



**IFIC BANK LIMITED
TRAINING & RESEARCH DIVISION
HEAD OFFICE, DHAKA**

01. Apparel export to Japan posts 140pc growth

Exports of Bangladeshi apparels to Japan saw 140 per cent growth last year as Japanese importers further increased their sourcing from Bangladesh. Quoting a Japan ministry of finance report, officials at the Japan-Bangladesh Chamber of Commerce and Industry (JBCCI) informed that in 2009, US\$ 125 million worth of apparels had been shipped from Bangladesh to Japan against a shipment worth US\$ 52 million in the previous year. The report showed that Japanese importers procured \$ 26.5 billion worth of apparels and accessories from overseas sources with China having the lion's share of more than 80 per cent of shipments. Vietnam, Indonesia, Myanmar and India are the next significant sources for Japanese apparel importers, but the growth of apparel imports from Bangladesh has been stunning, industry analysts observed.

New Age: 01.02.2010

02. Government resorts to old practice of giving guarantee for State Owned Enterprise loans. BJMC to get TK. 6.36b from SCBs

The government has decided to give guarantee for loans amounting to Tk 6.38 billion that the Bangladesh Jute Mills Corporation (BJMC) has sought from the four state-owned commercial banks -- Sonali, Janata, Agrani and Rupali banks. Finance Minister AMA Muhith has agreed to issue guarantees as the financially ailing Corporation is now in dire need of funds for purchasing raw jute. The BJMC being one of the major defaulting state-owned enterprises had a bad debt of Tk 7.25 billion at the end of 2009, according to the latest data of Bangladesh Bank. The Corporation has to reschedule its classified loans to become eligible for further loan facility. The ministry is likely to issue the letters of guarantee to banks by the end of this week. Of the total amount, guarantee for about 1.01 billion will be given to Sonali, Tk 3.32 billion to Janata, Tk 1.03 billion to Agrani and Tk 1.02 billion to Rupali bank Ltd. The loans will have to be refunded to respective banks within the next 10 years with a grace period of two and a half years.

The Financial Express: 02.02.2010

03. US Budget deficit to hit record \$1.56 trillion in 2010

US president Barack Obama's administration acknowledged on 01.02.2010 that the budget deficit will swell to a record 1.556 trillion dollars but called for a bipartisan panel to reduce red ink to sustainable levels. The 2010 deficit would shatter the record deficit of 1.413 trillion dollars for 2009. Accumulating deficits beyond this year — although expected to decline — would double federal debt held by the public to 15.686 trillion dollars in seven years and push it even higher to 18.573 trillion dollars in 2020. Measured against the size of the economy, the 1.556 trillion budget shortfall in 2010 would equal a hefty and unsustainable 10.6 per cent of the gross domestic product, the basic measure of a country's overall economic output. The Obama administration said the 2011 budget is aimed at dealing with the aftermath of the financial, fiscal, housing and unemployment crises, and to put the United States on a path to long-term economic security.

New Age: 02.02.2010

04. Vietnam raises \$1 billion in global bond issue

Vietnam has raised \$1 billion after tapping the global bonds market for only the second time as the government tries to plug a massive budget deficit and temper inflation. Some of the money will go towards the national budget and the rest will go to state projects including the Dung Quat oil refinery, the state Vietnam News reported on 02.02.2010. The 10-year bonds were issued with a coupon of 6.75 per cent and entered the market with a yield of 6.95 per cent. The country's first international bond issue in 2005 raised \$750 million, Vietnam News said. Those 10-year bonds had a coupon of 7.125 per cent. Vietnam's economy grew 5.32 per cent last year but that expansion came at a price, with a budget deficit that official data said reached seven per cent of gross domestic product.

New Age: 03.02.2010

05. Banks asked to give information on import Letter of Credits of 13 items.

Bangladesh Bank has asked the commercial banks to provide information on opening and settlement of import L/Cs of 13 essential commodities on weekly basis for better monitoring. The commerce ministry has taken the latest move aiming to curb inflationary pressures on the economy by reining in soaring prices of essentials, particularly food items. The essentials, which will come under new monitoring system, are **Rice, Wheat, Sugar, Soybean Oil, Palm Oil, Gram, Onion, Lentil, Garlic, Ginger, Salt, Egg And Potato**. The central bank issued a directive in this connection on 03.02.2010 and asked the chief executives and managing directors of all commercial banks to provide such information regularly on time. Under the new provisions, the commercial banks will have to provide the number, quantity and value of both opening and settlement of import L/Cs to the central bank on a prescribed form.

