

Women's SME expo abuzz with visitors in Ctg

SAIDUN NABI

Thousands flocked to the ongoing Women's SME Exposition in the port city yesterday hoping to catch a bargain or two.

The exposition saw a foot count of around 35,000 yesterday, said the exposition's management committee, with garments, crockery and jewellery stalls being the most popular among the visitors.

Many, however, were left disappointed by the high prices being charged at the fair.

"Being a man of low income, prices of products on display are beyond my reach," said Md Khalil, a vegetable vendor.

While some claimed that stall owners were deceiving the customers in the name of discounts.

"Stall owners are charging customers exorbitant prices for low-quality, even substandard products," said Saydul Alam



Visitors flock to a stall in the sixth International Women's SME Expo-2012 at the Polo Ground in Chittagong. The fair that began on November 17 saw huge customers' turnout on Friday.

Mallik, a lawyer.

Pilu Kumar Das, a private job holder, who came with his wife and son, echoed Mallik's views.

"People like us come to such exhibitions to pick the best bargains of products. But, in fact, we are fooled as the stall owners

make us spend too much through the so-called discounts."

The stall owners, however,

denies the visitors' claims, saying they are offering discounts on the best-quality products due to the intense competition.

Some stall owners said their sales receipts in the past two weeks have been below their expectation, and now fear if they would be able to get return on their capital.

Meanwhile, the exposition, which was supposed to end on December 17, has been extended till December 25, to make up for the poor turnout on the back of the recent spate of hartals and road blockades.

"We are trying to extend the exposition to 28th instant," said GA Rayhan, an official of the exposition committee.

The fair, in its sixth year, has been organised by the Chittagong Women Chamber of Commerce and Industry, with the aim to promote women entrepreneurship.

PRABIR DAS

SEC launches surveillance software today

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Other officials said the surveillance software will be linked with the trading servers of the Dhaka and Chittagong bourses.

The software will give alert on any kind of manipulative trading patterns or irregularities in stock trading, the officials said.

They said, after evaluating six leading surveillance systems, the SEC chose Trapets InstantWatch, an automatic transaction surveillance and compliance market surveillance system widely used in Europe, to build its own surveillance network.

Although the development of the surveillance software began in 2006, it took almost six years to implement the installation process, as the project was deferred many a time.

However, the process got a momentum after the price debacle in the stockmarket early last year.

The installation and implementation of the surveillance software within the SEC was also a condition of the ADB for releasing \$30 crore as assistance under the second phase of capital market development programme of the donor agency.

China to keep steady policies, deepen reforms in 2013

REUTERS, Beijing

China will maintain steady economic policies in 2013, leaving room for manoeuvre in the face of global risks while deepening reforms to support long-term growth, the official Xinhua news agency said after an annual policy-setting conference on Sunday.

Chinese leaders have already pledged to ensure stable economic growth next year, and the latest announcement follows a December 7 Reuters report in which sources said that China's leaders were likely to stick with a growth target of 7.5 percent next year, the same as in 2012.

Experts say new Communist Party chief Xi Jinping needs to take bold steps in enacting economic reforms that could include restructuring how China achieves its growth by emphasizing consumption over investment and exports, and loosening the dominance of state companies.

China will ensure appropriate growth in bank loans and social financing in 2013 and will keep the yuan currency stable to cushion economy against global headwinds, Xinhua said after the close of the annual Central Economic Work Conference, which Xi presided over.

"China will continue to implement the proactive fiscal policy and prudent monetary policy in 2013," Xinhua said.

"The proactive fiscal policy will be combined with tax reforms and structural tax cuts and the prudent monetary policy will pay attention to dynamism and enhance operational flexibility," it said.

China's economy still faces global uncertainties along with rising trade protectionism, while the risk of rising inflation and asset bubbles globally is increasing, it said.

Annual economic growth dipped to 7.4



A Chinese woman walks past a retail store in Beijing.

AFP

percent in the third quarter, the weakest pace since the depths of the global financial crisis in early 2009, but growth has been picking up steady since October thanks to a raft of pro-growth policies.

The central bank, the People's Bank of China, has kept the same monetary policy since late 2010, that has encapsulated at first modest tightening and then modest loosening following the global financial crisis.

