

Govt to fund a website for SMEs

STAR BUSINESS REPORT

The ICT division will provide financial support to develop a virtual marketplace for the small and medium enterprises to help them market and sell their products through an electronic payment system, ICT Secretary Nazrul Islam Khan said yesterday.

It requires huge investments to build such a website, but it will be cost-effective if a group of entrepreneurs shares the cost, Khan said at a seminar on e-payment system for SMEs, organised by the SME Foundation at its office in the city.

Currently, over Tk 250 crore is transacted through mobile banking a day thanks to the payment gateway support provided by banks, he said.

On the other hand, only Tk 6 crore

worth of transactions are taking place every month through e-payment now, said Abul Kashem Md Shirin, deputy managing director of Dutch-Bangla Bank.

People transact Tk 100 crore a month now by plastic card, he said.

Payment gateway service providers charge at a higher rate for e-payment, said Md Abul Quasem, deputy governor of Bangladesh Bank.

The banking regulator will sit with the gateway providers, banks and other stakeholders to address the issue of high charge, he said.

Syed Md Ihsanul Karim, managing director of SME Foundation, said the foundation launched in 2007 provides research, policy and advocacy support for the entrepreneurs who have business worth Tk 5 lakh to Tk 30 crore.

Panasonic posts \$1.17b FY net profit

AFP, Tokyo

Japanese electronics giant Panasonic on Monday booked its first annual net profit in three years and reversed a huge loss suffered in the previous 12 months as it presses on with a sweeping restructuring.

The Osaka-based company said net profit hit 120.44 billion yen (\$1.17 billion) in its fiscal year to March, after suffering a loss of 754.25 billion yen a year earlier, while revenue ticked up to 7.74 trillion yen from 7.30 trillion yen.

Panasonic -- recovering from combined losses topping \$15 billion in the previous two fiscal years -- also said it expected net profit to come in at 140 billion yen over the year to March 2015.

The company, along with rivals Sony and Sharp, has struggled in recent years, largely because of huge losses in their television units, but a sharply weaker yen over the past year has helped boost their bottom line.

The trio are also undergoing painful overhauls aimed at rescuing their battered balance sheets.

Panasonic credited the weaker yen for its healthier results, and pointed to an uptick in its auto-related businesses on the back of a global recovery.

It also saw better sales of household appliances as Japanese consumers splashed out on big-ticket goods before an April 1 sales tax increase.

"Despite some economic slowdown in emerging countries including India, the global economy moderately continued to recover with a pick-up in Europe, a continuing stock market recovery and the robust consumer spending in the US... yen depreciation and a surge in consumer spending before (a) Japanese consumption tax hike," it said in a statement.



Steve Ball, chief financial officer of HSBC, receives the "Best Foreign Commercial Bank" award from AMA Muhith, finance minister, at the ICMA Best Corporate Awards 2013 in Dhaka on Sunday.

Duty on safety equipment import to see deep cuts

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Michael J Delaney, assistant trade representative of the US for South Asia, welcomed the decision immediately.

"I am extremely gratified to know that. This is what the government can do. This will help facilitate to improve the conditions of the factories."

Earlier this month, six associations of US and Canadian retailers urged the prime minister to immediately withdraw the high

duties on import of essential safety equipment that can undermine the current efforts to improve worker safety.

Garment makers say high duties deter factory owners from making the necessary investment to improve worker safety.

Bangladesh Garment Manufacturers and Exporters Association also sent letters to the finance and commerce ministries and the NBR seeking zero-duty on import of such equipment.



Rezaul Hossain, chief commercial officer of bKash, hands over a dummy cheque for Tk 1 lakh to Mushanna Jahan, winner of a Facebook-based photo competition--bKash Smile Contest--at a ceremony at bKash head office recently. Asif Ahmed, head of marketing, was also present.

French central bank head warns of eurozone disinflation risk

AFP, Paris

The eurozone is at risk from unduly low inflation, the governor of the French central bank Christian Noyer, who also sits on the policy body of the European Central Bank, warned on Monday.

A second challenge for the eurozone is the strength of the euro, which was "one of the factors pushing inflation down," Noyersaid.

But "low inflation does not mean deflation", Noyer underlined, saying that deflation meant "a pernicious spiral" marked by a "permanent and cumulative process" of falling prices.

Inflation in the eurozone fell from 2.7 percent at the end of 2011 to 0.5 percent in March on a 12-month comparison, the central bank noted.

The ECB has a target for medium-term inflation of just below 2.0 percent.

