



A Rouf Chowdhury, chairman of Bank Asia, poses at the concluding ceremony of its 50th Foundation Training Course at the Bank Asia Institute for Training and Development (BAITD) in Dhaka yesterday on awarding certificates among 24 officers. SM Anisuzzaman, company secretary; KS Nazmul Hasan, head of people management division; Md Azharul Islam, head of the BAITD, and Sujit Kumar Sen, assistant vice president of the BAITD, were present.

Rumee Ali, new chairman of AB Bank

STAR BUSINESS DESK

AB Bank has appointed Muhammad A (Rumee) Ali as chairman as part of the lender's effort to improve its financial health.

As per the decision of the AB Bank board, the appointment of Ali came into effect on April 20, the first generation bank said in a statement yesterday.



Ali is a veteran banker with extensive and wide-ranging experience as chief executive officer, board member and chairman of several institutions.

He started his career with ANZ Grindlays Bank (Bangladesh) in 1975 after completing his master's in economics from Dhaka University.

In 1997, he was the first Bangladeshi to become the CEO of the foreign bank's Bangladesh operations.

When Standard Chartered Group acquired ANZ Grindlays in 2000, Ali was appointed the CEO of the combined operations as Standard Chartered Bangladesh.

In November 2002, he joined the central bank as deputy governor and was responsible for driving regulatory reforms in the country's banking sector.

Ali had served as managing director for enterprise and investment at Brac, the world's largest non-government organisation, and as chairman of Brac Bank. He was the founder chairman of bKash Ltd, the first mobile financial service provider in Bangladesh.

He is currently the CEO of the Bangladesh International Arbitration Centre.

PROPOSED GAS PRICE HIKE Steel production cost to rise Tk 4,000 a tonne: millers

STAR BUSINESS REPORT

The construction sector will be affected and the cost of infrastructure projects will go up significantly if the proposed gas price hike for industries comes into effect, steel millers said yesterday.

"The cost of all infrastructure projects will increase because of the price hike of steel products. This will affect the overall economy," said Manwar Hossain, chairman of the Bangladesh Auto Re-Rolling & Steel Mills Association.

He was addressing a press conference organised by Bangladesh Steel Mills Association (BSMA) at National Press Club in Dhaka.

According to the millers, the production cost of steel will increase Tk 4,000 per tonne if the gas price is hiked.

The government has proposed to increase the gas price to Tk 18.88 per cubic metre from the existing Tk 7.76, a 132

percent hike.

Hossain, also the managing director of the Anwar Group of Industries, said the sector became stagnant in the first quarter of 2019 as the government allowed some foreign companies to import steel products duty-free. This is affecting the sector, he said.

"We do manufacture world-class steel, so there is no need to import steel to implement mega projects," said Muhammad Shahidullah, secretary general of the BSMA and managing director of Metrocem.

He said local manufacturers had the capacity to produce 90 lakh tonnes of steel products annually.

He also demanded the continuation of the existing rate of value-added tax to safeguard the sector.)

Mahbubur Rashid Jewel, chairman of JSRM, and Sumon Chowdhury, organising secretary of the BSMA, also spoke.

Boeing seeks to exit crisis mode as it reports results

AFP, New York

Under growing scrutiny from investors and regulators, embattled US aerospace giant Boeing will have a chance this week to reset the narrative as it aims to pivot from two deadly crashes that have grounded a top-selling plane.

The company will report earnings on Wednesday for the first time since a deadly March 10 plane crash plunged the company into crisis-mode.

Then, on April 29, the company will face its shareholders at an annual meeting that includes challenges to the company on leadership structure and government lobbying disclosure. The events come as Boeing's 737 MAX remains grounded globally following an Ethiopian Airlines crash in March, which together with the Lion Air crash in October, have claimed 346 lives.

Analysts have been waiting for Boeing to formally seek certification from the Federal Aviation Administration for a technical fix to get the planes flying again, a key step and one critical to Boeing's bottom line.

Boeing chief executive Dennis

Muilenburg could announce progress on this front during an earnings conference call, a person close to the matter told AFP.

