

# Small-flats a hit at REHAB fair

STAR BUSINESS REPORT

The cash registers ringed up sales of low-cost apartments worth nearly Tk 1,000 crore at the fair organised by Real Estate Housing Association of Bangladesh.

The five-day REHAB Vision Fair 2010 concluded yesterday on a cheery note for both participants and middle-income groups, said organisers.

Most participants felt the low-cost apartments could be an effective solution to reviving the slowed real estate market.

REHAB officials said most bookings were charted for the flats ranging between 950 and 1,500 square feet.

"This is the right time to focus on building low-cost apartments along with luxury ones," said MA Baten Khan, managing director of Building Designs and Developments Ltd (BDDL).

"Now, the trend is that the middle income groups want a toehold in the city within their limited earnings. So they tend to go for low-cost apartments that are a bit smaller yet affordable," he said.

He said the high apartment prices slowed the rapid growth of the sector. "When the prices of land and building materials are increasing fast, we have few options but to go for developing low-cost products to overcome the situation."

Khan suggested the government reinstate housing loans at low interest rates to facilitate accommodation for the middle and low-income groups.

BDDL, a top real estate company, received 25 spot bookings for both land and flats at the fair. The company had offered a 25 percent cash back offer on booking money for spot orders.

Mohammad Farhaduzzaman, marketing manager of Eastern Housing Ltd, the oldest real estate company, also said price escalation slowed flat sales in Dhaka.

"Nevertheless, we did well at the fair and received satisfactory sales. But the thing is that the growth in sales turnover has increased amid decline in sales quantity," he said.

Eastern Housing received nearly 20 bookings for high-end apartments and commercial spaces within a price range between Tk 1 crore and Tk 8 crore.

Saiful Islam, marketing manager of Concord Engineers and Construction Ltd, was happy with the bookings his company received. He said they received most orders in the last two days.

"We received 35 spot bookings worth Tk 60 crore at the fair, of which 30 were for apartments and the rest for commercial space," he said, adding that most sales were made in old Dhaka and Mirpur.

Navana Real Estate Ltd received 15 bookings at the fair in Agargaon, said Shariful Islam Raheed, sales manager of the company.

He said developers are planning most new projects by targeting the middle class and offering affordable instalments to attract more clients.

Aminul Islam Tareq, senior marketing execu-

tive of Rupayan Housing Estate Ltd, said the company received a huge response from potential customers.

"The response was more than expected, thanks to our new projects in Uttara and Mirpur," he said, adding that Rupayan recently started building smaller apartments to attract customers who cannot afford to pay more than Tk 30 lakh. In addition, REHAB officials urged the government to take measures to control soaring construction costs and registration fees to help overcome the fall in sales.

"Land price in the central areas of Dhaka are so high that it is often hard to keep the prices at low levels. If the government builds proper infrastructure like highways and a good public transport system, developers will start building lower-cost housing projects in the suburban areas," said Nasrul Hamid, president of REHAB.

REHAB is expected to earn Tk 6 crore from ticket sales at the fair, he said.

Despite the slump in real estate, there was little evidence of a lack of enthusiasm among attendees at the jam-packed fair.

However, many visitors said the fair was not timed well as Eid is just around the bend and many parents decided to stay back because their children's annual exams are fast approaching.

A total of 306 companies, including two financial institutions BRAC Bank and MIDAS Financing Ltd -- participated.



Syed Mahbubur Rahman, managing director of BRAC Bank, speaks at a press meet on the occasion of achieving one million customers, at Dhaka Sheraton Hotel yesterday. From left, Mohammad Mamdudur Rashid, deputy managing director, and Zeeshan Kingshuk Huq, head of corporate affairs, are also seen.

## BRAC Bank 1m strong

STAR BUSINESS REPORT

The total customers of BRAC Bank have crossed the one-million milestone recently, the leading private bank said yesterday.

"We have consistently worked hard for our customers and we call them guests instead of customers to give them a better feeling about us," said Syed Mahbubur Rahman, managing director and chief executive officer of the bank, at a press conference at Dhaka Sheraton yesterday.

Rahman said BRAC Bank focuses on bringing world quality banking solutions to the customers and reaching the underserved segment of the population.

According to the CEO, of the one million customers, around 0.65 million are general customers and 0.13 million are SME customers.

Starting as an SME bank in 2001, it gradually blended into core banking with innovative products, he said.

Since its inception, the bank has already disbursed around Tk 130 billion of SME loans, which is the highest in this sector.

