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BUSINESS








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SCAN FOR DETAILS

DOEL LAPTOP
AT A GLANCE

-  TSS launched locally-assembled laptop in Oct 2011
-  Initially, it produced 4 models of laptop
-  The most basic one was priced at Tk **10,000**
-  TSS assembled **63,245** laptops of **11** models, sold **58,750** units till 2016
-  Govt entities purchased **85%** of the laptops

AFTER A PAUSE OF
OVER 2 YEARS...

- Doel laptop reemerged in 2019
- But response from customers was poor
- In FY21, it assembled only **750** Doel-branded laptops and sold **741** units

STUDY IN 2014
FOUND:

- **17.5%** of users complained about the laptop's processor
- **35%** complained about RAM
- **82.5%** faced problem with battery

TELEPHONE SHILPA
SANGSTHA

- Started journey in 1973
- It has an assembling and manufacturing plant in Tongi
- It entered the digital sector by assembling the Doel-branded laptop

PRODUCTS TSS MAKES

- Laptop, desktops, notebooks, tabs, biometric devices, multimedia projectors, sound boxes, EMD telephone exchanges, analog PABX, fax machines, cabinets, telephone sets



Doel fails to spread wings

Performance of the locally-made much-hyped laptop was not up to the mark

MAHMUDUL HASAN

In 2011, state-owned Telephone Shilpa Sangstha (TSS) made Bangladesh proud by assembling the country's first laptop, showing promises to deliver the device at an affordable price and help the government to implement its digitalisation agenda.

Prime Minister Sheikh Hasina launched the laptop, Doel, named after the national bird, and TSS officials were bullish that the digital devices would be available to the public and tens of millions of students.

Four models were introduced initially, attracting a lot of attention, particularly the most basic laptop that was priced at Tk 10,000.

But the excitement surrounding Doel laptop evaporated soon as customers were finding the performance of the device not up to the mark.

A teacher said he had purchased the basic model a few months after the launch.

"Soon, the laptop showed overheating. After a few months, I had to replace the battery. There was a problem with the processor as well."

In 2014, some faculty members of Jagannath University carried out a study – 'Enactment of a Local Laptop Brand: A Study on Doel Laptop – to know about users' experiences. The sample

size was 50.

According to the study, 17.5 per cent of the users complained about the processor, 35 per cent of the users raised issues about RAM (random access memory), 82.5 per cent faced problems with battery, and 7.5 per cent pointed to issues related to audio and input-output connectivity.

About 10 per cent of respondents experienced charger problems, and 5 per cent complained about resolution. None raised any issues about the hard disk and keyboard.

"Overall, customers are not very satisfied with Doel laptop," according to the study.

The bad user experience severely damaged the image of the brand.

In the first three years, TSS managed to sell Tk 126 crore worth of laptops, according to its annual reports, forcing it to suspend assembling.

It assembled 63,245 laptops in 11 models and sold 58,750 units, according to the 2016-17 annual report of the Posts and Telecommunication Division.

The education ministry bought 23,331 laptops, the telecom division's postal department 24,000 units, and the army 2,799 units. All three have complained about the poor quality of the digital device.

The Doel project was established under a venture

where TSS had a 25 per cent stake, while local firm 2M, and its Malaysian partner TFT Display Sdn Bhd (TFT) owned the rest. TFT and 2M abandoned the project soon after its inception.

After the suspension of assembling, TSS started importing complete laptops bearing Doel logo and they were marketed as a "Made in Bangladesh" product. That too came to an end after demand hit rock bottom.



DOEL FAILED WHEREAS OTHERS SHONE

In 2019, TSS began assembling Doel-branded laptops again as it looked to make a turnaround. But the initiative flopped as well since it could not pull enough customers.

The state company assembled 750 laptops in 2020-21 and sold 741 units among government offices and customers.

By contrast, Walton, which set up a computer assembly plant in 2018, manufactured 50,000

laptops in the first six months of 2022.

"It's impossible to offer a laptop at just Tk 10,000 without compromising quality," said Md Ahsan Habib Tapader, who joined TSS as its managing director about a year ago.

"If the government subsidises the project, it would be successful."

He thinks if Tk 5,000 is provided as a subsidy for a laptop that costs Tk 15,000 to produce,

that the company didn't receive adequate investment from the government.

In Bangladesh, local manufacturers have been enjoying the opportunity to import raw materials for computer accessories by paying only 1 per cent import duty since 2017.

AKM Fahim Mashroor, a former president of the Bangladesh Association of Software and Information Services, says if the brand image of digital service or product gets damaged, it is very difficult to revive it.

