

Banglalink plans to get listed in 3 years

STAR BUSINESS REPORT

Banglalink, the country's third largest mobile operator, is aiming to enter the stock market in three years, according to its parent company's top officials who met the chief of the Bangladesh Securities and Exchange Commission (BSEC) on Monday.

"I think three years is the right time frame to consider...we will be preparing ourselves," said Kaan Terzioğlu, group chief executive officer (CEO) of VEON.

"We have an aspiration...it's really important that when we become really profitable, hope that will happen very soon, we will be able to do it soon," he added.

Terzioğlu shared the plans while being interviewed by journalists at Bangladesh Telecommunication Regulatory Commission in Dhaka.

He is the member of a delegation which arrived in Dhaka on March 20 on a four-day visit and met BSEC Chairman Professor Shibli Rubayat-Ul-Islam at the latter's office in Dhaka on Monday.

Banglalink officials have come to the office and expressed their intention to get listed in the stock market, BSEC Executive Director and Spokesperson Rezaul Karim said in a media briefing.

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UK inflation hits 30-year high

REUTERS, London

British inflation shot up faster than expected last month to hit a new 30-year high, worsening a historic squeeze on household finances that finance minister Rishi Sunak is under pressure to ease in a budget update later on Wednesday.

The Office for National Statistics said consumer prices rose by 6.2 per cent year-on-year in February after a 5.5 per cent rise in January, its highest rate since March 1992.

Britain now has the second-highest annual inflation rate among Group of Seven countries, behind only the United States as global commodity and energy prices soar, exacerbated by Russia's invasion of Ukraine.

The median forecast in a Reuters poll of economists had pointed to a reading of 5.9 per cent and only three of the 39 respondents had expected such a strong reading.

The ONS highlighted household energy bills - up almost 25 per cent on a year ago - and petrol as the biggest drivers of February's price jump.

In a blow to poorer households, the ONS said food prices were rising across the board, unlike in normal times when some prices typically go up and others fall.

Sunak will aim to show at 1230 GMT that he is helping Britons through the worst cost-of-living squeeze in decades.

Options include a fuel duty cut, pushing up the threshold at which people start to pay into the social security system and ensuring welfare payments keep up with inflation.

Russia default would have 'limited' global impact: IMF

AFP, Washington

The consequences for the global financial system if Russia cannot pay its foreign debts are likely to be "limited," a senior official at the International Monetary Fund said Tuesday.

The United States and its allies have imposed tough financial sanctions on Russia in retaliation for its invasion of Ukraine, but Moscow so far has made debt payments.

Still, concerns remain about its ability to continue to service its loans - especially after the May 25 expiration of a US exemption that allows the transactions.

"If there were a default, I think the direct effect on the rest of the world would be quite limited, because the numbers that we're looking at are relatively small from a global perspective," said Gita Gopinath, the number-two official at the Washington-based crisis lender.

"It is not a systemic risk to the global economy," although some banks have "greater exposure," she said in a discussion with Foreign Policy magazine.

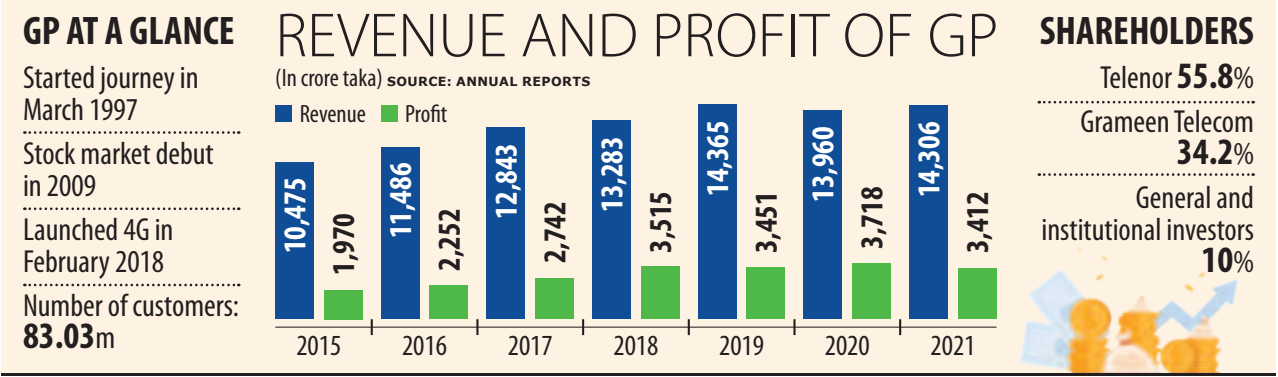
The sanctions effectively have severed Russia's ties to the global financial system, prohibiting most transactions except for debt payments and oil purchases.

