

SEC seeks separate bench for stock market cases

Proposal sent to body on companies act amendment

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The Securities and Exchange Commission (SEC) has proposed some amendments to the Companies Act for expediting judicial action against dividend defaulters and introducing individual shareholders' representation in company management.

In the proposals, the capital market watchdog recommended formation of a separate bench in the High Court to quickly dispose of cases related to stock market.

The proposals, sent last week to the committee headed by Commerce Secretary Suhel Ahmed for amending the law, sought reservation of 20 per cent initial public offerings (IPOs) of any

company for individual investors.

A high official of SEC who is a member of the committee said the commission has recommended inclusion of some directors from individual shareholders in the management board so that they can take part in company's policy making decision.

The SEC proposals also include appointment of 'advisor director' in the board to help the listed companies develop professional management.

"As all the companies are regulated under the Companies Act 1994 which replaced a previous companies law, it needs some changes to cope with the rapidly changing corporate world," the SEC official said.

"We recommend inclusion of some

provisions exclusively for the listed companies in the act to discipline errant companies which do not hold annual general meetings regularly and default in paying declared dividends," he said.

To empower individual investors in company management, SEC suggests that eight per cent of the total investors as a group should have the right to challenge a management decision in court, he said. At present, minimum 10 per cent of investors can collectively challenge any management decision.

SEC has also recommended adopting international accounting and auditing standards to check financial malpractice in companies and making it mandatory for all listed companies to

publish quarterly financial statements for ensuring greater transparency. Presently, listed companies have to publish financial statement annually.

The committee on amendment to the Companies Act, formed by commerce ministry early this year, also comprises leaders of different trade bodies and leading businessmen. It is likely to submit a draft of the amendments to the ministry by the next month.

The commission recommended formation of a separate High Court bench for quick disposal of share market cases as some 21 cases, including 15 related to 1996 share scam, are awaiting disposal due to stay orders.

Steel exporters hail WTO ruling against US

BBC ONLINE

The main steel producing nations have warmly welcomed the World Trade Organisation's ruling against the US.

The WTO judged that America's steel import tariffs violated global trade rules, and should be removed.

The US government says the tariffs protect the US steel industry against dumping, and may ignore the WTO ruling.

The EU, meanwhile, plans to target US imports worth \$2.2bn a year - including Harley Davidson motorcycles, citrus fruits and textiles - in retaliation.

China, the world's largest steel producer, said the next step would depend upon America's response to the judgement, which came as a result of a formal protest from the EU.

Chinese foreign minister Liu Jianchao, said: "With respect to further measures taken by the various parties, it will depend on the attitudes that the United States will adopt."

The US measures were introduced in March 2002, imposing tariffs of between 8 per cent and 30 per cent on selected types of imported steel, and hit Chinese exporters particularly hard.

While China saw its steel exports to the US fall 15 per cent, it had to lower its own import tariffs and quotas following its entry to the World Trade Organisation.

Along with Japan, South Korea and New Zealand, China had supported the EU-led complaint to the WTO last year. Brazil, Norway and Switzerland also backed the EU's action.

Welcoming the WTO judgement, Japan warned it too could take retaliatory action - and not necessarily in the steel sector alone - if Washington ignored the ruling.

Japanese economy, trade and industry minister Shoichi Nakagawa, said: "We are considering (retaliation) including products under other ministries and agencies, in accordance with

the rules."

New Zealand's trade negotiations minister Jim Sutton said he now expected the US to back down - eventually.

"They've always exhausted all means of appeal and then complied when they've lost in the past, and we expect them to do that again," he said.

A spokesman for Anglo-Dutch steel group Corus said it hoped President Bush would now act quickly to lift the restrictions.

He added: "The US measures represent a significant and wholly unwarranted burden on our business and on our US customers."

US officials said President Bush disagreed with the WTO ruling, although he had made no decision on a response.

The tariffs have been controversial in the US as well, with steel consumers such as the automotive industry complaining that the tariffs have driven up their costs.

