



Bank Asia gets new chairman

STAR BUSINESS DESK

Bank Asia elected A Rouf Chowdhury as chairman, said the bank is a statement yesterday.

The election took place at a meeting of the bank's board of directors on Wednesday.

Chowdhury, a graduate in Business Management from Sloan School of Business, Massachusetts, USA, is also a sponsor director of the bank.

He is also the chairman of Rangs Group and Sea Resources Group and a director of the Mediaworld Limited.

Call for more allocation for farm, power sectors

STAFF CORRESPONDENT, Ctg

Discussants at a post-budget dialogue here yesterday stressed increasing allocation for agricultural sector and improving energy and power sector for better growth.

They also called for speeding up the implementation pace of the development projects and suggested involving local government bodies with empowered public representatives in this regard.

They made the call at a dialogue titled 'An Analysis of the National Budget for FY 2010-2011' organised by Centre for Policy Dialogue (CPD) in association with Bangladesh Economic Association (BEA) at a local hotel.

Industries Minister Dilip Barua and lawmaker Moinuddin Khan Badal spoke at the dialogue moderated by BEA, Chittagong President Sikander Khan.

CPD Additional Director Fahmida Khatun presented the analysis of the national budget for FY 2010-2011 prepared under the CPD's Independent Review of Bangladesh's Development programme at the dialogue presided over by CPD Executive Director Mustafizur Rahman.

BEA, Chittagong chapter former president and economist Moinul Islam and Chittagong chamber former president Saifuzzaman Chowdhury were panel discussants at the dialogue.

The participants expressed dissatisfaction over the allocation and subsidy for the agricultural sector and urged increased allocation.

They also called for steps to encourage fish, poultry and cattle farming instead of lowering taxes on powdered milk.

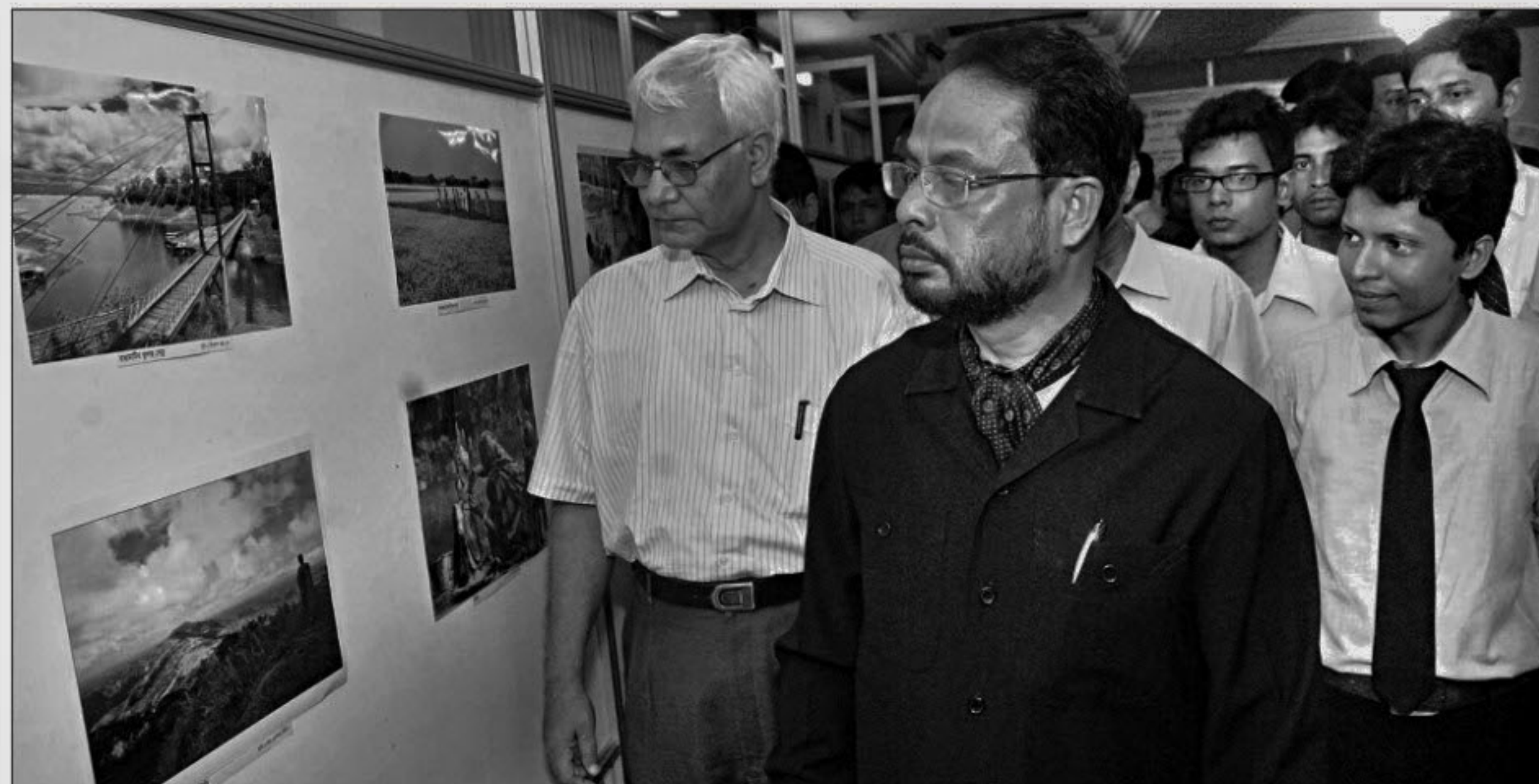
The speakers also recommended more allocation for research and development in agriculture sector.

