

## Stocks

DGEN ▲ 2.72%  
2,693.28

CSCX ▲ 2.73%  
5,378.87

## Asian Markets

MUMBAI ▼ 3.08%  
9,536.33

TOKYO ▼ 1.29%  
8,695.51

SINGAPORE ▼ 1.27%  
1,784.01

SHANGHAI ▲ 0.84%  
1,859.11

## Currencies

Buy Tk Sell Tk

USD 68.20 69.20

EUR 83.93 88.51

GBP 103.32 108.33

JPY 0.69 0.73

SOURCE: STANDARD CHARTERED BANK

## Commodities

Gold ▼ \$731.25  
(per ounce)

Oil ▼ \$57.90  
(per barrel)

SOURCE: AFP

(Midday London Trade)

## More News

### Medical furniture out of shell



It is a new and growing business, but not so profitable yet: medical furniture. The scenario was mostly evident at a recent international medical equipment and healthcare services exposition at Dhaka Sheraton Hotel.

B-4

### Conservation law for energy efficiency soon

The government is set to enact a conservation law to secure a proper supply of energy for Bangladesh and make it energy efficient, said the chief adviser's special assistant yesterday. Prof M Tamim, who is in charge of the Ministry of Power, Energy and Mineral Resources, said, "The Conservation Act will be a set of directions aimed at saving local energy and improving efficiency."

B-3

## International

### India strikes free trade deal with South Korea

India and South Korea have negotiated a free trade agreement that is likely to come into effect next year, a report said. The agreement, concluded after two-and-a-half years of talks, comes as India has been aggressively courting its Asian neighbours to boost trade.

B-4

## Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at [business@thedailystar.net](mailto:business@thedailystar.net)

# 3G licences by March

## BTRC chief assures mobile operators

STAR BUSINESS REPORT

The telecom regulator yesterday assured mobile phone operators that it will issue 3G licences by March next year, at the time when WiMax will be ready for launch.

Manzurul Alam, chairman of Bangladesh Telecommunication Regulatory Commission (BTRC), said: "The 3G licences will be issued within the first quarter of the next year, according to our deadline. Definitely, the licences would be awarded through an open auction."

Alam's declaration came as a relief to the operators, as they may regain business by providing mobile broadband in Bangladesh.

Experts said licensing the 2100 MHz spectrum for 3G services would enable Bangladeshi operators to launch mobile broadband services, with which customers can get fast and easy access to the internet and other online services.

However questions were raised as to which technology, 3G or WiMax, will truly be relevant to Bangladesh market.

The BTRC chief said: "Let the customers and the market decide which technology is suitable for Bangladesh."

