



**Shwapno**  
Sabbir Hasan Nasir, executive director of ACI Logistics, inaugurates an outlet of Shwapno, a chain shop brand, in Zahir Bhaban at Banasree in Dhaka recently. Abu Naser, chief of operations, was also present.

# Optimism lifts stocks

## Fresh investment eases liquidity crisis

**STAR BUSINESS REPORT**  
Stocks rose marginally last week as investors invested afresh in the market in signs of stability.

The DGEN, the yardstick of Dhaka Stock Exchange, finished the week at 5,367.52 points, after gaining 23.92 points or 0.45 percent.

Market analysts said the liquidity crisis eased in the market as turnover rose sharply. The microeconomic issues sparked optimism among investors, they said.

The government reduced the non-bank borrowing target to Tk 350 crore from the initial target of Tk 600 crore, it said.

Bangladesh Bank decided to allow a maximum of 20 directors on the board of each bank, instead of an initial plan for 13.

Three categories of gateway licences had been given to 78 companies by the telecom regulator BTRC last week.

A panel will submit the final list of small investors, who lost their money

to the stockmarket, to the Securities and Exchange Commission, to bring them under the government stimulus package.

Two new companies, Padma Life Insurance and GPH Ispat, debuted on the DSE on Wednesday and Thursday respectively.

Of the 276 issues that traded during the week, 89 advanced, 174 declined and 13 remained unchanged.

Daily average turnover rose 20.80 percent to Tk 1,021 crore, compared to the previous week.

Investment Corporation of Bangladesh was the biggest gainer of the week as it rose 27.33 percent. The biggest loser was Keya Cosmetics that slumped 22.92 percent.

Grameenphone, which represents the telecoms sector, topped the turnover chart with 1.03 crore shares worth Tk 221 crore changing hands.

Among the other major sectors, banks advanced 1.97 percent and pharmaceuticals 0.87 percent, but power lost 5.53 percent and telecoms 1.25 percent.

# Inu suggests free internet for students

**STAR BUSINESS REPORT**

Hasanul Haq Inu, chairman of the parliamentary standing committee on the posts and telecom ministry, yesterday urged the telecom minister to provide free internet to students.

If a person holds a mobile phone and internet connectivity, that individual becomes a liberal person who can work to change the world, he said.

Inu spoke at a seminar on three years of grand alliance: implementation of the dream of digital Bangladesh and information technology revolution.

The seminar was organised by Bangladesh Awami League at the Institution of Engineers Bangladesh Bhaban in Dhaka.

Rajuddin Ahmed Raju, telecom minister, said it is not possible for the government to implement the digital Bangladesh dream alone, because everyone will have to come forward and work together to realise the national vision.

The country will be able to implement Digital Bangladesh before completing its target time of 2021 as the country has already developed a lot towards attainment

of the goal.

"We have made the 'start', now it's the youths' responsibility to take it ahead," the minister said.

Zia Ahmed, chairman of Bangladesh Telecommunication Regulatory Commission, said: "Prices are rising in all sectors but we are only reducing the prices of mobile call and internet bandwidth."

More than 15 lakh people are employed in the telecom sector, he said.

Mustafa Jabbar, president of Bangladesh Computer Samiti, presented a comparative picture of the telecom and ICT sector between 2008 and the recent time.

In 2008, 1.80 lakh personal computers and 42,000 laptops were sold, but 6 lakh computers and 5 lakh laptops were sold last year, he said. In 2008, 20 lakh internet users used 8 gigabits bandwidth while currently 3.11 crore users use 22.5 gigabits bandwidth.

There should be a co-ordination between the ICT-related government institutions such as the telecom ministry, ICT ministry and Access to Information Programme, said Mahboob Zaman, president of Bangladesh Association of Software and Information Services.



**Latifur Rahman, chairman of National Housing and Finance and Investments Ltd, attends the 13th annual general meeting of the company at Samarai Convention Centre in Dhaka on Wednesday. The company approved 20 percent bonus shares for 2011 and 2:1 rights shares of Tk 10 each. Md Abdur Rob, managing director, was also present.**

**NATIONAL HOUSING FINANCE**

# Unipay2u investors want money back

**STAR BUSINESS REPORT**

Some investors of Unipay2u Bangladesh, a multi-level marketing (MLM) company, yesterday urged the government to form a commission soon to help them get their money back.

They alleged that the top management of Unipay2u embezzled nearly Tk 6,000 crore by cheating six lakh people between October 2009 and January 2011.

The 35 investors under the banner of Unipay Members' Club Ltd made the demand at a press meet at the office of Crime Reporters' Association in Dhaka. They also formed a human chain.

"We want our money back," said Muhammad Sarwar Morshed, president of the association. "We are passing through a critical time."