There is widespread concern that deflation, an absolute fall in prices, threatens the eurozone and the ECB central bank has said that it is watching these pressures carefully and is ready to take counter

measures.

Economists hold that deflation is particularly dangerous if it takes hold because consumers and businesses delay purchases in the belief that prices will fall further.

This further depresses demand and prices and pushes up unemployment, and can create a vicious circle.

Noyer, presenting the French central bank's annual report, warned of the pressures of disinflation, which happens when the rate of inflation slows sharply.

Reforms by several governments in the eurozone to cut public budget deficits and debt, and a rise in the competitive position of some eurozone countries, had combined to create "powerful disinflationary pressures", Noyer said.

The big challenge for the 18-member eurozone was "the risk of inflation which is too weak for a lasting period", he said.

"Temporary and global factors are at work, import prices are falling, particularly for raw materials and energy," he said in a letter with the annual report for French

Viyellatex cuts carbon emissions by 25pc

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Viyellatex replaced conventional fluorescent tube lights with efficient ones and replaced all conventional sewing machine motors with servo-motors, which require half the electricity, to reduce emissions.

The group also installed a heat recovery system to form condensate from steam in the dyeing section, and uses it to pre-heat feed water for the boiler.

Viyellatex also recovers heat from generators to use in a similar way and uses

evaporative cooling instead of conventional air conditioning.

"It is good news that the group could cut 25 percent carbon emissions. Carbon neutrality is our commitment," said David Hasanat, chairman of Viyellatex.

The company exported garments worth \$200 million in fiscal 2012-13, up from \$185 million in the previous year, Hasanat said.

"We could achieve 13 percent export growth at the end of the current fiscal year."

Grameen Bank directors protest Muhith's comments

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In the last three decades, the election for the nine directors from the members of the bank has been held under the rules scripted by the government. So far 10 elections were held, electing borrower-directors for three years in each term.

The statement said the government-appointed chairman and two other directors to the 12-member board have always attended the board meeting during elections.

"They have always praised the elections and welcomed new board members," it said, adding that there was no way for Prof Yunus to hand-pick people for the board.

The nine directors have to face elections at branch, area and zone levels before being elected.

The statement said the government has kept the rules almost the same, except taking away power from Grameen Bank to organise the elections.

"Someone might be determined to destroy Grameen Bank. The law was changed as it had not been possible to ruin the bank with the help of the law of Grameen Bank," the directors said.

The elected directors said the process to nationalise the bank has started with the new law.

"The previous law did not allow the government to take the control of the bank in its hand."

The 86 lakh members and borrowers of Grameen Bank own 75 percent share of the Nobel Peace Prize winning bank, while the government controls the rest.

The nine directors said there was no way the election process would take a political shape, given the way the election commission will be formed and the polls under the supervision of the central bank be conducted.

"Partisanship, violence and money will make their way into the elections. As a result, Grameen Bank will be destroyed. Indiscipline will affect lending and deposit collection," the directors said.

Singer profits struck by turmoil

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But it introduced home furniture to tap the growing market.

During the course of 2013, the company's share price fluctuated between Tk 243 and Tk 119, to close the year at Tk 187.

The company announced 100 percent cash and 25 percent stock dividends for 2013 yesterday, sending shares up 0.6 percent.

On the premier bourse, each Singer share yesterday traded between Tk 216 and Tk 219.9 to close at Tk 217.4.

