

## Stocks

DGEN ▼ 0.57%  
2,634.48

CSCX ▼ 1.69%  
5,209.01  
(Week-on-week)

## Asian Markets

MUMBAI ▲ 2.31%  
9,300.86

TOKYO ▲ 1.60%  
8,076.62

SINGAPORE ▲ 0.63%  
1,715.35

SHANGHAI ▲ 3.97%  
2,181.24  
(Friday closings)

## Commodities

Gold ▲ \$913  
(per ounce)

Oil ▼ \$38.60  
(per barrel)

SOURCE: AFP  
(As of Friday)

## More News

### Study Indian market before FTA



Bangladesh should go for a comprehensive approach, including through research on Indian market, before striking a bilateral free trade agreement (FTA) with India, the biggest economy in South Asia, says a Sri Lankan economist.

### Govt to move on more private portfolio investment

Finance Minister AMA Muhith has put a suggestion that more private sector engagement in portfolio investment could make the capital market buoyant.

### Recession to hit Bangladesh

The global financial crisis will certainly affect Bangladesh as the country is exposed to global economies, said Prof Mustafizur Rahman, executive director of Centre for Policy Dialogue (CPD).

## International

### IMF urges action on stimulus

The roll-out of stimulus packages and the clean-up of banks must be accelerated, the head of the International Monetary Fund said Saturday, urging action to avert "a repeat of the Great Depression". IMF managing director Dominique Strauss-Kahn said stimulus measures announced so far were nearing the IMF's goal of about 2.0 percent of global GDP.

### Economic crisis hits China's toy exports

Growth in Chinese toy exports slowed sharply last year as the global economic crisis hit demand, state media said Saturday, citing customs figures.

## Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at [business@thedailystar.net](mailto:business@thedailystar.net)

# Nasir Glass exports rise on Indian foothold

SAJIADUR RAHMAN

Nasir Glass Industries Limited (NGIL) exported more than Tk 20 crore worth of glass in 2008, a chunk of which went to the northeastern states of India.

The country's largest glassmaker that started commercial operations in September 2005 had explored the new markets over the past two years.

The company exported glass worth about Tk 13 crore in 2007, according to NGIL and bank officials.

"Ninety percent of the company's exports go to the Indian market," said Touhidul Alam Khan, executive vice president and head of syndication and structured finance unit of Prime Bank.

The bank deals with the company export documents.

Both Bangladesh's export basket and markets are limited to a few products and countries. Many say that it is the collective failure of both businessmen and the government to diversify export products and destinations.

Glass has been added to the list of few products -- jute, garments, battery, cement -- that are generally exported to India.

Bangladesh's exports to India are a mere \$350 million against imports worth \$3.5 billion from the next-door neighbour.

"We also export to Nepal, Bhutan, South Africa and Kenya, in addition to the north eastern states of India," said Abu Sayed, general manager (commercial and banking) of NGIL.

"Now the company is trying to explore new export markets including the United States and the oil rich Middle Eastern countries," added Sayed.

NGIL was set up with Tk 200 crore in investment, equipped with the state of the art technology and machinery.

Prime Bank lent Tk 100 crore as a syndicated term loan over a period of six years. Some 14 financial institutions participated in the largest syndicated arrangement in 2003.

In just three years of production, NGIL sales turnover stood at Tk 182 crore in 2008, which was Tk 157 crore in 2007, according to company statistics.

The company manufactures float glass,



Float glass being produced at the plant of Nasir Glass Industries Ltd, which exported glass worth more than Tk 20 crore last year.

reflective glass, tempered glass, coated glass, mirrors, clear and coloured glass.

Besides NGIL, PHP Group also started commercial production of float glass at about the same time. Two other companies Osmania, owned by the government and MEB by Ilais Brothers, a private business house in Chittagong, were in operation earlier.

Currently, all these four companies produce around 350 tonnes of glass a day against their combined capacity of around 400 tonnes, according to the respective officials. NGIL produces 180-200 tonnes a day, PHP produces 100 tonnes on a single day and Osmania and MEB congregate the rest.

Bangladesh had once met 70 percent of its demand for glass by imports, at the time 2003-04. Now the sector exports after fulfilling the country's total market demand for the product. Industry people said the country is saving crores

of money that was previously spent on import of the product.

According to a market study jointly conducted by a local private bank and an international research organisation in 2003, Bangladesh imported 6.51 crore square feet of glass in 2003. The local companies produced 4.14 crore square feet the same year.

Glass is produced with silica sand, dolomite, soda ash and limestone, of which, silica sand represents 70 percent, a raw material available locally.

"The company has already paid back about 70 percent of its syndicated term loan," Touhidul Alam Khan said.

NGIL can produce as much as 20mm thick glass, while the maximum capacity of other companies is 12mm, according to NGIL's production manager.

