

The stellar rise of a garment maker

MA Jalil Ananta, the businessman-turned-actor, plans to create 1,500 jobs in 2015

MD FAZLUR RAHMAN

WHEN he joined his family business in 2001, it was a small export-oriented garment company. But with a decade of hard work, MA Jalil Ananta has transformed his AJI Group into a leading name in the apparel sector.

It was in 1996 when his elder brother set up a small apparel unit in Mirpur. It had a workforce of 400 and used to make shirts for European buyers.

The garment sector was booming when Ananta joined business. "Garments were selling like hotcakes at that time," the 36-year-old told The Daily Star in an interview recently.

The company was shifted to Hemayetpur in Savar in 2004 as part of an expansion plan. "We thought we would not be able to expand our business if we remain within the capital city," Ananta said.

But success did not come overnight. He was involved in the family business while studying business management and fashion design in the UK. He had to maintain regular contacts with buyers and make arrangements for their visits to Bangladesh.

During vacations, he used to work at various departments of the company to gather firsthand knowledge of production and the entire business cycle.

The premature death of his elder brother in a road accident in 2008 left him alone to shoulder the responsibility of turning the group into a large one.

He did not fail. Now sprawling over 32 bighas of land, the vast industrial park of the group houses 11 factories and employs more than 7,000 workers.

His apparel units make around 1.6 million pieces of high-end garment products such as fancy polo shirts, sweat shirts, trousers and T-shirts per month. His clients include Jordache, C&A, Walmart,



MA Jalil Ananta

ASDA, New Look, Tesco, Arcadia, Ralph Lauren, Kappa, Tokyo Laundry and Next.

In fiscal 2013-14, the group's earnings from exports were more than Tk 315 crore, up from Tk 250 crore in the previous year.

His contribution to the garment sector has also been recognised by the government. Since 2009, he has been a "commercially important person" in both industrial and commercial categories.

In 2015, Ananta plans to hire another 1,500 workers as he is setting up denim and knit units and denim washing plants.

He also said the sector has been under pressure for the last few years due to political instability. Orders for high-end garments are now shifting to other countries like Indonesia and Pakistan, he added.

International buyers have been offering lower prices for the last couple of years, he said. For example, he said, the prices of garments have come down to \$4.80 apiece now, from \$6 a year ago.

"We are being forced to take the orders."

AJI Group increased salaries and wages by Tk 14 crore in 2014 after the sector's minimum wage came into effect.

He said his company has to foot the bill of Tk 7 crore a year to meet compliance.

"The buyers have not increased prices. Rather, they have cut the prices by 25 percent."

A year ago, a subsidiary of AJI Group was fined Tk 65 lakh for keeping its effluent treatment plant (ETP) shut and setting up a building within the industrial park without permission. The group has already paid Tk 45 lakh and sought a waiver of the rest.

He said the factory was visited on a Sunday when all factories in the Savar area remain closed. "This is why, our ETP was shut. Though I was not supposed to pay the fine, I have paid most of it."

Ananta said his company not only complies with local laws and regulations

but also meets the requirements demanded by international buyers.

It has obtained standardisation certificates from Brussels-based Business Social Compliance Initiative; US-based Worldwide Responsible Accredited Production; London-based Sedex; Zurich-based International Association for Research and Testing in the Field of Textile Ecology, and Paris-based Bureau Veritas.

Ananta said he has cordial relations with his workers. As a result, his factories have never been hit by unrest. "I have also ensured that workers' salaries at my factories will not be less than any other factories."

He said a stable political and economic environment is very important for businesses to expand their operations. "No matter who are in power, the government should maintain peace and stability for the sake of the economy and businesses."

"If we have a congenial environment, we will set up more factories and employ more people. Those who have the ability to create jobs for others should not feel discouraged."

The successful businessman also urged the government to ensure adequate gas for garment factories.

Ananta is also a popular film actor. He, however, entered the film industry for a business purpose after sensing that films could be an exportable item for the Bangladeshis living abroad.

Since his debut film five years ago, he has produced six successful movies.

