

## BUSINESS PERSON OF THE YEAR

# A relentless innovator



Amjad Khan Chowdhury, chief executive of PRAN-RFL, works on his laptop in his office.

REFAYET ULLAH MIRDAHA

Amjad Khan Chowdhury, chief executive of PRAN-RFL Group, faced the real test of entrepreneurship when he set up an agro-processing factory at Ghorashal in Narsingdi in 1991.

Before entering into the agro-processing business, Chowdhury travelled in different sectors from real estate to manufacturing of foundry items, but none of them paid him the best yields.

But Chowdhury did not stop his journey. He pressed on with an innovative idea that transformed a small company into a conglomerate.

The Wealth of Nations, a bestseller by Adam Smith, taught him that business takes place mainly due to a huge gap between supply and demand.

"I observed that there was a huge gap between supply and demand in agro-processing business in Bangladesh. So I decided to start the entrepreneurial journey in agro-processing business," he said.

A small idea in agro-processing business in 1991 made Chowdhury an employer of more than 30,000 people directly and 64,000 farmers country-wide.

The idea not only made the group a market leader in the segment, but also helped generate gross revenue of Tk 2,600 crore in fiscal 2009-10, while the target for fiscal 2010-11 was fixed at Tk 4,000 crore.

The group exports products to 75 countries. Before stepping into agro-processing business, Chowdhury used to cultivate vegetables, fruits and other agro-products on six acres of leased land in

Ghorashal, Narsingdi to supply to major markets in Dhaka. But, it was not paying him good dividends.

He set up the company's first agro-processing factory in Ghorashal with machinery purchased on auction and started processing pineapple, mango, papaya and other fruits to make juice, pickles, jam and jelly.

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Later, when the business clicked, Chowdhury went big in manufacturing and set up six plants in Narsingdi, Gazipur, Bhairab, Mymensingh, Rangpur and Sirajganj, producing more than 400 products ranging from plastic to jelly.

A relentless entrepreneur, Chowdhury started his business career in 1981, after retiring from the Bangladesh Army in the same year, through setting

up a small company, Rangpur Foundry Ltd, in Rangpur to make irrigation pumps.

But his foundry venture did not pay off well enough, which prompted him to diversify his business.

Chowdhury went into real estate as demand for apartments was going up among the rising middle-class in Dhaka and its adjacent areas. That is why Property Development Ltd came into being.

"I made thousands of apartments for the people in Dhaka. The real estate business is doing well," he said in an interview with The Daily Star at his new office in Badda.

Now he aspires to be a market leader in dairy business.

"I have a plan to retire from the group and hand over the stewardship to my sons once the dairy becomes a market leader," he said.

Creating jobs through setting up businesses is the best practice of corporate social responsibility, he said. "I have seen a lot of unemployed women gathering at the gate of PRAN factories in Rangpur."

"Later, I employed them at my factories and now many of them are self-reliant," Chowdhury said.

Born in Natore in 1940, Chowdhury started his education at St Gregory's School in Old Dhaka.

He joined the Pakistan Army in 1956 and was commissioned in 1958 before his assignment in Sargoda in Pakistan. He returned to Bangladesh during the Liberation War in 1971.

Now, he is the president of Metropolitan Chamber of Commerce and Industry.

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Business leaders and other guests attend the ceremony of Bangladesh Business Awards at Sonargaon Hotel on June 25



Dancers perform at the awards ceremony at Sonargaon Hotel.



A dance ensemble based on a Tagore song.



Mahfuz Anam, editor, The Daily Star

Faruk Khan, commerce minister

Desmond Quiah, country manager, DHL Express



A flutist plays on, while the No. 11 shines in the background, symbolising the 11th year of awarding excellence in business.

## OUTSTANDING WOMAN IN BUSINESS

# An architect apart

MD FAZLUR RAHMAN

Seventeen years ago, she started it with a small investment that could only buy her a computer, some stationery items such as tracing paper, drafting pens and some books on architecture.

Today, architect Tanya Tazeen Karim is among few women entrepreneurs who earned fame both at home and abroad by designing buildings.

Tanya formed a partnership with a classmate, Nurur Rahman Khan, after graduating from Bangladesh University of Engineering and Technology in 1990. Three years later, their firm, Tanya Karim NR Khan & Associates, was officially registered.

"We started with minimal capital. We could not rent office space. We had used a small bedroom in my apartment as our first office for the time being."

Her major breakthrough came in 1993 when Tanya and her team worked on the interiors of the Beximco Pharmaceuticals headquarters in Dhaka. Since then, she has never looked back. The orders started flowing in from multinational banks and other companies.

The firm's next breakthrough came when it designed a residential building owned by Annisul Huq, a leading businessman.