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# RMG exporters upbeat on target

REFAYET ULLAH MIRDHA

Top readymade garment (RMG) makers are optimistic about meeting the export target in the current fiscal year although exports of some other products from Bangladesh declined in July-December period.

Woven garment surpassed the export target by 2.45 percent, knitwear 2.16 percent, terry towel 10.96 percent and textile fabrics by 8.16 percent during the same period of the current fiscal year, according to data of Export Promotion Bureau (EPB).

Bangladesh exported woven garment worth \$2.805 billion against the target of \$2.738 billion, knitwear \$3.240 billion against \$3.172 billion, terry towel \$66.39 million against \$59.83 million and textile fabrics \$41.63 million against the target of \$38.49 million in July-December period.

But in case of others, particularly fashionable and fancy items, exports declined during the period.

In the six-month period exports of raw jute, handicrafts, jute goods, electronics, leather, frozen foods and ceramic products also declined to some extent due to the ongoing global recession, the EPB data said.

On the other hand, exports of the products like footwear, home textile, petroleum bi-products and computer services maintained a sustainable growth, but not above the target.

Shahadat Hossain Kiron, chairman of Dekko Group, said exports of RMG products maintained a surpassing trend, due to a shift of orders to Bangladesh from other countries like China.

"I think exports of RMG products will not face major setback from the global recession as orders are flowing in and Bangladesh mainly produces basic items," Kiron said.

The export trend of RMG products shows that the target of exporting woven and knitwear worth \$12.267 billion for fiscal year 2008-09 is quite achievable, he said.

Nazrul Islam Swapan, managing director of Nassa Group, said another reason for sustainable export growth even amid global financial meltdown is an increase in productivity.

"Many entrepreneurs are raising their production capacity setting up new machinery in their factories. So Bangladeshi RMG products are maintaining a good export growth," Swapan said.

He said a good number of factories of the competing countries like China and Pakistan have already been shut down due to higher production cost, higher wages and ultimately caught by the global recession.

"The orders from those countries are coming to Bangladesh," Swapan said.

Monjurul Hoque, MD of Minar Industries Ltd, one of the major knitwear exporting companies, said the knitting factories have already diversified their products and improved quality to attract more foreign buyers.

"I introduced at least seven new knitwear items over the last one year to remain competitive in the international market," said Hoque.

He said RMG exports will increase manifold from March-April as many countries have lost buyers.

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# DITF bags Tk 20cr spot orders

STAR BUSINESS REPORT

Businessmen bagged Tk 20.59 crore (\$3 million) worth of export orders from the 14th Dhaka International Trade Fair (DITF), which came to a close yesterday.

"Spot orders show that the products showcased at the fair have international market demand," said Commerce Minister Faruk Khan, releasing the statistics.

Speaking as chief guest at the function, the minister, however, said the links a fair creates between businesspeople is more satisfying than the volume of spot orders.

"A fair is a place where a cross section of people such as manufacturers, exporters and importers come together. The participants use the DITF as a venue to compare their products," Khan said.

The minister has announced that the government is working intensively to build a permanent fair site in three to four years, which will

resolve the difficulties of being affected by rain or wind.

Up to 35 lakh people visited the fair.

The minister hoped that Bangladesh would be able to top the list of RMG exporters in the world in three years from now in line with the sector's growth trend.

President Iajuddin Ahmed inaugurated the month-long fair on January 1, which was later extended by seven days.

A total of 467 companies and organisations, including 22 from 12 other countries, took part in the fair co-organised by the commerce ministry and the Export Promotion Bureau (EPB).

The participating countries include India, Pakistan, Singapore, Thailand, USA, UAE, Japan and Germany. Sri Lanka was the partnering country of DITF-2009.

Commerce Secretary Feroz Ahmed said the government moved to diversify its exports to cut the

country's dependence on a handful of products.

President of Federation of Bangladesh Chambers of Commerce and Industry Annisul Huq said it is possible to bring the annual export earnings from readymade garments to \$25 billion from around \$10 billion now. "But it requires strong steps to boost trade."

"Now 12,000 trucks ply between Dhaka and Chittagong port which will increase to 60,000 and the factories from 4,000 to 12,000. But the question is if the infrastructure of the country will be able to take the load," said Huq, urging the government to build infrastructure for accelerating trade.

At the function, the authorities awarded the fair participants in different categories, including best product quality and best decorations.

Sri Lankan High Commissioner to Bangladesh V Krishnamurti and EPB Vice Chairman Shahab Ullah also spoke.



Visitors return home after shopping on the concluding day of Dhaka International Trade Fair yesterday.

SHAFIQU ALAM

"Growth in the world economy will fall to its lowest annual rate since World War II in 2009."  
- International Monetary Fund (IMF)

## Surviving within Hyper Competition

Grameenphone Presents

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