

# Reliance Insurance declares 15pc stock, 15pc cash dividends

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Reliance Insurance declared 15 percent stock and 15 percent cash dividends for its shareholders for 2015.

The announcement came at the 28th annual general meeting of the company at Lakeshore Hotel in Gulshan, Dhaka on Thursday.

Zakia Rouf Chowdhury, chairman of Reliance, presided over the meeting

attended by a large number of shareholders, the company said in a statement.

At the AGM, the shareholders put forward a number of suggestions, which were duly noted by the management.

In 2015, the company achieved a gross premium income of Tk 227.17 crore and earned a pre-tax profit of Tk 45.68 crore, which was around Tk 45.84 crore in the previous year.

At a separate meeting, the board of

directors of the company elected Shahnaz Rahman as its new chairman and Rajiv Prasad Shaha as vice-chairman.

Two new directors from the public shareholders—Atiqur Rahman and Srimati Shaha—were elected in the meeting.

The new directors also took part in the meeting and discussed the company's future plans.

The board of directors of the company

now comprises Shahnaz Rahman as chairman, Rajiv Prasad Shaha as vice chairman, Zakia Rouf Chowdhury, Habibullah Khan, Shamsur Rahman, Mohammad Abdullah, Iftikharul Huq, Arshad Waliur Rahman, Imran Faiz Rahman, Amanullah Chowdhury, Atiqur Rahman, Romana Rouf Chowdhury, Yasmeen Khan, Srimati Shaha, Anis-uz-Zaman Khan, Toufiq Ali, and Md Khaled Mamun as CEO.

## New chairman, vice chairman for Reliance Insurance



Shahnaz Rahman



Rajiv Prasad Shaha

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Shahnaz Rahman was elected as the chairman of Reliance Insurance at a meeting of the company's board of directors in Dhaka on Thursday.

The company also elected Rajiv Prasad Shaha as its vice chairman at the meeting presided over by Zakia Rouf Chowdhury, the outgoing chairman, Reliance said in a statement. Shahnaz Rahman is a sponsor director of Reliance insurance, according to the statement.

She is also a director of Transcom Ltd, Transcom Beverages Ltd, Bangladesh Lamps Ltd, Transcom Foods Ltd, Transcom Electronics Ltd, Eskayef Bangladesh Ltd, Transcom Distribution Co Ltd, Transcom Consumer Products Ltd, Trinco Ltd, Mediastar Ltd and Mediaworld Ltd.

Rajiv Prasad Shaha is also a sponsor director of Reliance Insurance, the company said.

He has been the managing director of Kumudini Welfare Trust of Bengal (BD) Ltd and Kumudini Pharma Ltd since January 2000. He also served the two companies as a director from 1987 to 1999.

He is also a member of Micro Industries Development Assistance and Services (MIDAS), according to the statement.



RELIANCE INSURANCE

Reliance Insurance holds its 28th annual general meeting at Lakeshore Hotel in Dhaka on Thursday. Zakia Rouf Chowdhury, chairman of Reliance, presided over the meeting

## Raising the US minimum wage to \$15 an American dream

AFP, Washington

NEW YORK, Seattle, California: in the battle over the US minimum wage, cities and states are taking their own initiative, making regional advances toward the goal of a \$15 an hour floor.

Some cities have voted through spectacular increases, making the dream of better pay a reality for hundreds of thousands of employees in a country where the federal minimum wage level has remained unchanged at \$7.25 an hour since 2009.

New York was the latest state to act. State lawmakers reached a deal Thursday with Governor Andrew Cuomo to raise the minimum wage in New York City to \$15 an hour by the end of 2018.

Under the deal, the minimum will go up more slowly in the rest of the state,

capital Washington have surpassed the federal level. New York has instituted \$9 an hour and California, \$10. Major companies in Seattle have paid \$13 an hour since January 1. In New York City, fast food employees earn at least \$10.50.

A total of 18 states have voluntarily increased their minimum wages since 2013, some after holding referenda on the issue, according to the White House.

A new wave is expected in 2016.

The most significant change is brewing in California, the most populous US state, where local officials have recently agreed to progressively reach \$15 an hour by 2023, a target large companies will hit even earlier.

More than a third of California's workforce would benefit from wage increases, according to a study from Berkeley University.



Union and fast food workers play drums during a demonstration in support of a proposal to raise the California minimum wage to \$15 by 2022.

hitting \$12.50 an hour by the end of 2020.

To close the deal, Cuomo needed to get the state's Republican-controlled senate on board. Republicans and Democrats have generally split on the need for a national wage hike.

Democratic presidential candidates Hillary Clinton and Bernie Sanders both support an increase, differing only on the scale and timing of such a move.

The former secretary of state calls for a smaller, slower raise while the Vermont senator wants the minimum doubled.

With rare exceptions such as Mitt Romney, the presidential nominee in 2012, Republicans have generally resisted calls for an increase, citing potential job losses.

Republican control of Congress over the past five years has ensured that the federal level remained unchanged.

It's now a third below the minimum wage in France, Belgium and other wealthy European countries, taking into account the relative purchasing power in those countries, the Organization for Economic Cooperation and Development says.

