STOCKS		COMMODITIES		ASIAN MARKETS			
DSEX	CSCX	Gold ▼	Oil ▲	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.47%	▼ 0.29%	$1,269.40 (per ounce)	$50.39 (per barrel)	▲ 0.29%	▲ 0.29%	▲ 0.01%	▼ 0.13%
4,636.23	8,675.36			27,915.90	17,234.42	2,828.94	3,112.32

CURRENCIES — STANDARD CHARTERED BANK

	USD	EUR	GBP	JPY
BUY TK	77.85	83.85	93.96	0.73
SELL TK	78.85	87.25	97.36	0.77

Star BUSINESS

DHAKA FRIDAY OCTOBER 28, 2016, *KARTIK 13, 1423 BS*

Gas supply to Gazipur factories to resume soon

REFAYET ULLAH MIRDHA

The gas crisis in the Konabari-Gazipur industrial belt will come to an end within a week as a local company is repairing the ruptured gas pipeline at Elenga point in Tangail.

"The supply of gas through the repaired gas pipeline will resume within one week. The local company has almost completed its work," said Mir Moshiur Rahman, acting managing director of state-owned Titas Gas Transmission and Distribution Company.

Risal Mahmud, managing director of Pipeline Engineering and Associates Ltd (PEAL), which was assigned the repair work, said the gas pipeline will be ready for supplying gas by today.

"If Titas wants, it can start supplying gas to the industrial belt immediately," said Mahmud.

The pipeline leakage has severely affected gas supply to the industrial area, which is dominated by large export oriented factories, he said.

Titas Gas stopped the gas supply from the ruptured pipeline on October 3 and supplied gas via an existing abandoned 12-inch pipeline. However, the gas pressure was insufficient and hampered production at these factories, Mahmud added.

Titas appointed PEAL to repair the pipeline within 20 days, he said. PEAL began work on October 19.

"The current supply of gas is not adequate to run the machinery at the factories. Adequate pressure is required to run the machinery, especially the spinning mills," said Faruque Hassan, managing director of Giant Group, a leading garments group at Shafipur in Gazipur.

After the damage of the pipeline, Titas supplied gas to the industrial units by suspending supply to the fertiliser factories. Many factory owners have lost millions of dollars in loss of production in the last few days due to the disruption in gas supply, Hassan said.

Exporters said they will face difficulties in shipping their products in time and might have to resort to expensive air shipments to meet the deadline. They might have to offer discounts too, if they miss the deadline.

Factories at Konabari, Shafipur, Rajendrapur, Kashimpur, Mouchak, Mirzapur, Gazipur, Ashulia, Savar and Kaliakoir are the worst affected, said industry insiders.

More than 1,200 textile and garment factories have either suspended their production or are running with electricity, said Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association.

There are about 400 composite mills in those areas, according to Rahman. The spinning, dyeing and washing plants require a continuous supply of gas with adequate pressure.

Online tax filing goes live in two zones

STAR BUSINESS REPORT

The National Board of Revenue yesterday rolled out online tax filing for two tax zones as a pilot project ahead of the system's full-fledged introduction on November 1.

"This is a big stride in our efforts to take Bangladesh forward," said MA Mannan, state minister for finance and planning, at the inauguration of the pilot programme for Tax Zone 4.

The NBR also launched the programme in Tangail yesterday.

Once the full system goes live on November 1, taxpayers will no longer need to visit tax offices; they would be able to submit their returns from the comforts of their homes, said NBR Chairman Md Nojibur Rahman.

Taxpayers will be able to prepare their annual income and expenditure statements and submit them online at www.etaxnbr.gov.bd.

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Robi-Airtel merger pushed back by two weeks

Regulator directs merged company not to use Airtel brand

MUHAMMAD ZAHIDUL ISLAM

The merger between Robi and Airtel was deferred by two weeks due to the regulator's delay in its final approval.

Robi had planned to launch the merged entity on November 1. But they will miss the date and now they are planning to shift it to the third week of next month, said a top official of the operator.

