

Star BUSINESS

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Circuit breaker on Z category shares on cards

SARWAR A CHOWDHURY

Securities and Exchange Commission (SEC) is planning introduction of a circuit breaker system on trading of Z category shares to protect any price manipulation on a single trading day.

Presently, the circuit breaker system controlling the price of individual shares is effective on trading of A, B, G and N category shares. Under this system, the price of shares cannot cross a certain level, up or down, on a single trading day.

The SEC consultative committee, with representation from Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Central Depository Bangladesh Ltd (CDBL) and SEC, has already decided to put forward its recommendation for introducing the system to the commission for its approval, sources said.

Earlier on March 13, 2004, the capital market watchdog withdrew

the circuit breaker system on trading of Z category shares. At present, around 95 companies are under Z category at the DSE. Most of these companies do not hold annual general meeting and declare dividend regularly.

But, in recent times, the bourses demanded introduction of the system saying that the market manipulators sometimes take the absence of any price restrictions to their advantage.

"Based on the recent experience, existing provisions for circuit should also be made applicable in case of Z category so as to combat the unethical practices of certain vested quarters," said an executive director of SEC.

The capital market regulator is also planning to limit the time of settlement of A, B, G and N category shares to two days from existing three days from the early next year.

The SEC consultative committee will also recommend to the commis-

sion for providing money-netting facility for buying shares of A category against sale proceeds of the Z category shares. Presently, the facility is applicable for A category shares only.

To support the facility, trading settlement period of Z category shares will be T+3+4 instead of existing T+4+3.

"The new facility will help improve liquidity in the capital market as well as encourage the investors to buy good companies' shares instead of the weak ones," said Mansur Alam, executive director of SEC.

He also said all the initiatives are taken in the greater interest of the investors and the capital market as well.

"The recommendations will be forwarded to the next meeting of the commission," he added.

Dhaka Int'l Mobile Phone Fair kicks off today

STAR BUSINESS REPORT

The six-day Dhaka International Mobile Phone Fair-2006 begins in the city today amid tremendous potential of a faster growth in the sector.

The fair, jointly organised by Ministry of Science and Information Communication Technology and Bangladesh Mobile Phone Businessmen Association (BMBA), is taking place at the Bhasani Novo Theatre, says a press release.

Local and foreign mobile operator companies, importers and wholesalers of cell phone sets and accessories, public switched telephone network (PSTN) service providers, Internet service providers as well as mobile phone servicing companies and training institutions will showcase their products and services in the event.

Special offers for the customers ahead of the Eid-ul-Fitr and prizes will be awarded through raffle draws during the event, the release added.

DAEWOO ELECTRONICS SELL-OFF

Videocon-led consortium preferred bidder

PALLAB BHATTACHARYA, New Delhi

A consortium led by India's Videocon Industries has been picked as a preferred bidder to buy ailing South Korean electronics major Daewoo Electronics for a reported price of around 700 million dollars.

Woori Bank, one of the Daewoo's leading creditors, named Videocon and Ripplewood Holdings, a US private equity fund, to buy out Daewoo which is ranked behind bigger South Korean brands Samsung Electronics and LG Electronics.

If implemented, the deal would be one of the biggest acquisitions by an Indian consumer electronic company and the third buy-out by VN Dhoot-promoted Videocon Industries in a year.

The Tata Tea had recently announced acquisition of American energy drink giant Glaceau for 677 million dollars to record corporate India's biggest overseas acquisition ever.

In 2005, Videocon acquired television tube operations of French consumer electronics goods major Thomson for 291 million dollars and the Indian unit of Swedish firm Electrolux for 76 million dollars.

Asia Insurance declares 12pc dividend

Asia Insurance Ltd has declared a 12 per cent dividend for its shareholders for the year 2005.

The dividend was approved at the sixth annual general meeting (AGM) of the company held recently in Dhaka, says a press release.

Chairman of the company Yussuf Abdullah Harun presided over the AGM, which was attended, among others, by directors and other senior officials.

Bangladesh Tea Assoc election held

M Salman Ispahani has been elected chairman of Bangladesh Tea Association for 2006-2007 and 2007-2008 term.

The election was held at the association's Chittagong office recently, says a press release.

Mohd Safwan Chowdhury has been elected senior vice president and Ardashir Kabir, vice-chairman.

The other executive committee members are SS Iftekhar Ahmed, M Shah Alam, M Nurul Alam, M Yakub Ali, Shah Khairul Anam, Shamsuddin A. Choudhury, Saifque A. Chowdhury, Quamrul Haque Chowdhury, M Wahidul Haque, Mostafa Kamal, Morshedul Alam Quaderi and Riazur Rahman.

The new committee will take over the charge of the committee on September 19.

WTO BRAZIL MEET

G20 ministers talk restart of Doha round

AFP, Rio De Janeiro

Ministers from the Group of 20 countries and other emerging economies launched talks Saturday on how to restart the Doha round of World Trade Organization talks on liberalizing global trade.

"This is an excellent chance to put the Doha Round back on track," said Brazil's Foreign Minister Celso Amorim as he opened the talks among representatives of 27 countries.