"If TSS takes up private investment and is managed by private firms, the scenario could change. In China, there are examples of successful state-owned companies run by private management."

Established in 1967, TSS was renamed after independence.

In the post-liberation period, TSS produced and set up emergency medical dispatch telephone systems, analogue PABX, fax machines, cabinets, and telephone sets to meet demand.

Apart from Doel laptops, desktop computers, notebooks, tabs, biometric devices, multimedia projectors, sound boxes, smart prepaid energy metres and other digital devices have been added to its product line.

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POST-LDC GRADUATION

Explore alternatives to cash incentives on export

Committee urges govt

STAR BUSINESS REPORT

A committee yesterday suggested the government come up with alternatives to cash incentives on export receipts since Bangladesh will not be allowed to support its exporters in the current form after its graduation to a developing country.

The observation was made at a national workshop of the LDC graduation sub-committee on domestic revenue generation and tariff rationalisation at the finance ministry.

The event was chaired by Fatima Yasmin, senior secretary of the finance division, said the ministry in a press release.

Once the country leaves the LDC group, the government will not be able to give cash subsidies to exporters although suppliers would face heightened competition in the global markets

In May last year, the government formed a 22-member national committee to address the challenges that Bangladesh will face as a result of its graduation from the grouping of the least-developed countries (LDCs) in 2026.

Seven sector-specific sub-committees have also been formed to support the national committee.

Ahmad Kaikaus, principal secretary to the prime minister and chief of the national committee, was also present at the meeting, which was attended by leaders of various business chambers and trade bodies, economists and other government high-ups.

Once the country leaves the LDC group, the government will not be able to give cash subsidies to exporters although suppliers would face heightened competition in the global markets since the country would lose preferential trade benefits.

The cash incentive and subsidies on exports that don't tally with World Trade Organisation's provision should be reduced gradually and alternatives should be explored to keep supporting exporters, said the subsidy study group.

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STOCKS			WEEK-ON WEEK
	DSEX ▲	CASPI ▲	
	1.82% 6,355.07	2.75% 19,156.20	

COMMODITIES			AS OF FRIDAY
	Gold ▲	Oil ▲	
	\$1,712.5 (per ounce)	\$87.26 (per barrel)	

ASIAN MARKETS					FRIDAY CLOSINGS
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
	▲ 0.06% 58,803.33	▼ 0.03% 27,650.84	▼ 0.57% 3,205.69	▲ 0.04% 3,186.48	

FIRST COMMODITIES EXCHANGE

CSE in talks for smart warehousing, quality control

AHSAN HABIB

Chittagong Stock Exchange (CSE) is in discussions with SGS Group and Nippon Express Bangladesh to build a technological ecosystem for smart warehousing facilities and intelligent quality control systems for the country's first commodities exchange, or futures market.

The CSE is planning to launch the commodities exchange this year aiming to reduce the price difference of commodities between what consumers pay and what producers get.

The SGS is a Swiss inspection, verification, testing and certification service provider operating across a wide variety of industry sectors and active in nearly every country.

Nippon Express Bangladesh is a joint venture between Japan-based global logistics company Nippon Express and Golden Harvest. It has warehouse facilities in Dhaka, Gazipur and Tongi

and transportation offices in Dhaka, Chattogram, Benapole and Ishwardi.

A CSE commodity team had three in-person meetings with the SGS and Nippon officials at the CSE office and the two companies can be significant stakeholders in building the technological ecosystem, read a CSE progress report.

"The conversations are at an initial stage," said CSE Chairman Asif Ibrahim.

The CSE is trying its best to trade at least one product on the exchange. However, the tasks of formulating related regulations and product identification are yet to be complete, he added.

In order to launch the market, the port city bourse signed a memorandum of understanding last April appointing the Multi Commodity Exchange of India (MCX) as a consultant.

A five-year consolidated business plan and a contract specification process have been drafted while product and price advisory committees have been

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OBJECTIVES OF THE EXCHANGE

-  Reducing price gap between producer and consumer levels
-  Finding a price discovering mechanism
-  Managing risks for producers
-  Ensuring early finance for farmers



The CSE is trying its best to trade at least one product on the exchange. However, the tasks of formulating related regulations and product identification are yet to be complete.



Asif Ibrahim
CSE Chairman

CURRENT STATUS OF THE PROJECT

- CSE got nod from BSEC to launch a commodity exchange
- Appointed MCX India as consultant
- Plan of action and tracker-based monitoring launched
- Study conducted on national statistics of selected commodities
- Discussion complete with warehouse owners and bankers
- Formation of the product advisory committees
- Draft regulations to be submitted within October