

New MD & CEO for Agrani bank Limited



Mr. Syed Abdul Hamid has been appointed Managing Director and CEO of Agrani Bank Limited recently. Prior to this appointment he served as the Deputy Managing Director of the same Bank.

Mr. Hamid initiated his banking career with Janata Bank as Senior Principal Officer (Chartered Accountant) in 1985. He joined Agrani Bank as General Manager in 2005 where he was promoted as Deputy Managing Director in 2007.

Mr. Hamid obtained his B.Com. (Hons.) Degree in Management and Masters Degree in Marketing from the University of Dhaka in 1977. He is a member of The Institute of Chartered Accountants of Bangladesh. He comes of a respectable Muslim family of Barisal District. He participated in many trainings & Seminars at home and abroad.

Agrani Bank Limited Got New GMs.

A. Md. Mizanur Rahman Khan has been promoted General Manager of Agrani Bank Limited recently. Earlier, he served as Deputy General Manager of the same Bank.

Mr. Mizan started his banking career with Agrani Bank as Financial Analyst in 1985. He obtained Masters Degree with honors in Economics from the University of Chittagong and took part in many training courses related to banking and management at home and abroad. He comes of a respectable Muslim family of Jhalakathi District.

B. Md. Zakaria has been promoted General Manager of Agrani Bank Limited recently. Earlier, he served as Deputy General Manager of the same Bank and Director of ABTI.

Mr. Zakaria started his banking career with Agrani Bank as Probationary Officer in 1980. He obtained Masters Degree in Physics from the University of Dhaka and took part in many training courses related to banking and management. He participated in a workshop on money laundering prevention in Srilanka. He comes of a respectable Muslim family of Chapai Nawabganj District.

C. Md. Nurul Haque has been promoted General Manager of

Agrani Bank Limited recently. Earlier, he served as Deputy General Manager of the same Bank.

Mr. Haque started his banking career with Agrani Bank as senior officer in 1983. He obtained Masters Degree with Honors in Soil Science from the University of Dhaka and MBA from IBA. He has his post graduate diploma in Personnel Management from BMDC.

Mr. Haque took part in many training courses relating to banking and information technology at home and abroad. He comes of a respectable Muslim family of Comilla District.

D. Mr. Bhanu Roy Chowdhury has been promoted General Manager of Agrani Bank Limited recently. Earlier, he served as Deputy General Manager of the same Bank.

Mr. Roy Chowdhury started his banking career with Agrani Bank as officer in 1980. He obtained Masters Degree in Education from the University of Dhaka and took part in many training courses related to banking at home and abroad. He comes of a respectable family of Chandpur District.

E. Mohammad Jalaluddin has been promoted General Manager of Agrani Bank Limited recently. Earlier, he served as

Deputy General Manager of the same Bank.

Mr. Jalaluddin started his banking career with Agrani Bank as Senior Officer in 1983. He obtained MBA from IBA and took part in many training courses related to banking and management. He comes of a respectable Muslim family of Chittagong District.

F. Md. Abdur Rashid has been promoted General Manager of Agrani Bank Limited recently. Earlier, he served as Deputy General Manager of the same Bank.

Mr. Rashid started his banking career with Agrani Bank as Senior Officer in 1977. He obtained Masters Degree with honors in Agri-Economics from the Bangladesh Agricultural University, Mymensing and took part in many training courses related to banking and management. He comes of a respectable Muslim family of Khustia District.

Agrani Equity and Investment Limited kicks off

Agrani Equity and Investment Limited, a subsidiary company of Agrani Bank Limited kicks off. Dr. Khondoker Bazlul Hoque, Chairman, Board of Directors of Agrani Bank Limited presided over the 1st board meeting of the company at the Board Room of the bank recently. Members of Board of

Directors of the Bank and Mr. Syed Abdul Hamid, Managing Director & CEO of the bank were present in the meeting. Deputy Managing Directors and concerned Executives of the Company were also present on the occasion.