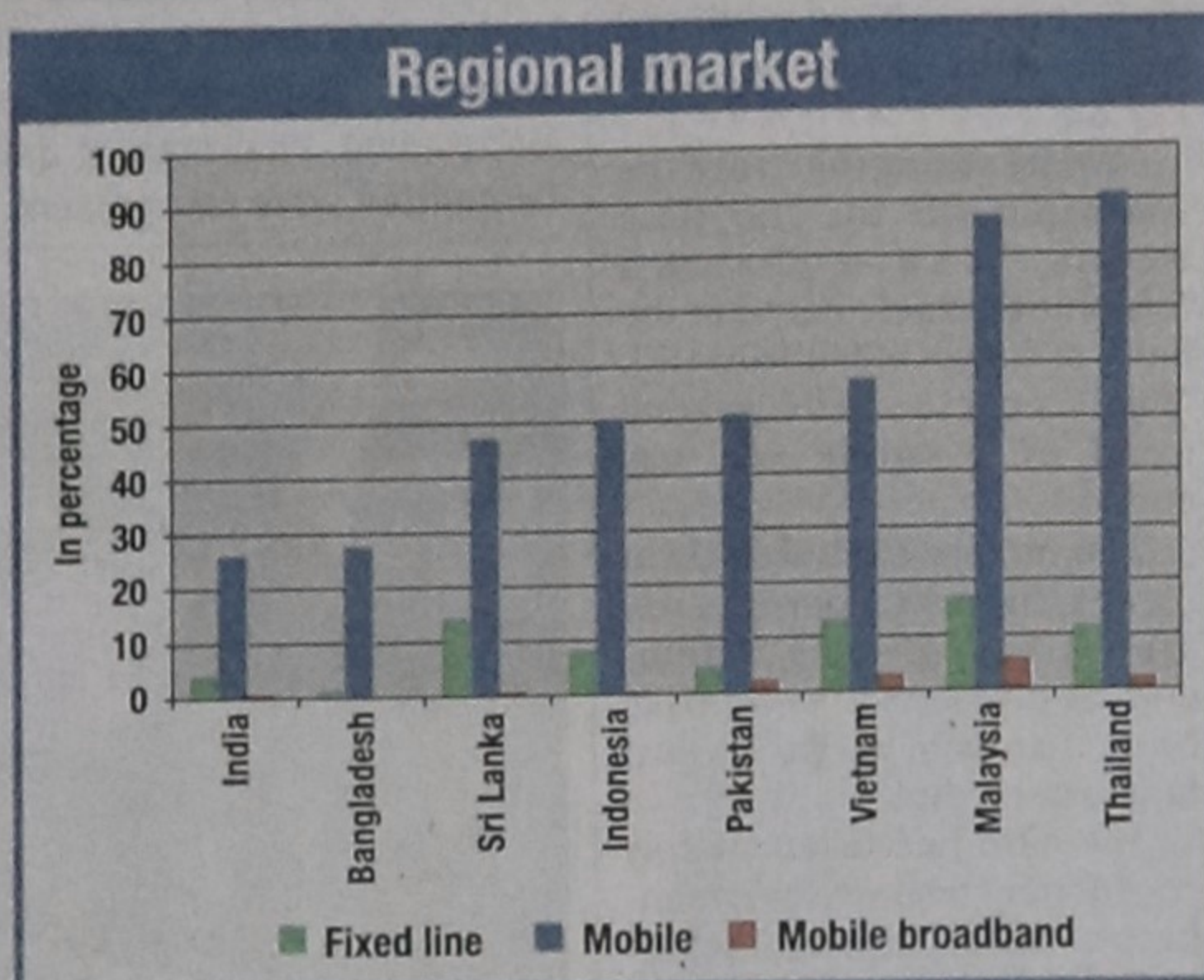
"3G will spread much faster than any other forms of technology," Alam said.

The BTRC disclosed its plans to introduce 3G at a workshop yesterday on 'Broadband for All', organised by GSMA, the global body for mobile industry.

The GSM signal covers about 95 percent of Bangladesh's area, but the mobile broadband market remains untapped. If mobile broadband can be provided at affordable prices, the number of subscribers of 47 million will reach 70 million by 2011.

Bangladesh has the world's lowest internet usage rate, having less than 1 percent internet penetration. The whole broadband market is dominated by local ISPs (internet service providers).

Operators, however, are anxious about what the auction price will stand at, when BTRC arranges for the auction for 3G. The WiMax operators



recently hiked Tk 215 crore for each licence. The operators will have to launch WiMax by March next year.

Among the three WiMax licence holders, only one could pay the licence fee within the deadline.

Speaking at the workshop, experts discussed the EU 3G auction model, where operators failed to provide 3G broadband at affordable costs, as they hiked the price to an 'unpractical level'.

Referring to the EU auction model, Oddvar Hesjedal, the chief executive officer of

Grameenphone (GP) said, "It was a mistake made by the EU. For that mistake, regulators should not be blamed only, operators had the same responsibility for calling high price at the auction."

Echoing GP boss, BTRC chairman said it is up to the operators as to how an auction should go. It is not a matter of pressure tactic, he said.

About the rational pricing model for 3G, Mohammad Mahbubur Rahman, secretary to the post and telecommunications ministry, said operators should try to find a balance

between capital expenditure, auction price and tariffs.

