

# Furniture fair kicks off tomorrow

STAR BUSINESS REPORT

The three-day Bangladesh Furniture and Interior Decor Expo will begin in the city tomorrow.

The expo now in its fourth year will take place at Jamuna Future Park in Bashundhara, the Export Promotion Bureau (EPB) said in a statement yesterday. The event will display the strength of furniture and home furnishing sectors of the country, said Shubhashish Bose, vice-chairman of the EPB.

Bangladesh has an abundant labour force and long business heritage, which are the strengths of the country to become competitive in the international arena, he said in a press briefing at the EPB.

Bangladesh is very competitive in the areas of furniture and home furnishing items made of jute and other natural raw materials, he said. "International buyers can benefit if they import products from Bangladesh."

Fifty exhibitors will join the show with a variety of products, including home furni-

ture, office furniture, kitchen furniture, curtains, cushions, table mat, mattresses, showpieces, table lamps, waste baskets, table runners, carpets and floor coverings. A total of 12,000 visitors from all over the world are expected to visit the fair, according to the organisers.

Representatives from local sourcing offices of branded business houses will also attend the exposition, which will remain open to visitors from 10am to 8pm every day.

The EPB, Bangladesh Furniture Exporters Association, Bangladesh Handicrafts Manufacturers and Exporters Association, Bangladesh Jute Diversified Products Manufacturers and Exporters Association, and Bangladesh Furniture Industry Owners Association are joint organisers of the fair, collaborating with Jute Diversification Promotion Centre (JDPC).

Mafruha Sultana, director general of EPB; Nasima Begum, executive director of JDPC; and KM Akhtaruzzaman, president of BFEA, attended the briefing, among others.

# GSK top official to visit Bangladesh

STAR BUSINESS DESK

Ramil Burden, vice president for developing countries Asia and external affairs Africa at GlaxoSmithKline, is scheduled to arrive in Dhaka to address the Brac Frugal Innovation Forum 2015 that begins in the capital today.



This year's Forum brings together leading development practitioners, impact investing experts and social entrepreneurs to explore financially sustainable solutions for the development sector in the post-2015 era.

Burden is currently responsible for external affairs, communications, public health and access programmes for Africa in addition to GSK's operations in Bangladesh, Myanmar, Cambodia, Laos and Papua New Guinea, GSK said in a statement yesterday.

He joined GSK in 2005 and has held a number of roles in government affairs and corporate strategy, according to the statement.

Burden has also served as head of the office of the chief executive and head of corporate strategy and secretary to GSK's central executive team.



Three graduating students of the Institute of Business Administration of Jahangirnagar University, Dhaka selected by Unilever Bangladesh, pose after winning the first runner-up award in the Unilever global business case competition--Unilever Future Leader's League 2015--held in London, UK on Thursday.

UNILEVER



Markus Ehmann, general manager of Katalyst, and Mishal Karim, managing director of Direct Fresh, exchange documents of a deal at a programme recently to provide Direct Fresh a grant of Tk 28 lakh from Katalyst to develop a supply chain in Dhaka for safe production of fruits and vegetables. The project will train 2,000 Manikganj-based farmers to grow pesticide, herbicide, preservative-free fruits and vegetables.



Johannes Schmid, chief executive of Lidl Stiftung and Co of Germany; Markus Reinken, buying director; and Wolfram Engel, chief executive of Green Project WST, visit Giant Textiles, a concern of Giant Group, on Tuesday to observe the Water Saving Technology (WST) programme jointly initiated by Giant Group and Lidl. Faruque Hassan, managing director of Giant Group, was also present.

# Pacific Asia Travel Association chief in Bangladesh

STAR BUSINESS DESK

Mario Hardy, chief executive of Pacific Asia Travel Association or PATA, will arrive in Dhaka for a four-day visit today, a statement said yesterday.

Hardy will work on assessing the need and role of PATA towards developing tourism in Bangladesh during his first official trip to Bangladesh, PATA said in a statement.

He will also call on the civil aviation and tourism minister and meet tourism industry leaders and stakeholders, according to the statement.

He will also visit the PATA Bangladesh Dhaka University Student Chapter and attend the inaugural of the Adventure Club of Bangladesh.



# Stocks begin week with gains

STAR BUSINESS REPORT

Stocks opened the week on a positive note and continued to gain for a second day yesterday.

DSEX, the benchmark general index of Dhaka Stock Exchange, finished the day at 4,533.21 points, after gaining 65.19 points or 1.45 percent.

The market was boosted by a possibility that candidates backed by the major opposition political parties may take part in the city corporation elections and an expected withdrawal of the blockade, said IDLC Investments.

As the positive anticipation formed over the weekend, the participants were upbeat from the beginning and started taking positions, the merchant bank said.

The key index started moving up from the very beginning of the trading session and closed at the day's high, said LankaBangla Securities.

Bangladesh Bank purchased dollars worth \$51 crore in the first 19 days of this month, as most of the scheduled banks are now holding a good amount of the greenback amid stagnant business situation in the country, it said.

The day's turnover jumped up 61 percent to Tk 268.19 crore from the

previous day.

On the premier bourse, almost all the major sectors gained in market capitalisation with banks increasing 0.31 percent, cement 5.73 percent, fuel and power 2.6 percent, pharma 1.67 percent and textile 1.59 percent.

Gainers beat the losers, as 203 scrips advanced, 71 declined and 36 remained unchanged on the DSE floor.

ACI dominated the turnover chart with its transaction of 3.83 lakh shares worth Tk 18.26 crore, followed by Lafarge Surma Cement, Shahjibazar Power Company, ACI Formulation and Ifad Autos.

ACI Formulation was the day's best performer, advancing by 9.42 percent, while Reliance Insurance was the worst loser, slumping by 19.78 percent.