US disagrees with ruling amid pressure

AFP, Washington

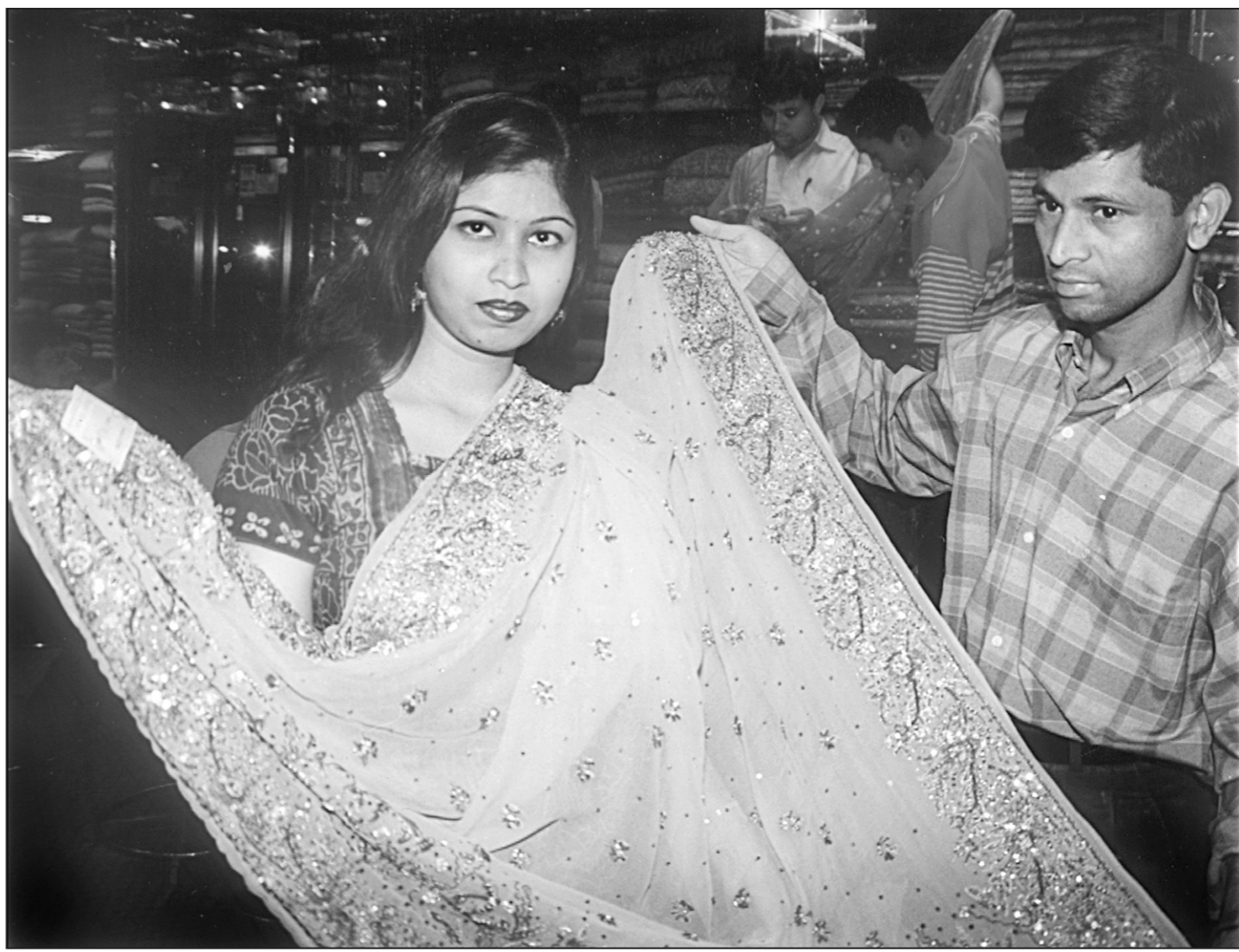
President George W. Bush disagrees with Monday's World Trade Organization ruling that US steel tariffs violate global trading rules but has made no decision on a response, officials said.

"We will carefully review this decision," said White House spokesman Scott McClellan said after a World Trade Organization appellate panel reaffirmed its position that the US measures are illegal.

But McClellan gave no indication about whether Bush, who imposed the tariffs in March 2002, would roll back the tariffs before the three-year program is completed, as some reports have suggested.