Launching of IME Remittance Services

Agrani Bank Limited and IME(M) Sdn. Bhd. a leading Malaysia based Remittance Service Provider having around 60 outlets through out Malaysia announced the launching of the IME Remittance Service through Agrani Bank Limited in an auspicious ceremony at Agrani Bank's Head Office in Dhaka on 7th June, 2010.

Dr. Khondoker Bazlul Hoque, Chairman of the Board of Directors of Agrani Bank Limited and Mr. Billy Tham, General Manager, IME(M) Sdn. Bhd. formally inaugurated the service. Members of the Board of Directors, Managing Directors & CEO Mr. Syed Abdul Hamid, Deputy Managing Directors, General Managers, Executives of Bank and Representatives of IME were among other present on the occasion.

In his inaugural speech, the Chairman of the Bank mentioned the launching ceremony as a historic moment. Now Bangladeshi expatriates in Malaysia using IME Remittance Service will be able to remit

their hard earned money from Malaysia to their family members within 10 minutes through 867 branches of Agrani Bank Limited.

Mr. Syed Abdul Hamid, Managing Directors & CEO of Agrani Bank Limited appreciated and thanked officials of IME(M) Sdn. Bhd. and said that the Bank's authorities are looking forward to an exciting and fruitful relationship. IME Remittance Services will add value to Bank's customers and widen the area of services of the Bank which will open up new avenues for augmenting more foreign currencies from Malaysia in particular.

Agrani Bank Limited donated Taka 50.00 lac to the Prime Minister's Relief and Welfare Fund

Agrani Bank Limited donated Taka 50.00 lac to the Prime Minister's Relief and Welfare Fund in aid of the victim of Nimtoli Fire tragedy recently. Dr. Khondoker Bazlul Hoque, Chairman of the bank handed over the cheque to the Honorable Prime Minister Sheikh Hasina at Ganabhaban recently. Members of the Board of Directors of the bank Ranjit Kumar Chakraborty, Shekhar Dutta, Nagibul Islam Dipu, Engr. Md. Abdus Sabur, Barrister Zakir Ahammad, Shahjada Mohiuddin, Abdus Jahir Chowdhury (Sufian),

K.M.N. Manjurul Hoque Lablu, A.K.Gulam Kibria, Luna Shamsuddoha, Syed Bazlul Karim and Managing Director & CEO Mr. Syed Abdul Hamid were present on the occasion.

Member of the Board of Directors of Agrani Bank Limited has been elected as Director of FBCCI

Mr. Nagibul Islam Dipu, Member of the Board of Directors of Agrani Bank Limited has been elected as Director of FBCCI recently. Dr. Khondoker Bazlul Hoque, Chairman of the Bank congratulated him for his victory and felicitated with floral ovation. Members of the Board of Directors, Managing Directors & CEO Mr. Syed Abdul Hamid, Deputy Managing Directors, and General Managers of the bank were present on the occasion.

Agrani Bank Holds Workshop in Gopalganj

A training workshop on “Anti-money laundering” organised by Agrani Bank Limited was held at Polli Biddut Samity office auditorium in Gopalganj town recently.

Md. Shamsul Hossain, Director and Deputy General Manager of Agrani Bank Training Institute, Dhaka was present as the chief guest and Md. Mahbubur Rahman General Manager of Polly Biddut Samity, Gopalganj was present as the special guest.

Dulal Chandra Biswas, Assistant General Manager, Krishi Bank Zonal office was in the chair. At least 45 trainees including officers of different banks of Gopalganj attended the workshop.

Among others, Sadan Kumar Mondal, member of Agrani Bank Training Institute, Md. Alauddin Hossain, Deputy Director of Bangladesh Bank, Shekhar Chandra Biswas, Assistant General Manager, Agrani Bank Limited Zonal Office, Gopalganj were present on the occasion.