Fiscal policy has been pro-active, or expansionary, since late 2008, when the government unveiled a 4 trillion yuan stimulus package after the economy took a big hit during the global financial crisis.

The country will push forward the next stage of economic reforms "with greater political

courage and wisdom", Xinhua said.

Xi signalled a commitment to deepening economic reforms by visiting the southern Chinese city of Shenzhen last week, echoing groundbreaking comments by reformist senior leader Deng Xiaoping during his famous "southern tour" to the same area 20 years ago.

The government will maintain property controls, including restrictions on how many homes individuals can buy, which have been in place since 2009, to ward off potential risks, and will make greater efforts to improve the quality of urbanisation to help bolster domestic demand.

China will stabilise its exports while boosting imports to gradually balance the country's international payments and expanding its outbound investment next year, Xinhua added.

Top US Republican proposes tax hike on very rich

AFP, Washington

US House Speaker John Boehner's office would not confirm or deny a late Saturday report which said the top Republican has proposed raising taxes on wealthy Americans as part of a deficit reduction deal.

In what would be a significant concession in negotiations to strike an 11th-hour deal, Boehner would agree to let marginal tax rates rise on people making \$1 million or more annually, provided President Barack Obama make cuts to entitlement programs, according to the Politico website.

"We have not commented on the content of private discussions, and we're certainly not going to comment on rumors," Boehner spokesman Michael Steel told AFP about the report.

The White House did not respond to requests for comment about the possible offer, for which Politico cited two sources close to the negotiations.

Obama has insisted that any deal to avoid the so-called "fiscal cliff," the combination of tax hikes and mandated spending cuts set to kick in beginning January 1, include a rise in tax rates on the wealthy.

His line in the sand has been an increase in tax rates for households making more than \$250,000 per year, but until now Republicans have not budged on tax rates, arguing instead that more tax revenue can be

Up close with Reddy

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"I can assert, I can discuss, I can convince. I am independent in operational area. In the final analysis, the central bank is independent only to the extent that the law and practices of the government permit it to be," he said.

Reddy was of the view that a central bank is created by the government to convince the people that some important things would be done in an apolitical manner. So, governments restrict own authority in favour of authority for the central banks.

Regarding differences and disagreement with the government, Reddy said: "If the Reserve Bank always agrees with the government, then it would not be a central bank, it becomes a division of the finance ministry. But independence doesn't mean lack of coordination and always taking the opposite stand."

Reddy referred to a personal experience about the issue that occurred when he and Chidambaram were at a bank-fund meeting in Singapore.

"We were rarely together on policy and I never spoke when the minister was present. After the meeting, somebody said that he was confused as the finance minister was saying one thing and the governor another."

Chidambaram replied, "What is your problem? I have been assuring you on fiscal consolidation and growth and delivered. The governor has assured you macroeconomic stability and control of inflation. He is also delivering. So what is your complaint?"

"In fact, there should be always discussion and consultation. Finally, there should be trust. Once you have trust, once you have confidence, it works out smoothly," Reddy said.

Asjadul Kibria is the business page editor of Prothom Alo and can be

Boards of state banks inactive for 3 months

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Later in early 2011, Bangladesh Bank Governor Atiur Rahman wrote a letter to the finance minister, saying: "In the day-to-day activities of the banks viz loan approval activities, transfer and promotion, direct interference by the boards and incidences of exerting influence have come to our knowledge."

The letter also said the issues were very important and needed immediate steps.

But no action was taken. Later the finance minister organised a face-to-face meeting between the BB officials and the directors of the state banks where the

Sri Lanka raises gasoline price to record to cut losses

REUTERS, Colombo

Sri Lanka increased the price of gasoline by 6.7 percent on Saturday to a record level to prevent state-run Ceylon Petroleum Corporation (Ceypetco) suffering further losses, an official said.

Sri Lanka raised the price of a litre of gasoline by 10 rupees to 159 rupees, a record high level in terms of the local currency.

Susantha Silva, the managing director of Ceypetco said the state-run firm's losses stood at 75 billion rupees at the end of October because of the failure to pass the world market oil price on to consumers.