Taxes remain a major barrier to growth of this sector in Bangladesh, said Ricardo Tavares, senior vice president (public policy) of GSM Association. "These are unfair barriers."

"Bangladesh, which has a very few fixed-line connections, could realise major social and economic benefits from the widespread and availability of mobile broadband services," said Tavares.

The country has a huge demand for communication and information services that can improve people's lives and make businesses more productive, he said.

Rob Nicholls, consultant of Gilbert+Tobin, Supun Weerasinghe, chief operating officer of Dialog Mobile, Sri Lanka, Martin Backstrom, vice-president, (network, market unit South East Asia) of Ericsson, Bimal Dayal, vice-president and country manager (business development) of Qualcomm India and South Asia, Bidyut Kumar Basu, chief commercial officer of AKTEL, Azmat M Khan, deputy general manager (strategic, planning and business development) of Warid Telecom took part in the daylong workshop.

# Two organisations eye merger

## Bangladesh Development Bank planned

REJAUL KARIM BYRON and MOHAMMAD YOUSUF

The Bangladesh Shilpa Bank (BSB) and the Bangladesh Shilpa Rin Sangstha (BSRS) are going to merge into one organisation under a new name Bangladesh Development Bank.

The finance ministry sent last month a proposal on the matter to the secretary committee on administrative development.

A draft of Memorandum and Articles of Association on establishing a public limited company named Bangladesh Development Bank Limited was also sent to this body.

A senior official of the ministry said the proposal will be sent for the cabinet's nod after its scrutiny by this committee.

According to the proposal, Bangladesh Development Bank will be a public limited company under state ownership.

The official, however, said this bank might gradually be privatised.

The paid-up capital of the merged company will amount to Tk 400 crore. The present paid-up capital of the BSB is Tk 200 crore and BSRS' Tk 70

crore. Such capital will be raised to Tk 400 crore through an adjustment of the reserve funds of the two companies.

The proposed Bangladesh Development Bank will have at least seven directors.

In 1992, the government's several initiatives to privatise BSRS could not be accomplished due to some complexities.

BSB and BSRS, which have almost similar functions, were established to provide loans and facilities to industrial institutions besides helping in setting up new industries and expanding investment in the country. But, these two companies, according to the finance ministry official, failed to live up to their expectations.

In a recent meeting, representatives from the law ministry, Bangladesh Bank, BSB and BSRS emphasised making these two state-run lending agencies stronger and agreed on a merger.

An official sought that the government immediately take a decision with regard to the fate of the company because any uncertain situation will disappoint the employees of the companies.

# REHAB fair focuses on mid-size apartments

STAR BUSINESS REPORT

As apartment prices shot up in recent times, customers are now opting for small and medium size flats at the annual fair of Real Estate and Housing Association of Bangladesh (REHAB) in Dhaka.

The five-day show began Tuesday at Bangladesh-China Friendship Conference Centre participated by 187 REHAB members and five financial institutions.

Developers said although apartments of different sizes are available, the customers are looking for flats ranging from 800 square feet to 1,200 sq ft.

"Middle class customers prefer flats of Tk 40 lakh to Tk 50 lakh," said Mahmud Hossain, sales manager of Building for Future Ltd.

"Within this price range the

customers could buy big flats around two years back, but now they can't afford such big apartments at the same price," he said.

The company is offering flats ranging from 800 sq ft to 1,300 sq ft along with big apartments, he said.

Non-resident Bangladeshis are the single largest customer group of flats in the country, said an official of Sagufta NM Housing Ltd.

The company is offering apartments from 800 sq ft to 1,200 sq ft to attract middle class buyers.

"The expatriates who have been abroad for a long time order for comparatively expensive flats," said Ahmedur Rob, senior executive (Marketing and Sales) of Sagufta.

