

The ceramics industry has been seeking respite from a spate of crises in recent months, but a worsening gas crisis has deepened their woes.

Story on B4



Stock regulator failed to punish manipulators

Finds CAG’s audit report

AHSAN HABIB

The Bangladesh Securities and Exchange Commission (BSEC) did not punish several investors although they were found to have breached rules by committing abnormal trades, according to an audit.

The Dhaka Stock Exchange (DSE) sent a probe report to the commission on the unusual share transaction that took place in the fiscal year of 2020-21 and recommended punishing the wrongdoers. The bourse also attached the documents naming 63 individuals and firms who were involved in the unusual trading of securities of 21 listed companies, which hurt general investors.

Three years have passed but the stock market regulator has not punished them yet, according to the audit report of the Office of the Comptroller and Auditor General (OCAG).

Even, no hearing took place in some cases, it said, adding that had the BSEC fined them, the amount would have been Tk 3.15 crore.

The OCAG is the supreme audit institution of Bangladesh responsible for auditing government receipts and public expenses and ascertaining whether expenditures have yielded value for money for government offices, public bodies, and statutory organisations.

Speaking about the missing of actions against the manipulators, the BSEC told the auditor that taking legal steps by the enforcement department of the commission was an ongoing process and took time.

The steps involved several phases, and it would take the measures soon, the BSEC said.

The OCAG, however, said the response is not supportive in settling the audit objections since the regulator had not moved to initiate steps despite passing more than three years in most cases.

“As a result, bringing discipline to the capital market, which is a sensitive place, is becoming difficult.”

The OCAG found that the BSEC failed to collect fines of Tk 54.6 crore that was imposed on individuals and firms for violating securities rules. As a result, the amount has remained receivable for years.

In FY21, the BSEC fined several individuals and companies Tk 76.10 crore for flouting rules. Of the sum, Tk 21.5 crore was collected.

The accused gets six months to appeal the verdict after a penalty order is issued. If none appeals within the period or makes the payment, the documents are usually sent to the law department of the regulator for initiating further actions.

The OCAG also did not find the BSEC’s explanation acceptable in settling the objections since no measure was taken after the deadline lapsed.

The audit report suggested intensive monitoring to collect fines.

The top audit body found the BSEC’s liability in the embezzlement of Tk 207 crore by Banco Securities, Tamha Securities, and Firstlead Securities. Due to a lack of proper monitoring, the brokerage houses misappropriated the funds, it said.

Tamha Securities embezzled Tk 140 crore, Banco Securities stole Tk 67 crore, and Firstlead Securities swindled Tk 1 crore, according to an investigation of the DSE.

It was the BSEC’s responsibility to monitor, audit and investigate what the intermediaries are doing, the OCAG observed, adding that the brokerage firms got the chance to embezzle investors’ funds in the absence of constant monitoring and investigation.

The government lost Tk 48 lakh after

CAG’s audit observations

BSEC did not fine violators despite DSE’s recommendation

Banco, Tamha and Firstlead Securities embezzled funds for BSEC’s laxity

It failed to collect Tk 54cr in fines

BSEC flouted rules by providing lunch bill to officials

the stock market regulator provided lunch bills to its officials by breaking rules, it also said.

The report said the BSEC provided a lunch subsidy of Tk 200 per day to all of its officials from the second grade to the 20th grade whereas the service rules permit such allowance for those belonging to the 11th grade to the 20th grade.

Replying, the commission said the salary, allowance and benefits of its officials may be set in line with the rates and benefits given to the officials of the Bangladesh Bank as per Service Rules, 2014. Therefore, the bill was given following a decision of the commission meeting.

The auditor said the service rules don’t permit the bill and it can’t be extended without securing approval from the finance ministry. So, the fund should be taken back, it added.

Mobile phone operators join race to capture broadband market

WHAT IS FWA?

FWA stands for fixed wireless access, through which mobile operators can offer broadband connectivity

Telcos can use wireless networks to deliver high-speed internet

Services will be available in fixed locations such as homes and offices

The service relies on technologies like 5G for efficient data transmission

Customers will need to install routers

STATUS OF FWA IN BANGLADESH

The unified telecom licence, issued earlier this year, allows mobile operators to launch FWA

Grameenphone became the first operator to soft-launch FWA

Banglalink launched it last week

Robi will launch it later this month

INTERNET USERS IN BANGLADESH

Total internet subscribers: 14.22cr

Mobile internet subscribers: 12.78cr

Broadband internet subscribers: 1.34cr

Broadband internet market size: Tk 8,000cr

SPEED

Illustration of a person using a laptop connected to a wireless network tower.