Silva, however, said Ceypetco would still lose 5 rupees a litre despite the price increase on Saturday.

Sri Lanka's only private sector fuel retailer, Lanka

IOC PLC LIOC.CM, a subsidiary of Indian Oil Corporation Ltd increased its gasoline price in line with the state-run firm.

In February, Sri Lanka raised the price of gasoline by 8.8 percent, diesel by 36.9 percent, and kerosene by 49.3 percent to reduce the losses and curb cheap imports in the wake of a falling rupee, which has depreciated more than 14 percent since then.

Sri Lanka also faces constraints in importing cheap crude oil from Iran in the face of sanctions on Iran imposed by the United States because of its nuclear programme.

Sri Lanka's only 50,000 barrel-per-day refinery is designed predominantly to refine Iranian light crude, though crudes from Oman and Saudi Arabia can also be refined at a lower refining efficiency.

Demand for consumer products erodes

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Rural people are the main consumers of these products. Consumer products industry accounts for around one-third of Bangladesh's manufacturing sector. The wholesale and retail sector accounts for more than 14 percent of gross domestic product. These two sectors combinedly employ around 40 percent of the total workforce.

Of the consumer goods manufacturers in Bangladesh, Akij, Abul Khair, Meghna, Nasir, ACL and Transcom are the leading ones. Like Nasir, many of these groups have been witnessing a significant drop in their sales.

According to the manufacturers, rural people consume the majority of their products as nearly 80 percent people live in villages. These people rely mainly on farming of paddy and jute for their livelihood. But they did not get fair prices for their crops this year. A kilogram of fine quality rice is being sold at Tk 40-Tk 42 at the retail level, although the price is Rs 42 (more than Tk 62) in neighbouring India.

"We are witnessing a slump in consumer demand," said Sk Bashir Uddin, managing director of Akij Group.

Bashir said they used to see seasonal slumps every year but that faded away in a couple of months after harvests. "This year, it seems unusual. The farm-

ers are not getting fair prices for their crops, which has impacted their consumption," he said.

The stagnation in the construction sector and the slowdown in development activities have also impacted the consumers' demand, according to the manufacturers.

"A downturn in the construction sector has also affected the economy," said Bashir.

Mostafa Kamal, managing director of Meghna Group of Industries that produces many consumer items including flour, edible oil and sugar, said Europe and the US provide subsidy to their farmers, but the farmers in Bangladesh do not get fair prices.

He said a slow pace in development activities has also impacted the rural people's buying power. Cement production and its sales have gone down recently, he added. Many of the businessmen have been failing to pay their bank instalments on time.

"I've never failed to pay bank loans, but this time I'm feeling the pinch and many banks do not want to give me fresh loans," said Biswas of Nasir Group.

Besides the local reasons, global economic downturn has also had spillover impacts on the Bangladesh economy.

sajjad@thedailystar.net



Envoy Textiles Limited

NOTICE OF THE 17TH ANNUAL GENERAL MEETING

Notice is hereby given that the 17TH ANNUAL GENERAL MEETING of the shareholders of Envoy Textiles Limited will be held on Monday, the 31st December, 2012 at 10:00 am at Factory Premises, Jamirdia, Valuka, Mymensingh to transact the following business:

Agenda-1: To receive, consider and adopt the Audited Financial Statement for the year ended September 30, 2012 together with Report of the Directors and Auditors' thereon.

Agenda-2: To declare dividend for the year ended September 30, 2012.

Agenda-3: To re-elect Directors in terms of the relevant provision of the Articles of Association of the company.

Agenda-4: To appoint Auditors for the year 2012-13 and to fix their remuneration.

Agenda-5: To approve appointment of the Independent Director.

By order of the Board

Sd/-

M. Saiful Islam Chowdhury, ACS
Company Secretary

Dated: December 16, 2012
Dhaka

Notes:

(i) The proxy form must be affixed with requisite revenue stamp and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

(ii) Members are requested to submit to the Company's Share Office on or before December 29, 2012, their written option to receive dividend. In case of non-submission of such option within the stipulated time, the dividend will be paid off as deemed appropriate by the Company.

(iii) The Annual Report is available in the Company's website at www.envoytextiles.com