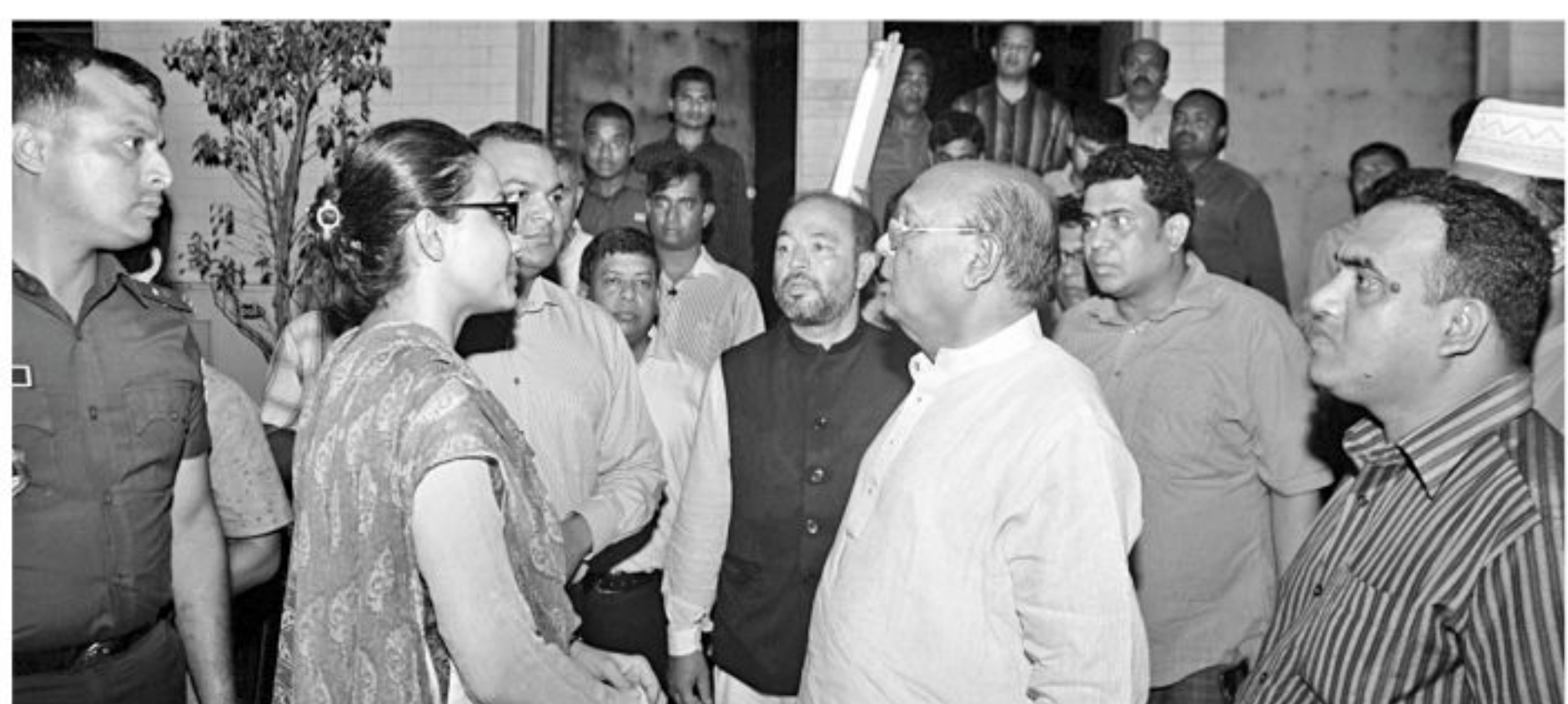
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US leaders call for improving workers' conditions

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The investigator should consider all available evidence related to the murder of Aminul Islam, including evidence concerning who planned the crime, they said.

"We look forward to working with the government of Bangladesh to achieve full implementation of the Action Plan and continued and sustained progress with regard to workers' rights, as this will allow us to support the reinstatement of GSP benefits."



Commerce Minister Tofail Ahmed visits the burnt-down factory of Otobi Furniture at Birulia in Savar recently. Animesh Kundu, Otobi managing director, was also present.



Muklesur Rahman, managing director of NRB Bank, and Hamidul Huq, managing director of Credit Rating Agency of Bangladesh, exchange documents of a deal at a programme recently.



Mahbub Jamil, chairman of Singer Bangladesh, presides over the company's 34th annual general meeting at Spectra Convention Centre in Dhaka yesterday. Singer announced 100 percent cash and 25 percent stock dividends for 2013. AM Hamim Rahmatullah, managing director, was also present. Story on B1



Syed AK Anwaruzzaman, managing director of SM Knitwears; Md Moniruzzaman, managing director of IDLC Investments; and Md Shah Alam, managing director of Royal Green Capital Market, attend the signing of an agreement recently. IDLC will manage and Royal Green will co-manage the initial share issue of SM Knitwears.



Nurul Islam, member for investment promotion at Bangladesh Export Processing Zones Authority, and ARM Shahidul Haque, director of Renaissance Barind Ltd, exchange documents of a deal at a programme in Dhaka recently to set up a \$4.03 million garment factory at Ishwardi Export Processing Zone.



Mohammad Abdul Mannan, managing director of Islami Bank Bangladesh, receives the first prize of ICMA Best Corporate Award-2013 in private commercial banks (Islamic operation) category from Finance Minister AMA Muhith at a local hotel on Sunday.



Officials of Xpress Money and NCC Bank pose at a roadshow in Noakhali recently to create awareness among migrants and recipients of foreign remittances about the safe and instantaneous way of receiving money.