Adding to Boeing's travails, The New York Times on Sunday published a report claiming the company had left debris on 787 aircraft during manufacturing, potentially threatening safe operations. The article included allegations from former employees who said they had been punished for raising safety concerns.

In a note to employees, Boeing South Carolina Site Leader Brad Zaback denounced the article as a "skewed and inaccurate" picture of the 787 program, adding that "quality is the bedrock of who we are."

But Scott Hamilton of the aviation consultancy Leeham Company said the 787 issues, coupled with Boeing's other woes, raised the possibility Boeing is facing systemic problems.

"There is no simple answer, nor is there a quick one," Hamilton told AFP in an email. "Boeing has to improve its quality control and it has to be transparent and detailed with airlines, lessors and regulators in the MAX fix."

Stocks slide to 4-month low

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However, the turnover, one of the important indicators, rose 37.06 percent to Tk 332.84 crore with 7.69 crore shares and mutual fund units changing hands on the DSE.

Of the traded issues, 104 advanced, 203 declined and 39 closed unchanged on the bourse.

United Power Generation dominated the turnover chart with 7.97 lakh shares worth Tk 23.56 crore changing hands, followed by National Tubes, Monno Ceramics, Fortune Shoes and Bangladesh Submarine Cable.

Fine Foods was the day's best performer with a 9.90 percent gain while Premier Bank was the worst loser shedding 18.46 percent.

The most negative index contributors were United Power Generation, Premier Bank and British American Tobacco Bangladesh.

Meanwhile, a group of general investors continued to stage a demonstration in front of the DSE building in protest of the continuous fall in the index.

Chittagong stocks also closed low with the bourse's benchmark index, the CSCX, declining 45.65 points, or 0.46 percent, to finish at 9,708.45.

Losers beat gainers as 148 issues declined, 64 advanced and 23 finished unchanged on Chittagong Stock Exchange.

The port city bourse traded 42.28 lakh shares and mutual fund units worth Tk 13.66 crore.

Boro harvest begins amid falling rice price

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Take the case of Rajib Talukder, a grower in Netrokona, who could bag only 16 maunds of paddy from nearly two acres of land. He sold each maund of paddy for Tk 475, which is almost 21 percent lower than last year.

Farmers have planted paddy on 49.33 lakh hectares area in the current boro season, according to the Department of Agricultural Extension.

KM Layek Ali, general secretary of the Bangladesh Auto Major and Husking Mills Association, expects the overall yield would be good this season if there is no natural disaster.

In such a scenario, the prices of paddy are unlikely to cross Tk 500 a maund, he said, while demanding the government allow export of two lakh tonnes of fine rice.

"Otherwise, the government will have to buy more rice to protect growers from losses this season," he said.

The government earlier announced it would purchase 12.50 lakh tonnes of rice during the current boro season.

However, Saha said the government could export rice instead of allowing the private sector to do the job.



Rupali Chowdhury, managing director of Berger Paints Bangladesh, launches the company's premium exterior paint, WeatherCoat Antidirt Supreme, at International Convention City Bashundhara in Dhaka recently.

Injury insurance for workers on cards

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The huge gap between the factory owners and workers should be reduced, she said, while calling for training of workers and security guards.

In case of accidents, the security guards tend to protect the assets of factories but not the workers.

"It is because the security guards have been trained to protect the assets not the lives of workers," she added.

The living standards of garment workers did not improve much after the Rana Plaza tragedy, said Sirajul Islam Rony, a former member of the minimum wage board in the garment sector.

Zafar Sobhan, editor of the Dhaka Tribune, moderated the discussion, which was attended by union leaders, garment exporters, journalists, rights activists, diplomats, and ILO higher ups.

Britain starts search for Bank of England governor

REUTERS, London

Britain's finance minister Philip Hammond began the search for a new governor of the Bank of England on Wednesday, seeking someone to help steer the world's fifth-biggest economy, and its global financial centre, through the upheaval of Brexit.

Mark Carney, a Canadian, twice extended his term in charge of the British central bank as the country heads for an exit from the European Union. But he has ruled out a further delay even though Brexit remains up in the air.

"We are looking, obviously, for a candidate of the highest calibre. As we leave the European Union it's very important that the UK continues to play an important role in global fora," Hammond told a parliamentary committee.

