

Quality pays off in the long run: ACI chairman

SOHEL PARVEZ

IN today's world, consumers are very conscious. Many consider the quality of products and compliance of sellers while making buying decisions apart from taking prices into consideration. Many companies are aware of that and ACI Ltd is one of them.

In fact, when it started journey 25 years ago, the moto of the company was "quality first", which paid off in the long run.

Beginning with only Tk 60 crore in 1992, ACI closed the financial year of 2016-17 with a turnover of Tk 4,766 crore and a net profit of Tk 106 crore. "When I got ACI, it was like a wonderful toy in my hand," said M Anis Ud Dowla, chairman of ACI Group of Companies, on the occasion of the company's 25 years of operations.

"But the right thing I did is having a guardian, not doing whatever I wanted to do after getting freedom. I controlled myself and I made quality my guardian," he told The Daily Star in an interview recently.

ACI began its operations in 1992 after local management of Imperial Chemical Industries (ICI) acquired 70 percent of ICI's shares. Dowla was group managing director of ICI in Bangladesh at the time of the divestment.

Since then, ACI, under the man-

agement of Dowla, has expanded to areas spanning from pharmaceuticals, consumer goods, agri-business and farm machinery and organised retailing.

Today, ACI operates through 14 subsidiaries and three joint ventures, with 8,364 people working for the conglomerate.

ACI enjoys leadership in aerosol, antiseptic liquid, mosquito coils and salt categories, according to the company data.

It operates the country's largest retail chain Shwapno in Dhaka, Chittagong, and Sylhet.

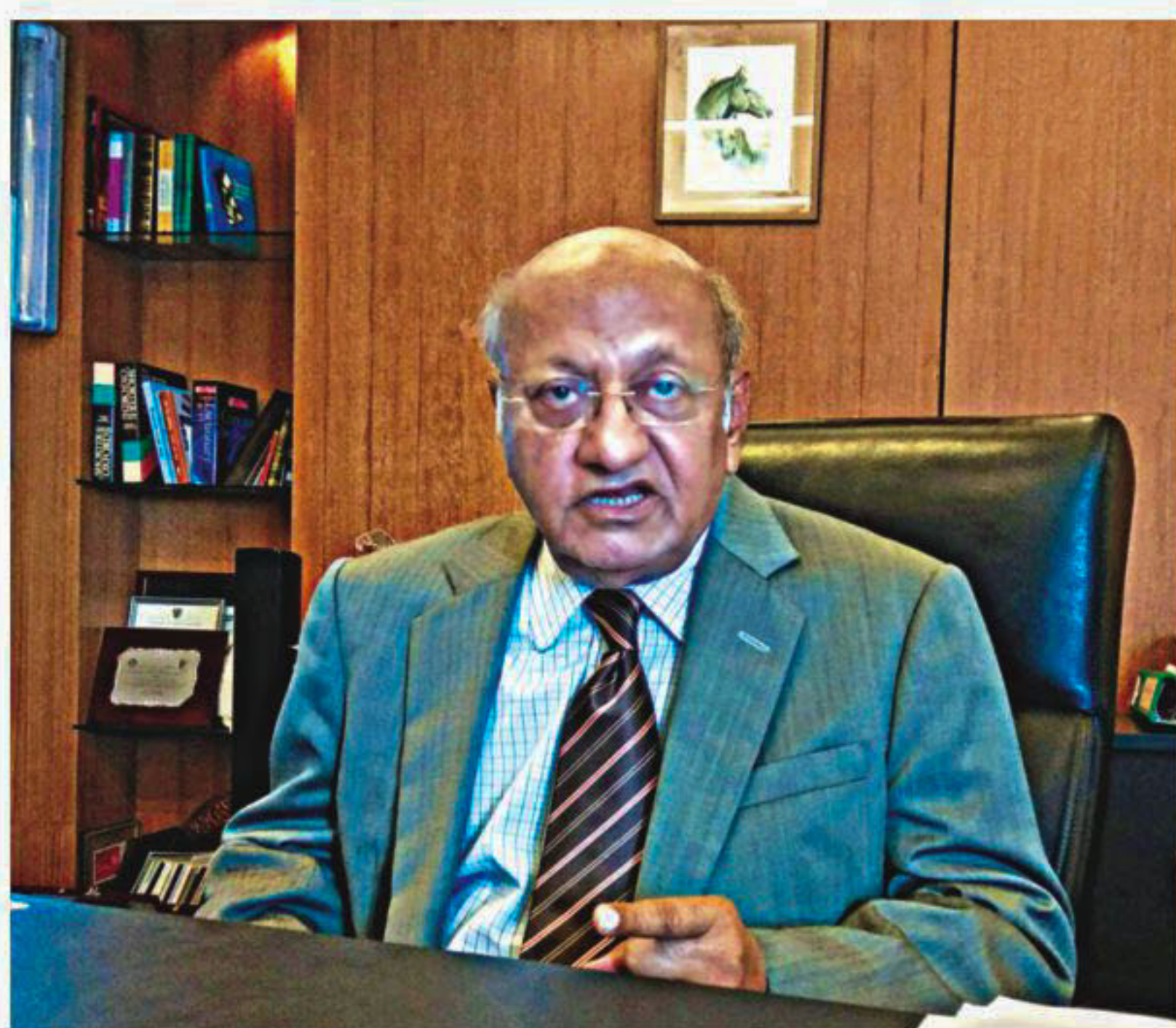
Dowla said ACI started with a mission to improve the quality of lives of people and adopted values.

