

Stocks

DGEN ▲ 0.44%
2,550.74

CSCX ▲ 0.20%
5,262.02

Asian Markets

MUMBAI ▼ 2.99%
10,947.40

TOKYO ▲ 0.14%
8,755.26

SINGAPORE ▼ 0.75%
1,891.75

SHANGHAI ▼ 0.08%
2,534.13

Currencies

	Buy Tk	Sell Tk
USD	68.45	69.45
EUR	88.73	93.47
GBP	100.90	106.31
JPY	0.68	0.75

SOURCE: STANDARD CHARTERED BANK

Commodities

Gold ▲
\$891.69
(per ounce)

Oil ▼
\$49.69
(per barrel)

SOURCE: AFP

(Midday Trade)

More News

Bailout also includes jute sector: Minister

The jute sector will get the same treatment as the RMG sector in the coming up bailout package, assured Jute and Textile Minister Abdul Latif Siddiqi. He told the news agency that the jute sector would be given the similar incentives like the RMG sector.

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International

IMF hits right note in credit lines



After a first failed attempt, the International Monetary Fund appears to have found a way of providing a badly-needed cash lifeline to countries hit by the global economic crisis. Its newly created Flexible Credit Line (FCL) attracted its second customer on Tuesday -- Poland -- and the hope is other nations such as South Korea or Singapore may be drawn into considering the offer in the coming weeks.

India's inflation falls to 0.18pc

India's inflation rate slipped closer to zero, official data showed Thursday, giving the central bank more room to cut interest rates to bolster a flagging economy. Annual inflation eased to 0.18 percent for the week ended April 4 from 0.26 percent for the previous week, according to the Wholesale Price Index, India's most watched cost-of-living barometer.

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Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at business@thedailystar.net

BTRC to open up IP telephony

MD HASAN

The telecom watchdog has decided to issue licences for IP telephony in a move to open up voice calls through the internet protocol, the use of which has so far been prohibited in Bangladesh.

IP telephony licensing will be exclusive to local internet service providers (ISPs). Licence holders will provide international and domestic voice calls over managed IP-based networks, according to the IP telephony licence guideline designed by Bangladesh Telecommunication Regulatory Commission (BTRC).

Licence owners will also be able to provide PC (personal computer) to phone, phone to PC, phone to phone or any other use to subscribers, based on

the IP telephony voice service.

From a technical point of view, experts said, the voice over internet protocol (VoIP) is going to be partially open as IP and VoIP technologies have nearly the same features.

By issuing IP licences, transmitting voice through the internet protocol will be allowed but the use of VSAT for routing voice for commercial use will still be illegal.

Speaking to The Daily Star yesterday, BTRC Chairman Zia Ahmed said: "The IP telephony provides an option to make voice calls through the internet protocol, which we are going to allow. It's not like VoIP which has been practised illegally in Bangladesh."

He said whatever the IP licensees do, it must be channelled through legal platforms.

IP telephony is a general term used to describe the technology that uses the internet protocol's packet-switched connection to exchange voice, fax and other forms of information services.

Using the internet, calls travel as packets of data on shared lines, avoiding the public switched telephone network tolls.

In Bangladesh, around 10 lakh people are connected to the internet through members of the ISP association.

"So the use of IP telephony at an affordable cost is a must in Bangladesh," said A Salam, former president of the Internet Service Providers Association Bangladesh (ISPAB).

The IP telephony market will be competitive, as customers have to pay a nominal charge to enjoy voice call services, Salam said.

He said the additional charge for use of the IP telephony would not matter as internet users are used to paying charges on a monthly basis.

BTRC will issue two types of IP telephony licence: nationwide and zonal.

The nationwide IP telephony licensee will be able to provide IP telephony connections to subscribers throughout the country. Meanwhile, zonal licensees will provide IP telephony connections to subscribers in particular zones only, according to the IP telephony guideline.

According to the guideline, a licensee will be mandated to make voice calls by using legal call routing channels.

All international IP telephony voice calls (terminated to and from Bangladesh) will be routed through interconnection exchanges and interna-

tional gateways. On the other hand, calls generated for domestic users must be routed through interconnection exchanges.

Using VSAT (very small aperture terminal) in IP telephony will be completely prohibited under the guideline.

