

Number of mobile subscribers drops

MAHMUDUL HASAN

The number of mobile subscribers dropped by 12 lakh to 18.75 crore in December last year, marking the sixth consecutive month of decline, according to the latest data from the Bangladesh Telecommunication Regulatory Commission (BTRC).

Between July and December, mobile operators collectively lost a staggering 75 lakh customers.

The overall mobile subscriber count is determined by subtracting the number of deactivated SIMs—those left unused for over 18 months—from the total number of new SIM purchases.

Shahed Alam, chief corporate and regulatory officer of Robi, attributed the downturn to an increase in SIM taxation at the beginning of the fiscal year, which rose from Tk 200 to Tk 300.

He explained that the higher cost of SIM cards has discouraged consumers from acquiring multiple connections.

"This further complicates efforts to connect marginalised communities," he remarked, stressing that rising costs have deterred many individuals from securing essential access to alternative communication channels.

Among the operators, Banglalink saw the sharpest decline, losing approximately 7.5 lakh customers in December, bringing its total subscriber base down to 3.97 crore.

Between July and December last year, mobile operators collectively lost a staggering 75 lakh customers

Robi, the country's second-largest operator, lost 4 lakh subscribers, reducing its customer base to 5.71 crore.

Grameenphone, the market leader, experienced a decline of 30,000 subscribers, bringing its total to 8.45 crore.

Meanwhile, the number of subscribers of state-owned Teletalk remained unchanged at 65.6 lakh.

According to Bangladesh Sample Vital Statistics, a project run by the state-run Bangladesh Bureau of Statistics, the percentage of individuals aged over 15 who own a mobile phone was lower in 2023 than in 2020.

This was attributed to a persistent decline in ownership since the emergence of the Covid-19 pandemic due to grim economic conditions.

In 2023, only 74.2 percent of individuals aged 15 and older owned a mobile phone, marking a slight decline from the 75.4 percent ownership rate reported in 2020.

At the peak of the pandemic in 2021, mobile phone ownership among these individuals fell by 4.1 percentage points to 71.3 percent.

It then rebounded by 2.5 percentage points in 2022. However, last year saw a modest increase of only 0.4 percentage points as the country struggled with ongoing high inflation.

A significant finding of the Bangladesh Sample Vital Statistics is the gender gap in mobile phone usage.

While 86 percent of males reported owning a mobile phone, only 62.8 percent of females did, revealing a disparity of 23.2 percentage points.



The grey market for handsets now accounts for over 40 percent of the total market, said Rizwanul Haque, vice-president of Mobile Phone Industry Owners' Association of Bangladesh.

PHOTO: STAR/FILE

BTRC renews efforts to block unauthorised mobile phones

MAHMUDUL HASAN

In line with demands from stakeholders, the Bangladesh Telecommunication Regulatory Commission (BTRC) recently reversed its decision to award a contract for the maintenance of the National Equipment Identity Register (NEIR) system through the direct purchase method and instead opted for an open tender process.

The NEIR system is designed to track and block stolen or unauthorised mobile devices using International Mobile Equipment Identity (IMEI) numbers, a unique 15-digit number assigned to every mobile device with cellular connectivity. The previous government could not fully implement the system due to technical challenges and concerns that it could block millions of unauthorised phones currently in use, potentially triggering severe public backlash.

At the end of December last year, the BTRC initially decided to award the contract to Synesis IT Ltd for Tk 5.67 crore, covering system maintenance and the annual licence fee for Oracle Database support. However, the lack of an open tender process drew the ire of stakeholders, with the Bangladesh Association of Software & Information Services (BASIS) protesting the decision on January 12.

In a letter, BASIS stated that under the Public Procurement Act, 2006, and the Public Procurement Rules, 2008, contracts exceeding Tk 50 lakh cannot be awarded without a competitive bidding process.

BASIS further argued that the contract should not have been awarded without a proper technical assessment.

Granting it to a single entity without a

tender process could lead to a monopoly or oligopoly, distorting competition in the local market and violating the Competition Act, 2012, it added.

