

Dream big and beyond

BATB's first Bangladeshi managing director speaks about his journey to the top

SARWAR A CHOWDHURY

Fresh out of university, every graduate dreams about landing the perfect position in a good organisation. But how many actually aspire to become the acme in an institution, especially in the case of a multinational? The numbers would be few.

Like many others, Shehzad Munim did not dream of reaching the top most position in a multinational company. He completed a Bachelor's in Business Administration from IBA of Dhaka University and started his career as a territory officer at British American Tobacco Bangladesh (BATB) in 1997.

But all that changed when the company's British head of marketing once asked him on a field visit early on in his career, "Young man, where do you see yourself in the next 10 years?"

"I always thought about the next year, never about the next 10 years. So, that was a first for me. But I replied that I wanted to be the head of brand marketing in the next 10 years," said Munim, now the managing director of BATB.

Being a visionary leader, Munim always patronised the company's long term sustainability projects. As a result, BATB is still promoting its flagship corporate social responsibility programme, Afforestation, since 1980 and is considered the largest private sector driven afforestation project in the country, acclaimed with national awards five times.

"Precisely, I got the position of head of brand marketing after 10 years," said Munim, who is the first Bangladeshi to have been appointed as managing director in BATB in its 104 years in Bangladesh. "I have learned from the company to think big -- think beyond my potential," he said in an interview with The Daily Star in Dhaka recently.

Prior to becoming the head of brand marketing in 2007, Munim gathered vast experiences in various positions held at home and abroad. He served the company in New Zealand and Australia for three years. "Those were learning opportunities for me, as I am enriched with



Shehzad Munim

new ideas, thinking and innovations," he said. "Being the head of brand was my first dream; then I started dreaming bigger."

After serving as head of marketing for the South Asia region, excluding India, for three years in Pakistan since 2010, he had the opportunity to go to other countries or regions in the same area. "But I wanted to be the first Bangladeshi managing director in BATB," said Munim, who took charge as managing director in 2013.

The courage to think big, curiosity, discipline, teamwork, delegation, self respect, pride, resilience and being humble are the key factors that helped him reach his current position. "There are no shortcuts to these factors," said the mere 38-year old.

"There will be diverse challenges but one should have the mentality to face the challenges," he said. "Any problem may arise any time, but the thing is, how to manage it."

No-one can follow a straight line; everyone will make mistakes in their career path, he said. "Learn from the mistakes and correct them. But never make the same twice, make new mistakes," he advised the youth who have big dreams for their careers.

As a passionate leader, he is promoting BATB employees to create their own footsteps in the global arena. Currently, BAT world-wide employs 18 employees from Bangladesh in 10 different countries.

As the chief of a multinational company, Munim pointed out some bottlenecks that are hurting investment in Bangladesh. Inadequate infrastructure, an absence of undisrupted power, shortage of land, red tape and political uncertainty are the major impediments to investment and economic development, he said.

However, companies like BATB can play a significant role in economic development, as the company is contributing to the national exchequer by paying the highest tax at more than Tk 25,000 crore in the last five years.

"Exponential growth is possible. Six percent growth is not enough and we should have 10 percent growth."

Green Delta launches health insurance with Malaysia

STAR BUSINESS REPORT

Green Delta Insurance Company has launched an insurance scheme, GD Health, to offer medical and health services in Malaysia.

The country's non-life insurance company joined hands with Malaysia Healthcare Travel Council (MHTC), an agency of the Malaysian health ministry, to provide services to GD Health policyholders.

Policyholders can get healthcare and medical services at affordable costs in Malaysian hospitals that are linked with MHTC, officials said.

"We always pioneer in innovative insurance products for the country's people and GD Health is a continuation of that," Farzana Chowdhury, managing director of Green Delta Insurance, said, while addressing the product's launching ceremony in Dhaka on Sunday.

Speaking at the function, Mohammed Nasim, health and family welfare minister, urged private sector entrepreneurs to come forward with investments and new products to ensure healthcare for people. "It is not possible for the government alone to ensure health services for all. So, you have to come forward."

Dolly Lim, senior manager and in-charge of MHTC, said healthcare is an emerging sector in Malaysia, after tourism and education.

"Malaysian healthcare is ranked third by 'international living report-2014' among the best medical travel destinations in the world," she said.

MA Mannan, state minister of finance, Nasir A Choudhury, president of Bangladesh-Malaysia Chamber of Commerce and Industry, Norlin Binti Othman, Malaysian high commissioner in Dhaka, and M Shefaque Ahmed, chairman of Insurance Development and Regulatory Authority, also spoke.

US seeks to revive trade with India after WTO row

AFP, New Delhi

The United States is eager to increase trade with India, a US official said Monday, after the two countries settled a bitter row over food subsidies and President Barack Obama announced he would visit in January.

US Trade Representative Michael Froman was speaking in New Delhi before the first round of trade talks for four years between the world's largest economy and the emerging giant.

"The future of our partnership remains ours to define. We believe in the promise of India," Froman told an Indian business audience. "Let's deliver on that promise."

Trade between the two countries stands at around \$100 billion.