The emerging economies will hold separate meetings on Sunday with negotiators from key industrialised economies including United States, European Union and Japan. Also present will be the WTO Director General Pascal Lamy.

The Doha round of talks on further freeing up global trade collapsed in July after five years of attempts to remove agricultural and industrial trade barriers.

The goal of the weekend meeting is to send a clear political mes-

sage that "there must be a relaunching of the Doha Round as soon as possible," and to "set the grounds" for starting negotiations, he added.

The G20 members want to show they are up to the challenge. Taking part in the meeting will be the G20, headed by Brazil; representatives of the less developed countries; the Africa-Caribbean-Pacific group; developing nations in the Group of 33; and the WTO's Africa group.

The G20 actually has 21 members: Argentina, Bolivia, Brazil, Chile, China, Cuba, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, the Philippines, South Africa, Tanzania, Thailand, Uruguay, Venezuela and Zimbabwe.

US Trade Representative Susan Schwab, European Union Trade Commissioner Peter Mandelson and Japan's Agriculture Minister Shoichi Nakagawa will also attend the meeting.

Brazil believes that the Doha Round of world trade talks can still be salvaged. The Doha Round was supposed to dismantle worldwide barriers in agricultural and industrial trade and use commerce to give developing countries a boost.

Schwab indicated that the United States was also holding out hope for the Doha talks.

"I am actively seeking a new way forward for the Doha Round," Schwab said Thursday.

In late July, Lamy suspended Doha Round talks after negotiators from six major players, including the United States, the European Union, Brazil and India, failed to hammer out the framework of an accord after five years.

At the same time, he asked WTO members not to withdraw their existing trade liberalisation offers.

"Frankly, the G6 has not been able to deliver a solution," Schwab said in a statement.

"We need to add new voices to this dialogue and find open-minded

trading partners that share the goal of an ambitious round."

Schwab repeated, however, that the United States had proposed "bold" reform of its farming policies and now it was time for others to reciprocate, especially developing nations on market access.

Lamy said in remarks published Wednesday that efforts to revive the stalled talks would enter a "crucial period" from mid-November until early next year.

The US Congress will decide whether to extend the US government's "all or nothing" negotiating mandate in the middle of 2007, and it is unlikely to do so unless there is some prospect of a deal, Lamy told the state-run China Daily.

The G20's weekend talks will be followed by a summit of the leaders of Brazil, India and South Africa.

Tokyo, Manila sign FTA

AFP, Helsinki

Japan and the Philippines signed a free-trade pact on Saturday after overcoming the thorny issue of Filipino nurses seeking work in the world's second-biggest economy.

Japanese Prime Minister Junichiro Koizumi and Philippine President Gloria Arroyo inked the economic partnership agreement in Helsinki ahead of the two-day Asia-Europe Meeting (ASEM) that begins Sunday, Japanese government officials said.

The deal with the Philippines will be the first of its kind for Japan because it includes landmark provisions on the movement of labour.

Under the agreement, a limited number of Philippine nurses and caregivers will be allowed to work in Japan on condition they pass Japanese qualification examinations.

"The agreement will strengthen the economic collaboration between our two countries by increasing flows of goods, persons, investments and services," the two governments said in a joint statement issued at the signing ceremony.

SME fair tomorrow

UNB, Dhaka

A weeklong fair of Small and Medium Enterprises (SME) kicks off in the city tomorrow focusing on the country's burgeoning SME sector.

Prime Minister Khaleda Zia is expected to formally open the fair at Bangladesh China Friendship Conference Center (BCFCC) at 12:30pm.

Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the country's apex trade body, will organise the yearly event for the third consecutive time.

The objectives of the fair are to establish an effective link between the entrepreneurs and customers and expand the market for SME products at home and abroad.

Ready-made garment, frozen food, tea, jute products, ceramic, light engineering products, furniture, electrical goods, poultry and fisheries food, fertiliser, fruits, spices, gift items, handicrafts, pharmaceuticals, leather and leather goods, plastic products,

handloom products, medical equipment, cosmetics, sanitary items, fashion wear and herbal products will be put on display in 111 stalls and nine pavilions at the fair.

On the sidelines of the exhibition, four seminars will be held on different topics like SMEs' access to finance and the infrastructure constraints the sector is faced with.

Awards will be distributed among the best SMEs in seven individual categories including innovative entrepreneur, best in management, standard and production, successful woman entrepreneur, successful business entity, best corporate management, corporate woman entrepreneur and successful supporter to SME.

The FBCCI with the financial assistance from Standard Chartered Bank will distribute the awards.

Sources in the FBCCI said that there are around 60 lakh SMEs in the country employing over 30 million people.



Monir Hossain, president of Narayanganj Club Ltd, and Yasir Azman, head of Dhaka Regional Sales of GrameenPhone (GP) Ltd, pose for photographs at an agreement signing ceremony recently. As per the deal, the mobile phone operator will provide complete communication facilities under its 'Business Solutions' package for the club.