Her work also involves interiors, landscaping, master planning and graphic designing. All are part of an effort to make Tanya Karim NR Khan & Associates a one-stop service centre.

Tanya also had to fight other issues. "Initially, I had to overcome gender bias to come this far. Everyone around me thought that I knew nothing."



TANYA TAZEEN KARIM

"When one saw that my technical knowledge is sound and I am capable of delivering what clients ask for and giving decisions on the site, the situation changed and respect grew."

Tanya rates herself as a successful entrepreneur. "As a business entrepreneur, in terms of money, we will not say we are very much up in the ladder. But in terms of quality of services, I think we have advanced a lot."

"We have been able to earn respects of society and business clients. We have played a key role in changing interiors and office interior designing. I think we are a pioneer in quite a few aspects," Tanya said.

Tanya and her team have done some international works. "We designed the Bhutan Telecom building and a mosque in India. We have also worked in Malaysia, China and Thailand."

"We had to compete to win such projects. We are proud of our team and works."

"Our vision is to become a global design house

that will be internationally recognised," she said. Tanya said architecture is one of the few areas that allow women to shine. "I think professions such as architecture and interior designing suit women the most in a sense that you can design from home as well."

Fifty-seven people work for her firm on a regular payroll, with another 150 people on contract. Tanya said trust and respect are important for a long-lasting partnership.

"We have built a partnership. The basis of our partnership is complete trust and respect for each other."

She said the scope for architects and interior designers has expanded. "After the 90s, the trend began to change, as people travelled more and came to know the importance of a good design. The knowledge base of the clients has gone up."

According to Tanya, maintaining a balance between a career and family life is important. She thanks her sons and husband for helping her through everything.

"I have built a partnership. The basis of our partnership is complete trust and respect for each other."

"My husband, parents and in-laws have helped me a lot. For a woman, this type of support is crucial," said the mother of four.

The 47-year-old said teaching is helping her to relate to the younger generation. She considers teaching a way to give back to the society. "It is my social responsibility."

Tanya said her firm is concentrating on designing firms that prioritise energy consciousness. "We are designing such that you can save up to 40 percent of your energy bill."



A partial view of the audience at the business awards ceremony organised by The Daily Star and DHL Express.

## BEST FINANCIAL INSTITUTION

# Banking: keep it simple

SAJJADUR RAHMAN

A famous mathematician S Gudder said the essence of mathematics is not to make simple things complicated, but to make complicated things simple. Gudder's views on math have influenced Eastern Bank's slogan -- simple math. Over the past 19 years, Eastern Bank Ltd (EBL) has proved that banking is like solving a 'simple math'. The bank has made complicated financial services simple to its customers.

"Some small things, such as service excellence, staff satisfaction, effective strategies and products matter more than how big the bank is," said Ali Reza Iftekhar, managing director and chief executive officer of the bank.

For more than five years, the Eastern Bank staff -- from the chief executive officer to fresher -- have been streamlining services and constantly finding ways to improve customer care, products and efficiency.

Commitment to the service excellence has paid off the bank owners, shareholders and employees. It has risen from the dust of a collapsed bank and become one of the valuable brands in the banking industry.

EBL has won the Bangladesh Business Award as the best financial institution for its superb operational perfor-



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ALI REZA IFTKHAR

mance in loans and advances, deposits, non-performing loans, ratings and product innovations.

Iftekhar joined the bank in 2004 as deputy managing director and promoted to CEO in 2007. Since his joining, the bank started paying off from the third year.

The bank's deposits have almost doubled to Tk 5,642 crore between 2007 and 2010. Similarly, loans and advances stood at Tk 5,860 crore in 2010 from Tk 3,096 crore in 2007.

Despite the global recession and its subsequent impact on Bangladesh markets, EBL's profit after tax grew by

66.70 percent to Tk 242.5 crore in 2010. Non-performing loans dropped to 1.99 percent in 2010 from 2.46 percent a year ago.

"Change comes from employees, and they have altered the health of the bank in ways visible," said Iftekhar.

Among many banks, EBL stands out: it has proved that being a big spender for promotions to be glamorous does not make a bank the best in the industry. Quality service and staff satisfaction have made EBL a special brand.

It is one of the biggest players in syndication financing. In the last five years, EBL has closed syndication deals

worth more than Tk 1,500 crore. EBL also got ISO 9001:2008 certification as the first bank in Bangladesh for excellence in trade financing.

But the bank did not earn this name and fame so smoothly. It had to cross rocky-roads.