They said a little progress could be made in energy sector and Petrobangla is yet to get dynamism.

They emphasised going for coal-based power plants and starting exploration of gas in the offshore fields.

The government should start coal mining without delay, they said.

The participants demanded duty-free import of raw materials for solar panel and reducing cylinder price to Tk 1,000 to ease power and gas crises.



Tourism Minister GM Quader visits a two-day photo exhibition organised by the Bangladesh Parjatan Corporation at Hotel Abakash in Dhaka yesterday.

Govt eyes a top-earner tourism sector

STAR BUSINESS REPORT

The government will take every necessary step to turn the tourism industry into a huge income-earning sector, said the civil aviation and tourism minister yesterday.

"We plan to increase funds for infrastructure development. This year, the government increased the development budget for the sector too," said GM Quader.

"This allocation will be used to develop infrastructure of not only the destinations that are popular at present, but also the new and unconventional tourist spots."

He was speaking at the inaugural ceremony of a two-day photo exhibition organised by the Bangladesh Parjatan Corporation at Hotel Abakash in Dhaka.

The government made a budgetary allocation of Tk 292 crore for development of the tourism sector, a sharp rise

from Tk 234 crore in the budget for fiscal 2009-10.

"The majority of the allocation will be used to develop infrastructure, including construction of better roads and highways. Simultaneously, large investment is needed to ensure better security for the local and foreign tourists," the minister said.

Quader said his ministry plans to allocate funds for promotional activities across the world to help the sector grow faster.

Earlier, the ministry demanded an allocation of Tk 1,000 crore in the national budget for 2010-11, of which Tk 10 crore was to be earmarked for campaigning to showcase the potential tourist spots and boost the inflow of foreign tourists.

However, the allocations for the promotional activities are yet to be finalised, said the minister.

According to ministry statistics, 4.35

lakh foreign tourists visited Bangladesh in 2009, which was a sharp rise from 3.82 lakh in 2008, 2.65 lakh in 2007, 2 lakh in 2006 and 2.07 lakh in 2005. Most tourists came for business.

The industry insiders have been demanding more budgetary allocation for years for promotional activities in and around the world.

"The fund allocated every year to develop the sector is insignificant. Huge funds are required to make it a top revenue generating sector," said Quader.

He also stressed combined initiatives by the public and private sector to attract investment from home and abroad to develop infrastructure.

A total of 149 photographs showing the scenic beauty and architectural heritage of Bangladesh were displayed at the exhibition.

