

| STOCKS | | COMMODITIES | | ASIAN MARKETS | | | | CURRENCIES | | | | |
|----------|----------|---------------------------|--------------------------|---------------|-----------|-----------|----------|------------|-------|--------|--------|------|
| DGEN | CSCX | Gold | Oil | MUMBAI | TOKYO | SINGAPORE | SHANGHAI | USD | EUR | GBP | JPY | |
| ▲ 2.57% | ▲ 2.52% | \$1,427.00 (per ounce) | \$102.56 (per barrel) | ▲ 0.23% | ▲ 0.89% | ▲ 0.32% | ▲ 0.37% | BUY TK | 72.20 | 98.16 | 115.90 | 0.87 |
| 5,428.40 | 9,900.94 | | | 18,489.76 | 10,586.02 | 3,037.35 | 2,902.98 | SELL TK | 73.20 | 103.45 | 121.45 | 0.95 |

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Star BUSINESS

DHAKA FRIDAY MARCH 4, 2011, e-mail: business@thedailystar.net

Grameen borrowers want Yunus at the helm

STAR BUSINESS REPORT

Grameen Bank borrowers from different parts of the country yesterday termed the government attempt to remove Professor Muhammad Yunus 'motivated' and 'biased' and feared the bank will not sustain after his exit.

They expressed their shock and anger over the move to remove the Nobel laureate from the position of managing director of Grameen Bank and urged the government to review its decision and allow Yunus to run the bank for the sake of the poor.

"Grameen Bank and Prof Yunus are inseparable. We want him to lead the bank as long as he is alive," said Amzad Hossain, a borrower at Pargachha, Rangpur.

Like him, many borrowers in this locality have improved their economic conditions with the help of microloans from the bank, he said.



An elderly man looks at a picture of Prof Muhammad Yunus on the wall of Grameen Bank Headquarters in Mirpur, Dhaka, yesterday.

The reaction of the borrowers, who account for nearly one-third of the country's total microcredit beneficiaries, came after Prof Yunus on Wednesday faced a central bank order to give up his position as managing director of Grameen Bank.

Romila Khatun, 53, a Grameen Bank borrower at Kushtia Sadar, became angry over the attempt to remove Dr Yunus and said it was a 'conspiracy' to destroy the bank.

"Grameen Bank was established by Yunus for the poor people like us, not by the government. He brought attention of the world to Bangladesh through his activities and the government now is trying to destroy it," Romila said.

"If the government does not withdraw its decision, we (the poor) from across the country will launch a long march to the Prime Minister's Office to protest the conspiracy of destroying the bank."

The news of the government attempt also came as a shock to 52-year-old Fazilatunnesa, from Dumuria, Khulna. "I am really stunned to know about the removal of Yunus," she said.

"Grameen loans helped me come out of extreme poverty," said the women who built a poultry farm with the money from the bank.

She said microfinance has allowed her to run the poultry farm and helped get two of her daughters married off.

In its almost 30-year journey, the microcredit institution has financed 83.5 lakh borrowers, mostly women, who own 95 percent of the total equity of the bank.

As of January 2011, the bank of the poor has disbursed Tk 60,400 crore without collateral.

Out of this, Tk 53,650 crore has been repaid, thanks to millions of poor borrowers who have already proved the skeptics wrong by sending message to the world that poor are bankable.

Grameen Bank and 1,000 other microlending organisations provide support to three crore poor people to help them become self-employed.

The success of microfinance in Bangladesh has encouraged introduction of microcredit practices in many countries including USA, China and India.

Hafizur Rahman, a borrower of Grameen Bank of Gangachara, Rangpur, said Prof Yunus is the pride of the nation.

"Pressuring Yunus to step down from his post is a curse on the nation. It is a conspiracy to politicise the bank to breed corruption."

Sobezon Bewa, 60, from Aditmari, Lalmonirhat, feared

that Yunus' removal from the bank would be harmful for the poor.

