

StanChart to axe 15,000 jobs, raise \$5.1b in turnaround plan



Workers leave the Standard Chartered bank building in Hong Kong yesterday.

Standard Chartered said it would axe 15,000 jobs and raise \$5.1 billion by selling new shares as its new chief executive set out plans to restore profitability to a bank hit hard by an economic slowdown in emerging markets. It will cut 17 percent of the workforce to reduce costs by \$2.9 billion by 2018, and sell or restructure \$100 billion of loans, on a risk-adjusted basis - or a third of its total. CEO Bill Winters, a former JPMorgan investment bank boss who took the helm of Standard Chartered in June, described this as an "aggressive and decisive set of actions" to shore up the company. The news of the rights issue and restructuring came as Asia-focused Standard Chartered (StanChart) posted a third-quarter operating loss of \$139 million, weighed down by growing global regulatory costs and rising loan impairments in India. Revenue dipped 18 percent year-on-year. It was the fifth successive quarter of falling revenue for StanChart, hit by an economic slowdown in Asia - where it earns more than two-thirds of its profits - and rising bad loans, as well as weakening currencies in the region compared with the dollar, in which it reports its results. Its London-listed shares were down 6.2 percent at 669 pence by 0910 GMT, the worst-performing stock on the European bank index. They have fallen 31 percent this year, partly due to expectations Winters would launch a

rights issue and also on the Asian slowdown. "Post restructuring and recapitalisation Standard Chartered will be a stronger and more focused group. But the group will remain a complicated work-in-progress during the upcoming years," said Ronit Ghose, analyst at Citi. Winters was appointed after previous CEO Peter Sands failed to reverse the company's fortunes with restructuring efforts that saw him axe over 4,000 staff. The rights issue, StanChart's first capital-raising in five years, will be launched on Tuesday at a price of 465 pence per share, a 35 percent discount to its last traded price in London. Two new shares will be issued for every seven existing shares. StanChart said Singapore's Temasek, the bank's top shareholder, had indicated it intends to take up its full allocation of the issue, representing 15.8 percent of the existing share capital. "[There is] still a lot of hard work to put in but the path is clear," said Hugh Young, managing director at Aberdeen Asset Management, the bank's second-biggest shareholder, in an email. Standard Chartered also said it would not pay a final dividend for this year, saving the company \$700 million. The capital-raising and asset-restructuring will together push the bank towards a new common equity tier-1 capital (CET1) ratio goal of 12-13 percent, according to the company. The bank's current CET1 ratio - a measure of financial strength - fell slightly in the third quarter to 11.4 percent. It will increase to 13.1 percent after the rights issue. Analysts had expected that Winters would wait until after Bank of England stress test on Dec. 1 before announcing the widely-expected rights issue. StanChart said British regulators were aware of the bank's plans and had not objected. "The capital-raising is clearly good from our viewpoint and so is credit positive. But they have a lot of restructuring costs to get out of the way and so will need more capital to cover these," said David Marshall, credit analyst with independent research firm CreditSights in Singapore.



M Khorshed Anowar, head of direct business at Eastern Bank, and Sajid Israq, director of Israq Spinning Mills, a concern of Ahmed Group, exchange documents of a payroll banking agreement in Dhaka.

BMW says on track to meet targets

German top-of-the-range carmaker BMW said Tuesday it was on track to meet its full-year sales and profits targets, but that the slowing Chinese economy and the precarious state of the Russian market posed challenges for the future. BMW "can look ahead confidently to the remainder of the current financial year and reaffirms its targets for the full year," the company said in a statement. The firm is targeting "solid increases, and hence new record figures" in 2015 for sales volume and group profit before tax.



Atiur Rahman, governor of Bangladesh Bank, launches a corporate social responsibility scheme of City Bank for the residents of former enclaves in Lalmonirhat. The bank will build sanitary latrines and supply corrugated tin and benches to a school in the area.



MA Hashem, chairman of United Commercial Bank, opens the bank's 150th branch in Joypurhat yesterday. Muhammed Ali, managing director, was also present.

