

New chairman for IFIC Bank



STAR BUSINESS DESK

IFIC Bank Ltd has elected Salman F Rahman as its chairman, the bank said in a statement yesterday.

The election took place at the bank's 33rd annual general meeting in Dhaka on July 26, chaired by Lutfar Rahman, the bank's outgoing chairman.

Rahman, a sponsor shareholder of the bank, is also the vice chairman of Beximco Group.

He is also the chairman of the board of editors of The Independent, a daily English-newspaper published from Dhaka.

Banking key to deeper Britain-India ties

AFP, Mumbai

Britain's finance minister yesterday pinpointed banking and financial services as key to improved relations with India, on his first visit to the country since taking up his post.

Chancellor of the Exchequer George Osborne told business leaders in a speech in Mumbai that financial links were increasingly important and could be a driver of growth in both countries.

Shrimp exports face new hurdle

STAR BUSINESS REPORT

Shrimp exports face a new challenge as European Union has recently imposed rules making it mandatory for at least 20 percent of consignments from Bangladesh to go through a check.

The EU tightened the rules on the ground of a 'lack of appropriate laboratory capacity for the testing of certain residues' risky for human health, according to the Official Journal of European Union.

The latest sanction came into effect on July 15 with exporters fearing that it would hurt their competitiveness by increasing the costs of exports.

The government has moved to cushion exports from the fallout of the EU measure, and now plans to send a delegation to EU headquarters in Brussels by mid-August.

"We are worried. The check will increase the stay time of our consignments at ports and push up the costs of exports," said Maqsur Rahman, vice president of Bangladesh Frozen Foods Exporters' Association.

"We will also have to count increased charges for bank interests, port demurrages and testing fees," said Rahman.

The new EU measure came after the frozen food sector that creates more than 10 lakh jobs witnessed the second straight year of downturn in exports.

Shrimp dominates the export basket of frozen foods, the third biggest exports sector after readymade garments, jute and jute goods.

Frozen food exports, after plummeting 15 percent in fiscal 2008-09 due to a fall in prices amid global recession, dipped 2.06 percent to \$445.18 million in fiscal 2009-10 from \$454.53 million, according to Export Promotion Bureau data.

Processors blamed the fall in exports on the slow recovery in demand after the economic meltdown and a six-month voluntary ban on prawn exports to Eurozone.

The EU took the decision to check 20 percent of consignments observing inade-

quate laboratory capacity for testing certain pharmacologically active substances such as chloramphenicol, tetracycline, oxytetracycline, chlortetracycline and metabolites of nitrofurans, insiders said.

A EU inspection team visited Bangladesh in January this year and found shortcomings in lab testing capacities.

In the past EU used to check Bangladesh's consignments on a random basis. The failure to improve the testing capacities in line with the EU recommendations led to the sanction, the insiders said.

Stakeholders said Bangladesh has four testing machines including two at Department of Fisheries (DoF). The laboratories in Bangladesh are not recognised internationally.

The EU along with seeking testing certificates from Bangladesh on some residues such as oxytetracycline and chlortetracycline wants method validation of parameters of certain antibiotics.

Habibur Rahman Khondaker, assistant director of DoF, however, said they have made progress in various areas including improvement of laboratory facilities and ensuring traceability.

Khondaker claimed that improvement in various areas has reduced the number of rapid alerts issued by EU in case of higher residues. "Last year we got 60 rapid alerts from EU. But so far this year, we have received only six," he added.

"We have completed method validation of parameters for almost all the antibiotic items. Method validation of the remaining parameters is under process and we expect to complete within December," he said.

M Shamsul Kibria, joint secretary of the fisheries and livestock ministry, said a team would visit Brussels to seek withdrawal of the EU sanction.

"We will negotiate for withdrawal of the decision and place our progress reports before them. We will also improve the capacities of our labs to comply with their requirements," he said.



Sir Fazle Hasan Abed, founder and chairperson of Brac, inaugurates the North Gulshan branch of BRAC Bank in Dhaka Tuesday. Muhammad A (Rumeel) Ali, chairman of BRAC Bank, and Syed Mahbubur Rahman, managing director and chief executive officer, are also seen.