Robi and Airtel were expected to wrap up the merger process by October 23, according to a court order, but they missed it due to the regulator's two-week delay.

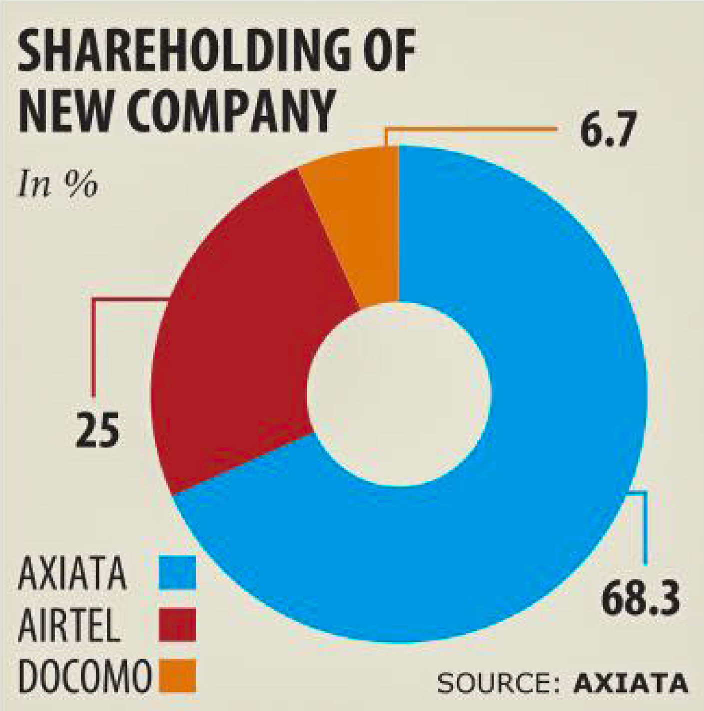
In its final approval on Wednesday, Bangladesh Telecommunication Regulatory Commission placed around 20 conditions, one of which is that the merged entity will have to run under the Robi brand, said a senior official of BTRC.

"As we have allowed them to use the 016 number series for two more years, we are concerned that they may continue the Airtel brand for that time. That's why we asked them not to use the Airtel brand after the merger," the official said.

The merged entity will also have to change Airtel's subscriber number prefix of 016 to Robi's 018 in two years.

In the merged entity, Axiata, the parent company of Robi, will hold a 68.7 percent controlling stake. Bharti Airtel will hold a 25 percent share in the company and Axiata's old partner NTT Docomo of Japan 6.3 percent.

Currently, Malaysia-based Axiata has a 91.59 percent stake in Robi and NTT Docomo 8.41 percent.



The two companies have started the integration of their networks and will also need to amalgamate their spectrums, which is a complicated process in itself.

BTRC gave Robi 30 days to pay the merger fees and charges for Airtel's 2G spectrum merging. Robi has to pay Tk 33.8 crore for each megahertz of Airtel's 2G spectrum that the merged entity will use over the next four years, along with the merger fee of Tk 100 crore.

The telecom regulator also directed Robi to offer a voluntary retirement scheme for employees. Senior managers will get basic salaries for three months and midlevel and junior employees will qualify for basic salaries for four months -- for every year of their service in Airtel with all other benefits, if any of them does not join the merged entity.

The merged company will be the second largest operator after Grameenphone. It opened talks on the merger at the end of August last year and both their parent companies signed a deal in January.

Airtel entered Bangladesh in 2010 by acquiring a 70 percent stake in Warid Telecom.

Later in 2013, it picked up the remaining 30 percent. Robi started operations in 1997 under the brand name of Aktel; in 2008 it was rebranded as Robi. The operator renewed its licence in 2011 after completing its first 15-year tenure.

US investment in Bangladesh on the rise: Bernicat

STAR BUSINESS REPORT

American investment in Bangladesh is on the rise thanks to the growing investment opportunities in infrastructure and the fast expanding middle-class, US Ambassador Marcia Bernicat said yesterday.

