



A sulphur plant of ACI Formulations Limited, a subsidiary of ACI Limited. PHOTO: ACI

BUSINESS PERSON OF THE YEAR

A man of ethics and passion

SOHEL PARVEZ

The opportunity came to him 32 years after he began his career in 1960. The Imperial Chemical Industries (ICI) had decided to divest its shareholding to local management in 1992 and M Anis Ud Dowla grabbed the opportunity without thinking twice.

Dowla became the major shareholder of the company and renamed it to Advanced Chemical Industries (ACI).

"It was a great opportunity for me that such a multinational company wanted to hand over its operation to me. This was no risk," said Dowla, now 81, sitting in his office in Tejgaon.

When ACI started its journey in 1992 under Dowla's stewardship, its turnover was Tk 8 crore and employee count 230. Today, its turnover hits Tk 5,000 crore with over 15,000 employees.

Born on March 1, 1937 in Faridpur, Dowla studied physics at Dhaka University and also obtained a master degree in public administration from Karachi University.

After completing education, he joined Pakistan Oxygen, progressing through the ranks to become its managing director, then rechristened to Bangladesh Oxygen.

In 1987, he joined ICI PLC as the group managing director for its Bangladesh operations and continued to lead the team here until 1992.

ACI now comprises two publicly listed companies and 12 subsidiaries with diverse interests ranging from pharmaceuticals, consumer goods and agribusiness.

In his role as the majority shareholder, he maintained a multinational work culture and stayed focused on improving quality, the testimony of which can be found from his initiative to secure the ISO 9001 certification, the international standard for quality management system, for ACI in 1995, the first for a Bangladeshi company.

In 2000, ACI obtained the ISO 14001 certification, which is a global standard for environmental management system, again a first for the country.

Under his leadership, ACI was one of the first companies to produce iodised salt in Bangladesh. To cater to the demand for hygienic grocery shopping environment, ACI set up a supermarket, which is today the biggest chain in the country.

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technology research laboratory, complete with a gene bank.

The ACI is one of the six companies in Bangladesh that adopted UN Global Compact Principles in September 2003.

Dowla advised the youths to love their work. "Love what you do and do it with passion. Keep trying and do not give up."

One can have a wonderful life if the person studies engineering or medical. "But there is no guarantee that one would succeed."

Looking forward, he said he wants to instil professionalism in the company. Companies should not be run by families, he said.

At the same time, he wants to see the ACI being recognised for its contribution to the development of Bangladesh.

"ACI has a role to play in nation building. We want to be recognised as a service-oriented company helping the nation."

Dowla, now the chairman of ACI Ltd, said the ACI's management approach is becoming true to what it says. "There is no shortcut in our system. We should be able to leap frog into the future. We are on the right track and we have touched the right chord."

OUTSTANDING WOMAN IN BUSINESS

Glittering with golden fibre

REFAYET ULLAH MIRDHA

Designing saris with her mother was a childhood passion for Afsana Asif Shoma. That knack for creativity along with perseverance helped her into becoming the country's one of the most successful jute goods producers.

Shoma's company—Asix—now generates some \$1.5 million in exports every year. But the journey was not all plain sailing.

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But she had to start anew after getting married in 1994 and shift to Chittagong with her husband. She opened a workshop in Pahartali to make women's clothing and paint saris.

Shoma named her brand—Dalsanea—after a beautiful woman she had read about in school.

At one point, her husband was transferred to Pakistan. But the determined entrepreneur decided to stay put.

Rather, she started teaching at Sunshine Grammar School and took a loan of Tk 25 lakh from the Micro Industries Development Assistance and Services (MIDAS) in 2000 to expand her business.

Another hiccup came in the form of a surgery which her 26-day-old newborn had to go through. She then put the business on hold and gave undivided attention to the child's recovery.

Shoma's worries eventually came to an end and she focused on running the business in full swing in Dhaka.

Thanks to her husband's posting she started traveling to India and Pakistan to collect decorative materials such as stones and beads.

Soon Shoma found that the similar clothing concepts are circling the subcontinent because of the similarities in cultures.

She then tried her luck by exhibiting some jute goods in Pakistan as per the suggestions of some top officials of MIDAS in 2007 and 2008.

After getting a good response, Shoma started producing jute goods on a small scale for local corporate houses. Eventually she got the scope of sending a consignment to Malta through Alibaba in 2015.

