

AIIB bill passed in parliament

STAR BUSINESS REPORT

The parliament yesterday passed the Asian Infrastructure Investment Bank Bill 2016 in a bid to pave the way for Bangladesh to join the AIIB as a founding member.

State Minister for Finance and Planning MA Mannan placed the bill with Speaker Shirin Sharmin Chaudhury in the chair. The bill approved by the cabinet on December 29, 2015 was passed in voice vote.

A number of lawmakers, including Fakhru Islam of Jatiya Party, opposed the bill saying that World Bank or Asian Development Bank may get disappointed if Bangladesh joins the China-based AIIB.

In response, the state minister said joining AIIB does not mean that Bangladesh is leaving WB or ADB or any other international donor agencies.

"We are increasing the number of our foreign friends. Joining Asian Infrastructure Investment Bank is a part of this initiative. We need more capital to carry out the country's development activities and the AIIB will help us in this regard," added Mannan.

The state minister said the AIIB aims to

ensure sustainable development in Asia by increasing regional cooperation and partnership among bilateral and multilateral development organisations.

The bill opens the scope for Bangladesh to join AIIB with an approved capital of \$100 billion, he said.

Bangladesh signed a memorandum of understanding on October 24, 2014 and Articles of Agreement on December 25 in the same year to join the bank, he added.

He said Bangladesh has 6,605 approved shares of the bank and each of the shares is valued at \$100,000. China took initiatives to establish AIIB with 57 founder members.

In another development, State Minister for Telecom Tarana Halim yesterday said in parliament that the government will introduce 4G mobile phone services in the country by this year.

State-owned Teletalk and four private operators—Grameenphone, Robi, Banglalink and Airtel—were given approval to run the service, she said.

A project titled "Wireless Broadband Network Establish Project" is currently underway for the introduction of the 4G network across the country, Tarana said.

UK team looks for business opportunities

DIPLOMATIC CORRESPONDENT

A British business delegation is looking for opportunities to drive forward partnerships between the UK and Bangladesh for growth and prosperity of the two countries.

"There is a strong desire, from both sides, to further strengthen relations between our two countries, and this is the primary purpose of our trade mission," said Peter Lindsay, the leader of the business team visiting Dhaka for three days.

Of about 20 UK organisations represented, some already have trade relations with Bangladesh, and others are moving to enter the market, Lindsay said in a statement issued by the British High Commission.

The mission, which arrived here on Monday, comprises UK companies such as British Expertise International, Elmhurst Solutions, Adam Smith International, BBS Consultants, Ecorys UK, Green Grade Solutions, Griffon Hoverwork, IMC Worldwide, Maxwell Stamp, Oxford Policy Management, Pan Products, Quay Asia, Russell IPM, Scottish Qualifications Authority, University of South Wales, Ernst and Young and Public Administration International.

"We will be meeting international donors, NGOs, key members of the Bangladesh business community and, of course, government bodies, which are vital to the successful implementation of these aid-funded projects," Lindsay said.

"I am delighted a UK delegation from Aid Funded Business is visiting Bangladesh," British High Commissioner to Bangladesh Alison Blake said.



Md Abdul Halim Chowdhury, managing director of Pubali Bank, and Mohammad Ali, deputy managing director, attend the bank's first managers' conference for its branches in Khulna region, at a hotel in Khulna.

NRB Commercial Bank appoints new DMD

STAR BUSINESS DESK

Zabed Amin has recently joined NRB Commercial Bank as deputy managing director, the bank said in a statement yesterday.

Prior to joining NRB Commercial Bank, Amin has been serving City Bank as senior executive vice



president and head of business, according to the statement.

Amin started his banking career with ANZ Grindlays Bank and has since worked with Standard Chartered Bank and Brac Bank.

He holds a masters degree in English from Chittagong University.



Aditya Mandloi, head of retail banking at Standard Chartered Bank Bangladesh, and Ashwani Nayar, general manager at Le Meridien Dhaka, attend an event to sign a deal at the bank's head office in the capital. StanChart has become the premium partner for the weeklong Mediterranean food festival that begins at the hotel tomorrow. The bank's Visa signature credit cardholders will also get 50 percent discounts at Olea Restaurant.

