

BRAC Bank retools retail banking

STAR BUSINESS REPORT

BRAC Bank yesterday launched its new retail banking model to provide more customised and convenient services to the requirement of its customers.

Under the model, the bank introduced four segments: Premium, Supreme, Excel and Easy.

The bank will deploy dedicated service desk at branches to meet requirement of individual customers.

Syed Mahbubur Rahman, managing director and chief executive officer of BRAC Bank, launched the banking model at a press meet at Sonargaon Hotel in Dhaka.

"BRAC Bank has always brought in pioneering initiatives in the banking industry with technology and innovation for the benefit of customers," said



Syed Mahbubur Rahman, managing director of BRAC Bank, attends the launch of the bank's new retail banking model at Sonargaon Hotel in Dhaka yesterday.

Rahman.

He said the launching of the banking model is a step forward towards customer-focused banking and a milestone

in the banking industry.

"As a member of sustainable banking group -- Global Alliance for Banking on Values -- we are committed to provide

value-based banking that puts prime focus on the needs of the customers," said Rahman.

He said the bank will know customers better, understand their needs and design products accordingly and serve them better.

This is the first time in Bangladesh that a bank introduces customer-centric model where customers will get benefit of demand-driven banking service instead of supply-driven one, the bank said in a statement.

This is a major shift in traditional banking industry in Bangladesh towards value-based banking with focus on designing products and services as per financial needs of individual customer, according to the statement.

Mohammad Mamdudur Rashid, deputy managing director, and Firoz Ahmed Khan, head of retail banking, were also present.

D-8 ministerial meeting to begin on Oct 8

UNB, Dhaka

The third D-8 (developing-eight) ministerial meeting on industry will begin in Dhaka on October 8 with an aim to promote economic cooperation and recommend ways to cope with future challenges, Industries Minister Dilip Barua said yesterday.

"The conference will help attract investment, both in joint ventures and direct, and expand Bangladesh's export market to the member countries," Barua told reporters after a meeting with visiting D-8 Secretary General Widi Agoes Pratikto (Indonesia) at his Shilpa Bhaban office.

Barua said there will be a series of bilateral meetings with ministers from the D-8 member countries during the three-day conference, which are expected to usher in a new era for Bangladesh's industrial development.

He said there will be 11 meetings on the sidelines of the meet on different sectors, including readymade garments, pharmaceuticals, light engineering, agro-processing and renewable energy.

"Experts, entrepreneurs, business leaders and government officials will take part in the meeting."

Barua said ministers from eight countries along with two senior officials from each country will take part in the event. "Entrepreneurs representing different sectors of the countries will also attend it to have business discussions on prospective areas."

He said if the conference becomes successful, Bangladesh will move one-step forward in emerging a prosperous country.

The event will also seek to provide an opportunity for the member states to exchange their experiences, facilitate trade among them and promote trade

within the group.

Prime Minister Sheikh Hasina is expected to inaugurate the conference to be held at Ruposhi Bangla Hotel.

Barua informed Pratikto about the preparation of the conference and Pratikto expressed satisfaction over the arrangements so far made.

Pratikto assured the minister of providing all-out support to arrange the event successfully and hoped that the conference will help strengthen industrial and investment relations of Bangladesh with the member countries.

Additional Industries Secretary ABM Khorshed Alam and D-8 Secretariat Director Bagher Asadi were also present.

Pratikto also met Foreign Minister Dipu Moni on the day at the latter's foreign ministry office.

The D-8 countries collectively have great potentials to emerge as a powerful economic bloc due to their vast human

and natural resources and complementary economies, Dipu Moni said.

"D-8 offers an excellent platform for cooperation for realising that potential." The minister also reaffirmed Bangladesh's commitment to the D-8 process.

During the meeting, the D-8 secretary general lauded Bangladesh for its contributions to the process in establishing the organisation back in 1997.

He appreciated Bangladesh's close involvement with the D-8 meetings and events.

The Developing-8 is a forum for development cooperation among the member states: Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey.

The second D-8 industries ministers' meeting was held in Istanbul, Turkey from October 4-6 last year while the first round of the event was held in Iran.



M Wahidul Haque, chairman of AB Bank, presides over the 30th annual general meeting of the bank at Bashundhara Convention Centre in Dhaka yesterday. The bank approved 5 percent cash and 20 percent stock dividends for its shareholders. M Fazlur Rahman, president and managing director, was also present.

Padma bridge to dominate talks with Okada

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According to the programme schedule, Okada will arrive at Hazrat Shahjalal International Airport at 12:10pm today and Foreign Minister Dipu Moni will receive him.