For internet users, Salam said IP telephone sets will be required to make voice calls. He said internet users can use IP telephony in multiple forms, as it is an important part in the convergence of computers, telephones and television into a single integrated information environment.

In Bangladesh, 45 million people are now enjoying telecommunication services. The tele-penetration rate was 32 percent by the end of December 2008. hasan@thedailystar.net



SYED ZAKIR HOSSAIN

Visitors flock to the sixth National Furniture Fair, organised by Bangladesh Furniture Industry Owners Association at Bangladesh-China Friendship Conference Centre in Dhaka yesterday. The six-day fair will remain open to visitors from 9.00am to 8.00pm.

Denim makers under strain

REFAYET ULLAH MIRDHA

The denim industry, one of the fastest growing sub-sectors in apparel, is facing strains as major entrepreneurs have stopped expansion activity due to the global recession, industry insiders said.

Denim prices declined to \$1.50-\$1.75 per yard from \$2.00-\$2.50 six months ago, market operators said.

"We had plans to expand the denim unit of our group. But as prices began to decline due to the recession, we decided to call off our plans," said Showkat Aziz Russell, managing director of the country's largest denim maker Partex Denim, a concern of Partex Group.

"If the situation improves, we will expand our operations to meet the growing demand for the item," he said. Several other denim entrepreneurs echoed Russell.

Partex Denim is running a double-line unit and has invested Tk 200 crore in the project. His factory produces 60,000 yards of fabric a day.

The group has a plan to invest just a significant amount of money to set up another unit of denim under the group, he said.

Russell said the denim industry flourished rapidly in countries such as Bangladesh, India, Pakistan and Indonesia thanks to changes in fashion and design over the last few years.

From just four denim makers seven years ago, the number of local producers grew to 17.

Market operators said the sub-sector had boomed mainly due to high demand for the

item from urban and rural populations and large buying-houses that cater to western markets.

Men's denim wear from Bangladesh to the EU ranked second in the exporting sector in fiscal 2007-08, fetching \$290.91 million and registering growth of 5.43 percent, according to Export Promotion Bureau (EPB) data.

The data also said women's denim wear ranked fifth in the export market in fiscal 2007-08, fetching \$129.44 million with a growth rate of 4.58 percent.

But in the US, the largest apparel market for Bangladesh, denim was not among the top 10 products exported in fiscal 2007-08, as the data showed.

Syed Mohammad Kamruzzaman, marketing executive of Ha-Meem Denim of Ha-Meem Group, said they were planning to set up another unit to produce denim a few months ago, but later postponed their plan due to the recession.

Kamruzzaman said Bangladeshi denim manufacturers have to upgrade the quality of their fabrics, as fashion is constantly changing in vital export destinations in the EU and US.

"If we can bring changes in the fabric produced by adopting new technology, we would be able to add more value to our produce," he said.

According to statistics from Bangladesh Textile Mills Association (BTMA), there are 17 denim factories with a capacity to produce 300 million metres of fabric a year.

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Local carriers suffer slump in traffic



SOHEL PARVEZ

Local carriers face a decline in traffic as the global economic meltdown dries up recruitment demand for Bangladeshi migrant workers in the Middle East and Southeast Asian region, operators said yesterday.

To cope with the downturn, some carriers cut their flights to destinations, such as Dubai, Singapore and Saudi Arabia.

"Recession now bites us like other airlines. We are suffering from a decline in traffic as demand for new recruitment of migrant workers drops," a senior official of state-run Biman Bangladesh Airlines, who preferred to remain unnamed, told The Daily Star.

The aviation industry suffers from a such gradual slump, with global passenger volume fell 10.1 percent in February, according International Air Transport Association (IATA).

The IATA has recently revised its loss forecast for the year 2009 to \$4.7 billion from the \$2.5 billion loss in December.

In Bangladesh, local airlines, such as Biman and private GMG Airlines, depend mainly on the movement of migrant workers with jobs in the Middle East, Gulf state and Malaysia.

But as the global financial crisis deepens, demand for migrant workers slows in the host countries like the United Arab Emirates, Malaysia and Singapore.

By contrast, hundreds of workers, hurt by layoffs and stringent enforcement of immigration rules, are returning home at a growing rate.

