

How to de-stress Eid shopping amid price hike

AHSAN HABIB

When a major festival like Eid knocks on the door, the memory of going to markets or shopping malls to buy new clothes and footwear items, eating sweets and receiving gift money from elderlies comes to mind.

But this year, many middle- and lower-income households in Bangladesh will find it difficult to carry out shopping for all of the family members and other relatives as they did in the past, owing to higher consumer prices.

However, households will still try to buy something within their means since Eid-ul-Fitr is one of the largest festivals in the Muslim-majority country and people look forward to celebrating it with near and dear ones.

Now the question is: how the budget will be managed for Eid shopping considering the recent price hike?

Personal finance experts recommend preparing the shopping list and keeping aside a budget for all of the items that would need to be purchased. They also ask the shoppers to stick to the plan and not to go past the budget to a large degree, if necessary.

"People should identify the major expenditures and allocate the amount for each of the items," said Shaikh Masrick Hasan, associate professor of the finance department at Jagannath University.

"A proper plan and its proper execution may be helpful at a time of higher inflation."



PHOTO: AI-GENERATED IMAGE

He said at least three significant additional expenses are incurred when it comes to Eid: buying clothes and footwear items, food arrangements and transportation costs.

"So, people should allocate funds for them and remain strict about it."

Rahat Mahmud, a private sector employee, says he will have to buy clothes for his three children and his wife.

But doing shopping would be quite tough for him., Still, he has decided to buy clothes for the children.

"If they don't get new clothes, they will be disappointed," said the 40-year-old.

In order to keep the purchases within the budget, Mahmud plans to procure non-branded clothing items since he can't afford branded ones at the moment.

He says the Eid shopping might prompt him even to take loans and he will feel the pressure next month.

"But the shopping will make my family happy."

Since the festival is a once-a-year-event, people can take up personal loans from financial institutions to manage expenditures if their budget comes under strain, according to a personal finance analyst.

"Ahead of the festival, the demand for personal loans usually goes up," said Arup Haider, head of retail banking at The City Bank.

The salaried employees usually think that it will be convenient for them to repay loans in the form of equated monthly instalments over a five-year period, the banker said.

Almost all banks offer personal loans.

The salaried people and professionals like doctors and engineers are preferred for personal loans as their income is predictable and the risk of repayment is low, he said.

"But people from all segments can borrow from banks to enjoy Eid and repay the loans in instalments."

A top official of a bank says some banks are not giving personal loans to people whose monthly salary is below Tk 40,000. "But this segment actually needs the personal loan."

Looking for bargains is okay but people should not fall into the trap of discounts with a view to buying something at lower prices, said one personal finance analyst.

"Low-quality products might spoil the joy that the festival is set to bring."

India, Russia in talks on free trade deal

REUTERS, New Delhi

India and Russia are discussing a free trade agreement, ministers said on Monday, a move that would further deepen bilateral commercial ties that have flourished since war broke out in Ukraine.

India's Foreign Minister S. Jaishankar told an event in New Delhi his government was in "advance agreement" on a trade treaty that Russia's Trade and Industry Minister Denis Manturov said would bring a guarantee of bilateral investment.

India has not explicitly criticised Russia's invasion of Ukraine - which Moscow describes as a "special military operation" - and has called for a peaceful resolution of the conflict through dialogue.

Russia, a traditional defence equipment supplier, also displaced Iraq last month to become India's top supplier of crude oil. Overall Indian imports from Russia increased almost fourfold to \$46.33 billion in the year to March 31.

Moscow was looking to increase machinery imports from India to improve the trade balance, Manturov said.

"We need to find a niche in the products which India can replace," he told reporters on the sidelines of the event. "In civilian projects, we need as wide cooperation as it was before the sanctions."

Reuters reported in November that Russia was potentially seeking to import more than 500 products from India for key sectors including cars, aircraft and trains, as western sanctions undermine Moscow's ability to keep core industries operating.

India too aims to narrow its growing trade deficit with Russia, which has been India's largest supplier of military equipment for decades and is the fourth-biggest market for Indian pharmaceuticals.



“We are equally strong in our digital network coverage. We have a clear understanding of the fact that digital banking is the future.”

Shah A Sarwar
Managing director and CEO of IFIC Bank

IFIC BANK AT A GLANCE

- Started banking operations in **1983**
- Number of customers: over 11.90 lakh
- Number of outlets: **1,254**
- Achieved Tk **10,000**cr in deposits in 2013
- Crossed Tk **20,000**cr in foreign trade business in 2015
- Became market leader in home loan under retail banking segment in 2017

DEPOSITS, LOANS AND ADVANCES OF IFIC BANK

In crore taka; *Until Feb; SOURCE: IFIC BANK

Year	Deposits	Loans and advances
2017	20,021	17,926
2018	22,636	20,693
2019	25,837	22,859
2020	29,637	26,065
2021	33,314	30,506
2023*	38,612	35,994

Deposits Loans and advances

IFIC Bank aims to serve one out of every four families

SOHEL PARVEZ

IFIC Bank Ltd, one of the oldest banks in Bangladesh, is expanding its physical presence fast across the country in its bid to bring one in every four families under its network, said its top executive.

The private commercial lender has set the new goal after it crossed the milestone of having the largest branch and sub-branch network earlier this year. Currently, the number of outlets of IFIC Bank stands at 1,254, including 1,081 sub-branches.

It started to set up sub-branches in 2019 and now plans to raise the total number of brick-and-mortar stores to 1,500 by next year.

"In three to five years, we want to have one out of every four families banking with IFIC. In a city, if you travel two miles, you will find us. In rural areas, if you go five miles, you will find us as well," said Shah A Sarwar, managing director and chief executive officer of IFIC Bank, in an interview with The Daily Star recently.

