

Banks speed up CSR efforts

STAR BUSINESS REPORT

Banks' spending for social and welfare causes increased in a staggering pace last year.

Together they doled out Tk 233 crore on corporate social responsibility (CSR) initiative in 2010, up by 425 percent against Tk 55 crore in 2009, said a report launched yesterday.

"It is commendable that the CSR activities have gained momentum in the past two years," said Bangladesh Bank Governor Atiur Rahman.

"I hope the amount will go up significantly this year," said Rahman at the review of CSR initiatives in banks at the central bank office.

Senior central bank officials and chief executive officers of commercial banks were present at the meeting.

The governor hailed the banks for their CSR initiatives. He, however, said there are a lot more to do including mainstreaming the CSR activities and developing coordination among the

banks on sectoral CSR activities.

"Ninety percent of the banks' money are depositors' money...please remind the directors of it," he asked the CEOs.

Rahman also urged the banks to build skill development centres under their CSR efforts.

The governor said, this year all banks have agreed to lend Tk 191 crore for production of spices at 4 percent interest rate and the central bank would refinance 6 percent interests to banks as subsidies.

"As the banks' cost of fund has gone up, the additional 2 percent interest rate will be considered as banks' CSR spending," said Rahman.

The governor also urged the banks to invest more on green energy.

Deputy Governor Murshid Kuli Khan directed the banks to diversify their CSR activities.

"If every bank goes for stipend for students other sectors like environment will remain ignored," said Khan.

Senior consultant of the central bank Allah Malik Kazemi also spoke.

Stocks break losing streak

STAR BUSINESS REPORT

Dhaka and Chittagong stocks returned to the black yesterday as investors went for fresh buying to enjoy the low prices, following government intervention to stabilise the market.

DGEN, the key index of the Dhaka Stock Exchange, closed at 5,359 points, after gaining 66 points or 1.25 percent. The DGEN lost 4 percent on Tuesday, which was the highest fall since June 12 when the benchmark index dropped 5.23 percent.

A high official of the securities regulator requested large institutional investors to buy shares, saying that the government will give some incentives for doing so. The move would help investors get back some lost confidence, the official added.

He said the large and institutional investors make hefty profits when the bourses gain from a bearish trend, while the small investors have no buying power -- they just observe market movement.

He also said the government is anxious about stabilising the market as it affects the image of the government.

SEC Chairman Prof M Khairul Hossain assured investors at 2:00pm that they would come up with some incentives for the investors, such as tax rebate facilities and cuts to tax at source on brokerage commission by half to 0.05 percent by National Board of Revenue, to stabilise the bourses.

The aggrieved investors, under the banner of Bangladesh Capital Market Investors Unity Council, went on a hunger strike in front of the DSE building at 11:00am.

Many investors from different brokerage houses demanded that trading at the bourses be stopped as the DGEN went down by 2.9 percent within the first thirty minutes of the start of the day.

The movement of vehicles from Shapla Chatter of Motijheel to the Ittefaq intersection came to a halt after investor demonstration in front of the DSE building at 12:00pm.

The agitated investors alleged

that major market players and gamblers have a hand in the continuous market fall and they urged the government to take steps to stabilise the situation. The flow of traffic resumed at 4:15pm.

Akter H Sannamat, a market analyst and chartered accountant, said the market got rational support from the institutional investors and state owned institutions.

This support should continue for a long-time to bring back investors' confidence, he added.

He also said the regulator has fulfilled all kinds of demands placed by the stakeholders, which indicates that the regulator is serious about stabilising the market.

Turnover on the premier bourse stood at Tk 313 crore -- 6.6 percent lower than the day before.

The Chittagong Stock Exchange also gained with the Selective Categories Index, CSCX, closing at 9,622 points after adding 66 points or 0.7 percent.

Fair on energy equipment begins today

DIPLOMATIC CORRESPONDENT

A three-day international fair on energy equipment titled "6th Power Bangladesh 2011" begins at Bangabandhu International Conference Centre in the city today.

The British High Commission in Dhaka, through the UK Trade & Investment, has arranged a catalogue stand at the exhibition to showcase the capabilities of five leading British companies, said a British High Commission press release yesterday.

The five companies are T&R Generators Ltd, Turbine Efficiency, First Power BD, Argyll Energy and BroadCrown.

Eighteen countries including the United States, China, Australia, Japan and Korea are taking part in the exhibition.

