ASIAN MARKETS

TOKYO

V 0.08%

MUMBAI

0.70%



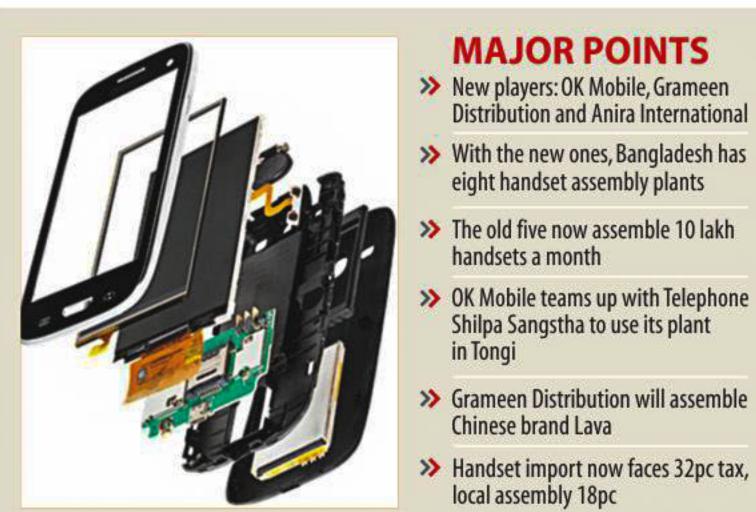
DHAKA WEDNESDAY MARCH 20, 2019, CHAITRA 6, 1425 BS starbusiness@thedailystar.net

Mobile assembly gathers pace

Three more companies ready to roll

COMMODITIES

Gold A



MAJOR POINTS

- New players: OK Mobile, Grameen Distribution and Anira International
- >> With the new ones, Bangladesh has eight handset assembly plants
- >> The old five now assemble 10 lakh handsets a month
- >> OK Mobile teams up with Telephone Shilpa Sangstha to use its plant in Tongi
- Chinese brand Lava >> Handset import now faces 32pc tax,
- local assembly 18pc



COLLECTED

Employees of OK Mobile are assembling mobile devices during a test run in a plant of Telephone Shilpa Sangstha in Tongi.

MUHAMMAD ZAHIDUL ISLAM

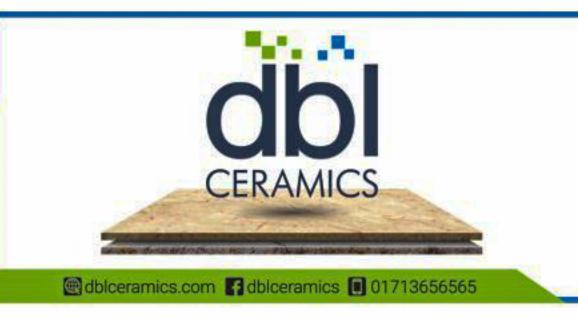
STOCKS

CSCX

DSEX

Three more local companies are in the process of rolling out their mobile assembling plants as astute players look to exploit the 14 percentage points of tax benefit being offered to log in higher sales.

The tax on handset imports is 32 percent,



while the rate is 18 percent for local assembling and 13 percent for manufacturing domestically.

With the three new players -- Ok Mobile, Grameen Distribution and Anira International -- the total number of handset assembling plants in Bangladesh would hit eight, including one from South Korean giant Samsung.

In fact, OK Mobile was the first company to consider handset assembly locally, tying up with the stateowned Telephone Shilpa Sangstha (TSS) in 2014. At that time, there were no guidelines for local assembly and no tax benefits, so the plan did not progress much.

As per the deal, OK Mobile would use TSS's factory in Tongi, Gazipur for a handsome amount of royalty and 3 percent of device sales receipts.

Economists recommend

working with a small num-

ber of projects with high

allocation for their timely

implementation as it reduces

costs and delays. But the

government is doing the

December 30 last year, said

The company will assemble OK Mobilebranded smartphones and features phones, which are due to hit the market in April, said Kazi Jasimul Islam, president of OK Mobile. Initially, 2.5 lakh units would be assembled

CURRENCIES

BUY TK 83.30

SHANGHAI

V 0.18%

SINGAPORE

0.25%

STANDARD CHARTERED BANK

0.73

in a month; gradually, production would be scaled up to about 8 lakh units. "We have started our test run," he said, adding

that OK Mobile has so far spent Tk 42 crore on the venture. Grameen Distribution that currently imports

handsets of Chinese brand Lava will soon be assembling them locally. "We are doing moderate business in

Bangladesh and when our locally assembled products hit the market next month our market size will increase," said Md Sirujul Haque, chief marketing officer of Grameen Distribution. **READ MORE ON B3**

Grameenphone restrictions go

STAR BUSINESS REPORT

The telecom regulator yesterday lifted the four restrictions it had imposed on Grameenphone after the penalties were challenged in the High Court.

.....

The Bangladesh Telecommunication Regulatory Commission (BTRC) issued a letter, withdrawing its previous orders that had imposed the restrictions, which came into effect on March 1.

GP had been slapped with the restrictions as part of the penalties for becoming a significant market power (SMP) operator.