The Financial Express: 04.02.2010

06. Remittance tops \$950m in January-2010.

The inflow of remittance sent by the Bangladeshi expatriates in January crossed \$ 950- million mark with an increase of 8.82 per cent compared with that of the previous month. The country received remittance worth about \$ 873 million in December, 2009. The monthly remittance was Tk 859 million in January, 2009. Bangladesh Bank official data showed that the state owned commercial banks brought \$ 253 million while private commercial banks brought \$ 651.56 million in January. Besides, specialized commercial banks brought only \$11 million while foreign commercial banks brought \$13.03 million. The highest amount of the inward remittance worth around \$270 million was brought by Islami Bank Bangladesh while state-owned Sonali bank brought \$104 million

New Age: 04.02.2010

07. Bangladesh Bank asks banks to regulate chairmen, directors' activities

The Bangladesh Bank has asked all commercial banks to regulate the activities of the chairmen and directors according to the company regulations, official sources said. The central bank in a circular issued on 04.02.2010 said the chairmen and the directors would not be allowed to call meetings without specific agenda and the meetings should be according to the company act. Citing the rules and regulation of the Bank Company Act 1991, the circular said that the chairmen and directors should not miss the board of directors' meetings or should explain the reason for the absence to the concerned authorities. The chairmen and the directors should avoid visiting the bank without notification, the circular added.

New Age: 05.02.2010

08. TK. 7.5 b diesel subsidy to be disbursed through banks

The government has decided to disburse Tk 7.5 billion worth of diesel subsidy among the Boro farmers through banking channel in a bid to check leakage of the fund. "The entire amount of subsidy will be channelised through banks so that the support reaches the Boro cultivators directly. Under the revised programme, some 8.3 million

farmers, who are cultivating Boro crop on land measuring up to about 2.5 acres of land each will receive Tk 800 as cash subsidy for irrigation purposes this season. About 0.8 million medium-scale farmers, on the other hand, will get Tk 1000 each for irrigation purpose. The listed farmers will require to have their respective bank accounts to receive the cash support, they said, adding the authorities have already instructed the banks concerned to this effect. Besides, the beneficiaries will receive their subsidy against their respective 'agri-input support card' recently provided by the government

The Financial Express: 06.02.2010

09. China's current account surplus falls

China's current account surplus, a key gauge of a nation's foreign trade, fell in 2009 for the first time in eight years, official data showed today, as the global crisis hit exporters last year. China booked a current account surplus of \$284.1 billion last year, down 35 per cent from 2008, the State Administration of Foreign Exchange said in a statement on its website. The figures represent mainly the surplus from goods and services transactions and interest payments involving other countries. It was the first time since 2001 that China's surplus declined, according to the official Xinhua news agency.

New Age: 06.02.2010

10. Software, ITES export rises by 32pc in 2009

The export volume of software and information technology-enabled services increased by 32.17 per cent last year with a sale worth some \$ 32.91 million in 2008-09, while the industry has fixed a target for \$ 38 million in 2009-10 fiscal. 'Bangladesh earned \$ 24.9 million from export of software and ITES in 2007-08 fiscal and \$ 32.91 million in the last fiscal year, \$ 5.91 million more than the previous year. Software and ITES export was worth a paltry \$ 1.2 million in 2001.

New Age: 07.02.2010

11. HSBC rated most valuable financial brand

HSBC has been ranked as the most valuable banking brand in 2010 according to Brand Finance Banking 500. This is the third time in a row that the world's local bank has been adjudged as the most valuable banking brand. Besides topping list in the banking industry, HSBC has also increased its brand value by 12 per cent to \$28.5 billion, said a news release on 06.02.2010. The Brand Finance Banking 500, now in its fourth year, directly compares the values of the world's leading banking brands. The result was published in an annual review which shows the banking sector is starting to recover

New Age: 07.02.2010

12. Mutual funds free to fix their record dates

The Securities and Exchange Commission (SEC) said fund managers will not need permission to fix the record date for offering cash dividend. The SEC said this in reply to a letter of the Investment Corporation of Bangladesh (ICB) asking for fixation of record date for distributing cash dividends among the unit holders. The ICB fund managers failed to declare cash dividends for 2008 and 2009 following a writ petition on the mutual funds. On January 31, the ICB sent a letter to the SEC seeking permission and a directive relating to declaration of record date for cash dividends. The SEC said there is no requirement to take permission to offer cash dividends to the unit holders as it does not relate to the verdict of the High Court. Earlier, in a verdict the High Court allowed the close-end mutual funds to issue rights or bonus shares without curbing the absolute power of the SEC. Later, the SEC decided not to appeal against the verdict of the High Court and said in a directive that the funds, which launched their operation before the amendment to the Mutual Fund Act 2001 in June 2007, will have to apply to the SEC for the issuance of rights or bonus.