If the government had taken timely punitive action against the wrongdoers, the investors would not have suffered, said one of the victims.

"We lost our money. We cannot bear this inhuman life anymore," said Md Mamunur Rashid, joint secretary of the association. "We want to get back to our normal life."

The investors said the government formed a commission to return money to the losers who invested in Jubok (Jubo Karmasangsthan Society), and plans to set up another commission for the victims of Destiny Multipurpose Cooperative Society.

But the government has failed to form any such commission on Unipay2u in the last 15 months, although Bangladesh Bank froze 110 bank accounts of the company due to illegal banking business.

"We urged the government to form a separate commission for Unipay2u," said the chief of the association.

Morshed said Unipay2u has enough assets -- cash, lands and other properties -- with the top management of the company.

So the government should seize all assets of

# Potato farmers happy over price spiral

**FROM PAGE B1**

Production fell 11 percent to 90 lakh tonnes in the immediate past season from 1 crore tonnes a year ago, mainly because of shrinking acreage for potato farming, said Hossain.

The Department of Agricultural Extension (DAE), however, said potato output did not fall. Production stood at 83 lakh tonnes in the immediate past season, said DAE Director General Md Abdul Latif yesterday. He linked the price spiral to increased exports.

Hossain of BCSA said farmers now prefer sending potatoes to cold stores than markets, expecting a further price hike due to demand in India. People stored 40 lakh tonnes of potatoes in cold stores this year, according to the association.

Prices of potato at farmer growers' level rose to Tk 550- Tk 560 per 40-kilogram from Tk 400- Tk 450 earlier, said Tazminur Rahman Manik, a trade based in Joypurhat, a northern district that grows potato.

Prices have soared in the past two weeks, he said, adding that he expects the increased prices would enable many farmers to recover losses in the past two years.

"Rising prices will reduce my losses," said Nasiruddin Liton, a farmer at Pirgacha, Rangpur, another potato-producing zone in the north.

Liton incurred a loss of Tk 15 lakh in the previous two years, hurt by low prices after back-to-back good crops. He also now pins hopes on the price hike of potato.

# Shobai: new Airtel pre-paid package

**STAR BUSINESS DESK**

Bharti Airtel has recently launched a new pre-paid package -- Shobai -- for its customers in Bangladesh, the mobile operator said in a statement yesterday.

With the package, six million plus Airtel users in Bangladesh can create friends and family (FnF) circle of customers from any operator.

The package also comes with a regular FnF tariff of 65 paisa a minute, according to the statement.

"As the leading youth brand of the country, Airtel believes in the power of communities," said Chris Tobit, managing director of Airtel Bangladesh.

"Shobai" is a first-of-its-kind prepaid package in Bangladesh which will allow our Airtel customers to choose "friends n family" with all numbers of one selected operator of his/her choice."

To avail the services of Shobai, Airtel prepaid customers have to register by typing "S" and send an

# Poor nations need more investments: Hasina

**FROM PAGE B1**

Hasina sought larger public and private investment in agriculture covering food security, research, capacity building and production, thereby providing a scope for effective control on the risks related to price instability in food and agricultural commodities.

She called for removing impediments to infrastructure investment and increasing in such investment in developing countries.

Hasina said controlling the fluctuating demand of non-equity modes of international production and arranging for development should be managed by the developing countries themselves for their own benefit.

Expected GDP growth in some developing countries is often associated with inflow of "hot money" and portfolio investment resulting in exchange rate fluctuation. Hence, stabilisation of capital flow is an important challenge, she said.

Transnational corporations and state owned enterprises are likely to dominate future global investment and will need to be controlled to avoid new protectionist tendencies, Hasina added.

A balanced view of political risks may help global flow of foreign direct investments in developing countries. Developed countries may assure potential investors through appropriate mechanism, she said.

Improved international coordination for regulating to avoid investment protectionism as is being done to control certain forms of subsidies in the framework of the World Trade Organisation.

A balance in labour intensive investment and productivity enhancement investment are essential to spur long term demand, boost global growth, and create job opportunities, Hasina said.

She said challenges for policymakers on deciding FDI and industrial policies are complex while identifying right industries and right policies are critical.

Hasina also said export industries may not necessarily have the greatest impact on employment or value addition. "We need to nurture the selected industries and at the same time focus on emerging industries."

The prime minister said the UNCTAD may work with relevant private and public stakeholders, and help on this difficult task.

"New challenges have appeared in the globalised world calling for reforms in the governance of global trade, and in the economic transactions as progress in the Doha Round has been slow and investment around the world, uncertain."

Hasina said there is an urgent need for low

carbon development following the impacts of climate change, and newer services, calling for changes in industrial relations.

Hasina said enhancing productivity and maximising profits are also bringing changes in the investment landscape.

