

NCC Bank to launch accounts for children

STAR BUSINESS REPORT

National Credit and Commerce Bank will introduce banking products for schoolchildren to encourage them to build a habit of saving.

"We believe the school is not only a place for academic lessons, but also a place where a student must learn how an individual can be a meaningfully contributing member of the society," Mohammed Nurul Amin, managing director of the bank, told reporters at his office yesterday.

Speaking at a press conference on the occasion of marking the bank's 19th anniversary, Md Nurun Newaz Salim, the chairman of NCC Bank, and Amin presented the bank's achievements and future plans.

The bank will start the school savings programme in rural areas and later spread the service across the country. The products under school bank-

ing are Youngster Account, Youngster Moneyplant Account and Younger Maximus Account.

NCC Bank's school banking programme will give the account holders an easy and interactive way to learn money management skills they will be able to use through their lives, Amin said.

Nowadays, young people have access to more money than ever before as they get allowances and gifts and, for many, income from showcasing their talents in different competitions, he said.

It makes the young generation more responsible for managing decisions -- for everything from small savings to their higher education. Youngster Moneyplant Account is designed for them.

Youngster Maximus Account gives a higher rate of return than a regular transactional account or traditional

fixed deposit account.

The young students get cash gifts on different religious celebrations, New Year or Pahela Boishakh, birthdays and special family occasions. They can save unspent money in Maximus Account.

Salim said NCC Bank started its journey with 16 branches 19 years ago. Now it has 87 branches.

"Our corporate vision is to become the bank of choice in serving the nation as a progressive and socially responsible financial institution by bringing credit and commerce together for profit and sustainable growth," he said.

Remittance has been playing a vital role in the development of the country's economy and NCC Bank signed deals with 34 countries to bring in remittances from abroad.

The bank plans to set up NCCB Exchange (UK) Ltd in London.

India's Piramal to buy US firm for \$635m

AFP, Mumbai

Indian drugmaker Piramal Healthcare on Wednesday said it will buy US-based health data provider Decision Resources Group for \$635 million to boost its presence in research and consulting.

The cash-rich firm has been scouting for business opportunities after selling its local generic drug business to Abbott Laboratories in 2010 in a \$3.8 billion deal.

"There is a high long-term growth and margin potential in the healthcare information management industry," billionaire Ajay Piramal, who controls Piramal Healthcare, told reporters in Mumbai.

"This is a niche business that has stable revenues, low capex (capital

expenditure) but high cash flows," Piramal said.

Since the Abbott deal, Mumbai-based Piramal Healthcare has bought an 11 percent stake in mobile phone giant Vodafone India, and invested in sectors including real estate and financial services.

Massachusetts-based Decision Resources Group (DRG), with projected revenues of \$160 million in 2012, provides research, data analysis and consultancy to pharmaceutical firms, healthcare providers and medical device makers globally.

Piramal will run Decision Resources, which has more than 500 staff, as a stand-alone business. The company will continue to be headquartered in the United States.



A Rouf Chowdhury, chairman of Bank Asia, poses with the participants of the bank's 26th foundation training course after handing certificates to them at the bank's training institute on Panthapath in Dhaka yesterday. Aminul Islam, managing director (current charge); Syed Nazimuddin, senior executive vice president; Asif Ainul Hoque, senior vice president, and Md Inamul Islam, assistant vice president, were also present.

BANK ASIA

Indian rupee hits record low

AFP, Mumbai

India's rupee hit a record low against the dollar Wednesday and stocks fell nearly two percent as uncertainty over the eurozone debt crisis and weak domestic indicators hit Asia's third-largest economy.

The Indian unit fell to 54.52 rupees to the dollar, breaching its previous intraday lifetime low of 54.30 on December 15, and bringing its losses for the past 12 months against the US currency to over 20 percent.

The rupee clawed back marginally from there, but still ended the day at a new closing low of 54.34, against its previous record closing low of 53.92 on Monday.

Traders said they expected the rupee to fall further in coming days with risk aversion hitting global markets and sentiment souring over India because of its gaping fiscal deficit, slowing economy and political logjam.