The Financial Express: 10.02.2010

13. Export earnings fall by 6.2% in first half

The country's export earning witnessed 6.2 per cent fall in the first half of the current fiscal year, as shipment of the most prime commodities went into the red. By the end of July-December period of fiscal year 2009-10, the country earned US\$7270.51 million from the exports. It was US\$484.19 million less than the earning recorded during the corresponding period of 2008-09 fiscal year, the ministry source said. In December 2009, export earning was US\$1172.8 million, a US\$23.03 million fall from the earning recorded in December 2008. "Export of the country's prime products including knitwear, woven garments, leather, frozen foods and ceramics witnessed a gradual fall in shipment during the period. Earning during the first half of the fiscal year was 14.45 per cent fall from its strategic target fixed for the period at US\$8498.36 million. Export of raw leather and leather goods declined by 10 per cent in the first half of the current fiscal against the corresponding period of last fiscal year. According to data published by the EPB, the country's export earnings during the first quarter (July-Sept) of current fiscal year decreased by 11.66 per cent compared to corresponding period last year. It was 10.60 per cent less than the US\$ 4329.60 million target

The Financial Express: 11.02.2010

14. Export restriction on raw jutes goes.

The government withdrew on 11.02.2010 the ban on export of all types of raw jute amid severe supply shortage of the fibre in the local market. "The government has decided to withdraw the restriction on export of raw jute, which was issued on December 7, 2009," a textile and jute ministry circular said. The government, however, slapped a permanent ban on shipment of BTR (Bangla Tossa Rejection) grades of raw jute excepting the one for which letter of credit (LC) for export has already been opened this year. But the circular said the export of jute goods will get more preference than that of raw jute in the future. Earlier, the ministry through a circular relaxed the ban, allowing export of raw jute, only for which letters of credit (LCs) were opened for shipment before imposition of the export restriction on December 7 last. The government put the restriction on export of all types of raw jute following a supply scarcity of the fibre in the local market.

The Financial Express: 12.02.2010

15. Trade with US sees negative growth

Minus growth in apparel shipments cited main reason

For the first time in six years, bilateral trade between Bangladesh and the United States suffered a negative growth last year, foreign ministry sources, citing US trade data, told New Age. US-Bangladesh trade totaled some \$ 4,135 million in 2009, \$ 81 million less than the figure in the previous year. Data collected from the US Commerce Department, shows that Bangladesh's exports to the USA in 2009 amounted to \$ 3.7 billion which was \$ 48 million or 0.9 per cent less than the previous year's amount. The Bangladesh's import from the USA also declined last year by \$ 33 million as it totaled worth \$ 435 million in 2009. US official data shows that 92 per cent of Bangladesh exports earnings from the USA comes from shipment of apparels which amounted to \$ 3.41 billion in 2009. The earning was \$ 32 million less than the figure of 2008. Bangladesh earned more \$ 110 million from exports of home textiles, fabrics and other non-apparel textile products to US.

New Age: 12.02.2010

16. BB again sets deadline for MICR-encoded cheques

The Bangladesh Bank has set yet another deadline on 31 March, 2010, directing all commercial banks to submit Magnetic Ink Character Recognition or MICR-encoded cheques to enable it to make the Automated Clearing House fully functional. The BB in a circular sent on 11.02.2010 issued the directive, pointing out that the number of MICR-encoded cheques, which facilitate faster and more reliable fund transfers, is at an unsatisfactory level. It cautioned the banks that it would not accept any form of fund transfer documents other than MICR-encoded cheques from 1 April, 2010. The BB, as the regulator, asked all banks to issue MICR-encoded standard cheques and phase out the old, non-standard cheques by 30 June, 2009. New Age: 12.02.2010

17. Bangladesh Bank limits charges for export bills negotiation, collection

The commercial banks will be allowed to collect maximum Tk 500 as commission along with exchange gain during negotiation and collection of export bills. The central bank issued a circular in this connection on 15.02.2010 and asked the chief executives and managing directors of all scheduled banks to follow the latest instruction on charges for export bills negotiation and collection. The BB earlier fixed the charges for export bills negotiation and collection at maximum 0.15 per cent without mentioning the foreign exchange gain. On December 22 last, the central bank issued a master circular on schedule of charges for both lending and deposits that has come into effect from January 1, 2010. Other charges, fees and commissions will remain unchanged, which have been mentioned in the master circular.

The Financial Express: 16.02.2010

18. 270 sick industries to get waiver of Tk 893 crore bank interest

The government has decided to waive bank interest amounting to Tk 893.07 crore of 270 sick garment factories so that they can turn around to be profitable enterprises. The finance ministry has taken the decision in line with recommendations of an executive council formed for working out the ways and means to bail out the sick industries. The official also said that the government would have to compensate the six banks to offset their financial loss to be caused by the waiver of the bank loan interests of the 270 sick industries. According a finance ministry directive, a total of 270 sick garment factory owners will have to submit their applications to the respective banks by April 15, 2010, seeking the interest waiver. The financial involvement in giving the waiver of the interest of six banks is about Tk 893.07 crore of which the dues of Sonali Bank are Tk 519.21 crore, Janata Tk 71.20 crore, Agrani Tk 241.53 crore, Rupali Bank Tk 59.76 crore, Bangladesh Krishi Bank Tk 1.11 crore and Investment Corporation of Bangladesh Tk 0.26 crore.