There are 61 banks in Bangladesh and they have collectively set up 11,153 branches in a country of nearly 17 crore population.

The ratio is low in view of the size of the population and IFIC wants to reach the doorsteps of people in remote locations with its outlets supported by digital infrastructure.

Once it sets up the vast

network, the bank will account for around 14 per cent of the network of branches and sub-branches.

"We are equally strong in our digital network coverage. We have a clear understanding of the fact that digital banking is the future," Sarwar said.



SHAH A SARWAR
MD and CEO of IFIC Bank

"Simultaneously, we don't want to neglect the fact that there is demand for physical communication and person-to-person communication with customers."

Sarwar, who has had a long banking career, recalled there was a time when banks had branches with a higher number of employees.

"Now with technological support, a bank can have an operation with a small number of employees and can still stay viable."

"We have actually leapfrogged. We have adopted modern technologies so that we can maintain the bricks-and-mortar presence with the support of technologies."

IFIC Bank has recently opened

a sub-branch at Rowmari of Kurigram, a border district in the north.

"Will it not be advantageous if I have a representative there than not having one?" the noted banker asked.

IFIC Bank has developed a service delivery model that Sarwar describes as "uniquely cost-effective" and that effectively manages operational and credit risks.

"That's how we have developed a very viable banking platform where we can combine the people and the technology," he said, adding that IFIC Bank manages one sub-branch with only two persons.

"At the sub-branch, we provide every service except the multi-currency service to our clients."

Sarwar said IFIC Bank has taken the preparation for 10 years to roll out the plan, prepared its people and done away with the traditional concept of management related to cash, non-cash, general banking, credit and non-credit.

It has recruited fresh university graduates and trained them so that they can provide all services to clients.

"The officials are backed by technologies and processes so that there is a unique combination of head office management, technological management and field-level management. We want to offer the best possible services to the people."

READ MORE ON B2

Genex Infosys to provide service to Irish firm

STAR BUSINESS REPORT

Genex Infosys Limited said its board has approved an agreement with Whaleco Technology Limited, an Ireland-based technology company.

Under the deal, Genex Infosys will work as a strategic partner, providing content moderation and data annotation services.

The service demands a competent workforce with strong analytical and cognitive skills to filter and label the influx of incoming data, which will help improve the technology company's AI algorithm through machine learning, said Genex Infosys in a filing on the Dhaka Stock Exchange.

By providing the service, Genex Infosys is expected to generate \$7.07 lakh in revenue and \$70,000 in incentives per year. Established in Dhaka in 2012, Genex Infosys became one of the largest business process management and IT services companies in the country within a short time.

In 2019, Genex became the first publicly listed company in the country's IT-enabled services sector. It has more than 4,000 employees and manages over 170 million customer interactions a year, according to its website.

Shares of the company rose 0.84 per cent to Tk 96.50 on the DSE yesterday.

Meghna Ins profit jumps 40%

STAR BUSINESS REPORT

Meghna Insurance Company Limited registered a 40 per cent year-on-year higher profit of Tk 5.28 crore in the financial year that ended on December 31.

The company made Tk 3.76 crore profit in 2021, according to a disclosure on the website of the Dhaka Stock Exchange. Thus, it posted earnings per share of Tk 1.32 for 2022 against Tk 0.94 in the previous year.

Meghna Insurance said its EPS increased thanks to the injection of the initial public offering amount, the increase in premium incomes and non-operating incomes, and the decrease in financial costs.

The net asset value per share decreased to Tk 17.21 from Tk 17.88 while the net operating cash flow per share plummeted to Tk 1.33 negative from Tk 6.13 a year back. The company's board of directors recommended a 10 per cent cash dividend for the last financial year.

Shares of Meghna Insurance were unchanged at Tk 29.90 on the DSE yesterday.

Ambee Pharma's profit surges 75%

STAR BUSINESS REPORT

Ambee Pharmaceuticals Ltd's profit jumped 75 per cent year-on-year to Tk 16.80 lakh in the January-March quarter of the ongoing financial year.

The profit stood at Tk 9.60 lakh in the identical three-month period of 2021-22.

Thus, the earnings per share were Tk 0.70 in January-March of 2022-23 against Tk 0.40 in the same quarter a year earlier, according to the unaudited financial statements.

The third quarter's stellar performance raised the pharmaceuticals manufacturer's profit to Tk 32.16 lakh in July-March, up 81 per cent from Tk 17.76 lakh seen in the same period a year earlier.

Thus, the EPS was Tk 1.34 in the first nine months of the financial year compared to Tk 0.74 in the same period in FY22. Shares of Ambee Pharmaceuticals rose 1.56 per cent to Tk 515.40 on the Dhaka Stock Exchange yesterday.



Traditional Qatari wooden Dhow boats are anchored in front of Doha's skyscrapers. Qatar expects more than five million people to visit the Gulf state in 2023 despite a post-World Cup lull, its tourism chief said on Sunday.

PHOTO: AFP/FILE

Asia Pacific General Ins made Tk 10cr profit in 2022

STAR BUSINESS REPORT

Asia Pacific General Insurance Co Ltd made a Tk 10.04 crore profit in the financial year that ended on December 31.

This was an increase of 1.72 per cent from the Tk 9.87 crore profit the insurer reported in 2021.

The company, thus, reported earnings per share of Tk 2.37 for the last financial year against Tk 2.33 in 2021.

The net asset value per share rose to Tk 22.53 from Tk 21.96 while the net operating cash flow per share slipped to Tk 2.54 from Tk 4.02 during the period.

The board of directors has recommended a 15 per cent cash dividend for 2022.

Asia Pacific General Insurance shares were up 1.38 per cent at Tk 44.20 on the Dhaka Stock Exchange yesterday.