The election to the Executive Committee of Bangladesh Tea Association (Bangladeshiyo Cha Sangsad) for 2006-2007 & 2007-2008 term was held in Chittagong recently. Mirza Salman Ispahani, chairman-elect (5th from left), M Wahidul Haque, outgoing chairman (7th from left), and Mohd Safwan Choudhury, senior vice chairman, among other committee members, pose for photographs after the election.



PHOTO: SJBL

Shahjalal Islami Bank Ltd Chairman Sajjatz Jumma inaugurates the Satmasjid Road branch of the bank at Dhanmondi in Dhaka on Thursday. Directors, managing director and other senior officials were also present at the function.

ASEM MEET BEGINS TODAY

Trade liberalisation high on agenda

AFP, Helsinki

The full Asia-Europe Meeting (Asem), a two-yearly gathering of the 25 EU nations and 13 Asian states, takes place on Sunday and Monday.

Asian leaders arrived in Helsinki on Saturday for the two-day summit with European Union states that will focus on freeing up trade and security issues like North Korea.

Security issues aside, the main focus of the Asem gathering will be on liberalising trade, with talks about opening official negotiations between the EU and the 10-member Association of Southeast Asian Nations (Asean) on the one hand and the EU and South Korea on the other.

"On trade issues, the big story is the chances for a bilateral trade agreement between the EU and Asean and South Korea," said an official close to European Trade Commissioner Peter Mandelson, who cannot attend the meeting because he will be in Rio for World Trade Organisation talks.

Another report adds: The Asian leaders are expected to push for a revival of global trade liberalisation talks even as they press ahead with their own plans for a massive Asia-Pacific free-trade area.

The Asian participants in the Asem meeting are: Cambodia, China, Brunei, Indonesia, Japan, Laos, Myanmar, South Korea, Malaysia, Philippines, Singapore, Thailand, Vietnam.

Talks were suspended in July largely due to disagreements over subsidies given by industrialised nations, including EU members, to their farmers.

Trade between the two regions now accounts for more than 43

percent of total world trade in goods, and Asem countries make up about 52 percent of the world's gross domestic product.

With Asem 10 years old, the leaders will also discuss inviting other countries to future talks with the aim of making a declaration on expanding the club.

A senior Southeast Asian trade official said Asian leaders are likely to raise the issue of jump-starting the World Trade Organizations (WTO) talks with their European

counterparts during the September 10-11 meeting in Helsinki.

The Asian leaders could point to moves to link their economies through a slew of bilateral free-trade pacts which is hoped to lay the basis for a giant regionwide agreement, said the official, who asked not to be named.

At a meeting of Association of Southeast Asian Nations (Asean) trade ministers in Malaysia last month, the United States signed a trade and investment pact with the regional grouping. That accord is widely seen as a precursor to a full-fledged free-trade pact between Asean and the world's biggest economy.

At the same meeting, Japan also proposed the creation of a free-trade zone which would group all 10 Asean states as well as China, Japan, South Korea, Australia, New Zealand and India - all members of the recently-formed East Asia Summit group. Pressure is also mounting on the Asia Pacific Economic Cooperation (Apec) forum to launch negotiations for a Free Trade Area of the Asia Pacific (FTAAP) to serve as a possible alternative in case the WTO fails and to consolidate the mushrooming bilateral and regional free trade pacts.

The 21-member APEC, which accounts for nearly half of world trade and 60 percent of global economic output, includes the United States, China, Russia and other key economies.

Analysts have warned that the proliferation of regional and bilateral free trade pacts could divide the world into trade blocs and spawn protectionism, and have stressed the importance of the multilateral trade process.

MICROENTREPRENEURSHIP

5 selected for awards

Five winners in five categories of Citigroup Microentrepreneurship Awards - 'Best Innovative Micro Business of the Year', 'Best Woman Microentrepreneur of the Year', 'Best Microentrepreneur of the Year', 'Best Microfinance Institution (MFI) of the Year' and 'Best Program for the Hardcore Poor' have now been selected from more than 565 applications by the high level advisory council.

The Citigroup awards programme was launched by Citigroup Foundation, says a press release.

The winners will be finally announced on September 19, 2006 through the grand finale. The main objective of this award is to salute those many unsung heroes from the toiling masses of the country who have literally graduated from microcredit takers into microentrepreneurs and are largely contributing to the economic growth of Bangladesh.

This award, managed by Palli Karma-Sahayak Foundation and Citibank NA Bangladesh, has been a special effort to contribute to improved micro level practices and to reinforce an enabling environment for tri sector partnerships between business, NGOs and the government on developing micro enterprises, an important vehicle for combating poverty and generating a pro-poor growth of the Bangladesh economy.

Asia Insurance chairman, vice chairman re-elected



Yussuf Mahbubul

Yussuf Abdullah Harun and Mahbubul Alam Talukder have been re-elected chairman and vice chairman of Asia Insurance Ltd, says a press release.

Adviser to Saarc Chamber of Commerce & Industries, Harun is a former president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and chairman of Southeast Bank Ltd while Talukder is a director of Chittagong Chamber of Commerce and Industries.