



# Shipbuilding industry faces setbacks

Committee report says

UNB, Dhaka

A short supply of gas and electricity is among the major hindrances to development of the country's shipbuilding industry although it has already attracted buyers far from Europe, according to a report.

The report submitted recently to the Ministry of Commerce by a committee formed to review the problems and prospects of the shipbuilding industry pointed to the problem.

The committee, led by Director General of the Export Promotion Bureau Md Khalilur Rahman, in its report said the existing ban on import of rail and sheet-pile is also obstructing shipbuilding in Bangladesh.

Bangladesh Railway has imposed the ban.

About infrastructure development, high foreshore charges and charges on erected installations such as service jetty and in some cases duplicate charges are also hindering efforts of the sector entrepreneurs.

It said absence of backward linkage industries delays delivery of ships apart from raising production cost.

The report mentioned that lack of research and development also hampers technological development to stay afloat in the competitive global ship market. "Lack of design firms and expertise in design are also impediments to high value added products," the

report said.

It also criticised the import policy and foreign currency regulation import on CIF.

The report said shipbuilding industry needs a lot of components, parts, and accessories, dearth of which often leads to emergency imports during the construction period. "The existing facilities are not adequate for emergency import requirement," it pointed out.

The report mentioned that compliance issues are not properly followed in the shipbuilding industry.

In the human resource development segment, it pointed out that the existing course curricula of the universities and technical and vocational institutes do not match with the requirements of heavy industries

at large and the shipbuilding industry in particular.

"The number of graduates, skilled supervisors, foremen, specialised welders, fitters and other technical skills which are required for shipbuilding and allied industries are far from the minimum requirement," according to the report.

It said a substantial number of skilled manpower leaves the country for overseas jobs, as there is inadequate number of shipyards in the country.

"The existing technical institutions are less capable of producing the required number of skilled manpower that can be employed in the shipbuilding industry," the report said.

## Major public offerings to expand market

Says analyst

STAR BUSINESS REPORT

Market capitalisation at Dhaka bourse will double in the next three to five years, led by some major public offerings, including that of Grameenphone, said a market analyst.

"Although market capitalisation in our country is smaller than our neighbouring countries', the growth rate is much higher than many," Arif Khan, deputy managing director of IDLC Finance, told a workshop in Dhaka yesterday.

The Capital Market Journalists' Forum (CMJF) and Dhaka Stock Exchange jointly organised the training programme for journalists who are currently involved in capital market reporting.

Khan said the number of listed companies is still not many. "But things are changing fast. Grameenphone, the largest mobile phone operator, has got go-ahead from Securities and Exchange Commission and is ready to be listed on the stock exchanges. Some other big and multinational compa-



Arif Khan, deputy managing director of IDLC Finance, and participants pose for photographs at a training programme jointly organised by Capital Market Journalists' Forum and Dhaka Stock Exchange for reporters yesterday.

nies such as RAK Ceramics and Marico Bangladesh will also make their debut soon," he said.

"If this trend continues, the market capitalisation will double in the next three to five years," he said.

Presently, the market capitalisation of Dhaka Stock Exchange, the premier bourse, is more than Tk 1,31,380 crore, which is around 20 percent of gross domestic product.

Market capitalisation represents the aggregate

value of a company or stock. It is obtained by multiplying the number of shares outstanding by their current price per share.

Some 30 journalists from newspapers, electronic media and news agencies participated in the programme at the DSE training academy. It was the second session of a six-month-long training programme.

President of the forum Ziaur Rahman also spoke at the session.



Civil Aviation and Tourism Minister GM Quader hands over the Best Domestic Airline award to Shahab Sattar, managing director of GMG Airways, at the Monitor-Galileo Airline of the Year Awards 2008 in Dhaka recently.



Chalermphol Thanchitt, Thai ambassador to Bangladesh, and Niaz Rahim, managing director of Rahimafrooz Superstores Ltd, owning company of Agora, inaugurates a month-long Thai product fair at Agora Gulshan outlet to celebrate the holy month of Ramadan. The fair will continue at its four outlets -- Rifle Square in Dhanmondi, Gulshan Avenue, Moghbazar and Zoo Road in Mirpur.

## India to fight drought losses with imports

PALLAB BHATTACHARYA, New Delhi

With drought fears turning real and food prices going through the roof, India has moved into crisis management mode by lining up imports of food grains and agriculture commodities to meet demand-supply gap created by lower production.

