



BGMEA
Shafiu Islam Mohiuddin, newly elected president of Bangladesh Garment Manufacturers and Exporters Association, poses with other new members of the trade body after its 28th annual general meeting in Dhaka yesterday.

Nitol-Niloy and Amrit sign \$10m deal

STAR BUSINESS DESK

Nitol-Niloy Group of Bangladesh signed a joint venture agreement with Amrit Group of India in Dhaka on Saturday.

The venture will invest around \$10 million in a span of two to three years in various sectors of poultry industry such as feed manufacturing, breeding farm, hatchery, commercial farming and chicken processing.

The agreement was signed by Abdul Musabbir Ahmad, managing director of Nitol-Niloy Group and Harish Bagla, managing director of Amrit Group of Companies.

Ahmad said, "People of Bangladesh including women lack a sufficient intake of 22 amino acids. Growth of the poultry sector will enable them to have chicken at an affordable price. This will help them get protein and

ensure balanced physical growth." "There is immense scope for growth in Bangladesh's poultry sector, now growing at a 20 percent rate. We want to be part of the growth," said Bagla.

Nitol-Niloy Group is a leading corporate house of Bangladesh having business interests in cement, paper, automobile, insurance and finance sector, with a turnover of Tk 2,000 crore.

Amrit Group, starting out in 1994, is one of the fastest growing corporate houses in India with an annual turnover of Tk 2,400 crore. Growing at a rate of 40 percent over the last two years, the group has diverse business as animal feeds, poultry, processed food and dairy.

Abdul Matlub Ahmad, chairman and Selima Ahmed, vice chairman of Nitol-Niloy Group, were present on the occasion.



NITOL
Nitol-Niloy Group of Bangladesh signed a joint venture agreement with Amrit Group of India in Dhaka on Saturday to invest around \$10 million in different sectors in the country's poultry industry. Abdul Musabbir Ahmad, managing director of Nitol-Niloy Group, and Harish Bagla, managing director of Amrit Group, inked the deal.

ICB to seek approval from SEC for Bangladesh Fund

GAZI TOWHID AHMED

State-run Investment Corporation of Bangladesh (ICB) will submit the Bangladesh Fund to the Securities and Exchange Commission this week for approval, in an effort to boost investor confidence.

"After getting the green light from the SEC the fund will be invested in the market," said Md Fayekuzzaman, managing director of ICB and also the organiser and manager of the fund.

He said Agrani Bank will sponsor Tk 250 crore and Jiban Bima Corporation Tk 50 crore, but they are yet to disburse their shares of the fund. If Jiban Bima does not sponsor, Sonali will sponsor the portion of Jiban Bima, Fayekuzzaman said.

Eight state-owned financial institutions including ICB, five commercial banks and two insurers announced the Tk 5,000 crore fund on March 6 to buy shares to halt a bearish trend of the capital market.

Among the eight state-owned sponsors of the fund six have gotten approval from their board meetings and decided to sponsor Tk 1,200. ICB will give Tk 500 crore, Sonali Bank Tk 200 crore, Janata Bank Tk 200 crore, Rupali Bank Tk 100 crore, Bangladesh Development Bank Ltd (BDBL) Tk 100 crore and state owned insurance Shadharan Bima Corporation Tk 100 crore each to form the fund to stabilise the capital market. The primary size of the fund is Tk 1,500 crore than it will be increased as per the market condition.

ICB discussed submitting the fund with the SEC on Thursday, said a source on SEC.

To make the open-ended mutual fund investor-friendly the government would offer tax exemption and other benefits.

The individual and institutional investors shall be able to whiten their undisclosed money by investing in the fund after paying 10 percent flat in taxes, said government officials.

Bangladeshis living abroad also should be able to invest in the fund, said ICB.

Bangladesh Fund is an open-ended mutual fund and there is no uncertainty about the fund though a multinational organisation said it will fail to make a positive impact on capital market, said a source of ICB.

An open-ended mutual fund is a professionally managed collective investment scheme that has unlimited lifetime and size. The fund manager pools money from many sponsors or investors through its selling agents and invests it in stocks, bonds and short-term money market instruments

Probe report speculation rattles market

STAR BUSINESS REPORT

Turnover dropped sharply on the Dhaka Stock Exchange yesterday, as investors feared a negative impact of a probe report expected to be submitted to the government on March 31.

Daily turnover on the DSE dropped to Tk 241.85 crore from the previous day's trading which stood at Tk 625.15 crore. Turnover was Tk 564.96 crore on March 6 as investors went into heavy buying following a declaration of the Tk 5,000 crore Bangladesh fund.

The benchmark general index of DSE shed 70.18 points,

or 1.13 percent, to close at 6,094.64 points. The general index of DSE lost 433.57 points all together in four days.

The selective price index of Chittagong Stock Exchange lost 67.31 points, or 0.64 percent, to close at 11,074.17 points.

On January 25, the government formed a three-member committee headed by Krishi Bank Chairman Khondkar Ibrahim Khaled to probe massive swings in the stockmarket in the last two years.

Market insiders said investors, including the institutions, went into panic sales of shares as they seemed unsure about how the market would behave

after the release of the investigation report.

Institutional investors adopted a wait-and-see approach as some of them have faced a credit crunch, said insiders.

Some investors went for massive sell-offs as they tried to leave the market after recouping some losses, said a stock broker.

Saiful Islam, vice-chairman of BRAC EPL Investment and managing director of BRAC EPL Stock Brokerage, said investors were not sure about what will happen after the submission of the investigation report.

Most investors speculated that the probe report would name

some big market players, including businessmen, politicians and bankers as responsible for the debacle in January, he said.

He said institutional investors would not go for big buying of shares on the day fearing that the market will fall further.