Hemayet Uddin Talukder, chairman of Bangladesh Parjatan Corporation, also spoke at the ceremony.



Martin Kriegner, chairman of Lafarge Surma Cement Ltd, presides over the company's 12th annual general meeting at Bangabandhu International Conference Centre in Dhaka yesterday.

Demand to impose more tax on tobacco products

STAR BUSINESS REPORT

Tobacco users will not be discouraged unless tax on cigarettes and tobacco products is raised by 10 percent and 50 percent respectively, speakers said at a press conference in Dhaka yesterday.

They made the proposal as they think the rise of tax on cigarettes and tobacco products in this year's budget is inadequate to prevent people from using these.

The budget for fiscal 2010-2011 proposed increasing the supplementary duties by 1 percent on cigarettes, and increasing 10 percent duty on tobacco products. The budget also proposed increasing duties on bidi (hand made, paper wrapped cigarette).

Kazi Rafiqul Alam, president of Dhaka Ahsania Mission, addressed the press conference titled 'Rise in Tax on Tobacco Products in Proposed Budget,' jointly organised by Dhaka Ahsania Mission, Bangladesh Youth First Concerns and CREA.

"Tax enhancement on 'filter bidi' is quite ridiculous," Rafiqul Alam said, adding: "This type of bidi is neither produced nor in use in the country."

Phenomenal mobile telephone growth in developing world: UN

STAR BUSINESS REPORT

The United Nations International Telecommunications Union (ITU) said there were nearly two billion additional mobile telephone connections around the world between 2006 and 2009, while developing countries accounted for most.

Figures also show a decline in fixed telephone line connections.

More than 1.6 billion of the 1.9 billion new cellular telephone lines were in the poor countries, compared to fewer than 300 million in the developed world, according to ITU statistics.

There were around 57 million fewer fixed telephone lines at the end of 2009 than at the end of 2006, said the report released at the UN Headquarters in New York yesterday.

In many developing countries, more than half of all rural households now have mobile phones, the report added.

Over 90 percent of all villages are connected using mobile telephones in China and India, the two most populous nations.

The agency also reported that 75 percent of households worldwide have television sets, but only 25 percent have access to the internet.

Close to a two-third of people in the developed world have access to the internet, while four-fifth of the developing world do not.

ITU, however, said most internet growth is taking place in the developing world, which accounted for 600 million of the 777 million new internet users worldwide between the end of 2005 and the end of last year.

By the end of 2008, there were more internet users in the developing world than in the developed world, and in the four years to 2009, fixed broadband penetration rates in the developing world almost tripled, while mobile broadband penetration rates grew more than tenfold.

Fevicol products to be produced locally

STAR BUSINESS REPORT

Pidilite Speciality Chemicals Bangladesh Private Ltd (PSCB), a subsidiary of Pidilite Industry Ltd in India, is set to produce three leading Fevicol brand products from a plant in Munshiganj.

Fevicol SH, used for furnishes and in interiors, Fevicol DDL, used as binder for lime, and Fevicol PIDITNT, used for colouring lime and water based paint, will be manufactured in the plant, said Manab Ghosh, a director of PSCB, at a press meet yesterday.

The products' raw materials will be procured mainly from India.

Fevicol products were first introduced in Bangladesh in 1998 by imports from India. Due to huge demand, PSCB was formed and land was bought in 2006 to set up the plant.

In response to a query, Ghosh ruled out the possibility of a deterioration of product quality for being produced in Bangladesh.

PSCB also said they will hold a 'Dealer's Get Together' today at Bangabandhu International Conference Centre.



Fernando Garcia, chairman of Bata Shoe Company (Bangladesh) Ltd, presides over the company's 38th annual general meeting in Dhaka yesterday. The company declared 220 percent cash dividend for 2009.

Flexible lending boosts income, savings Finds research on microfinance programmes

STAR BUSINESS REPORT

Flexible microfinance programmes contributed to positive growth in income, savings and consumption of the extreme poor, according to the findings of a research by Institute of Microfinance.