"We shall go for imports for any commodity that will be in short supply to

maintain demand-supply mechanism," Finance Minister Pranab Mukherjee told a meeting of agriculture ministers from states here on Friday.

The government has decided to import pulses and oilseeds to meet the shortage, he said, adding that the timing of the import would not be announced as the moment news spreads about India's going for big import, prices in international markets go up.

Of the total of 626 districts in the country, 246 have been declared drought-hit with the annual monsoon rain 26 percent below normal, says the latest report of the met department.

Mukherjee said poor rains would not only affect food grain production but have a "cascading" effect hitting crop planting, hydropower generation, recharging of reservoirs and ground water levels.

## Labour unrest at CEPZ

STAFF CORRESPONDENT, Ctg

Workers of a knitting industry at the Chittagong Export Processing Zone (CEPZ) staged demonstration here yesterday demanding immediate payment of arrear salary and overtime allowances and protesting against curtailing some facilities.

Three officials, including deputy general managers Shafiqul Islam and Masud Ahmed, of Millennium Knitting and Spinning Mills were assaulted by the agitating workers, police said.

Later, they left the factory in the afternoon after being assured of meeting their demands following a meeting between police and the factory authority, said OC Abdul Basit of Bandar Police Station.

## Rice at fair prices for knit workers

STAR BUSINESS DESK

Knitwear manufacturers have signed an agreement with the food ministry to provide rice at cheaper prices for their workers.

Under the deal, which was signed between Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) and the Ministry of Food on Thursday, a knit factory worker can buy five kilograms (kg) of rice a week, totalling 20 kg a month, at a price of Tk 16 per kg, according to a BKMEA press statement.

Badrul Hasan, director of Food Department, and AKM Zahidul Haque Bhuiyan, vice-president of BKMEA, signed the deal on behalf of their respective sides.

## Int'l trade show kicks off tomorrow

STAR BUSINESS REPORT

In a bid to identify and promote deserving women entrepreneurs of the country and beyond, a six-day international trade show will begin in Dhaka tomorrow, targeting the Eid.

Pakistan High Commission in Dhaka will organise the exposition styled "Dosti Women Entrepreneur Trade Expo (WETEX) 2009" at Bangabandhu International Convention Centre at Agargaon.

Women entrepreneurs from at least four countries - Bangladesh, India, Pakistan and China -- will showcase their products and services at 125 stalls at the fair. Zulfiqar Younas, commercial counsellor of the

high commission, said at a press conference in the capital yesterday.

"We are organising the show so that people can get the latest fashion clothes of these countries in Dhaka ahead of Eid," Younas said.

The fair will also help the women entrepreneurs of the country to promote themselves and create links with the foreign women entrepreneurs, he added.

Products including apparel items, fabrics, carpets, utensils, handicrafts, cuisines for Iftar, gems and jewellery, bangles and ladies bags will be on display at the show.

The Pakistani mission is organising the sixth version of the fair in association with MIDAS Financing, BRAC,

SME Foundation, and Dhaka Chamber of Commerce and Industry.

There will be 90 stalls of Bangladesh, 22 of Pakistan, 12 of India and one of China at the show to be sponsored by Bank Alfalah.

"Some companies that are not owned by women entrepreneurs will also participate in the fair this year so that women can compare their business with others," Younas said.

Selected women entrepreneurs of the country participating in the show will also get the chance to take part in an international exhibition in Pakistan.

Deputy Leader of the Parliament Syeda Sajeda Chowdhury is scheduled to inaugurate the fair.

## Walton products to enter KL

UNB, Dhaka

RB Group of Companies Ltd, a leading electrical, electronics and automobile manufacturing and marketing company in Bangladesh, will export its Walton brand refrigerators and motorcycles to Malaysia, said a press release yesterday.

The local company recently signed an agreement with a Malaysian company -- Agate Group -- in Kuala Lumpur.



Md Mizanur Rahman, chief of PRAN Export Ltd, and Aidibe Gihad, director general of Distrimarca Lda Angola, exchange documents after signing a deal in Dhaka recently. The Angolan company has agreed to import PRAN products worth \$3.5 million. (Story on B1)



Information Secretary Dr Kamal Abdul Naser Chowdhury hands over the Integrated Gold Award in effective communication category by Bangladesh Brand Forum to Oddvar Hesjedal, chief executive officer of Grameenphone at a ceremony in Dhaka recently. The mobile operator won the award for its 'Stay Close' campaign.