Agrani Bank Lecture Series Held at Dhaka University

Agrani Bank Lecture Series, organized by Dhaka University, held at the conference room of DU’s Business Studies Faculty recently.

DU Vice Chancellor Dr. AAMS Arefin Siddique inaugurated the occasion. Dr. Mashiur Rahman, Prime Minister’s economic affairs adviser, attended the programme as chief guest.

Bangladesh Bank Governor Dr. Atiur Rahman, former BB Governor Dr. Salehuddin Ahmed and CPD Executive Director Dr. Mustafizur Rahman presented articles.

Agrani Bank Holds AGM

The third annual general meeting (AGM) of Agrani Bank Limited was held in the city recently. Chairman of the Board of Directors of the bank Dr.

Khondoker Bazlul Hoque was present at the meeting as the chief guest.

Member of the Board of Directors, Managing Director and CEO Mr. Syed Abdul Hamid, Deputy Managing Directors, General Managers and Company Secretary of the Bank, among other, were present in the meeting.

The meeting approved the financial statements of the bank for the year that ended on December 31, 2009, reports of the Directors and Auditors and activities and result achieved during the same period.

Addressing the AGM, Mr. Hoque disclosed that the net operating profit of bank increased to Tk. 6.44 billion from Tk. 6.33 billion in 2008.

Agrani Bank Holds Managers Conference

Dr. Khondoker Bazlul Hoque, Chairman of the Board of Directors of Agrani Bank Limited inaugurated “Manager’s Conference of Dhaka Circle 1-2” at Institution of Diploma Engineers, Dhaka recently. Members of the Board of Directors were present as special guests. Mr. Syed Abdul Hamid, Managing Director & CEO was in the chair. Deputy Managing Directors, General Managers and concerned Executives of the Circle were also present on the occasion.

Invest in Bangladesh

Sheikh Hasina Urges Malaysian Business Leaders

Prime Minister Sheikh Hasina urged Malaysian entrepreneurs to invest more in Bangladesh, particularly in labour-intensive industries including readymade garment, textile, light engineering, electronics, agro-based products, ICT, power and infrastructure.

She was addressing a roundtable meeting with the Malaysian investors at Hotel Istana in Kuala Lumpur.

The premier also called for increasing import of Bangladeshi products like jute and leather goods, RMG, ceramics and pharmaceuticals, saying these are already being marketed in many developed countries.

Hasina said Bangladesh has adopted public-private partnership (PPP) policy to build infrastructure projects in power, gas and water sectors.

She said her government allocated a huge amount for PPP in these areas under 2009-10 national budget. "Malaysia, with its experience of PPP, can support Bangladesh for such projects."

Hasina said a joint working group of the two countries can promote these potential areas of investment and trade.

"For first hand knowledge, I believe, frequent visits and participation in trade fairs by businessmen of both the countries are important."

Sheikh Hasina Urges Resource Sharing within Muslim World

Prime Minister Sheikh Hasina urged the Muslim countries to share resources, technologies and market opportunities to build on the synergies and have a multiplier effect on their efforts.

She was addressing the opening session of the sixth World Islamic Economic Forum (WIEF) at the plenary hall of Kuala Lumpur Convention Centre in Malaysia.

Malaysian Prime Minister and patron of the WIEF Foundation Najib Tun Abdul Razak opened the two day forum with theme – 'Gearing for Economic Resurgence'.

WIEF Chairman Tun Musa Hitam gave the welcome address, while the Malaysian prime minister delivered the keynote address.

Sultan Hassanal Bolkiah of Brunei Darussalam, Senegalese President Abdoulaye Wade, Indonesian President Susilo Bambang Yudhoyono, Kosovo's President Dr. Fatmir Sejdiu and Maldives President Mohamed Nasheed also addressed the opening session.

Hasina called for finding new solutions conforming to own economic policies to shield themselves from the uncertainties of the external financial system.