On the first day of his visit, he will hold bilateral meeting with Dipu Moni at Sonargaon Hotel where the two sides will discuss the full range of bilateral issues.

Dhaka will ask for Japan's renewed commitment to fund the Padma Bridge and metro-rail construction projects, and duty-free access of more Bangladeshi items to Japan.

Bangladesh will also urge increased Japanese investment and assistance in construction of various other infrastruc-

ture projects.

After the official talks, the Japanese DPM will call on Sheikh Hasina at the Prime Minister's Office at 5:45pm. He will then meet the leader of the opposition.

Okada will then visit Bangabandhu Memorial Museum and place wreath at the portrait of Bangabandhu Sheikh Mujibur Rahman. Before that, he will visit the ICDDR,B office in Dhaka. Dipu Moni will also host a dinner in honour of the Japanese DPM.

Tomorrow (May 4), the Japanese DPM will meet the business community at a breakfast meeting at Sonargaon Hotel at 8am. He will then visit Matsuoka Apparel's factory in Ashulia. He will leave Dhaka for Colombo at 12:15pm.

Feed makers bear the brunt of bird flu

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Currently, around 70 feed companies, including some foreign ones, are operating in Bangladesh to meet the demand for feed at 27 lakh to 30 lakh tonnes a year, according to an estimate of the FIAB.

Fazle Rahim Khan Shariar, managing director of Aftab Feed Products Ltd, said the reduced demand for poultry feed has taken a toll on the prices of maize as millers are less interested to procure the raw material.

"Mills that have high carryover stocks of raw materials are not buying maize now," he said, "If the demand for feed was high, we would clear the stocks faster and buy more maize from farmers."

He said his company like others registered reduced sales in the current year.

"There will be less production of chicken and so the demand for feed will decline," said Shariar of Aftab Feed, also a leading player in the poultry industry.

Shariar also said many poultry breeders, who have suffered losses for bird flu attacks in the recent past, now shy away from resuming production, fearing further attacks of the disease.

It will take a year to recover from the damage, said FIAB General Secretary Shahjahan.

The demand for feed might drop by 20 percent to 22-24 lakh tonnes at the end of 2012 because of bird flu, he said.

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Dhaka bourse submits budget proposal to NBR

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Presently, investment of undisclosed or untaxed money with 10 percent tax is allowed in the stockmarket.

There is also no tax on income from mutual funds.

In the budget proposal, the DSE urged the government to keep dividend income tax-free up to Tk 25,000, to cushion the retail investors who lost money due to market downswings last year.

Presently, dividend income is added to the main income of an individual and the tax is calculated on the total amount. A 10 percent tax deducted at source is also set now on dividend income.

The DSE also proposed the government reset corporate tax at 37.5 percent for all listed companies.

Although the listed companies are supposed to pay corporate taxes at 37.5 percent, banks, non-bank financial institutions (NBFIs) and insurance companies pay taxes at 42.5 percent.

There should be a gap of 5 percentage

points between the listed and non-listed banks, NBFIs and insurance companies.

The DSE also urged the government to give a 50 percent tax rebate if a retail investor invests a minimum Tk 50,000 in the stockmarket. Here an individual with yearly income of up to Tk 10 lakh will be considered a retail investor.

In the budget proposal, the DSE requested the government to reduce the tax on brokerage commission from existing 0.05 percent to 0.015 percent to reduce the cost of transaction that will ultimately enhance the trade volume and related tax.

The prime bourse also sought three policy measures through the budget announcement for the next fiscal year.

The government should make it mandatory for companies to issue initial public offerings of Tk 10 crore and above through the stock exchange's depository network to simplify the IPO process and to lower the costs.

Hartal cuts into business

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Unlike the Pakistan regime (1947-71) or that of Ershad (1980s), Bangladesh's economy now is not limited to a few areas of potentials or threats. Over 40 years of time, Bangladesh's economy has been developed and diversified to many areas and getting more and more internationalised.

The country's national budget is likely to be of Tk 160,000 crore in fiscal 2012-13 from Tk 786 crore in 1972-73. The budget size has grown by more than 20,256 percent in just 40 years. On the other hand, the country's dependence on foreign aid has decreased to 2-3 percent of the budget now, from as high as 50 percent in 1970s.

Bangladesh exported goods, particularly jute, worth a few crores of taka in 1970s, which has now become a few lakh crores of taka. The country has also been diversifying its export basket to come out from its excessive reliance on apparels. Now Bangladesh exports bicycle, ceramics, pharmaceuticals, frozen fish, leather and leather goods, vegetables, handicrafts and many more.