Finance Minister Pranab Mukherjee said the deteriorating international climate was the main reason for the falls and he sought to allay investors' worries about the domestic economic outlook.

"The Indian growth story has not ended," he told parliament. "I have confidence in India's workers, farmers -- in its political system."

The Indian central bank has sought to stem the rupee's fall and is thought to have intervened more than a dozen times by buying dollars this year.

Last week, it announced new measures to support the local unit, ordering exporters and other foreign-exchange earners to convert half of their total foreign-exchange earnings kept in banks into rupees.

But India's domestic woes are also hurting the currency, say analysts, who point to stubbornly high inflation, strained public finances and widening trade and current account deficits.

Foreign investors have also been turned off the country of 1.2 billion people due to recent regulatory moves by the government, which has stalled on a pro-growth reform agenda aimed at opening up the economy.

"The Indian government needs to stop the blame-game and take some measures to tackle the situation," said Abhishek Goenka, chief executive of India Forex, a consultancy firm.

Investors across Asia have been dumping risk-sensitive assets on worries about the worsening political upheaval in Greece and buying up dollar holdings, perceived as safe havens in times of financial stress.

Amid the turmoil, the benchmark Bombay Stock Exchange's Sensitive Index or Sensex ended the day down 1.83 percent at 16,030 points.

"Global uncertainty is in the driver's seat," said Priyanka Kishore, forex strategist at Standard Chartered Bank. "There is a tangible risk of the rupee moving towards 55 rupee to the dollar levels," she told AFP.

MCCI identifies five risks to economy

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Disbursement of foreign aid dropped by 6.7 percent in the first seven months of FY12 compared to the same period of FY11 due to the slow pace of implementation of the donor funded projects.

The low level of foreign direct investment (FDI) inflow into Bangladesh remains a concern. FDI inflow during July-January of FY12 was only \$425 million, slightly higher than \$405 million in the same period of FY11.

Balance of payments stood negative at \$813 million during July-January of FY12 because of growing deficit in trade balance.

The slow pace in using foreign funds by ministries has forced the government to revise the allocation for the Annual Development Programme down by 10.87 percent to Tk 41,000 crore from original Tk 46,000 crore.

The NBR revenue collection grew by 17.5 percent in the first eight months of the current fiscal year, thanks to a strong drive to collect revenues from public and private sectors. The board collected Tk 53,845 crore in July-February of FY12 against the full-year target of Tk 91,870 crore.

On a point-to-point basis, the general inflation rate dropped marginally to 10.10 percent in March, 2012 from 10.43 percent in the previous month, mainly because of a drop in food inflation. Food inflation came down to 8.28 percent in March, 2012 from 10.90 percent in January.

The capital market rebounded in March 2012 after the sharp fall during the previous two months. Activity increased considerably amid regained investor confidence, observed the chamber.

Facebook boosts IPO size by 25pc

REUTERS, New York/San Francisco

Facebook Inc increased the size of its initial public offering by almost 25 percent, and could raise as much as \$16 billion as strong investor demand for a share of the No.1 social network trumps debate about its long-term potential to make money.

Facebook, founded eight years ago by Mark Zuckerberg in a Harvard dorm room, said on Wednesday it will add about 84 million shares to its IPO, floating about 421 million shares in an offering expected to be priced on Thursday.

The additional shares will be sold by early investors including PayPal co-founder Peter Thiel, Accel Partners' James Breyer and investment manager Tiger Global Management, the company said in a filing.

The company itself has not increased the number of shares it will sell.

Zuckerberg's voting power will be reduced to about 55.8 percent from about 57.3 percent after the IPO as a result of the issue of additional shares, the company said.



ROBI

Vice Chancellor of BRAC University Professor Ainun Nishat launched the BRACU ChondroBot in Dhaka on Tuesday. An automated robot created by a robotics team of the university will battle for championship in Nasa's third Annual Lunabotics Mining Competition this year. Robi Axiata will sponsor the tour of the university team to the event.



