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**Stocks**

DGEN	0.60%	6,287.53
CSCX	0.35%	12,088.81

(Tuesday closings)

**Asian Markets**

TOKYO	2.70%	9,753.27
SINGAPORE	0.20%	2,985.38
SHANGHAI	2.26%	2,633.66

**Currencies**

	Buy Tk	Sell Tk
USD	69.40	69.41
EUR	90.15	90.18
GBP	107.45	107.50
JPY	0.79	0.79

(As of Tuesday)

**Commodities**

Gold	\$1,164.00	(per ounce)
Oil	\$77.39	(per barrel)

(Midday Trade)

## GMG may fly to Jeddah and Riyadh next month

**SOHEL PARVEZ**

The country's biggest private carrier, GMG Airlines, may begin operations on two major money-spinning routes Jeddah and Riyadh of Saudi Arabia early next month.

The seven-jet carrier wants to fly to Jeddah on August 8 and later to Riyadh, its Chief Executive Christian Heinzmann said.

The airline aims to operate six weekly flights to Jeddah and four to Riyadh.

"We have got permission from the KSA (Kingdom of Saudi Arabia) to operate a total of 10 flights per week on the two routes. And we have decided to utilise all the slots," said Heinzmann in an email reply to The Daily Star.

The entry of the private airline is expected to break the decade-old monopoly of Biman Bangladesh Airlines in Saudi Arabia, employer of nearly 20 lakh Bangladeshi workers and a destination of hajj pilgrims.

At present, Biman and Saudi Arabian Airlines carry bulk of the travellers between Bangladesh and Saudi Arabia.

Heinzmann said the routes are profitable for any airlines operating from Dhaka, and would help GMG generate higher revenue.

"Though I can't give you the exact revenue figure, we expect to grab a big chunk of the market," he said.

The carrier now flies to eight international destinations, including the world's busiest airport Dubai. Now foreign airlines, as a group, enjoy around 71 percent of the more than 35 lakh air-passenger market.

The airline said it would use its newly acquired 264-seater Boeing 767-300 ER aircraft on Jeddah and Riyadh routes.

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## Old ghost haunts Chittagong port

JASIM UDDIN KHAN, from Ctg

Growing unrest among some 5,000 workers in Chittagong Port has doubled turnaround time and fuelled surcharges, said users.

The workers demand more power, while the port users blame the eroding efficiency of the premier port on the power to the dockworkers.

The latest spate of unrest came last Sunday when the dockers launched a 10-day agitation programme, including a strike, asking implementation of the decisions made regarding their earlier demands. However, they called off the programme next day.

They demanded the reinstatement of the dockworkers fired during the last caretaker government regime, the employing of labourers by rotation through a booking centre under Chittagong Port Authority (CPA), the reintroduction of the labour department, and the opening of closed residential buildings.

"If a vessel's turnaround time could be 2.4 days during the caretaker government, why not now?" said MA Salam, a leader of Chittagong Port Users Forum and acting president of Chittagong Chamber of Commerce and Industry.

He said the CPA should tighten its grip and ensure accountability.

Khairul Alam Suzan, an importer, said: "The workers demand money at every point."

"If we don't pay, they start delaying." The average turnaround time has increased to five to six days now from the caretaker government's average 2.4 days, port officials said. The turnaround time was more than 10 days before the caretaker government launched a reform drive.

The port users blame the port management for its soft approach to the workers.

"The CPA is working to activate the central booking cell by empowering the workers' leaders. The port users strongly oppose the step," said Ahsanul Huq Chowdhury, the immediate past chairman of Bangladesh Shipping Agents' Association.

He said the workers should continue under the berth operators to maintain peaceful and efficient services.

The caretaker government dissolved the Dock Workers Management Board that was comprised of more than 10,000 workers from 22 politically associated trade unions, and stevedores. The previous government also sacked over 4,000 workers mainly for their overage and inefficiency.

The government introduced a single-point operation system, replacing the 21-year old stevedoring system on May 16, 2007, and retrenched 4,000 workers to bring efficiency to the port.

But a three-year contract with the berth operators ended on May 16 this year, and the workers started regrouping again to reinstate the sacked workers.

CPA acting Chairman Md Nazrul Islam admitted that the turnaround time has increased.

He said the government has to consider the welfare of both the workers and businessmen, and discussions are going on with all to resolve the problem.

The port users suggested the berth operators control the workers.

"If we are forced to engage an unnecessary number of workers, we will have to stop work and leave the port," said Ahsanul Huq Chowdhury. Putting the workers and staff under the CPA means going back to the past, he added.

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(This is the first part in a series)

## Western Marine launches ice-class vessels



STAFF CORRESPONDENT, Ctg

Marking a milestone in the shipbuilding industry, Western Marine Shipyard Ltd has rolled out two ice-class vessels.