She said businesses activities are constantly adjusting themselves to create opportunities amid new challenges as the states are finding it difficult to balance people's interest and the new trends in businesses.

The prime minister said Bangladesh too is not outside the scenario. "Fortunately, we have managed to maintain sound macro-economic fundamentals with suitable policy measures."

She said economic growth has been 6.7 percent last year and is expected to be around 7 percent this year. "Our aim is to raise the growth rate to double digits by 2017 and sustain it till 2021 to become a middle income country."

Hasina called upon all to invest in Bangladesh for secured profitable returns and help the country in spurring sustainable development, create employment and attain development goals.

"Bangladesh has the most liberal and attractive investment policies in the region."

She said Bangladesh's strategic location between south and southeast Asia and closeness to China is unique. "Therefore, we've been making all efforts to develop strong regional connectivity with roads, railways and waterways, and become the economic hub of the region."

Moreover, the prime minister said, Bangladesh's local market of 160 million and the regional market of three billion people is also growing up steadily in terms of purchasing power and consumption.

"In addition our business sector boasts of innovative entrepreneurs, efficient managers and skilled labour at competitive wages."

She noted that assessing Bangladesh's present policies and potential, Goldman Sachs has ranked it as one of the 11 emerging economies after BRIC; JP Morgan has included it in the list of 'Frontier Five'; Standard and Poor's has rated it a BB; and Moody's as Ba3 for successive years.

Hasina said Bangladesh's development deficit is due to its inadequate infrastructure and energy. "We have, therefore, increased public sector investment in infrastructure, energy. Private sector investment is also increasing."

She said her government is encouraging public-private partnership in the construction of highways, multi-purpose bridges, power stations, airports, and seaports.

"Though investment is increasing, it is unable to keep pace with the demand," she told the conference.

The prime minister also said the government has adopted and is implementing FDI policies offering most friendly fiscal and financial incentives with stable regulatory framework.

"Investors are invited to invest in infrastructures, energy, transport connectivity, textiles, shipbuilding, pharmaceuticals, ceramics, leather products, light engineering, telecommunications and ICT," she said.

Hasina said investors can reap the benefit of duty free and quota free market access to major economies that Bangladesh enjoys. "Nine special economic zones are under the process of completion," she added.

UNCTAD Secretary General Dr Supachai Panitchpakdi criticised the G20 nations for their "restrictive policies" with regard to trade and investment, saying this amounted to a key challenge to the outflow of FDI.

"Another challenge is that we need investments to be responsible ... we need investments in poor countries, in food," he said.

According to UNCTAD's latest report last week, global FDI outflows rose by 16 percent in 2011 to an estimated \$1.66 trillion (1.26 trillion euros) to surpass the pre-crisis level, but still remain 25 percent below its peak reached in 2007.

However, that growth has failed to translate into expanding productive capacity, as it was largely used for cross-border acquisitions and to increase cash reserves kept in foreign affiliates.

Prospects for FDI outflows in 2012 are still improving, but they remain guarded due to the fragility of the global economic recovery, said the report.

Panitchpakdi said the reason for the failure of investments to fully recover is because the "capital formation has not taken place," and called for a "collective global governance for the investments to prosper."

Tunisian President Moncef Marzouki said the structure of world investments and its distribution has not witnessed a fundamental change after the global financial crisis.

"The main driving force for investment flows remains the country's size and its resources, so poor nations are ignored," said Marzouki, who called for more investments in Africa, which now attracts just 4.4 percent of world outflows.

Qatar's Deputy Prime Minister and Minister of Cabinet Affairs Ahmed bin Abdullah Al Mahmoud also spoke.

(With details from UNB and AFP)

# Submarine cable upgraded

**FROM PAGE B1**

The submarine cable company has reminded the BTCL four times to upgrade the link's capacity but the state-owned company has not done so yet, said BTCL officials.

A BTCL official said the company board in November approved the upgradation of the backhaul link for additional 200 gigabits.

According to the minutes of the board meeting, "The BTCL needs to upgrade its own backhaul link to match BSCCL's capacity in order to utilise the increased capacity."

The meeting also observed that if the BTCL does not increase capacity, the additional bandwidth may be carried out by other competitors, which will decrease BTCL's revenue.

A committee was also formed by the BTCL, which recommended upgradation of the link through the existing company.

The committee in its recommendation said the BTCL currently earns Tk 19 crore through the backhaul link, and the amount could be increased to Tk 32 crore within the next two years as data and voice traffic is increasing.

On why the upgradation of the backhaul link is not happening yet, Azizul Islam, managing director of the BTCL, said the company has already started to work to upgrade the link.

He said the submarine cable company has again reminded the BTCL recently to upgrade the link and the maintenance and operation department of the BTCL has been tasked with working on the issue.