It started with pharmaceuticals. In 1994, it ventured into crop protection chemicals and household insecticides.

ACI entered into the baby diaper business in 2017. Apart from marketing salt and flour, ACI added spices, traditional snacks and edible oil over time.

In 2016, it entered into the marketing of rice by setting up a mill in Naogaon. In the same year, ACI signed up for marketing of motorcycles by Japanese manufacturer Yamaha.

ACI received the International Organisation for Standardisation (ISO) certification ISO 9001 Quality Management System in



M Anis Ud Dowla

1995. Five years later, it obtained ISO 14001 Environmental Management System accreditation, becoming the first Bangladeshi company to have them.

"I have made the ISO my guardian really. This is an obligation to maintaining standards once one gets certification from the ISO."

The focus on maintaining quality

and remaining complaint helped ACI win the trust of customers in the last 25 years.

"And it has been possible as the company's management focused on maintaining the principle of making quality products, by giving up the greed to make money quickly."

"Once you give up greed and go for your principle, you may not

make as much profit but you will have a solid base of customers," he said.

Dowla earned his bachelor's degree in physics from Dhaka University and a master's degree in public administration from the University of Karachi. He said the company's focus on fairness and transparency paid off.

"The biggest advantage is the customers trust us because of all these good names. So if I market a product it is immediately taken up."

He expected ACI would continue its growth trajectory.

"We are managing ourselves very well. We have an aggressive management, very forward-looking, adaptive to new technology. So, we have all the right elements in place. People preferred to be at ACI. We are a preferred employer."

"ACI is well-poised and has matured in the last 25 years. We should be able to leapfrog into the future with tremendous growth."

Dowla is bullish about the growth potential of the retail sector, which stands at Tk 150,000 crore annually.

"This is a huge opportunity. This is the potential for us from just one sector," he said.

A 10 percent stake in the market would generate Tk 15,000 crore in turnover -- a sum no company in Bangladesh has yet to hit.

He said like other companies,

ACI's success will also depend on economic factors and development of the country. Unfavourable economic factors may limit the growth of the company.

"But we have made sure that there is nothing to limit our growth," said Dowla.

The ACI chair said the country is a very good example of development.

The company plans to take part in the country's journey towards becoming a middle-income country and a developed nation.

"We want to be at the front of this development."

"This will require huge investment and a huge opportunity for people to improve their income, which means there will be more consumption and we will be there to serve," he said.

The noted entrepreneur urged the government to strengthen technical education system and establish a one-stop service to serve foreign investors.

He said ACI has grown organically in the last 25 years and the company's growth story makes them wonder, sometimes.

"We have grown reasonably big, but the opportunity in Bangladesh is tremendous."

When asked where he would like to see ACI after next 25 years, Dowla said, "Sky is the limit. We are on the right track because we have touched the right cords."

Japan government reiterates economy is gradually recovering

REUTERS, Tokyo

THE Japanese government left unchanged its assessment that the economy is gradually recovering, suggesting a recent growth streak is likely to continue as consumers spend more, exports rise and companies increase investment.

The government did change the wording of its assessment for consumer prices in March to say they are gradually rising. Last month, the government said consumer prices were flat.

But this does not amount to an upgrade, partly because the increase is slight and could be temporary, a Cabinet Office official said, highlighting the Bank of Japan's difficulty in getting inflation to accelerate.

"Japan's economy is gradually recovering," the Cabinet Office said in its monthly economic report for March on Friday. That was unchanged from the previous month.

In January, consumer prices excluding both fresh food and energy, known as core-core

prices, rose an annual 0.4 percent. This is an improvement from June 2017, when core-core prices were flat, but is still well below the BOJ's 2 percent target.