Previously, it was the Bank of Credit and Commerce International (BCCI), a major international bank founded in 1972. In the 1980s, BCCI became the focus of a massive regulatory battle in 1991 and in July 5 of that year bank regulators in different countries, including Bangladesh, locked down the bank and liquidated it throwing thousands of its depositors into great despair.

Bangladesh Bank took over the management and started restructuring the bank. Later, some brave but big depositors showed interests to buy its shares. The born-again bank was renamed Eastern Bank in 1992.

Noor Ali, chairman of the bank, was a depositor at that time.

"I had to mobilise depositors of collapsed BCCI and encouraged them to buy shares in the restructured bank," recalled Ali. "Our commitment has paid off. Five directors did not take any profit, even fees for six years."

Ali said no director is allowed to take loans from the bank. "We want to see EBL as a model bank, a real substitute for foreign banks."

## ENTERPRISE OF THE YEAR

# Steely nerves

SAYEDA AKTER

A persistent thrust to modernise products and an enthusiastic passion to create and open newer avenues have taken BSRM to where it stands now. Today the Tk 3,696 crore BSRM Group is the leader in the local steel market.

"It has been our integrity, hard work and relentless quest for innovation which place us here today," said Alihussain Akberali, chairman of Bangladesh Steel Re-rolling Mills Group.

"As a chartered accountant, my calculations have taught me to keep my eyes open to the domestic need and modernise my line of products accordingly."

In 1947, the family of Akberali Africawala, founder of BSRM Group, migrated from India to Pakistan to make it his new home. Initially, the hardware merchant settled in Karachi, visiting Dhaka on and off.

Soon Akberali decided to start living in Chittagong, once he found out that the iron rich water of the port city was soothing to his stomach. He next went for establishing a steel re-rolling mill to produce reinforced steel bars and structural sections. Since the entire region then did not have even one such plant, the plan seemed feasible to him.

Akberali, with his brother Taherali Africawala, set up the first steel re-rolling mill of the country in Nasirabad, Chittagong, in 1952.



ALIHUSSAIN AKBERALI

"We grew gradually from one mill to four, and all of them were manually-run mills. We also opened a nut-bolt factory, a wire factory, and some more cluster factories over the years," said Alihussain.

Alihussain joined his father in business in 1974. He did not have to go through the initial hassle to initiate a company in an unknown land, and he certainly had the vision to widen the horizon of BSRM to a next level.

"In 1984, my father and I went to the UK and bought a second-hand automatic re-rolling mill to be set up in our

factory premises in Chittagong. Then we started producing high grade quality steel materials, using which, the first Meghna Bridge and Meghna-Gomti Bridge were built."

The same year, the group started renovating and spent hundreds of crores of taka on that, where the motto was 'no looking back for us', said Alihussain.

Innovation and new products have always given BSRM an edge. In 1987, BSRM set up a wire-rod mill and a captive billet making plant in 1996 for a steady supply for its rolling mills.

A decade later, the group established a pilot cold rolling mill to manufacture ribbed high strength wires in 2006.

At present, the BSRM Group has several sister concerns -- Meghna Engineering Works, Karnafuli Engineering Works, BSRM Re-cycling Industries, BSRM Wires, BSRM Iron and Steel Company, and BSRM Steels.

"We kept on upgrading and diversifying our products. Three years back, we ventured into setting up BSRM Steels that is basically a result of our experience. We have calculated that with an additional cost of hardly 25 percent we can enhance our capacity by nearly 70-80 percent," said the chief entrepreneur.

BSRM Steels, the flagship company of the group, the country's only manufacturer of 500 grade steel rod, started its operation in June 2008 with an annual production capacity of 3.75 lakh tonnes of steel rod.

The Tk 370 crore project manufacturing TOR steel, MS angel, MS channel, shaft wire, rod, beam, rail and spring steel was listed on the capital market in January 2009.

"The main reason behind going to the capital market was to source a huge capital needed for the project. It also brought me an opportunity to get 10 percent tax benefit for listing in the capital market," said the BSRM boss.

Built on 11 acres at Latifpur in Faujderhat, it is one of the largest mills of its kind in the sub-continent. BSRM Steels branded its products as 'xtreme brand', which soon got popular in the local market, because of its cost saving feature.

BSRM Steels churns out Tk 2,200 crore in annual turnover. It made a net profit of Tk 96.48 crore in fiscal 2010-11. BSRM Group employs 1,097 people. Another 1,500 people work with the group on a temporary basis.

Despite all hard work and a proven track-record of high growth, problems still hinder the pace of growth, thinks Alihussain. "The main problem is that the government does not provide all the support we should get."

After receiving the Bangladesh Business Award in the Enterprise of the Year category for its historic presence in the steel industry, the BSRM chief said the award is recognition of the company's contributions to the steel industry for the last 60 years.