New Age: 16.02.2010

19. Export earnings suffer negative growth in first half of current fiscal

Exports earnings for the first half of the current fiscal year suffered minus 6.2 per cent growth year-on-year, and totalled at US\$ 7.27 billion, Export Promotion Bureau reported on 15.02.2010. The garment export earnings for July-December or the first half of the current fiscal amounted to \$ 5.59 billion with a minus 7.5 per cent growth over the earnings of the same period of the previous fiscal. According to the Export Promotion Bureau, readymade garment shipments, in terms of value, declined by 12 per cent year-on-year amounting \$ 885 million in December. In terms of value, frozen food shipments declined 18 per cent to \$ 221 million, finished leather 7 per cent to \$ 98 million and footwear 2 per cent to \$ 97 million. In the first six months of the current fiscal, export earnings by jute goods increased by 36 per cent to \$ 191 million, raw jute 22 per cent to \$ 96 million and bicycle 32 per cent to \$ 52 million.

New Age: 16.02.2010

20. Glass industries facing tough competition

The country's glass industries are facing tough competition from the cheap Chinese glasses which have been imported in large quantities as the local industries are currently meeting only the half of the country's demand. Cheap Chinese glasses have captured about 50 per cent of market in the last couple of months. According to a market study jointly conducted by a local private bank and an international research organization, Bangladesh imported 6.51 crore square feet of glass in 2003 whereas the local companies produced 4.14 crore square feet that same year. Currently, the country imports float glass worth around Tk 300 crore a year. Currently, all four companies produce around 350 tonnes of glass a day in spite of their combined capacity of around 400 tonnes as the persistent shortage of gas crisis is hampering production, said sources. The NGIL produces 180-200 tonnes a day, PHP 100 tonnes and Osmania and MEB the rest.

New Age: 20.02.2010

21. Incentives to frozen food sector reversed

The increase of cash incentives to the frozen food sector from 10 per cent to 12.5 per cent has been recently reversed by the government. Although the 2.5 per cent increase has been withdrawn, but a new package in the form of block account facility has been introduced for the exporters, officials said. Under the package, the export-oriented frozen food plants will get 30 per cent working capital of their credit ceilings with one-year moratorium facility. The credit amount will be re-payable in five years in quarterly installments with interest. The government also instructed the commercial banks to realize interest on the term loan at the rate of 11 per cent. Of the interest, the government will pay 3.0 per cent and the entrepreneurs the remaining 8.0 per cent. Ministry officials said the government will have to provide about Tk 300 million for the payment of 3.0 per cent interest to the banks. The country earned US\$ 220.73 million during the first half fiscal year marking a negative growth of 18 per cent compared to the same period of last year

The Financial Express: 24.02.2010

22. ADP downsized to Tk. 285b

The government downsized its maiden Annual Development Programme (ADP) for the current fiscal year to Tk 285 billion while increasing the number of projects under it. Officials said the National Economic Council (NEC) approved the revised ADP with the spending cuts in its meeting Tuesday with NEC chairperson and Prime Minister Sheikh Hasina in the chair. The allocation to the development budget now stands at Tk 20 billion or 6.6 per cent less than that of the original ADP. Under the revised ADP, the number of projects was raised to 1,058 from 886 of the original plan. The revised ADP, Tk 172 billion (60.35 per cent) would come from domestic sources and Tk 113 billion (39.65 per cent) as project aid

The Financial Express: 24.02.2010

23. Credit flow to private sector continues to rise

Upward trend in the disbursement of private sector credit continued in December last, indicating a gradual improvement in the country's overall business activities. The rise in private sector credit was 19.15 per cent in December from 16.73 per cent in October 2009, according to the central bank statistics. The credit flow to private sector increased due mainly to the rise in financing small and medium enterprises (SME), agriculture and trade sectors. The credit demand from the agriculture sector has picked up because of the ongoing boro cultivation season as well as rising prices of food grains in local markets. Trade financing for the import of food grains particularly wheat, milk powder and sugar increased in the second quarters of this fiscal because of price hike of the items in the international market. Eight state-owned banks and financial institutions along with both local and foreign private commercial banks disbursed Tk 55.979 billion as farm loans during July-December period of the fiscal 2009-10 (FY10) against Tk 42.283 billion in the same period of the previous fiscal. 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 noted

The Financial Express: 25.02.2010

24. IPO regulations eased, small-cap firms barred from pre-placement

The government Thursday relaxed initial public offering (IPO) regulations, allowing companies to offload lesser amount of their paid-up capital for raising fund from the stock market. The ministry of finance made the changes in consultations with the securities regulator that also barred smaller firms from selling stakes to institutional investors in pre-IPO private placements. Under the previous regulations, a company was required to offload a minimum 40 per cent of its paid-up capital through an IPO - no matter how big the company is. The restrictions, made effective from November 5, 2009, drew flak from analysts and discouraged many potential companies to raise capital from the booming share market. The finance ministry said under the revised regulations, a company with paid-up capital worth above Tk 1.5 billion can offload shares worth Tk 400 million in order to raise money through public offerings. "The basic minimum IPO size of the company should be at least Tk400 million. But if the company is too big, its

IPO size could be 15 per cent of its paid-up capital. The companies falling under this category can also sell shares to the institutional investors through pre-IPO private placements. A company having paid-up capital between Tk 750 million and Tk 1.5 billion must offload 25 per cent of its paid-up capital if it seeks to raise money through IPO.