The government left unchanged its assessment that consumer spending is "recovering" as spending on mobile phones and home electronics remains firm. The government said capital expenditure is gradually expanding, unchanged from the previous month, as semiconductor makers increase investment to meet demand and other manufacturers invest in industrial robots, the report showed.

Japan's economic growth in the fourth quarter was revised up due to rising capital expenditure and inventories.

The economy has grown for eight straight quarters, the longest continuous expansion since a 12-quarter stretch between April-June 1986 and January-March 1989 around the height of Japan's notorious economic bubble.

Despite this steady growth, the Bank of Japan is making very slow progress in meeting a

2 percent inflation target.

A risk to the outlook, which was not mentioned in the report, is the revelation of a cover-up of suspected cronyism that is eroding support for Prime Minister Shinzo Abe.

Some opposition lawmakers are calling on Abe and Finance Minister Taro Aso to resign after Aso admitted that finance ministry employees forged documents related to the sale of government land.

Critics say a person with ties to the prime minister's wife used this relationship to buy the land at a discount. Abe has repeatedly denied that he or his wife were involved.

Abe took office in late 2012 with a bold plan to shake off 15 years of deflation and sub-par growth. In the past few years, his labour reforms, corporate tax breaks and changes to other regulations have started to bear fruit.

Abe so far has retained enough support to remain prime minister, but if this changes then investors could start to question whether the policies Abe put in place would continue.

Istanbul taxi drivers go to court to seek shutdown of Uber

REUTERS, Istanbul

ISTANBUL'S taxi drivers have taken Uber to court, accusing the U.S.-based ride-hailing app of endangering their livelihoods in a case that could crimp its business in Europe's largest city.

It is the latest instance of court action, restrictions, bans and protests around the world over Uber's high-tech, low-cost challenge to traditional taxi services. Uber was forced to shut down in Denmark and Hungary and has suspended operations in Morocco while it gets in line with local laws.

Hundreds of Istanbul taxi drivers rallied in front of a city courthouse holding the first hearing on the case on Monday, holding up signs reading "We do not want the global thief Uber".

In their court action, the cabbies accuse Uber of running an unlicensed taxi service in Turkey and want the app banned. The next hearing was scheduled for June.

Tensions have risen in Istanbul, home

to over 15 million people, since Uber entered the Turkish market in 2014. Some Uber drivers say they have been threatened and beaten by yellow cab drivers, an accusations the taxi industry denies.

Public sentiment on social media appears to be overwhelmingly in favour of Uber, with "#idon'tusetaxis" and "#don'ttouchuber" becoming trending topics in Turkish.

Some users of Uber have said they are fed up with what they call the rough manners and reckless driving of conventional cabbies, the circuitous, fare-inflating routes they take and the stench of cigarettes inside their vehicles.

"Until today, taxi drivers chose passengers," one user, Sinem, tweeted, referring to taxi drivers who won't accept short trips, even for pregnant women. "Now we want to choose our means of transportation. #donttouchuber."

Another user, Orhan, said that Uber drivers were more courteous and did not overcharge passengers.

Goldman Sachs reports gender pay gap of 55.5pc

REUTERS, London

GOLDMAN Sachs on Friday reported a mean gender pay gap in Britain for its international business of 55.5 percent and a mean bonus gap for the unit of 72.2 percent.

That gulf in pay comes close to the 59 percent gap revealed on Thursday by HSBC - the biggest yet reported by a British financial firm according to government data.

Thousands of large UK employers have been ordered to disclose their gender pay gaps by April, almost 50 years on from the passage of Britain's equal pay act.

Goldman Sachs said its gap reflected the fact that there were more men than women in senior positions at the firm.

It also reported a mean gender pay gap of 16.1 percent and a mean bonus gap of 32.5 percent in Goldman Sachs (UK) SVC Limited, which it said employs around 1,600 individuals from non-revenue divisions.

The bank employs 6,000 people in London. The remainder of its UK employees work in its international business.

Other large banks have also been disclosing their gender pay gaps ahead of the April deadline set last year by Prime Minister Theresa May.

The continued gulf in earnings between men and women has attracted significant public attention over the past year or so.

The gender pay gap measures the difference between the average salary of men and women, calculated on an hourly basis.

In Goldman Sachs' international business, 83 percent of the group earning the highest hourly pay were men, the bank said, while 62.4 percent of those on the lowest hourly pay were women.

This compared with 77.4 percent men in the highest paid group in Goldman Sachs (UK) SVC Limited, and 48.9 percent women in the lowest paid group.

The Wall Street bank said it is committed to promoting diversity and inclusion at all levels of the firm. On Thursday, it said it wanted women to make up half of its global workforce, starting with a target of 50 percent of its new analysts being women by 2021.

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- Confucius