

Warid Telecom to launch operations by this fiscal

STAR BUSINESS REPORT

Warid Telecom International LLC will launch its operations as the sixth cellphone operator of Bangladesh within the last quarter of the current financial year.

Muneer Farooqui, chief executive officer of Warid Telecom Bangladesh Operations, disclosed this at a contract signing ceremony yesterday at a hotel in Dhaka.

He also said the tariff charge of the company will be competitive compared to those of other operators and it will not charge tariff for calling customer centre.

Warid Telecom signed the managed service contract with Ericsson under which Ericsson will operate, manage and maintain the core network, backbone transmission and real-time charging.

Muneer Farooqui, chief executive officer of Warid Telecom Bangladesh Operations, and Jan Signell, president of Ericsson (South East Asia), signed the contract on behalf of their organisations.

The agreement is an extension to the contract signed earlier this year where Ericsson was chosen by Warid Telecom to supply and implement complete core and backbone transmission equipment for its nationwide GSM/GPRS network.

Under the four-year managed operations agreement, Ericsson will be fully responsible for the operations, management and maintenance of Warid Telecom's network. The responsibilities under the agreement included network surveillance, network assurance service, field and site maintenance, service provisioning and optimisation after launching of the operator's services.

Farhan J Khan, chief technical officer of Warid Telecom International LLC Bangladesh Operation, Arun Bansal, county manager of Ericsson Bangladesh, also spoke on the occasion.

SEC warns a firm, 3 DSE brokers for defying rules

STAR BUSINESS REPORT

Securities and Exchange Commission (SEC) has warned a company and a director of the company and three DSE stock brokers/dealers for violation of rules.

The capital market watchdog warned Mercantile Bank Limited for not recommending or declaring dividend in the board meeting where the financial statement was approved, an SEC press release said.

The SEC also warned Zamshed Rezwani, director of Mercantile Bank, for taking insider trading initiative and providing false declaration to the commission with regard to purchase of shares.

Besides, the SEC warned Noveli Securities Limited for not complying with the order of buying shares enforcing margin agreement.

The regulatory body also warned two other DSE stock dealers - Ark Securities Limited and SCL Securities Limited - for not depositing money to buy shares enforcing margin agreement.

INDUSTRIAL TAX

NBR brushes aside donors' advice against exemption

STAR BUSINESS REPORT

Country's board of revenue has opposed the donors' advice on withdrawal of the tax exemption provided for the industrial sector.

"The donor agencies think that it might increase our revenue income. But, we have our own economy and we will take our decisions by our own to cater to the needs," Mohammad Abdul Karim, chairman of the NBR, said at a view exchange meeting with the BGMEA officials in Dhaka yesterday.

Brushing aside the advice of IMF and WTO, he said, "If we can increase our export and domestic productions, we will not need any advice from others."

On the 24-point demand of the Bangladesh Garments Manufacturers and Exporters Association, Karim suggested immediate formation of a 'core committee' with representation from both the

NBR and BGMEA, which would look into the demands.

"When the committee will submit a report, the NBR will take necessary steps to implement the demands," he assured the BGMEA leaders.

Terminating the readymade garment (RMG) sector the prime forex earner, he said all predictions made before the MFA phase-out about the country's garment industry have been proved wrong.

Even the country has the ability to sustain in the stiff competition when the safeguard measures on China will be removed after 2008, he observed.

He, however, felt it urgent that the RMG manufacturers should be fully compliant and they ensure the quality of products.

The chairman of the National Board of Revenue also urged the garment industry owners to share their profit with the workers so that a

win-win situation remains in the sector.

Expressing his doubt on alleged harassment by the NBR officials, Karim advised the industry owners to submit complaints to the board.

Speaking at the function, BGMEA President SM Fazlul Huq said starting with \$12,000 export, the RMG industry now becomes a billions of dollars export sector. "And we have fixed a target of exporting apparel products worth \$15 billion within the next five years," he told the meet.

The demands submitted to the NBR chairman include extending the bonding validity from existing 15 months to 24 months, easing the process of short shipment case, issuing SRO for freight forwarders and shipping agents to take license and release of indemnity bond.

Among others, NBR Member (Custom) ATM Sarwar Hossain spoke at the function.



PHOTO: BGMEA
NBR Chairman Mohammad Abdul Karim is presented a bouquet by BGMEA President SM Fazlul Huq when a delegation of the association met him yesterday.

Govt plans more facilities for entertainment industry

Alamgir tells opening ceremony of Motel Atlantis

STAR BUSINESS REPORT

Government is planning to provide the amusement and entertainment industry with more facilities, including tax holiday and bank loans at lower rates, said State Minister for Civil Aviation and Tourism Mirza Fakhru Islam Alamgir said Wednesday at the inauguration of water theme motel in Savar.

