DHAKA THURSDAY JUNE 5, 2008

3,138.63

6,034.38

Asian Markets

14,435.57

3,369.91

Currencies

68.00

103.58

131.85

JPY 0.64

SOURCE: STANDARD CHARTERED

Commodities

Oil

More News

high at Tk 498.52cr

on May 20, this year.

yesterday.

sugar sought

the country.

children

International

DSE turnover hits all-time

Turnover at the Dhaka Stock

Exchange (DSE) yesterday

hit an all-time high at Tk

498.52 crore, evidence of a

gradual heating up of the

turnover was at Tk 494 crore

**Budget allocation for ethnic** 

Proper planning and alloca-

tion in budget needed to

improve the living condi-

tions of the ethnic commu-

nities, a seminar was told

Bangladesh Sugar and Food

Industries Corporation

(BSFIC) has proposed to the

government a huge increase

in duties on imported sugar

in the upcoming budget to

cut down on the losses

incurred by the sugar mills of

Hazardous life of Cambodian

Cambodia's growing

demand for recyclables has

seen a sharp rise in the num-

ber of child scavengers

trawling through the capi-

tal's waste heaps, many of

them press-ganged into

what advocates say is one of

the world's most hazardous

If you have views on Star

Business or news about

business in Bangladesh,

please email us at

business@thedailystar.net

forms of labour.

Contact Us

Hefty duty on imported

communities demanded

The previous highest

stock market in the country.

SOURCE: AFP

Sell TK.

136.98

0.68

\$124.28

(per barrel)



# Four govt jute mills resume operations next month

### Peoples, Karnafuli, Alim mills, Forat-Karnaphuli Carpet go under private management

JASIM UDDIN KHAN

Operations of four stateowned jute mills will resume in a full swing from next month under private management.

The four jute mills are operators. Peoples Jute Mills Limited, Karnafuli Jute Mills Limited, new scheme allowing operations of those by private entrepreneurs.

As per a private lease agreement, initially for a period of five years, with the government recently, four organisations will go into production from the first day of July.

Corporation (BJMC) Chairman Md Atharul Islam yesterday signed a roadmap with the that these four mills will go into of some of these liabilities. commercial operation from the first day of July."

BJMC:

The Council of Advisers' Committee on Economic Affairs approved the initiative last October to handover the loss making mills to private

'Our efforts are to resume production in the closed jute Forat-Karnaphuli Carpet mills as well as to run existing Industries Limited and Alim mills viably in a larger target Jute Mills Limited. These mills to create the opportunity for are among the 8 jute mills the workers' employment, and to government brought under its some extent, for reemployment of retrenched workers," the BJMC chief

According to the deal, the government will get a lease fee, apart from a share of profits if the private operators can make the mills commercially viable. The operators will bear all Bangladesh Jute Mills liabilities during the lease period. However, the government will have to shoulder the told The Daily Star, "We have previous liabilities and loans. The lease fee will be used by the lease holders which directed BJMC for the reimbursement

On the possible job opportunities for the retrenched Presently, there are 20 jute workers, the BJMC chairman mills under the state-run said such re-employment is



A file photo shows farmers taking jute plants out of the water where those have been put to rot so that the jute fibres can be extracted. Operations of four state-owned jute mills will resume in a full swing from next month under private management.

the leaseholders' choice, as it is other factories under the not mandatory for the new management to consider the

The BJMC will open an office Jute Mills--- will shortly be on the premises of each of the leased-out mills to monitor the mill properties, ownership of which lies upon the govern-

scheme--Qaumi Jute Mills, MM Jute Mills, RR Jute Mills tarian ground. Limited and Dhaka-Baghdad

Meanwhile, 6000 workers, who were retrenched after closure of the four jute mills Atharul Islam said the four that have already been leased

brought under private man-

agement..

out, demanded their reinstatement in the mills on humani-

Sarder Motaharuddin, convener of the Khulna regional unit of Patkal Sangram Parishad, has urged the government to make it mandatory for the mills' new management to re-employ workers at stateowned Peoples Jute Mills and

Alim Jute Mills to avert unwanted situation in the

industrial belt. People's Jute was shut down on August 1, 2007, while Alim Jute was laid off for one month from September 22, 2007.

The decision to lease out the loss making jute mills has been hailed by some jute exporters. Ehsanul Alim Didar, an exporter, said the government will now be able to revitalise the ailing jute sector and save the public sector jute mills from accumulated loss of Tk 47.70 billion until 2006.

At present about 55 lakh bales of jute are produced from 12 to 14 lakh acres of land in the country, but some 70 lakh bales were cultivated on 20 lakh acres in the sixties. In the sixties, the demand for raw jute in the world market was more than 60 lakh bales.

Bangladesh earned US\$ 242.89 million from exports of jute goods during the first nine months (July-March) of the current fiscal, marking a 1.40 percent decline over the last year's level.

The country fetched \$ 127.94 million from raw jute exports during the period, which is a 13.27 percent rise over the last year's corresponding period's performance jasim@thedailystar.net

### BTRC rejects plea for another re-registration chance

STAR BUSINESS REPORT

Around one million mobile phone connections will be cut off for good, as the telecoms regulator yesterday finally rejected operators' plea to offer customers another chance for re-registration.

