

District budget from next fiscal year likely: Muhith

UNB, Dhaka

The country may see model district budgets from the next fiscal year to help the local people understand about their development activities, according to Finance Minister AMA Muhith.

"I had proposed in the very first year that we should have budget for every district, but we've not been able to get it. I hope from the next year, we'll have at least model district budgets," he said.

Muhith spoke at a seminar on medium-term budget framework (MTBF) at the city's Ruposhi Bangla Hotel.

He said if there is district budget, at least local people can understand what development programmes are undertaken for their areas.

Finance Division of the finance ministry organised the seminar on "Deepening medium term budget framework" where Cabinet Secretary Mosharraf Hossain Bhuyian, Finance Secretary Fazle Kabir were also present.

About the failure of adopting district budget, Muhith said the government could not do much about that because of the current accounting system which did not provide any element for accounting by the district. "But, now it has been introduced in the country."

There should be decentralisation of power from Dhaka, he said. "Our constitution wants it and it was in the constitution of 1959 and 60, but, I must say, politically we don't want it," Muhith said.

"This is not a matter of this party or that party. The power is supposed to be delivered to the local government, not to be devolved. If power is delivered, it can be taken back any time."

About the World Bank (WB), the minister said the global lender does not adjust itself with innovations. "Many new ideas were not initially supported by the World Bank."

Citing his bureaucratic experiences, Muhith said the government once had moved to prepare a new Trade and Industrial Policy and also Water Resource Planning Organisation, but the World Bank did not support it. "But UNDP and other donor agencies supported those."

The WB later came up and took

the credit for it. "As a government officer at that time, I had registered a protest against the leading donor agency's such claim."

Muhith said there should be a number of portfolio projects in the hands of the Planning Commission from which it can choose the best ones.

He said every project should have a feasibility study which will determine its selection.

About the MTBF, the minister said this new budgetary planning was introduced in 2004 when as a member of the opposition party, Awami League, he supported the move.

Muhith said MTBF should be on multiyear basis for the sake of its implementation in a proper manner.

US jobless rate drops

AFP, Washington

The US unemployment rate slipped to a December 2008 low in November but the job market remains stuck in a grinding crisis, government data released Friday shows.

The Labor Department's monthly jobs report was better than expected, with the jobless rate dropping to 7.7 percent from 7.9 percent in October and job growth picking up.

But the decline in the jobless rate was mainly due to people leaving the workforce, the department said.

And the improvement in job growth -- the economy added 146,000 jobs -- came after the department downwardly revised October's initial estimate of 171,000, to 138,000.



Lee Yun-young, Korean ambassador to Bangladesh, visits Fantasy Kingdom, an entertainment park, in Ashulia on Friday. SM Kamaluddin, chairman of Concord Group that owns the park, was also present.

Banks should focus on rebuilding of trust: expert

STAR BUSINESS DESK

Financial institutions should focus more on rebuilding trust in the banking sector with tightening regulatory and supervisory structures, said an Indian economist.

Developing countries like Bangladesh have to strengthen banking regulation and supervision as it is the main instrument for rebuilding and bolstering of trust in the sector, said YV Reddy, a former governor of Reserve Bank of India. He said though the global financial crisis does not harm the trust of the banking industries in developing countries, it is time to emphasise on rebuilding of trust.

Reddy spoke at the 12th Nurul Matin Memorial Lecture on trust in banking, organised by Bangladesh Institute of Bank Management at Ruposhi Bangla Hotel in the capital yesterday.

The world is integrating more rapidly, he said. "Growing contagion risks from ever increasing integration with the global financial system are heightening the need of bolstering defences against erosion of trust."

Bangladesh Bank Governor Atiur Rahman said experience shows that without firm ethical underpinnings, regulatory compliance responsibilities tend to get neglected particularly in good times, as in the run up to the global financial crisis.

He said the right ethical motivations will draw financial intermediaries away from financing of speculative and unproductive wasteful activities.

"It is some years now that we have adopted this approach in Bangladesh's financial sector; beginning with a BB guided initiative of mainstreaming corporate social responsibility in the institutional ethos and objectives of banks and financial institutions."

That has in turn motivated and enthused banks and financial institutions in socially responsible financing and also environmentally responsible 'green' financing, with due attention to address ecological degradation and climate change threat

Biman earns Tk 80cr profit from hajj flights: minister

BSS, Dhaka

Biman Bangladesh Airlines earned Tk 80 crore profits from the 213 dedicated hajj flights in the past three months.

"We have operated our hajj flights soundly," Civil Aviation and Tourism Minister Faruk Khan said at a press conference at Balaka, Biman's head office in the capital.

Biman earned revenue of around Tk 650 crore from the hajj flights against operating costs of around Tk 550 crore, the minister said. "So I can say Biman has made a profit of Tk 80 crore from the hajj flights."

Hajj operating agencies earlier advocated for hiring careers beyond Biman and Saudi Airlines saying Biman was not capable enough to ferry the pilgrims.

The government's decision not to hire third-careers created scope for Biman to make the profit, he said. "If we could profit from flights by our own airlines, why should we give chance to others?" Khan said.

Biman officials said they conducted 109 dedicated and 25 scheduled pre-hajj flights and 204 dedicated and 25 scheduled post hajj flights using two owned and one leased Boeing-777 and two DC-10 aircrafts.

