

PHILIPS Bluray Player

- Pure aluminum casing with touch-panel controls
- 7.1 Channel Audio Output with DTS Master Audio
- DVD Video up-scaling to Full HD 1080p
- High quality HDMI Cable - absolutely free

Now at BDT 35,500/-

TRANSCOM
DIGITAL
think electronic. think digital.

Stocks

DGEN	▲ 0.17%	7,492.83
CSCX	▲ 2.62%	14,067.94
(Week-on-week)		

Asian Markets

MUMBAI	▼ 1.82%	20,125.05
TOKYO	▼ 0.87%	9,500.25
SINGAPORE	▲ 0.29%	3,204.27
SHANGHAI	▲ 3.18%	2,971.16
(Friday closings)		

Commodities

Gold	▲	\$1,367.50
(per ounce)		
Oil	▲	\$83.07
(per barrel)		
SOURCE: AFP (As of Friday)		

Banks asked not to charge excess on loans

STAFF CORRESPONDENT

Bangladesh Bank has directed all banks not to take excess service charge against the interest on any type of loans including that for exports.

The BB in a circular on Thursday said some banks are realising extra service charge with the interest on loans, especially export loans, from the borrowers, which is a violation of the central bank rules.



Picture shows the yard of Western Marine in Chittagong. The government now plans a special zone for the shipbuilders.

Zone for shipbuilders soon

JASIM UDDIN KHAN

Bangladesh will establish a special shipbuilding zone to promote the export-oriented shipbuilding sector with the aim of earning \$5 billion a year from exports by 2015, said officials.

The Export Promotion Bureau (EPB), which is leading the plan, is now in talks with top shipbuilding entrepreneurs in the country, they said.

"We plan to establish a shipbuilding zone to accommodate top exporters on the same premises and help the sector expand by providing more incentives and supports," said EPB Vice Chairman Jalal Ahmed.

The shipbuilding and ICT sectors can individually earn up to \$5 billion a year from exports, he said, adding that the government should come forward to expedite expansion of the sectors.

"Bangladesh economy is now dependent on only traditional export items. It needs diversification to sustain. The shipbuilding and ICT

sectors have the potential to diversify our export basket and generate more employment," Ahmed said.

Industry people want the shipbuilding zone at Mongla, Meghna, Patuakhali or Kutubdia but the government will conduct a feasibility study for selecting the site, according to officials.

Ananda Shipyard and Slipways Ltd, Western Marine, Highspeed Shipbuilding, Dhaka Dockyard and Engineering Works, Khan Brothers Shipbuilding Ltd and Karnaphuli Shipyard are the leading shipbuilders that make ocean-going ships for international buyers.

These companies have received export orders of world-class seagoing vessels -- both small and medium -- worth \$478 million with a deadline to deliver those by 2013.

Ananda Shipyard received orders for exporting 28 vessels worth \$348 million from different countries, including the Netherlands, while Western Marine got orders worth

\$130 million to export 12 vessels to a German company.

The global recession rocked many developed countries, and forced them to shift their shipbuilding orders to Bangladesh.

Chief Executive Officer of Dhaka Dockyard Gazi G Rabbani said his company fetched orders of two bulk carriers at \$40 million and two 'goat carriers' worth \$15 million for exports to Middle Eastern countries.

MA Rashid, managing director of Karnaphuli Shipyard, said his company received a good number of queries on dredgers and container ships from the world's top shipbuilders and suppliers, but they are yet to reach a final decision.

The size of the global shipbuilding market is \$400 billion and Bangladesh can easily grab 1 percent of the market equivalent to \$4 billion if the sector gets cash incentive, said the industry people.

jasim@thedailystar.net

Trade unions hurt state banks: Study

STAR BUSINESS REPORT

A strong nexus between trade union and political party acts as a major obstacle to reining in corruption in the state-owned banks, said a research paper published yesterday.

"Trade union leaders are fabulously rich and refuse promotion to remain labour leaders. They dictate transfer, posting and promotion on monetary consideration," said the paper.