However, making movies has taken a toll on his leisure. "Since starting to make movies, nobody has seen me chatting for two minutes. I don't have a social life and I can't attend social gatherings. It seems I have become a robot."

Ananta is now preparing for two movies: Sainik will be based on the work of Bangladesh Army, and the other movie is Spys.

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Unhappy meal: Japan McDonald's sold tooth with fries

AFP, Tokyo

A human tooth was found in french fries sold at a McDonald's in Japan last year, the firm said Wednesday, the latest in a series of woes involving contaminated nuggets and a chip shortage.

A customer complained to the Japanese arm of the fast food giant after finding a foreign body in a serving of potatoes from an outlet in Osaka, two senior vice presidents told a press conference in Tokyo.

An independent investigation ordered by McDonald's determined that the object was a tooth but concluded that it had not been cooked, said McDonald's Japan senior vice president Hidehito Hishinuma.

"We were not able to discover how it got in the food," he said. The customer, a mother with a small child, told a TV station that the store manager who visited her said the tooth had been "fried".

"I received an apology only when the store manager came over," the customer, whose name was not revealed, told the JNN network.

"The manager didn't really talk about how it got in and what action they will take in the future."

"I have a small child and it terrifies me to think that they could have eaten it and choked," she said.

McDonald's said there were no employees missing a tooth at the outlet and it believed there was a very low possibility of contamination at the US factory that had shipped the chips.

The incident is the latest public relations setback for the firm, and comes after a customer found a piece of vinyl inside a chicken nugget at an outlet in the northern city of Misawa. There was a similar case of contamination at a Tokyo branch.

The company also said a tiny piece of hard plastic was found in a sundae in the northeastern city of Koriyama in December.

Executives confirmed during the press conference that a small child who chewed on the plastic suffered a cut inside the mouth.

"We express our deep apologies for the worries and nuisance caused to customers by the foreign items found in food," McDonald's Holdings Japan senior vice president Takehiko Aoki told reporters.

The president of McDonald's Japan, Sarah Casanova, did not appear at the press conference. The company said she was abroad on a business trip, but was heading back to Japan in the wake of the incidents.

The discovery of bits of plastic and a tooth in menu items comes as McDonald's struggles to recover from the reputational battering it took in the summer when a Chinese supplier was found to be mixing out-of-date meat with fresh produce.



Catholic nuns window-shop outside a watch store in central Madrid. Spain's economy is getting back on track after six years of a gruelling financial crisis.

Spanish economy shows signs of getting back on track

AFP, Madrid

FEWER Spaniards stood in jobless queues in 2014, consumer spending rose and banks boosted lending -- all signs pointing to Spain's economy getting back on track after six years of a gruelling financial crisis.

The number of people registered as unemployed in 2014 dipped by 253,627 to 4.45 million, the labour ministry said this week.

It was the second consecutive yearly drop since a decade-long property bubble burst in 2008, throwing millions of people out of work.

While the unemployment rate -- which is calculated differently -- was 23.67 percent in the third quarter, one of the highest rates in the industrialised world, the dip in the jobless numbers last year gives a ray of hope to job seekers, many of whom have seen their unemployment benefits run out.

"Today there is greater confidence in Spain in the ability to find work in the coming months," said Labour Minister Fatima Banez of the ruling conservative government which faces regional and legislative elections this year.

One in two Spaniards, 51 percent, believe their personal economic situation will improve or at least remain stable in

2015, according to a survey by DYM Market research published last week by online newspaper El Confidencial.

Those who fear that the new year will be one of economic difficulty fell to 36 percent from 51 percent during the same time a year earlier. The growing optimism has also spurred a shopping spree.

Sales over the Christmas season, which in Spain ended on Tuesday on the Feast of the Epiphany when gifts are traditionally opened, are expected to post their biggest rise in seven years.

In November retail sales posted a 1.9 percent increase over the same year-ago period. New car sales -- a key measure of demand -- jumped 18 percent in 2014 to 855,308 vehicles, the best annual performance since 2010, helped in part by a government subsidy scheme, according to carmakers association Anfac.