"Since February we feel the pinch of decline in traffic flow. On an average, our passenger flow has declined by 8 percent during February-March period from a year earlier," said the official of nearly dozen fleet Biman that now flies to 18 destinations.

The Biman official said the carrier has slashed its flights to Saudi Arabia and

Singapore in the wake of traffic-drop.

In the year 2008, local airlines as well as foreign ones celebrated increased movement of air travellers as a record number of overseas job seekers flew from Bangladesh.

Now demands erode. According to Bureau of Manpower Employment and Training data, the outflow of workers slumped 38 percent to 137,433 in the first three months of 2009 from 222,898 a year ago.

The overseas employment situation worsened further after Malaysia cancelled 55,000 Bangladeshi workers' visas, early last month.

"We are seriously affected. Our load factor has nosedived to 20-25 percent on the Malaysia route after the cancellation of Visa," said Sadad Rahman, vice president in charge of marketing for private carrier GMG Airlines.

The carrier now flies on four international routes, including Dubai and Kuala Lumpur.

Rahman said low turnout of passenger has forced the carrier to reduce its flights to Dubai to only one a week from three.

"Overall situation is pretty bleak. Migrant workers are our main traffic. It's on the slump while holiday travels have also fallen as consumers tighten their belts," he said.

"If it continues, the ival of private carriers will be at stake," said Rahman.

Similar is the case for corporate travels, also dipped as businesses cut expenses, airline officials said.

However, United Airways, another local private carrier, is yet to feel the effect of financial meltdown as it operates mostly on domestic routes, with covering Kolkata only as an international route, Captain Tasbirul Ahmed Choudhury, chairman and managing director of United Airways, sohel@thedailystar.net

Temporary stimulus package Sunday

Says finance minister

STAR BUSINESS REPORT

Finance Minister AMA Muhith has said the government will announce a temporary stimulus package on Sunday in a bid to build confidence among businesses amid global recession.

"It's temporary. The main package will come up in the upcoming budget," he told reporters yesterday after a meeting with the leaders of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) at the finance ministry.

"It would be a confidence building package. It shows that we have not forgot the impacts of the global recession the country is facing," the minister said.

He also said the package will not only include the concerns of the export sector, but will address agriculture, food security, social safety net and employment generation issues.

Muhith said after one and a half months the government would announce a comprehensive package in the budget. It is better if the package comes up with the budget as all the issues will be addressed in it, he added.

The main objective of the Sunday's announcement would be to boost domestic economy. Local demand and production should be increased, the minister said.

As the BGMEA leaders raised the issue of the sick industries, he said he does not think that reviving the sick industries is possible.

He suggested the sick industries should be turned into other industries using latest technology and considering the changed market.



Advanced Chemical Industries Limited
ACI Centre, 245 Tejgaon Industrial Area, Dhaka-1208

Price Sensitive Information

ACI Consumer Brands has been allowed to embark into electronic business in the name of "ACI Consumer Electronics". The Unit will introduce Panasonic branded audiovisual products in Bangladesh to start with.

By Order of the Board
Sd/-
Sheema Abed Rahman
Company Secretary

16 April 2009



Advanced Chemical Industries Limited
ACI Centre, 245 Tejgaon Industrial Area, Dhaka-1208

Price Sensitive Information

This is for kind information of all concerned that the Board of Directors of the Company in its 137th meeting held on Thursday, 16 April 2009, has taken the following price sensitive decisions, at 11:35 a.m.:

- Recommendation as to Dividend for the year ended 31st December 2008** : a) **Cash dividend:** @ 100% per share of Taka 10 each for the year ended 31 December 2008.
b) **Stock dividend:** @ 20% (i.e. 1 (one) bonus share for every 5 (five) Ordinary Share of Tk. 10 each for the year ended 31 December 2008.
- Date & Time of 36th AGM** : Thursday, 18 June 2009 at 10:00 a.m.
- Venue of 36th AGM** : Bangladesh-China Friendship Conference Centre, Sher-e-Banglanagar, Agargaon, Dhaka-1207
- Record Date** : Thursday, 14 May 2009 (The shareholders, whose names would appear as shareholders in the Register of Members on the Record Date, shall be entitled to receive the Dividend, if approved as above).

By Order of the Board
Sd/-
Sheema Abed Rahman
Company Secretary

16 April 2009