

BTRC to solve PSTN-mobile operators row

STAR BUSINESS REPORT

The Bangladesh Telecommunication Regulatory Commission (BTRC) has assured struggling PSTN operators that it would stop mobile phone companies from cutting off interconnectivity between the two technologies for non-payment of arrears and resolve the problems related to interconnection charges.

The assurance came from a meeting on Monday between BTRC Chairman Zia Ahmed and the Association of PSTN Operators of Bangladesh (APOB), a platform of the country's dozen public switch telephone network (PSTN) companies.

Battered by huge losses due to a lack of adequate policy interventions, the APOB discussed with the BTRC boss their problems that pile losses on them. "But their immediate concern was a

notice from the mobile phone companies that by March 18, they would snap interconnection between them and the PSTN operators for non-payment of arrears," said a source present at the meeting.

Led by APOB President A Rouf Chowdhury, the PSTN operators argued that the mobile phone companies are taking unrealistic high interconnection charges from them.

In 2004 when the mobile phone call rate was Tk 7 per minute, the interconnection charge with the PSTN companies was only 90 paisa, which was 678 percent lower than the call rate. But now when the mobile call rate came down as low as 25 paisa per minute, the interconnection charge is 40 paisa, which is 38 percent higher than the call rate.

"But if we follow the 2004 tariff rate, the per minute interconnection

charge now should be only 3 paisa," said the meeting source.

APOB also urged the BTRC to waive licence renewal fees, spectrum charge and revenue sharing with BTRC.

It should also review acquisition fees such as fees for share transfer, which should be under the Registrar of Joint Stock Companies and Firms and licence transfer fee, as there is no mention of a licence transfer fee in the initial licence.

ABOB also primarily discussed issues related to a unified licence, BTRC/NBR fees and charges, rollout charge, no objection certificates, unrealistic call tariff, business protection to ICX and IIGs, frequency band allocation, infrastructure sharing and zonal licences.

The chairman assured them that all of these issues would be discussed and resolved one by one.

Govt promises to boost herbal medicine sector

STAR BUSINESS REPORT

The commerce minister yesterday promised to offer incentives to boost the export of herbal medicine, saying his ministry would support the sector to fortify its position in both local and global markets.

"We will take steps to declare the herbal medicinal sector as a thrust sector and offer 15 percent incentives against exports," Faruk Khan told a seminar on the problems and prospects of exporting medicinal plants and herbal products.

"But before going for export, the sector should concentrate on winning consumers in the domestic market," he said. "The sector will have to manufacture standard quality medicine."

Ayurvedic Aushad Shilpa Samity, the lobby group for medicinal plant and herbal products manufacturers, with support of the Business Promotion Council of the Ministry of Commerce organised the programme at the Institute of Diploma Engineers.

Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Annisul Huq spoke on the occasion. Ayurvedic Aushad Shilpa Samity President Dr Selim Mohammad Shajahan chaired the event.

Citing the government's greening

campaign, Faruk said the special initiative would be taken to popularise medicinal tree plantations in the country.

He also said he would request the environment and forest minister to allocate government land to help increase plantation of medicinal plants.

The minister's promises came as the government earlier marked the herbal medicine sector as one of the five priority sectors, in a bid to diversify the country's export basket that is dominated by readymade garments.

Herbal medicine appears on the government's export priority list, as the use of the traditional medicine is increasing worldwide.

The World Health Organisation (WHO) said about 80 percent of the world's population relies on traditional medicine for primary health care and remedies, which are most commonly made from plants.

According to a government strategy paper on herbal medicine sector in Bangladesh, the world market for medicinal plant products is worth about \$60 billion with the European market being worth \$10 billion and growing at a rate of 10 percent annually.

In Bangladesh, nearly 650 medicinal plant species have been identified

to be in use. Ayurvedic Aushad Shilpa Samity said about 600 small to medium sized companies manufacture Ayurvedic and Unani medicines, to profit from the Tk 1,000 crore worth of domestic herbal market, growing by about 15 percent a year.

"But the local supply of medicinal plants is only one-fourth of the total domestic market," according to a paper presented at the seminar by KM Khayrul Basher.

A bulk of the demand for medicinal plants is met by importing from China and India.