The Financial Express: 26.02.2010

25. India becomes world's 10th largest gold holder.

With the buying of 200 tonnes IMF gold, India became the 10 largest gold holding countries in the world, pointed out the Economic Survey 2009-10. India's foreign exchange reserves surged by about 6 per cent with the purchase of 200 tonnes of IMF gold to total reserves to 557.7 tonnes. During fiscal 2009-10, foreign exchange reserves increased by US\$ 31.5 billion from US\$ 252.0 billion in end March 2009 to US\$ 283.5 billion in end December 2009. Besides, the Reserve Bank of India (RBI) concluded the purchase of 200 tonnes of gold from the IMF, under the IMF's limited gold sales programme at the cost of US\$ 6.7 billion in the month of November 2009.

The Financial Express: 26.02.2010

26. [Mergers in the fertilizer industry](#) A Growth Business

Feeding the world has become a mouth-watering opportunity

The run-up in the price of fertilizer, which reached a peak along with most agricultural commodities in 2008, gave a taste of the money to be made by feeding the world. A recent flurry of takeovers suggests that fertilizer companies see the subsequent drop in prices as a buying opportunity before the next ascent begins. The biggest deal so far this year was unveiled on February 15th. **Yara**, a Norwegian fertilizer-maker, agreed to pay \$4.1 billion for **Terra**, an American company. The deal will extend Yara's lead as the world's biggest maker of nitrogen-based fertilizer. **Vale**, a huge Brazilian mining company, has put up \$4.8 billion for two recent purchases. These will boost its phosphate-and potash-based fertilizer businesses, which serve Brazil's vast and growing agriculture sector. BHP Billiton, the world's biggest mining company, has also added bulk to its potash operations. In January it paid \$ 320 million for Athabasca Potash, a Canadian business situated near a mine it owns in Saskatchewan. In a decade the combined sites could churn out 8m tones of potash annually, twice the output of the world's largest mine and equivalent to a just under a sixth of global consumption. Such is the allure of potash that rumours last year suggested that Vale or BHP might bid for a big global fertilizer company such as America's Mosaic or PCS of Canada.

The explanation for all this is undoubtedly the open maw and changing dietary habits of the world's fast-expanding population. It is expected to grow by around a third by 2050 to over 9 billion people, who will all need to be fed. Moreover, as people grow more prosperous they eat more meat, which will require even more crops to provide feed for livestock.

China's demand for fertilizer is expected to be particularly buoyant as a result of its huge population and the poor quality of its arable land. China is largely self-sufficient in nitrogen fertilizers. But the country is already a big importer of phosphates and especially potash. It consumes around quarter of the 50m tones of potash produced in the world each year. By some estimates China alone might use 26m tones a year within a decade and a half.

There are other factors at work besides the world's population pressures. The prices of fertilizers are recovering more slowly than those of other commodities, making fertilizer companies relatively cheap. That is especially true if the buyer is a mining firm, earning near-record prices once more for its ore. Big mining companies are also interested in phosphates and potash because they are generally extracted from the sort of he mines that are their bread and butter.

The Economist: February 20th – 26th 2010

27. Germany and the euro

Let the Greeks ruin themselves

Germany has Europe's deepest pockets, but it does not want to pay to save troubled euro-zone economies

Less than a year before the euro became the currency of 11 European countries in January 1999, a declaration signed by 155 German-speaking economists called for an "orderly" – ie, long – delay. The prospective euro members, they said, had not yet reduced their debt and deficits to suit a workable monetary union; some were using "creative accounting" to get there, and a casual attitude towards deficits would undermine confidence in the euro's stability. Now the prediction is coming true, says Wim Kusters, of the Ruhr University in Bochum and one of the original signatories. Greece, which joined the euro two years after its inception, has concealed the dodgy state of its finances, Now it is under attack from speculators. A default could spread panic to other deficit - plagued economies, including those of Spain and Portugal, with scary consequences for Europe's already shaky banking system. But if Greece's partners bail it out, defying the euro's founding treaty, the currency will suffer. Either way, the euro is in trouble.

This dilemma is felt especially keenly in Germany. It was a wrench to surrender the Deutschmark, symbol of post-war recovery and economic success. On the eve of monetary union 55% of Germans were against it, making their nation the euro zone's most reluctant founders. When a "rescue" is mentioned, all eyes fix on Germany, Europe's biggest economy and most creditworthy borrower. Germans fear that a rescue of Greece would, in effect, extent their welfare state to the Mediterranean.

