

Electronics retailers target religious festivals

ARUN BIKASH DEY, Chittagong

Electronics retailers are offering promotional deals to boost sales, ahead of Durga Puja and Eid-ul-Azha festivals.

The retailers are banking on customers' extra spending during these two festivals on electronic goods, making it a time for good business for the sellers.

Demand for refrigerators and freezers rose ahead of the Eid-ul-Azha, encouraging the retailers and distributors to raise sales targets for these items.

Santosh Kumar Das, Sony-Rangs' area sales-in-charge in Chittagong, said they offer discounts of up to Tk 5,000 for fridges and refrigerators as part of a promotional deal.

"We are also offering an attractive discount for Rangs televisions, ovens and washing machines," he said. "We have a very attractive package discount for Sony LCD televisions."

Transcom Electronics has set a



STAR

A man takes a look at a fridge at a shop in Chittagong, where sales of such electronic goods increase ahead of Durga Puja and Eid-ul-Azha.

sales target of Tk 5 crore for Chittagong city this season, and started promotions in the middle of September, the company's officials said.

"Under a countrywide promotion, we are selecting a buyer on lottery throughout the country's 50 outlets every day for a four-day

Thailand package tour," said Mohsin Uddin Chowdhury, the company's zonal sales manager in Chittagong.

"We also select a buyer of any product from our showrooms to give away a washing machine every day," he said.

Customers will get a discount of

up to Tk 10,000 on Samsung LCD televisions and Tk 600 to Tk 1,000 on Transtec LCD televisions.

Butterfly Marketing Ltd, another electronics seller, started special discounts on September 18, targeting the two religious festivals.

"We offer a discount coupon of Tk 500 against a product worth at least Tk 10,000," said Mizanur Rahman, branch manager of a Butterfly showroom in Agrabad area.

Butterfly markets the products of LG, and offers a five-year service warranty for fridge and refrigerator compressors, and for television picture tubes. It also offers a two-year warranty for other parts of television sets.

Almost all electronic goods dealers including Walton and Singer are also offering attractive deals.

Even though the aim is to increase sales, the promotional spree has increased healthy competition among the business houses and consequently the customers can buy products at a cheaper rate.

Regency offers discounts for Puja, Eid

STAR BUSINESS DESK

Dhaka Regency is offering a 20 percent flat discount on hotel rooms, restaurants, spa, and fitness club on the occasion of Eid-ul-Azha and Durga Puja, the hotel said in a statement yesterday.

The offer will last from October 10-25.

Vodafone to boost stake in India unit

REUTERS, London/New Delhi

Vodafone intends to increase its stake in its Indian subsidiary after the country cleared foreign companies to take full ownership of local carriers, a source familiar with the group's plans said on Monday.

The British company is set to seek approval in the coming weeks from the Indian government's Foreign Investment Promotion Board to buy stakes from minority partners, the source said.



MTB

SA Khaleque, former lawmaker, opens the first Mutual Trust Bank (MTB) Bills Payment and ATM booth at Suvastu Tower on Panthapath in Dhaka recently. Md Zakir Hussain, deputy managing director of MTB, was also present.

Ministry warns traders on unfair rawhide prices

STAR BUSINESS DESK

The commerce ministry yesterday warned businessmen that the government would allow small traders to export rawhide of sacrificial animals if the traders do not pay proper prices at the grassroots level.

The ministry plans to prevent rawhide traders from paying unfair prices to grassroots traders by quoting low international prices as an excuse.

The square foot rate for rawhide of sacrificial animals will be announced on October 12, the commerce ministry said in a statement yesterday.

Commerce Minister GM Quader directed his ministry to take steps to fix reasonable prices in line with international standards for the skins of the sacrificial animals, the statement said.

There should be no scope for market manipulation to artificially lower prices to pocket extra profits by anyone, Quader said.

ATM Murtaza Reza Chowdhury, additional commerce secretary, has already informed various stakeholders of the rawhide market of the government's outlook in this regard.

Leaders of different leather and leather goods associations also spoke.

Time to tell the success stories of RMG

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The Financial Express Editor Moazzem Hossain suggested free flow of information on the sector.

"We often don't get updated data. It's unfortunate."

Bangladesh is now the second largest apparel exporter after China, earning \$20 billion a year.