Local entrepreneurs continue to find newer markets by developing newer products. Their relentless efforts paid them off. Bangladesh bagged nearly \$23 billion from exports in fiscal 2010-11. Such earnings were only \$1.67 billion twenty years ago.

International trade that means export and import constitutes nearly 60 percent of Bangladesh's present gross domestic product of \$110 billion.

The fate of the businessmen, who take risks and make investments for exporting finished goods, now depends on the whims of the politicians. Though the exporters get buyers, they cannot export on time due to strike, which is unacceptable in most countries.

"Transportation is the main problem during hartal. A lot of imported containers lie idle," said Shamim ul Huq, managing director of Maersk Line, a subsidiary company of the AP Moller-Maersk Group, which is a leading liner shipping company in the world.

Ahmedul Karim Chowdhury, deputy director (traffic) of Inland Container Depot at Kamalapur in the capital, also echoed Huq.

On Monday, the second day of this week's hartal, he said some 1,300 containers were stockpiled at the ICD because of no loading and unloading by transporters.

Syed Farhaduddin Ahmed, secretary of Chittagong Port Authority, said they delivered 797 TEUs (twenty-foot equivalent units) of containers on Monday, down from 1,300-1,500 TEUs on regular days.



BANGLA PERFUMES

Asaduzzaman Noor, a lawmaker; Musa Ibrahim, the first Bangladeshi to conquer the Mount Everest, and Kaniz Almas Khan, a beautician, open an outlet of Bangla Perfumes in Banani, Dhaka, on Tuesday.

GPIT gets new CEO

STAR BUSINESS DESK

Raihan Shamsi joined GPIT, a subsidiary of Grameenphone, as chief executive officer on Tuesday, according to a statement of the mobile operator.

Shamsi will replace Peter A Dindial who would move to a new position in the Telenor Group.

Shamsi was the deputy CEO and chief financial officer of Grameenphone, and has over 14 years of experience of working with different multinational companies like Shell, Unilever and KPMG.

He is a chartered accountant by profession.



BB's online system helps forex growth

Bss, Dhaka

The online export monitoring system introduced at Bangladesh Bank has ensured fast realisation of export proceeds that helps drive the growth of foreign currency reserves, officials said yesterday.

The central bank launched the online monitoring system in November 2011, replacing the manual system.

The repatriated export value was \$4.35 billion against the total export value of \$4.630 billion until April, according to a monitoring report.

"The online export monitoring system software builds up a real-time centralised database which provides a clear picture of export receipts," Governor Atiur Rahman said.

Bangladesh Bank used to analyse the overall export situation after getting the paper-based export information or data from different banks.

"It takes long time to get a real picture of export proceeds in the manual system," Rahman said.

"It's now a matter of a minute to get the export proceeds in the online system," he said.

In the online system, the BB receives export information from banks online through a series of checkpoints and analyse data to monitor exports.

Deputy Governor Nazneen Sultana said the online system enables the central bank to monitor the repatriated export value which is, in fact, help-

Muhith leaves for Manila to attend ADB's conference

UNB, Dhaka

Finance Minister AMA Muhith left the country for Manila yesterday to attend the 45th annual conference of the Asian Development Bank (ADB).

The ADB's 45th annual meeting of its Board of Governors will be held in the Philippines' capital of Manila on May 2-5.

Muhith is accompanied by his daughter Samina Muhith.

Nearly 4,000 delegates, comprising top policymakers, business leaders, media, academics, civil society, and development institution representatives, are set to attend the meeting.

The delegates of the meeting will hear from experts about ways to get financial services to

Asia to surpass Europe, US in wealth by 2030, says ADB

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"These three region and countries are on a path to significantly improve the quality of life of their citizens -- in aggregate approaching half of the world's population by 2030," ADB President Haruhiko Kuroda said at the book launching ceremony.

The programme took place during the 45th annual meeting of ADB's Board of Governors at San Miguel Hall of Philippine International Convention Centre, Manila.

"By that time, China could reach high-income country status, while the Asean as a whole and India would be close behind. The three could be home to the world's leading consumers, producers, savers, investors and financiers," he said.

The book said the three economies will have to depend increasingly on their own and regional markets, investments, and institutions to generate sustained growth.

Without inclusive growth, widening income and social inequality are likely to persist and could undermine social cohesion and stability, according to the book.

Strengthening governance, accountability, institutional effectiveness and eradicating corruption are crucial for inclusive growth and better quality of life, it stated.

The book predicted that unless the challenges of energy and water security and reduction of CO2 emissions are addressed, these could amplify global environmental risks and geopolitical tensions.

To meet their potential, each economy will need to manage energy, food, and water effectively, balancing growth with environmental sustainability, it said.