

Star BUSINESS

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WorldTel signs connectivity accord with BTTB

First private land phone company in Dhaka metropolis WorldTel Bangladesh Limited has recently signed an interconnectivity agreement with Bangladesh Telegraph and Telephone Board (BTTB) to provide its customers with smooth access to the country's largest land phone operator...

The signing is as part of WorldTel's preparation to launch land phone operations in Dhaka metropolis shortly.

WorldTel, which has a license to build, own and operate PSTN telephone network in Dhaka, will initially start with 1,00,000 connections. In the second phase, the company will provide another two lakh connections.

"It was an important step for WorldTel Bangladesh and this would ensure the proper connectivity with BTTB, the largest landline operator in Bangladesh," Nayeem Mehtab Chowdhury, CEO of WorldTel Bangladesh Limited, said at the signing ceremony.

Aliwardy Khandker, chairman of BTTB, and Nayeem Mehtab Chowdhury, CEO of WorldTel Bangladesh Limited, signed the agreement on behalf of their organisations at a function at BTTB head office in Dhaka.

WorldTel will use Wireless Local Loop (WLL) technology in its fixed line operations. It had signed hardware procurement deal with Chinese company ZTE. The WLL technology will do away with cable connection to subscribers' location.

Syed Mabru Umar, Hamidun Nabi Dipu, Mannan Khan and Syed Ahmed Amin of Worldtel and Ashraf Alim, member M&O of BTTB, and Dr. Md. Abu Sayed Khan, GM Finance of BTTB, were also present.

The private sector fixed phone operations will provide world class services to its subscribers. The company says the tariff will be competitive in comparison with other operators.

WorldTel got licence in 2001 to install fixed phones in Dhaka metropolitan area.

EU lawmakers approve services reform

AFP, Brussels

EU lawmakers backed plans on Wednesday making it easier for services providers to do business in other EU countries, closing a chapter on one of the most hotly disputed reforms in years.

The vote lifts the last major obstacle to a reform, which has for three years fuelled an often fiery debate about how much cross-border competition Europe should have in its vast service sector.

"The European Parliament has put an end to three-year debate on a directive that ... inflamed a lot of emotions in the EU," the assembly's president Josep Borrell said.

He voiced satisfaction that a result had been found that allowed a "balance between opening up services and respecting social norms".

Following Wednesday's vote, the plans still have to be formally approved by member states, which is expected before the end of the year. Members will then have three years to adopt the new rules into their national legislation.

Although the services sector generates at least half the EU's economic activity and 60 percent of its jobs, it is still organised largely along national lines, unlike the market for goods, which is subject to fierce cross-border competition in Europe.

The European Commission has long argued that reform was necessary to boost competition, which would in turn fuel faster economic growth and more jobs.

"It is undeniable that the services directive is an essential element in our efforts to boost the European economy and unleash the potential of the internal market for services," Internal Market Commissioner Charlie McCreevy told members of the European Parliament in a debate ahead of the vote.

RUPALI BANK SELL-OFF

Negotiation to finalise documents deferred, fresh date soon

SARWAR A CHOWDHURY

Negotiation for finalising the sale and purchase agreement to hand over the state-owned Rupali Bank to its Saudi buyer has been deferred for an indefinite period due to the present law and order situation arisen out of the ongoing political turmoil in the country, said sources in the Privatisation Commission yesterday.

Commission Chairman Enam Ahmed Chaudhury said, "As the representatives of Prince Bandar Bin Mohammad Bin Abdul Rahman Al Saudi now feel insecure to come to the commission for negotiation, we had to defer the talks for making all documents ready for inking the deal in consultation with the finance ministry."

According to the finance ministry sources, the adviser in charge of the ministry is too busy with political issues to focus on the issues like Rupali Bank sell-off.

Chaudhury said Mortada Yassin Mostafa Batti, legal adviser to the Saudi prince, has already left Dhaka while a financial adviser to

the prince is yet to pay his scheduled visit to Dhaka.

"On easing the law and order, the finance ministry would announce a fresh date for the negotiation," Chaudhury told The Daily Star.

He, however, hastened to add that a team of the Saudi buyer's representatives is expected to arrive here then.

Some issues such as completion of final vetting from the law ministry and a clearance on ownership of Rupali Bank headquarters from the public works and housing ministry are yet to be settled, he further said.

Meanwhile, a commission meeting on Monday put forward its recommendation to the government about the sale of the remaining 26 per cent government-owned shares of Rupali Bank with a price of US\$134 million to the Saudi prince.

Earlier on August 27, the commission declared the Saudi prince as the highest bidder. On October 5, the then prime minister, Khaleda Zia, okayed the bid of \$330 million

to buy 67.26 percent stake in the bank.