Event management company CEMS Bangladesh has organised the event.



MR Khan, a national professor, and M Azizul Huq, managing director of GlaxoSmithKline (GSK) Bangladesh, attend the first Vaccine Summit, organised by GSK, at Bangabandhu International Conference Centre in Dhaka yesterday.



M Shahjahan Bhuiyan, managing director of United Commercial Bank (UCB), and Alihussain Akberali, managing director of Bangladesh Steel Re-Rolling Mills Ltd (BSRM) and chairman of BSRM Group, exchange documents after signing a deal at the bank's head office in Dhaka recently. UCB will be the lead arranger for raising the fund of a syndicated term loan of Tk 280 crore for a project of the company.

Middle East crisis to impact South Asia: Analysts

STAR BUSINESS REPORT

The Arab spring, evolving situations in Iraq and developments in Afghanistan have implications for the South Asian countries, said former Foreign Secretary Farooq Sobhan yesterday.

Sobhan, now president of Bangladesh Enterprise Institute (BEI), said a lot of happenings and developments are taking place across the Middle Eastern region, Egypt and Libya, and it may continue.

"We have keen interest in the Arab spring," he said while speaking at a discussion on Middle East: Economic Condition and Development, at the BEI office, where former Professor of Ankara University Turkaya Ataov shared his analysis on Arab uprising.

Turkish Ambassador in Bangladesh Vakur Erkul, who was also present, said Turkey sits astride the peninsula joining two continents of Asia and Europe.

"We have one foot on the east and the other on the west," he said, adding that the country gets affected by the ramifications of the happenings/ developments surrounding it.

He said his country is ready to help the Middle Eastern countries to establish

democracy and democratic processes.

Prof Ataov said events of global significance are taking place in the Arab world, Horn of Africa and North Africa.

"People have begun to challenge established old orders in the world as a whole," said Ataov who authored almost 130 books.

The professor said the world economic crisis, rise in costs of basic foods and fall in remittances accelerated the uprising in Egypt, people of which toppled the country's long standing ruler Hosni Mubarak in 18 days.

"It was a popular revolt. It was for democratic reform, social justice and redistribution of wealth," he said, referring to the long time deprivation and impoverishment of the Egyptian during the Mubarak regime.

Citing protests in Greece and Spain, Ataov said the happenings in Egypt also inspired movements in other parts of the world. "People demand better life," he said.

He also warned that all kinds of fundamentalisms are on the rise. He said the Kingdom of Saudi Arabia does not have any constitution as it follows the Quran. But what about human rights, he questioned.

Faruk asks TCB to follow global prices

STAR BUSINESS REPORT

Commerce Minister Faruk Khan yesterday gave directives to the state-owned Trading Corporation of Bangladesh (TCB) officials to purchase the basic commodities in view of the international markets.

He suggested the TCB purchase the commodities when the prices of those products go down during the harvesting period in the international market, so that those could be sold at lower prices in the local markets.

Khan also asked the TCB to upgrade its capacity so that it can compete with the local businessmen during any crisis.

Moreover, the TCB should preserve the commodities in the warehouses so that those are not rotten and the agency should enhance its standard of services to the people, the minister said at a meeting with the regional chiefs of the TCB at its headquarters in Dhaka.

He also instructed the TCB officials not to harass the dealers during the release of goods from the TCB warehouses and to continuously monitor whether the deal-

ers are taking the goods at the right time.

The agency has already appointed 2,905 dealers across the country instead of its previous 140 dealers to keep the prices of basic commodities at a tolerable level, the minister said.

In the meeting it was decided that the TCB will scrap the dealership licences of the dealers who failed to receive the goods from the warehouses previously, because a section of people are trying to create an artificial crisis of commodities by hoarding the items during the time of crisis.

"At present the government has six months' stock of different commodities for keeping the market stable," the minister said.

From now, the TCB will increase the supply of goods to the dealers and it will make two special allocations of commodities for the dealers during the time of Ramadan, Durga Puja and Eid-ul-Azha, he said.

The government has already allocated Tk1,000 crore for the TCB at lower interest rate for purchasing commodities, while the government had subsidised Tk69 crore last year for the agency.



Muklesur Rahman, deputy managing director of Eastern Bank, inaugurates the 94th ATM booth of the bank at Farmgate in Dhaka yesterday.