"Medicinal plants are a part of our lifestyle. We are accustomed to use these plants from boyhood," he said. "But now-a-days, we are tilting towards foreign medicine. It's an inferiority complex."

To popularise the use of herbal medicine, the minister suggested the manufacturers increase their marketing campaigns. "I suggest creating awareness among urban populace about herbal medicine."

"It's a big industry. But it has grown in a structured manner. You should come up with a policy to seek government support to boost the sector," said Annisul Huq.

He also suggested the manufacturers create spread awareness among doctors, to popularise herbal medicine.

New BJMC boss stresses raising productivity

STAFF CORRESPONDENT, Khulna

The new chairman of Bangladesh Jute Mills Corporation, T D Mitra, has emphasised a halt to wastage of money and raising productivity to sustain the jute industry.

Mitra was speaking at a meeting with project directors of all the state-owned jute mills in Khulna-Jessore industrial at the BJMC's Khulna zonal office on Monday. This was his first visit to Khulna after taking over as the BJMC chief.

A sum of Tk 20 crore is now in the pipeline to purchase raw jute for seven state owned jute mills, Mitra told the meeting.

He asked the project directors to increase production on restoring operation of some closed looms of the mills by purchasing necessary spare parts.

During the meeting Mitra was also apprised of the severe financial constraints and dearth of skilled technical hands that hinder production of the mills.

The mills are strongly in need of nearly Tk 10 crore to settle all arrears of workers and employees.

Besides, these seven jute mills are yet to pay about Tk 40 crore to raw jute suppliers, the meeting was also informed.

Citi grants for four institutions

STAR BUSINESS DESK

Citibank NA Bangladesh recently contributed \$1,15,000 to four academic and non-profit organisations to support their programmes, says a press statement.

Citi Foundation, the philanthropic arm of Citigroup, presented the grants.

The four institutions that received the grant were North South University, Bisha Shahitto Kendro, Grameen Shiksha and D.Net.

As part of Citi's ongoing commitment to the field of financial education, North South University was provided with \$30,000 to organise the Citi Financial Quiz Competition 2009 for the students of leading public and private universities.

The Citi Foundation contributed \$30,000 to Grameen Shiksha to support their "Scholarship for Young Women" programme.

Citi Foundation also put forward \$30,000 to the Development Research Network (D.Net) to facilitate the "Financial IT Case Competition", first of its kind in Bangladesh. The programme is intended to provide an opportunity to the talented youth from different public and private universities, to compete in the development of unique software and information system solutions for the financial sector in Bangladesh.

Fed eyes new tools to lift economy

AFP, Washington

Deprived of its main weapon to revive economic activity, the Federal Reserve meets Tuesday to consider new tools to open up credit markets and tackle the worst crisis since the 1930s.

At a two-day policy meeting opening Tuesday, the Federal Open Market Committee (FOMC) is expected to leave unchanged its base lending rates at zero to 0.25 percent as it mulls further moves to tackle the credit crunch and economic slump.

With the traditional tool of interest rate policy now exhausted, the central bank is focused on extraordinary efforts to pump up credit to boost the economy.

NOTICE

Bizletters could not be published today for unavoidable reasons. We regret the readers' inconvenience.



Shyamal Kanti Bhattacharya, vice-president of Tata Consulting Service, meets Dilip Barua, minister for industries, at his office in Dhaka yesterday.

Barua seeks Tata's help for ICT development

UNB, Dhaka

Industries Minister Dilip Barua sought Tata's help for flourishing the country's Information Technology (ICT) sector, as the Indian conglomerate looks for investment opportunities.

"Tata can also step forward in technology transfer utilising intelligent manpower," he told Shyamal Kanti Bhattacharya, vice-president of Tata Consulting Service, when he met the minister at his office yesterday.

The company vice-president suggested Bangladesh government make a lump allocation for the IT sector in the national budget for building up a digital Bangladesh, one of

the main agenda of the present government.

"Bangladesh can identify and effectively implement priority-based programmes of IT sector from the experience of India, which has allocated 3 percent for IT in its budget," Bhattacharya said.

Implementation of the programmes will infuse dynamism into the country's overall service sector alongside increasing production in the industrial sector.