She also proposed establishment of an 'OIC/WIEF task force' to find ways to support the member countries facing the challenges of climate change.

Hasina called upon the business champions of the Muslim countries to invest in Bangladesh.

"You may get involved in various development sectors of Bangladesh with win-win partnerships."

France Keen to Invest in Energy Sector

France is interested in investing and developing connectivity, infrastructure and energy, including renewable types, in Bangladesh and expressed the country's readiness to work closely on climate change issue.

It is also eager to support the clean development mechanism, cooperate in agriculture and allied sectors, boost trade, build capacity and cooperation in hydrology, marine and undersea resources exploitation, river dredging and flood management.

French Foreign Minister Bernard Kouchner recently

expressed these during official talks with Bangladesh Foreign Minister Dipu Moni.

The French foreign minister proposed formation of an efficient joint mechanism between the two countries.

Kouchner said France was looking forward to the visit by Prime Minister Sheikh Hasina to France.

He also expressed willingness to visit Bangladesh when foreign Minister Dipu Moni conveyed Prime Minister Sheikh Hasina's invitation.

Dipu Moni briefed her French counterpart on the present government's initiatives to strengthen democracy, secularism and human rights in Bangladesh. She also talked about the development initiatives under "Vision 2021".

The French foreign minister praised Bangladesh for its achievement in development, good governance, women empowerment, human rights, fight against terrorism and in UN peace-keeping operations.

He commended the people of Bangladesh for their secular values and acknowledged Bangladesh's active and assertive role in regional and international forum.

BB Allows Banks to Appoint Agents for Loan Disbursement

The central bank has relaxed rules allowing the commercial banks to appoint agents for disbursement of loans under solar energy refinancing scheme, officials said recently.

"We've taken the latest move to boost up disbursement of the fund both in off-grid and on-grid areas across the country," a senior official of the Bangladesh Bank told.

The agents will act for selection of customers, preparation of loan proposals, revaluation, sanction, distribution, monitoring and recovery of the loans, according to a circular, issued by the central bank recently.

If banks channelised the fund through the agents, the rate of interest on such lending will be maximum 10 per cent instead of the existing nine per cent, the BB officials added.

"The central bank has started disbursing the fund on first-come-first-serve basis to create an eco-friendly energy system across the country," the BB official said, adding that the disbursement of the fund would be increased in the ensuing fiscal year.

In the recent past, the central bank prepared a refinancing scheme worth Tk. 2.0 billion for

installation of effluent treatment plants (ETPs), and solar energy and bio-gas plants.

Under the new scheme, the solar energy and bio gas plants and ETPs will be provided with up to 100 per cent refinancing facility that will be disbursed to both rural and urban areas through the commercial banks.

The central bank officials said refinancing for installation of solar panel will be Tk. 70,000 maximum in rural areas and Tk. 1,75,000 in the urban areas.

They also said bio gas plants will be allowed Tk. 36,000 maximum for the poultry farms and Tk. 30,000 for cattle farms.

The BB officials, however, said the period for repayment period of loan for solar energy and bio gas plants will be three years.

Jute Genome to Bring Lustre Back to Golden Fibre

Decoding of jute genome would bring lustre back to the golden fibre, help it farm throughout the year, make it climate change-resistant and better its fibre quality, said the scientist who led the sequencing job.

Dr. Maqsoodul Alam said local farmers could start reaping the benefits of the decoding within the next five years and make the country at the forefront of global revival of natural fibre.

“It is the glory of the country. We cannot afford to lose it,” he said, a day after the Prime Minister told the Parliament that a group of scientists led by Dr. Alam has sequenced the genome of jute plant.

A jubilant Hasina broke through the news amid loud cheers by lawmakers, saying it would improve the quality of jute fibre and help its revival and earn extra bucks for the country’s millions of farmers.