Shahid Hamid, executive director of Dhaka Regency Hotel and Resort, hands over washed old clothes to Pat Kerr, overseas director of Shishu Polli Plus, to distribute among destitute mothers and kids at the Polli, as part of the hotel's CSR initiative.



Banglalink CEO vows zero tolerance for misconduct

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The Banglalink CEO said the operators are in the transition phase: they are shifting to their new age role as a digital service provider.

"For this journey, we are doing restructuring within the company. We offered a voluntary separation scheme to our employees who don't want to be a part of this change."

On February 11, the chief technology officer of Banglalink, Perihane Elhamy, was besieged by employees at its headquarters for several hours after the company terminated a mid-level employee, Shariful Islam, without showing any reason.

The labour unrest took a turn for the worse on February 13, which prompted the operator to close the head office and all regional offices.

A section of Banglalink employees proposed an employees' union and demanded the intervention of Prime Minister Sheikh Hasina for successful registration of the union.

They also demanded her help in stopping the harassment from the management and ensuring their job security.

Asked about the proposed employees' union at Banglalink, Aas said: "The labour authority will decide the matter. As far as I know, there is such an application pending before that authority. All I can say is that we follow the labour law."

Since its inception in 2005, Banglalink has invested Tk 19,704.6 crore, but is yet to count any profits, despite having the second largest subscriber base in Bangladesh.

"The company had set a target to make profits last year and everything was going according to plan in the first three quarters. But the last quarter was awful," Aas said.

In 2015, Banglalink's gross revenue stood at Tk 4,710 crore, up 8 percent year-on-year, said VimpelCom, the operator's parent company, in its annual statement last week.

Asked about the company's future plans, Aas said: "Currently, only 9 percent of our revenue comes from the internet -- this is the place we can go faster."

He cited the fast expanding Facebook subscriber base in Bangladesh to further his point. At present, there are two crore Facebook users in Bangladesh and it will be double within the next two years.

Subsequently, the operator is now fully concentrating on installing more 3G network towers.

Currently, Banglalink has 3,700 3G-enabled sites across the country, with plans to add 2,000 more before Ramadan.

He said the importance of voice calls will progressively diminish.

Aas also touched upon the impending merger between Robi and Airtel.

He said the regulator should ensure a level-playing field in the industry, while citing the spectrum allocation as a case in point.

Currently, Grameenphone has 32 MHz spectrums in three bands, while Banglalink has 20 MHz. But after the merger, Robi will have 39.8 MHz spectrum, which will create uneven spectrum scenario in the market.

China urges Taiwan to ratify controversial trade pact

REUTERS, Beijing

China's commerce minister on Tuesday urged Taiwan to ratify a controversial trade pact that has languished in the island's parliament after protests over trade dealings with Beijing.

In 2014, hundreds of students occupied Taiwan's parliament for weeks in protests nicknamed the Sunflower Movement, demanding more transparency and fearful of China's growing economic and political influence on the democratic island.

The protests over the 2013 Cross-Strait Service Trade Agreement, which aimed to open up investment from both sides in industries such as banking, healthcare, and tourism, were the largest display of anti-China sentiment in Taiwan in years.

The deal has since stalled in Taiwan's parliament, though the manner in which the self-ruled island moves forward in the current February to May session will be seen as a sign of how President-elect Tsai Ing-wen will steer Taiwan-China ties.

China's Commerce Minister Gao Hucheng warned that the deal could go to waste.

"I hope the Taiwan side can preserve and safeguard the political foundation and correct orientation of the peaceful development of bilateral relations, urge that the Cross-Strait Service Trade Agreement be put into effect as soon as possible, and promptly allow the people and enterprises on both sides to benefit," Gao told a press briefing.

Acme gets go-ahead for Tk 409cr IPO

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Book-building is a process through which an issuer attempts to determine the price to offer for its security by gauging the demand from institutional investors.

Acme will offload five crore ordinary shares of Tk 10 each, of which 2.5 crore shares have been kept for institutional investors and 50 lakh for mutual funds at Tk 85.2 each.

The remaining two crore shares will be offered to general and affected investors and non-resident Bangladeshis at Tk 77 each.

