

PHILIPS Bluray Player

- Pure aluminum casing with touch-panel controls
- 7.1 Channel Audio Output with DTS Master Audio
- DVD Video up-scaling to Full HD 1080p
- High quality HDMI Cable - absolutely free

Now at BDT 35,500/-

TRANSKOM DIGITAL

think electronic. think digital.

| Stocks | |
|--------|----------------------|
| DGEN | ▲ 1.12% 7,937.04 |
| CSCX | ▲ 1.09% 14,682.24 |

| IDLC Index | |
|------------|---------------------|
| IDLC 50 | ▲ 1.26% 7,792.97 |

| Asian Markets | |
|---------------|----------------------|
| MUMBAI | ▼ 0.32% 19,941.04 |
| TOKYO | ▼ 0.22% 9,366.03 |
| SINGAPORE | ▲ 0.16% 3,129.50 |
| SHANGHAI | ▼ 0.15% 2,992.58 |

| Currencies | | |
|------------|--------|---------|
| | Buy Tk | Sell Tk |
| USD | 70.15 | 71.15 |
| EUR | 95.19 | 99.77 |
| GBP | 108.99 | 113.99 |
| JPY | 0.84 | 0.91 |

| Commodities | |
|-------------|-----------------------------|
| Gold | ▲ \$1,327.43 (per ounce) |
| Oil | ▼ \$81.91 (per barrel) |

Stocks hit new highs

STAR BUSINESS REPORT

The key index and turnover set yet another record yesterday, as Dhaka stocks continued bull run for a seventh consecutive session.

The benchmark index of the Dhaka Stock Exchange -- DSE General Index (DGEN) -- climbed to highest-ever level at 7,937 points, rising by 88 points, or 1.12 percent.

The single-day turnover also reached a new high of Tk 2,946 crore, beating the previous peak of Tk 2,836 crore set on Tuesday.

A rally in the prices of the banks and non-bank financial institutions pushed up the market yesterday.

Stockbrokers said the rally in the financial sector was backed by the third quarter earnings of the companies that showed a huge profit growth, most of which coming from investment in the stockmarket.

Seeing the third quarter earnings of the companies, investors are speculating similar growth in other sectors that are yet to disclose their financial reports, the stockbrokers said.

Gainers beat losers 130 to 106, with one security remaining unchanged on the premier bourse, which traded more than 13.79 crore shares and mutual fund units.

Social Islami Bank Ltd (SIBL) topped the turnover list of the DSE with 2.52 crore shares worth Tk 131 crore being traded.

Chittagong stocks also set a milestone in turnover. The value of the traded shares and mutual fund units on a single day reached the highest-ever level at Tk 340 crore.

The transaction of 1.96 crore shares and mutual fund units was also a record for the Chittagong Stock Exchange.

At the end of the trading, the key index -- CSE Selective Categories Index -- rose 158 points, or 1 percent, to 14,682.

Advancers beat losers 100 to 82, with five securities remaining unchanged on the port city bourse.

SIBL topped the turnover leaders on the CSE with 47.11 lakh shares worth Tk 24.58 crore being traded.

It's business with a difference

Yunus emphasises efforts to reach out to the poor through social business and technology

STAR BUSINESS REPORT

The advanced world of technology should open its doors to social business to solve some crucial problems facing the poor, Nobel laureate Muhammad Yunus said yesterday.

The technology-packed times of today see only moneymaking initiatives, he said. "But the same technologies can be used for social business."

In the near future, social business and traditional business will compete with one another in setting trends, he added.

"But there is no chance of a conflict between the concept of social business and corporate business," he said, adding that social business can act as an antidote for poverty reduction.

Some Grameen Group projects under the social business model are contributing to poverty and malnutrition elimination because those are run on the principle of sharing with others, Yunus said.

The social business thinker was speaking at a panel discussion of a daylong conference on Global Social Responsibility, co-organised by the German Embassy, German Technical Cooperation and Bangladesh German Chamber of Commerce and Industry at Radisson Water Garden Hotel in Dhaka.