The foreign direct investment from the US to Bangladesh surpasses all other countries, Bernicat said at the monthly luncheon meeting of the American Chamber of Commerce (AmCham) in Bangladesh, held at the capital's Westin Hotel yesterday.

"Our net FDI into Bangladesh over the most recent fiscal year was $450 million, putting us in the first place. The accumulated value of US investment -- what we call "stock" measurement -- is $3.2 billion, also putting the US in first place."

However, there are many more opportunities that the American companies can seize. "Clearly, the US firms are strongly interested in this promising market."

Bangladesh offers one of the world's fast growing economies, sustained impressive economic performance over decades, opportunities to enhance infrastructure and a burgeoning middle-class, she said.

Citing the annual investment climate statements made by the US on 170 countries, Bernicat said this year's report on Bangladesh highlighted investment opportunities in power, pharmaceuticals, information technology, telecom and infrastructure.

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Address challenges of malnutrition: WFP official

REAZ AHMAD

Bangladesh is graduating to a middle-income country and developing fast, but it needs to address the remaining challenges of undernutrition.

In an interview with The Daily Star, UN World Food Programme's (WFP) Chief of Staff James Harvey appreciated the Bangladesh government's renewed vigour in replicating and scaling up sustainable development activities and attaining good economic growth.

He was in Dhaka to attend the launch of a WFP commissioned report -- Strategic Review of Food Security and Nutrition in Bangladesh -- in the city on Tuesday.

The report said an alarmingly large number of people still remain food insecure and hungry – a quarter of the population or 40 million people – and most people do not have a sufficiently nutritious and diverse diet.

More than 1 in 3 children are still afflicted by stunted growth, and acute malnutrition has not decreased significantly over many years.

Harvey, who was also president of the WFP executive board in 2011,

James Harvey

said this report, along with the WFP's next country strategy plan for 2017-21, is aligned with the Sustainable Development Goals and would help Bangladesh advance towards the target of achieving zero hunger by 2030.

Referring to the debate on whether the incidents of hunger and malnutrition subside only with growth in the economy or not, the British citizen who has a degree in agriculture said nutrition is a country-specific problem.

For example, he said, "In Egypt, anaemia is an acute problem and that's why Egyptians are now fortifying flour with iron."

Bangladesh should address the challenges of nutrition, as the country progresses towards further curbing the menace of food insecurity, he added.

Harvey particularly recommended giving more attention to young mothers, and address the challenges of too many early marriages and the resultant birth of underweight babies.

Harvey, also a former deputy director at UK's Department for International Development (DFID), said 80 percent of WFP's activities are limited to some 10 conflict-zone countries. "Bangladesh doesn't fit into that. It's a country of peace."

Harvey said, in the future, the WFP would be ready to support Bangladesh more in the area of disaster preparedness.

WFP Bangladesh is developing the new Country Strategic Plan 2017-2020, to be approved by WFP's executive board in February 2017.

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Public sector companies' financial authority clipped

REJAUL KARIM BYRON

Public sector companies will now have to take approval from the cabinet committee on purchase when procuring goods and services under bigger deals -- a step added to ensure more transparency in the process.

Until now, companies in the public sector conduct their purchasing activities taking approval from their board of directors, as per the Companies Act 1994.

However, in case of public purchase by ministries and divisions if the bill amount is upwards of Tk 100 crore it has to be sent to the cabinet committee on purchase for approval.

This prompted the cabinet committee on economic affairs to form a committee for delegation of financial power of the public sector companies.

A five-member committee headed by the director general of Central Procurement Technical Unit under the planning ministry was formed to determine the rules to be followed by the public sector companies in case of purchases.

The five-member team made the recommendation and the committee on economic affairs approved it on Wednesday.

The committee's report suggested that the public sector companies' boards be given the authority to approve bills amounting to Tk 500 crore at most in case of services.

For procurement amounting to more than Tk 500 crore, they must be forwarded to the cabinet committee on purchase.

In case of procurement of goods, the ceiling is Tk 200 crore. For intellectual and professional services, it is Tk 50 crore.

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