In a meeting with the country's telecoms operators, Bangladesh Telecommunication and Regulatory Commission (BTRC) said it will not change its position and asked the operators to provide a list of all the disconnected mobile numbers by June 12.

"We requested the regulator to extend the deadline once more as we believe around 1 million customers may face disconnection," said an official of a mobile phone company.

"As the regulator refused our plea, we are sorry to the unregistered customers," he added.

However, BTRC said the customers, who registered before the deadline but did not receive the confirmation message from the respective operators, will be connected if they provide the registration documents.

Earlier in August last year BTRC issued an order to Grameenphone, AKTEL, Banglalink, Citycell and TeleTalk to re-register the customers who bought connections before February 28, 2006. BTRC had to extend the deadline four times.

Afghan technicians work at Hochpharma Corporation in Kabul on Tuesday, the only company producing medicines in Afghanistan. Hoechst Afghanistan was established by Hoechst Germany in the Afghan capital in 1969. The main product of Hotchpharma is branded generic. The next step will be the production of botanical medicines, since Afghanistan has its own long-standing tradition of herbal and botanical medicines. Imported medicines are highly expensive in Afghanistan.

## Security at RMG units sought to ensure export growth

STAR BUSINESS REPORT

Maintaining a 20 percent annual growth in the export of garment items for the next five years largely depends on ensuring security in garments manufacturing units, exporters think.

They said the recent trends of export orders from foreign buyers indicate that the country has the potential to maintain such an export growth for the next five years.

"But, the realisation of this

units," Anwar-Ul-Alam governmental organisations those who were involved in Chowdhury, president of (NGOs) are directly involved Bangladesh Garment in the recent ransacking of Manufacturers and Exporters some garment factories, even over the rumour concerning Association (BGMEA), told a after 99 percent of the garpress conference in Dhaka ment owners already ensured Tuesday. yesterday.

The BGMEA chief said if the recent rampage trends in garment factories continue to close from November of the attainment of the export 2007 to May of this year on the target may not be achieved.

introduce the industrial police to maintain security at the garment production units production units," Parvez cameinto operation. said, adding that some vested quarters and so-called non-

payment of minimum wages.

The BGMEA chief said 203

He said the government's special forces should find out billion.

the ransacking of at least 60 garment factories, at Ashulia the death of two workers last

He also demanded punishment of the real culprits.

The productivity in the garment sector dropped significantly due to frequent power outages and errant gas

In the current fiscal the export earning from the garment sector might reach \$10.6 billion against a target of \$11.9

### US banking chain Wachovia opens office in Dhaka today

STAR BUSINESS REPORT

Wachovia Corporation, one of largest banking chains in the United States, is going to open a new representative banking office in Dhaka today, demonstrating Wachovia's increasing commitment to Bangladesh.

"We have been doing business in Bangladesh since 1999, and we are extremely excited about expanding our presence in this important country," said Chuck Silverman, managing director and area head for the

Asia South region.

"Bangladesh is a growing and vibrant market for international trade, and supporting our correspondent banking clients is consistent with Wachovia's global strategy of providing payment, collections, trade and capital markets solutions to financial insti-

tutions," he said. "With our expanded physical presence, we are wellpositioned to continue providing excellent coverage to our correspondent partners in

Bangladesh," said Yusuf S Saadat, Wachovia's chief representative in Dhaka.

Michael Heavener, executive vice-president and head of Wachovia's Global Financial Institutions and Trade Services Group, is expected to inaugurate the Dhaka representative office.

Wachovia is a diversified financial services company that provides a broad range of banking, asset management, wealth management, and corporate and investment banking products and services.

#### **AB BANK LIMITED**

Head Office: BCIC Bhaban, 30-31, Dilkusha C/A, Dhaka

### **CREDIT RATING REPORT**

	Long Term	Short Term
Entity Rating 2007	A <sub>2</sub>	ST-2
Entity Rating 2006	BBB+	ST-4
Date of Rating	15 May 2008	

Credit Rating Agency of Bangladesh Limited (CRAB) has assigned A2 rating in the long term and ST-2 in the short term to AB Bank Limited for the year 2007.

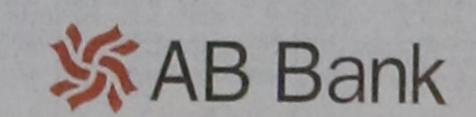
The Bank rated A2 in the long term is adjudged to be strong bank, characterized by good financials, healthy and sustainable franchises, and a first rate operating environment. This level of rating indicates strong capacity for timely payment of financial commitments, with low likeness to be adversely affected by foreseeable events.

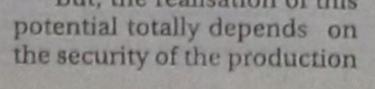
The Bank rated ST-2 in the short term is considered to have strong capacity for timely repayment, characterised with commendable position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.

Dated: May 15, 2008

COGITO/AB Bank/June'08

By order of the Board Sd/-Company Secretary





production units were forced rise in business cost and "The government should labour unrest, adding that supply, he said. during the period 83 new