

# Accessories makers ask for cash incentives

STAR BUSINESS REPORT

Garment accessories makers yesterday demanded cash incentives on exports in the upcoming budget, saying they are contributing to almost all export-oriented sectors.

The accessories makers are not under the government's incentive policy although the garment sector has been enjoying such benefits for a long time, said Rafez Alam Chowdhury, president of Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association.

The leaders of the association demanded the incentive at a pre-budget meeting with Finance Minister AMA Muhith at his secretariat in Dhaka. However, Chowdhury did not mention how much cash incentive they want. Garment export-

ers now enjoy 5 percent incentive on their exports.

The accessories makers have increased their capacities and are able to meet the demand of garment exporters almost entirely, he said. Previously, the demand for such accessories was met through imports, he added.

In the plastic sector, accessories makers supply 39 kinds of materials; in the garment sector, they can supply 48 types of products such as poly bags, hangers, plastic clips, buttons, button tags and zippers, Chowdhury added.

He also urged the finance minister to allocate funds to facilitate the establishment of a packaging and accessories institution for skills development.

The association also demanded a loan rescheduling facility, as the country's exports were affected by pro-

longed political unrest at the beginning of the year.

The government should also maintain the current rate of tax at source at 0.3 percent for the next five years so that the export-oriented sectors are not affected, Chowdhury said.

He urged the government to grant a down payment option in loan rescheduling for all export-oriented sectors, just like the facility given by the government to borrowers of Tk 500 crore or more.

Muhith said he might not give any stimulus package to any sector in the upcoming budget.

But after the budget is placed in parliament on June 4, an inter-ministerial decision will be taken on the stimulus package issue through consultations with government high-ups and sector people.

## Greece issues fresh warning on IMF payment

AFP, Athens

A Greek government minister said Sunday that Athens will be unable to repay the IMF on schedule next month, reiterating previous warnings by officials during tense talks with the country's creditors.

"The instalment to the IMF won't be paid," Interior Minister Nikos Voutsis told Mega TV.

"The instalments for the IMF in June are 1.6 billion euros (\$1.8 billion). This money will not be given. There isn't any to be given. This is a known fact," he said.

Voutsis added however that the negotiations between Athens and its creditors were taking place "on the basis of cautious optimism that there will be a strong agreement".



Amin Khan, brand ambassador of Marcel, and Md Humayun Kabir, executive director for PR and Media, pose at the inauguration of Marcel's exclusive showroom -- Runa Electronics -- in Nalitabari, Sherpur recently.

## Matlub set to become FBCCI president

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Md Aminul Hoque Shamim, representing Mymensingh Chamber of Commerce and Industry, bagged the highest 335 votes contesting the election under the umbrella of Unnayan Parishad.

Md Helal Uddin of Maize Association of Bangladesh grabbed the highest 1,093 votes from the association group under the same banner.

This year, 63 candidates contested the election, of which 30 vied from the chamber group and the rest from the association

group. However, 10 directors from leading chambers and another 10 directors from leading associations have already been nominated as directors of the FBCCI as per rules.

The elected and nominated directors will choose the president, first vice-president and vice-president to form the 52-member executive committee of the FBCCI today.

As per rules, the president and vice-president would be picked from the chamber group, and the first vice-president from the association group.



AH Mahmood Ali, foreign minister, Gerben de Jong, ambassador of the Netherlands, and Md Hassan Khaleel, president of Dutch-Bangla Chamber of Commerce and Industry, pose after the chamber's delegation called upon Ali in Dhaka on Wednesday.



Shamim Ahmed Chaudhury, president of AB Bank, poses while handing over financial assistance to around 162 families of poor fishermen under a CSR initiative, in Dariarkul village of Tungipara, Gopalganj recently. M Mahfuzur Rahman, executive director of Bangladesh Bank, was also present.

## Chinese dominance worries Nigeria's textile traders

AFP, Kano, Nigeria

Nafiu Badaru, a junior civil servant in northern Nigeria's biggest city Kano, doesn't make much money and it takes some cash to look good so he tends to buy made-in-China fabric. "A piece of high-quality brocade (cloth) costs around 10,000 naira (\$50, 47 euros), which is way too expensive for me," he told AFP.

"With the same amount of money I can buy six pieces of cheap Chinese brocade which cost only 1,500 naira a piece and still keep some change."

The proliferation of Chinese-made textiles is a boon for consumers like Nafiu, with Kano and the wider north struggling with unemployment and economic constraints.

But traders in the city -- a centre of weaving and textile manufacturing dating back centuries -- say such cheaper imports have been disastrous.

