BIKROY.COM

Babak Tighnavard, head of marketing at Bikroy.com, and Md Shamim Ahsan Sumon, chief executive of Car Haat, shake hands after signing a deal at a programme yesterday. Car Haat will upload all their car ads (with pictures) every Saturday on Bikroy.com.

Robi, ICT ministry to hold internet fair for students

They target 25 schools initially

Star Business Report

Robi Axiata in collaboration with the ICT ministry will organise a countrywide internet fair for students to encourage learning through the internet.

The fair will initially be hosted in 25 schools in the nine suburban and divisional areas, Nazrul Islam Khan, ICT secretary, said at a press briefing at Sonargaon Hotel yesterday.

Comilla will be the first district to see the fair on June 2.

Khan also said the caravans with computer devices and internet connections will move to the schools for the month to raise awareness about it.

ICT Minister Mostafa Faruque Mohammad said the government is providing multimedia classroom set-ups across the country to provide quality education to students.

Jessore has been declared a digital district. If more districts are declared digital, it will help the country become a middle-income earner earlier, he said.

About 40,000 students, their parents and teachers will experience the internet fair, making it one of the biggest of its kind, Robi said in a statement.

It also said the internet fair will include internet experience zone, information and service zone and sales zone.

Robi Chief Market Officer Pradeep Shrivastava said: "Bangladesh has youth across the country whose talents and dreams will get ignited with access to mobile internet."

"Students always want to learn something new and try the latest thing. I believe this internet fair will give students, parents and teachers an opportunity to browse the World Wide Web."

Mahtabuddin Ahmed, chief financial officer of Robi, was also present.

IMF cuts China growth outlook

Reuters, Beijing

The International Monetary Fund cut its growth forecast for China this year to 7.75 percent from 8 percent, citing a weak world economy and exports, adding to concerns that the world's second-largest economy is losing momentum.

The IMF move follows a series of lowered 2013 growth estimates for China by private economists after soft factory output and investment performance data for April and weak factory activity in May.

The IMF's forecast is above the government's target of 7.5 percent, but in line with recent revisions, including Bank of America-Merrill Lynch, which pared its forecast this month to 7.6 percent from 8 percent, and Standard Chartered, which cut its estimate to 7.7 percent from 8.3 percent.

ING last month reduced its prediction to 7.8 percent from 9 percent.

"The pace of (growth in) the economy should pick up moderately in the second-half of the year, as credit expansion gains traction in line with a projected mild pick-up in the global economy," David Lipton, the first managing director of the IMF, told a media briefing.

The IMF said China's priority should be on reining in social financing growth, which has expanded at double-digit rates in recent months, leading to concerns that the country's fast credit supply may fuel inflation in future.

"China's economy faces important challenges. In particular, the rapid growth in total social financing raises concern concerns about the quality of investment and its impact on repayment capacity," said Lipton.

"If growth were to slow sharply below this year's target, then on-budget fiscal stimulus should be used, focusing on measures that support household incomes and consumption, such as reductions in social contributions, subsidies to consumption, or targeted social safety net spending," Lipton said.

Unlike previous years when any wobble in the Chinese growth engine was countered with heavy government intervention to stabilise activity, the market consensus this time is no big-bang stimulus as policymakers have more tolerance of a slow economic growth speed to improve economic quality.

China's Premier Li Keqiang said separately on Wednesday that that the country's economic recovery still faces uncertainties, but the key to maintaining stable growth is building up the service industry.

ROBI

Mostafa Faruque Mohammad, ICT minister, attends a press meet at Sonargaon Hotel in Dhaka yesterday to announce an internet fair by Robi Axiata and the ICT ministry in 25 schools in the country beginning from Sunday. Pradeep Shrivastava, Robi's chief market officer, was also present.

STANCHART

Gitanka D Datta, head of mortgage and auto at Standard Chartered Bank, and Kamal Uddin Ahmad, chief executive of Shanta Properties Ltd, a real estate developer, exchange documents of a deal for special bank services to Shanta's clients, at StanChart's head office in Dhaka recently.

Regulator okays Fareast Finance IPO

Star Business Report

The Bangladesh Securities and Exchange Commission yesterday gave green light to Fareast Finance and Investment to raise Tk 45 crore through initial public offerings under fixed price method from the equity market.

The approval came at a BSEC meeting presided over by its chairman Prof M Khairul Hossain.

The non-bank financial institution will issue 4.50 crore shares with face value of Tk 10, the commission said in a statement.

The net asset value of the company was Tk 15.06 while its earnings per share stood at Tk 1.04 as of June 2011, according to the statement.

Grameen Capital Management and Fareast Finance and Investment will be the issue manager of the company.

India's Tata Motors Q4 net profit falls

AFP, Mumbai

India's top automaker Tata Motors saw its net profit in the fourth fiscal quarter fall 36.7 percent, but still managed to beat forecasts amid shrinking domestic demand, the firm said Wednesday.

Consolidated net profit for Tata Motors, including its Jaguar and Land Rover brands, slipped to 39.45 billion rupees ($704 million) for the three-month period ending in March from 62.34 billion rupees in the same period in 2012.