Biman has made the profit as it used its two new Boeing 777 aircraft for the hajj flights and their operating costs are very low, Khan said.

A record number of pilgrims, 1.1 lakh, performed hajj this year, which is 3,128 more than last year. Biman



Faiz Khan, chairman of Novoair, attends a ceremony to mark the receipt of the company's second aircraft, at Hazrat Shahjalal International Airport in Dhaka yesterday. M Mofizur Rahman, managing director, was also present. (Story on B1)



Michael Kuehner, managing director of Robi, and Arif Al Islam, managing director of Summit Communications, sign a bilateral transmission network sharing agreement at Robi's corporate office in Dhaka on Friday.

SME Foundation's fund for protection of IP rights

BSS, Dhaka

The SME Foundation will allocate funds for the protection of intellectual property (IP) rights to encourage the new generation into technological innovations, Industries Minister Dilip Barua said yesterday.

"The plan is aimed at turning Bangladesh into a middle-income country by introducing information technology in the industry sector," Barua said.

He spoke at a seminar on "Protecting intellectual property in digital world" at the concluding day of a technology fair -- Digital World- 2012 -- at the city's Bangabandhu International Conference Centre.

Many technological analysts, specialists and professionals joined the seminar where IT specialist Mustafa Jabbar, Founder of Bangladesh Copyright and IP Forum Barrister BM Hamidullah Misbah and Barrister KM Tanjin-ul-Alam also spoke.

The country has necessary laws related to IP but the use of these is always limited, according to the

Ratan Tata denies attack on government

AFP, New Delhi

Indian tycoon Ratan Tata denied on Saturday calling India's business environment "venal" or accusing the government of "inaction" in media interviews.

A statement by the tea-to-steel group said Tata has always supported Congress Prime Minister Manmohan Singh and the "last thing" he would wish to do is to be a

critic as had been reported by a number of media outlets.

In Tata's interviews, he spoke about "coherence in implementation of government policy" rather than "raping India" or a "venal business environment", the company statement said.

"These are terms used by the publications and not by Mr. Tata in any manner," the statement said, accusing the media of having "sensational-

ised" the business leader's remarks.

Tata is the outgoing head of a \$100-billion empire and known as patriarch of India's business community. He retires on December 28 when he turns 75.

The Congress-led government is seeking to steer a string of reforms through parliament that aim to open up sectors such as retail, insurance and aviation to foreign investors and make it easier to do business.

Mobile banking to plug gaps in financial inclusion

FROM PAGE B1

Speakers said despite these significant improvements, access to basic financial services is still restricted to only 15 percent people.

They said, for the financially excluded people, opening and maintaining bank accounts can be costly, complex and time-consuming due to a lack of education and awareness.

The central bank has allowed 23 banks to operate mobile financial services. But only two banks -- BRAC and Dutch-Bangla -- have come up with the services and registered 20 lakh clients so far.

"Identity is a big problem," said Nazrul Islam Khan, secretary to the ICT ministry, on the security concern in mobile banking services.

Khan said he is trying to convince the government to make an accurate database of the population, which can be used for mobile bank-

ing services.

Mahabub Hossain, executive director of BRAC, a non-government organisation, said mobile banking can benefit the poor who feel shy to go to a bank. But further investment is needed to reach out to the people, he added.

Khalid Shams, former chairman of Grameenphone, said there are some risks in the service, but Bangladesh should seize the opportunity.

Shams, a former bureaucrat, also asked the operators to come up with new products for the targeted people.

Abul Kashem Md Shirin, deputy managing director of Dutch-Bangla Bank, said cost is not a big issue in mobile banking as there will be no cost if there is no use. On security concern, he said it is like using credit/debit cards and there is nothing to be anxious.

Michael Kuehner, chief executive officer of mobile operator Robi, said

costing and convenience of services are the two main components in mobile banking.

Hassan Zaman, chief economist of the central bank, said they have planned to launch a financial literacy campaign to make people aware. On why other banks are not coming with the mobile banking services, he said may be it is for the investment and profit margin issues.

Zaman also said the BB is trying to disburse money to the targeted people through mobile phones under different government programmes.

Brig Gen (retd) Shahedul Anam Khan, defence and strategic affairs editor of The Daily Star, delivered a welcome address, while Shah Husain Imam and Salehuddin Ahmed, associate editor and managing editor of the daily, and Syed Mahbubur Rahman, managing director of BRAC Bank, also spoke.



AIBL

Ekramul Hoque, managing director of Al-Arafah Islami Bank, attends a meeting with the bank's top management and managers of Dhaka region at its head office in Dhaka yesterday.



Habibur Rahman, general manager for marketing at Teletalk, poses with the Teletalk team at the state-owned mobile operator's stall at a technology fair -- Digital World 2012 -- at Bangabandhu International Conference Centre in Dhaka on Friday. The three-day fair ended yesterday.

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CORRIGENDUM

This is for kind information of all the valued shareholders of Envoy Textiles Ltd, that the Price Sensitive Information published in the four national daily newspapers dated December 06, 2012, namely- "The Daily Star" "The Daily Financial Express" "The Daily Banik Barta" and "The Daily Bangladesh Protidin" require following correction:

1. Record Date will be December 17, 2012 instead of December 13, 2012.

All other information published dated December 06, 2012 will remain the same.

Dated : December 08, 2012

Dhaka

By order of the Board-
Sd/-
A.K.M. Siddiqur Rahman
Company Secretary