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BUSINESS

DHAKA FRIDAY APRIL 26, 2013, e-mail:business@thedailystar.net



Workers queue up at Hazrat Shahjalal International Airport yesterday to fly to Malaysia to take up plantation jobs.

Malaysia: the conveyer of dreams

BELAL HOSSAIN BIPOB

Abdur Razzak, 27, could never in his wildest dreams imagine going abroad.

Being a day labourer, he lived from hand-to-mouth. After all, he had a family of five to support.

Yet, yesterday, he found himself at Hazrat Shahjalal International Airport -- waiting at the immigration queue, with 69 others.

Razzak, who hails from Manikganj, was among the first batch of workers that left for Malaysia to take up plantation jobs.

"A local broker once told me that at least four lakh was needed to go abroad. I was heartbroken, immediately."

"I cursed my fortunes. My father is landless and no way would he have been able to foot that bill to send me overseas."

But thanks to the current state arrangement for manpower export to Malaysia, Razzak's dreams came true. He just had to pay Tk 33,178, an eighth of the prior migration costs.

Earlier, private recruitment agencies charged a minimum of Tk 2 lakh to 2.8 lakh for similar jobs.

Seeing such irrational costs and irregularities in the recruitment process, the Malaysian government in 2009 suspended manpower imports from Bangladesh.

After two years of negotiations, the government last year finally managed to re-open the Malaysian job market for Bangladeshi workers. But there was a catch: all workers will have to go through state arrangements.

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Savar tragedy to impact GSP outcome: Mozena

UNB, Dhaka

The building collapse in Savar will have an impact on the outcome of generalised system of preferences hearing, US Ambassador Dan Mozena said yesterday.

"It certainly makes the environment of the workplace safety questionable. I'm sure it'll have that impact."

The US envoy spoke at a function on youth environmental initiatives in the city, responding to a question whether the Savar incident will affect the continuation of GSP for Bangladesh.

Mozena said the loss of lives in large numbers will raise new questions on safety measures in workplaces.

"But my efforts will be to convey that to those who are making these decisions of good understanding of the progress Bangladesh has made in addressing the issues raised in the GSP petition."

Mozena said there has been much progress and of course there is a room for more to be made.

"I'll clarify that. It's not for me to make the decisions. But it's for me to ensure that the information is properly conveyed to those who are making the decisions."

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RMG units at Rana Plaza listed global brands as buyers

SAJJADUR RAHMAN and SARWAR A CHOWDHURY

The five garment factories that were located at the non-compliant Rana Plaza used to manufacture apparel items for many leading global brands, including the Canadian arm of Wal-Mart.

Ether Tex Ltd, which had its factory on the fifth floor of the building, shows in its website that it produces clothes for Wal-mart and Atlantic Sportswear of Canada, C&A and Kik of Germany, and Libra of the Netherlands, to name a few.

The website of New Wave -- whose units New Wave Bottoms and New Wave Style were operating on the second, sixth and seventh floors respectively -- lists as its buyers UK's Matalan and Bon Marche, Italy's Benetton, Spain's Mango, and Ireland's Primark, among others.

Phantom-Tac, which was on the fourth floor, is a 50-50 joint venture with Spain's Textile Audit Company SL, according to its website. However, its buyers were not listed on the site.

Its sister concern, Phantom Apparels Ltd, too, was sited at the complex, on the third floor. The list of its buyers also could not be found.

The five factories had 3,122 workers, according to Bangladesh Garment Manufacturers and Exporters Association.

When asked why the trade body permitted the factories at a shopping complex, BGMEA President Atiqul Islam, said: "Had the building not been compliant, a Spanish firm would not have set up

a unit there."

"But it's true that companies like Wal-Mart would never place orders at these factories." But when he was informed that Wal-Mart was, in fact, a buyer of one of the factories, Islam did not respond.

The latest incident that took upwards of 200 lives, once again, puts the microscope on the sub-standard working conditions of the country's garment factories.

Clean Clothes Campaign, an Amsterdam-based advocacy group, has long been highlighting fact on the global stage, blaming buyers for not inspecting the factory conditions before placing orders.

"How shall they [buyers] know that the factories are located in a faultily constructed building?" said Anwar-ul-Alam Chowdhury Parvez, a former president of the BGMEA.

The incident will put further pressure on the apparel industry, which accounts for 80 percent of the total exports. In fiscal 2011-12, the sector raked in nearly \$25 billion.

Abdus Salam Murshedy, another former president of the trade body, said he was inundated with calls from buyers after the incident. "They are gravely concerned," he said.

But he, along with Shafiul Islam Mohiuddin, the immediate past president of the association, hopes the stakeholders, including buyers, would come forward to help.

"We hope they will help us like they have done after the Tazreen accident," said Mohiuddin.

Five garment factories closed over 'cracks' in building

STAR BUSINESS REPORT

Five garment factories in the city's Mohammadpur area were closed yesterday after 'cracks' were detected in the building that houses the apparel units.

When workers came to the factories at Saat Masjid Super Market in the morning, security guards barred them from entering the building that developed cracks in a pillar on the second floor.

Police later locked all the gates of the of the six-storey building that houses around 130 shops on the ground floor and the five garment factories on the rest.

The authorities responded fast as more than 200 people died in a building collapse in Savar on Wednesday mainly due to negligence towards a warning.

However, shopkeepers and businesses in the building alleged that the aides of the building owner did damage to the pillar deliberately and spread the rumour to evict them.

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Vivek Sood, chief executive officer of Grameenphone, speaks at a programme to release its first-quarter report at Sonargaon Hotel in Dhaka yesterday.

Aggressive market campaign costs GP in net profit

STAR BUSINESS REPORT

Grameenphone's first quarter profit dropped 13.46 percent year-on-year on the back of increased spending on marketing, inflation and energy price hike.

Between January and March, Grameenphone recorded Tk 450 crore in net profits, down from the previous year's Tk 520 crore, according to data from the mobile operator.

Amortisation and interest costs on 2G licence payments also account for the lower profit, which was, however, partly offset by gains from foreign exchange.

"Competitive price offerings, reinforced distribution and retail engagement and stronger focus on regions have enabled GP to strengthen its leadership despite the ongoing competi-

tion and adverse externalities," said Vivek Sood, the company's chief executive officer.

"I am also delighted to announce that GP managed to register quarter-on-quarter revenue growth with a stable line."

Revenue stood at Tk 2,350 crore, which is 3.8 percent higher than the previous quarter's. The figure is also a 1.2 percent increase year-on-year.

The Q1 earnings was the highest in the company's history, said Fridtjof Rusten, chief financial officer of Grameenphone.

The company added 1.8 million new customers to take the subscription base to 41.79 million by the quarter end, which is approximately 41.5 percent of the market share.

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