Dr. Alam, a Bangladeshi scientist from Faridpur who earlier decoded the genome of papaya in the US and rubber plant in Malaysia, told a crowded press conference recently that Bangladesh should now claim intellectual property rights of jute.

“We now need to file patent application to win the rights. Our discovery cannot go in vain,” he said, adding the country now has got what “we need to take control of our agriculture.”

BB to Give Refinancing Facilities to Banks that Focus on Agro Sector

The central bank would provide refinancing facilities to the private banks which focus on agro-processed sector to promote a modern agriculture system in the country, its governor Dr. Atiur Rahman said recently.

He said some financial institutions have recently shown their positive response to extend support to the country’s agriculture which sustains majority of the population for their socio economic development.

“We’re ready to provide refinancing facilities to those institutions at five per cent interest,” the governor said after formally inaugurating the Agriculture Loan Products of a Private Commercial Bank recently.

Govt. to Disburse Tk. 120 billion as Agri Credit

The government has set a target to disburse Tk. 120 billion as agriculture credit through banks and non-banking financial institutions for fiscal (FY) 2010-11.

Finance Minister Abul Maal Abdul Muhith disclosed the target in his budget speech recently.

In the current fiscal year, up to April 2010, agricultural loan worth Tk. 89.49 billion has been distributed against a target of Tk. 115.12 billion through public and private sector banks and financial institutions, according to the budget documents.

The loans have been given to eight agro-based sub-sectors like crops, irrigation, equipment, livestock, agricultural products

marketing, fisheries and poverty alleviation, the central bank officials said.

Remittance Crosses \$10 Billion in 11 months

Remittance for the first time has crossed the \$10 billion mark in the first 11 months of the current fiscal year, according to statistics released by Bangladesh Bank.

The inflow was \$8.76 billion in the same period (July 2009-May 2010) last year, meaning that remittance has increased by \$1.32 billion over the last 11 months.

Bangladesh Bank analysis said the inflow grew steadily beating all negative speculations despite the adverse impacts of global recession and the country’s shrinking job market abroad.

BB Unveils 5-Year Strategic Action Plan

The central bank, for the first time, has announced its five year strategic action plan (SAP) recently, aiming at achieving inclusive economic growth through jobs creation and poverty alleviation.

The plan for 2010-2014 focuses on some major areas like monetary policy, banking system automation, skill development and capacity building through human resource development.

Malaysia's Auto Sales Surge 25 Per cent in March

Malaysia's auto sales surged 25 per cent year-on-year in March, an industry group said, as consumer confidence rose in Southeast Asia's biggest passenger car market.

The Malaysian Automotive Association (MAA) said sales of new motor vehicles increased to 56,139 units in March, up from 44,896 in the same month last year.

The group added that it expected sales to continue to rise with "production being stepped up to meet the growing demand."

"Sales in March continued its upward trend. Market sentiments and consumer confidence continued to improve," MAA said in a statement.

Total sales from January to March was 147,415 units. MAA hopes vehicle sales will hit 550,000 for the year 2010.

Bank of America Returns to Profit

Bank of America returned to profit in the first quarter of the year, the firm said recently reporting better than expected profit of 3.2 billion dollars.

After a boardroom shake-up and losses of more than two billion dollars last year, the largest US bank returned to the black,

providing a glimmer of hope that its crisis inflicted wounds could be on the mend.

Bank of America, a fixture on US high streets, had last year battled against a crushing recession that hit its customer base and against the pressing need to repay a massive taxpayer bailout.

Chief executive Brian Moynihan said that the firm and the economy had now turned a corner.

"With each day that passes, the 2010 story appears to be one of continuing credit recovery, and our results reflect a gradually improving economy," he said.

Russian Billionaires Double

The number of billionaires in Russia has doubled over the last year, with the country's super rich defying sluggish post-crisis growth to substantially boost their fortunes.