Uttara is the most preferred location for comparatively



AMRAN HOSSAIN

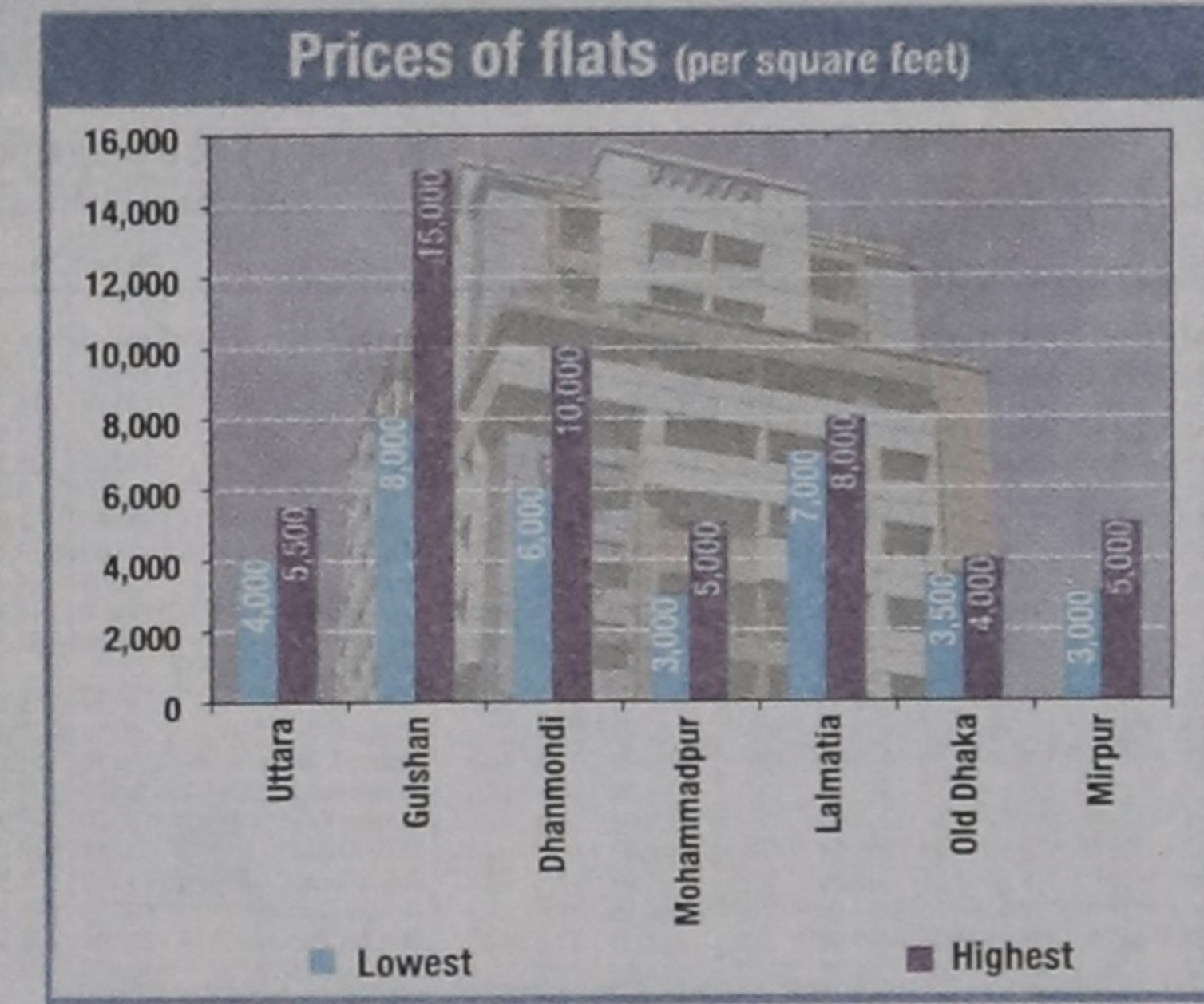
Visitors crowd the REHAB fair at Bangladesh China Friendship Conference Centre yesterday

low-cost flats while apartments at Baridhara are most expensive, builders said.

"Customers think that flat prices at Uttara are lower com-

pared to those in other places, but it's not always true as higher demand has increased flat prices there also," said M Rowshonuzzaman, senior

executive (Sales) of Navana Real Estate Ltd.