Chittagong stocks also rose yesterday with the bourse's selective category index, CSCX, gaining 76.21 points to close at 8,376.3 points.

Of the traded issues, 142 gained and 61 declined with 34 securities remaining unchanged on the port city bourse.

Some 59.11 lakh shares and mutual fund units were traded on the Chittagong Stock Exchange, generating a turnover of Tk 22.90 crore.

# Banks asked to offer services to active bond licensees only

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The number of active firms having bond licences is 3,793 now, with the number of total bond licensees being 6,227. The bond licences of the rest 2,434 have been declared inactive, officials said.

The field office of the revenue authority said the firms whose licences were made inactive owe Tk 3,790.53 crore to the state. "We have sought revenue from these companies for misuse of the bonded warehouse facility," said Md Shahidul Islam, a commissioner of the Customs Bond Commissionerate.

Bonded warehouses allow exporters to store taxable imports, mainly raw materials, in secured areas without payment of duties and taxes, and use them in manufacturing for export.

The authorities issue bond licences to export-oriented firms, allowing them to import raw materials at zero duty on condition that they will make finished products with the same imported raw materials and export them.

Of the firms with inactive bond licences, 75 percent represent the apparel sector followed by firms that make accessories and packaging items for export-oriented industries, according to the commissionerate.

In a letter to banks last week, the commissionerate said it has taken a series of measures to facilitate proper functioning of firms having bond licences, curb duty evasion and bring about transparency and accountability.

The field office said it updates status of the firms having bond licences on its website regularly and asked bankers to check the status before extending overseas trade related services. "You are requested to open LCs, issue PRC (proceed realisation certificates) and perform other lawful jobs in favour of only active firms," said the letter signed by Islam.

A recent survey found that some 476 factories have vanished after taking tax and duty-free benefits under the bonded warehouse facility, costing the country hundreds of crores in lost revenues.

# Huawei's new chief for Southeast Asia

STAR BUSINESS DESK

David Sun has recently been promoted as Huawei's president and chief executive for Southeast Asia region, the company said in a statement yesterday.

Prior to the promotion, Sun has been the vice president and head of carrier business group, Huawei Bangladesh said.



Since joining Huawei in 1998, he has served Huawei's Hangzhou and Guangzhou representative offices as chief representative, according to the statement.

"I am honoured to have the opportunity to lead such a diverse and dynamic team across the region," the company quoted Sun as saying in the statement.

# China sees bright spots in slowing economy

REUTERS, Beijing

China's economy faces increased downward pressure this year but the slowdown is stabilizing, with employment and services among the bright spots, Vice Premier Zhang Gaoli said on Sunday.

Weighed down by a property downturn, factory overcapacity and local debt, China's economic growth is expected to slow to a quarter-century low of around 7 percent this year from 7.4 percent in 2014, despite expected additional stimulus measures.

The central bank has cut interest rates twice since November, on top of a cut in bank reserve requirements in February,

amid concerns about growing deflationary risks, and more such moves are expected.

In addition, the government plans to run its biggest budget deficit in 2015 since the global crisis to support spending.

"The downward pressure on China's economy increased somewhat since the start of this year," Zhang told a high-level conference in Beijing.

But while growth in industrial output and investment continued to slow, the government sees some signs of the slowdown stabilising, he added. "There are also bright spots; for example, employment, services, high-tech industries, new industries, private investment and innovations."

# FTA studies on way

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The government forecasted that Bangladesh will become a middle-income country by the end of 2021.

If the country comes out of the list of LDCs, Bangladesh will not enjoy preferential trade benefit with many countries, although the EU has been saying it will continue the zero-duty benefit for Bangladesh even if the country becomes a middle-income one upon fulfillment of some conditions.

As a result, the government has been trying to sign FTA or PTA with prominent countries.

Currently, as an LDC Bangladesh enjoys generalised system of preferences (GSP) in 38 countries, including 28 EU nations.

Under the GSP, Bangladesh either enjoys zero-duty benefit or removal of duty on export of major products to 10 countries, according to Export Promotion Bureau.

Bangladesh exports 729 products but only six items, including garments, jute and leather, account for 94 percent of the total export, according to EPB.



Mashrur Arefin, chief operating officer of City Bank, and Abul Kalam Azad, managing director of Long Beach Hotel, pose after signing an agreement in Dhaka yesterday. The bank's platinum and gold express cardholders can enjoy one-night complimentary stay by booking for two nights at the hotel in Cox's Bazar.

CITY BANK

# Rural credit comes with extra costs

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The lowest amount of money was spent for loans from government departments -- Bangladesh Rural Development Board, Department of Youth Development, Department of Women Affairs and Department of Social Services -- which is Tk 184 on average.

"It is notable that the clients had to spend a certain amount to get loans in all the cases, which curtailed the actual amount they received for their purposes," BBS said in the survey report.

"That should not be the case as per the rules for sanctioning loans," Khondker Ibrahim Khaled, a former deputy governor of the central bank, said.

Save for one, none of the reasons shown in the survey for which money is being expended is valid, he said.

Only the amount spent to get one's photo taken is legitimate, as one has to submit a photograph to get any

form of credit.

To eliminate the cost, Khaled, who was a long-serving managing director and chairman of Krishi Bank, the country's largest agricultural bank, said the banks can designate a photographer in every neighbourhood.

He went on to recommend the central bank should form a committee to see if the findings of the survey are genuine or not. If evidence is found, Bangladesh Bank should take punitive actions against the institutions.

The BBS in January 2014 conducted the survey in 56,000 households from 483 upazilas of 64 districts for loans given in 2013.

Some 48.7 percent of the households received rural credit in 2013.

Nongovernmental organisations gave out the highest number of loans, around 49 lakh, followed by banks at 12 lakh.