The measures also froze the government's stockpile of \$300 billion in foreign currency reserves held abroad.

Moscow last week avoided default after it made a \$117 million interest payment on two dollar-denominated bonds, sending funds through JPMorgan and Citigroup, which confirmed with the US Treasury Department that the transactions were allowed.

The government had initially indicated it would make the payments in rubles, which debt ratings agencies said would be considered a default.

GP looks to max out 4G potential



MAHMUDUL HASAN

Grameenphone aims to realise the full potential of the fourth-generation (4G) technology as the super-fast mobile telephony can support customers in their digitalisation journey, said Jorgen C Arentz Rostrup, chairman of the largest mobile phone operator in Bangladesh.

Bangladesh entered 4G era in 2018 and has already brought about 95 per cent of the population under its coverage.

Yet, only a third of the population have 4G connections, owing to lower affordability of devices and levels of knowledge and digital skills.

"We are going to max out on 4G, which is extremely important and has vast potential. Hence, we are going to do the most of that and eventually move on to bring in new technologies and things within this," Rostrup told The Daily Star in an interview in Dhaka recently.

His thoughts came at a time when GP is celebrating its silver jubilee.

The operator, which started in a small one-floor office in Dhaka's Mohakhali to support women and connect them in the remote areas in 1997, has become the country's most dominant player in the telecommunication sector in the last quarter-century, serving more than 8 crore customers presently.

As it ascended to the top, GP has invested Tk 41,000 crore to build a network infrastructure that covers more than 95 per cent of the population.

However, the majority of mobile subscribers in Bangladesh still use feature phones and only around 53 per cent of GP's customers use internet.

Rostrup, also the head of Asia at Telenor, the parent company of GP, says Telenor is focused on developing 4G, including in Bangladesh, where GP is technologically and digitally advanced.

His visit came at a time when the telecom regulator of Bangladesh is set to hold the spectrum auction for 5G on March 31. The operator has already submitted an application expressing its intention to take part in the bidding.

"From a Telenor perspective, we are working on 4G and 5G globally. We work thoroughly on 4G and are very concentrated in the Nordic region and Asia."

"We have been working on 5G for a few years. We have been running

pilots and trials so that we understand more of it, including its potential, the business models, value proposition, and technical setup."

According to Rostrup, 5G is still at a nascent stage in Asia. Telenor and Grameenphone will embrace it when the time is right.

Without pointing to any specific direction, one should not embark too much in one direction before things are mature and ready, he added.

"There are business cases, economic models, technology, demands, customer expectations, and customer's willingness to participate in the development of it."

Rostrup, who served Telenor



Group chief financial officer and currently also holds the position of executive vice president, personally asked his bosses to appoint him as the chairman of GP because of the importance of the market.

"Bangladesh and Grameenphone are special and that is why I was delighted to be named the chairman of the board."

GP was the first investment of Telenor outside the Nordic region. And the investment has been so impactful for the Norwegian company that it now calls it a Nordic Asian company.

Despite having a strong footprint in Bangladesh, Rostrup describes the telecom market as very competitive with three strong operators.

He doesn't think that telecom companies, globally as well as in Bangladesh, were caught off guard by the coronavirus pandemic although they are still struggling to ensure proper internet speed.

"On the contrary, telecommunication has been a very successful sector that has adapted quickly and kept things going."

He blamed the change in patterns

linked to customers, demand and capacity brought on by the pandemic for the poor user experience.

Speaking in the same interview, Yasir Azman, chief executive officer of GP, says during the pandemic, the company participated in two auctions, acquired maximum spectrum, almost doubled network investment and set up new sites.

"I'm sure you are experiencing a much better network now," he said.

Despite remarkable advancement, GP has cut jobs in large numbers in recent years bringing down the workforce to below 1,500.

Rostrup says the company is constantly developing the skills of its employees and it is top on the list of

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Jorgen C Arentz Rostrup
chairman of Grameenphone

how much time colleagues spend on training and learning.

Many competencies of employees have become less relevant today than they were 10 years ago. And the only solution to that is to either successfully upskill them or to come to an agreement so that they can put their talents to good use somewhere else, he said.