Govt mulls ways to invigorate Pangaon

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"It would be wise of the authorities to make the import of some products through Pangaon mandatory after giving incentives to us." Businesses in Dhaka would not object to importing cotton and capital machinery through Pangaon if the government offers incentives and ensures regular schedules, he added. On October 26, the shipping ministry increased the tariff on the river route from Chittagong to Pangaon by 47 percent, frustrating exporters and importers. In a notice, the ministry reset the tariff at \$220, up from \$150, to transport a 20-foot loaded container on the river route. The tariff has been reset at \$110, up from \$75, to transport a 20-foot empty container. For a 40-foot loaded container, the rate is \$440, up from \$300, while it is \$220, up from \$150 for a 40-foot empty container. Hatem said they earlier demanded the government reduce the tariff. "It is not clear on what grounds the tariff has been raised."

Stakeholders also urged the authorities to ensure container security on the river route. Ahamedul Karim Chowdhury, manager of PICT, said the shipping ministry has taken steps to reduce various port charges to attract users. In addition, the ministry has increased the charge-free time for laden containers at the terminal to 10 days from 4 days; the 10-day free time is also offered for empty containers after delivery of cargo, he said. The storage charge at PICT has also been reduced drastically, he added. "It is a kind of incentive," said Chowdhury. The PICT, which began operations in December 2013, is yet to go full steam as businesses continue to shun the facility, mainly because of high freight and tariffs. The PICT was built at a cost of Tk 154 crore to allow businesses to transport export-import containers at low costs and to ease the pressure of cargo movement on the Dhaka-Chittagong railway and highway corridors.

Activision Blizzard to buy 'Candy Crush' maker King for \$5.9b

REUTERS
Video game maker Activision Blizzard Inc said it will buy "Candy Crush Saga" creator King Digital Entertainment for \$5.9 billion to strengthen its mobile games portfolio. ABS Partners CV, a unit of Activision Blizzard, will acquire King shares for \$18 each in cash, representing a premium of 16 percent to King's closing price on Monday.

Social Business Summit kicks off in Berlin today

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The summit is a leading forum for social business, non-loss, non-dividend companies with a social goal. It serves to spread awareness about social business, foster discussions and collaboration between practitioners and stakeholders, as well as present and conceive best practices. Apart from social issues, the event will also address the refugee crisis, a burning topic in Europe and the world in general at present following the arrival of thousands of people fleeing war-torn Syria, Libya and Iraq. The summit has set up a refugee taskforce under the leadership of Ron Garan, a NASA astronaut, and Michael Badics, senior director of Ars Electronica Solutions, a Vienna-based company that creates customised interactive products and services in areas such as exhibitions, event and show design, urban media development and shop experience. They will host meetings during the conference to explore how to use social business tools to mitigate the refugees' risk of poverty and unemployment. Born out of Yunus's experience from running the Nobel Prize-winning Grameen Bank, a social business is a non-dividend company to solve a social problem. Like a non-government organisation, it has a social mission and like a firm it generates its own revenues to cover costs. Investors may recoup their investment. All profits are reinvested for growth and innovation, or to seed new social business ventures. Since its inception, social business has become an important driver in turning unemployment into entrepreneurship in many countries. "We all know about the frustrating situation especially for many young people who are full of creativity and their capacity to do things but remain unemployed," Yunus said. "We have started to campaign to redirect their minds from the traditional path of hunting for jobs to creating jobs for themselves and others through entrepreneurship," he added. Burkhard Kieker, CEO of visitBerlin, said: "We are delighted to have won the Global Social Business Summit for Berlin. The city's inspirational atmosphere is the right place for the international participants of this sustainability conference." In the run-up to the summit, an academia conference took place in Berlin yesterday. Papers on social business -- authored by researchers from countries such as Australia, Bangladesh, India, Germany, the US and Japan -- were presented. The conference was chaired by CB Bhattacharya, a professor of European School of Management and Technology in Berlin, and moderated by Lamiya Morshed, executive director of the Yunus Centre in Dhaka. The Global Social Business Summit began its journey in Germany in 2009. Subsequent events took place in Germany, Austria, Malaysia and Mexico. fazlur.rahman@thedailystar.net



Gas Transmission Company Limited (GTCL)

(A Company of Petrobangla)
Red-Crescent Borak Tower (Level 2-6 & 8)
71-72, Old Elephant Road, Eskaton
Dhaka-1000, Bangladesh