They reached a breakthrough agreement earlier this month in a long dispute over food subsidies that for months had been blocking a landmark global agreement to reduce trade barriers.

"Some suggest that the Indian and US breakthrough (unlocking the global trade deal) may have saved the multinational trading system," Froman added.

"The breakthrough could not have been possible without the personal engagement of Prime Minister (Narendra) Modi and President (Barack) Obama," he said.

The deal marked a crucial step towards the full implementation of a World Trade Organization agreement reached in December 2013 in Bali, which would streamline global customs procedures.

Marico chief due in Dhaka today



Harsh C Mariwala

STAR BUSINESS DESK

Harsh C Mariwala, chairman of Marico, is scheduled to arrive in Dhaka today, the company said in a statement yesterday.

He will sit for a business meeting with the management of Marico Bangladesh and its board, and is expected to stay in the capital for 24 hours.

Marico markets brands like Parachute, Parachute Advanced, Saffola, Setwet, Nihar, Livon and Hair Code. The company does a business of \$781 million worldwide with 20 percent in profits over the past five years.

Over the last three decades, Mariwala's leadership made Marico into a leading consumer-products company in the beauty and wellness sphere, according to the statement.

Stock regulator, NBR must work together for better monitoring

Mirza Azizul Islam suggests at a discussion on stockmarket

STAR BUSINESS REPORT

The stockmarket regulator should work together with the National Board of Revenue to analyse the financial strength of companies that fabricate higher profits with asset re-valuation.

The NBR can also support the monitoring by providing relevant tax data to Bangladesh Securities and Exchange Commission (BSEC).

The BSEC can then apprehend such companies that seek listings with false financial data, said AB Mirza Azizul Islam, former finance adviser to caretaker government.

He spoke at a roundtable on the prospects of the stockmarket, organised by Appollo Ispat Complex, a steelmaker, and thereport24.com, an online news portal, at the National Press Club in Dhaka yesterday.

Touhidul Islam Mintu, editor of thereport24.com, presided over the event. Law enforcement and judicial action are slow in the country with some of the cases of the 1996 stockmarket crash yet to be resolved, Islam said.

The political interest of ministers and secretaries, and the directorships, cars and flats they get from the companies are the main reasons behind the delay in the listings of state enterprises, he said.

Professional management, good governance and political stability are the main drivers of a dynamic stockmarket, he said.

Financial Reporting Act should be passed in parliament to make the publicly traded companies' financial accounts transparent.

"Some companies' accounts remain non-transparent due to the

absence of the Financial Reporting Act. This is resulting in a range of manipulations, including exaggeration of share prices," he said.

"While registering any company on the stockmarket, the BSEC should conduct a field scrutiny of the companies and check tax documents instead of solely depending on papers prepared by issue managers."

The rise or fall in share prices depends on companies' audit reports, Shakil Rizvi, a director of Dhaka Stock Exchange.

High standards of audit observed in developed countries should also be maintained in the country to improve the capital market, he said.

"The increase in share prices of a firm should be based on its earnings, assets and the ability to pay out dividends," he said. "If companies grow, the capital market will experience dynamism and not remain static."

The DSE will launch some new products through Islamic bonds in the stockmarket, said Swapan Kumar Bala, its managing director. "We have initiated the launch of clearing corporations for derivatives."

"A commodity exchange will be introduced after establishing clearing corporations. Multi products will be launched once we introduce automation of the DSE which is scheduled for the second week of December," said Bala.

"The step will ease the trading through iPads and mobile phones. New products will be launched on the DSE through exchange-traded funds," he said, adding that the 'over-the-counter' market will be the alternative market once it becomes vibrant.

The Financial Reporting Act

received the cabinet's final approval on November 10 and could be passed in the next session of the parliament, he said. "But the act has not been made public and I do not know why such a public issue is shrouded in secrecy," he said.

Pointing to the weakness of fund managers, he said 18 funds were formed between 2010 and 2013, but there was none in 2014.

"This can be attributed to the weakness of fund managers, apart from legal frailty. The regulatory body should be stricter about fund managers," he said.

He stressed attracting good companies to the capital market, but said some may be deterred by an overly regulated market.

"Many companies do not like the idea of sharing all their information publicly," he added.

The "right to financial accounts" will boost confidence of investors and their participation in the market will rise manifold, said Md Moniruzzaman, managing director of IDLC Investments. The proper disclosure of financial reports with global accounting standards will help the market grow further, he said.

Some companies show higher profits -- sometimes more than double the market leader's profit, just to be listed on the stockmarket, he said.

Profit manipulation before the initial public offering should be dealt with strictly, he said.

Some companies issue bonus shares without expansion, which is a bad practice, Moniruzzaman said. Multinational companies announce cash dividends instead of bonus shares, he said.



TOMMY MIAH

Tommy Miah, a British-Bangladeshi chef, launches a fast food outlet 'Tommy Miah's Chicken' by the Tommy Miah Hospitality Management Institute at Nikunja-2 in Dhaka.

Compensate victims immediately: HRW

FROM PAGE B1

Five companies -- Dickies, Sears, Disney and Wal-Mart of the US and Teddy Smith of France -- have paid nothing, claiming the factory was making or storing their products without their knowledge or authorisation.