MAHMUDUL HASAN

The country’s three private mobile network operators are racing to grab a share of the rapidly expanding broadband market by offering fixed wireless access (FWA) services, which give users Wi-Fi connections without cables.

After the Bangladesh Telecommunication Regulatory Commission (BTRC) allowed mobile phone operators to launch FWA services in its cellular mobile services guidelines earlier this year, Grameenphone became the first to soft-launch such products.

It rolled out a service called “gpfi unlimited” yesterday.

Banglalink introduced FWA services last week in partnership with a third-party router supplier. Robi plans to roll out a similar service later this month.

The moves are expected to spark fierce competition in the Tk 8,000 crore broadband internet market in Bangladesh.

Competition will intensify not only among operators but also between network carriers and broadband internet operators.

In Bangladesh, telecom operators provide mobile internet while internet service providers (ISPs) offer broadband services.

Generally, mobile operators deliver services through cellular networks, utilising technologies such as 3G, 4G, and 5G, which enable wireless data transmission to smartphones and tablets, offering flexibility and mobility. On the other hand, broadband companies provide internet via fixed line connections through cables or fibre optics.

In recent years, the broadband internet market in Bangladesh has expanded rapidly, with 1.34 crore subscriptions as of May, leading to the flourishing of a large number of service providers.

Now, mobile network operators will be able to offer similar services. In order to obtain the service, customers will need just an indoor modem or router and a subscription plan.

However, according to industry insiders, ensuring stable and high-speed connectivity with greater bandwidth and reliability compared to wired broadband will be difficult for operators.

Mohammad Sarwar Alam, assistant professor at the University of Chittagong, has been using ‘gpfi’ for over six months.

He identified the pros and cons of the service.

He said the internet speed is satisfactory, adding that he can take the router anywhere and use it wherever Grameenphone’s network is available.

“However, if the user is present in a room while the router is kept in another room with the door closed, the internet speed starts to fluctuate.”

Furthermore, the amount of available spectrum directly affects the capacity and speed of FWA services, posing a challenge for operators. This is because the deployment rate of higher frequency bands such as 2300 MHz and 2600 MHz, used for 4G LTE (long-term evolution), and potentially 5G technology, is low in Bangladesh.

Although the auction for these spectrum bands was held over two years ago, operators have deployed less than 20 percent of the frequencies they have purchased. These bands are crucial for FWA services as they support faster data rates and greater capacity, according to industry experts.

Grameenphone offers two types of routers: one priced at Tk 4,000, which can connect 10 devices, and another priced at Tk 7,500, which can support 32 devices.

Currently, there are three subscription plans: Tk 1,000 per month for 25 Mbps, Tk 1,300 per month for 30 Mbps, and Tk 1,900 per month for 40 Mbps.

As such, prices may be another barrier to mass usage as consumers can buy cheaper broadband packages from traditional ISPs.

Md Emdadul Hoque, president of the Internet Service Providers Association of Bangladesh, stressed that mobile operators should not be allowed to provide any such services through cables.

Taimur Rahman, chief corporate and regulatory affairs officer of Banglalink, said: “Over the past 24 months, we have invested heavily in doubling our nationwide network coverage and enhancing our customers’ digital experience by acquiring additional spectrum.

It now offers fixed wireless services through routers, including the Banglalink MiFi routers and fixed routers. Recently, the company partnered with TP-Link to provide high-quality speed with bundled offers.

“We believe in offering seamless, uninterrupted connectivity by combining mobile telephony and fixed wireless services, allowing customers to enjoy optimal internet speeds anytime, anywhere,” Rahman said.

“We can do this, or this can be done through partnership models.”

Shahed Alam, chief corporate and regulatory officer of Robi Axiata Limited, said WFA has been launched in various countries around the world to cater to the growing demands for uninterrupted high-speed internet service.

Robi had completed preparations to provide wireless broadband services using advanced technology by combining 4G and 5G technology.

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Foreigners working in Bangladesh rising

Indicating a lack of technical and managerial skills of local workforce and unsupportive education system

JAGARAN CHAKMA

An increasing number of foreign nationals are seeking permits to work in Bangladesh because of a lack of skilled managers and an education system not tailored to meet industrialisation in the country.

A total of 16,303 applications from nationals of 101 countries were approved by the Bangladesh Investment Development Authority (Bida) in the fiscal year of 2022-23, up around 8 percent year-on-year.

