BUSINES

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# In the snares of value-added services

46pc mobile users see activation of services without consent: BTRC

#### MD FAZLUR RAHMAN

Nearly half of mobile subscribers in Bangladesh pay for the value-added services they have not subscribed to as service providers stealthily activate them without their consent on their phones, according to a probe by the telecom regulator.

This prompted the Bangladesh Telecommunication Regulatory Commission (BTRC) to order mobile phone operators to implement a one-time password (OTP)-based procedure to protect the mobile users from the malpractice.

Telecommunication value-added service (TVAS) providers offer various services such as welcome tunes, voice messages, news alerts, missed call alerts, call block, call forwarding or diverting, music, videos, mobile games and streaming services, balance transfer, through mobile carriers under a revenue-sharing model and customers are charged by mobile phone operators.

The service providers must obtain consent from subscribers before activating any service. But they did not take such permission from the users in nearly 50 per cent cases but the customers were charged, according to the commission's probe into the allegation against two VAS providers.

The BTRC collected information about the activities of Purple Digit Communication Ltd

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### **POINTS TO PONDER**

- >> Consent was not taken to activate services for 46pc customers
- >> VAS providers target feature phone users and activate services without consent after
- About 60pc subscribers use feature phones
- >> The market size of VAS about Tk 100cr >> There are 183 VAS developers
- >> 3,000 IT graduates are employed

### **SOME VALUE ADDED SERVICES**

SMS, missed call alert, call block, MMS, voice SMS, voice chat, game, welcome tune, music, video, news alert, job alert, sports alert, health, education and lifestyle tips, train tracking, matrimonial service, entertainment services, audio book, e-book

**ACTIVE SIMs** In crore

and the Abhi Kathachitra Ltd and also the list of their subscribers in the last six months. The officials of the systems and services division of

the commission directly called the subscribers to find out whether they gave consent before availing the

Among the 100 randomly selected subscribers of two services from Purple Digit Communication, 46 per cent said they did not give the consent and 17 per cent said they gave the goahead. Some 76,860 mobile phone users use the two services.

In the case of Abhi Kathachitra,

the sample size was 90 among its 358,722 users. Some 46.46 per cent of the surveyed respondents said they did not give their consent although the services were activated, according to the findings of the probe.

The regulator summoned the two firms and the representatives of the firms admitted to the allegation although they did not give any written statement to this effect, a document of the BTRC showed

Abhi Kathachitra raked in about Tk 17 lakh from its TVAS service Dhallywood24 News Alert in August and the respective mobile phone operators took home Tk 26 lakh.

## Despite price spiral, potato farmers still in a pickle

They face increased cost for land, seeds

#### SOHEL PARVEZ

With the prices of potato having shot up in the past few weeks, farmers who were preparing for the upcoming growing season are about to face a new reality.

Landowners are demanding higher rents from small and marginal farmers while local seed makers, including the Bangladesh Agricultural Development Corporation (BADC), have increased the price for tuber seeds, according to industry

"As a result, the price of potato seeds has just doubled," said Mohammad Monir Hawlader, a farmer of Tongibari in Munshiganj, one of the country's main potato producing districts.

A 55-kilogramme bag of potato seed will now cost about Tk 2,500 for this season, up from Tk 1,200 for the same quantity a year ago. Meanwhile, owners are asking for six to seven times more the previous price to

lease their land as the value of potato has gone up, he added.

Hawlader planned to cultivate the tuber crop on eight acres of land this year by renting seven acres. He leased each 7-decimal unit of land at Tk 3,000, up from Tk 500 in 2019.

Bangladesh is the sixth-largest potato producer in the world.

Farmers normally cultivate the early variety of the popular vegetable in September and harvest it in November as the previous stock finishes during this period of the year.

This year though, repeated rainfall has affected the planting of early variety potato

"The soil's moisture level falls during this period of the year but this year, there is

still a lot of moisture, Hawlader said. Mazharul Islam, a potato farmer in Joypurhat, echoed the same.

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## **KEY POINTS** Bangladesh 6<sup>th</sup> largest potato producer >> Farmers grow potato on: **4.6 lakh** hectares Retail prices of potato: 89% higher than a year Prices of BADC's seed potato: 94% higher Potato seeds required: 7.6 lakh tonnes a year Land rental costs go up

## Economic zone investors worried over Beza's sudden service charges

Economic Zones on investors.

year, Beza said no utility service charge and associated value added tax (VAT) would be imposed if those are used for goods production.

electricity and gas alongside effluent treatment and waste recycling.

asked investors to pay a 15 per cent value added tax (VAT) on the service charges in a separate chalan as per the VAT and Supplementary Duty Act 2012.

A copy of the chalan has to be submitted at the Beza office, it said. Moreover, \$0.05 has to be paid per

square metre of land or infrastructure leased at any economic zone as conservancy charge, it added. Investors will lose interest in

the zones if Beza imposes these additional charges as they were not included in the original land lease agreement, according to Ashraful Haq Chowdhury, senior vice president of Bangladesh Economic Zones Investors Association(BEZIA).

"We are supporting the government

level," Chowdhury said.

"So, the government should give similar support and help address our problems and obstacles," he added.

Such decisions out of the bluediscourage both foreign and local investment in the country's economic zones, said Chowdhury.

In many neighbouring countries, the governments offer lucrative benefits such as VAT exemption on service charges and utilities to attract investors to their economic zones, he said.

For example, Vietnam, Malaysia, Thailand, India, Uruguay, Kuwait, Taiwan and the Philippines have all assured their investors that their bills on use of natural resources will be reduced, he added.

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Authority (Beza) has apparently gone back on its words to recently impose utility service charges, topped off with VAT, alongside a conservancy charge In a circular issued on June 19 last

However, it recently sent letters to lessees inside the country's economic zones seeking cooperation in the payment of a 5 per cent service charge on every utility service including water,

Stating that the decision was taken in its efforts to attract more investment

MOHAMMAD SUMAN, Ctg

Chattogram customs house is going to hold its first online auction on October 27 as it seeks to offer a simplified and transparent participatory process to draw more bidders, attain higher prices and free up space at the port's

necessary, bidders will have to submit documents and place their offers using an e-auction link on Bangladesh Customs' website. For this, they will get two days, October 25 and October

Through the electronic process, the customs will be seeking to attain prices higher than the reserve value, which is 60 per cent of the price of the goods plus tax. It has already made the reserve value public.

Most of the items had been port between 2010 and 2018 and the importers have not taken the delivery on time.

The customs law states that importers have to receive goods within 30 days after they arrive at the port. Defaulting on the timeline results in the customs authority starting the procedures to auction the goods. Asked why the deliveries were

not taken, customs officials and importers cited several reasons, including a fall in the prices of goods in the local market, failure to submit original documents in support of the shipment, failure to get clearance and importers' refusal to pay fines for anomalies.

Some 7,980 import consignments worth Tk 12,308 crore have been occupying the port's yards for the past six years as September, according to the Chattogram Port and customs data, all because auctions had not been held.

This delay resulted from, among other reasons, non-disclosure of reserve values, putting off interested buyers who lack the skill of estimating prices, resulting in limited participation, said customs officials.

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Some 547 tonnes of unclaimed goods will be auctioned off, including 262 tonnes of scrap iron, 169 tonnes of soda ash, 87 tonnes of ginger, 12 tonnes of dates and 11 tonnes of



e-auction will ensure transparency

It will also increase participation of general people In the first e-auction, 547

tonnes of unclaimed goods

will be sold

The products were imported through Chattogram

Goods include scrap iron, soda ash, ginger, dates and fabrics

port between 2010 to 2018