During the meeting, they discussed the matters of bilateral interest.

Increase in production in the industrial sector, investment in IT sector and development of IT-based small and medium industries also came up for discussion.

The minister apprised the Tata official that the government is giving priority to flourishing IT-based small and medium industries.

"The government is formulating a short, medium and long-term work plan to build an industrialised and middle-income Bangladesh by 2021," he said.

Shyamal Bhattacharya suggested that Bangladesh government should take short-term ICT projects at first and then evaluate it for the development of the sector.

"There is enough meritorious manpower in Bangladesh for flourishing the ICT sector," the Tata company executive said, adding, "Bangladesh can benefit through planned utilisation of these merits."

\$15m IFC loan for PRAN business expansion

UNB, Dhaka

International Finance Corporation (IFC), a member of the World Bank group, has financed 15 million dollars to PRAN group, a leading agro processing and export company in the country.

This was disclosed at a press conference at the National Press Club yesterday.

Among others, Major General (retired) Amjad Khan Chowdhury, chief executive of PRAN Group, Uzma Chowdhury, director of PRAN Group, Per Kjellerhaug, regional manager for IFC-Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka were present at the conference.

The loan will support PRAN Group's strategic investment plan in six food categories, such as snacks, confectionery, juice, beverage, culinary products, dairy and premium rice over the next three years.

PRAN Group aims to make high-quality, low-cost, processed and packaged food readily available to the lower and middle-income population of Bangladesh and other countries it serves, said Amjad Khan Chowdhury.

"One of the IFC's main priorities in the region is to support local companies in priority sectors such as food processing, particularly those with significant benefits to local suppliers and employment," said Per Kjellerhaug.

Oscar Chemerinski, IFC director for Global Agribusiness, in separate statement said, "IFC is proud to be making its first investment into the critically important agribusiness sector in Bangladesh."



Tawfiq-e-Elahi, adviser to the prime minister, speaks at a ceremony of signing syndicated loans in Dhaka yesterday for a 51-megawatt rental power plant to be built by Barakatullah Electro Dynamics Ltd. (Story on page 16)

New income tax ceiling likely

UNB, Dhaka

Amid the ongoing global recession and sliding commodity-price indices, the government might think about lowering the ceiling of the tax-free income to hook more taxpayers onto the net to make up for the revenue shortfalls.

National Board of Revenue and finance ministry sources said the government has such thinking of setting low the ceiling in the next budget to increase revenue earnings.

Currently, Tk 165,000 is income tax-free, while the females and 70-up people are exempted from being taxed for an income up to Tk 180,000.

If the government does this, this will be the second instance in the last ten years of government reducing the ceiling of income tax.

In the 2002-03 fiscal, the BNP-led 4-party alliance government reduced the

ceiling from Tk 100,000 of fiscal 2001-02 to Tk 75,000.

Sources from NBR said that the government keeps this reduction in mind as they found prices of essentials going down worldwide and on the local market day by day.

Talking to the news agency over telephone, NBR Chairman Muhammad Abdul Mazid declined to make any comment in this regard. But he said that to fix the income tax-free ceiling for the next budget the government should consider the overall situation of the economy, including prices of essentials and reduction of import duties.

Finance ministry sources said that the government is contemplating the reduction on a downturn in revenue receipts.

The NBR collected tax-revenue to the tune of Tk 26,695 crore during July-January period of the current fiscal compared to nearly Tk 23,748 crore of the corre-

sponding period of the last fiscal.

The NBR was to collect Tk 31,791 crore until January last for the sake of achieving the target of Tk 54,500 crore set by the government for the FY 2008-09.

NBR officials have attributed the prevailing revenue shortfall to the decline in earnings from customs duties, value added tax (VAT) and incometax.

Taking the shortfall in current earnings into account, the NBR has already strengthened its collection drive.

However, the collection of income tax increased by nearly 18 per cent to reach Tk 5,860 crore in the first seven months of the current fiscal. The NBR collected Tk 4,970 crore only as income tax during the corresponding period of the last fiscal. The collection of income tax also fell short of the Tk 7,614-crore target by around 23 per cent during the first seven months.