"These are specially designed vessels," said Md Saiful Islam, chairman of Western Marine. Ice-class ships have strengthened hulls to enable them to navigate through sea ice.

EMSSEA -- a 100-metre, 5,200DWT (deadweight tonnage) multi-purpose dry-cargo ship, was the first to leave the docks on Monday. The second -- EMSRIVER -- a sister vessel of EMSSEA, floated yesterday from the shipyard in Chittagong. The EMSSEA is the largest vessel built by a local shipbuilder until now.

The two are part of the 12 vessels worth \$130 million in total, ordered by Grona Shipping, a German company. The vessels will be delivered by 2012 in phases.

Built in compliance with Germanischer Lloyds standard and designed to endure extreme weather conditions, the ice-class vessels will be deployed in the Atlantic Ocean and the Baltic Sea, said the shipbuilder.

"Bangladesh had established its name as a successful shipbuilding nation by delivering such massive vessels," said Sakhawat Hossain, managing director of Western Marine, during the launch.

Marku Vedder, fleet manager of Grona Shipping, also present on the occasion, expressed his satisfaction over the quality workmanship and timely delivery of the ships.

The shipbuilder is now receiving many orders from Germany, Denmark, Pakistan and Middle Eastern countries as Bangladesh is increasingly being recognised as an attractive destination for medium and small vessel building.



Visitors flock to stalls at an international fair, organised by CEMS to exhibit products related to the textiles and garment industry, at Bangabandhu International Conference Centre in Dhaka yesterday. As many as 400 exhibitors have joined the fair.

## Insurers may get SEC waiver

SAJJADUR RAHMAN

Five insurance companies, which have applied for initial public offerings (IPO), may be exempted from having the minimum paid-up capital required by new laws.

The Securities and Exchange Commission (SEC) has recently sent these companies' IPO applications to the finance ministry for consideration.

The Bangladesh Insurance Association (BIA), which represents insurance companies, recommended the move, saying that the new laws are not yet implemented, so the companies should be allowed to have an IPO with their existing paid-up capital capacities.

The companies are Bangladesh National Insurance, Desh General Insurance, Meghna Insurance, Padma Life Insurance and Sunflower Life Insurance.

As per the new laws -- Insurance

Development and Regulatory Authority Act 2010 and Insurance Act 2010, passed in March this year -- companies both life and non-life (general) have to increase their paid-up capital.

The amount of paid-up capital for a general insurance company was raised over 166 percent to Tk 40 crore from Tk 15 crore, and for a life insurance company, it was raised by 300 percent to Tk 30 crore from Tk 7.5 crore.

According to the SEC, Bangladesh National Insurance applied to raise Tk 13 crore by IPO, Desh General Insurance, Meghna Insurance and Sunflower Life Insurance Tk 9 crore each and Padma Life Insurance Tk 11 crore.

"We've sent the IPO proposals of these companies to the ministry of finance. These companies will be exempted from the paid-up capital requirement after the finance ministry's nod," an SEC member told The

Daily Star Tuesday.

AKM Rafiqul Islam, president of BIA, said he has recommended these companies' IPO proposals.