The annual rich list published by the Russian edition of Forbes magazine showed the Russia's moneyed elite have staged a comeback after the financial crisis slashed their fortunes.

Forbes said that the number of billionaires on its 2010 rich list had almost doubled to 62 from 32 in crisis-hit 2009.

India Hikes Interest Rates

Concerned over inflation nearing a double-digit mark, the

Reserve Bank of India (RBI) increased short-term interest rates for the second time in a month.

The central bank raised the repo – the rate at which it lends to commercial banks – by 25 basis points to 5.25 per cent and the reverse repo – the rate it pays to banks for deposits – by the same amount to 3.75 per cent.

These increases were announced by RBI Governor Dhuuvuri Subbarao in the central bank's annual Monetary and Credit Policy for financial year 2010-11 in Mumbai.

RBI said lower policy-rates can impair inflationary expectations.

The hike in repo and reverse rates was expected and came a day after the central bank in its macroeconomic survey cautioned against the risk of hardening inflation expectations on account of supply side, international commodity prices, especially of crude oil and industrial inputs, which have been rising in recent months.

IMF Approves \$160 Million Loan to Iceland

The International Monetary Fund approved a much-contested 160-million-dollar loan to Iceland, ending months of political bickering.

The IMF agreed in November 2008 to lend Iceland up to 2.1

billion dollars in an effort to stave off the collapse of the local economy, which was decimated by the financial crisis.

Wrangling with creditors – chiefly the Netherlands and Britain – had delayed the latest installment by three months.

The Washington-based fund said Friday's decision would take lending to the Atlantic island to around 1.2 billion dollars.

"I am confident that the policies and financing now in place will ease the burden of adjustment and help Iceland's economy stage a recovery in the second half of 2010," said IMF boss Dominique Strauss-Kahn.

Iceland is still reeling from a deep and punishing recession that submerged the country's banking sector, sent the Icelandic krona plunging and forced the collapse of the Icelandic government.

Malaysia to Issue first Islamic Bonds in eight years

Malaysian Prime Minister Najib Razak said Malaysia will issue its first Islamic dollar bonds, with analysts suggesting it is aiming to raise up to a billion dollars.

Barclays Capital, HSBC Holding and Malaysia's CIMB will jointly lead the sale in Asia, the Middle East and in the US.

World Bank Says East Asia could Stabilise Emissions by 2025

East Asia could stabilise its greenhouse gas emissions by 2025 while maintaining economic growth by investing heavily in energy efficiency and low-carbon technologies, the World Bank said recently.

Achieving this would require the region's energy guzzlers to invest an extra 80 billion dollars a year to make power, industry and transport sectors more efficient and develop renewable energy, the World Bank said.

Success also depends on the region finding the political will for big changes as well as transfers of financing and technologies from developed countries, the Washington-based lender said in a regional energy report.

S. Korea, Japan and China Agree to Speed up Trade Accord

South Korea, Japan and China agreed to speed up an investment accord and research on a trilateral free trade pact.

The announcement came after a summit of South Korean President Lee Myung-Bak, Japanese Prime Minister Yukio Hatoyama and Chinese Premier Wen Jiabao on the South Korean resort island of Jeju.

"By 2012, we will endeavor to complete the joint study for a free trade agreement among China, Japan, and South Korea," the leaders said in a joint statement.

The three countries agreed at their summit in 2009 to push for research on the free trade pact aimed at eventually creating a single economic bloc.

Last weekend, the trade ministers of South Korea, China and Japan confirmed they would complete a feasibility study within two years on creating a free trade bloc grouping their three countries.

Wal-Mart to Create 500,000 Jobs Worldwide

Wal-Mart said it would create 500,000 jobs around the world in the coming years as part of a strategy to transform the world's largest retailer into a more global company.

Mike Duke, President and Chief executive of Wal-Mart Stores, told shareholders the company needed to serve customers worldwide as a local store, share its best practices and make better use of its global supply chain.