Now, the telecom regulator has revoked its earlier decision and adopted a quality- and cost-based selection method.

According to BTRC officials, the direct purchase method was chosen to expedite implementation as both the telecom ministry and the National Board of Revenue (NBR) urged the commission to launch NEIR as soon as possible.

The commission selected Synesis

Rapid expansion of the grey market is depriving the government of VAT and taxes and threatening investments of companies that have set up plants locally

IT due to its prior experience with the system, according to official documents.

"We initially opted for the direct purchase method to expedite implementation as the government is losing significant revenue," said Emdad ul Bari, chairman of the BTRC, last week.

The illegal import of mobile phones is costing the government around Tk 2,000 crore in annual revenue, according to a letter sent by the NBR to the BTRC in October last year.

"However, we later realised that even if the system is ready quickly, launching it would still take time due to several unresolved issues.

"For instance, there are cases where hundreds of mobile phones are registered under a single IMEI number. We need

to address these complexities before implementation," he added.

"We will implement NEIR in a way that does not cause problems for users, even if it takes longer. That's why we have decided to proceed with an open tender method for greater transparency."

He also assured that existing handsets will not be deactivated once NEIR is implemented.

WHY NEIR INITIALLY FAILED

The BTRC initiated the NEIR project to curb the illegal import and use of mobile handsets, prevent the production and sale of unauthorised devices, combat handset theft, and thwart crimes involving unregistered phones.

On November 25, 2020, the BTRC signed an agreement with Synesis-Radisson-Computer World for the supply, installation, and operation of the NEIR system for Tk 29 crore. After that, a trial run was launched in July 2021.

During the trial, authorities discovered that millions of mobile phones in use were unauthorised, raising concerns that full implementation could trigger significant public dissatisfaction.

Additionally, a technical challenge emerged as hundreds of feature phones in circulation were found to share a single IMEI number, according to people familiar with the proceedings.

In October 2021, the system was launched with a key feature—the ability to block unauthorised handsets—causing frustration among mobile phone manufacturers.

Rizwanul Haque, vice-president of the Mobile Phone Industry Owners' Association of Bangladesh, said the grey market for handsets now accounts for over 40 percent of the total market.

Ring Shine Textiles' losses widen in Q2

STAR BUSINESS REPORT

Ring Shine Textiles reported a decline in its financial performance for the October–December quarter of 2024, as the company's losses deepened year-on-year.

The company's earnings per share (EPS) stood at Tk 0.71 in the negative for October–December 2024, down from Tk 0.55 in the negative in the corresponding quarter of 2023.

For the six months from July to December 2024, its EPS fell further to Tk 1.50 in the negative, compared to Tk 1.41 in the negative in the same period of 2023, according to a filing on the Dhaka Stock Exchange website.

The yarn and fabric manufacturer's net operating cash flow per share also worsened, standing at Tk 0.90 in the negative for July–December 2024, compared to Tk 0.36 in the negative in the same period of the previous year, indicating higher cash outflows in operations.

Meanwhile, the company's net asset value per share dropped to Tk 9.50 in the negative as of December 31, 2024, from Tk 8.03 in the negative on June 30, 2024.

Ring Shine, a struggling textile manufacturer, has been facing financial challenges for years. The company, once a major player in the textile industry, has seen its operations weaken amid mounting losses and liquidity concerns.

Intraco to cease CNG station operation from March

STAR BUSINESS REPORT

Intraco Refueling Station Limited, a concern of Intraco Group, announced yesterday that it will cease operating its compressed natural gas (CNG) station starting in the first week of March this year.

The company stated that Intraco Automobiles Ltd has completed its lease tenure with the station's landowner and has chosen not to continue operations.

Additionally, in a board meeting held on February 27, the company decided to transfer all investments from Intraco Automobiles to its non-piped gas line unit in Bhola.

Intraco shared this information in a posting on the Dhaka Stock Exchange website yesterday.

Gold set to record worst week in three months

REUTERS

Gold prices fell over 1 percent on Friday as the dollar held close to two-week highs after US inflation data came in line with expectations, suggesting the Federal Reserve may adopt a cautious stance on additional rate cuts.

