

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DGEN	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
2.55%	2.08%	\$1,779.15	\$108.36	0.86%	0.54%	0.33%	1.25%	81.40	105.45	125.66	1.01	
4,367.81	8,059.76	(per ounce)	(per barrel)	17,923.57	9,647.38	2,978.08	2,439.63	BUY TK	82.40	109.50	129.71	1.10

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STAR BUSINESS

DHAKA SUNDAY FEBRUARY 26, 2012, e-mail:business@thedailystar.net



Winners of BASIS awards pose for photographs at a programme at Bangabandhu International Conference Centre in Dhaka yesterday. Bangladesh Association of Software and Information Services awarded 31 individuals, companies and organisations for their innovative ideas and contributions in information technology and software development.

BASIS honours IT innovators

STAR BUSINESS REPORT

A platform for software and ICT developers, BASIS, yesterday awarded 31 companies, professionals and students for their innovations and extraordinary performances in their respective fields.

Of the awards, 26 were given on the basis of competition and five were awarded in recognition of the winners' contribution to software development and the ICT sector.

Bangladesh Association of Software and Information Services (BASIS) gave the awards in three categories -- Freelancer, Code Warrior's Challenge and IT Innovation Search Programme.

An awards night played out on the sidelines of the four-day BASIS Softexpo that ends today at Bangabandhu International Con-

ference Centre in Dhaka.

This year the lifetime achievement awards went to A Towhid, founder president BASIS, and SM Kamal, founder president of Bangladesh Computer Samity, another platform.

The National Board of Revenue received the Digital Championship Award, while two special contribution awards were given to Bangladesh Math Olympiad and the late BASIS member ASM Shamsuzzman Pappu.

Three projects -- voice-guided utility robot, marker-less motion capture solution and doctor software -- were awarded in the IT innovation search category.

This year, 15 freelancers (students, other individuals and companies) were awarded.

The students are Khaled Bin A

Quadir, Md Sazzad Hossain Oli, Marjan Ahmed and Ahmad Sajid.

The other individuals are Muhammad Shoeb, Md Mohaimenuzzaman, Sayeed Islam, Khaled Md Shariar, Anwarul Islam, Md Enamul Haque and Ashikur Rahaman, while the companies are RS Software, EncodeLabs Inc, Tanvir IT Solutions and JobadNet.

Under the code warrior's challenge category, BASIS awarded professionals and students. The teams of the students and professionals are Surge, The Incredible, BAD Timing, Mukto XSS, SUST Triangle, Smart Warriors, BUET Npbodies and Spectrum Warriors.

Voice guided utility robots received the champion award this year. The winner of the project received a trophy and Tk 100,000.

Export growth, not so much in volume

SAJJADUR RAHMAN

Bangladesh's exports in terms of volumes grew by less than 7 percent in 2011, much lower than the growth estimated in value.

Last year, the country's exports were 409,672 twenty-foot equivalent units (TEUs) through sea and 113,481 tonnes by air, according to Chittagong Port and civil aviation authorities.

Export volumes were 376,787 TEUs and 155,221 tonnes by sea and air in 2010.

If the volumes (113,481 tonnes) carried by air cargoes are converted into TEUs (8 tonnes=1 TEU), the total exports would stand at 423,857 TEUs in 2011, up by only 6.98 percent from 396,189 TEUs a year ago.

Exporters of readymade garments, which account for nearly 80 percent of the country's total overseas sales, attributed the blistering growth in value in fiscal 2010-11 to a dramatic hike in raw materials' prices and exchange rate fluctuation.

"Exports in terms of quantity grew nominally in 2011. We saw more than 40 percent export growth in 2010-11 due to a hike in the prices of raw materials and exchange rates," said Anwar-ul Alam Chowdhury, a leading garment exporter.

Yet, the growth was not bad, rather modest, said Chowdhury, managing director of Evinco Group, and a former president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Exports volume rose by only 2-3 percent in Europe and US in 2011, he said.

"Prices of raw materials (cotton and yarn) increased two/three times last year. Exports in terms of the US dollar grew, but it did not reflect the real growth," said Shafiqul Islam Mohiuddin, president of BGMEA.

Data from the civil aviation authorities shows exports by air declined by 27 percent in 2011 than the previous year. A total of 155,221 tonnes of goods were exported by air in 2010, which came down to 113,481 tonnes in 2011.

"A rise in on-time delivery has reduced the shipment by air," said Mohiuddin.