"We have already purchased some cultivable lands (nearly one acre), a grocery shop and four cows through profits from my small business that was set up taking loans from Grameen Bank," said Bewa.

Before borrowing from Grameen, Bewa had only four decimals of land.

Azmir Akhter of Chandanaish, Chittagong, has been a borrower of the bank since 1998. In the last 12 years, she has borrowed Tk 80,000 and built four thatched shops on the family-owned land at her village market Rowshanhat and rented those out.

"It's true that I collected money from other sources also but the loans from the bank were a great help for me," said 33-year-old Azmir.

Khurshida Begum, a borrower at the microfinancier's birthplace, Jobra, Hathazari, Chittagong, said the loan is very helpful to do small business.

"This is the duty of the government to save countrymen from poverty but they failed to do this. Through the microcredit system, Yunus has done the government's job, which is exemplary for the gov-

ernment as well as for others," said Yasmin Akhter, another borrower at Jobra village.

The story of Sajeda Begum of Patiya, Chittagong, is quite different. She borrowed Tk 100,000 from the bank last year to meet educational expenses of her children. This January, she took Tk 150,000 more to send her eldest son to a Middle East country.

Shopkeeper Khalilur Rahman and his wife Baby Akhter at Deldaur, Tangail, were also sad hearing the news about Yunus.

"When a branch of the bank was set up here, Prof Yunus came and had meetings with us sitting on the floor. I am very sad about his removal," said Akhter adding that Yunus had established the organisation by his talent and none can run the organisation like him.

"The small loans provided by the bank helped me improve my family's economic condition," she said. "Grameen provided me the first loan at a time when no organisation lent the poor and landless without any collateral."

Her husband Khalilur Rahman termed the move of the government intentional, and said: "We, as a nation, have not learnt to honour any one. Dishonouring Prof Yunus is a self-destructive attempt."

Another borrower, Shafiqul Islam at Lalmonirhat said Yunus is the person who has opened scope for ultra-poor to get loans.

"The government's move to remove him from Grameen is not right and wise," said Islam who turned his fate from day labourer to a vegetable trader through loans from the bank.

He has also built a tin-shed house from the profits of his business.

Swapan Kumar Shil, a borrower in Patuakhali, said Yunus' idea of microloans helped the poor people.

"We had to face harassments in every way to get loans from banks. But Grameen Bank people gave us loans at our doorsteps saving our time, and saving us from the harassments."

Swapan borrowed Tk 77,000 as education loans from the bank to help his son continue education at Jagannath University in Dhaka.

"It is a harmful decision taken by the government. We want to know what 'wrong' Yunus has done," said Uttam Shil, another borrower.

"Grameen Bank and Yunus are undividable," said Shatabdee Rani, another borrower.

PART II ON B3

Stocks finish up in choppy trade

STAR BUSINESS REPORT

Big-buying of shares from the state-owned enterprises aiming to even out the stockmarket paid off as the Dhaka stocks gained 136 points amid a mixed-up tempo on the closing day of the week yesterday.

The benchmark general index of Dhaka Stock Exchange (DGEN) advanced by 2.5 percent to close at 5,428 points, while the selective price index of Chittagong Stock Exchange gained 244 points or 2.5 percent, closing at 9,900 points.

The DGEN lost 309 points on Wednesday as the retail investors including institutional ones went for panic sell-offs anticipating another stockmarket crash.

Anxiety was looming large as the opening bell rang and DGEN plunged more than 120 points, swinging from black to red until 12:30pm.

Consensus among the brokers to offset trigger-sales and active participation of the state-owned enterprises helped the DGEN close at 2.57 percent higher than the previous trading session.

But the market turnover and trade volume were 14.28 percent and 13.68 percent lower respectively, while only 46 declined out of 253 issues traded.

The DGEN has been experiencing extreme volatility for the past couple of months due to low confidence of investors and a liquidity crunch, said a leading stockbroker.