Government borrowing costs are down and banks, which were saddled with bad debt after the property crash in 2008, also appear more willing to lend, the Bank of Spain said in its latest bulletin on the state of the economy.

A tax reform which came into effect in January may also give the economy a boost. It will reduce the tax bill of the lowest-income groups on average by 320 euros (\$385) per household per year, according to the government.

Boeing nets record aircraft orders, deliveries in 2014

AFP, New York

US aerospace giant Boeing announced Tuesday a banner year in 2014 for its commercial jets business, setting new records for orders and deliveries.

Boeing said it booked 1,432 net orders for commercial aircraft last year, worth \$232.7 billion at list prices, topping its previous record set in 2007. In 2013, the company had 1,355 orders.

The backlog of unfilled orders climbed to 5,789 in 2014, also an all-time high.

For the second year in a row, the company said it had delivered a record number of airliners, at 723, as it stepped up production.

For deliveries, closely watched by investors because they produce revenues, Boeing came in near the top of its estimate of between 715 and 725 jets. And it topped its forecast for the all-new, high-tech 787 Dreamliner, launched three years ago.

The Chicago-based company handed over 114 Dreamliners to customers, four more than it expected, as deliveries picked up pace in the fourth quarter, reaching 35.

"I'm extremely proud of the entire Boeing team, and all of the hard work that went into delivering and selling a record number of commercial airplanes this past year," said Ray Conner, president and chief executive of Boeing Commercial Airplanes, in a statement.

Leading the orders bookings were new versions of Boeing's best-selling 737, the single-aisle industry workhorse, the Next-Generation 737 and the 737 MAX, with 1,104 orders. Those were followed by 283 orders for the 777 and the 777X.



Indian Finance Minister Arun Jaitley, C-L, lights a traditional lamp as West Bengal Chief Minister Mamata Banerjee and business leaders look on during the inauguration of the two-day Bengal Global Business Summit 2015 in Kolkata yesterday. The state government is using the event platform to showcase West Bengal as an ideal investment destination.

Coal India struggles to produce half of normal output amid strike

REUTERS, New Delhi

COAL India Ltd struggled to produce and ship less than half of its daily target on the first day of a five-day worker strike that began on Tuesday, hampering government efforts to reform the country's coal industry and ease its power crisis.

Unionised miners at the world's top coal producer are protesting Prime Minister Narendra Modi's move to allow private companies to mine and sell the fuel for the first time in 42 years. Modi's ministers have said that increasing competition is key to ending India's power shortage.

But miners fear this will lead to pay and job cuts at Coal India, which has come to be seen as an exemplar for deep-rooted inefficiency in state enterprise.

Union leaders met top Coal Ministry officials for three hours on

Tuesday evening but did not reach an agreement, said SQ Zama, secretary general of the Indian National Mineworkers Federation.

Zama said unions would end the strike if the government assured them that private companies would not be allowed to do any commercial mining for at least the next six months and that more talks would take place before the industry was opened up.

The leaders of Coal India's five trade unions are in New Delhi for more "political" talks, Zama said.

Coal Secretary Anil Swarup, who headed the Tuesday meeting with the union leaders, could not be reached for comment.

Coal India produced 645,000 tonnes on Tuesday, less than half of its usual daily output at this time of year, mainly using contract workers, a company official told Reuters.

It dispatched about 800,000 tonnes from new output and stocks

from railway sidings, another official said.

But the output could fall further if any contract workers join the strike, the officials said.

Coal India has a permanent workforce of 286,196, excluding supervisors and executives, and also employs about 65,000 contract workers.

Known for its industry-lagging productivity, Coal India digs out about 1,100 tonnes of coal per employee a year, compared with 36,700 tonnes per employee at US-based Peabody Energy BUT.N and 12,700 tonnes per employee at China's Shenhua Energy, according to industry body ASSOCHAM in New Delhi.

Coal India has fallen short of its output targets for the last six years, making the country the third largest coal importer despite sitting on the world's fourth largest reserves of the fuel.