"But we have to do it with respect and fairness and we have to compensate them."

Asked if Telenor has any plans to merge GP with Robi, the second-largest operator in Bangladesh, like Telenor Group and Axiata Group did it by bringing Malaysian operators Digi and Celcom under one entity, Rostrup says he does not usually make comments on the issues that are not final.

"We have concluded the merger in Malaysia. We have decided to do the same in Thailand."

Dtac, Telenor's telecom brand in the Southeast Asian country, and True Corp, part of CP Group, have signed an agreement to create a new telecom-tech company.

GP is one of the most profitable ventures of Telenor.

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STABILISATION FUND

Listed firms asked again to deposit undistributed dividends

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has ordered all listed companies to submit any undistributed dividends to the Capital Market Stabilisation Fund by March 31.

Undistributed dividends are a company's profits that have not been disbursed among its shareholders.

The BSEC passed a rule in June last year to form the fund using undistributed and unclaimed dividends of listed companies. The aim is to use the funds to safeguard the interests of the stock market and general investors.

The BSEC had sent several letters asking listed companies to submit their undistributed dividends. However, many issuers are yet to follow the order.

With this backdrop, the stock market regulator has sent another letter, saying companies that fail to submit the money within the stipulated time will be punished.

In previous letters, the BSEC had directed listed companies to transfer the cash and stock dividend or any fund or shares that remain undistributed, unsettled, unclaimed or non-refunded public subscription money to the Capital Market Stabilization Fund's bank account and beneficiary owners account.

However, it appears that some issuers are yet to complete the transfer of cash and shares in line with the provision of the commission's directive within the stipulated deadline.

So, the companies have been instructed to take necessary action to transfer the fund by March 31, failing which the commission will initiate appropriate measures for non-compliance of securities laws in this regard, including financial penalty, the letter said.

Prof Shibli Rubayat-Ul-Islam said in a programme held last week that some listed companies are repeatedly seeking more time to submit their accounts on the undistributed dividends.

The BSEC chairman went on to say that the amount of undistributed profits accumulated by firms since their trading debut, and whether it is being used illegally needs to be sought out.

"We will appoint top class auditors if necessary to find out the real situation," he said.

"No one has the right to establish their own building with the money," Islam added.

Russian gas flows to Europe dip slightly

REUTERS, London

Russian gas deliveries to Europe through the Nord Stream 1 pipeline across the Baltic Sea dipped slightly on Wednesday, while gas continued to flow eastwards from Germany into Poland along the Yamal-Europe pipeline.

Flows to Germany through Nord Stream 1 stood at 65,361,776 kilowatt hours per hour (kWh/h) by 0728 GMT, slightly down from 67,955,181 kWh/h at midnight, the Nord Stream website showed.

Eastbound flows into Poland from Germany along the Yamal-Europe pipeline were at 1,717,560 kWh/h at the Mallnow border point, down from 2,362,830 kWh/h at midnight, data from operator Gascade showed.

The usually westbound pipeline reversed on March 15 as nominations to ship gas into Germany fell to zero, while Polish customers bought gas from Germany.

Oil rises in volatile trade

REUTERS, New Delhi

Oil prices rose on Wednesday amid volatile trading on increasing concerns of global supply tightness from sanctions imposed on Russia, the world's second-largest oil exporter, and on signs that exports from Kazakhstan may be disrupted.

Brent crude futures were up 95 cents, or 0.82 per cent, to \$116.43 a barrel at 0816 GMT. Prices earlier rose to as high as \$117.70 and at one point fell to a low of \$114.45. The contract fell 14 cents in the previous session.

US West Texas Intermediate (WTI) crude futures rose 73 cents, or 0.67 per cent, to \$110 a barrel. The contract surged to a high of \$111.35 and slipped to a low of \$108.38. Prices fell 36 cents on Tuesday.

The market remains on edge over the prospect of further sanctions on Russia, the world's second-largest crude exporter, after its invasion of Ukraine, actions that Moscow calls a "special operation".



The Emir Sheikh Nawaf al-Ahmad al-Jaber al-Sabah (C) inaugurates the Kuwait National Petroleum Company's full operation of the environmental fuel project, flanked by Crown Prince Sheikh Meshal al-Ahmad al-Sabah, Prime Minister Sheikh Sabah al-Khaled al-Sabah and Kuwaiti Oil Minister Mohammad al-Fares during a ceremony at the Mina Abdullah refinery south of Kuwait City on March 22.

PHOTO: AFP