Bangladesh Industrial Technical Assistance Centre (BITAC)
Tejgaon Industrial Area, Dhaka-1208
Invitation for Tenders (Local)

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

1	Ministry/Division	Ministry of Industries.
2	Agency	Bangladesh Industrial Technical Assistance Centre (BITAC)
3	Procuring entity name	Bangladesh Industrial Technical Assistance Centre (BITAC), Bogra, Project.
4	Procuring entity code	3905.
5	Procuring entity district	Bogra.
6	Invitation for	Procurement of Tools, Cutter and Raw Materials.
7	Invitation Ref. No.	BITAC/Bogra/PC/2(42)/2006-2nd/
8	Date	15.03.2009

KEY INFORMATION

9	Procurement method	Open tender method (OTM).
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FUNDING INFORMATION

10	Budget and source of funds	GOB.
11	Development partners (if applicable)	Not applicable.

PARTICULAR INFORMATION

12	Project/programme code (if applicable)	8390.
13	Project/programme name (if applicable)	Bangladesh Industrial Technical Assistance Centre (BITAC), Bogra, Project.
14	Tender package No.	N/A.
15	Tender package name	Procurement of Tools, Cutter and Raw Materials.
16	Date	
17	Tender publication date	18-03-2009
18	Tender closing date and time	12-04-2009 11:00am
19	Tender opening date and time	12-04-2009 11:30am
20	Name & address of the office(s)	Address
	- Selling tender document (principal)	(i) Cashier, Cash Section, Ground Floor, Administrative Building, Bangladesh Industrial Technical Assistance Centre (BITAC), Tejgaon Industrial Area, Dhaka-1208.
	- Selling tender document (others)	N/A.
	- Receiving tender document	Purchase Section, 1st Floor, Admin Building, BITAC, Dhaka.
21	- Opening tender document; place/date/time	Conference Room, BITAC, Dhaka. 12-04-2009 11.30am
	Pre-tender meeting (optional)	N/A.

INFORMATION FOR TENDERER

22	Eligibility of tenderer	(i) The tenderer shall have a minimum of 5 (five) years experience in supplying goods and related services (ii) The tenderer shall have a minimum of 3 (three) years specific experience in supplying of similar goods and related service (iii) Tenderer must have up-to-date trade licences, up-to-date income tax payment certificate, VAT registration certificate and bank solvency certificate issued within the date of tender schedule purchasing and dropping.
23	Brief description of goods	Lot No-01: Milling Cutter, Gear Hobc Cutters. Lot No-02: Carbide tips, Threading Taps and Dies HSS Tools. Lot No-03: Measuring Tools (Vernier, Micrometer etc.) Lot No-04: Hand Tools (Hammer, Files, Wrenches etc.) Lot No-05: Raw Materials (Mild Steel, Cast Iron, Pig Ironic).
24	Brief description of related services	N/A.
25	Price of tender document	Tk 700.00 (seven hundred) only non-refundable.

Lot	Identification of lot	Location	Tender security amount (Tk)	Completion time in weeks/months
Lot-01	Milling Cutter, Gear Hobc Cutters	BITAC, Nishindara, Bogra	Tk 19,650.00	06 weeks from the date of issuing NOA
Lot-02	Carbide tips, Threading taps and dies HSS Tools		Tk 3,000.00	
Lot-03	Measuring Tools (Vernier, Micrometer etc)		Tk 1,950.00	
Lot-04	Hand Tools (Hammer, Files, Wrenches etc)		Tk 1,300.00	
Lot-05	Raw Materials (Mild Steel, Cast Iron, Pig Ironic etc)		Tk 22,700.00	

PROCURING ENTITY DETAILS

27	Name of official inviting tender	Md Shahjahan Ali
28	Designation of official inviting tender	Project Director.
29	Address of official inviting tender	Bangladesh Industrial Technical Assistance Centre (BITAC), Tejgaon Industrial Area, Dhaka-1208.
30	Contact details of official inviting tender	Tel: 02-8824729, 880-9897801, Fax No. 880-02-9889255 989798 Ext: 120
31	The procuring entity reserves the right to accept or reject any or all tenders without assigning any reason whatsoever.	

Md Shahjahan Ali
Project Director
BITAC, Bogra, Project

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