

Relocate to Bangladesh, IBCCI urges Indian industries

STAR BUSINESS REPORT

India-Bangladesh chamber of commerce and industry (IBCCI) yesterday urged the Indian entrepreneurs to shift their production base to Bangladesh to use its duty and quota free market facilities.

"Indian industrialists can enhance their global competitiveness by transferring production bases to Bangladesh as it has duty and quota free market access in the major global markets as a least developed country," said Abdul Matlub Ahmad, president of IBCCI.

The Indian entrepreneurs should consider Bangladesh as a production hub as it will ensure competitive price of their products, he added.

Indrajit Lahiri, secretary general of IBCCI, said: "Indian investors can gain the competitive edge by shifting their production base here as it will help them enjoy the low cost advantage."

Ahmad, who is also the chairman of Nitol-Niloy Group, said,



Abdul Matlub Ahmed, president of the India-Bangladesh Chamber of Commerce and Industry, speaks at a press conference, organised in connection with the upcoming Indo-Bangla Trade Fair-2011 at Sonargaon Hotel in Dhaka yesterday. Indrajit Lahiri, secretary general of IBCCI, and Kazi Wahidul Alam, chief coordinator for the fair, were also present.

"The good news is that some Indian companies have already started relocating to Bangladesh. For example, Arvind Ltd and SRA group of India has already signed deals to start operation."

He was speaking at a press conference on Indo-Bangla

Trade Fair 2011 at Sonargaon Hotel in Dhaka yesterday.

IBCCI will organise a trade show styled "The second Indo-Bangla Trade Fair 2011", with support from the Indian High Commission in Dhaka.

The joint trade show will start

on Thursday at Sonargaon Hotel in Dhaka and end on Saturday with special focus on trade and investment between the two countries.

More than 40 leading Indian and Bangladeshi companies such as Tata Motors, Asian

Paints, Arvind Ltd, Marico, Otobi, Bashundhara Group, BSRM Steels and Energypac will display their products in the fair.

Dilip Barua, minister for industries, is expected to inaugurate the three-day fair at the opening ceremony. Mashiur Rahman, advisor to the prime minister, will be present as the chief guest, while S Hiato, minister for industries, Mizoram Government of India, Rajeev Singh, director general of Indian chamber of commerce, and Rajee Mitter, Indian High commissioner in Bangladesh, will be present as special guests.

A seminar on "Strengthening Indo-Bangladesh Business Ties: North-East India Perspective" will also be held on the sideline of the fair.

A delegation of 25 members of Confederation of Indian Industry will take part in the fair to explore the business opportunities in Bangladesh.

The fair will remain open for the visitors from 10am to 8pm with an entry fee of Tk 20.



DHAKA BANK
Abdul Hai Sarker, founder chairman and director of Dhaka Bank, opens a branch of the bank in Sirajganj recently. Reshadur Rahman, chairman, and Khondker Fazle Rashid, managing director, were also present.

New DMDs for Bank Asia



Irteza Reza Chowdhury **Mohammed Roshangir**

STAR BUSINESS DESK

Bank Asia has recently appointed Irteza Reza Chowdhury and Mohammed Roshangir as deputy managing directors of the bank.

Prior to the appointment, Chowdhury was the senior executive vice president and head of international division and Roshangir was the senior executive vice president and zonal head for Chittagong.

A postgraduate in political science, Chowdhury got a banking diploma in 1983. He joined Bank Asia in 1999. He also served the Bank of Credit & Commerce International (overseas) Ltd in Bangladesh, China and Union Bank of Gambia, Kitwe, Lusaka in different capacities.

Roshangir completed his graduation in management from Chittagong University and MBA from the IBA under Dhaka University. He joined Bank Asia in 2005. Before joining the bank, he also served National Bank and Gulf Overseas Exchange Co. LLC, Oman and Dhaka Bank.

Reliance declares 35pc stock dividends

STAR BUSINESS DESK

Reliance Insurance yesterday declared 35 percent stock dividends for the year 2010 at its 23rd annual general meeting, said a statement.

During the year 2010, the company earned a gross premium income of nearly Tk 1.25 billion and pre-tax profit of over Tk 287 million, which was over Tk 146 million in the previous year.

Abdur Rouf Chowdhury, chairman of the board of directors, presided over the meeting at Bangabandhu International Conference Centre in Dhaka.