The company still recorded profits higher than the consensus market forecasts of 28 billion rupees.

Revenues of Tata Motors, part of the giant steel-to-software Tata Group now controlled by new chairman Cyrus Mistry, rose ten percent to 560 billion rupees during the quarter.

This was despite a "weak operating environment in the standalone (India) business, which was more than offset by strong demand and growth in volumes" at Jaguar-Land Rover (JLR), the company said in a statement.

Net revenue for the JLR brands rose nearly 22 percent to 5.05 billion pounds ($7.61 billion) for the quarter, but net profit nearly halved to 378 million pounds ($569 million), from levels a year earlier.

Tata Motors, which is also the maker of the world's cheapest car, the Nano, bought Jaguar and Land Rover from Ford Motor Co in 2008 for $2.3 billion as part of plans to expand its reach beyond Asia.

The deal vaulted Tata Motors from a commercial vehicle and small-car maker into a global player with luxury brands in its range of offerings.

Trade unions key to ensuring labour rights

FROM PAGE B1

MM Akash, a professor of economics at Dhaka University, urged the garment owners to create a 'welfare fund' for the workers by contributing 5 percent of their profits to the fund.

Fahmida Khatun, research director at the Centre for Policy Dialogue, said there is a huge discrepancy between the growth in the sector and the compliance issues.

"The sector improves, but the lifestyle of the workers doesn't," she said.

Had their salaries been adjusted in line with inflation every year, the incidents of unrest would have come down, she said.

Rubana Huq, managing director of Mohammadi Group, an apparel maker, said it is not possible to relocate the factories overnight.

Ayesha Islam, president of National Women Worker Trade Union Centre, said workers need proper training on trade unions.

"Trade union is not only for workers' rights, it is for owners' welfare also. It is a bridge between the workers and the owners," she said.

Shykh Seraj, a director and head of news at Channel i, advised Bangladesh Garment Manufactures and Exporters Association to set up a press wing to build a better relationship with the local and foreign media.

Atiqul Islam, the BGMEA president, and Rafez Alam Chowdhury, president of Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association, also spoke at the discussion moderated by Abdul Qayyum, associate editor of the Prothom Alo.

Youth in crisis-hit Spain becoming a 'lost generation'

AFP, Madrid

Despite having a bachelor's degree, five years of professional experience and speaking three languages, Paloma Fernandez has joined the swelling ranks of Spain's "lost generation" that can't find work in a grinding recession.

The 28-year-old, who has a degree in translation, lost her job of four years at the justice ministry in December 2011 and as of last month she lost the right to collect unemployment benefits.

Since losing her job she has sent out dozens of resumes for jobs as a translator, administrative assistant or receptionist but has not had any luck.

"Sometimes you feel like yelling, 'I want a job, I want to have a routine!' We always complain about routines but when you don't have it, you miss it," said Fernandez.

Many other Spanish youths find themselves in the same situation.

The unemployment rate for those between the ages of 16 and 24 has soared to 57.22 percent, and a record 27.16 percent overall, at the end of the first quarter as the country struggles through a double-dip recession sparked by the collapse of a decade-long building boom in 2008.

"It is probably a generation, I don't know if you should call it lost, but which will mark a before and after the crisis" in terms of consumption and lifestyle habits, said Sara Balina, chief economist for Spain at Madrid-based consultancy Analistas Financieros Internacionales.

As an example she points out that young people are putting off the age at which they move out of home since they struggle to find stable employment.

Fernandez shares a bright but sparsely decorated flat that she rents for 400 euros ($520) a month from her family in Moratalaz, a Madrid suburb, with her boyfriend who is also unemployed, and a cat called Rayo.

"It is very unstable and I don't know what my life plan is. I apply for jobs and I can't make major long-term plans, not even short-term plans," she said, adding thinking of having children now "would be crazy".

Fernandez, who is already fluent in English and French in addition to her native Spanish, tries to keep busy by learning Japanese, attending fitness classes and tutoring students in languages to earn some money.

--- 'I will look for work wherever' ---

Rocio Alarcon, who completed a degree in political sciences last year with the third highest grade in her class, shares her worries.

The 23-year-old, who lives with her parents in Getafe, a Madrid suburb, had hoped to find a job to contribute to the family's budget and to save to pay for a master's degree which she will begin in September.

"I didn't aspire to work as a political scientist from the beginning. But the fact is that out of all the resumes I sent, I have not been called for any interview," said Alarcon, adding employers usually ask for a high level of English and previous work experience.

"It is a curious thing to ask for previous experience from young people who have just finished their studies. They have not given us time to get any experience."

Like many young out of work Spanish youths, Alarcon plans to look for work abroad once she completes her master's degree if she can't find a job in Spain, a trend that worries experts who fear the country is losing its talent.

"I will look for work wherever. If it is in Spain great and if it is abroad I would have no problem," she said.

Fernandez said she had always been open to working abroad but now sees it as a necessity.

