

Ctg community centres suffer amid turmoil

ARUN BIKASH DEY, Chittagong

Community centres in the port city are mostly idle as people are postponing their events for political turmoil.

Lady's Club, a popular community centre in Chittagong, had 16 bookings a month on average last year, but its occupancy rate came down 50 percent in January.

"We had just eight bookings last month," Syed Ahmad, manager of Lady's Club, told The Daily Star yesterday. "Many bookings have been cancelled as clients deferred their programmes due to the blockade and shutdowns."

"We are now struggling as we have to pay staff salaries, electricity bills and other maintenance charges despite poor business," he said.

More than 50 community centres in the port city are now facing difficulties although it is a peak season for them.

Anika Community Centre in Katalganj in the city gets 12 bookings a month on average, which dropped to 5 last month,

said Rony Mukherjee, its manager.

"We bear all the expenses of the whole year from the earnings during this peak season. But we are not getting bookings now."

"Many clients had to postpone their programmes by publishing notices in newspapers," he said. "A total of five programmes were cancelled last month at our centre."

Ranjit Debnath, manager of Tilka Garden Community Centre on Love Lane, said, "To minimise losses and attract clients, we are giving discounts. But that is not working."

Sheikh Md Yunus, manager of Tasnia Community Centre at Halishahar, said their business dropped 50 percent. "Clients say they are cancelling events as their relatives from villages and other distant areas cannot attend programmes amid unrest."

"Some clients had already distributed invitation cards."

Sarwar Hossain, manager of Safa Arcade at Chandanpura, said they lost eight bookings last month. "I am not sure how we will survive if political unrest continues."

Flipkart to double value of goods sold as demand rises

REUTERS, Mumbai

Flipkart aims to double the total value of goods it sells to \$8 billion this year, two people with knowledge of the plans said, as India's largest online marketplace seeks to widen the gap with rivals including Amazon.com's India unit.

Online retailers often use GMV, or gross merchandise value based on monthly online sales, as a measure of performance, as they typically make revenues from the commissions they get from sellers.

Flipkart's current GMV is \$4 billion, the sources said, declining to be named as they were not authorised to speak to the media. They did not give further details.

Industry executives estimate Snapdeal and Amazon's India arm notch up GMVs of around \$3 billion and \$1 billion respectively.

Online retailing is growing at a breakneck pace in India, which has the world's third-largest population of Internet users even with only a fifth of its population online.

Consulting firm Technopak estimates the Indian e-tailing market will be worth \$32 billion in 2020, more than 10 times its value of \$2.3 billion in October last year.

Flipkart aims to ship one billion units a month and to serve 100 million customers by 2018 fiscal year, according to company executives who attended a recent townhall meeting. Currently the company ships around 8 million units a month.

Industry sources value Flipkart, founded in 2007, at around \$11 billion.



Salman Obaidul Karim, managing director of Orion Group, and Samanta Lal Sen, honorary adviser to the burn unit of Dhaka Medical College and Hospital, attend a programme recently to distribute financial aid to the families of burn victims admitted to the hospital, on behalf of Orion Pharma Ltd and Orion Infusion.



Benoit-Pierre Laramee, Canadian high commissioner to Bangladesh, and Syed Nasim Manzur, president of Metropolitan Chamber of Commerce and Industry, attend a seminar on exports jointly organised by the chamber and Trade Facilitation Office of Canada at MCCI's conference hall in Dhaka yesterday.



Mahmood Malik, chief executive of Infrastructure Development Company, and Sarah Ali, Bitopi's managing director, attend the signing of a media solutions agreement in Dhaka on Wednesday.

Diversify products to raise exports to Canada: analyst

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Bangladesh's exports to Canada crossed \$1 billion in 2012-13 and reached \$1.09 billion the following year. Imports from Canada stood at \$0.61 billion the same year.

Manzur also called upon Canadian entrepreneurs to invest more in Bangladesh. "If there is more investment from Canada, the volume of bilateral trade will increase."

The most potential sectors for investment in Bangladesh are power, infrastructure, agro-based industries, information technology, education, leather, ceramics and pharmaceuticals, he said.