This discovery of export potential encouraged Shoma to gather all her savings and avail a bank loan to invest Tk 50 lakh to set up her jute product factory—Asix—at Khilkhet in Dhaka in 2016.

She became the managing partner of Asix, which focuses on both the national and international markets.

Asix mainly designs and makes home textiles such as cushion covers, bed linens, bed runners, aprons, pot holders, oven mitts, tea towels, bar mops, napkins, place mats, coasters, table runners, towels, bath robes and bath mats.

Shoma now employs 50 people, spending Tk 5 lakh in salaries and managerial costs, Tk 50,000 as rent for the 5,000 square-foot factory and Tk 25,000 as electricity bill on an average every month.

Her local customers include corporate houses, banks and the Institute of Business Administration under Dhaka University, helping to bring in some Tk 5 lakh to Tk 6 lakh a month.

Customers from Canada, Japan, Italy and France also take jute products from Shoma.

She also goes on regular visits to Narsingdi and Rajshahi to place work orders with local design makers alongside going round global trade fairs, including Messe Frankfurt in Germany, to enlighten people of her business.

Shoma learnt a lot from a big loss of Tk 35 lakh in her business career when a Japanese customer rejected a consignment for a "small mistake".

She says Japanese customers are very choosy and they spare neither small mistakes nor anything low in quality. "Finally, I am recovering the losses as I corrected many things to do business with Japanese customers."



Afsana Asif Shoma

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While doing all this, Shoma did teach for a period of time at Scholastica, an English medium school in Dhaka. She is also the chairman of Gangchill, a music company of her husband.

Shoma believes that the most difficult part of doing business in Bangladesh is not finding capital but people with the proper skills.

The 49-year-old entrepreneur now plans to set up a fashion designing school in Dhaka alongside a fabrics company to reduce her cost of doing business.

"Only making money is not my motto, I want to contribute to the economy...I want to do better for the country and for the people."

She believes that people remember and cherish an individual's deeds only when that person brings welfare to the people year after year.

She sees a bright future both for business, jute and Bangladesh, as more and more people are tending to disapprove of artificial plastic goods for the sake of green development across the world.

"This change of habit has been and will create opportunities for Bangladesh," Shoma said.

ENTERPRISE OF THE YEAR

Renata: a cure for many ills

MD FAZLUR RAHMAN

The journey of Renata towards becoming one of the fastest-growing pharmaceutical companies in Bangladesh proves two things: a pro-poor and environment-friendly business can have strong growth and content employees can go beyond the call of duty.

Renata's ownership structure makes the company slightly different from others.

"In theory, 51 percent of everything—from profits to wealth—which Renata generates belongs to the poor," Syed S Kaiser Kabir, CEO of the company, said in an interview.

When Renata started its journey in 1993, it had a market capitalisation of \$1 million at Dhaka Stock Exchange. Today, it has gone up to \$1 billion.

"This happened without the injection of any additional capital. This shows that Renata is also very good at business. It is a combination of business enterprise and charity."

Located in the heart of the capital, the company's corporate headquarters contains outdoor meeting spaces which are full of natural light and trees.

"We try to protect trees as much as possible. There are instances where we redesigned buildings to protect a single tree," said Kabir.

Renata has fewer people compared to its competitors, but those people have great responsibilities and generate a lot of new businesses, he said.

"At Renata, we encourage you to behave like entrepreneurs even though we are all managers by designation," he said.

The company's beginning started in 1972 when Pfizer (Bangladesh) Ltd was launched. Pfizer (Bangladesh) Ltd's business suffered and went into a decline in the 1990s.

In 1993, Pfizer transferred the ownership of its Bangladesh operations to local shareholders, who renamed the company as Renata Ltd.

Syed Humayun Kabir, the first managing director of the Bangladesh chapter of Pfizer, took charge of Renata as the founder chairman and successfully arrested the decline. Humayun Kabir had to go for very aggressive cost-cutting and had to lay off a lot of people through golden handshakes.

Renata used the savings and put it into marketing. The turnaround came in 1998. Since then, the company has not looked back.

Today, it is the fourth largest pharmaceutical company in Bangladesh and the market leader for over 20 years in animal health products.

In 2016-17, the company's turnover grew 13 percent year-on-year to Tk 1,604 crore while its profit after tax also increased 18.5 percent year-on-year to Tk 262 crore.