"I'm not going to speculate about the timing of any decision or any decision itself," McClellan said. "We continue to listen to all interested parties - consumers, producers, and members of Congress and others, as well."

Some analysts suggested that the steel tariffs, criticized in some quarters as protectionist, were part of a plan by the administration to appease some members of Congress to win support for an overall free trade agenda.



A salesman spreads out a sari priced at Tk 2 lakh before a customer at Bishal Centre in Dhaka yesterday. As Eid nears, shopping spree sets in with large number of shoppers crowding city malls.

PHOTO: STAR

Dhaka urges S'pore to help bring WTO talks on track

UNB, Singapore

Bangladesh urged Singapore's private sector to invest in the country's potential fields and also sought co-operation from the Singaporean government in bringing the stalled WTO negotiations on right track protecting LDC interests.

Foreign Minister M Morshed Khan made the call while addressing a seminar on "Business Opportunities in Bangladesh" and having talks with Singaporean Trade and Industries Minister George Yong-Boon Yeo here yesterday.

Singapore Business Federation (SBF), the apex body of the trade associations in the Asian business hub, arranged the seminar. FBCCI President Abdul Awal Mintoo made a presentation on business opportunities in Bangladesh at the seminar.

Over 150 Singaporean investors, businessmen as well as representatives of various multinationals who operate across Asia from the port city attended the seminar and enquired about investment prospects in Bangladesh.

The business meet was part of government's new "look east" policy under which Bangladesh went for strengthening economic relations with China and Asean countries, but without hurting the relations with the West.

"The bid should have been taken 20 years back. But better late than never," Foreign Minister Morshed Khan told the

news agency after addressing the seminar and meeting the Singaporean Trade and Industries Minister.

Mintoo, who is leading a business delegation on a weeklong tour of Singapore, Vietnam and Cambodia, said government and private sector would have to work together to attract FDI and strengthen economic relations with the countries.

Addressing the SBF seminar Morshed Khan told the businessmen that Bangladesh is the best destination for their investment as its offers regarding returns and other financial packages are better than any other country's in the region.

"If there are some sunset industries in Singapore, come to Bangladesh and see what best offers we are making for you in the largest democracy and most tolerant nation in the Muslim world - there will be a sunrise together," he said.

Echoing him, FBCCI President Abdul Awal Mintoo told the seminar that Bangladesh offers almost unparalleled facilities and incentives to foreign investors. "The government has offered one of the most liberal investment incentive packages to foreign investors."

He also specified the areas where the Singaporean investors can make investment either on their own or in partnership with local businessmen, including ICT, electrical and electronic engineering, textile - particularly backward

linkage - and water management.

Some 18 Singaporean companies have already invested US\$ 547 million in Bangladesh in joint-venture projects. However, a huge trade imbalance exists between the two countries, with Bangladesh importing from Singapore goods worth US\$ 876 million but exporting only US\$ 24 million in 2001-02.

"It is necessary to stress the need for reducing this huge gap through joint efforts. Singapore may consider importing from Bangladesh various products like vegetables, frozen fish and shrimps, cut flowers, textile products, woven garments, knitwear, leather, pharmaceuticals and Jute goods," Mintoo told the Singaporean traders.

The Bangladesh business delegates in a networking session later had one-to-one talks with their Singaporean counterparts on export-import as well as joint ventures in their respective fields.

SBF Vice Chairman Barry Desker, who chaired the seminar on "Business Opportunities in Bangladesh", urged his community members to go to Bangladesh as he said it is rapidly emerging as an attractive destination for doing business.

Apart from export-import, Singapore, dubbed Asia's gateway, has extraordinary importance to Bangladesh business community as the country's maximum container shipping takes place through this tiny but one of

the most developed Asian countries.

In this context, Foreign Minister Morshed Khan sought co-operation from the Singaporean Trade Minister in making the container service cheaper. He also sought Singapore's co-operation in developing Bangladesh's IT and human resource sectors.

Human resource was one of the important issues raised by the representatives of multinational national companies as they wanted to know what Bangladesh is doing to rear skilled manpower to run operations of such sophisticated companies in Bangladesh.