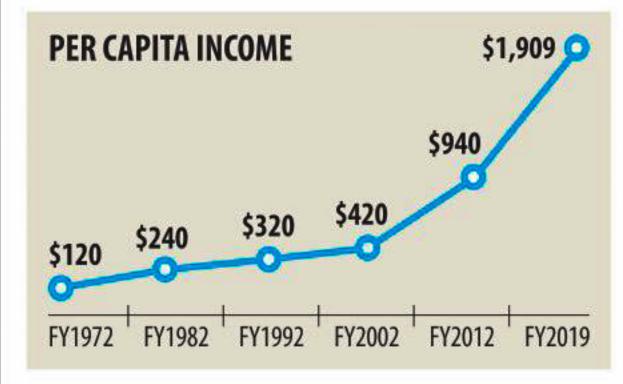
The restrictions banned GP from giving out adverts and signing exclusive deals with goods and service providers. The regulator had also ordered GP to bring down the call-drop rate to 2 percent whereas the acceptable call drop rate is 3 percent for other operators.

The regulator had also asked the operator not to conduct nationwide promotional campaigns on the back of its dominance.

In another restriction, the telecom watchdog had made it easier for a user to leave GP under the mobile number portability facility.

READ MORE ON B3

Per capita income hits \$1,909



STAR BUSINESS REPORT

Bangladesh's per capita gross national income (GNI) jumped more than 9 percent to \$1,909 last fiscal year from \$1,751 a year ago, showed provisional official figures released yesterday. The GNI means all income of a country's residents and

businesses including residents abroad while gross domestic product (GDP) takes into account domestic production only. Provisional data showed that the per capita GDP also rose at the same pace to \$1,827 in 2018-19 from \$1,675

the previous year. The per capita GNI was \$120 in 1972 and it took a decade to double to \$240 in 1982. It added only \$80 to

\$320 in the next decade till 1992. The per capita GNI has been rising constantly alongside the country's economic growth since the new millennium. The per capita GNI rose by 124 percent to \$940 in the decade to 2012 and more than double to \$1,909 in the next seven years.

The GNI per capita is highly associated with the quality of life of citizens.

ADP shrinks but projects shoot up

STAR BUSINESS REPORT

The number of development projects for this fiscal year has increased by about 32 percent even though allocation has shrunk, suggesting delays in implementation and reduced budget for each.

after National Economic Council in a meeting yesterday, which was chaired by Prime Minister Sheikh Hasina, trimmed down the allocation for an official requesting anonymity due to the

The development comes

the Annual Development Programme by 4.62 percent to Tk 1.65 lakh crore yesterday. The number of projects in the revised ADP has now reached 1,916 from 1,451 at

the beginning of fiscal 2018-19. projects that are awaiting approval and allocation, according to a statement from

the planning ministry yesterday.

proposal to appoint retired bureaucrats as project directors

PM rejects

exact opposite. The number of projects shot up this year because the planning ministry went on an approval spree ahead of the general election on

sensitivity of the matter. As a result, the projects received lower amounts of allocation, he added.

In the revised ADP, the governmentowned fund was increased 0.89 percent to Apart from these, there are 985 more Tk 1.14 lakh crore, while the project aid was slashed 15 percent to Tk 51,000 crore, according to the statement.

READ MORE ON B3

DataSoft to roll out 4 loT devices next month

BASIS SoftExpo kicks off



Zunaid Ahmed Palak, state minister for ICT, and Yasir Azman, deputy CEO of Grameenphone, attend the launch of Grameenphone IoT solution at the start of the three-day BASIS SoftExpo 2019 at International Convention City Bashundhara yesterday.

MUHAMMAD ZAHIDUL ISLAM

..... Local tech giant DataSoft is set to introduce four state-of-the-art Internet of Things devices next

stressful.

one's mobile phone in case of gas Tk 7,999 in the first year and Tk and water leakages, smoke and 2,999 after that.

month to make people's lives less intrusion in the house.

To avail the services of all four The devices would send alerts to devices customers will have to pay

"Our young IoT engineers are developing these solutions," said Mahboob Zaman, managing director of DataSoft Systems Bangladesh Ltd, adding the devices would improve the lives of people and digitalise businesses. DataSoft, which earlier solved

the water supply crisis faced by residents of Mecca, Saudi Arabia using the same technology, is taking pre-orders for the four devices at its stall in the 15th edition of the BASIS SoftExpo 2019 currently taking place in the International Convention City Bashundhara.

The devices were manufactured at DataSoft's plant at the Bangabandhu Hi-Tech City in Gazipur.

"These devices are completely homegrown," Zaman said, adding that DataSoft is taking orders for other IoT devices during the threeday exposition.

READ MORE ON B3

NEWSIN

Panel formed to amend book building method

The stock market regulator has formed a committee to give recommendation on amendment to the book building method, a tool used to raise capital from public.

Some institutional investors have misused the method to set higher premiums, which has prompted the regulator to bring an amendment.

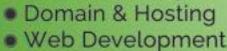
Rules may change for raising fund thru' placement shares

Stock regulator yesterday formed a panel and urged it to recommend how to amend rules of fund raising by nonlisted companies through placement shares. The comittee was formed as the board of Dhaka bourse has recently urged the regulator to increase the lock-in period on placement shares when they got listed.

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