In the same year, Renata paid Tk 381 crore to the national exchequer as corporate income tax, import duties and value-added tax.

The company is the largest manufacturer of oral contraceptives in the country, providing two-thirds of the oral contraceptives used in government programmes. It is also the largest manufacturer of oral saline in the country. Outside Bangladesh, Renata is among the largest suppliers of micronutrient powders.

Pharmaceuticals account for 70 percent of the group's revenue, 20 percent is animal health and the rest is contract manufacturing.

The revenue of the company with around 6,000 employees grows about 15 percent to 20 percent every year. Exports grow much faster, in excess of 50 percent a year, albeit foreign shipments are still very small in numbers, said Kabir.

Kabir said he spends most of his time trying to increase exports. Renata exports pharmaceuticals to different countries, including Afghanistan, Belize, Cambodia, Ethiopia, Guyana, Honduras, Hong Kong, Kenya, Malaysia, Myanmar, Nepal, the Philippines, Sri Lanka, Thailand, the United Kingdom and Vietnam.

Renata wants to turn up as a multinational company in the next few years.

Renata Agro Industries Ltd, which is an integrated poultry farm producing commercial day-old chicks

and engaged in commercial broiler operations, is also doing well.

Kabir has great hopes for Purnava, a non-medicated healthcare subsidiary of Renata. "One day Purnava will have global brands and we have put a fair amount of investment and research to come up with interesting formulations."

One of Purnava's health products is expected to hit the market in three months. "We hope to brand the product globally."

According to Kabir, his father—who died in July 2015—left a very good base for Renata, not just in terms of assets, but also in terms of values and people. "We still continue his values."

Currently, it is building two new factories. On an average, Renata builds a factory every year, said Kabir.

"Renata's stock doesn't see huge rise or fall, as most of our shareholders hold the stocks for longer periods. Our track record is good," he said.

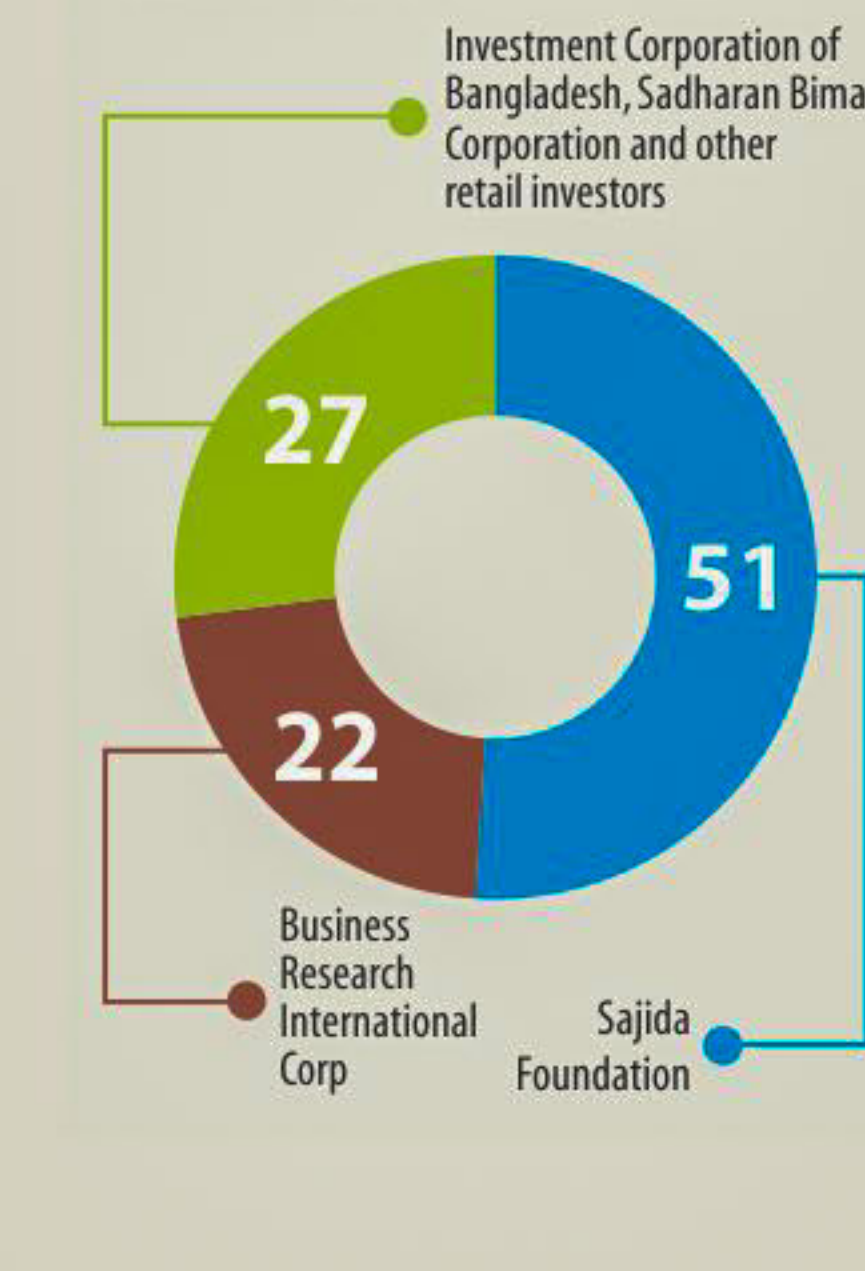
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Syed S Kaiser Kabir