"Going abroad attracts me but right now it is not a question of tastes, it is the only option I have. The feeling that you are being forced to go or that you have no option is the hardest part," she said.

From the beginning of 2012 to the end of March, some 365,000 Spaniards between the ages of 16 and 29 have left the country, according to the National Statistics Institute.

With Spain in need of a change in its economic model, the loss of young people with university studies represents the loss if "one of the key elements for growth, which is human capital," said Balina.

"We can't have a situation where young people with higher education who can help revitalise sectors that Spain needs to grow, are the ones to abandon the country," she added.

NBR misses tax target in shadows of political strife

FROM PAGE B1

"Besides political unrest, the fact that the economy is going through a slowdown will make things harder. Sluggish trends in imports and exports do not help matters either," said Hussain.

For the current fiscal year, NBR aims to collect Tk 112,259 crore. To achieve this goal, the tax collector will have to collect Tk 29,228 crore in the remaining two months of the fiscal year.

NBR officials said revenue collection usually rises in the last month of every fiscal year. PRI's Mansur also believes that revenue receipts would jump in June.

But a shortfall from the target is likely, added Mansur, citing sluggish investment due to insecurity and political turmoil, as well as reduced profitability of banks amid increased bad loans.

Stocks gain for third day

FROM PAGE B1

Of the 287 issues that traded on the DSE, 269 advanced, 11 declined and seven remained unchanged.

Non-bank financial institutions advanced 3.65 percent, telecoms 3.52 percent, power 2.94 percent, banks 2.09 percent and pharma 1.80 percent.

United Airways topped the most-traded stock chart, owing to the transaction of its 1.29 crore shares worth Tk 27.97 crore.

Third ICB Mutual Fund was the biggest gainer of day, posting a rise of 9.12 percent, while Eastern Cables was the worst loser, plunging by 5.04 percent.

The Chittagong Stock Exchange also ended higher with its selective categories index, CSCX, gaining 174 points, or 2.35 percent, to close at 7,586 points.

Gainers beat losers by 172 to 18, with 11 issues remaining unchanged on the port city bourse that traded 1.15 crore shares and mutual fund units with a turnover of Tk 47.86 crore.

Retailers' dilemma: To axe or help fix bad factories

FROM PAGE B4

Other factories in Bangladesh say they have benefited from H&M's more-flexible approach. DBL Group, which owns several factories and has worked with both Wal-Mart and H&M, says H&M gave one of its factories more time to resolve complaints of overtime violations and worked with the company to fix them, while Wal-Mart ultimately cut that factory off. Mohammed Abdul Quader Azu, a director at the company, said it was able to use the extra time from H&M to cut working hours for some employees, which it achieved in part by offering bonuses to teams that were more productive during regular work hours.

Labor group leader Babul Akhter said that Garib & Garib and DBL Group are now among Bangladesh's better factories, particularly when it comes to physical safety, though some issues relating to leave and annual salary increases remain. Both plants say they meet compliance requirements for working hours and pay.

Wal-Mart said it stands by its zero-tolerance policy to automatically cut ties with suppliers that violate its safety standards or engage in unauthorised subcontracting. "Our message is loud and clear to our suppliers that we don't tolerate such behaviour and we are not backing down from it," said Rajan Kamalanathan, Wal-Mart's head of ethical sourcing. "Suppliers may try it, but as soon as we know what they have done, they will no longer work with Wal-Mart."

Even if Garib & Garib and DBL are making progress, to be sure, they are only two of the more than 166 factories H&M says it uses in Bangladesh.

Boosting standards at factories H&M and other major retailers work closely with, meanwhile, is only part of the solution. It doesn't cover the scores of other factories that sometimes wind up with retailers' orders after authorised factory owners subcontract the deals to other, unapproved manufacturers. Retailers say the factories often do this without their knowledge.

In the case of the recent Cambodia accident, in which a relaxation shelter fell into a pond, an H&M supplier redirected the order to the factory without H&M's permission—a violation of its code of conduct, the same one it applies in Bangladesh. "We can never guarantee that a supplier doesn't subcontract an order to a factory that is not approved," says Martha Lorentzon, H&M's Social Sustainability Coordinator. "But the more presence you have in a country, the greater overview you have."

Bhuiyan says he is convinced H&M is serious about improving factories, but he says their flexibility does have a limit. The firm has warned him that there can be no second chances at Garib & Garib, he said.

"They say, 'Be careful Nazmul. If I get one chance I'll put you out,'" said Bhuiyan.

Garment markers urge retailers to stay on

FROM PAGE B1

"The global brands should also pay the right prices for the garment items they buy from Bangladesh," Huq said.

Giving an example, he said a retailer buys a clothing item at $5 from Bangladesh, but sells it at $35.

The garment makers also urged the congressman to put pressure on the retailers of the US, which is Bangladesh's single largest export destination, to pay higher prices for Bangladeshi products, according to Huq.

"Bangladeshi garment makers have realised how important safe working conditions are. I had a very productive view exchange with the garment makers," Miller said after the meeting.