Employee talent will be key to making that strategy work, he said at the company's annual shareholder meeting, according to a company statement.

“Just over the next five years, we’ll create 500,000 jobs around the world. We need to recruit the best talent and identify the best talent in our ranks. Then we need to develop leaders and help them become global citizens,” he said.

US Economy Adds 55,000 Private Sector Jobs in May

The US economy created 55,000 new private-sector jobs in May, the fourth consecutive month of increases amid a slow recovery from recession, payrolls firm ADP said.

The seasonally adjusted number was shy of the 60,000 new jobs expected by most analysts.

But ADP revised sharply higher the April jobs gain, to 65,000 from its original estimate of 32,000.

According to ADP, the service sector, which accounts for about 70 percent of output in the world’s largest economy, spawned 78,000 jobs in May, the fourth month running of increases.

The goods-producing sector saw the only decline in employment, shedding 23,000 jobs.

“The average increase over the past four months was a “modest” 39,000 said Joel Prakken, chairman of Macroeconomic Advisors, ADP’s partner in the report.

“The slow pace of improvement from February through May is consistent with the pause in the decline of initial unemployment claims that occurred during the winter months,” he said.

Banks of Japan Outlines \$33b Loan Scheme

Japan’s central bank unveiled a \$33 billion loan scheme to boost growth and battle deflation, as it faces mounting pressure from a new government focused on economic restoration.

The Bank of Japan (BoJ) will make low interest funds available to private banks to lend to companies, a move it hopes will in turn encourage firms to make longer-term business investments in a bid to strengthen the economy.

Raising Japan’s potential economic growth rate and productivity was its “most critical challenge” the bank said, as it announced it would offer as much as three trillion yen (33 billion dollars) in a temporary low-interest loan scheme.

The bank said it had been looking at ways “to rid Japan’s economy of deflation and achieve sustainable growth with price stability”.

China and Taiwan Sign Historic Trade Pact

Taiwan and China signed a historic trade pact in the boldest step yet towards reconciliation

between the former archfoes, 60 years after the civil war that drove them apart.

The Economic Cooperation Framework Agreement, hailed by both sides as a milestone and a commercial imperative in an era of strong regional cooperation, was signed by senior delegates in the southwest Chinese city of Chongqing.

The signing of the agreement, by far the most sweeping ever between the two sides, marks the culmination of a Beijing-friendly policy introduced by Taiwan President Ma Ying-jeou after assuming power in 2008.

Majority of Germans Want to Ditch the Euro

A majority of Germans wants to scrap the euro and bring back the old currency, the deutschemark, according to a new poll published recently.

The Ipsos survey showed 51 per cent of people in Europe’s top economy wanted their beloved deutschemark back, with 30 per cent wanting to keep the euro. The remainder was undecided.

Older Germans were keener to return to the deutschemark, with 56 per cent of those over 50 years old saying they wanted the old money back in their pockets. In contrast, only 42 per cent of those between 16 and 29 shared this view.

MICRO CREDIT: A Glorified Horizon

-Md. Mojibur Rahman

Background:

The Present millennium began with a great global dream. This dream is nothing but a peaceful, appetite and poverty free world. But peace is inextricably linked to poverty. Now peace is threatened by unjust economic and political order and absence of human rights. After realizing the facts, our global leaders have taken a historic and bold goal to reduce poverty through micro credit & micro enterprises development. Micro credit movement assumed global advocacy through Micro Credit Summit held in February-1997 at Washington in U.S.A. Fifteen hundred institutions and one hundred and thirty seven countries participated in the Summit. The Summit announced a collective crusade against poverty and hunger through micro credit operations. Bangladesh is pioneer in this regard. It is well known to all that in the recent past Dr. Muhammad Yunus and his Grameen Bank have won the Nobel Prize for his exclusive works regarding micro credit operations, and rural women empowerment. His Grameen model is widely practiced model in the current developing world.