OWNERSHIP STRUCTURE OF RENATA LTD (IN PERCENT)



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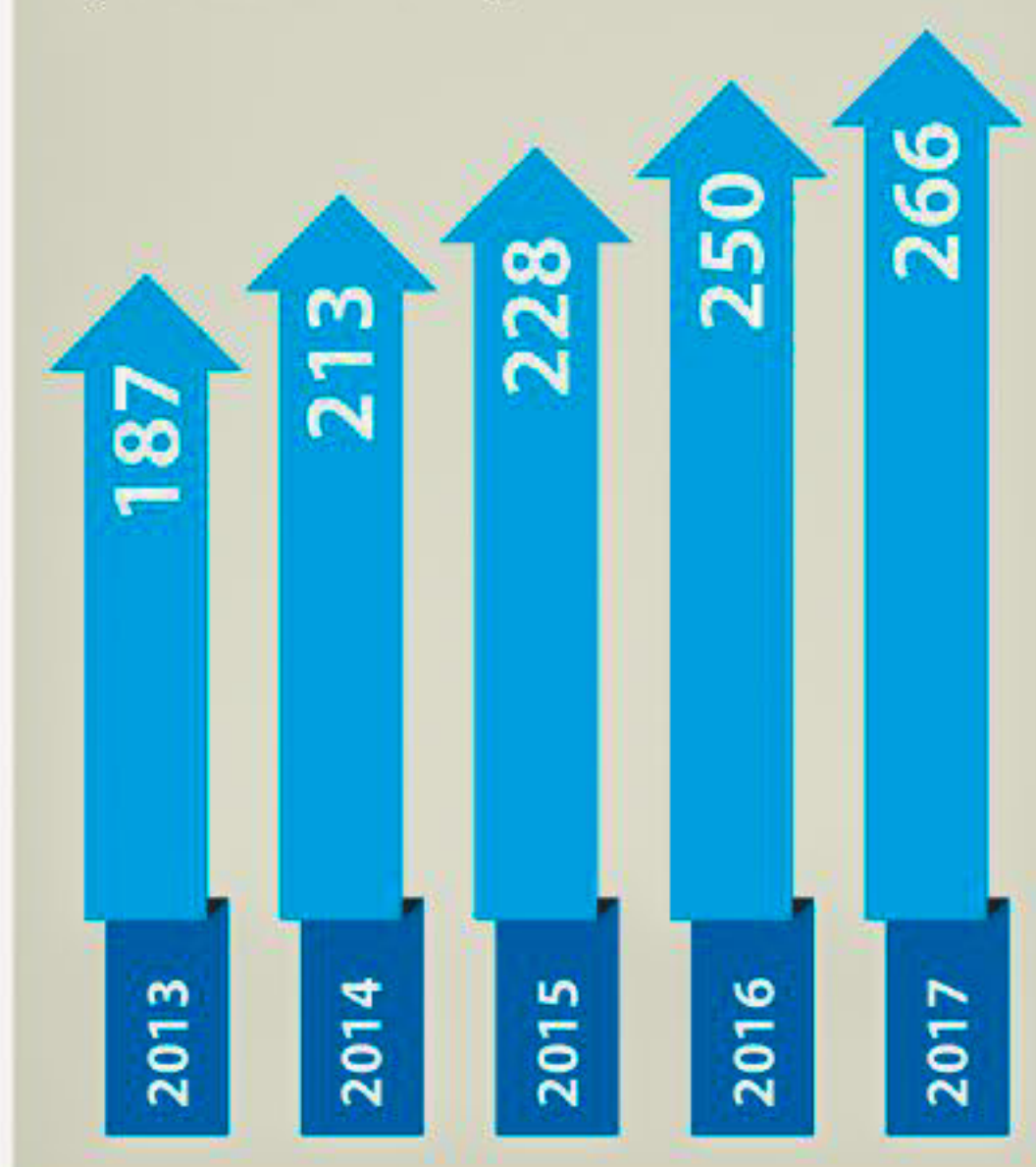
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An outdoor meeting space amidst greenery and natural light at Renata's corporate headquarters at the heart of the capital. PHOTO: RENATA