The number of participants in the research was 600 who borrowed money from two organisations -- Come To Save and People Oriented Program Implementation, associate partners of Plan Bangladesh. Another 150 samples were taken for 'control group' who did not participate in the microfinance programme of the organisations.

MA Baqui Khalily, professor of finance at Dhaka University, conducted the research with three fellows in the remote villages of the north of the country.

During a presentation on the research findings at PKSF office yesterday, the researchers said that tradi-

tional microfinance firms follow more rigid ways to disburse and collect the loans. The borrowers have to collect and pay the instalments on due date and sit for group meeting.

The research addressed the microfinance programme of Plan where the borrowers can deposit or repay any time within the certain timeframe. It also has the provision of 4 percent rebate if the borrower pay the loan within six months. If borrowers fail to pay the loan in six months, 14 percent interest is slapped for full year.

Flexibility is considered the key to success of microfinance programmes, according to the research. Baqui Khalily said: "The extreme poor like this flexibility in loan repayment and deposit of Plan and it positively affects the earnings of this bottom line segment."

Using the benefits of flexible loan, a good number of people have upgraded

their earnings that ultimately increased their savings, he added.

In the research, the total 600 samples were clustered into five categories from rich to the extreme poor and the status was assigned on the basis of land, houses, occupation and livestock occupied by the group.

Another 150 samples of the control group were taken for comparison who were not operative under the microfinance programme of the Plan partners.

Using the flexible model of Plan, about 79 percent of the extreme poor upgraded their status and this change was nominal for the rich.

Quazi Mesbahuddin Ahmed, managing director of Palli Karma-Sahayak Foundation (PKSF), and Edward Thomas Espey, country director of Plan International Bangladesh, also spoke.



Rakesh Mohan, president of Dutch-Bangla Chamber of Commerce and Industry, speaks at the chamber's luncheon meeting at Sonargaon Hotel in Dhaka yesterday. The findings of a study on energy crunch fallout were revealed at the meeting. (Story on B1)

Six more banks donate to PM's fund

STAR BUSINESS DESK

Six more banks recently donated Tk 1.80 crore to the Prime Minister's relief and welfare fund for the victims of Nimali and Begunbari tragedies.

Mercantile Bank Chairman Md Abdul Jalil handed over a cheque for Tk 50 lakh to Prime Minister Sheikh Hasina at her office in Dhaka.

First Security Islami Bank donated Tk 30 lakh. Pubali Bank, Social Islami Bank, Prime Bank and Uttara Bank gave Tk 25 lakh each to the fund for the same purpose.

Paper Rhyme gets new CEO

Amit Kumar Bose, will be new ceo of Paper Rhyme, while Golam Faruque will head creative department. He worked as an advertising creative director & copywriter, advertising expertise implemented in India, Nepal, Singapore, Bangladesh, Egypt & Nigeria. He got rich, varied and diverse experience in branded communication - FMCG to Financials - and key strength lies in strategic creativity. Conducted numerous on-the-job workshops for junior colleagues and discovered teaching as an additional trait! His experience lies in Offshore Consultant Creative Director at Paper Rhyme, Dhaka, Bangladesh September 2007 - Present (2 years 10 months), National Creative Director at Indo Aryan, Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai August 2007 - Present (2 years 11 months), Offshore Consultant Creative Director at Intersection Art & Film Production, Cairo, Egypt September 2003 -

Present (6 years 10 months) Creative Director at JWT Nigeria, September 2005 - July 2007 (1 year 11 month), Director - Creative & Planning at Bitopi Advertising Limited, a Leo Burnett affiliate in Dhaka, Bangladesh November 1977 - December 1999 (22 years 2 months), Creative Director - McCann Erickson May 1987 - June 1990 (3 years 2 months) Senior Copywriter at Response India Private Limited 1985 - 1987 (2 years)

He studied in Bhavan's College of Management & Communication Mumbai, INDIA

He takes interest in making short films & documentaries, still photography, travel, meeting new people & diverse cultures, passionate conservationist & nature lover, enjoys the company of young people, mentoring & sharing experiences, introspection. Paper Rhyme's present ceo A Z M Saif will become the Group CEO