Popular Life's land purchase under scanner

STAR BUSINESS REPORT

The insurance watchdog has appointed an audit firm to probe Popular Life Insurance's acquisition of a piece of land in Gulshan, to see if the deal protected the interests of the company and its shareholders.

The Insurance Development and Regulatory Authority (IDRA) chose M/s Nurul Faruk Hasan and Co to conduct the audit. The appointment came after Popular Life Insurance acquired 667.56 decimals of land situated in Gulshan under mouza Karail, involving a substantial amount of money. Several newspaper reports said there were irregularities in the process.

"IDRA, being the regulatory body in the insurance sector, desires to carry out an investigation on the transactions in connection with the purchase of land,

especially to see whether the transaction has taken place at arm's length, protecting the interest of the company and its large number of policyholders," the insurance watchdog said in a statement.

The audit firm will have until November 27 to submit the report to IDRA. The report will contain observations, opinions and recommendations of the audit firm against the investigation findings.

The price of the land has been estimated at Tk 294 crore, of which, Tk 92 crore has already been paid.

"This is policyholders' money. And as the regulator, we are to take care of their interests," said M Shefaque Ahmed, chairman of IDRA. "Our task is to protect the interests of the policyholders and shareholders. We will see whether there was any violation in investment rules."

Dipu Moni presses duty-free access of goods to US

DIPLOMATIC CORRESPONDENT

Foreign Minister Dipu Moni has called upon the US policymakers to consider duty-free and quota-free access of Bangladeshi products into the American market.

Speaking at a seminar organised by Bangladesh Brand Forum (BBF) in Washington DC on Tuesday, she also outlined the progresses Bangladesh has been making particularly in the socio-economic sector and the opportunities the country can offer for trade and investment.

The minister highlighted the geographical location of Bangladesh in between the two large economies like China and India.

She also said the initiatives of the present government towards regional connectivity coupled with government fiscal and non-fiscal incentives offered to the investors have placed the country in a favourable position as an investment destination.

According to a statement of the foreign ministry, Dipu Moni also attended a roundtable at the US Chamber of Commerce and a seminar at the School of Advanced International Studies (SAIS) in the prestigious Johns Hopkins University as the chief guest.

BBF organised the events in partnership with the US-Bangladesh Advisory Council in Washington DC as part of a Brand Bangladesh campaign in the US.

The US Chamber of Commerce hosted the break-fast seminar, which was attended by business leaders both from Bangladesh and the US, entrepreneurs, high officials from the US State Department.

Dipu Moni called upon the US policymakers to consider duty-free and quota-free access of Bangladeshi goods, particularly the RMG products into the US market.

RMG workers demand food rationing

STAR BUSINESS REPORT

Leaders of Bangladesh Garment Workers Unity Council yesterday demanded a food rationing scheme for the apparel workers as the prices of basic commodities have skyrocketed.

They said the government should supply rice, lentil, wheat, edible oil, sugar and other essential commodities to the workers at lower prices.

They also urged the government to amend the Labour Law of 2006 to modernise it and ensure delivery of the appointment letters, identity cards, wage slips and over-time slips to the workers.

At a press meet in Dhaka, BGWUC Coordinator Salahuddin Swapan said they would organise a human chain in front of the National Press Club on October 21 to press home their five-point demands.

Housing expo kicks off in Ctg

STAFF CORRESPONDENT, Ctg

The ninth BD-Red Housing Fair Chittagong 2011 began in the port city yesterday.

Chittagong City Corporation (CCC) Mayor Manjur Alam inaugurated the four-day event at the Institute of Engineers, Bangladesh.

The mayor urged the realtors not to pollute the city's environment in the name of urbanisation. Sixty real estate companies from Dhaka and Chittagong are taking part in the show in 72 stalls. The gates of the fair

Correction

In a news item headlined "Adviser stresses increased liquidity to beef up market -- Bangladesh Fund Subscription begins" published on October 11, we inadvertently mentioned that "On behalf of AB Bank, Managing Director Khondker Fazle Rashid bought units worth Tk 20 crore and Deputy Managing Director Badrul H Khan bought units worth Tk 20 crore."

Actually, Khondker Fazle Rashid is the managing director of Dhaka Bank and he bought the units on behalf of Dhaka Bank, while Badrul H Khan is the deputy managing director of AB Bank and he bought the units on behalf of AB Bank. We regret the mistake.