The industry, which employs around 35 lakh workers, has come to the spotlight after the deadly Rana Plaza building collapse and Tazreen Fashions fire.

"We should look at the recent tragedy as an opportunity," said Zafar Sobhan, editor of the Dhaka Tribune.

He said the media can play a vital role in helping reform the sector and projecting its successes but cannot distort the truth and hide facts.

If the industry takes wrong steps, the media will report those, Sobhan said.

Garment entrepreneurs often blame conspiracy for labour unrest or factory disasters, said Ashraf Kaiser, founder and managing director of Benchmark PR, a public relations company.

And by doing so, the garment makers only deny their responsibility, he added.

Faruque Hassan, a former vice president of the BGMEA, said the sector has played a significant role in improving the socio-economic condition of the country, mainly through empowering women.

Bangladesh is preparing to cater for high-end and branded fashion retailers, he added.

"On top of it, our entrepreneurs are now going for environment-friendly manufacturing plants. They are investing in more sophisticated technologies," he said.

"Country perception plays a big role when it comes to high-end apparel items of the value chain. So branding Bangladesh is an inevitable part."

BGMEA President Atiqul Islam called upon all stakeholders to work together to take the sector forward.

Safety standards at many factories have improved after the Rana Plaza and Tazreen incidents, said Asif Ibrahim, vice chairman of Newage Group, a garment maker.

Mamun Rashid, chairman of the audit committee at Asia Pacific General Insurance, also spoke.

AFC Agro gets nod for IPO

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The company's earnings per share, as of June 2013, stood at Tk 1.01 and net asset value per share at Tk 11.1.

The approval came at a meeting presided over by BSEC Chairman Khairul Hossain, the commission said in a statement.

The stockmarket regulator also gave consent to One Bank to raise Tk 220 crore through issuing "subordinated floating rate bonds" with seven-year tenure.

Face value of each unit of the bond will be Tk 10 lakh. Other than existing shareholders, only corporate and financial institutions and high net worth individuals can buy the bond.

At yesterday's meeting, the BSEC fined Kabir Securities Tk 5 lakh and Hillcity Securities Tk 1 lakh for violating securities rules.



PUBALI BANK

AMA Muhith, finance minister, presents a "Kormobeer Sommanona" plaque to Helal Ahmed Chowdhury, managing director of Pubali Bank, on behalf of Sylhet Ratna Foundation at a programme recently.



OMNI POWER

Akram Khan and Faruque Ahmed, former national cricketers, exchange documents of a deal on behalf of their business venture Omni Power with Mahbubur Rahman, managing director of Palli Daridro Bimochon Foundation, for development of solar energy in rural areas recently. Syed Bakhtiar Ali, managing director of Omni Power, was also present.

Stocks fall as 11-day Eid holiday begins tomorrow

STAR BUSINESS REPORT

Stocks fell 1.68 percent yesterday as investors sold shares and mutual fund units in loan portfolios to avoid interests in the 11-day Eid holiday beginning from tomorrow.

The investors do not want to pay extra interests keeping shares in loan portfolios, said Mohammed Rahmat Pasha, managing director of BRAC-EPL, a leading stockbrokerage.

Merchant banks and stockbrokers take interest of loan, which is given to investors through loan portfolio.

DSEX, the benchmark general of the Dhaka Stock Exchange, closed below 3,800 points after four and a half months due to investors' panic sales. It closed the day at 3,792.35 points, after falling 64.89 points.

Investors went for panic sales ahead of the Eid-ul-Azha, commented IDLC Investments in its analysis.

Meanwhile, market sentiment continued to dwindle in line with investors' shaky confidence, the investment banker said.

Sceptical investors want to see how political gridlock will be resolved and how things unfold in the coming days, said LankaBangla Securities in its analysis.

Turnover, the most

important indicator of the market, advanced 13.66 percent to Tk 265 crore from the previous day.

Of the 285 issues that traded on the DSE floor, 45 advanced, 221 declined and 19 remained unchanged.

A total of 0.80 lakh trades were executed with 6.84 crore shares and mutual fund units changing hands on the Dhaka bourse.

Most major sectors ended the day in the red: non-bank financial institutions 3.58 percent, telecoms 3.51 percent, food 2.91 percent and life insurance 2.64 percent.

