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With just over a week to go before Eid-ul-Fitr, people are frenziedly shopping clothes for their loved ones. Salespersons at this shop in the capital's Bashundhara Shopping Mall say the crowds swell right after iftar. The photo was taken yesterday.

PHOTO: AMRAN HOSSAIN

Eid sales poised to surpass pre-pandemic levels

MAHMUDUL HASAN

Broad smiles have finally returned to the faces of millions of Bangladesh's retailers as shoppers have flocked to markets to complete their Eid shopping since the beginning of Ramadan.

Shop owners have fought an uphill battle to stay afloat since the pandemic hit the country two years ago as the outbreak of the lethal pathogen ate up their sales in all four Eid festivals that were celebrated during the period.

But sales have rebounded in style since the fasting month began and it will continue before Eid-ul-Fitr, which accounts for more than a third of lifestyle retail sales in Bangladesh. This has extended a much-needed respite to the businesses, which suffered huge losses throughout the pandemic.

Mahdi Hossain, who works at a bank, accompanied his wife and sons to Bashundhara City Shopping Mall, the country's premier shopping centre, on

Wednesday as the family was out to carry out Eid shopping.

"This is the first time I have been out shopping at a mall without feeling any fear in the last two years. I am really feeling happy."

Zeena Rehenuma, a homemaker who lives in the capital's New Eskaton area, has already completed Eid shopping for her son, husband and in-laws.

Rifat Jahan, a residence of Mirpur, began Eid shopping last Friday, buying clothes for her, son and relatives from an outlet of a lifestyle brand, which was full of shoppers.

She plans to go shopping today as well.

In Dhaka and the rest of the country, retailers, from clothing shops to lifestyle brands to electric appliance sellers, all have reported strong sales.

This correspondent went to the Aarong's outlet in Mirpur 1 three times in the first half of Ramadan and was only able to enter the outlet once because of the crowd.

"An unprecedented number of people are participating in the shopping and people from all income groups are buying products," said Mohammad Ashraf Alam, chief executive officer of the lifestyle brand.

According to him, the

people have long been waiting to do shopping in a relaxed manner."

The sales recovery came as coronavirus caseloads have dropped sharply. No death linked to the virus was reported yesterday.



sales of Aarong, which has 25 outlets, will surpass the pre-pandemic Eid-ul-Fitr sales of 2019 by more than 40 per cent.

The turnover in Aarong's newly launched half a dozen outlets has also been phenomenal.

"We have opened several shops outside Dhaka and the response has been huge. I think

SM Khaled, managing director of retail clothing brand SaRa Lifestyle, said the demand from all segments of customers is high.

SaRa was launched with only one shop in 2018 and it has now nine outlets.

Sales in all of the shops have been tremendous, according to Khaled.

"Sales have risen almost five times compared to the pre-pandemic Eid-ul-Fitr."

According to Md Raihan Kabir, head of marketing at Yellow, a lifestyle brand owned by Beximco, the shopping trend this season is different.

"People started hitting our outlets before Ramadan, and most of the customers are, in fact, buying."

"Customers are coming in groups, with friends and family members. The shopping has turned into a festival."

Although the physical presence of customers is strong, Aarong, SaRa and Yellow all have seen a good response from their online customers as well.

"Online shopping surged during the pandemic as people were confined indoors. So, we had thought it would see a decline this year. But surprisingly online sales have surpassed our expectations," said Kabir.

Arfanul Hoque, head of retail business at Bata Shoe Company Bangladesh, said they are

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Wilful defaulters barred from loan waiver

STAR BUSINESS REPORT

Bangladesh Bank yesterday barred wilful defaulters from getting interest waivers on loans from banks, a first of its kind directive that comes amid a rising trend of defaulted loans.

Non-performing loans (NPLs), or soured loans, went up 16.38 per cent year-on-year to Tk 103,274 crore in 2021.

The central bank said unscrupulous persons who took loans through forgery would not be allowed to get the support from lenders.

It also specified in detail as to which methods would be followed by banks to waive interest.

Before the circular, banks could waive all types of interest of borrowers but the latest circular has imposed an embargo on such activities as Bangladesh Bank has set a number of rules in this regard.

As such, banks are not permitted to waive the principal amount of the loans under any circumstance.

The funds that have already been transferred to the income segment of banks cannot be waived either.

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BSEC urges state banks to raise stock stakes

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has requested Sonali, Rupali, Janata and Agrani banks to raise their stakes in the stock market.

The BSEC sent letters to the managing directors of the four state-run banks on Tuesday requesting to take necessary steps to make fresh investment through their respective portfolios.

It also requested to provide information regarding investments from the banks' own portfolios as of April 18, 2022 as early as possible.

"It is expected that the institutional investors be dominating trading activities instead of retail ones to improve the stability of the country's capital market," it said.

However, the investor base in Bangladesh's capital market is mostly dominated by retail investors, whose account for around 80 per cent of the total investors, said the BSEC.

The BSEC also requested stock dealers to raise investments in the stock market.

Stock dealers are big investors who avail licences from the BSEC to deal stocks for

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Strictly monitor agent banking activities

BB asks banks

STAR BUSINESS REPORT

Bangladesh Bank yesterday asked banks in the country to closely monitor their agent banking programmes by appointing dedicated officials in order to ensure transparency of operations.

Quarterly or monthly physical visits by bank staff or other authorised personnel will have to be carried out to ensure that agents strictly conduct their financial operations within the purview of related guidelines and contracts, according to a central bank notice.

Banks will have to submit a quarterly report to Bangladesh Bank providing information on any financial irregularities, fraud, forgeries, scams, and so on within seven working days after the end of each quarter.

No agent will relocate, transfer, replace or close their agent banking outlet without prior written consent of the respective bank, the notice said.

Subsequently, banks have to take prior approval from Bangladesh Bank for the relocation of any outlet as well as transfer or replacement of

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Scrap licence renewal system

FBCCI urges govt

STAR BUSINESS REPORT

The country's apex trade body yesterday demanded the removal of complexities businesses face while obtaining and renewing licences with a view to reducing the cost of doing business and making them competitive.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) also called for reducing the number of licences needed to run a business.

"Businesses have to spend extra money and time and go through a complex process to renew licences and certificates every year. Foreign investors become discouraged to invest in Bangladesh due to these complexities," said FBCCI President Md Jashim Uddin. He urged the government to withdraw the annual licence renewal policy.

"Government organisations may audit but the renewal policy

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Steel rods are seen stocked at a factory in Chattogram city. Business leaders yesterday demanded removal of complexities they face while obtaining and renewing licences with a view to cutting the cost of doing business.

PHOTO: RAJIB RAIHAN

STOCKS	
DSEX ▲	CASPI ▲
0.84%	0.73%
6,662.36	19,593.42

COMMODITIES	
Gold ▼	Oil ▲
\$1,945.12	\$104.12
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 1.53%	▲ 1.23%	▲ 0.39%	▼ 2.26%
57,911.68	27,553.06	3,348.46	3,079.81