Tk 8,000 at Lalmatia, Tk 3,500 to Tk 4,000 in old Dhaka, and between Tk 3,000 and Tk 5,000 at Mirpur.

However flat prices vary depending on location and road communication, they said.

"Prices of flats almost doubled in the last two years due to hike in prices of construction materials, changing the shape and size of apartments," said HM Delwar, senior executive (Marketing and Sales) of Rupayan Housing Estate Ltd.

At the fair companies are showcasing flat, plot, commercial space and shopping corner.

Some companies are also offering discounts at the show, which is open from 10am to 8pm with a Tk 50 entry ticket.

A Tk 100 entry pass will allow a person to visit the fair for the entire duration.

# Two listed firms debut on bourses Tuesday

SARWAR A CHOWDHURY

Two private sector companies, ACI Formulations and Shinepukur Ceramics, will make their debut on the stock exchanges Tuesday next, officials said.

ACI Formulations, a subsidiary of ACI Limited, will join the country's two bourses under direct listing rules by offloading 89,87,500 ordinary shares of Tk 10 each, totaling Tk 8.98 crore. This is 35.95 percent of its existing paid-up capital of Tk 25 crore.

Shinepukur Ceramics, a subsidiary of Beximco Limited, will offload 3,50,11,800 ordinary shares of Tk 10 each, totaling Tk 35.01 crore. This is 50 percent of its existing paid-up capital of Tk 70.02 crore.

Earlier on October 30, the DSE in its board meeting approved the direct listing of the two companies.

Previously, five state-run enterprises offloaded their shares in the stock market under direct listing rules. The entities were Dhaka Electric

Particulars	Profile	
	ACI Formulations	Shinepukur Ceramics
Paid-up capital	Tk.25 crore	Tk 70.02 crore
Face value	Tk 10	Tk 10
Net profit (as of June 2008)	Tk 9.48 crore	Tk 7.22 crore
EPS (as of June 2008)	Tk 3.79	Tk 1.03
NAV per share (as of June 2008)	Tk 27.56	Tk 15.81
Beginning of business	1998	1999
Nature of business	Manufacturing and marketing of agro-chemicals and consumer products	Manufacturing and marketing of tableware

Supply Company, Power Grid Company of Bangladesh, Jamuna Oil Company, Meghna Petroleum, and Titas Gas Transmission and Distribution Company.

Under such rules, trading of ACI Formulations and Shinepukur Ceramics shares will be held in spot markets up to 12 noon for the first two working days. The first ten minutes of the first trading day will be considered as the price building period and thereafter, from the 11th minute, the issue managers of the two companies will begin selling it at the

best market price. Trading will remain closed on the third day to allow the market to distribute the shares that were traded on the first two days.

The first two days' spot market will not be included in the index. After the first two days of spot trading, the company will be traded in the public, odd and block market with normal trading hours and will be included in the index.

The circuit breaker and circuit filter will remain open for the first 5 days. [sarwar@thedailystar.net](mailto:sarwar@thedailystar.net)

# Banglalink boss takes up Mobilink job in Pakistan

STAR BUSINESS REPORT

Banglalink Chief Executive Officer (CEO) Rashid Khan will take the reins of Mobilink, Orascom Telecom Holding's subsidiary in Pakistan, in December.

Khan's tenure as Banglalink's second CEO was tainted by its alleged involvement in the illegal VoIP business.

He took the helm of the company in 2006, just one year after acquiring 100 percent ownership of local Sheba Telecom by Orascom.

The company is yet to name a new boss.

During his tenure, the number of Banglalink customers trebled to 10.14 million, powering the company to the second position in the market.

In remarks on his departure from Bangladesh, Khan said: "I have had an exciting and rewarding stay here in Bangladesh on a professional as well as personal front. Bangladesh was a second home for me and I am definitely going to miss it."

Banglalink was fined Tk 125 crore by the telecom regulator for illegal call termination through VoIP.

Bismillahir Rahmanir Raheem

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