daylong workshop on 'International Trade Payment Practices' organised by ICC-B in collaboration with German Technical Co-operation (GTZ), Germany in Chittagong yesterday.

International Chamber of Commerce-Bangladesh (ICC-B) President Mahbubur Rahman yesterday emphasised practice and adoption of various international trade and finance instruments, procedures and rules.

He also said by following Uniform Customs and Practice for Documentary Credits (UCP), banks across the world can voluntarily subscribe to a common set of rules.

The UCP introduces uniformity and predictability, and thus lowers costs, the ICC-B president told the inaugural session of a daylong workshop on 'International Trade Payment Practices' in Chittagong, according to a press release.

ICC-B in collaboration with German Technical Co-operation (GTZ), Germany, organised the workshop.

The ICC-B chief said among the various methods for settling international trade transactions, the most common and

important method is the Documentary Credit, which has been in place since 1933. Its latest available version is UCP 600 that came into effect from July 1, 2007 and will remain in force for the next ten years.

Within South and Southeast Asia as well as the Middle East, Documentary Credits have been very popular, having recorded double-digit growth in usage annually over the last few years. These regions issue more than 25 percent of the world's Documentary Credits, Rahman said.

He said the International Standard Banking Practice (ISBP) is an important guideline for implementing the rules provided in the UCP. Participants in ICC seminars and workshops across the world have indicated that rejection rates have dropped due to the application of the practices that are detailed in the ISBP.

With the approval of UCP 600 in October 2006, it

became mandatory to provide an updated version of the ISBP. Accordingly, ICC Banking Commission approved the ISBP 2007 in April last year.

Stressing the importance of capacity building of professionals, the ICC-B president said the workshops will provide participants with a solid understanding of the various international trade and finance instruments, procedures and rules.

He said participants will also learn about international contracts and payment terms and get an insight into the best method to structure secure trade transactions in order to optimise payment security and secure finance for trade from banks.

The means of dealing with payment problems will also be reviewed, he added.

Around 80 participants from readymade garment units and banks took part in the workshop, the release said.