Factories have shut and trade in home-spun fabrics has dwindled, prompting calls for foreign investment within Nigeria rather than cheap, mass importation, as well as better regulation.

Fatuhu Gambo's business is one of many in dire straits. For the past two weeks he has not sold a single fabric in his shop in the Kanti Kwari textile market -- the largest in West Africa. "The Chinese have effectively edged us out of business, leaving us with nothing but huge debts and heaps of goods in our shops," he said.

Talk in the market -- a colourful rabbit's warren of shops and stalls that draws traders from Nigeria, Niger, Chad, Cameroon to Mali and the Central African Republic -- is of unfair competition.

"The Chinese have taken over the importation and distribution of textiles in Kano and now they are into retail trading, which is putting our traders out of business," said traders' union head Liti Kulkul.

The troubles began a decade ago when Chinese textile merchants started the massive importation of textiles to Nigeria after Africa's most populous nation opened its doors to foreign trade.

The World Trade Organization deal gave the Chinese unfettered access to Nigeria's textile market, although Nigerian laws prohibit foreigners from retail trading.

## Only 13pc subscribers use 3G services

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"GP has seen a sharp rise in the number of 3G subscribers, as we have increased our 3G coverage substantially. Additionally, we merged our 2G and 3G internet packages, and 2G subscribers within our 3G coverage areas are now counted as 3G subscribers," said Syed Talat Kamal, spokesperson for the operator.

Robi, the third largest operator in terms of active connections, has the second highest number of 3G connections with 29 lakh users out of its 2.63 crore active SIMs at present.

Banglalink comes next with 22 lakh 3G subscribers out of a total of 3.19 crore active SIMs.

State-owned Teletalk has 14 lakh 3G users out of 40 lakh connections, while Airtel has nine lakh 3G users out of 81.85 lakh active connections.

Combined efforts of the operators and the government are necessary to increase use of the 3G technology, Ferdous said.

"Apart from publicity and affordability, good content and utility are also imperative."

## Subsidy to be trimmed in next budget

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The official said the finance ministry will bring a big change to the export subsidy structure in terms of the beneficiaries.

The ministry has already started a review and once completed, some new sectors may be included in the package and some old sectors taken off.

Agriculture subsidy has been given Tk 9,000 crore in each of the last few years and it will remain the same in the next budget too.

Food subsidy in the current fiscal year was Tk 1,806 crore, but since the rice price remained stable the amount was downsized to Tk 1,620 crore in the revised budget.

In the next fiscal year, food subsidy may stand at Tk 1,800 crore, the official added.

## Technical breakdown halts DSE

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Meanwhile, stocks finished almost flat. DSEX, the benchmark general index of the DSE, rose only 1.34 points or 0.02 percent to finish the day at 4,484.62 points.

As trading time was slashed by 2 hours and 20 minutes for the technical issues, turnover plunged 56 percent to Tk 343.18 crore on transactions of 8.58 crore shares and mutual fund units.

"Reduced trade hours impacted the overall market participation and turnover," IDLC Investments said in its regular market analysis.

Losers beat gainers 136 to 133, with 31 securities remaining unchanged on the premier bourse.

Khulna Power Company dominated the turnover chart with 35.08 lakh shares worth Tk 25.24 crore changing hands, followed by Saif Powertech, Summit Alliance Port, Bangladesh Submarine Cable Company and United Power Generation and Distribution Company.

Power Grid Company of Bangladesh was the day's best performer, advancing 9.84 percent, while Family Tex was the worst loser, slumping 15.16 percent.

## Sixth Social Business Day on Thursday

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Leading participants include Andrea Jung, president and chief executive of Grameen America; Sharifah Hapsah Shahabudin, senior consultant of Prime Minister's Department of Malaysia; Hans Reitz, founder and managing director of Grameen Creative Lab; Alex Counts, founder of Grameen Foundation; and Peter Hunt, chairman of Grameen

Australia.

Prof Yunus will deliver the keynote speech.

A Social Business Marketplace will showcase the products and programmes of social business during the event.

There will also be a special panel on social business in Greater China. This year about 90 participants from China, Taiwan and Hong Kong are attending the event.

## Smartphone sales grow on low-cost handsets

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Its leaner smartphone portfolio in the Primo series is doing well in the entry to mid-level smartphone segment.

Microsoft's entry level Lumia portfolio, especially Lumia 535 and Lumia 532, helped the vendor to clinch the fourth spot in smartphone segment; its market share during the quarter was 5.4 percent.

India's top brand Lava has made significant progress since its foray into the country in 2013. It is now one of the top five brands, capturing a market share of 4.9 percent during the quarter.