SEC to conduct special audit into listed firms

GAZI TOWHID AHMED

The stockmarket regulator will now conduct 'special audits' into the listed companies' financial statements in a bid to ensure transparency and accountability in their financial management.

"The Securities and Exchange Commission may appoint an auditor to undertake a special audit at its own cost into the financial statements of listed companies," said Saifur Rahman, an SEC spokesman.

"The move will be helpful for the investors to gain confidence in the market," said AB Mirza Azizul Islam, former finance adviser to a caretaker government.

The initiative will also limit the scope of financial jugglery, undervaluation of profits and illegal loans to directors, said Islam, also a former chairman of the SEC.

Also, if an issuer fails to get its financial statement audited and submit it to the SEC and stock exchanges within the specified or extended time, the commission may appoint an auditor to audit the issuer's financial reports, according to guidelines on how to perform the audits.

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Interest on savings instruments goes up

The move will reduce govt's borrowing from banks and contain inflation

REJAUL KARIM BYRON

The government has increased the rate of interest on all savings instruments by 1.38-1.81 percentage points to make them more attractive to investors.

If sales of savings instruments rise with higher returns, the scheme will bring the government more funds from the investors, eventually reducing its dependence on loans from banks.

An official of the finance ministry said the new rates will be effective from March 1.

With this, the rate of interest on savings instruments was raised twice in the last six months as sales of the instruments fell drastically.

banks, which now offer as high as 12.5 percent.

As a result, the interest rate on savings instruments is the highest now.

For example, the rate of interest on the five-yearly Bangladesh Sanchaypatra is 13.19 percent. But even after the deduction of tax, the net interest rate will be at 12.58 percent, which is higher than the rate of interest offered by the banks.

As many banks are offering interest rate higher than 12.5 percent to attract government deposit, the Finance Division will issue a circular to different ministries so that no government institution deposits with banks that give interest higher than 12.5 percent.

THREE-MONTHLY PROFIT BEARING SAVINGS INSTRUMENT
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FAMILY SAVINGS CERTIFICATE
Tk 1,120.83 to come every month from Tk 1 lakh investment

Alongside savings instruments, the rate of interest on foreign currency bonds will be raised to boost foreign exchange reserve.

The rate of interest on five-year Bangladesh savings instruments will be raised to 13.19 percent from the existing 11.55 percent.

Interest on three-monthly profit-bearing savings certificates will be increased to 12.59 percent from 10.78 percent now.

Interest rate on pensioners' savings instruments will see a rise to 13.19 percent from existing 11.81 percent, while interest rate on family savings certificates will be raised to 13.45 percent from 12.07 percent now.

The changes came in line with recommendations made by a committee led by Additional Secretary of the Finance Division Syed Manjurul Islam.

The committee also recommended withdrawal of the existing practice of deducting 5 percent tax at source on pensioners and Parivar Sanchaypatra. But the government did not agree on it.

The finance ministry official said the committee has set the interest rate in such a way that investing in savings instruments will be more profitable than keeping deposit with

The government's borrowing from savings instruments fell far short of the target last fiscal year and the situation deteriorated further in the current fiscal year.

According to central bank statistics, in the first six months of the current fiscal year, net sales of savings instruments fell by about one sixth. The net sales from July to December were Tk 334 crore, while the amount was Tk 1,969 crore during the same period the previous year.

The government's target to borrow from savings instruments is about Tk 6,000 crore in the current fiscal year.

The finance ministry official said, as borrowing through savings instruments marked a fall, borrowing from banks, especially from the central bank, has been on the rise.

Bangladesh Bank has already set a target to cut credit growth in a bid to rein in soaring inflation.

But though the private sector credit growth could be brought down, the government failed to contain its credit growth which is pushing up inflation.

The official said sales of savings instruments will go up due to the new rates of interest and it will reduce government's borrowing from the banking system.

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Citigroup raises \$1.9b with Indian sale

AFP, Mumbai

US banking giant Citigroup sold its nearly 10-percent stake in India's biggest mortgage lender for \$1.9 billion on Friday,

ending a seven-year alliance and raising much-needed capital.

Citigroup, the third-largest US lender by assets, said the sale of 145.3 million shares in Housing Development Finance Corp (HDFC) -- the whole of its 9.85 percent stake -- was "part of Cit's ongoing capital planning efforts."

Total proceeds from the sale to mainly foreign institutional investors were expected to be \$1.9 billion, resulting in an after-tax gain of \$722 million.

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