Rahman said: "Against the Bangladesh Bank's SME loan target of Tk 240 billion for all commercial banks this year, we have already disbursed Tk 30 billion in this sector."

"Besides our regular business, we are working on establishing the bank as a leading sustainable bank in the world," he added.

BRAC Bank recently unveiled a new debit card styled 'planet card' to help create a green fund.

Rahman said BRAC Bank stands on three pillars: profit, people and planet.

"New initiatives on green banking will come soon," the chief executive of the bank said.

The bank has 137 branches, 220 ATMs, 424 SME unit offices, around 1,900 remittance delivery points and 1,500 point of sales terminals across the country.

## DHL launches new outlet

STAR BUSINESS DESK

DHL Express opened its 19th outlet in Gulshan, the international logistics company said in a statement yesterday.

"By creating an extensive retail network and building innovative solutions to cater to retail customers, we reinforce our goal of being the provider of choice for our customers," said Malcolm Monteiro, senior vice president and area director of South Asia DHL Express.

"It has always been our endeavour to provide customers with convenience when they ship with DHL," said Desmond Quiah, country manager of DHL Express Bangladesh.

"With our retail solutions, customers have access to a convenience of either a pick up or a drop off of their shipments and a host of retail specific services."

The outlet will remain open from 9am to 8pm on weekdays and 10am to 7pm on weekends and public holidays.

## G20 officials start talks on summit text

AFP, Seoul

Vice-finance ministers from the world's 20 biggest economies on Monday began negotiating the wording of a G20 summit declaration for later this week, amid reported sharp divisions on currency and trade issues.

"All the vice-finance ministers are having a meeting right now to coordinate wording for the joint declaration," a spokeswoman for the summit organising committee told AFP.

They have convened in the COEX exhibition centre in southern Seoul, where the summit will be held Thursday and Friday amid tight security.

G20 sherpas overseeing agendas will start negotiations on Tuesday, the spokeswoman said, revising a previous remark that the sherpas also started meeting on Monday.

South Korea's deputy finance minister Shin Je-Yoon and Lee Chang-Yong, the Seoul G20 sherpa overseeing agendas, will attend the meetings.

A draft declaration was circulated among the officials over the weekend, the spokeswoman said.

It addresses the hotly-debated issue of setting guidelines on current account imbalances, a senior Seoul official was quoted by Yonhap news agency as saying.

"We expect an uphill battle since countries are sharply divided on the issue of current account imbalance guidelines," said the official, speaking on condition of anonymity.



Mohammad Noor Ali, chairman of Eastern Bank, inaugurates the bank's priority lounge and 62nd ATM booth at the Westin Dhaka Hotel on Sunday. Ali Reza Iftekhar, managing director, is also seen.

## Envoy links Korean jobs to image of Bangladeshis

DIPLOMATIC CORRESPONDENT

Bangladesh fails to fulfil the annual recruitment quota for South Korea as Bangladeshi workers suffer a lack of popularity at Korean companies, said an envoy yesterday.

"The recruitment quota for Bangladesh has been increased to 4,400 this year which was 3,800 last year. This year some 1,850 low-skilled workers have entered Korea; last year the figure was 752," Korean Ambassador Taiyoung Cho told reporters at a programme organised by Dhaka Reporters Unity (DRU).

The envoy said the Korean government can increase the quota but the actual recruitment depends on Korean employers. There is tough competition among the 15 Asian labour sending countries, he added.

"To further increase the number, you need to increase the popularity of the workers," Cho said.

Asked about the reasons behind the lack of popularity, he said the Bangladeshi workers frequently switch jobs for better pay, which irks the Korean companies.

The ambassador said migrant workers entering Korea carrying false IDs is a grave concern for Korea in terms of their national security. He expected that the Bangladesh government would foil all such attempts by the brokers of false ID cards.

Replying to questions, Cho said Bangladesh and South Korea are discussing purchase of naval ships. Bangladesh purchased a frigate from South Korea in 2000. Korea is eager to build a dynamic relation in the field of defence between the two countries, the envoy said.

About the energy sector, Cho said a Korean and an American company formed a consortium with Petrobangla and began exploration in the Bay of Bengal mainly to find gas.

He said the Korean government is planning to undertake a project to train medical nurses here in response to a request made by Prime Minister Sheikh Hasina during her visit to Seoul in May this year.

DRU President Shamim Ahmad chaired the press interactions and General Secretary Pathik Saha made introductory remarks.