The total foreign direct investment from Canada to Bangladesh stood at \$44.3 million in fiscal 2012-13, but the amount fell to \$14.97 million the following year, according to Bangladesh Bank data.

Turmoil may lower credit rating: Moody's

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However, prolonged political unrest will weigh on export growth, as the transport blockade has hindered the factories' ability to deliver goods to major ports.

The political tensions also risk undermining the reform progress made under the International Monetary Fund's Extended Credit Facility programme.

Successful completion of the programme involves the passage of further structural measures, including the introduction of a new value-added tax law and steps to improve the state-owned banking system.

"Such measures become more challenging to achieve in a factious political environment."

Meanwhile, a finance ministry official

said an IMF mission was due in the country this month to review the progress made by the government before the multilateral lender dispatches the next instalment of the \$1 billion credit. But the mission is unlikely to come for the political turmoil.

Moody's also said that despite the rising political tensions casting a shadow on Bangladesh's economy, the country's external payments position has not yet been significantly affected.

Foreign exchange reserves as of early February had risen to \$22.2 billion from \$18.1 billion a year ago. External debt is relatively low at 20.7 percent of GDP, and is primarily concessional, which also limits vulnerability to volatility in external capital flows.

Regulator to inspect HSBC's local office

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HSBC started business in Bangladesh in 1996. It does business with retail and commercial banking, but with no private banking, according to the bank.

The leaked report showed that the accounts from Bangladesh were opened between 1985 and 2006, including seven offshore accounts.

Of the \$13 million deposits by Bangladeshis, a maximum amount of money associated with a single client was \$4.4 million. However, the report did not mention the name of the individual who had the maximum amount there.

Bangladesh is ranked 148th among 203 countries in terms of the deposited money. India is ranked 16th with \$4.1 billion deposited with the HSBC's Swiss branch, Pakistan 48th with \$859.7 million, Nepal 116th with \$54 million, Myanmar 133th with \$26.5 million and Sri Lanka 112th with over \$58 million.

Stocks rise for eighth day

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A total of 0.96 lakh trades were executed with 9.45 crore shares and mutual fund units changing hands on the Dhaka bourse.

Gainers took a strong lead over losers with 219 to 57, while 32 issues remained unchanged on the DSE.

Among the major sectors, banks gained the most with 0.34 percent, followed by cement 0.14 percent, power 0.29 percent, pharma 0.58 percent and textile 1.43 percent.

Aamra Technologies became the top turnover leader with 34.25 lakh shares worth Tk 14 crore changing hands, followed by Beximco, Ifad Autos, Grameenphone and MJL Bangladesh.

Safko Spinning was the highest gainer of the day, posting a rise of 9.82 percent, while Kay and Que Bangladesh was the worst loser, plunging 6.08 percent.

Bangladesh unlikely to lose out to India, Vietnam in garment trade

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Echoing the views of Razi Ahsan H Mansur, executive director of Policy Research Institute, he said he is rather worried about the threats from Myanmar and Cambodia, the two emerging countries in the low-end segment that Bangladesh occupies.

"The competition has been rising, so we have to raise our game. We have to improve our capacity, environment and infrastructure," said Nazneen Ahmed, senior research fellow of Bangladesh Institute of Development Studies.

Vietnam's major products are sports-wear, shoes and electronic goods, said Shahriar Alam, state minister for foreign affairs.

Currently, the garment sector has been facing three problems: the non-approval of new building designs, non-allocation of gas lines to factories and hassles in renewal of trade licences, said BGMEA President Atiqul Islam.

Commerce Minister Tofail Ahmed said the government has already fixed pharmaceuticals, IT leather and shipbuilding as thrust sectors for export diversification.



In-Ho Keum, vice chairman for Overseas Business Division of DOHWA Engineering of Korea, and Taqsem A Khan, managing director of Dhaka Wasa, attend the signing of a contract at a hotel in Dhaka yesterday for engineering design and preparation of tender documents for two sewage treatment plants to be set up in Uttara and Mirpur areas of the capital.



M Zakir Hossain, president of the Institute of Management Consultants, attends the institute's 14th annual general meeting at a hotel in Dhaka recently. The institute elected a new executive committee at the meeting.