SEC approves 3 firms' rights offers

STAR BUSINESS REPORT

Three listed companies have received a go-ahead from the stockmarket regulator to raise capital through issuing rights shares.

The Securities and Exchange Commission (SEC) gave the consents at a meeting on Tuesday, presided over by the commission's Chairman Ziaul Haque Khondker.

The three companies, which received the approval, are: Confidence Cement, Asia Pacific Insurance and

Daffodil Computers, SEC officials said.

Confidence Cement will issue three rights shares against 10 existing shares at an offer price of Tk 700 each, including a premium of Tk 600, Anwarul Kabir Bhuiyan, executive director of SEC, said after the meeting on Tuesday.

The cement manufacturing company will raise more than Tk 50 crore through issuing more than 7.5 lakh ordinary shares of Tk 100 each.

Asia Pacific General Insurance will offer one right share against one existing share at an offer price of Tk 150.

The insurance firm will take Tk 50 as premium for each right share with Tk 100 face value.

The company will collect more than Tk 31 crore by issuing more than 22 lakh rights shares.

With the SEC permission, Daffodil Computers will release one right share against one existing share at an offer price of Tk 10.

The IT company will raise around Tk 20 crore by issuing more than 2 crore rights shares of Tk 10 each.

Indian generator launched

STAR BUSINESS DESK

Metal Plus Ltd Tuesday launched an Indian brand of diesel generator, Eicher Engines, in Dhaka.

The generator features include low fuel consumption and a 250-litre tank, for a continuous run time of up to 2,500 hours.

The generator has one-year warranty with ready availability of spares and 24x7 services.

Aminul Islam, Metal Plus chairman, unveiled the product at a ceremony at Spectra Convention Centre in the city. Vijendra G Gupta, senior general manager for marketing of Eicher Engines, presented the features of the product.

Metal Plus, which has been marketing agricultural tractors of the Eicher Tractor brand of India for the last few years, will market Eicher's diesel generators with 7.5KVA to 62.5

KVA in capacity.

Tarequl Alam Khan, executive director of Metal Plus, announced the official website of the company, www.metalplusltd.com, and a special offer of two air tickets against every single purchase of a diesel generator. The offer is valid until August.

Sadid Jamil, Metal Plus managing director, was also present.

New HR boss for StanChart



STAR BUSINESS DESK

Standard Chartered Bank in Bangladesh has assigned Shah Masud Imam to head the bank's human resources with effect from August 1, the bank said in a statement yesterday.

Imam, an MBA from the Institute of Business Administration of Dhaka University, has been with the bank for the last five years in various senior roles.

His immediate past post was the regional head of corporate affairs for South Asia (Bangladesh, India, Nepal, Sri Lanka and Afghanistan).

He has a diverse work experience with corporate giants such as Unilever, Coca-Cola and Reckitt Benckiser.

Sandeep Mookharjee, who has been leading the bank's human resources in Bangladesh for the past four years, has been relocated to Standard Chartered Singapore to take on a new role.



Shafique Alam Mehdi, civil aviation secretary-in-charge, inaugurates the City Bank American Express Lounge at Shahjalal International Airport in Dhaka on Tuesday. Kula Kulendran, executive vice president and head of global network services for Japan, Asia Pacific and Australia of American Express, was also present.

City Bank opens airport lounge

STAR BUSINESS DESK

City Bank launched the country's first airport lounge at Shahjalal International Airport in Dhaka on Tuesday.

The City Bank American Express Lounge will provide privileged services to American Express Gold cardholders.

The facilities are complementary that include food and beverage and Wi-Fi connections for internet access.

Dhaka Sheraton Hotel will manage the lounge, the bank said in a statement.

Shafique Alam Mehdi, secretary-in-charge of civil aviation ministry, inaugu-

rated the lounge in the presence of Kula Kulendran, executive vice president and head of global network services for Japan, Asia Pacific and Australia (JAPA) of American Express.

Cheng Heng Chew, vice president and head of new business partnerships for JAPA of American Express, Aziz Al Kaiser, chairman of City Bank, and K Mahmood Sattar, managing director and chief executive officer, were also present.

"It set a new benchmark for the travel industry," said the civil aviation secretary.