Definition:

Though micro credit is a frequently talked and widely used term, we find no specific definition of micro credit from any institution. The word 'micro' means very small and 'credit' means loan. So, we can say as layman that micro credit means very small loan. But, it not wise to define the micro credit with a single word or by the loan size. Because, it is characterized by some features and objectives. However, the micro credit may be defined as the small credit that delivered to the rural and semi-urban poor mainly for income generation, employment generation and poverty alleviation.

Features of micro credit:

It is spoken earlier that micro credit is characterized by some salient features. The main features are as follows:

Credit for the poor:

Micro credit is the credit for the poorest of the poor. Usually, poor is determined mainly on the basis of calorie absorption or per day income. Internationally, thumb rule is, whose income is less than US \$ 1 is called poor.

Group basis loan:

Generally, micro credit is delivered to the target group people. Groups are formed homogeneously (male and female) as well as separately. Usually, each group consists of 5-20 target group members. Heterogeneous groups may be formed in special cases. These groups are generally called Self Help Group (SHGs).

Loan without collateral:

Micro credit is a small credit. It is for the poorest section of the society. The people of this section are not able to give any collateral. So, the credit should be ensured against only personal and group guarantee.

Highly Supervised credit:

Micro Credit is disbursed to the hard core people for the micro enterprises establishment and development. But for their hardship, they may use the credit for their daily needs. So, close supervision is needed for proper utilization of credit.

Credit for IGAs:

Micro Credit will be delivered to the income generating activities (IGAs). Again, this income generating activities should be socially acceptable. Credit should not be given to any un-productive purposes.

Quick disbursement:

Credit should be delivered quickly. Delay of disbursement may cause severe adverse effect on micro enterprises.

Transparency in operation:

Micro credit should be operated more transparently. This transparency should come from both demand and supply sides i.e. from the banks/NGOs and the micro entrepreneurs.

Market determined interest rate:

For micro credit interest rate should be market determined. Minimum interest rate should be ensured for the micro credit so that the micro enterprises can run profitably.

Credit for the women:

Micro credit is mainly for rural and semi urban women. For women empowerment micro credit is playing a bold role in our country.

Regular repayment:

Regular repayment of loan is the pre-condition of micro credit. Close supervision may ensure the regular repayment of loan.

Thrift collection/Force Savings:

Thriffs collection and force savings are also the features of micro credit. It ensures asset building and makes the micro entrepreneurs savings minded.

Provision of some packages:

Provision of some packages may exist in micro credit operation. Some incentives may be allowed for disbursement and recovery of loan. The entrepreneurs may have certain percentage of rebate facilities for regular repayment of loan.

Peer and moral pressure:

Since micro credit is preferred to the group people, so, there exists Peer and moral pressures. This pressure is fruitful to recover the credit in time.

Objectives of micro credit:

Micro credit is a special type of credit. It has some objectives. The main objectives of micro credit may be arranged as under:

- to generate income for the rural poor.
- to generate self employment for both male & female.
- to integrate rural people with the main stream development activities.
- to alleviate poverty.
- to ensure the proper utilization of idle man power and unused materials.
- to accelerate micro enterprises development.
- to help increase the production.
- to uplift the standard of living of the rural poor.
- to build up asset/capital for the rural asset less people.
- to minimize the inequality between the rich and the poor.
- to reduce social crime and maintain social peace.
- to bring the rural women into mainstream development activities of the country.
- to empower the rural women.
- to develop socio-economic condition of the country.

In fine, we may typify the micro credit operation as an essential tool of economic development. Because, it can arrest the rising trend of our poverty level. Only through proper micro credit operation we may send our poverty in museum.

(The Writer is Senior Principal Officer, SME & Micro Credit Division, Agrani Bank Limited, Head Office, Dhaka.)

- * Sources : National dailies, periodicals, journals, magazines, books, etc.
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