

Emirates Group posts \$845m net profit

STAR BUSINESS DESK
The Emirates Group yesterday announced its 25th consecutive year of profit and company-wide growth ending the year in a strong position despite high fuel prices and a weak global economic environment.

The company posted an \$845 million net profit, up 34 percent from last year, according to the Group's annual report for 2012-13 released yesterday.

The Group's revenue reached \$21.1 billion, an increase of 17 percent over last year's results, and cash balance grew by 53 percent reaching a solid \$7.3 billion, said a statement.

"Achieving our 25th consecutive year of profit in a financial year with our largest ever increase in capacity across the network is an achievement that speaks to the strength of our brands and our leadership," said Sheikh Ahmed bin Saeed Al Maktoum, chairman and chief executive, Emirates Airline and Group.

"Throughout the 2012-13 financial year, the Group has collectively invested more than \$ 3.8 billion in new aircraft, products, services and

handling facilities as well as the newly opened JW Marriott Marquis Hotel in Dubai," Maktoum said.

This investment has resulted in an increased customer base and a rise in global brand awareness.

"Every dirham that we earn is strategically placed back into our business and it is this tenacious approach that has allowed the Group to maintain such strong and consistent profitability under challenging circumstances."

Emirates Airline, the main sister concern of the Group, continued with its growth plan and during the financial year saw the largest increase in capacity in the airline's history receiving a staggering 34 new aircraft, the highest in any single year.

Other significant capacity increases include launching 10 new destinations across six continents, shipping more than two million tonnes of cargo for the first time and carrying of 39.4 million passengers, which is 5.4 million more over last year.

Emirates' revenue reached a record high of \$19.9 billion growing by 17 percent when compared to the

2011-12 financial year.

The airline's profit stood at \$622 million representing an increase of 52 percent over last year's results.

Emirates' Destination and Leisure Management including hotels saw revenue of \$125 million, an increase of 15 percent over last year.

The positive development was supported by the opening of the JW Marriott Marquis Hotel in Dubai, the world's tallest hotel, at the end of 2012.

In the 53 years of dnata, the year 2012-13 has been its most successful yet, coming on the back of very strong results in 2011-12.

Dnata, the second biggest concern of the Emirates Group, provides airport operations and cargo handling services in various countries, while in-flight catering service to different airlines.

With an increase of 15 percent over last year, dnata grew its revenue to \$1.8 billion. More than 46 percent of this revenue comes from dnata's growing international business.

As of March 31, 2013, the Group employed 68,000 staff across more than 80 companies, representing over 160 different nationalities.

Stocks back to the black

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Stocks returned to the black yesterday, as investors went on a buying spree following the government's plan to refinance merchant banks and stockbrokers.

DSEX, the benchmark general index of Dhaka Stock Exchange, closed the day at 3,516.92 points, after surging 42.34 points or 1.20 percent.

The government has decided to extend a refinancing scheme of Tk 1,266.69 crore to merchant banks and stockbrokers to bolster the troubled market.

"Recent favourable liquidity and macro-economic data along with the prevailing anticipations about some favourable government moves for the betterment of the capital market seem to have driven the indices to get geared up," Lanka Bangla Securities said in its regular market commentary.

Turnover, which is a

major indicator for the market, declined 19.83 percent to Tk 168 crore from the previous day.

"Budgetary expectations seemed to have started forming up as the national budget for fiscal 2013-14 is approaching," IDLC Investments said.

An aggregate of 0.67 lakh trades were executed with 5.61 crore shares and mutual fund units changing hands on the Dhaka bourse.

Of the 274 issues that traded on the DSE, 225 advanced, 35 declined and 14 remained unchanged.

All major sectors posted gain on the day. Banks 1.26 percent, power 1.25 percent, telecoms 0.73 percent, pharma 0.51 percent and non-bank financial institutions 0.30 percent.

Islami bank topped the most traded stocks chart with 15.11 lakh shares worth Tk 5.47 crore changing hands.

United Airways and SquarePharma were the next popular stocks of the day.



Barrister AKM Nazrul Islam, chairperson of Social Marketing Company, presides over the 20th annual general meeting of the company in the capital recently. Directors of the company elected Muhammed Ali as the new chairperson of SMC Board.