Later in the meeting, Rajiv Prasad Shaha and Shamsur Rahman were unanimously elected as

Abdur Rouf Chowdhury, chairman of Reliance Insurance Ltd, presides over the insurer's annual general meeting at Bangabandhu International Conference Centre in Dhaka yesterday. The company has declared 35 percent stock dividends for 2010. Akhtar Ahmed, managing director, and Rokia Afzal Rahman, a member of the Board of Directors, were also present.

RELIANCE INSURANCE

US consumer spending slows in March

AFP, Washington

US consumer spending slowed in March even as Americans saw a slight rise in income, official data showed Friday.

Spending rose a seasonally adjusted 0.6 percent after an upwardly revised rise of 0.9 percent in February, the Commerce Department said.

The increase was slightly better than the average analyst estimate of 0.5 percent increase in consumer spending, a key driver of the US economy.

"Consumers continue to grow their spending despite rapidly rising gasoline prices and confidence that has suffered since gasoline prices started rising," said Scott Hoyt at Moody's Analytics.

"That said, real spending growth was modest, lagging its fourth-quarter pace in both March and the first quarter as a whole."

Personal income growth was 0.5 percent in March, while disposable personal income grew a more robust 0.6 percent.

Both income and disposable income rose 0.4 percent in February.

Singer profit swells on share disposal

STAR BUSINESS REPORT

Singer Bangladesh's net profit swelled by 405 percent last year due to the sale of its entire shareholdings in a leasing and finance company.

Its operating profit also soared 372 percent in 2010 compared to a year ago.

Disposal of 35.57 percent shareholdings in International Leasing and Financial Services Limited (ILFSL) has paid off Singer Bangladesh nearly Tk 180 crore, which has also helped the company give its shareholders a record 675 percent dividends for 2010.

An annual general meeting approved the dividend on Wednesday.

Due to sale off ILFSL shares, operating and net profit soared to nearly Tk 227 crore and Tk 197.3 crore respectively in 2010 compared to less than Tk 48 crore and Tk 39 crore in 2009.

Earnings per share also jumped to nearly Tk 880 in 2010 from Tk 177 in 2009 and only Tk 80 in 2008. Proportionately, net assets per share and return on shareholders' equity also rose significantly. Debt equity ratio came down to less than 20 percent at the end of 2010 from over 70 percent a year ago.

Net income of the company, excluding profit on disposal of ILFSL shares, was Tk 34 crore only.

"Although the company offered hefty dividends, it has also retained sufficient profits for expansion and growth of the business," said a senior Singer Bangladesh official.

Earlier in November last year Singer Bangladesh came to the limelight after signing a sale agreement with a consortium led by Beximco Group Vice Chairman Salman F Rahman.

As per the deal, the cut-off time for transferring the Singer Bangladesh's shares to new buyers was on March 7. According to the deal, Singer Bangla-

desh was supposed to sell 1,234,124 shares (55 percent stakes) out of its total holding of 1,682,731 shares.

But the turbulent stock market conditions had forced Singer's owners to terminate the proposed deal.

Officials said the company in early 2010 had decided to offload lease-financing business from its operation. Accordingly, the company sold out its entire shareholdings in ILFSL at Tk 179.55 crore.

Disposal of ILFSL shares has fuelled Singer Bangladesh's non-operating income to Tk 188.63 crore at the end of 2010 from a mere Tk 21 crore a year ago.

A reduction in operating expenses -- by 15.19 percent in 2010 -- also helped the company post a good growth.

Sales turnover of the company grew less than 10 percent to Tk 483 crore in 2010 from Tk 439 crore in 2009.



Muhammad Qayyum, managing director of Bata Shoe Company (Bangladesh) Ltd, inaugurates a new store of the company at Gulshan 1 in Dhaka recently.



Duncan Learmouth, chairman of GlaxoSmithKline Bangladesh Ltd, presides over the company's 38th annual general meeting at Hotel Agrabad in Chittagong on Thursday. The company approved 200 percent final dividend for 2010. M Azizul Huq, managing director, also attended the meeting.

Spanish jobs a black hole amid black economy

AFP, Madrid

Spain's unemployment rate, already the highest in the industrialised world, soared to a 14-year high just as the government attacked illegal jobs which experts say cast doubt on the figures.

Official data Friday showed the jobless rate leapt to 21.29 percent in the first quarter, the highest level since the beginning of 1997, when it was 21.30 percent.

The figures were published by the national statistical institute INE against a background of severe strains on the Spanish economy arising from depressed economic activity and high public deficits and debt.

Just hours later, the government approved a raft of measures to combat the so-called "black" economy which is believed to represent almost one quarter of the economic output of Spain where several