জালালি নিরাপত্তা সর্বোচ্চ অগ্রাধিকার

শিল্পে প্রাকৃতিক গ্যাস গৃহস্থালীতে বিকল্প জালালি

গ্যাস জাতীয় সম্পদ, এর অপচয় রোধ করে জাতীয় দায়িত্ব পালন করুন

Invitation for International Tender

Government of the People's Republic of Bangladesh

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| 1. | Ministry/Division | Ministry of Power, Energy & Mineral Resources/Energy & Mineral Resources Division. |
| 2. | Agency | Bangladesh Oil, Gas & Mineral Corporation (Petrobangla). |
| 3. | Procuring entity name | Gas Transmission Company Limited (GTCL). |
| 4. | Procuring entity district | Dhaka. |
| 5. | Invitation for | Dynamic Balance/Pressure Balance Plug Valve (Size: Size 4", 6" & 8", 600#): 22 Nos. |
| 6. | Invitation Ref No. | 28.14.0000.118.01.006.15. Date: 28.10.2015 |

KEY INFORMATION

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| 7. | Procurement method | Open Tendering Method (International competitive bidding), single stage one envelope system. |
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FUNDING INFORMATION

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| 8. | Budget and source of funds | Company's own source of fund. |
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PARTICULAR INFORMATION

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| 9. | Tender last selling date | 20-12-2015. |
| 10. | Tender closing date & time | Date: 21-12-2015 Time: 2.00pm BST. |
| 11. | Tender opening date & time | Date: 21-12-2015 Time: 2.15pm BST. |
| 12. | Place of tender selling | Funds Department, Gas Transmission Company Limited (GTCL), Red-Crescent Borak Tower (Level-2), 71-72, Old Elephant Road, Eskaton, Ramna, Dhaka-1000, Bangladesh. |
| 13. | Date of selling of tender document | From 04-11-2015 to 20-12-2015 (during office hour). |
| 14. | Place of tender receiving & opening | Committee Room, Gas Transmission Company Limited (GTCL), Red-Crescent Borak Tower (Level-3), 71-72, Old Elephant Road, Eskaton, Dhaka-1000, Bangladesh. |

INFORMATION FOR TENDERER

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| 15. | Eligibility of tenderer | The tenderer should have following eligibility: a) If the tenderer is manufacturer, the manufacturer must submit export track record in supplying of similar items for last 05 (five) years. As evidence, the tenderer must provide satisfactory completion/performance certificates in supplying of similar item from at least 02 (two) clients/purchaser. b) If the tenderer is supplier, the tenderer must submit export track record in supplying of similar items for last 05 (five) years. As evidence, the tenderer must provide satisfactory completion/performance certificates in supplying of similar item from at least 02 (two) clients/purchaser. | | | |
| 16. | Brief description of goods | Procurement of Dynamic Balance/Pressure Balance Plug Valve. The manufacturer/supplier must submit the Valid API certificate (API Spec. Q1 and 6D) issued in favour of the manufacturer to use API Official Monogram, Fire safe design certificate as per API 607/6FA/ISO10497 supported by test report issued by internationally recognized authority i.e. ABS, Lloyds, BV or DNV, and the accreditation by recognized authority to issue ISO 9001:2008/ISO 9002/BS 5750: Part-1/EN 29001/EN 29002. | | | |
| 17. | Price of tender document | Tk. 2,000/= or US\$ 26.00 | | | |
| 18. | Lot No. | Identification of group | Tender security | Destination | Delivery period |
| | Single Lot | Dynamic Balance/Pressure Balance Plug Valve | US\$. 2,730.00 or Tk. 2,13,000.00 | Chittagong Sea Port, Chittagong, Bangladesh as per "C&F Chittagong (by Sea)" | 24-26 weeks from receipt of L/C |

PROCURING ENTITY DETAILS

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| 19. | Name and address of official inviting tender | Deputy General Manager (Procurement) Gas Transmission Company Limited (GTCL) Red-Crescent Borak Tower (Level-2) 71-72, Old Elephant Road, Eskaton Dhaka-1000, Bangladesh Phone: 880-2-9331843, Fax: 88-02-9358100 E-mail: gtcl.procurement@gmail.com |
| 20. | Special instructions | a) No tender document will be sold on the day of tender opening. b) Tender must remain valid for 120 days from the date of opening. c) Tender security is to be submitted in the form of Bank Guarantee as per prescribed format in favour of "Gas Transmission Company Limited". d) If tender opening day happens to fall on any holiday, tenders shall be opened at the same hours on the first subsequent working day. |
| 21. | This tender will be conducted as per the Public Procurement Rules-2008. | |
| 22. | GTCL reserves the right to reject all tenders or annul the tender proceedings. | |

GTPR-20/15-16 GD-3472