On February 11th Mrs. Merkel joined other European leaders in offering Greece vague support, while demanding concrete plans to slash its budget deficit. Since the summit, the demands have become more concrete and talk of aid even vaguer. On February 15th finance ministers from the 16 euro-zone countries told Greece to take additional steps to cut its budget deficit by four percentage points of GDP to 8.7% this year. A harsh austerity plan, they hope, will be enough to deter speculators-and to reassure their voters at home that Greece is not getting off lightly. The model is Ireland, whose brutal spending cuts restored market confidence without aid from its European neighbors.

The Economist: February 20th – 26th 2010

28. Bangladesh Bank Important Circulars during February, 2010

Circular Number	Date	Subject
DFIM Circular Letter No. 04	02/02/2010	Audited Financial Statements and Management Report
DCMPS Circular No. 02	02/02/2010	Implementation of Core Banking Solution (CBS) and Inter-branch Connectivity in Scheduled Commercial Banks of Bangladesh
BRPD Circular No. 06	04/02/2010	Restrictions in respect of responsibilities and accountabilities of the Board of directors and the CEO of banks
DFIM Circular Letter No. 06	07/02/2010	Sending of minutes of Board Meeting of FIs
DCMPS Circular No. 03	11/02/2010	Non acceptance of non MICR cheques at Dhaka clearing house
BRPD Circular No. 08	14/02/2010	Bank account for farmers
BRPD Circular No. 09	14/02/2010	Master Circular on Schedule of Charges
BRPD Circular Letter No. 02	15/02/2010	Restrictions in respect of responsibilities and accountabilities of the board of directors and the CEO of banks

Bangladesh Bank Website: February, 2010

29. Information on Economy

	Amount	Previous month's Position
1. Foreign Trade:	Million US\$	Million US\$
a. Exports (2008-09)	15565.2	15565.2
b. Exports (November -2009)	1197.5	1024.0
c. Imports (2008-09)	22507.1	22507.1
d. Imports (November -2009)	1820.5	2032.0
2. Workers' Remittance (November-2009)	1050.54	900.70
3. Inflation: point to point (October-2009)	6.71	4.60

Export= f O B Value, Import = C & F Value

Economic Trends: January: 2010

30. Banking Sector and Economic Information

	Amount (TK in Cr.)	
	November-2009	October-2009
1. Bank Deposit (excluding inter bank)	295139.1	291635.8
2. Bank Credit (excluding inter bank)	302222.8	294765.8
3. Money Supply		
a) Currency Outside Banks	45536.2	38421.3
b) Demand Deposit	31216.3	31080.7
c) Deposit with BB other than DMBs	136.1	128.7
d) Narrow Money (a+b+c)	76888.6	69630.7
e) Time Deposit	246110.8	242948.7
f) Broad money (d+e)	322999.4	312579.4
4. Excess Reserve (Liquidity)	9387.0	12277.7
5. Weighted average rate of Deposits of Schedule Banks (Quarterly)	6.57	6.57
6. Weighted average rate of Advances of Schedule Banks (Quarterly)	11.59	11.59
7. Ratio of DMBs Credit to Deposits (%)	102.40	101.07
8. DMBs Total Assets/Liabilities	768628.1	754572.2
9. F.E. Reserve (million \$US)	10335.4	9544.7
10. Cash Base of the Economy	74143.4	68630.1

- **Narrow Money (M1)** = Currency outside Banks+ Demand Deposits + Deposit with Bangladesh Bank
- **Broad Money (M2)** = M1 + Time Deposit
- **DMBs** = Deposit Money Banks
- **Cash Base of the Economy** = Currency in Circulation+ Balances with Bangladesh Bank

Monthly Economic Trends: January: 2010

31. Academic Activities in February: 2010

- (I) **Workshop on Introduction to SWIFT Alliance Messenger and new Standard Message of MT 202 COV** : IFIC Bank Limited conducted a day long Workshop on “Introduction to SWIFT Alliance Messenger and new Standard Message of MT 202 COV” on February 06, 2010 at its Academy. Mr. Abu Nasser Al-Razi, Senior Vice President and in charge, Treasury Back Office of the bank was present on the occasion and delivered his inaugural speech before the participants. A total number of 58 officials from Head Office and Branches of the bank attended the workshop. It was the 4th programme of IFIC Bank Academy in the year 2010.
- (II) **Workshop on Enhancing Customer base through professional Salesmanship**: IFIC Bank Ltd. Conducted Half a day long Workshop on “Enhancing Customer base through professional Salesmanship” on February 18, 2010 at its Academy. Dr. Upali Mahanama, International Marketing Consultant, was the main speaker in the workshop. Mr. Moti-UI-Hasan, SEVP & Relationship Manager of Motijheel Branch was present on the workshop and delivered his inaugural speech before the participants. A total number of 30 Relationship Manager of the bank attended the workshop. It was the 5th programme of IFIC Bank Academy in the year 2010.
- (III) **Workshop on Basics for Customer Handling**: IFIC Bank Ltd. Conducted Half a day long Workshop on “Basics for Customer Handling” on February 18, 2010 at its Academy. Mr. Sakeeb Ahmed Juned, Director, Amplitude Solutions Limited, Dhaka was the main speaker in the workshop. A total number of 30 Relationship Manager of the bank attended the workshop. It was the 6th programme of IFIC Bank Academy in the year 2010.