## Innovation fair starts Thursday

A CORRESPONDENT, Chittagong

The three-day Divisional Digital Innovation Fair-2010 starts in the port city on Thursday.

The fair is being organised by the Office of the Divisional Commissioner in Chittagong and Access to Information Project of the Prime Minister's Office.

Md Afsarul Ameen, minister for primary and mass education, will inaugurate the fair as chief guest at the gymnasium hall of MA Aziz Stadium.

Mohammad Alefuddin, additional divi-

sional commissioner and coordinator of the district committee, announced the fair at a press conference at the Circuit House in Chittagong yesterday.

The event will introduce and exhibit public and private organisations' digital innovations, said Alefuddin.

"The fair is the first of its kinds in the country," said NI Khan, director of the Access To Information project.

Thirty-seven organisations, including 27 government ones, are participating in the fair. It will remain open to visitors from 10am to 8pm.

## Call for making strong human resources

STAR BUSINESS REPORT

The garment industry lacks skilled manpower in top- and mid-level positions, now filled by Indian professionals, the Bangladesh Bank governor said yesterday.

Atiur Rahman said although more than 70 percent of the workforce in the garment factories are women, there is hardly any of them in the mid and top levels.

He called for making the women ready for such positions in the textile industry.

He was speaking at a seminar organised by Department of International Business at Dhaka University on the occasion of the department's third founding anniversary yesterday.

The governor said Bangladesh should focus on cost saving innovation and manpower training so the country can achieve competitive edge in the world market.

The country has achieved sustainable growth, and logged a 5 percent GDP (gross domestic product) growth over the past 10 years, the governor said.

The exchange rate is quite stable now, he added.

AHM Mustafa Kamal, chairman of the parliamentary standing committee on the finance ministry, stressed the need for human resource development.

He also said Bangladesh is the safest place for doing business as the country offers highest benefits against foreign investments.

He also called upon the students to build career in business.

Mustafizur Rahman, executive director of Centre for Policy Dialogue (CPD), stressed more regional economic integration.

M Anis Ud Dowla, president of Metropolitan Chamber of Commerce and Industry, Mahbubur Rahman, president of International Chamber of Commerce, Bangladesh, Sanjay Kathuria, lead economist World Bank in Bangladesh, and Manzur Elahi, chairman of Apex-Adelchi Footwear Ltd, also spoke.

## Gazprom H1 profits rise

AFP, Moscow

The world's biggest gas firm Gazprom said on Monday that its net profits for the first half of 2010 had risen by more than 66 percent to 508.2 billion rubles (16.5 billion dollars).

The profits underlined the earnings stability of the state-owned giant which has expanded hugely over the last years and is now eyeing supplying gas to further-flung markets such as China and Africa.



Mostafa Jalal Mohiuddin MP inaugurates the Lalbagh branch of Islami Bank Bangladesh Ltd in Dhaka on Sunday. The bank's Chairman Abu Nasser Muhammad Abdus Zaher and Managing Director Mohammad Abdul Mannan were also present.



Mark Duncan, head of Macquarie Securities Group for Asia, and Saiful Islam, managing director of BRAC EPL Stock Brokerage Ltd, sign a research service agreement at the Westin Dhaka Hotel on Thursday. The deal enables Macquarie's clients to receive equity research from BRAC EPL.

## Govt, ADB review aid efforts

STAR BUSINESS DESK

The government, Asian Development Bank (ADB) and the executing agencies are jointly reviewing ADB-assisted projects of Bangladesh to further improve portfolio performance.

Senior government officials, project directors and ADB officials are participating in the three-day review programme that began yesterday.

M Mosharraf Hossain Bhuiyan, Economic Relations Division secretary, and Thevakumar Kandiah, country director of ADB Bangladesh Resident Mission, are jointly presiding over the programme.

"The review intends to improve portfolio

performance to deliver better development results and benefits to the people of Bangladesh," said Kandiah.

"The review will identify project implementation bottlenecks and constraints to achieving development objectives, and prepare an action plan to address the bottlenecks and constraints."

"Following the project-specific reviews, the government and ADB will also discuss overall sector performance and prepare a sector results monitoring framework," Kandiah added.

ADB assistance to Bangladesh currently amounts to more than one billion dollars a year. The agency runs 51 ongoing loans with a net amount of \$4.22 billion.



M Shahjahan Bhuiyan, managing director of United Commercial Bank, opens the bank's first offshore banking unit at Gulshan in Dhaka recently.