More than 300 chief executives and managers from both Germany and Bangladesh took part in the conference.

Yunus said there are two kinds of business: one is for making profit, while the other is social business meant to solve social problems.

Yunus countered the notion that only big conglomerates could launch social businesses. "Everybody can open a social business. Social business just needs creativity to ensure that problems are solved," Yunus said, adding that the design of the project constitutes 80 percent of initiating a social venture.

Yunus said many universities in Europe and the US have already opened schools of social business and institutes to create entrepreneurs in the field. Social



From right to left, Nobel laureate Muhammad Yunus; Saori Dubourg, president of BASF Southeast Asia; Michael Otto, chairman of Germany's Otto GmbH; Faruk Khan, commerce minister; Holger Michael, German ambassador to Bangladesh; Md Saiful Islam, president of Bangladesh German Chamber of Commerce and Industry, and Mahfuz Anam, editor and publisher of The Daily Star, pose for photographs at a conference on 'Global Social Responsibility' at Radisson Water Garden Hotel in Dhaka yesterday.

business funds will come as the venture capital and many developing countries in the world are coming with such funds to start the business, he said.

Outlining the concept of social business, Yunus said even a small fruit stand could be a good example of such business, if the entrepreneur invests and reinvests to make many more such stands.

He said social businesses would run like any other business venture, but the objectives of the two would differ.

Michael Otto, chairman of German company Otto GmbH and Co KG, said the invention of social business is an important step towards the future.

"People are starving. We are looking for solutions. Social business is a way to solve the problems," Otto said.

Under the social business concept, the company makes profit, but does not pay dividend or interest to investors. "Rather, the profits

are reinvested for the welfare of the community involved. The dividend is a social dividend and the profits go to the workers."

"The capital can be used for another venture," Otto added.

Commerce Minister Faruk Khan, another panel discussant, said there are some achievements that Bangladesh could be really proud of, despite many problems. "Obviously, we have shortcomings, and we are trying to rectify them."

Khan criticised international buyers who often come and complain about the factories, the working conditions, and wages standards, but refuse to pay fair prices.

"The international buyers also pressure the Bangladeshi manufacturers to follow compliance issues strictly, but they do not want to leave out a single cent while fixing prices. They should follow ethical buying practices," Khan said.

The minister said the govern-

ment is providing a 10 percent tax waiver on companies spending on corporate social responsibility.

The Daily Star Editor and Publisher Mahfuz Anam, who moderated the discussion, said new ideas have never been accepted instantly in the history of mankind. "We are now at that stage on the social business issue. There is a lot of confusion, hesitations and misconception around us."

Anam said the financial crisis has proven that ultimately, just profit is not sustainable, as the world has seen many growing richer and richer and the others getting poorer and poorer.

On the 'negative image' of Bangladesh, Anam said: "Time has come to take into account whatever we have achieved."

"We suffer from inferiority complex, as many just continue to say that Bangladesh is a poor country. Can we not stop saying that? We should call us a developing country."

"The world is looking at us because Bangladesh has consistently achieved around 6 percent economic growth over the last few years. We did extremely well when the economies in the developed world suffered from recession."

"Bangladesh has changed the reality of it. The world is taking note of it. Many things, such as traffic jams, have not been solved, but we have achieved many other things. We have to change the reality. If we can do that, then the image will change by itself," Anam said.

President of BASF Southeast Asia Saori Dubourg said social business can help reach out to the people to improve the quality of their lives.

BASF Bangladesh Ltd has made a foray into the social business spectrum with Grameen Healthcare Trust and set up the entity BASF Grameen Ltd.

RELATED STORY ON B3

Germany's Otto keen on social business in Bangladesh

STAR BUSINESS REPORT

Germany's Otto GmbH and Co KG plans to set up a textile factory in Bangladesh in line with the social business model.

"We have a very close relationship with Bangladesh for decades. We have a business plan to set up a factory here in Bangladesh in association with Dr Yunus," said Michael Otto, chairman of Otto Group.