Morshed Khan elaborated on various government measures while Mintoo focused on quality education being offered by BUET and other engineering universities, IBA of Dhaka University, MBA programmes run by private universities affiliated with universities in Australia, and the UK and the USA.

SBS and FBCCI also signed a memorandum of understanding (MOU) for interaction. Barry Tesker on behalf of the SBS and Abdul Awal Mintoo on behalf of the FBCCI signed the MOU.

FBCCI President Mintoo and Bangladesh High Commissioner in Singapore Munshi Abdul Faiz were also present during Morshed Khan's meeting with Singaporean Trade Minister.



Zahur Ullah, first vice-chairman of One Bank Limited, distributes share certificates among shareholders of the bank in Dhaka yesterday. Second Vice-chairman Asoke Das Gupta, Director Farzana Chowdhury, managing director and senior executives of the bank were present.

PHOTO: ONE BANK

One Bank, Placid Express sign agreement

One Bank Limited signed a service agreement with US-based money transmitter company Placid Express on Sunday in Dhaka.

Under the deal, Placid Express will send money of Bangladesh expatriates in the US and Canada to Bangladesh through One Bank Limited.

Syed Nurul Amin, managing director of One Bank Limited, and AMM Farhad, regional director for South Asia of Placid Express, signed the agreement, says a press release.

Among others, Kaiser A Chowdhury, deputy managing director of the bank, Farman R Chowdhury, executive vice-president, and Kamal Talukder, senior vice-president, were present.

Call money rate steady

BSS, Dhaka

The call money rate was steady in thin inter-bank money market yesterday as the demand was lower from private sector, fund managers said.

The rate touched its inter-high high at 7.00 percent and in most deals, ranged between 3.00 percent and 6.50 percent, fund managers of leading commercial banks said.

Dollar steady against taka

BSS, Dhaka

The US dollar remained steady against the Bangladesh taka in inter-bank trading yesterday due to higher remittance inflow from expatriate Bangladeshi people on the occasion of Eid, dealers said.

The dollar touched its high at Tk 58.4700 per unit and ranged between Tk 58.4450 and Tk 58.4575 in inter-bank trading in line with its previous Monday's trading, dealers of different commercial banks said.

Emirates introduces new cabin lighting system

Dubai-based Emirates airline has introduced unique cabin lighting system on the Airbus A340-500.

The new mood lighting system, devised jointly by the airline and Airbus, adjusts subtly to the passage of time. It changes almost imperceptibly from brilliant noonday sunshine to the softer light of afternoon and dusk, and on to the darkness of a starry night, says a press release.

Maurice Flanagan, Emirates' Group president and vice-chairman, said: "The unique mood lighting on our A340s combats this unwanted side-effect by adjusting the cabin lighting to mimic the gradual march of daytime and night-time."

Saudi Arabia okays landmark gas deal with Shell-led group

REUTERS, Riyadh

Saudi Arabia gave its final approval Monday to a landmark deal with Royal/Dutch Shell, Total and state-run Saudi Aramco to find and pump gas in the kingdom, the official Saudi Press Agency said.

The agency said the Saudi cabinet passed a motion authorising Oil Minister Ali al-Naimi to sign the gas development deal, which had been backed earlier this month by the kingdom's Supreme Petroleum Council.

With this deal, Anglo-Dutch Shell and its French partner Total have won the first Western oil company rights to Saudi Arabia's huge energy reserves since the middle eastern kingdom nationalised them in the 1970s.

The project, awarded to Shell and Total in July, could see up to \$2 billion

invested to develop a 209, 160 square km (80,740 sq mile) block in the southern part of the vast Empty Quarter desert.

The project, a pared-down version of the \$5 billion Shaybah venture that Shell and Total had negotiated for five years, was the sole survivor of the kingdom's so-called gas initiative for foreign investors.

The two other multi-billion dollar gas development packages fell apart after a prolonged contractual dispute.

The Shaybah venture originally included pipelines, power plants and water desalination projects. These will be tendered separately.

Shell will have 40 per cent of the project, with Total and Saudi Aramco holding 30 per cent each. ConocoPhillips, involved in the original Shaybah talks, decided not to join the venture.