The other companies have offered undisclosed charitable donations. At least 112 workers died and over 1,200 were injured in the fire at the Tazreen Fashions factory on November 24, 2012 in Savar.

The managers had barred them from leaving through the stairs, saying it was a false alarm, the survivors said. The exits were also blocked with cartons as the factory was rushing to fill an order. Workers were badly injured as they jumped out of the upper floors of the burning factory.

Survivors of the fire are still suffering from their injuries and loss of income two years on, HRW said in a statement. The fire took place in the same industrial town where, five months later, the Rana Plaza building collapsed, killing more than 1,100 workers.

"The victims of Tazreen, like those of the Rana Plaza tragedy, need a huge amount of support. Many of the survivors might have escaped the flames but their lives are ruined," Adams said.

Interviewees said they had received Tk 1 lakh (\$1,267) in compensation from the government and the Bangladesh Garment Manufacturers and Exporters Association, but they had spent most of the funds within the first year of the disaster on medical costs.

Companies have a responsibility "to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts", according to the UN Guiding Principles on Business and Human Rights.

The UN guidelines also state that "where business enterprises identify that they have caused or contributed to adverse impacts, they should provide for or cooperate in their remediation through legitimate processes".

Robi profit drops

FROM PAGE B1

Yap Wai Yip, chief financial officer of the operator, said the overall revenue was impacted by an intense price war and investment for network development.

Robi added 26 lakh new subscribers in the first nine months to reach 2.5 crore, which represents 21 percent subscriber market share, according to a statement.

The total capital investment made in the third quarter of 2014 amounted to Tk 450 crore, while the company's total investment in the first nine months was Tk 1,450 crore.

Matiul Islam Nowshad, chief people and regulatory affairs officer of Robi, also spoke.

German business confidence stabilises in November

AFP, Frankfurt

Business confidence in Germany appears to be stabilising after long months of decline, with the Ifo business climate index rising in November for the first time in seven months, data showed on Monday.

In an encouraging sign for Europe's biggest economy, and therefore the eurozone as a whole, the closely watched barometer beat expectations and rose to 104.7 points in November from 103.2 points in October, the Ifo think-tank said in a statement.

"The downturn in the German economy has ground to a halt for the moment at least," Ifo chief Hans-Werner Sinn said in a statement.

Ifo calculates its headline index on the basis of companies' assessments

of current business and the outlook for the next six months.

"Assessments of the current business situation are slightly more favourable than last month," Sinn said.

"Expectations with regard to the months ahead are also brighter."

The sub-index measuring current business rose to 110.0 points from 108.4 points last month, while the outlook sub-index increased by 1.4 points to 99.7 points.

Analysts were encouraged by the turnaround in the index, especially after investor sentiment in Germany rose for the first time this year in November.

"After a six-month slide, German business confidence staged a strong rebound in November, illustrating that any swan songs on the

eurozone's biggest economy came too early," said ING DiBa economist Carsten Brzeski.

"In our view, the Ifo index is currently the best single leading indicator for the German economy. Therefore, today's Ifo reading gives clear comfort for our view of an accelerating economy in the final quarter of the year," he said.

Capital Economics economist Jennifer McKeown said the rise in the Ifo index "is a relief after falls in other survey indicators, but it still points to only slow growth."

The fall in the euro and easing concerns over geo-political factors are starting to have some positive effects," she said, but noted that the November increase only reversed the fall seen in the previous month.

Tazreen victims to get compensation

FROM PAGE B1

The agreement was reached between IndustriALL Global Union and their local affiliates, Clean Clothes Campaign and C&A.

So far, the Tazreen Fashions victims received three months' salaries and overtime allowance from Bangladesh Garment Manufacturers and Exporters Association, the garment makers' platform. The workers also received Tk 1 lakh as compensation from a government fund.

The C&A has now pledged to contribute a significant amount towards full and fair compensation for Tazreen victims, in addition to the funds that have already been committed.

The final details of the pledge will be worked out and made public once the cost of the package is finalised.

"We welcome the positive role that C&A has played in this process, which has been instrumental in getting this agreement," Zeldenrust said. The rights advocate also asked other brands associated with the burned factory to join the effort.

Workers said at the time of the fire, they had just completed a shipment to Walmart, who was the factory's main buyer.

"Walmart is yet to take any responsibility for the workers killed and injured," said Babul Akhter from IndustriALL affiliate BGIWF (Bangladesh Garment and Industrial Workers Federation), in the statement.

Tazreen workers also produced clothing for German retailer Kik, Spanish department store El Corte Ingles, Scottish brand Edinburgh Woollen Mill (UK), Piazza Italia, Disney, Sears, Dickies, Delta Apparel and Sean John.

None of these brands has paid a cent towards compensation, the Clean Clothes Campaign said.

Hong Kong-based Li & Fung, the world's largest sourcing agent, and the C&A Foundation have made some payments through the Bangladesh government.

El Corte Ingles and Kik have made informal promises so far, and the rights group has asked for those to be turned into concrete, public pledges soon.