Handicraft makers' body reelects president

STAR BUSINESS REPORT

SU Haider has recently been re-elected uncontested president of Bangladesh Handicrafts Manufacturers and Exporters Association (Banglacraft), the association said in a statement yesterday.

The biennial election for two years term was held under the supervision of the directors of the Federation of Bangladesh Chambers of Commerce and Industry, according to the statement.



Sheltech's housing fair begins today

STAR BUSINESS DESK

Real estate developer Sheltech's housing fair -- Sheltech May Fair 2013 -- begins at its corporate office at Panthapath in the capital today and will continue till the end of the month, the company said in a statement yesterday.

People will get 25 percent discount on purchase of all apartments and lands of the realtor, according to the statement. The fair will remain open for all from 9am to 7pm every.

Allow trade unions at RMG factories

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"The entire world is looking at Bangladesh. The government will have to give the workers the right to bargain."

"The Savar tragedy is a wake-up call," she said. Shamima Nasreen, president of Swadhin Bangla Workers and Employees Federation, said the ongoing unrest in the sector is the result of the absence of trade unions.

The workers associations also called for introducing six-month maternity leave for garment workers, as enjoyed by workers and employees in government and non-government organisations.

They also urged the government to include a provision that makes it mandatory for the garment factory owners to share 5 percent of their profits with the workers.

The labour rights activists said the workers should be given appointment letters and identification cards.

Sirajul Islam Rony, president of Bangladesh National Garment Workers Employees League, said the new labour law should ensure the provident fund benefit for the workers.

"It will not be acceptable if workers are denied any financial benefit at the end of their service."

Jahanara Begum, president of Bangladesh Garment Workers Federation, said the sector has thrived on huge irregularities.

The owners have ignored the labour laws for making hefty profits, she added.

"Now the government will have to ensure full compliance and tell them clearly that if they want to do business they will have to follow the rules completely," she said.

The sector risks losing its business because of the greed of some owners, she added.

Mainuddin Mondol, general secretary of Bangladesh Combined Garment Workers Federation, said: "It remains to be seen how many factory owners comply with the labour laws. There are 5,500 factories in Bangladesh, but I wonder whether any of them properly follows the rules."

He also urged the minister to pay attention to labour courts, which, he said take too much time to settle cases.

Delwar Hossain, president of National Garment Workers and Employees Federation, urged the government to set up a wage board soon.

Salim Ahsan Khan, a lawyer of the American Centre for International Labour Solidarity, raised objections about a number of clauses in the amended labour law approved by the cabinet recently.

Some of the clauses have curtailed workers' economic benefits, he said.

Montu Ghosh, a rights activist and an advocate of the Supreme Court, said time has come to review the wages of the workers as the prices of essentials have gone too high in the last couple of years.

He also said workers are also terminated whenever they voice any concerns or demand anything.

"The government will have to give a message that this unilateral decision will not be allowed," he said.

The leaders also urged the government to introduce full food rationing and set up dormitories for workers.

Mikail Shipar, the labour secretary, said: "We have to go for industrial building code to set up safe factories."

Abdul Latif Siddique, the textiles and jute minister, also spoke.



Gitanka D Datta, head of mortgage and auto for Standard Chartered Bank, and Srabanti Datta, director of ABC Real Estates Ltd, exchange documents of a deal at a programme in Dhaka recently to offer exclusive benefits to the buyers of ABC apartments with home loan or Islamic home finance from the bank.



BRAC Bank Chairman Sir Fazle Hasan Abed chairs the 14th annual general meeting of the bank at BRAC-CDM in Savar yesterday. The bank approved 15 percent stock dividend for 2012 and also revised its rights share price to Tk 20, including a premium of Tk 10 per share. Managing Director Syed Mahbubur Rahman was also present.

BB restricts bank accounts of Rana Plaza factories

STAR BUSINESS REPORT

The central bank yesterday asked all commercial banks not to disburse any money from the bank accounts of the directors of the four garment factories in the collapsed Rana Plaza at Savar.

Bangladesh Bank also asked the banks to send balance statements of the accounts to the regulator by May 14.