Concord Entertainment Co. Ltd (CENCL), the largest amusement and entertainment company of the country, launched the motel.

The 'Motel Atlantis in Water Kingdom', claimed to be the first of its kind in Bangladesh, is located inside the Fantasy Kingdom in Ashulia, just a few minutes drive from the capital.

The minister said, "The industry has not been focused over the past several years, no allocation was made to the sector during the last three or four years, which actually hindered proper growth of the industry."

In a bid to bring diversity in the local amusement and tourism industry, the entertainment company started this 100-bed motel with luxurious settings, impeccable service, international cuisine and VIP treatments added with complete safety for the holiday-goers.

Tourists and holidaymakers now can stay overnight or even longer in the entertainment site to discover and explore the resort with spectacular landscape, historical wonders and adventurous rides.

The motel suits offer its customers all the luxurious facilities at a rate ranging from Tk 2,200 to Tk 3,500.

SM Kamaluddin, chairman of the company, urged the government to work alongside the private sector in developing infrastructure in the entertainment sector.

He also said tax holiday will encourage the entrepreneurs to invest more in the industry, which would eventually lead to a bullish growth of the sector within the shortest possible time.

Mahfuzul Haque, chairman of Bangladesh Parjatan Corporation, was also present at the function among others.

HC vacates stay on DSE direct listing rules

STAR BUSINESS REPORT

The High Court (HC) yesterday vacated the operation of the stay order on the Direct Listing Regulations 2006 at the Dhaka Stock Exchange (DSE), sources said.

The HC verdict came at a time when the state-owned Power Grid Company Ltd (PGCB) was waiting for the DSE approval of its share trading application.

"We will now be able to consider the applications of those companies that have expressed their intention of being listed with the bourses under the Direct Listing Regulations 2006," said Salahuddin Ahmed Khan, chief executive officer (CEO) of the DSE.

The HC, on June 18 this year, stayed the operation of the Direct Listing Regulations 2006 following a writ petition filed by one stock market investor Sheikh Mahamud Kabir that had challenged the regulations of the DSE.

The HC also served a three-week show cause notice upon chief of the related bodies at that verdict.

The HC Division Bench comprising Justice Syed Mohammad Dastagir Hussain and Justice Mamnoon Rahman issued the verdict after hearing the case on August 9, 15 and yesterday.

Diversification Stressed to expand export market

Immediate diversification of export products is a must to ensure a fair share in the global market in this era of globalisation, Md Hossain Ali, acting executive director of DCCI Business Institute (DBI), said at the inaugural ceremony of a DCCI training course on Sunday.

The training course on 'General Export Marketing Management', is being conducted by the DBI to further enhance the skills of local entrepreneurs and concerned resource personnel in the export oriented businesses, says a press release.

Seventy five per cent of the country's total export earnings is contributed by the RMG sector while 88 percent by only six products: garments, woven and knit wear, jute and jute goods, frozen food, leather and chemical products, Ali informed.

At present, European Union and the USA have introduced capping mechanism to restrict import of RMG from China till 2008. Our exporters have to be prepared to face the challenges after 2008, he opined.

Speaking on the occasion, DCCI Director Sayed Habibur Rahman laid emphasis on acquiring effective skills and techniques to enter the global market.

He said in order to meet global customers' demands in the potential export markets, companies must acquire the right information about international markets.

The course is being participated by a total of 20 participants from reputed business organisations.

Jawadur Rahman Choudhury, deputy secretary (Training), moderated the inaugural ceremony.