Team Members

**Ms. Zaitun Sayef, SEVP,
Mr. A. K. Mojibur Rahman, FAVP
Mr. Omar Sharif, AVP
Mr. Md. Syfujjaman Milon, OG-I**

Readers please: **What are the 5 steps of Maslow’s Hierarchy of needs theory?**

Match our answer with yours: Knowledge Update: 130

Answer:

The DIBOR (Dhaka inter-bank offer rate) is a rate at which the banks will lend to each other for a specific maturity period in the Dhaka market. The rates are overnight, one week, two weeks, one month and three months. It is also fixed every day for reference purpose. It indicates a key interest rate level used for setting rates on loans and floating rates on notes and for calculating cash settlement of derivative instruments of certain interest rates.

We can be reached at: ifichrd@aionline.net

REVISITING BASICS

Identification of a Genuine Deed

How we may recognize a Deed whether it is genuine or not. Before giving answer of this question, we are to know what is called Deed. A Deed is a document through which a property is transferred from one person to another. It is an evidence of Title of a person in respect of property he acquires through transfer. There are varieties types of Deeds. Such as, Sale Deed, Deed of Mortgage, Deed of Exchange, Deed of Partition, Deed of Declaration of Heba, Deed of Exchange etc. Now we should know the procedures to recognize a Deed whether it is genuine or not. Procedures to recognize a Genuine Sale Deed are given below.

1. There are at least two parties in a Deed i.e. Vender and Vendee or Executant of a Deed and Recipient of a Deed.
2. The person who executes a Sale Deed is called Vender and the person in favour of whom the Sale Deed is executed is called Vendee.
3. Generally the Deed is written on Non-Judicial Stamp. In this case the Government receives the money (various Taxes and Revenues) by selling the Non-Judicial Stamps.
4. Information regarding payment of stamp/stamp duties/value is described in the first page of the Deed. On the other hand, Deed is also written in the cartridge paper. In this case, Government duty is received through Payment Order but value of which (all duties) written on the first page of the Deed.
5. There are signatures or thumb impression of the vender in every page of the Deed. Besides, there are signature and thumb impression of the vender at the reverse side of the first page of the Deed. In the last page of the Deed, there is an affidavit sworn by the vender regarding genuineness of the property.
6. The left side of the top of the first page of the Deed contains the serial number and the right side of the top of the first page contains the Deed number respectively.
7. There is date of registration of the Deed at the first page. On the reverse side of the first page of the Deed the seller/executant of the Deed put his signature and thumb impression. For identifying to the seller, the identifier also put his signature under the thumb impression and signature of the seller.
8. There are signatures with full names of the Deed writer, witnesses and identifier at the last page of the Deed.
9. There is date of Registration, Signature with Seal of the concerned Sub-Registrar at the first page and at the reverse side of the first page of the Deed. Besides, there are Seals of the concerned Sub-Registrar's Office at every page of the Deed.
10. There are some comments of the Sub-Registrar's Office regarding transfer of the property in question written in red ink at the reverse sides of the first three pages of the Deed.
11. There is description of uninterrupted chain of ownership of the property of at least 25 years in the contents of the Deed. Besides, there is description of Location, Dag, Khatian of the Property, Mutation Number of the Seller and Chouhaddi of the Property in the Schedule of the demised property.

12. There is date of execution of the Deed at the top of the schedule of the property.
13. The Deed is copied identically in the Volume Books and Index kept with the concerned Sub-Registrar Office.
14. We are to search the Deed with the concerned Sub-Registrar's Office to ascertain the genuineness of the Deed. Now-a-days the format of Sale Deed has been introduced by the Government which is used for execution of a Deed. So at present generally no difficulty arises to recognize a genuine Deed as there are photographs of the Seller and Buyer of the property attached with the new format of Sale Deed.

In this connection, we are to know about Khatian (ROR), Dag, Mutation, Mouza and J.L. Number of the demised property.

