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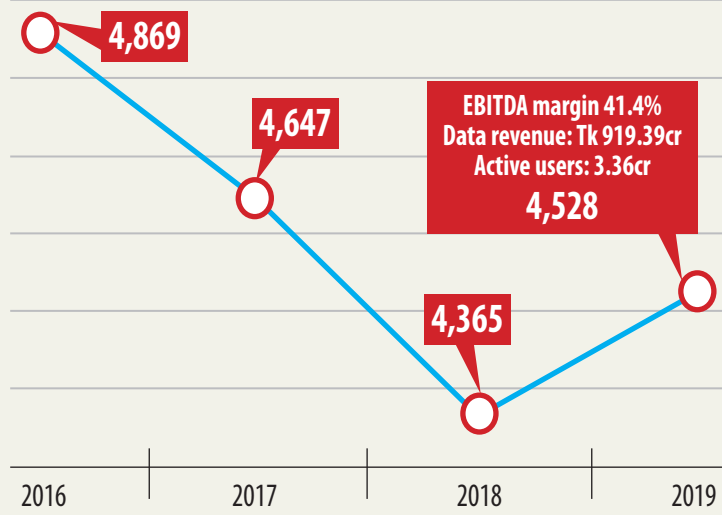


Banglalink, once the country's most spirited operator, is finally turning around its fortunes by putting in higher emphasis on digital services and investment on 4G network.

The carrier's revenue last year edged up 3.7 percent year-on-year to Tk 4,528.37 crore in 2019. But their turnover is still low compared with the numbers reported for 2016 and 2017.

Despite the intense competition in the telecom landscape and a challenging regulatory environment, Banglalink's revenue from voice calls edged up 3 per cent and data about 27 per cent, said the operator's parent company, VEON, in its financial report on Thursday.

Compared with the preceding



year Banglalink has achieved significant turnaround in 2019 as an active digital player in the market by expanding its 4G network and enhancing service quality, said Erik Aas, chief executive officer of the country's third largest mobile operator.

"Throughout the year, we

products and bringing more digital platforms," Aas told The Daily Star after the operator's financial numbers went public.

Banglalink is confident about keeping the momentum going and expects that its endeavours will provide customers with quality service, he added.

Of the revenue growth last year, the data segment played a vital role: it raked in Tk 919.39 crore from its 2.15 crore active internet subscribers. The operator's total active user number stood at 3.36 crore at the end of last year, indicating that it is experiencing tremendous success with its internet offerings.

Some 12 per cent of Banglalink's customers are using 4G-supported

smart devices at the end of 2019.

In 2018, Banglalink data users were consuming on average 1,024 MB data. Last year, it soared to 1,370 MB, reads the VEON report.

The report also pointed out that 72 per cent of Bangladesh's total population was under Banglalink's 3G coverage, while 29 per cent have 4G coverage.

Once the second largest operator in the market, Banglalink got a setback in 2016 after the merger of Robi and Airtel that year. Subsequently, Robi leapfrogged Banglalink to the number 2 spot.

Banglalink was also struggling with the spectrum crunch, due to which customers were getting poor performance.

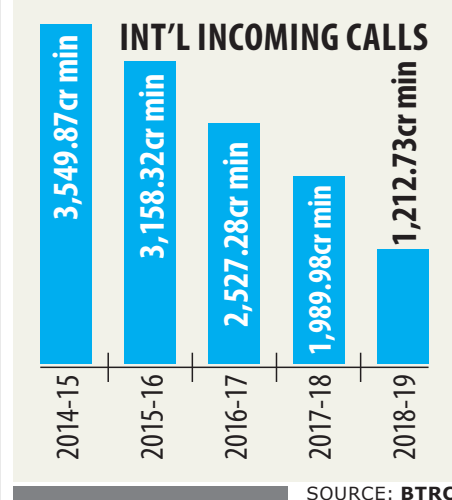
This prompted the operator to acquire 10.6 Megahertz of spectrum in 2018 and invest heavily on improving its network.

It appears the move is finally paying dividends, and the operator's top brass is buoyant about the future.

The VEON's report also pointed out some challenges: in the second quarter of 2019 the Bangladeshi tax regulator has increased the supplementary duty on subscription revenue to 10 per cent from 5 per cent.

The SIM tax was also increased to Tk 200 from Tk 100 and the minimum tax rate on revenue was increased from 0.75 per cent to

increased from 0.75 per cent to 2 per cent. The custom duties on smartphones increased from 10 per cent to 25 per cent, which also massively impacted the overall industry.



SOURCE: **BTRC**

MUHAMMAD ZAHIDUL ISLAM

The government has slashed the international incoming voice call rate by 65.71 per cent to \$0.006 per minute in the face of shrinking earnings from the sector in recent years.

The decision, which was taken last Thursday, comes following requests from the International Gateway (IGW) operators to help them cope with the growing threat of internet-based communication services.

A significant portion of international calls are now made through internet-based communication platforms such as WhatsApp, Viber, Messenger, Skype, IMO and WeChat, which cost nothing other than the price of data.

Mobile network operators run promotional campaigns for these applications while the relatives of people working abroad have gradually grown accustomed to using internet-based



platforms to stay in touch, according to industry insiders.

IGW operators are responsible for all international voice call termination going in or out of Bangladesh.

Legal voice calls have currently gone down to about 2 crore minutes a day, which was some 10 crore minutes a few years back.

Apps like WhatsApp, Viber, Imo, Skype, WeChat and Messenger are taking over local calls too, said Telecom Minister Mustafa Jabbar.

"These apps are also pushing network operators to dire situations too," he said.

Globally, data is gradually taking over voice services as the biggest contributor to carriers' revenue.

"This is also affecting government revenue. Considering the situation, we made this decision," Jabbar told The Daily Star yesterday evening.

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