The trading volume also dropped to 137,353 from that of the previous day's volume 176,218.

Of the total 260 issues traded on the DSE floor, 127 advanced, 126 declined and seven remained unchanged. Most share prices of all major sectors such as banks lost 2.44 percent, non-bank financial institutions

1.43 percent, fuel and power 0.29 percent, while pharmaceuticals gained 0.23 percent on the day.

Beximco topped the turnover leaders with 10.71 lakh shares worth Tk 31.59 crore traded on the day. The other turnover leaders were Golden Son, Titas Gas, People's Leasing and Financial Services, R N Spinning, Maksons Spinning Mills, Deshbandhu Polymer, Aftab Automobiles, Bextex and Singer Bangladesh.

BD Autocars was the biggest gainer of the day, posting an 8.58 percent rise in its share prices, while Sonargaon Textiles was the worst loser slumping by 37.84 percent.



CBC
Commercial Bank of Ceylon has organised a daylong training programme on Negotiable Instruments Act-1881 at its head office in Dhaka recently. Forty-five people from the bank's different departments attended the programme.



BANK ASIA
Mohd Safwan Choudhury, vice chairman of Bank Asia, inaugurates the bank's Sylhet Uposhohor branch yesterday.

Lender to LatAm eyes funding boost

AFP, Calgary, Canada

The Inter-American Development Bank (IDB) hopes to double its loans to the private sector in Latin America and the Caribbean, to \$3.0 billion by 2015, the US-based organization said Saturday.

The announcement came at the Washington-based IDB's annual meeting in this Canadian plains city.

The private sector creates an average of 90 percent of jobs region-wide, and more than two thirds of that figure are in small and medium-sized businesses.

As a whole, Latin America is forecast to

grow 4.3 percent in 2011 according to IDB figures, rosier than many regions around the globe.

The 48 IDB member countries last year approved a capital increase to 70 billion dollars, the biggest increase in its history.

The IDB last year was pressed by donor countries such as the United States to increase help to private business, after lending more than \$1.3 billion to Latin America's private sector in 2010.

The institution is also under the gun to eliminate earthquake-stricken Haiti's debt, and to initiate internal reforms.

Decision on cotton-waste export today

REFAYET ULLAH MIRDHA

The government will take a decision on the exports of cotton-waste, a by-product from spinning mills, an official said yesterday.

"The decision will be taken at an inter-ministerial meeting tomorrow [today]," said Monoj Kumar Roy, joint secretary (export) of the commerce ministry.

The government took the move when the denim and terry towel makers have complained about the scarcity created from the exports of the cotton-waste at the price fixed by the government.

Last week, the textiles and jute ministry sent a letter to the commerce ministry asking to impose a ban on exports of cotton-waste as the prices of the item soared in the local market.

Earlier, in June 2008, the government fixed the minimum export price of cotton-waste at \$1.60 per kg, to prevent exports of the item at lower prices by a section of unscrupulous traders.

Recently, the prices of cotton-waste

increased in the local market with the price hike of raw cotton worldwide.

Bangladesh Terry Towel and Linen Manufacturers and Exporters Association (BTTLMEA) submitted a letter to Bangladesh Tariff Commission last September, urging the government to impose a ban on exports of cotton-waste

to make the item available in the local market.

The country's spinning mills can supply seven lakh tonnes of cotton-waste against a demand of more than 14 lakh tonnes a year, said Shahadat Hossain Sohel, an executive member of the BTTLMEA.

The data from the state-owned Export Promotion Bureau (EPB) shows that exports of terry towels declined by 3.25 percent in July-February period compared with the same period a year earlier.

In July-February period the country exported terry towel worth \$83.74 million against \$86.55 million in the same period a year earlier, the EPB data said.

Recently, the prices of cotton-waste

Recently, the prices of cotton-waste increased in the local market in line with a global hike



NCC BANK
NCC Bank Director Md Nurun Newaz Salim inaugurates the bank's 80th branch at Chagalnaiya in Feni recently. Managing Director Mohammed Nurul Amin was also present.

China Eastern announces new flight schedule

STAR BUSINESS DESK

China Eastern Airline has announced a new schedule of their daily flight from Dhaka, effective from today, the airliner said in a statement yesterday.

From now, the flight MU5701 will depart daily from Dhaka at 0155 hours and will arrive Kunming at 0530 hours and Beijing at 1045 hours.

The change has been done to facilitate Bangladeshi passengers to save time and costs as well as to ensure same day connectivity to all over China and all other international destinations of Asia, Europe, Australia and North America.

China Eastern has also announced a very attractive package for the Guangzhou Trade Fair 2011 with China visa assistance.

They have offered attractive fare starting from \$290 for China, \$220 for Bangkok, Hong Kong, Singapore, Taipei, Kuala Lumpur, Laos, Myanmar and Cambodia and \$280 for Japan and Korea and \$650 for New York, Los Angeles, Vancouver and Australia.

The package includes baggage allowance of 30kgs, Eastern Holidays, Eastern Miles and tour packages. They have also announced a very attrac-

Sinopec profit up 14pc

AFP, Beijing

China's Sinopec said Sunday its 2010 net profit rose nearly 14 percent on higher oil prices and strong domestic demand for refined oil and chemical products.

Asia's largest refiner reported a net profit of 71.8 billion yuan (\$11 billion), up from 63.15 billion yuan in 2009, the company said in a statement to the Hong Kong Stock Exchange.

Revenue reached 1.91 trillion yuan, up 42 percent from the 1.35 trillion yuan recorded in 2009, according to international accounting standards.

Beijing-based Sinopec attributed its "good financial results" to China's rapid growth, robust demand and "the increase in the price of crude oil, oil products and petrochemical products."