ANWAR GROUP

Dilip Barua, industries minister, and Anwar Hossain, chairman of Anwar Group, attend a workshop on "Products and technologies of construction material" organised by Anwar Group of Industries, at Sonargaon Hotel in Dhaka on Tuesday. KM Zahid Uddin, chief executive officer of Anwar Group, was also present.



EBL

Muklesur Rahman, deputy managing director of Eastern Bank, inaugurates a new 'EBL 365' financial kiosk of the bank at Wari in Dhaka yesterday.

Fridge importers demand duty cuts

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The government imposed 136 percent duty on refrigerators and 189 percent duty on air-conditioners, he said.

But a local company enjoys the privilege of importing parts by paying only 14 percent duty, he said.

"But even after getting such a huge opportunity, the company sells products at a price which is close to the prices of imported items," he said. "So, providing such benefit to a local company does not help consumers."

"In addition, the government is losing out huge revenues as it waived VAT on imports of spare parts and assembling products for this company," said Rahman, also the CEO of Rahman Enterprise.

Now, the difference in duty between imported and locally assembled items are 122 percent for refrigerators and 176 percent for air conditioners, which leaves local importers in an unfair competition, Rahman said.

The industries ministry proposed to make the difference in duty between imported and locally assembled items at 20 percent. The Federation of Bangladesh Chambers of Commerce and Industry proposed to make it 30 percent to make the sector business-friendly.

The difference in duty on such items in India is 26 percent, Rahman said. Rahman also urged the government to withdraw 20 percent regulatory duty to help the importers sustain in business.

Nearly 10 lakh people are directly and indirectly involved in the sector, so the government needs to take measures to ensure a healthy competition between importers and assemblers to safeguard the local industry. "If the government maintains the high import duty, many importers will go out of business and the sector may collapse, leaving many unemployed," Rahman said.

At present, the local demand for refrigerators is more than 10 lakh units and air-conditioners is 1 lakh units a year, according to BRAMA. The importers paid Tk 800 crore for refrigerators and Tk 400 crore for air-conditioners in tax to the National

A source of inspiration in business

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When she received the award eight years ago, Selina used to export only a small amount of potatoes.

Last year her export reached to 40,000 tonnes, which is about 60 percent of the total potato exports of the country.

Selina, who has been engaged in the agriculture business since 1984, has been exporting potatoes for a decade. She also produces seeds.

She grows potatoes in Rangpur and Dinajpur and sends her produces to countries such as Singapore, Malaysia, Sri Lanka, Vietnam, Indonesia, Russia and Brunei.

She has four farms where there are 35 permanent and 100 temporary workers. She also produces non-conventional vegetables and fruits such as strawberries, capsicum and maize.

Her farms also conduct researches to develop high-yield varieties of vegetables. She urged the government to continue subsidies for the agriculture sector, particularly 20 percent cash incentive for potato exports.

Many are now showing interest to come into the business following her success in potato exports, she said. She said the august initiative by The Daily Star and DHL Express should continue.

"The award organisers should also work hard to find out real entrepreneurs who are contributing to the most so that the award carries more value and weight."

"The award should not be metropolitan-based. The organisers should go out of the cities and bring out the actual entrepreneurs from rural areas," she said.

She also suggested the award organisers consider women entrepreneurs for the other four categories of the Bangladesh Business Awards, not only for the women in business category.

The Daily Star, the country's most-read English newspaper, and DHL Express, the world's leading logistics company, have introduced the award to honour the country's best businesses and the people behind them.

The awards are given in categories such as Outstanding Woman in Business, Enterprise of the Year, Business Person of the Year, Best Financial Institu-

Old office equipment to face import bar

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"We are going to prepare it for the interest of public health," Hossain said, adding that foreign food items will face a number of new standard certification requirements to get clearance from ports.

Some 40 standardisation requirements suggested by Bangladesh Standards and Testing Institution have been included in the new import policy, he said.

Imports of some items, including baby food, powdered milk and non-branded food products that may create health risk, may face stringent control before entry.

Earlier, officials said the new import policy will ease procedures for capital machinery and basic raw material imports to support industrialisation