The four garment factories have 21 directors: Bazlus Samad, Mahmudur Rahman, Delwar Ahmed, AR Ayub Hossain, Md Delwar Hossain of New Wave Bottoms Ltd; Nazim Uddin and Aleya Begum of Phantom Apparels Ltd; ABM Siddique, Suraiya Begum and Md Aminul Islam of Phantom Apparels Ltd and Amirul Islam Mahmud of Phantom Tech Ltd; Md Anisur Rahman, Mahbubul Alam, Jesmine Alam Bibha, Md Nazrul Islam, Mosammat Maryam, Md Jannatul Ferdous, Md Shafiqul Islam Bhuiyan, Md Rafiqul Hasan and Md Monwar Hossain of Ether Tex Ltd.

Earlier on April 30, the central bank slapped ban on withdrawal of money from the bank accounts of Sohel Rana and managing directors of the four garment factories.

However, the letter said money could be withdrawn from the account only for the purpose of paying salaries and allowances to the workers.

India probes BMW over taxes

AFP, New Delhi

Indian authorities are probing whether the local arm of German automaker BMW AG may owe an extra \$120 million in taxes on auto-part imports since March 2011, a report said Wednesday.

Dow Jones Newswires, quoting a source it said had knowledge of the matter, said tax authorities were investigating allegations that BMW imported partly assembled auto parts and declared to customs that they were unassembled to avoid paying higher taxes.

From humble beginning to height of success

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"Our owner had never missed the deadline for salary payment. He never misbehaved with us. We worked like a family," said Fatema Begum, another employee.

He was also the managing director of Agrani Insurance Company, and was serving as a BGMEA director at the time of his death.

"He was an elected director, also in my board. He was dedicated to his duties and accomplished all the duties I assigned him. He had no ego in his mind," said Shafiqul Islam Mohiuddin, the immediate past president of BGMEA.

Rahman was also the president of the board of directors of Brothers Union, a professional sports club.

Call for foreign investment in medical equipment industry

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Exhibitors from the US, Germany, China, Japan, Malaysia, Korea, India, France, Taiwan, Singapore, UK and Argentina are taking part in the 'Meditex Bangladesh 2013 Expo' organised by Conference and Exhibition Management Services (CEMS).

"Human resources is our main resource, and all credit goes to the private sector for converting the population into human resources, despite bureaucratic problems, inadequate infrastructure and utility services," said the adviser.

In absence of adequate facilities, patients of the middle and upper middleclass groups prefer to go abroad for treatment, said Ahmad Nasiruddin Mahmood, executive member of Board of Investment.

Referring to a study, he said 1.28 lakh patients travelled to India, Thailand and Singapore in 2011-12, taking \$87.58 crore through official channels for medical treatment.

"If the unofficial figure, meaning taking money without the knowledge of Bangladesh Bank, and the money spent for the patients' attendants are taken into consideration, the amount might exceed \$200 crore annually or nearly 1.94 percent of our GDP," he said, quoting the study.

These figures alone justify the need for massive investment in healthcare not only to provide better medical services to the local patients but also to capture a

substantial portion of the vast capital outflow, he added.

Demand for investment in the medical equipment sector is high in Bangladesh, said Mahmood. "The projected medical device market was \$11.52 crore in 2011 and \$12.11 crore in 2012. It stands at \$12.70 crore in 2013 and will be \$15.04 crore in 2016."

Against this projected demand, Bangladesh imported medical, surgical and dental equipment worth \$5.68 crore in 2006-07 that rose to \$14.31 crore in 2011-12, he added.

On the recent countrywide shut-downs, A Sabur Khan, president of Dhaka Chamber of Commerce and Industry, said: "It [hartal] should not be continued. It's unfortunate that we failed to overcome it even after 42 years of the country's independence."

The political parties will have to understand that there are alternatives to protesting, he said.

The fifth version of the expo is aimed at bringing the local medical professionals, doctors, and surgeons to see the latest equipment, devices and instruments that are emerging in the world market, said Meherun N Islam, president and group managing director of CEMS.

A wide range of medical products, including pathology equipment, operation theatre, incentive care unit and radiology or imaging is being showcased at the event that will remain open from 10am to 7pm.



HN Ashequr Rahman, chairman of Meghna Bank, opens the principal branch of the bank in Dhaka yesterday. Kaiser A Chowdhury, managing director, was also present.



SM Abu Mohsin, chairman of Continental Insurance, and Md Hashmat Ali, managing director, attend the 13th annual general meeting of the company at Spectra Convention Centre in Dhaka on Tuesday. The company declared 10 percent cash dividend for 2012.