

TechnoSity to invest \$25.8m in hi-tech park

Deal signed with government

STAR BUSINESS REPORT

The government yesterday signed a deal with Bangladesh TechnoSity Ltd, which will invest \$25.8 million on the much-awaited hi-tech park in Kaliakoir, Gazipur.

TechnoSity is a joint venture between local Fiber@Home and three Malaysian companies -- IRIS Corporation, MSC Technology Centre and Alpha Technologies. It will construct Block 3 of the five blocks of the 232-acre park.

Fiber@Home will have a 76 percent stake in the consortium, while the three other companies will jointly hold the rest, officials of TechnoSity said at a programme at the Westin hotel in Dhaka yesterday.

After building necessary infrastructure on the block that spans 40 acres, TechnoSity will invite companies to set up their factories there.

Some multinational companies have already expressed interest to invest in Block 3, officials said.

TechnoSity will operate the block for 40 years, and the agreement may be extended for another 20.

The consortium will share 12 percent of its revenue from building rent with the

government, 21 percent from land rent, 5 percent from utility charges and 6 percent from other earnings.

Though initial investments have been estimated at \$25.8 million (around Tk 200 crore), the amount may increase further if demand rises.

Hosne Ara Begum, managing director of Bangladesh Hi-Tech Park Authority, and Moynul Haque Siddiqui, chairman of TechnoSity Ltd, signed the deal, while Anisul Huq, law minister, was present.

Around 60,000 jobs may be created in the hi-tech park in ten years. "We hope the hi-tech park will change the economy of the country," said Zunaid Ahmed Palak, state minister for ICT, at the signing ceremony. It will be the Silicon Valley of Bangladesh, he added.

Local and international software developers, automobile firms, and technology companies can invest in the park.

The government has also declared some incentives to encourage companies to set up their factories in the hi-tech park.

Md Abul Kalam Azad, principal secretary of the Prime Minister's Office, and Norlin Othman, Malaysian high commissioner, also spoke.

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Earlier in June, the government signed a deal with another consortium, Summit Technopolis, which will construct and develop Block 2 and 5, spanning 65 acres and 29 acres respectively.

Summit Technopolis will invest \$114.56 million for Block 2 and \$93.03 million for Block 5.

The tender evaluation process is ongoing for Block 4 that spans 36 acres. The government has set aside Block 1, which spans 65 acres, for its own use.