GROSS PREMIUM INCOME, (IN CRORE TAKA)



NET ASSET VALUE PER SHARE (IN TAKA)



BEST FINANCIAL INSTITUTION

Pioneer: a star insurer

SAJJADUR RAHMAN

Insurance business in Bangladesh is very challenging as nobody buys a policy voluntarily because of the negative perception about it. Poor governance and dilly-dally in claim settlement has made the insurance business further difficult.

But a professional board of directors and true corporate governance can make a difference and Pioneer Insurance Company is a glaring example of it.

Established in 1996, Pioneer Insurance is now the country's second-largest insurer in terms of profitability. It earned more than Tk 266 crore as premium in 2017, up from Tk 250 crore a year ago.

Presently, fire insurance accounts for almost half of the total premium Pioneer Insurance makes each year.

"From day one, we have been rule-based and transparent. That is why we are successful and marching ahead," said Tapan Chowdhury, chairman of Pioneer Insurance.

The company has been following the global best practices, which according to Chowdhury, is helping them establish people's confidence in the insurance industry.

Credible and reputed sponsors, such as Square Group,



Tapan Chowdhury

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QAFM Serajul Islam

Apex and ACI Ltd and a group of professional team management were behind the success of Pioneer, Chowdhury said.

This success has helped the company win the prestigious Bangladesh Business Award 2017 as the best financial institution.

The award in the best financial institution category is given to a company that is innovative, has sustainable profit growth, clean banking, client and tax records, effective management style, and contributes to the development of the country.

Pioneer Insurance is an AAA-rated company, which demonstrates its highest claim settlement capacity. It has 40 branches across the country and employs 534 people. It was listed on the Dhaka and Chittagong stock exchanges in 2001.

The company has reinsurance deals with globally reputed companies in the United Kingdom, France, Singapore, Malaysia, India and some other countries, sharing risks.

The company gives good dividends to its shareholders consistently. In the last 10 years, it has given 15 percent to 30 percent dividends annually.

"We don't run after business to earn more money. Rather, we follow the rules and regulations strictly," said QAFM Serajul Islam, consultant of the insurer.

He said the insurer is now trying to avoid deceitful clients and risky ventures, such as power plants and commercial vehicles.

After serving the company as the managing director for about a decade, Islam retired last year and took the charge of the company as the consultant.

"Our board of directors has never interfered into our activities," he said.

The veteran insurance personality also talked about the overall insurance sector and the challenges. Bangladesh has less than 1 percent insurance penetration, one of the lowest in the world. The premium market size of the non-life insurance sector stands at

about Tk 3,000 crore only.

Still, too many companies—46 in total—are competing with each other to get clients. Industry experts said this competition often forces an insurer to entice a business by way of offering hefty discounts.

India has only 24 non-life insurers. "Lack of skilled workforce is another major problem," said Islam, who has four decades of experience, both in the public and private insurance sectors.

He said the industry doesn't get qualified persons who can become a managing director. The situation would worsen after five years, according to Islam.

"People believe insurance is a low-profile profession and have very negative perception about insurance, which keeps quality people at bay," said Islam.

Manirul Islam, managing director of Pioneer Insurance, said poor record of claim settlement is one of the major reasons behind the weak position of the sector although insurance is a part and parcel of today's business, be it manufacturing, export or import.

Sponsors own 45.14 percent of shares of Pioneer Insurance, while general investors hold 31.69 percent and institutions 23.17 percent.

It contributed Tk 35.42 crore to the national coffers in 2016.