

BB mulls global standard guideline for banks by '07

Governor urges bankers to take necessary preparations

STAR BUSINESS REPORT Bangladesh Bank Governor Salehuddin Ahmed yesterday urged bankers to take adequate preparations for adopting a global standard guideline as the BB is likely to introduce it by 2007 for the country's banking system.

He said the central bank is planning to introduce 'BASEL-II', a globally recognised roadmap, which will measure credit risk, market risk and operational risk of all banks operating in the country. 'BASEL-II is a supervision parameter of Bank of International Settlement (BIS), which has a guideline on a bank's minimum capital requirement, supervisory review process and market discipline.

Responding to a comment, the governor said the central bank can continuously review its recently announced Monetary Policy Statement (MPS) following the current economic trend of the country. He said 'We will need to be careful about expansion of credit. But this is not rigid one.'

Under the guideline, both local and foreign banks will work under an open exchange global system where a bank's profits will depend on its services, fund management and discipline, he added. The BB governor made the comments at the 'Branch Managers' Annual Conference 2006' of the National Credit and Commerce (NCC) Bank Ltd in Dhaka.

Chairman of the bank M Wazhiullah Bhuiyan, Vice Chairman SM Abu Mohsin and Managing Director Md Nurul Amin also spoke at the conference.

'Bankers have to think from now on as to how they will adopt the guideline', the governor said,

management to keep balance between asset and liability. As banking is a service sector that depends on customers' deposits, the board of directors of all banks should comply with key governance regulations to ensure transparency and accountability, he suggested. The central bank has taken a number of reform policies in restructuring the banking sector. But with this, capital market development is key to increasing invest-

ment in the country, the governor observed. In this regard, the BB will take a joint initiative with Securities and Exchange Commission (SEC) to boost investment in the capital market, he added. Meanwhile, officials of NCC Bank said the bank posted Tk 1.02 billion profit in 2005. As of December 31, 2005, it mobilised deposits worth Tk 221.86 billion and disbursed advances worth Tk 205.18 billion.

PHOTO: NCC BANK

UNB, Dhaka Securities and Exchange Commission (SEC) has approved the purchase of one million shares of Apex Weaving by Dynamic World Holdings Ltd, a Hong Kong-based company, within the next 30 working days through stock exchange. With this purchase, Dynamic World Holdings Ltd will take over the management of Apex Weaving. The company has 3.5 million shares and the price of yesterday's selling of share ranged from Tk 101.5 to Tk 135.0 against its face value of Tk 100. The market capital of the company is Tk 371 million.

2nd int'l motor show in April BDNWS, Dhaka The 2nd Bangladesh International Motor Show organised by Bangladesh Automobile Distributors Association (Bada) will be held on April 24-27 at the Bangladesh China Friendship Conference Centre in Dhaka. Bada hopes to see grand success of the four-day automobile extravaganza to be participated by distributors of globally renowned car brands in Bangladesh after it organised the first edition of the Bangladesh International Motor Show in May 2003.

The decision to organise the second version of the automobile show of brand new cars came at the general meeting of the Bada held on Tuesday at Spectra Convention Centre in Dhaka. The primary objective of the motor show is to create awareness among people about brand new cars which are environment-friendly, said M Salauddin, president of Bada, who presided over the general meeting.

Strategic planning key to boosting business

International business consultancy firm MTI Consulting's global chief executive officer has stressed the need for effective strategic planning to boost business. The CEO, Hilmy Cader, at a function in Dhaka on Wednesday said strategic business consultancy will help companies spur their growth, manage complex issues, optimise business process and strengthen control mechanism. Conventional strategic planning does not work properly in a business scenario characterised by intensive competition, smarter consumers, powerful channels, demanding shareholders and turbulent environment, Cader told a group of entrepreneurs and executives at the function titled 'Strategic Planning-Creating a Real Difference'.

Cader, a Sri Lankan, pointed out MTI's internationally acclaimed model is a logical and effective response to dilemmas facing businesses in addressing their strategic planning needs. 'Bangladeshi businesses should be bracing themselves for a quantum leap to compete with developing and developed mar-

kets,' said the global CEO of Bahrain-based MTI Consulting. MTI Consulting started its operations in Bangladesh in June 2005. MTI recently signed deals with two firms, Gemcom Group and Beximco Pharmaceuticals Ltd, to offer business solutions.

PHOTO: NCC BANK

GP reaches 6m subscribers Offers reward programme for existing users

GrameenPhone, the country's largest telecommunications service provider, has reached yet another milestone as it crossed 6 million subscribers' base. The company added nearly 3 million subscribers during 2005 and reached 5 million subscribers only in November, according to a press release. As part of the celebration, GrameenPhone is introducing a reward programme styled 'Thank You' to benefit its existing subscribers. 'Our customers have selected GrameenPhone for quality and coverage. And we are committed to delivering the very best network and service in Bangladesh,' said Erik Aas, managing director of GrameenPhone. 'Now, with so many customers being with us for a long time, we would like to reward them for their loyalty by introducing the 'Thank You' reward programme. This programme will offer direct tangible benefits to all our existing subscribers based on their tenure with GP and their usage.'

The 'Thank You' reward programme is a unique way of showing gratitude to the subscribers for making GrameenPhone their preferred mobile phone service provider. This programme will continue to offer various kinds of benefits to GP subscribers all through the year. 'The longer you stay as a GP subscriber, the more benefit you

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Stock

Corporate Bazaar 3 days to go. Venue: Bangladesh China Friendship Conference Centre. Date: 30th January, 31st January & 1st February, 2006.

TODAY'S TRADED ISSUES January 26, 2006

Table with columns: Company, FVNL, DSE, CSE, Financial Performance. Lists various companies like AB Bank Ltd, City Bank Ltd, etc.

Day's Market - January 26, 2006

Table with columns: Indicators, DSE, CSE, Financial Performance. Summary of market data.

Non Traded Issues

Table with columns: Company, FVNL, DSE, CSE, Financial Performance. Lists companies like Bank of Baroda, etc.

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