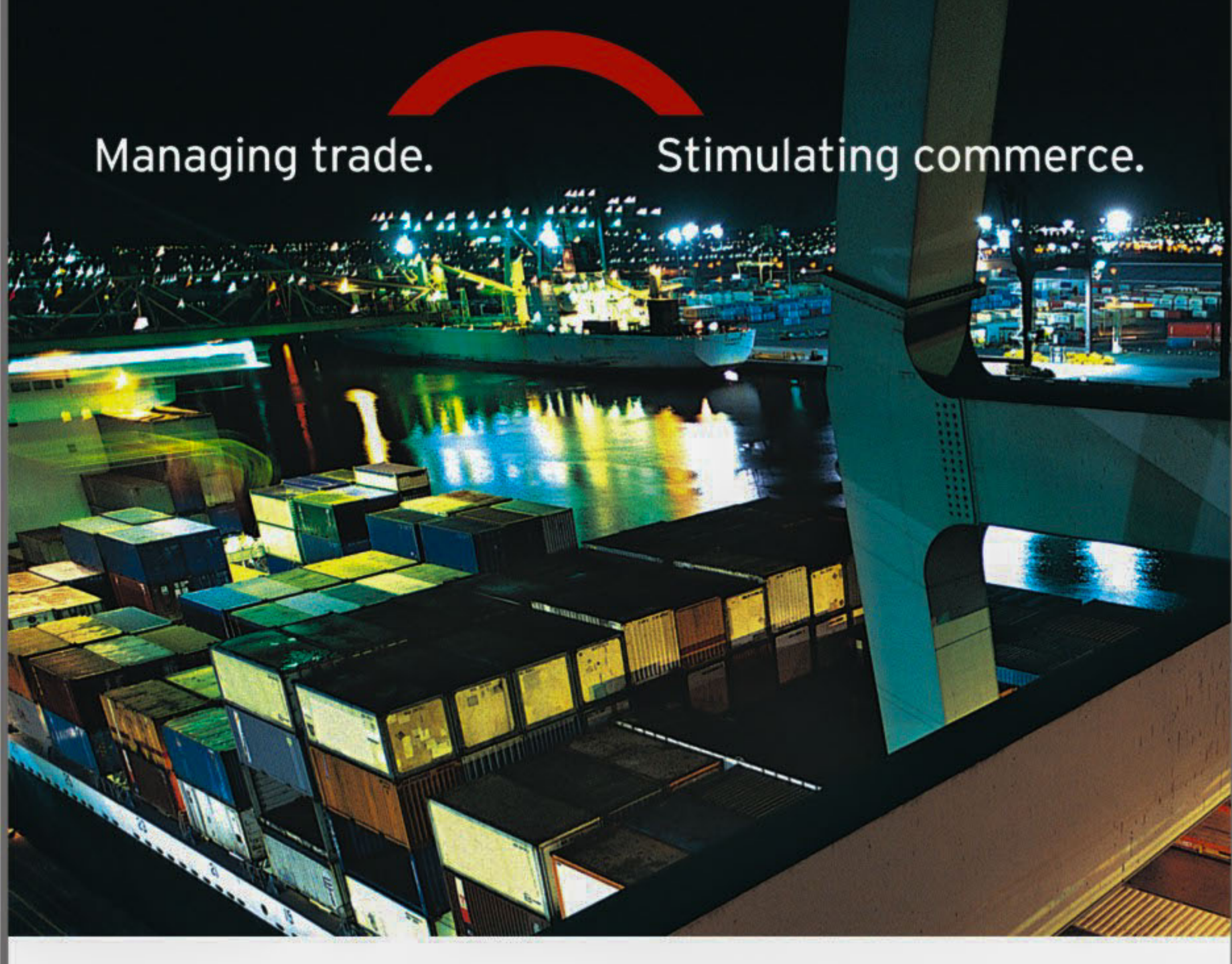
Nasir A Chowdhury, managing director of Green Delta, a leading general insurance company in the country, also supports the IPO move of the five companies.

The insurance industry plays a vital role in Bangladesh's capital market, which has a scarcity of securities. Currently, the insurance sector tops the securities list with 44 companies in the country's two bourses followed by banks 30 and mutual funds 26.

Although 171 government treasuries are listed in the market, not a single one is traded.

Investors believe the listing of five insurance companies would help cushion the bubble market.

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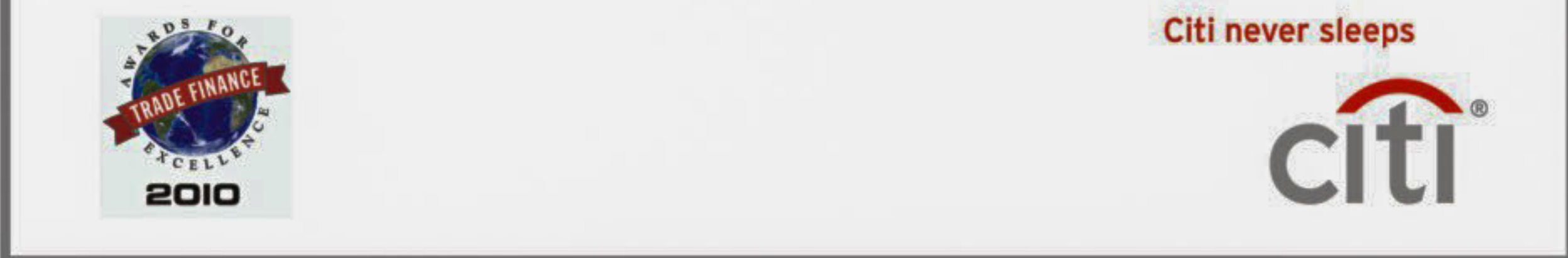
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## Asia spurs air travel growth

AFP, Geneva

International air travel grew faster than expected in June led by a sharp improvement in Asia, airline association IATA said on Wednesday.

Passenger volumes returned to a level one to two percent above the pre-recession peak in the first quarter of 2008, the International Air Transport Association said in its monthly account of air travel.

Passenger demand in Europe nonetheless lagged behind the global increase of 11.9 percent year-on-year in June.