Market turnover and volume level have declined drastically. Dhaka stocks have lost more than Tk 1 trillion of market capitalisation since January 1. The situation is expected to improve if turnover and volume level rise, he added.

The Investment Corporation of Bangladesh (ICB) and state-owned commercial banks declared generating a big fund of Tk 5,000 crore to buy shares.

Market insiders said when the market slipped into the red zone, the ICB went in and placed a big order to help the market move to the black zone again. Most of the investors went for buying as ICB bought bulk shares yesterday.

Some of the big stockbrokers encouraged the investors to go for buying, assuring the market to become stable very soon, insiders said.

Most of the merchant banks also bought shares when the market was in the red zone, said a leading merchant banker. He said most merchant banks did not go for forced sales on the day.

The meeting of ICB with the big stockbrokers on Wednesday boosted the investors' confidence, said a stockbroker. "We seriously want to stop panic sales to restore normalcy to the market," he added.

Reaz Islam, chief executive officer of LR Global Bangladesh, said, "ICB should take steps quickly to invest in the market and thwart the bearish trend."

"I think the policy of the government would be able to bring back normalcy to the market," said Islam.

Yawer Sayeed, managing director of AIMS, said the investors should stop panic sales to steady the market. The market will be stabilised soon as the government is quite serious about bringing back stability to the market, he added.

Most of the major sectors such as banks, non-bank financial institutes, insurance companies, fuel and power, mutual funds and textiles gained on the day.

Grameenphone, a market heavyweight, also pulled the market and its share prices gained 5.3 percent yesterday.

The daily turnover at the DSE stood at Tk 503 crore, down by Tk 87.67 crore from that of the previous day. Beximco topped the turnover leaders with 12.85 lakh shares worth Tk 32.22 crore.

Asia Insurance was the highest gainer, with a 9.4 percent rise, while International Leasing and Financial Services lost the most, as its shares slipped by 40.5 percent.

Nobel receiver in anguish

RABIUL HASAN, Chapainawabganj

A simple village woman otherwise, Taslima Begum enjoyed the rare glory of receiving the Nobel Peace Prize on behalf of Grameen Bank on December 10, 2006. She believes the government could have dealt with Nobel laureate Muhammad Yunus respectfully.

"Yunus sir is a Nobel laureate; the government should have dealt with him respectfully, as he brought honour to the country," said Taslima of Pargachha village in Shibganj upazila, Chapainawabganj, in response to Yunus' unceremonious 'removal' from the post of the bank's managing director.

Taslima, also a former board member of Grameen Bank during 2005-09, told The Daily Star yesterday that she was shocked to hear the news that Bangladesh Bank 'removed' Yunus from Grameen as its managing director.



Taslima Begum

Taslima said some women first informed her about the development after watching television reports on Wednesday evening.

"After receiving the information, I contacted Grameen officials for confirmation. I was shocked and cried."

Prof Yunus is a highly esteemed person not only in Bangladesh, but around the world, added Taslima, who had taken a loan worth Tk 1,500 from the bank in 1991 to help husband Abu Hanif run a mechanic shop.

Her firstborn, Ashrafal Haque, is enrolled in honours (philosophy) at Adina Fazlul Haque Government College in Shibganj, while her youngest child, Abul Awal Siam, is in nursery. She spent much of her money on her sons' education.

"We are self-reliant now. We are happy for the services we got from Grameen," said Taslima.

She feels the government did not take a right decision by removing Yunus. "Yunus sir is like an umbrella for people, our guardian, an icon for the rural people, especially women. He raised our honour and prestige internationally."

Taslima never visited any city in Bangladesh before going to Norway to receive the Nobel prize on behalf of Grameen in 2006.

When authorities of the Nobel committee declared the Nobel for Grameen and Prof Yunus on October 13, 2006, all unit chiefs of Grameen chose her to receive the award on behalf of the bank. She was selected for her contribution as chief of the Grameen centre at Dhainagar, Shibganj.

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