Spot gold was down 1 percent at \$2,846.19 an ounce by 01:44 p.m. ET (1844 GMT). Bullion has so far lost 3.1 percent for the week, its steepest weekly fall since November.

US gold futures settled 1.6 percent lower at \$2,848.50.

The dollar index was set for a weekly gain, making dollar-priced gold more expensive for overseas buyers.

"I think the main element impacting the gold and silver markets is the

READ MORE ON B2

Adani Group revives US investment plans

REUTERS

India's Adani Group has revived plans for major infrastructure investments in the US, where the group's founder has been charged with bribery, the Financial Times reported on Sunday.

Since the election of President Donald Trump, the conglomerate has reactivated potential plans to fund projects in sectors such as nuclear power and utilities, as well as an East Coast port, the report said, citing four people close to founder and chair Gautam Adani.

Federal prosecutors in New York unsealed an indictment in November accusing Gautam Adani of bribing Indian officials to persuade them to buy electricity produced by Adani Green Energy.

"We know what we want to do, but we will wait until this (case) resolves," the FT quoted a person close to Adani as saying.

Adani Group has said the charges were "baseless" and that it would seek "all possible legal recourse." It did not immediately respond to a Reuters request for comment on the FT report.

The group had previously been in talks with US companies on potential partnerships and had looked at petrochemical investments in Texas, the newspaper said.

After Trump's November election win, Gautam Adani said the group planned to invest \$10 billion in US energy security and infrastructure projects, creating a potential 15,000 jobs.

Trump has vowed to make it easier for energy companies to drill on federal land and build pipelines.

"Once Trump came in, we have reactivated some plans," the FT said, citing another source it did not name.

Trump orders new tariff probe into US lumber imports

REUTERS, Washington

US President Donald Trump on Saturday ordered a new trade investigation that could heap more tariffs on imported lumber, adding to existing duties on Canadian softwood lumber and 25 percent tariffs on all Canadian and Mexican goods due next week.

In his third new tariff probe in a week, Trump signed a memo ordering Commerce Secretary Howard Lutnick to initiate a national security investigation into US lumber imports under Section 232 of the Trade Expansion Act of 1962. The trade law is the one Trump also used to impose tariffs on global steel and aluminum imports.

The probe covers derivative products made from lumber which could include furniture such as kitchen cabinets, which in some cases are made of US lumber that had been exported.

The order said the Commerce Department investigation must be completed within 270 days.

Trump also ordered new steps within 90 days to increase the domestic supply of lumber by streamlining the permitting process for harvesting lumber from public lands and improving the salvage of fallen trees from forests and waterways.

The order calls for new or updated agency guidance to facilitate increased timber production, including quicker approvals for forestry projects under the Endangered Species Act.

White House trade adviser Peter

Navarro said the lumber import probe would counteract the actions of big lumber exporters including Canada, Germany and Brazil, which he said were "dumping lumber into our markets at the expense of both our economic prosperity

and national security."

"That stops today with a pair of Trumpian actions designed to both bolster supply of and demand for American timber and lumber," he told reporters on a conference call ahead of the signing.

A White House official said that increasing reliance on imported lumber represents a possible national security risk partly because the US military consumes significant quantities of lumber for its construction activities and because increasing dependence on imports for a commodity with ample domestic supplies is a danger to the US economy.

Some European leaders offered support to Ukrainian President Volodymyr Zelenskyy and some urged diplomatic repair after an extraordinary clash at the White House with US President Donald Trump.

The official did not provide details on a proposed tariff rate under the Section 232 lumber probe, but Trump earlier this month told reporters that he was thinking about imposing a 25 percent tariff rate on lumber and forest products.

The official said any tariffs resulting from the probe would be added to the existing 14.5 percent combined anti-dumping and anti-subsidy duties on Canadian softwood lumber.



Piles of lumber are seen for sale at a home improvement store in Falls Church, Virginia.

PHOTO: AFP