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Stocks

DGEN ▲ 0.16%
3,001.45

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6,639.87

(Wednesday closings)

Asian Markets

MUMBAI ▲ 3.32%
15,518.49

TOKYO ▲ 0.79%
10,517.19

SINGAPORE ▲ 1.67%
2,614.18

SHANGHAI ▲ 0.89%
3,140.56

Commodities

Gold ▲
\$953.55
(per ounce)

Oil ▲
\$71.33
(per barrel)

SOURCE: AFP

(Midday Trade)

News in Brief

Microsoft Office coming to Nokia smartphones



AFP, Washington

Microsoft and Nokia, in a challenge to Research in Motion's Blackberry, announced Wednesday that Microsoft Office software will be available on smartphones made by the Finnish company.

The software and mobile phone giants said that from next year, Nokia would include Microsoft Office Communicator Mobile on its smartphones, followed by other Office applications.

"This agreement represents an important milestone for both companies and the industry," Stephen Elop, the president of Microsoft Business Division, said in a conference call with reporters.

"It's the first time Microsoft will develop rich Office Mobile applications for another smartphone platform," he noted, adding that the two companies have identified several other areas for future joint collaboration.

Wal-Mart posts flat profit

AP, New York

Wal-Mart Stores Inc on Thursday reported second-quarter income virtually unchanged from a year ago, but results beat Wall Street expectations.

The world's largest retailer also raised the low end of its profit outlook as it benefits from a series of cost-cutting moves, particularly from inventory controls, and draws frugal shoppers away from rivals.

But Wal-Mart officials cautioned that the economy will continue to remain difficult in coming months, forcing their shoppers to keep buying less-expensive store label products and smaller-pack sizes. And they don't expect the holiday season to be dramatically better than last year.

Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at business@thedailystar.net

Farmers' database in the making

Govt to use information in designing schemes to boost rural economy

SOHEL PARVEZ

The government is developing a full-fledged database to use it in extending subsidised inputs and services to farmers and designing agri-related plans in future, officials said.

The database will also be used in sketching schemes to boost rural economy.

"The data will help us provide any type of supports to the farmers in future, and we will also prevent any system loss," Agriculture Minister Matia Chowdhury told The Daily Star recently.

It is the second time the government is preparing such a list of farmers. The immediate past caretaker government prepared a list of about 67 lakh small and marginal farmers to extend direct cash subsidy to those who were suffering from high irrigation costs in 2008 Boro crop season due to increased diesel price.

Based on the list, the then government disbursed Tk 250 crore directly to 65.93 lakh farmers in fiscal 2007-08.

However complaints of irregularities were raised with a study by Bangladesh Institute Development Studies observing that about one-fifth of the total disbursed money went to wrong hands due mainly to faulty listing procedure.

The present government discontinued the cash subsidy on diesel for the last Boro season although budgetary allocations were there.

"We have taken it seriously. We will scrutinise the list to ensure any misrepresentation and error," said Matia.

The agriculture officials said the new database will encompass all the Boro farmers across the country instead of covering only small and marginal ones, done by the caretaker government.

"We will use the database for any agri-

related planning in future. It will also be useful to provide inputs and extension services to the farmers," said CQK Mustaq Ahmed, secretary of agriculture ministry.

"It will help us get an idea about the overall agricultural and socio-economic scenario in rural Bangladesh," he said, adding that the data will be available in the internet.

As part of the initiative, around 12,800 agriculture extension workers have been engaged in collecting information from root level with focus on farmers who cultivated rice during the last season of Boro, the biggest crop in Bangladesh.

Officials said information such as name and address of all the farmers, total land a farmer owns, and Boro cultivation area out of the total owned land has been collected.

Information on the type of irrigation facility farmers received has also been taken.

In case of the irrigation facility based on underground water, information whether the irrigation is provided by pumps run by diesel or electricity has been brought under consideration.

If the irrigation facility is taken on rental basis, the name of the pump operator or manager will be collected.

Agri-extension workers said they would complete the task of collecting information by early next month and the move to collect data about all Boro farmers has eased the work.

"The idea of collecting data about the farmers is good. We are not facing any pressure from any quarter to list anyone's name," said a senior agri-extension official in Natore district.

"Each upazila will be given Tk 5,000 for completing the task. But we had to spend more than Tk 20,000 last year for printing the data collection forms and other purposes," he said.

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Farmers plant green shoots in a paddy field. The government is developing a database in an effort to extend subsidised inputs and services to farmers.

Gold jewellery loses shine



A woman tries on a gold ornament in a jewellery shop in Dhaka yesterday. Gold jewellery sales are in decline.

SAYEDA AKTER

Gold jewellery sales have slumped more than 50 percent in the past three years as demand for ornaments declined in line with soaring prices of the precious metal on the local market, said industry people.

Annual demand for gold jewellery has declined to 10-12 tonnes from 45-50 tonnes five years ago. Jewellers said they saw their annual turnover tumbling, as the number of consumers dropped.

Gold prices have increased manifold on the international market, which has influenced the local jewellers to increase prices of their products.