The government that owned 94 per cent shares of Rupali Bank decided to sell 67 per cent of them in order to appease both the World Bank and International Monetary Fund (IMF), which conditioned their loans with the country's banking sector reforms.

In March last year, the government assigned the Privatisation Commission to sell the bank. If the 93.26 percent stake in the bank is sold out, then the general public will hold the bank's remaining 6.74 percent shares.

Total assets of the Rupali Bank as showed in December 2005 stood at \$1.07 billion and it has over 493 branches across the country.

Meanwhile, the outgoing chairman of the Privatisation Commission, Enam Ahmed Chaudhury, spent his last working day at the commission yesterday. From today, Syed Ataur Rahman, member-1 of the commission, will start performing the chairman's routine job.

BB contemplating to adopt factoring and forfeiting

Bangladesh Bank has formed a committee to formulate rules and regulations for exploring the potentials of launching of factoring and forfeiting in Bangladesh, says a press release quoting Mamun Rashid, chairman of ICC Bangladesh Standing Committee on Banking Technique and Practices, as saying.

These new products are widely used and accepted in most of the countries around the globe, he added.

Mamun Rashid was addressing the concluding session of the two-day ICC (International Chamber of Commerce) workshop on 'Factoring & Forfeiting: New Methods for International Trade Finance' in Dhaka on Tuesday.

For fostering international trade and investment in the emerging countries like Bangladesh, he emphasised the need for capacity building of the professionals to adopt all new trade tools.

Rashid, who is also the country officer of the Citibank, NA, Bangladesh, mentioned that it is vital that professionals are well-trained to provide quality services and possess good product knowledge on newly introduced international trade finance method.

Pavel Andrie, a trade finance consultant from Europe, conducted the workshop. He expressed satisfaction over the fact that BB is actively considering adoption of these new tools.

Ataur Rahman, secretary, ICC-B, also spoke on the occasion.

Dollar edges up after tame inflation data

AFP, New York

The dollar was mixed in Asian trade on Wednesday after stumbling overseas on signs of tamer inflation in the United States that eased worries about higher interest rates there, dealers said.

The dollar gained to 117.72 yen in Tokyo afternoon trade from 117.58 late Tuesday in New York.

The euro rose to 1.2817 after 1.2809 dollars and to 150.82 yen from 150.64.

US wholesale prices tumbled 1.6 percent in October as oil costs slid, while core prices excluding food and energy were down 0.9 percent. US retail sales fell 0.2 percent in the same month.

"The US dollar was on the ropes after economic reports on retail sales and producer prices for October indicated slower economic growth and moderating inflation, heightening expectations of Fed interest rate cuts in 2007," noted National Australia Bank strategist John Kyriakopoulos in Sydney.

OXFAM blames rich states for suspension of world trade talk

PTI, New Delhi

Blaming rich nations for the suspension of world trade talks, international civil society group OXFAM has sought urgent action by member countries to revive the Doha round, saying adhering nations like India and Kenya are bearing the brunt.

"Urgent action is needed.... The prevalence of debilitating and life threatening diseases to poor countries is growing but medicines are simply not available", OXFAM said in a report on the occasion of five years of Doha declaration.

"Five years ago, WTO members signed a ministerial agreement to ensure that Intellectual Property rules would no longer obstruct developing countries' efforts to protect public health", it said, adding things have, however, changed little since then.

OXFAM observed that patented medicines continue to be priced out of reach for the world's poorest people and trade rules remained a major barrier to accessing affordable versions of patented medicines (generic medicines).

It observed that "countries which remain firm in their commitments like Kenya and India are threatened by external pressures".

POLITICAL TURMOIL

Housing sector faces Tk 400cr loss daily

Laments Rehab

STAR BUSINESS REPORT

Country's real estate and housing sector faces a Tk 400 crore loss every day due to the countrywide indefinite blockade programme, lamented leaders of the Real Estate and Housing Association of Bangladesh (Rehab) yesterday.

At a press conference at the National Press Club in the capital, the Rehab leaders also urged the caretaker government as well as all the political parties to place national interest above all partisan interests to resolve the stalemate.

"We have postponed the Rehab Fair, scheduled for November 14-18 due to political unrest, causing a Tk 250-300 crore loss", Tanveerul Haque Probal, general secretary of Rehab, said.

He mentioned that as many as 130 real estate and housing companies out of the 270 rehab members were supposed to participate in the fair.

He expressed his dismay that the political turmoil has not only forced to stop selling of plots and flats, but it

has had an adverse impact on the overall trade and business sector.

The second largest domestic income sector after the garments, the real estate and housing contributes to 14-15 percent to the GDP, Rehab leaders informed.

"For a critical situation on the political front, our construction processes are forced to have stopped, leading to a risk of failure in handing over plots and lands to the purchasers as per schedule", Mohammad Abdul Awal, president of Rehab, warned. "That may put us before legal procedures," he added.