Like many other progressive causes in a country polarized between left and right, action is taking place at the state and municipal levels.

Minimum wages in 29 states and the

Clinton hailed the plan on Monday, tweeting a "big win for workers."

Sanders parried, also on Twitter. "But here's the difference," he said. "I support a \$15 federal minimum wage. @HillaryClinton does not."

Her proposal calls for raising the federal level from \$7.25 to \$12.

A sudden minimum wage increase would be felt differently in various regions.

In the relatively poor South, the cost of living is far lower than on the country's wealthy coasts.

Doubling restaurant employees' salaries in Mississippi would have greater effect than in San Francisco, where salaries are already higher.

New York's high cost of living also makes raising the current minimum wage more urgent there.

"You're going to have higher legislated minimum wages in urban areas versus rural areas, Northeast and California versus the deep South," Jacob Kirkegaard of Washington's Peterson Institute said.

He believes those variations will only grow. Unions and activists are pushing for a nationwide increase nevertheless.

In real value, the federal minimum wage has fallen to around a third of its peak level in 1968.

## Britain lifts minimum pay for over a million people

AFP, London

BRITAIN'S Conservative government raised the minimum wage that is pocketed by more than a million people Friday, trumpeting it as a transformative step for the economy but winning few plaudits from employers or austerity-weary unions.

Affecting between 1.3 million and 1.8 million people according to varying estimates, the minimum gross salary for all British workers aged over 25 climbed by 7.5 percent to £7.20 (\$10.36, 9.10 euros) an hour as of April 1, a pay boost that far outstrips inflation.

The pay rise, first announced by Prime Minister David Cameron's government last July, represents a complete about-turn for the Conservative party, which opposed the introduction of the minimum wage in 1999 when then prime minister Tony Blair's Labour was in power.

"The National Living Wage will play a central role in moving Britain to a higher wage, lower tax, lower welfare economy," British finance minister George Osborne said as the pay boost came into effect.

"It will also mark the end of the gender pay gap for some of our lowest paid and hardest working people."

The opposition Labour party criticised the policy as a "cruel sleight of hand", however, pointing to the government's enactment of sharp cutbacks in welfare spending.

Other nations, too, have raised minimum wages in recent years to address stagnant wage growth and inequality between rich and poor.

France lifted the minimum wage at the start of this year to almost 9.70 euros an hour.

Germany launched a minimum wage one year earlier at 8.50 euros, where it remains.

And in the United States, California plans to raise the pre-tax minimum wage to \$15 per hour (13.28 euros) in a move which might be



British Finance Minister George Osborne poses with workers in the loading bay of an Asda supermarket with the new minimum wage sign behind in Manchester, north west England on Friday.

followed by other US states.

In Britain, where unemployment is relatively low at around 5.0 percent, large wage inequalities persist and London School of Economics professor Alan Manning described the new living wage as "more symbolic" than anything else.

"It's significant but I don't think one should exaggerate its significance," he told AFP.

When Britain's Conservatives opposed the introduction of a minimum wage 17 years ago, they had feared the minimum wage would destroy jobs, Manning said.

"The minimum wage is often popular with voters who are actually quite conservative on many issues, because many of them think that if people work hard and can't earn enough to

support themselves and their families, there is something wrong with... society."

However, the hourly rate of £7.20 is significantly less than the minimum pay recommended by the lobby group Living Wage Foundation, which says workers aged 18 and over should earn at least £8.25 an hour, rising to £9.40 in London where housing rents tend to be high.

"Today's new legal minimum is an important step forward in tackling low pay in the UK," said Katherine Chapman, director of the Living Wage Foundation.

"We welcome the news that millions of workers will get a pay rise. However, the job is not done when it comes to tackling low pay," she said.

## Indian cigarette makers halt production over health warning rules

REUTERS, New Delhi

INDIAN cigarette makers including ITC Ltd, part-owned by British American Tobacco, suspended production on Friday over what they said was ambiguity in the government's new health warning rules for packs, a leading industry body said.

Rules that mandated 85 percent of a cigarette pack's surface to be covered in health warnings, up from 20 percent, kicked in from Friday after being delayed for a year.

But cigarette makers failed to comply, with packs with smaller warnings still being sold in the capital New Delhi.

The Tobacco Institute of India (TII) said the industry was concerned over potential violation of health warning rules by continuing production, adding that the



A shopkeeper selling cigarettes waits in his store at a market in India.

production halt would cost the industry \$53 million a day.

India was last year forced to delay implementation of stringent pack warning rules as a parliament-

ary panel sought time to assess how the industry would be impacted.

The health ministry later decided to implement the rules from April

this year, but the panel last month issued a report saying the size of warnings should be reduced to 50 percent in the interest of the industry and tobacco farmers.

Health activists have criticized the panel for favouring the industry. The World Health Organization has called the debate on reducing the warnings size in India "worrisome".

India's \$10 billion cigarette market is dominated by ITC and Godfrey Phillips India Ltd, a partner of U.S.-based Philip Morris International. ITC declined to comment. Godfrey Phillips was not immediately available for comment.

TII, which has called the new rules drastic and impractical, said the industry had written to the health ministry seeking clarification. It did not elaborate on what was ambiguous about the new rules.