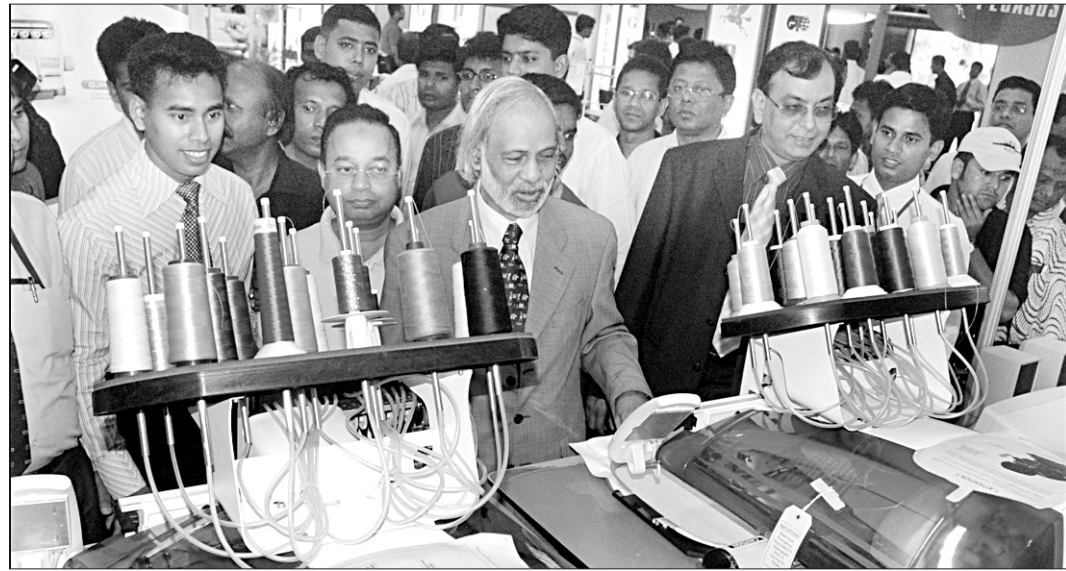


PHOTO: STAR
Science and ICT Minister Abdul Moyeen Khan visits a stall after inaugurating the exhibitions organised by the CEMS at Dhaka Sheraton Hotel yesterday.

Relocate RMG units in rural areas: Moyeen

CEMS shows open

STAR BUSINESS REPORT

The science and ICT minister has suggested that the garments industry owners should relocate their industrial units in rural areas in order to lower production cost.

"In the last few years the country has gone through massive physical communication development and now it is not at all a problem to relocate garment industries in rural areas," Abdul Moyeen Khan said yesterday at the inaugural ceremony of three separate exhibitions under the same roof at Dhaka Sheraton Hotel.

The three-day exhibitions include the '7th Texttech International Expo 2006', '3rd Machineexpo 2006', and '2nd Bangladesh Export Services and Logistics Fair 2006'.

Around 70 firms from 20 countries, including Bangladesh, are displaying their products and ser-

vices through 140 stalls in the exhibitions, organised by the Conference and Exhibition Management Services Ltd. (CEMS).

The Daily Star and Channel i are the media partners of the shows while Maersk Line and Maersk Logistics are sponsoring the events.

Fazlul Hoque, president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), Meherun N. Islam, managing director of CEMS, Per Heisselberg, managing director of Maersk Bangladesh Ltd, Amirul Islam Chowdhury Mizan, president of International Freight Forwarders Association of Bangladesh, also spoke on the occasion.

"Almost all the RMG workers in the cities are from rural areas and if they get a chance to stay with families their productivity will increase as they will get a mental satisfaction keeping in touch with families," said

the minister, adding that some social consequences have emerged from rapid expansion of the RMG sector.

He urged the garment industry owners to shoulder responsibilities to resolve the consequences.

While speaking on the occasion, the BKMEA president castigated the provision of paying extra charge by the importers in case of delay resulted from any port congestions and urged the political leaders to resolve the problems, which, he hoped, would help increase RMG exports significantly.

The speakers at the function also stressed the need for running the Chittagong Port smoothly for overall betterment of the RMG sector.

The fairs, ending tomorrow, will remain open to the businesspeople everyday from 10am to 8pm without any entry fee.

Reduce raw materials prices within 3 days

Weavers' ultimatum to govt

STAR BUSINESS REPORT

Bangladesh National Weavers' Association yesterday gave an ultimatum to the government to bring down within the next three days the prices of yarn, dye and chemicals used in the weaving industry.

The association leaders also threatened the government with tougher movement if their demands are not met within the time.

Forming syndicates, the spinners have increased the price of yarn almost double in the last two months, forcing the weavers to buy the primary components of weaving at higher rate and resulting in rise in the total production cost, the association said.

At a press conference at the National Press Club in Dhaka, the association leaders said around two lakh of the total 5.5 lakh handlooms have already been closed and many more are on the verge of closure due to the price hike in yarn and dyes.

Thousands of workers will be

unemployed, the leaders feared, adding that more than 15 lakh people are directly involved in the weaving industry.

President of the association Mohammad Asadullah said the spinners do not need to pay taxes for importing cotton, but the weavers have to pay more than 40 percent taxes for buying yarn.

"The government must formulate a policy to rein in the syndication of the spinners so that the weavers can buy the raw materials at fare prices," he said.

He also recommended for the formation of an export promotion council for handloom industry and demanded loans to the weavers in easy interests and withdrawal of duty and VAT from the raw materials used in weaving industry.

Vice President of the association Humayun Islam Khan, Director Barekur Rahman, Joint Secretary Mohammad Shamsuzzaman, among others, were present at the press conference.