Bangladesh Building System featured in the most traded stocks chart with 55 lakh shares worth Tk 22.81 crore changing hands. The company also was the biggest gainer of the day, as it posted a 372 percent gain in its debut day.

Meghna Condense Milk was the worst loser, plunging by 10 percent. The Chittagong Stock Exchange also declined on the day with its selective category index, CSCX, dropping 121 points to close at 7,422 points.

Losers beat gainers 172 to 20, with 18 issues unchanged on the port city bourse that traded 79 lakh shares and mutual fund units with a turnover of Tk 29.51 crore.

Garment wage hike won't hurt competitiveness: EU envoy

STAR BUSINESS REPORT

Bangladesh's garment sector will remain competitive in the global market even after a hike in worker wage, William Hanna, head of the delegation of the EU to Bangladesh, said on Monday.

Still, there is scope to remain competitive and increase the wages, he said at a seminar on how to reinvent the garment sector, at Sonargaon Hotel in the capital.

Bangladesh Garment Manufacturers and Exporters Association organised the event as part of a three-day apparel and textile show starting tomorrow.

Hanna also urged garment makers to increase the wages annually, adjusting it with inflation.

"There needs to be a system, which reviews wages on an annual basis. And the wages have to be fixed through social dialogue."

"It remains an obstacle to sustainable development of the garment sector when no change is made in the wages for years."

"BGMEA has to be part of the solution, not the problem, and it should drive the process forward, rather than resisting it."

The BGMEA should have a strategic vision for the future of the sector and should not remain stuck in the past, he said.

The apparel makers' body should set example for its members and embrace sustainable development, quality, competitiveness and innovation to avoid seeing its orders shifting to the other countries, he said.

It should offer dialogue and negotiation as a way forward, not confrontation, he said.

Hanna said the BGMEA should work out solutions to the issues by negotiat-

ing with the retailers and brands.

The world is not going to accept another Rana Plaza disaster, and international firms are not ready to put their brands and reputation at risk, he said.

"We have to move to sustainable consumption and production."

The retailers should pay more for their purchases from Bangladesh to develop the sector, said Rubana Huq, managing director of Mohammadi Group.

The Rana Plaza tragedy, if seen differently, is also an opportunity to develop the sector, she said.

Buyers are anxious about the upcoming national election, she said. "But we want to assure the buyers that politics is divided, not the industry."

The garment sector earns \$21 billion a year—almost 80 percent of the country's total export earnings. It employs about four million workers, mostly women.

World Bank to cut \$400m from budget

REUTERS, Washington

The World Bank plans to cut \$400 million from its budget as part of a sweeping reorganisation to make the global development lender more efficient and responsive, the bank's chief financial officer said on Monday.

The savings, which have not yet been publicly disclosed, are part of the World Bank's first major strategic realignment in 17 years. The \$400 million figure will

be presented to the World Bank's member countries later this week during its annual meetings, along with a new strategy to focus the institution on its poverty-fighting goals.

The \$400 million in savings will be phased in over three years and mark an 8 percent cut from the bank's current \$5 billion in annual expenses, Bertrand Badre, who is also the bank's managing director for finance, said in an interview.

Badre said the ultimate goal of the cuts, along with planned increases in revenue, was to help the bank grow and better serve governments.

Long criticized for a slow bureaucratic process for approving lending, the World Bank has more recently had to contend with greater competition for development funds. Many middle-income countries, for example, can rely more on private funding and bilateral loans as they grow.



DUN AND BRADSTREET

Dilip Barua, industries minister, poses with the corporate entrepreneurs of Bangladesh awarded by Dun & Bradstreet South Asia Middle East, at Bangabandhu International Conference Centre in Dhaka on Saturday. Rajesh Mirchandani, chief executive of Dun & Bradstreet South Asia Middle East, was also present.



NBL

AKM Shafiqur Rahman, additional managing director of National Bank, inaugurates the bank's 169th branch at Satoria in Dhaka yesterday. Shamsul Huda Khan, deputy managing director, was also present.



NCC BANK

Md Nurun Newaz Salim, chairman of NCC Bank, inaugurates the bank's 97th branch at Oxygen Mor in Chittagong on Monday. Mohammad Nurul Amin, managing director, was also present.