The decline in sales has left the local jewellery makers struggling to survive amid declining demand for gold items. On the other hand, demand for alternatives such as silver or gold-plated jewellery is growing.

Anwar Hossain, president of Bangladesh Jewellery Manufacturers and Exporters Association, said the trend of slack sales started five years ago, but the situation turned worse in 2008.

He said demand for the yellow metal jewellery decreased by 60 percent in the last five years.

"Except for wedding, ordinary people are no longer interested in buying gold jewellery. On top of that, people tend to buy gold jewellery less than before," Hossain said.

Gold jewellery is losing out to gold-plated silver jewellery, as people tend to

buy lost-priced items. Gold plating is a method of depositing a thin layer of gold onto the surface of another metal, most often silver.

The prices of 22-carat gold, most popular among users, have almost tripled to Tk 29,200 per bhoori (11.66 grams) this year from Tk 10,614 per bhoori in 2003. Buyers prefer 22-carat gold for its purity, as it contains 96 percent of pure gold.

The annual market size of gold jewellery stands at around Tk 3,000 crore.

Recycled gold jewellery is the main source for the bullion traders for making new jewellery. The manufacturers also buy gold from migrant workers and others, who are allowed to bring in 200 grams of gold every time they come home to Bangladesh.

"Migrant workers buy gold at international prices and sell it at home for more, which is part of the reason for the price hike," said Dr Dewan Aminul Islam Shahin, acting secretary of Bangladesh Jewellers' Samity.

He said local manufacturers buy gold from local travellers and migrant workers, mainly from the Middle East.

"We have been following international standards from 2008. For standardisation, we have to import machinery that is very costly but gives us an accurate measurement," he said.

"If the government helps import machinery with low costs and duty, it will help local manufacturers and eventually consumers," he said.

India now focuses on technical textile

PALLAB BHATTACHARYA, New Delhi

After the traditional textiles, India is now focusing on a new and highly lucrative area of business—technical textile.

Textile Minister Dayanidhi Maran has made a strong pitch for technical textile, a largely fledgling sector in India as far as Indian garment manufacturers are concerned.

Addressing a conference organised by Federation of Indian Chambers of Commerce and Industry (FICCI) here on Wednesday, he asked Indian manufacturers to focus on technical textile segment, which is growing at 11 percent per year and is poised to touch \$14 billion in the next three years. The current size of the market is about \$8 billion.

Maran said technical textile has the potential to attract investment worth Rs 5,000 crore and generate employment of around three lakh by the year 2012.

Technical textile has a huge potential with application in several areas like health, construction, defence, agriculture, aerospace and sports, he said.

However, there was not enough demand and trained manpower to tap the full potential of technical textile in India, Maran said, adding: "We want to end this".

India has some indigenous productions but product range was confined to traditional goods like tarpaulin, jute carpet backing, fishing nets and surgical dresses. The country is largely import-dependent on products like hessian, baby and adult diaper, surgical gowns and other protective clothes, wipes and hoses.

Technical textile worth about Rs 4,000 crore is imported annually mainly from Malaysia, China, Hong Kong, Thailand, Germany and Italy, Maran said.

The textile ministry would organise four workshops with FICCI here in September to promote dialogue with the industry and end-users in some major areas of technical textile.

Dragon to expand with new yarn unit

REFAYET ULLAH MIRDHA

Dragon Group, a leading local sweater maker, now moves to expand business to meet the increasing domestic demand for acrylic yarn, a raw material of sweater.

The group, which has three sweater factories, one spinning and one dyeing units, is expected to go into production in its new spinning mill in December.

The unit set up at Chowddagram in Comilla at a cost of Tk 30 crore will have a capacity of producing around 25,000 pounds of acrylic yarn a day in its 18,000 spindles, according to Dragon's Managing Director Mostafa Q Sobhan.

"We eye a turnover of more than US\$60 million next year, with the operation of the new factory that creates job opportunities for about 1,000 people," Sobhan said. The 2009 turnout of the group is \$50 million, he added.

Started its journey in 1984, Dragon has now raised its workforce—officers and workers—to 8,000.

Once the new unit produces acrylic yarn, the group's total capacity will reach

around 45,000 pounds a day, as the present one, CD Acrylic Bangladesh, produces around 20,000 pounds a day; whereas its total requirement for its three sweater factories is 40,000 pounds a day.

After December, the group's dependence on the imports of sweater raw materials will definitely come down, Dragon boss asserted. Now it has to import artificial fibres, mainly from Japan and Germany, to manufacture sweater.

Currently, the group exports 8,00,000 pieces of sweater per month, with a 10 percent annual growth, Sobhan said, adding that the group goes for expansion as international buyers are placing increasingly export orders every year.

The expansion will also enable the group to reduce the cost of materials by about 15 percent, which will help it maintain its position as the most competitive sweater supplier from Bangladesh, he claimed.

Its major buyers include global retailers like Asda, Wal-Mart, Primark, C&A, Bhs, Dorothy Perkins and Zara.

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The picture shows the model of a Tk 30 crore spinning mill set up by Dragon Group, a leading sweater maker, in Comilla.