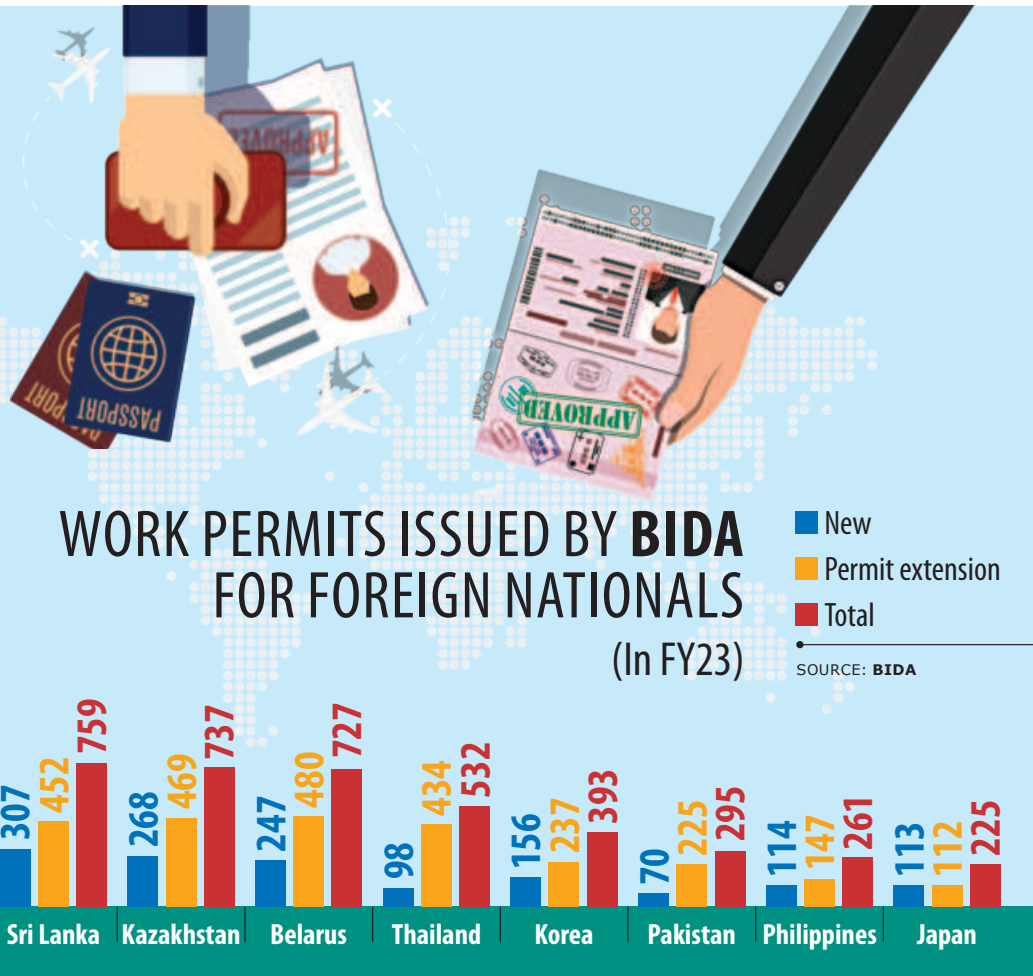
Of the files, 6,256 are for new work permits while 10,047 are renewals, according to the annual report of the state-run investment promotion agency.

In 2021-22, some 15,128 applicants from 106 countries received the permit, which is a staggering 87 percent increase from that in the fiscal year preceding it. Of them, 7,790 were for new work permits and 7,338 renewals.

The Bida issued 8,076 permits in 2020-21.

Besides, government agencies such as the Bangladesh

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Local credit card use shows upward trend

FEDA AL HOSSAIN

Purchases using credit cards in Bangladesh displayed periodic fluctuations but overall indicated an upward trend in the months since May 2023, highlighting a growing appetite among consumers for credit.

Credit card holders spent Tk 2,742 crore in May this year, a year-on-year increase of 15 percent from Tk 2,369 crore in the same month last year, according to a Bangladesh Bank report released yesterday.

Transactions, however, decreased 1.47 percent compared to April’s Tk 2,783 crore.

Md Mahiul Islam, deputy managing director of BRAC Bank, said transactions declined slightly in recent months. “However, it will pick up.”

The spending peaked at Tk 2,987 crore in March before registering a decline in the following months. Even though the expenses fell, purchases in certain categories experienced growth.

For example, transactions at

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