The Rehab leaders also said for the price hike of construction materials and electric cable, the prices of flats have already shot up and any further crisis in this sector would take the sector on the verge of ruin.

SM Anwar Hossain, senior vice president of Rehab, M Saiful Islam, vice president, and Sayed M Akhter, organising secretary, were also present at the press conference.

31 DSE firms fail to submit audited reports

STAR BUSINESS REPORT

A total of 31 listed companies have failed to submit their audited reports to the Dhaka Stock Exchange (DSE) on time.

However, 73 companies have submitted their audited report to the premier bourse while 11 companies have sought time extension for submitting their audited reports, DSE sources said.

As per the DSE regulations, a total of 115 listed companies were required to submit their audited report to the stock exchange within November 14 as their financial year ended on June 30.

The DSE has the authority to slap a daily fine of Tk 500 on the 31 listed companies for failing to submit audited reports to the bourse.

"But, we might be flexible in taking action against those companies considering the present volatile political situation that not only forced us to remain closed for several days but also halted the normal activities of the companies," said DSE Chief Executive Officer Salahuddin Ahmed Khan.

The companies which failed to submit audited reports are: Amam Sea Food, Bangla Process, Bangladesh Luggage, BCL, BD Zipper Ind, Bengal Biscuits, Bengal Fine Ceramic, Chic Tex Ltd, Gachhata Aquaculture, GMG Ind Corp, Gulf Foods, Hakkani Pulp and Paper, Imam Button, M Hossain Garments, Meghna Condensed Milk, Meghna Pet Industries, Metalex Corporation, Mita Textile, Perfume Chemicals Pharmaco International, Phoenix Leather, Raspit Data Management, Raspit Inc (BD), Remwick Jaineswar, Rose Heaven Bail, Sajib Knitwear, Samorta Hospital, Shaympur Sugar, Sonali Aansh, Sonali Paper and Zeal Bangla Sugar.

Of the companies, share trading of Amam Sea Food, Metalex Corporation and Sonali Paper remained suspended.



BTTB Chairman Aliwardy Khandker and WorldTel Bangladesh CEO Nayeem Mehtab Chowdhury sign an interconnectivity agreement on behalf of their organisations in Dhaka yesterday.

IFC to invest in 16pc stake in Brac Afghanistan Bank

STAR BUSINESS REPORT

International Finance Corporation (IFC), the private sector arm of the World Bank Group, on Monday announced it will invest in a 16 percent stake in Brac Afghanistan Bank, says an IFC press release.

IFC is investing up to \$1 million in equity and will also consider providing a technical assistance programme to support the bank's operations. One of the largest microfinance non-profit institutions in Bangladesh, Brac is taking the lead in establishing the bank.

Brac Chairperson Fazle Hasan Abed inaugurated the first branch of Brac Afghanistan Bank in the Afghan capital Kabul on November 9.

"We decided to establish Brac Afghanistan Bank based on our experience of Brac's extensive developmental work in Afghanistan and the successful operations of Brac Bank in Bangladesh. Afghanistan's micro and small entrepreneurs need a bank that can provide a continuous source of finance," Abed says.

"IFC is delighted to expand its partnership with Brac beyond Bangladesh by establishing a new financial institution in Afghanistan, and we look forward to doing the same in other regions of the world," said Jyrki Koskelo, director of IFC's Global Financial Markets

Department. Brac Afghanistan Bank will offer loans, remittances, and other financial services to small and informal businesses and medium size companies in Afghanistan. The bank's targeted clients, many of them women, would otherwise have little opportunity to borrow money from commercial banks.

Southern Auto offers discount on CNG conversion

Southern Automobiles Ltd, country's first private CNG conversion workshop, announced a five per cent discount on CNG conversion charges marking the celebration of its fifth anniversary, says a press release.

The discount will be available at the company's four CNG conversion workshops in Dhaka, Chittagong, Sylhet and Bogra till the end of November.

In addition to conversion of petrol/octane vehicles, Southern is also converting diesel vehicles into CNG system, the release adds.

New MD of Krishi Bank



M Fazlul Haque, deputy managing director of Bangladesh Krishi Bank, has taken over the charge of the bank's managing director (additional charge) on Monday, says a press release.

Haque started his career with Krishi Bank as an assistant controller of Farm Management in 1976 after graduating from Bangladesh Agricultural University in Mymensingh.

Russia eyes \$12b IT export by 2010

PTI, Moscow

Russia has set a \$12 billion target for software and IT services export by 2010, a top government official said.

"This year, Russia will export just less than \$2 billion worth of software products and services. By 2010 they should reach \$12-14 billion, growing at an annual rate of 80-90 percent," Russian Communications and IT Minister Leonid Reiman was quoted as saying by RIA Novosti Tuesday.