Lava Iris X1 was their best-selling model, followed by Lava Iris X1 mini, said the research firm.

Domestic brands like Winmax and Winstar, which continue to among the top five feature phone brands, are yet to make a mark on the smartphone segment given their reach.

Bangladesh is one of the fastest growing mobile markets in the world. Mobile phone subscription reached around 123.69 million at the end of March, according to Bangladesh Telecommunication Regulatory Commission.

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Shaikh Abdul Aziz, managing director of Uttara Bank, attends a conference for the second-managers of the bank's operations in Narayanganj. Md Fazlur Rahman, deputy managing director, and Md Mahbubur Rahman, zonal head for Narayanganj, were also present.

ELECTED DIRECTORS FROM UNNAYAN PARISHAD (CHAMBER GROUP)		
WINNERS	REPRESENTING CHAMBER	VOTES
Md Aminul Hoque Shamim	Mymensingh Chamber of Commerce and Industry	335
Dilip Kumar Agarwala	Chuadanga Chamber of Commerce and Industry	318
Gazi Golam Ashria	Kishoreganj Chamber of Commerce and Industry	312
Sheikh Fazle Fahim	Gopalganj Chamber of Commerce and Industry	296
Md Nizam Uddin	Barisal Metropolitan Chamber of Commerce and Industry	295
Prabir Kumar Saha	Narsingdi Chamber of Commerce and Industry	285
Nurul Huda Mukut	Sunamganj Chamber of Commerce and Industry	264
Hasina Newaaz	Bangladesh Women Chamber of Commerce and Industry	255
Nagibul Islam Dipu	Meherpur Chamber of Commerce and Industry	249
Bazlur Rahman	Narayanganj Chamber of Commerce and Industry	240
Mohammad Anwar Sadat Sarker	Gazipur Chamber of Commerce and Industry	239
Md Rezaul Karim Rezu	Jamalpur Chamber of Commerce and Industry	213

ELECTED DIRECTORS FROM UNNAYAN PARISHAD (ASSOCIATION GROUP)		
WINNERS	REPRESENTING ORGANISATION	VOTES
Md Helal Uddin	Maize Association of Bangladesh	1093
Nizamuddin Rajesh	Bangladesh Secondary Quality Tintplate Importers and Merchants Association	1078
Md Harun-ur-Rashid	Bangladesh Grey and Finished Fabrics Mills Exporters Association	1045
Shameem Ahsan	Bangladesh Association of Software and Information Services	1038
Abu Motaleb	Bangladesh Plastic Packaging, Roll Manufacturers Owners Association	1018
Md Habib Ullah Dawn	Bangladesh Reconditioned Vehicles Importers and Dealers Association	1012
KM Akhtaruzzaman	Bangladesh Furniture Exporters Association	976
M Shueb Chowdhury	National Association of Small and Cottage Industries of Bangladesh	970
Md Muntakim Ashraf	Bangladesh Cold Storage Association	967
SM Jahangir Hossain	Bangladesh Fruits Vegetables and Allied Products Exporters' Association	966
Md Abu Naser	Outsourcing and Logistic Service Provider Association of Bangladesh	951
Md Amin Helaly	Bangladesh Pathya Pustak Mudrak-O-Biponon Samity	904
Md Shafiqul Islam Vorosha	Bangladesh Paper Importers' Association	

ELECTED DIRECTORS FROM SHADHINOTA BABOSAYEE PARISHAD (CHAMBER GROUP)		
WINNERS	REPRESENTING CHAMBER	VOTES
Monowara Hakim Ali	Chittagong Women Chamber of Commerce and Industry	293
Masud Parvez Khan	Comilla Chamber of Commerce and Industry	246
Tobarakul Tosaddek Hossain Khan Tito	Manikganj Chamber of Commerce and Industry	236
*Md Kohinoor Islam	Munshiganj Chamber of Commerce and Industry;	205
*Md Masud	Sherpur Chamber of Commerce and Industry	

\*As they tied, the FBCCI would count their votes again to decide a final winner.

ELECTED DIRECTORS FROM BABOSAYEE OIKYA PARISHAD (ASSOCIATION GROUP)		
WINNERS	REPRESENTING CHAMBER	VOTES
Md Abul Ayes Khan	Bangladesh Auto Spare Parts Merchants and Manufacturers Association	936
Khandaker Ruhul Amin	Four Stroke CNG Auto Rickshaw and Three Wheeler Motorbike Owners' Association of Bangladesh	906
Md Shafquat Haider	Bangladesh Association of Call Centre and Outsourcing	890