"They (trade union leaders) also work as dalals [agents] for getting loans sanctioned." Khondkar Ibrahim Khaled, chairman of state-owned Bangladesh Krishi (agriculture) Bank, carried out the study for International Business Forum of Bangladesh (IBFB) that arranged a discussion on the research findings.

The nationalised commercial banks (NCBs) are getting narrowed down both in deposit mobilisation and lending of funds due to inefficiency and corruption.

The state banks now maintain only 40 percent of the total deposits although they have the largest network of branches. They

had maintained 90 percent of the deposits in 1980s. Access to NCB loans still remains narrow, while scope is wider, said the study.

"The trade unions should not be affiliated with any political party," said Ibrahim Khaled.

Economist Prof Mozaffar Ahmed criticised the government for writing off the interests for many loans.

Chairman of Agrani Bank Prof Khondkar Bazlul Haque said persuasion by influential people is the main problem for the NCBs. He said Agrani Bank is in a pressure to write off Tk 100 crore loans given to the jute sector.

Former top bureaucrat Suhel Ahmed Choudhury said the state banks are hurt not only for the trade unions, but also for corrupt officials.

Dr Iftekharuzzaman, executive director of Transparency International Bangladesh, found a triangle of political authority, officials and the private sector responsible for corruption in the NCBs.

The study suggested that the trade unions should be delinked from the political parties, and only one union should be allowed.

PDB pushes ahead 675mw power plants

STAR BUSINESS REPORT

Five bidders have submitted their request for proposals (RFP) with Power Development Board (PDB) for two power projects that will generate a total of 675 megawatts.

The two gas-fired power plants to be built under the private sector are Bibiyana phase-2 450 MW and Bhola 225 MW combined cycle power projects.

These tenders drew around two dozen of offers when PDB sought pre-qualification documents in May.

Besides the five bidders' move on Thursday, two bidders submitted their RFP for the Meghnaghat phase-2 dual-fuel combined cycle 450 MW private power project in the last week.

The combined cycle plants use the heat generated by simple cycle gas or the oil generator unit to produce extra power and thus, ensure less fuel consumption and a lower cost of power generation.

Officials said these bids would have drawn in more competition if PDB was not so inflexible on the project implementation period. PDB wants that the simple cycle part of these projects be implemented within 24 months of contract and the combined cycle within 36 months.

"Many bidders want more time," said a PDB official, adding that a Malaysian company, YTL Corporation, had quitted from the Bibiyana phase-1 power tender at the last moment because the tendering authority did not want to relax the project implementation period.

The bidders who filed their RFP documents in the Bibiyana-2 project on Thursday are: YTL Corporation, Summit Industrial and Mercantile Corporation along with US General Electric (GE) and Indian GMR.

The Bhola bidders are -- Summit-GE and Malaysian-Bangladeshi joint venture Ranhill-STs.

The Meghnaghat bid drew offers from Malaysian Powertek and Summit-GE.

PDB wants to complete the bidding process within December, so that these plants can launch operations by 2013.

The Bibiyana 2 would use gas from the Bibiyana gas field, while the Bhola power projects from the Shahbazpur gas field.

The Bibiyana field that produces around 700 million cubic feet of gas a day (mcf) is now expected to produce 1,000 mcf by 2013.

Meanwhile, the Power Cell has pre-qualified seven bidders in the second re-tendering of the 450 MW Sirajganj Power project.

These companies are -- GDF Suez Energy of Thailand, local consortium of ERM-Shasha Denim, GMR of India, YTL Corporation of Malaysia, Essar Power of India, Beijing Jingneng Corp of China and Summit. It disqualified one local company -- Rupayan Power.

JAPANESE JET FIGHTER



new compact crossover 4WD
debut in November 2010



Sole distributor
RANGS LIMITED

Dhanmondi showroom: House 80, Satmosjid road, Dhanmondi, Dhaka. Cell: 01713142216, Tejgaon showroom: 215 Tejgaon I/A, Dhaka-1208. Cell: 01713142045, 01713142174
visit : www.mitsubishi-motors.com.bd

51st Branch
@ Haiderganj, Lakshmpur 3713

www.mutualtrustbank.com

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
your care Bank on us