

SEC to ease IPO laws for energy, infrastructure units

STAR BUSINESS REPORT

The stockmarket regulator will ease some conditions for initial public offering in the book building method for energy and infrastructure companies to attract more participation.

However, the regulator will decide later on the types of changes in the book building method, a modern pricing mechanism for IPO.

The Securities and Exchange Commission (SEC) took the decision at a meeting yesterday, officials said. SEC Chairman Ziaul Haque Khondker presided over the meeting.

SEC decided to ease the IPO conditions for energy and infrastructure companies following requests from Bangladesh Association of Publicly Listed Companies (BAPLC) and

Bangladesh Energy Companies Association (BECA).

BAPLC and BECA, in separate letters, urged SEC to relax some IPO rules under the book building system, saying many companies from the energy and infrastructure sectors are interested in coming to the stockmarket, but cannot do so because of some existing conditions.

At yesterday's meeting, SEC also extended the deadline for introducing a uniform index to November 15, from September 30 previously, as both bourses failed to do so within the stipulated time.

SEC also approved an open-ended unit fund and two closed-end mutual funds at the meeting.

Jamuna Bank will sponsor a Tk 50 crore open-ended unit fund, while Mercantile Bank and NCC

Bank will introduce two Tk 100 crore mutual funds.

Jamuna Bank will subscribe to units worth Tk 5 crore as sponsor, while individuals and institutional investors will help raise the rest.

In the case of the Tk 100 crore mutual fund by Mercantile Bank, the bank will subscribe to 10 percent, or Tk 10 crore, as sponsor, while 40 percent will be kept for pre-IPO placement and the rest 50 percent will be raised through an IPO.

NCC Bank NRB Mutual Fund will subscribe to 10 percent, or Tk 10 crore, of the Tk 100 crore mutual fund as sponsor, while 40 percent will be kept for pre-IPO placement and the rest 50 percent will be raised through IPO.

For IPO, Tk 25 crore will be reserved for non-resident Bangladeshis.



Citycell has awarded its Citycell CRICFREAK SMS contest winners at its head office in Dhaka. The contest continued from September 17-26. David Lee, the telecom operator's chief operating officer, and Kafil HS Mueyed, chief marketing officer, handed over the prizes.



Samson H Chowdhury, chairman of Mutual Trust Bank, speaks at the opening of the bank's corporate head office at MTB Centre at Gulshan in Dhaka on Sunday. Founding Chairman Syed Manzur Elahi and Managing Director Anis A Khan were also present.

Tourism fair starts tomorrow

STAR BUSINESS REPORT

A three-day fair starts tomorrow in a bid to promote tourism and carry on an advocacy campaign in favour of the Sundarbans' inclusion on the list of the Seven Wonders of the World.

The civil aviation and tourism ministry and Parjatan Bichitra, a tourism magazine, are the organisers of Dhaka Tourism Fair, which is expected to give visitors a glimpse into the services and attractions of different tourist spots.

Civil Aviation and Tourism Minister GM Quader will inaugurate the fair at Dhaka Sheraton Hotel, with the slogan of 'Sustainable Tourism for Development'.

"The main objective of the fair is to help maintain sustainable growth of the tourism industry, which is not possible without developing tourism

infrastructure and travel management further," said Mohiuddin Helal, editor of the magazine.

"We also want to promote the Sundarbans to the list of the Seven Wonders of the World, which can take the country's tourism industry to a new level," he said at a press conference, organised by Parjatan Bichitra at the National Press Club in Dhaka yesterday.

The fair will display different tourist destinations and lucrative offers from participating companies.

"Attractive travel offers to different tourist spots in the coming tourism season and special discounts on hotel/package bookings will be available at the show," Helal said.

Organisers will host several seminars and celebrity campaigns for the Sundarbans on the second day of the fair, said Helal.

New MD for Islami Bank Securities



STAR BUSINESS DESK

Md Ahsan Ullah joined Islami Bank Securities as managing director on September 27, says a statement.

Prior to the assignment, