

# BTRC audit claim unfounded: GP

## Operator urges regulator to withdraw claim of Tk 12,580cr

**STAR BUSINESS REPORT**

Grameenphone yesterday demanded that the telecom regulator withdraw its recent claim of Tk 12,579.95 crore from the operator, terming the unpaid amount unearthed by audit as “unfounded and without any legal basis”.

Earlier on April 2, the Bangladesh Telecommunication Regulatory Commission (BTRC) issued a demand letter against Grameenphone claiming Tk 8,494.01 crore and another Tk 4,085.94 crore for the National Board of Revenue, to be paid within 10 working days.

The claim came after the information and systems audit, conducted by Toha Khan Zaman & Co., on the country's leading operator's books from its inception in 1997 until June 2015.

Originally, following the audit report the government last year claimed Tk 11,530.15 crore -- an amount that was disputed by Grameenphone. The operator requested the BTRC to revisit the figures once again, which the telecom watchdog agreed to.

In the revision, the principal amount declined by about Tk 15 crore. Since more

**BTRC AUDIT INTO MOBILE OPERATORS**

- First audit came in 2011, leading BTRC to claim Tk 3,034cr from GP
- In 2015, it claimed Tk 867.24cr from Robi and Tk 11,530.15cr from GP
- For GP, the sum was revised to Tk 12,579.95cr
- Fresh initiatives taken to audit Banglalink, Airtel
- BTRC has mandate to run audit every year

time has elapsed the interest on the principal amount has increased and hence the higher amount, according to BTRC Chairman Md Jahurul Haque.

The interest amount was Tk 5,129.16 crore in the audit report placed last year. The new interest amount is Tk 6,194.30 crore.

Operators have to pay 15 percent interest if they fail to pay their dues within the deadline as per rules.

Grameenphone's dispute with the telecom watchdog began in 2011, when Tk 3,034 crore was claimed following an audit into its book from its inception until 2011.

The operator had disputed the deployment of the auditor and took the matter to courts and prevailed: the Supreme Court declared the appointment illegal.

# Stocks drop to five-month low

## Angry investors call for BSEC chief's resignation

**STAR BUSINESS REPORT**

Dhaka stocks sank deeper into the red yesterday, hitting a five-month low and eliciting angry calls for resignation of the stock market watchdog's chief from anguished investors.

DSEX, the benchmark index of the Dhaka Stock Exchange, plummeted 60.55 points, or 1.14 percent, to finish the day at 5,249.

In the last one month, investors saw their shares' value erode by Tk 22,486 crore.

Desperate, investors demonstrated in front of the DSE office yesterday and demanded resignation of M Khairul Hossain, the longest-serving chairman of the Bangladesh Securities and Exchange Commission, within 48 hours.

Otherwise, they will go for tough movement.

In his eight-year-long tenure, Hossain failed to boost investor confidence and bring quality stocks to the market, they said.

“The chairman is working for the issuer companies and stock brokers, not for investors,” said Ariful Islam, an agitating investor who has lost 40 percent of his money in just one month.

The BSEC has given approval to many companies to go public though those were not performing well, said Mizanur Rashid, another investor.

“These under quality stocks have impacted general investors' confidence. So, their participation in the market fell,” Rashid said.

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# TIN not mandatory for BO accounts: NBR

**STAR BUSINESS REPORT**

The tax authority has not made opening taxpayer identification number (TIN) mandatory for stock investors, allaying the fears of general investors.

Following the media reports earlier this month about TIN becoming compulsory for investing in the capital market, the Dhaka Stock Exchange plunged to its three-month low on April 3 as general investors panic sold.

“Investors would be able to open beneficiary owner's (BO) accounts as they could in the past. No new rule has been framed making TIN compulsory,” said the National Board of Revenue in a press statement yesterday.

The NBR also said it is holding consultation meeting with stakeholders ahead of framing tax proposals for fiscal 2019-20.

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# Handlooms on the decline

## BBS census finds unit numbers down by a quarter in 15 years

**STAR BUSINESS REPORT**

The number of handlooms fell by more than quarter in Bangladesh in the last 15 years, cutting jobs, largely because of the sector's shift towards mechanisation and dearth of labour.

In 2003, there were 183,512 handloom units but it fell 36.79 percent to 116,006 last year, according to the Handloom Census 2018 carried out by the Bangladesh Bureau of Statistics (BBS).

Planning Minister MA Mannan released the primary report of the census at a programme at the BBS auditorium in Dhaka yesterday.

The government carried out the third countrywide census on handloom last year. The previous two censuses were in 1990 and 2003.

According to the latest census report, employment also fell: 888,115 people were employed in the sector in 2013 but it declined by 194 percent to 301,157 in 2018.

Number of women workers fell by 55.78 percent to 168,313 and men by 44.22 percent to 133,444 during the period.

However, in percentage, the women's participation in the labour force rose: they made up 44.35 percent of the workforce in 1990 and it rose to 46.81 percent in 2003 and 55.78 percent in 2018.

There are significant numbers of women workers in the three hilly districts: Rangamati, Khagrachhari and Bandarban.

Apart from increasing mechanisation, lower income, lack of capital, and problems related to marketing were blamed for the squeezed handloom sector.

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**HANDLOOM SECTOR IN BANGLADESH**  
*In lakh; Source: BBS*

	YEAR 1990	YEAR 2003	YEAR 2018
HANDLOOM UNITS	2.12	1.83	1.16
JOBS	10.27	8.88	3.01

# One-fifth of Rana Plaza survivors getting weaker

## ActionAid survey finds

**STAR BUSINESS REPORT**

The condition of one-fifth the Rana Plaza survivors is getting worse six years after the disaster, revealed a study of ActionAid Bangladesh yesterday.

Almost half of the survivors are more or less stable and around one-third are completely stable. In terms of psychological health, 10.5 percent are still in trauma.

Nuzhat Jabin, manager of ActionAid Bangladesh, presented the survey report at a programme styled “Commemorating the 6th anniversary of Rana Plaza Building Collapse” in the capital's Brac Centre Inn.

The organisation used the database of 1,400 survivors of the industrial disaster on April 24, 2013 that claimed 1,135 lives and followed up with 200 of the survivors over telephone.

The survey found some 51 percent of the survivors of Rana Plaza disaster are still unemployed due to physical and mental challenges.

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Farah Kabir, country director of ActionAid Bangladesh, speaks at a programme titled “Commemorating the 6th anniversary of Rana Plaza building collapse” in the capital's Brac Centre Inn yesterday.

# Savings certificates become a headache: BIBM

**STAR BUSINESS REPORT**

Astronomical sales of national savings certificates has become a grave concern for policymakers and bankers, as their high interest means the government's interest burden is soaring and banks are being deprived of deposits, said the Bangladesh Institute of Bank Management.

The government's savings tools are now offering interest rates between 11.04 and 11.76 percent in contrast to 5 to 8 percent rate given by banks.

This has prompted savers to flock to NSCs, so much that the government's target of borrowing Tk 26,197 crore from the tool this fiscal year was met in just the first seven months.

Between July and February, the net sales of the savings tools stood at Tk 35,602.49 crore, up 7.49 percent year-on-year, according to data from the Department of National Savings.

Total outstanding sales of NSCs stood at Tk 262,760 crore as of December last year, up 193 percent from four years earlier.

The above market interest rate on NSCs may make government borrowing from the channel unsustainable, said the BIBM report. It is also impacting the growth of bank deposits, which in turn may create liquidity problem for the banking sector.

The report, which was unveiled yesterday at a seminar, went on to suggest a floating rate based on the average interest rate of government securities (treasury bills and bonds) along with some additional basis points for the savings instruments.

“The high volume of savings tools has some important implications for fiscal-monetary management,” said SM Moniruzzaman, deputy governor of the central bank, at the seminar held at the BIBM auditorium.

The sales of savings tools increased beyond the budgetary target by a sizeable margin in the last couple of years.

As a result, the government borrowing from banks has reduced, cutting down the interest rate on treasury bills and bonds, he said. To compete with the government savings tools, banks need to collect deposits at higher interest rates.

“Thus, the existing administered interest rate of the government tools appears to be a challenge for fiscal-monetary coordination.”

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# First IPTV launches

**STAR BUSINESS REPORT**

BDCOM Online Ltd has introduced IPTV (internet protocol television) service in the country, the first of its kind.

The IPTV was rolled out on Pahela Baishakh, the first day of the Bengali calendar, officials of BDCOM Online told the leaders of Telecom Reporters' Network Bangladesh (TRNB) at a programme in Dhanmondi yesterday.

One of the leading internet service providers in Bangladesh, the company says it has rolled out the service under its new package – Broadband360°.

Apart from the IPTV service, BDCOM Online will also offer existing internet and voice-based internet telephony service and all these packages together will be called “Triple Play Service”.

The speed of the package is expected to be about 100mbps, said SM Golam Faruk Alamgir Arman, managing director of the company.

He says the company is offering broadband internet from the beginning and added IP telephony service in the last one decade with a market share of 60 percent.

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# Huawei has big plans for AI, 5G

## Says its deputy chairman

**KHONDOKER MD SHOYEB, from Shenzhen, China**

Huawei will bring huge change to the world with its work in the field of artificial intelligence (AI) and fifth-generation (5G) network, a top official of the global ICT solutions provider said yesterday.

“We are working on a system which will enable the screen of an electronic device to show whatever its user is thinking to search for. We named it Zero Search,” said Ken Hu, deputy chairman of the company.

Huawei will do it with the help of AI. Button free interaction will be another gift from Huawei to its consumers, which will enable them to interact with the devices they use in their daily lives, he said.

People now have to use a lot of electronic devices and apps. In button-free interaction, all the devices will be connected to smartphones.

“The AI will decide when and what app to open and use. It will make life easy.”

“All these revolutions will change the world for good,” Hu said, during his keynote speech on the opening day of the 16th annual Global Analyst Summit in Shenzhen, China.

More than 700 industry and financial analysts, key opinion leaders and media representatives from across a range of industries, including telecoms, internet and finance, are taking part in the programme at the Hotel InterContinental.

The fastest data connection, or 5G, is another revolution where Huawei is spending big. The 5G will ensure brand new seamless experience for consumers, Hu said.

“5G came much faster than we expected. We hope the number of 5G users will hit the half a billion-mark in three years whereas it took five years for 4G to hit the mark and 10 years for 3G.”

In its first year, there were only 400 base stations to work for 4G network, whereas the number crossed 100,000 at the same time for 5G. “By 2025, the number will hit 6.5 million and will be ready to serve 2.8 billion users.”

At the event, William Xu, director of the Huawei board, shed light on the importance of taking more strategic initiatives to build a modern and technology-based world.

Huawei will take different initiatives, including funding university research, building labs, and making technological investments to ensure inclusive development, said Xu, also the president of the Institute of Strategic Research of Huawei.

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**BETTER STORIES**

**IFC CORPORATE GOVERNANCE TOOLKIT**

Typically used by IFC investee companies, the toolkit is now being launched for growth stage businesses in Bangladesh

**WORKSHOP**

April 24-25, 2019

Amari Hotel, Dhaka

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http://bit.do/ePp35

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