SINGAPORE

**CURRENCIES** 

SHANGHAI

STANDARD CHARTERED BANK

SUSD SEUR €GBP #JPY

BUY TK 78.40 104.97 121.28 0.79

**ASIAN MARKETS** 

**0.52%** 

\$96.80

TOKY0

**1.94%** 



DHAKA WEDNESDAY FEBRUARY 13, 2013, e-mail:business@thedailystar.net

COMMODITIES

### BB beefs up watch on banks' forex operations

**STOCKS** 

**V** 0.51%

DGEN

**CSCX** 

**V** 0.70%

STAR BUSINESS REPORT

A new chapter has opened for the supervision of international transactions as the central bank yesterday launched a fullfledged automated system to monitor the country's entire foreign exchange operations.

Bangladesh Bank has built an integrated database, linking all scheduled banks, to receive updated data online on all transactions related to exports, imports and remittances.

The system will help the banking regulator get updated on all letters of credit, back-to-back LCs, inland bill purchases, export receipts, and inward and outward remittances.

"We want to promote paperless banking across the country. The initiative will help us reach the goal," BB Governor Atiur Rahman said at the launching ceremony at the central bank headquarters in the capital.

He said the digitised system will strengthen onsite and off-site supervision as it has an "electronic dashboard" to analyse data instantly.

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From left, Rohan Samarajiva, CEO of LIRNEAsia; Nazrul Islam Khan, ICT secretary; SA Samad, executive chairman of the Board of Investment; Shahara Khatun, telecoms minister; Farooq Sobhan, president of Bangladesh Enterprise Institute; and Hasanul Haque Inu, information minister, attend a conference on the telecom sector, at Ruposhi Bangla Hotel in the capital yesterday.

# In telecoms, high is a real hold-up

Ministers, regulators speak on the future of the sector

STAR BUSINESS REPORT

The tax regime of the telecom sector needs to be revised with urgency for the sector's sustainability, ministers and government officials said yesterday.

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They also said a stable and predictable regulatory environment is a must to ensure sustainability of the telecom industry and safeguard its investors.

"The more you reduce tax, the telecom regulator. more you get in return," said Mostafa Faruque Mohammad, information and communication technology minister, at a conference.

future of the telecom sector and its ces renewed.

contribution to the government's Vision 2021, at Ruposhi Bangla Hotel in Dhaka.

The sector currently contributes 8.9 percent to the national coffers.

"The government should declare a five year-tax waiver to consolidate the telecom sector, just as it did for computer imports," said Sunil Kanti Bose, chairman of Bangladesh Telecommunication Regulatory Commission, the

He urged the National Board of Revenue to check whether the current tax regime is business-friendly.

Bose also criticised the 15 per-Bangladesh Enterprise Institute cent value-added tax (VAT) operaorganised the discussion on the tors had to pay to get their 2G licen-

Still there is room for the operators to grow as voice penetration is 65 percent, while the actual penetration is 38-40 percent, Bose said, adding that people are using multiple SIMs.

Syed A Samad, executive chairman of the Board of Investment, too, called for revision of the tax regime.

"Tax has become a real paradox for the telecom sector," he said.

Bangladeshi mobile operators pay the highest amount of taxes in comparison to their peers across the world, according to Hasanul Haq Inu, the information minister.

"You [the mobile operators] should go to court for the excessive taxes you are subjected to," he said.

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## GP focuses on cost efficiency

**BY THE NUMBERS** 

Net profit

Tk **1,750** crore

**EPS** 

тк **12.96** 

**NAV** per share

Tk **26.26** 

Dividend

**140**%

(Including 90% interim)

AGM date

10th April

STAR BUSINESS REPORT

...... Grameenphone focuses on cost efficiency and extensive business to get back into the rhythm that it lost last year with the operator's net profit declining by 7.3 percent year-on-year.

Product diversification and cost efficiency will be the key factors to maintain the business and revenue growth, said Vivek Sood, chief executive officer of the country's largest mobile phone operator.

"Wholesale business and GPIT contributed to the revenue growth,

demonstrating promising trends for future profitability," Sood said replying to queries after a press briefing on the company's yearly financial disclosures in Dhaka yesterday.

The nation's largest mobile operator made Tk 1,750 crore innetprofitsin2012, downfromTk1,890 crorein2011.

"The lower net profit for this period was mainly due to recognition of amortisation cost of the renewed 2G licence, national interest cost on payments of 2G licence renewal fees and interest payments on borrowings," said Sood.

Power tariff hike and regulatory directives, including implementation of 10-second pulse and SIM registration process, also left negative impact on revenue and subscription growth of the entire industry, he said.

Announcing the yearly financial results, Fridtjof Rusten, chief financial officer of Grameenphone, said the company spent over Tk 1,000 crore for 2G licence payments.

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#### Fair opens in city to promote SMEs

STAR BUSINESS REPORT

A five-day fair began yesterday in the capital to further small- and medium-sized enterprises.

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Over 110 SMEs -- from the fields of agriculture, clothing, home textile, handicraft, leather, light engineering, foods, beverage, electrical and electronics and furniture -- from across the country are par-

ticipating in the exposition. Industries Minister Dilip Barua inaugurated the fair organised by the SME Foundation at the Bangabandhu Interna-

tional Conference Centre. "Access to adequate credit is a major impediment to the SMEs. They do not dare borrow from financial institutions due to

the high rates of interest." "Besides, they face problems in managing mortgages or collateral. As a result, many business initia-

tives are nipped in the bud." Barua further said that the SMEs' repayment rate is upwards of 90 percent, but banks and other financial institutions are still shy of lending them.

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