He said he hoped to make an appointment in October, with the new governor starting in February 2020. He said his preference was to hire someone for an eight-year term, although he would consider

deviating from this for an exceptional candidate.

Carney took up his role on July 1, 2013, and will step down on Jan. 31, 2020. Hammond thanked Carney for helping to lead the UK economy through "a challenging period and we are now seeing stable, low inflation and the fastest wage growth in over a decade".

Hammond said earlier this month he hoped that concerns about Brexit would not deter potential applicants for a role with an annual salary of 480,000 pounds (\$620,000).

"We know from the experience of the previous crisis that it is through cooperation between central banks that we ensure stability ... therefore it's very important that as well as having someone who can do a first-class job at home, we have someone who commands respect in the international arena," Hammond said on Wednesday.

The recruitment process has been designed to ensure that the most qualified candidate is appointed from the broadest possible pool of

applicants, the finance ministry said.

Potential candidates include former BoE deputy governor Andrew Bailey who is now chief executive of the Financial Conduct Authority, a markets regulator, and current top officials at the BoE including deputy governor Ben Broadbent and chief economist Andy Haldane.

Raghuram Rajan, who was governor of the Reserve Bank of India from 2013 to 2016, and chief economist at the International Monetary Fund between 2003 and 2006, declined to comment when he was asked this month whether he would consider a return to active policymaking.

The Treasury has appointed a recruitment firm, Sapphire Partners, to help in the search - the first time it has sought external help to find a BoE governor.

A Treasury official said the appointment of recruiters would help ensure the widest pool of candidates for the job. The Treasury was aiming to conduct interviews for the job over the summer.

RBI steps up liquidity management

REUTERS, Mumbai

The Reserve Bank of India's surprise announcement of new open market purchases of government bonds is a sign the central bank is stepping up efforts to increase the economic impact of its policy decisions, analysts say.

The RBI's two rate cuts this year, totalling 50 basis points, have not been followed with moves of a similar magnitude by commercial banks, which are reluctant to take risks while sitting on a pile of non-performing loans.

But RBI Governor Shaktikanta Das, who took over in December, has shown more willingness than his predecessor Urjit Patel to experiment with liquidity management in a bid to smoothen the transmission mechanism of his policies.

If banks don't lower their interest rates, consumers and businesses don't benefit from RBI's moves, and the overall growth impact of rate cuts is less than intended.

In an unexpected move late on Tuesday, the RBI announced a new set of open market operations to purchase a total of 250 billion rupees (\$3.58 billion) worth of bonds in May, with the first auction for 125 billion rupees on May 2.

While such operations are not unusual, the timing of the announcement took markets by surprise, as it came immediately after the central bank's second ever \$5 billion buy/sell swap auction which has resulted in net infusion of nearly 700 billion rupees in the banking system.



Abu Hena Mohd Razee Hassan, head of Bangladesh Financial Intelligence Unit, and Anis A Khan, CEO of Mutual Trust Bank Ltd (MTB), attend MTB BAMLCO Conference 2019 organised by the bank at Radisson Blu Dhaka Water Garden on Tuesday.

Biman fare starts at Tk 25,200

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The flights will depart Dhaka at 3:00pm and reach Delhi within two and a half hours.

Currently, people travelling to Delhi have to spend more than 12 hours to reach Delhi via Kolkata and the travel cost is more than Tk 20,000.

For instance, if a passenger flies with Air India for Delhi from Dhaka, the fare for the return ticket will be around Tk 20,000 and the transit time in Kolkata will be 12 hours.

The fare for travelling by another Indian carrier Indigo is almost the same and the waiting time in Kolkata will be eight to nine hours.

Meraj says the flight operation on the Dhaka-Delhi route will be commercially viable for Biman as there was huge demand for the direct flight for the time it saves.

A 162-seater Boeing 737-800 plane, which comprises 12 business class seats and the remaining economy ones, will be used for the route, according to Biman.

The departure of Jet Air from the route has created new opportunities for Biman, which is resuming the direct flight after five years.

In 2018, one lakh people travelled to India by Jet Air, accounting for 50 percent of the passengers travelling to the neighbouring country through airways, according to Jet officials.