The raised funds will be used for setting up three new plants in Savar, as part of Acme's expansion plan, which will increase the company's revenue and profit.

The company's earnings per share, as of

June 2015, stood at Tk 5.7 and net asset value per share at Tk 70.37. ICB Capital Management is the issue manager.

Acme is the second firm that is using the book-building system after the stockmarket regulator modified the pricing rules following the market crash in 2011.

At yesterday's meeting, the BSEC also fined managing directors and other directors of Quasem Textiles Mills, Quasem Silk Mills, Excelsior Shoes and Beach Hatchery Tk 1 lakh each for failing to submit quarterly and annual financial reports to the commission.

The managing director and other directors of Hill Plantation were also fined Tk 2 lakh each for failing to submit annual financial reports to the stockmarket regulator.

Govt to support Saarc satellite

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Scheduled to be launched in December from Sriharikota, India, the Saarc satellite will be funded, built, launched and controlled by India. The satellite's lifetime will be of 12 years.

At the Saarc summit in Kathmandu in 2014, Indian Prime Minister Narendra Modi urged member countries to join the Saarc communication satellite initiative.

Later, the Indian high commissions sent letters to the Saarc countries, asking everyone to support the common satellite. "This initiative from India is voluntary in nature and the Saarc countries are free to join this initiative," said the satellite's concept paper.

The Saarc countries will be able to use the satellite for education, health and emergency communication, it added.

The Indian Space Research Organisation also arranged different meetings with member countries to finalise the modalities to develop such a satellite exclusively for regional grouping, but it is yet to be done.

India is yet to apply to the International Telecommunication Union for an orbital slot, as the member countries have not given their approvals.

Meanwhile, a senior official of the telecom division said although the two slots are far from each other, there could be a conflict on the issue of landing rights and frequency coordination.

The Bangabandhu satellite will have a capacity of 40 transponders -- one transponder is equivalent to 36 MHz. It has the ability to cover areas from Indonesia and the Philippines to Turkmenistan, Kyrgyzstan and Tajikistan.

The Saarc satellite will have a capacity of 12 transponders, with the ability to cover the Saarc region only, according to the concept paper.

PowerPac to get licence for Mongla Economic Zone

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The final licence will allow PowerPac to attract both foreign and domestic investors to set up their industries in the economic zone, said Beza officials.

PowerPac, a unit of Sikder Group, will operate the Mongla Economic Zone for 50 years under a lease agreement, the officials added.

Prime Minister's Principal Secretary Abul Kalam Azad will attend the signing ceremony at the Westin hotel in Dhaka as chief guest, while Beza Executive Chairman Paban Chowdhury will chair the event.

In May last year, PowerPac got the pre-qualification licence from Beza to develop the Mongla Economic Zone on 205 acres.

Beza also awarded prequalification licences to four private companies to set up five economic zones -- one each to AK Khan and Company, Abdul Monem Ltd, Bay Group, and two to Meghna Group.

The government is also setting up four economic zones modelled on PPP: Mirsarai Economic Zone in Chittagong, Mongla Economic Zone in Bagerhat, Srihatta Economic Zone in Moulvibazar and Sabrang Tourism Park in Cox's Bazar.

All the ten economic zones are part of Beza's plan to develop 100 such zones by 2030 on 75,000 acres, and to create jobs for one crore people.

Volkswagen chief predicts 'renaissance' in US business

AFP, Frankfurt

Embattled German auto giant Volkswagen believes it may have a second chance in the United States despite being at the centre of a massive emissions-cheating scandal, its chief executive said Tuesday.

"Of course, we must and will face fines" in the US and to some extent "we are certainly the underdog there," Matthias Mueller told the German news agency DPA in an interview. "But the great thing about the US is that they sympathise with the underdog. In America, there is the possibility of seeing a renaissance by hard work. And that's what we're going to do," the CEO said.

It was the US authorities that exposed VW for installing so-called defeat devices in some of its diesel engines, sparking a scandal of global proportions last September.



German Ambassador Thomas Prinz, second from left, attends a press meet at the office of Bangladesh Garment Manufacturers and Exporters Association in Dhaka yesterday. Prinz briefed a group of journalists who are going to Germany at the end of this month for a training programme on business journalism. Story on B1