"The opening of City Bank American Express Lounge is another testimony to our commitment of delivering world-

class service and personal recognition to our card-members in Bangladesh," Kulendran said.

"We'll continue introducing new services and benefits to fulfil affluent customers' needs and contribute to the development of Bangladeshi credit card market."

The City Bank chairman said: "American Express is proud to have done something not only for their card-members but for the tourism sector in Bangladesh."

The bank is the exclusive merchant acquirer and issuer of American Express credit cards in Bangladesh.

Dabur buys Turkish personal care firm

PALLAB BHATTACHARYA, New Delhi

Dabur India has announced its first overseas acquisition buying Turkey's prominent personal care products company Hobi Koznertik Group for \$69 million (Rs 324 crore).

The acquisition by India's leading personal care and food products maker is expected to complete by year-end.

Dabur's overseas subsidiary Dabur International has acquired a 100 percent stake in three Hobi Group companies.

Dabur India Chairman Anand Burman said the move "will help us consolidate our already substantial presence in the Middle East and North Africa region".

Dabur India Chief Executive Officer Sunil Duggal said the acquisition "offers us an entry into Turkey and the company's brands complement our Dabur's portfolio of products".

Established in 1974, Hobi Koznertik is the market leader in Turkey's hair gels segment with a 35 percent market share.

Hobi also markets haircare and skincare products which are sold in 35 countries, including Middle East and North Africa.

Hobi Group posted sales of \$27 million in 2009 while Dabur India reported consolidated net profit of Rs 107.30 crore in April-June, up 20.7 percent from Rs 89 crore in the same-year-earlier period.

EBL mutual fund declares 20pc cash dividend

STAR BUSINESS DESK

The first mutual fund of Eastern Bank Ltd (EBL) has declared 20 percent cash dividend for 2009-10 with record date for entitlement on August 10.

The declaration came from Tuesday's trustee committee meeting presided over by Kamrul Islam Asad, deputy general manager of Investment Corporation of Bangladesh.

Unaudited accounts for 2009-10 show that the fund's net asset value at

market rate stands at Tk 14.72 per unit on face value of Tk 10 per unit. A net profit of Tk 2.40 per unit for the first 10 months of its operation has been registered.

Managed by RACE Asset Management, EBL First Mutual Fund is the first bank-sponsored mutual fund in Bangladesh, which was launched 10 months back.

"We began our journey as an asset management company with the EBL First Mutual Fund, and we are pleased to deliver 20 percent cash dividend to

shareholders now," said Hasan Imam, managing director and chief executive officer of RACE.

Net asset value of the fund grew by 47 percent during the same period, added the statement.

"We hope EBL First Mutual Fund's performance will restore investor confidence in the sector and bring about the recognition that mutual fund shares are profitable investments that give solid returns," he added.

Chittagong chamber seeks govt steps to check Ramadan price

STAFF CORRESPONDENT, Chittagong

Chittagong Chamber of Commerce and Industry (CCCI) has urged the government to curb hoarding in an effort to control the prices of essentials during Ramadan.

In a faxed message to Finance Minister AMA Muhith on Tuesday, CCCI President MA Latif put forward a set of recommendations to assess the volume of hoarded goods and

sought his intervention in Ramadan prices.

The chamber suggested a regular quantitative assessment of the imported essentials and locally produced consumables and stocks.

It said this move would check hoarding and artificial crises created by some dishonest importers and producers.

The first recommendation was to issue directives to banks asking

them to send in reports informing the finance ministry of the quantity and value of goods in line with the letters of credit.

The second recommendation was for providing the ministry with the payable VAT figures on products and quantities of goods produced and held in stock at the production units and directing importers to inform the ministry of the total quantities of import and the stocks

of imports after sale.

In the third recommendation, CCCI said the government should open a probe into why some essential items jumped on the local market when the international market was unchanged.

"Even if there was any price hike on the international market, it should take at least two months to affect the local market," said the CCCI chief.



Abdul Aziz, president of the Institute of Cost and Management Accountant of Bangladesh (ICMAB), and George Glass, president of Chartered Institute of Management Accountants (CIMA), exchange documents after signing a memorandum of understanding in Dhaka recently. ICMAB students will now get credit exemptions from CIMA certificate levels.