Otto signed a deal with Grameen Trust in November last year to start a joint venture, Grameen Otto Textile Company, which will produce readymade garments for the international market under "socially and ecologically sustainable conditions".

Otto and Grameen will hold a fifty-fifty stake in the venture. Otto will provide total financing, while the Grameen will contribute with know-how and vast networks.

Otto also has social business ventures in Africa. "Five years ago, I started a social business in some African countries, helping cotton farmers to grow more higher-yield crops. We have continuously trained and retrained them," said Otto.

"The venture has been successful. Now 150,000 farmers are working with us."

Otto Group is a leading family-owned international trading and services corporation with 123 major companies and 50,000 employees in 20 countries.

It is also the largest mail order company in the world and second only to Amazon to have the largest online marketing.

Focus on farm sector reforms

CPD unveils report on human development

STAR BUSINESS REPORT

Institutional reforms in agriculture will help Bangladesh offset the impacts of a free farm policy the country has adopted, according to a report launched yesterday.

The report on Human Development in South Asia 2009 suggested such institutional reforms as land reforms and making an easy loan process for the farmers.

The liberalisation of agricultural sector in Bangladesh will affect the cost of agricultural inputs and prices further, the report said.

The report prepared by Pakistan-based Mahbub ul Haq Human Development Centre was launched at a dialogue on trade and human development in South Asia organised by Centre for Policy Dialogue (CPD) at Brac Centre Inn in Dhaka.

The other areas of concern underlined by the study include agrarian crisis, regional trade barriers, high cost of migration, gender gap, slow growth of agriculture and slow progress towards humane governance in political, economic and civil spheres.

Such a liberalised farm sector may also lead to adverse terms of trade, which will increase incidence of poverty and inequality in people's income.

Adverse terms of trade are considered unfavorable relative to some benchmarks or to past experiences. Developing countries specialised in primary products are sometimes said to suffer from adverse or declining terms of trade.

The report said such a liberalisation has also worsened the overall food security status of South Asia by increasing the number of hungry people by 2.3 million in every 10 years.

Because of the liberalisation, the net

food exports remained negative between 1996 and 2006 in all countries in South Asia, except India, it said.

Khondaker Golam Moazzem, senior research fellow of CPD, presented the report, and said the government should increase spending on agricultural research and development.

The annual report also showed that the share of agriculture in GDP declined to 19 percent in 2005 from 41 percent in 1965.

It said, as many are still poor and facing food insecurity in Bangladesh, poverty reduction does not necessarily translate into less hunger and proper nutrition.

The report said, of the 2 million unemployed persons, 1.2 million are youths, and most of them are educated and deprived because of the mismatch between supply and demand in the labour market.

It showed that the share of the manufacturing sector in output and employment did not rise in tandem with the fall in the share of the agriculture sector.

"The manufacturing sector is not growing at a rate it does outside the region."

The speakers at the dialogue said real development will not take place unless the regional trade opportunities are tapped and trade barriers are removed. They also suggested reducing transport costs among the South Asian countries.

M Syeduzzaman, former finance minister, chaired the dialogue. Mashiur Rahman, economic affairs adviser to the prime minister, Ashfaqur Rahman, chairman of Centre for Foreign Affairs Studies, Selim Raihan, associate professor of economics at Dhaka University, and Khadiza Haq, president of Mahbub ul Haq Human Development Centre, also spoke.

The B-Class

You know what you can afford.
What you may not know is that it's a Mercedes

Price starting from
BDT 42.5 Lacs

• First service free
• Attractive trade-in option available
• Warranty for 2 years with unlimited mileage

Mercedes-Benz
The best or nothing.

Rancon Motors Ltd.
General Distributor for Daimler AG in Bangladesh

215, Bir Uttam Mir Shawkat Sarak
Tejgaon I/A, Dhaka-1208, Bangladesh
Phone: +88 02 881 4180-1

Hotline
01713 142 101
01713 142 098

www.facebook.com/mercedes.benz.bd