According to the Survey Act. 1875 and the B.T. Act. 1885, first time in our country a survey had been conducted to determine the area of land and kinds of land kept under a Tenant in the locality of every Zemindar (Land Lord). In this process drawing Mouza Map/Naksha and mentioning the name of the Tenant who had possessed the property in question were recorded. That was the first time, on the basis of that record/survey, Khatian or Record of Rights (ROR) or Swatwalipi had been prepared. That record or survey is called or known to us as Cadastral Survey Operation or C.S. Jorip. C.S. Jorip had been started in 1888 from Cox's Bazar and ended in 1940 at Dinajpur District. That Jorip was completed by conducting survey from plot to plot. So it is the most dependable and authentic Jorip. Khatian prepared on the basis of Cadastral Survey is called C.S. Khatian. C.S. Jorip is also called D.S. Jorip since that Jorip was conducted on the basis of district level. So the C.S. Khatian and the D.S. Khatians are the same things (in some District C.S. Khatians are mentioned as D.S. (District Khatian).

Thereafter in order to abolish the jurisdiction of the estate of a Zemindar (Land Lord) and in order to prepare Compensation Assessment Roll (C.A. Roll) it became very necessary to conduct a Survey Operation in the country. So a quick Survey Operation program was conducted within a short period (from the year of 1956 to 1962) in the country. This Jorip is called State Acquisition or S.A. Jorip.

That very Jorip brought the Zemindar or Land Lords and the Tenants at the same stage/status under the Government Rules and Regulations and Zemindar system was abolished and Zemindars were given compensation by the Government. Khatian prepared on the basis of S.A. Jorip is called S.A. Khatian. S. A. Khatian was prepared on the basis of earlier conducted record of C.S. Jorip. Only three copies of every S. A. Khatian were made by hand writing (Manually). One copy was kept with the District Record Room, one copy was kept with the Upa-Zilla Revenue Office and another copy was kept with the Tahsil Office.

Since the S.A. Jorip was conducted within a very short period of time, S.A. Jorip is not free from shortcomings. So in order to remove the imperfection appeared in the S.A. Jorip, at the recommendation of the Moazzam Committee, the then Government of the Country took a decision to conduct another Survey Operation in whole over of the country within a period of 20 (twenty) years starting from the year of 1965 and the Jorip was also already conducted. That Jorip is known to us as Revisional Survey Operation or R.S. Jorip. This Jorip is not fully completed at all area till to day. Khatian prepared on the basis of R.S. Jorip is called R.S. Khatian.

From very recently another Jorip is being conducted in our Country which is known to us as Bangladesh Survey Operation or B.S. Jorip which is also called Hal Jorip. In the Dhaka City, this Jorip is known to the inhabitants of Dhaka City as Mohanagar Jorip or City Jorip. Khatian prepared on the basis of B.S. Jorip is called B.S. Khatian or Hal Khatian . In the Dhaka City, this Khatian is known as Mohanagar Jorip Khatian or City Jorip Khatian. We should also know the followings:

Mutation Khatian : It is up to date record of the property in the name of a owner of the property. By virtue of Order for Mutation the name of the present owner is substituted/replaced at the place of previous owner of the property in the Government Record and the ownership becomes up to date and rent (Land Tax) is paid to the Government accordingly. For conducting Mutation Program, the Collector (District Commissioner) has been empowered by the Government and the Assistant Commissioner (Land) A.C. (Land) conducts the program of Mutation on behalf of the Collector (Land Management Manual 1990, Para-20).

Mouza : Mouza is a geographical unit of Jorip. This geographical unit is made by dividing a Union into several Mouzas.

J.L. No : Serial Number for identification of Mouzas included in the Upazilla are called J.L. Number or Jurisdiction List Number. J.L. Number is started from the North-West corner and ended at the Sout-East corner of a Mouza.

Khatian: Khatian is the evidence of right to possession. It is the evidential document/documentary proof of right to possession of ownership (Lj ^Zji cÖvgvb` `jxj). Right to possession of land (f~wg ^Zi) prepared by the Government or Revenue Officer in the name of owner of entire land or part of land situated in a Dag or more than one Dag is called Khatian. It is also called "Record or Rights" or Swatwalipi. Khatian is the authenticated document of perfect/faultless ownership and right to possession of ownership.

DCR : Receipt issued against realization of all kind of Government dues other than Rent (Land Tax) is received against Land is called D.C.R. (Duplicate Carbon Receipt).

Rent Receipt : Receipt issued against realization of Land Tax (Rent against Land) is called Rent Receipt (R.R.) or Dakhila.

Schedule of Land/Property: Description of Land/Property with area of Land, Class of Land, Location of Land (such as names of Mouza, Police Station. & Sub-Registrar Office and District) including J.L. Number, Dag Number and Khatian Number, mentioning the Chowhaddi of Land is called Schedule of land/property.

Last of all, the Deed will be searched with the concerned Sub-Registrar Office and other ancillary papers will be searched with the Office of the concerned Assistant Commissioner (Land) and Tahsil Office to ascertain the genuineness of a Deed if any confusion arises.

Contributed by:
Md. Badrul Alam
Chief Law Officer
IFIC Bank Limited

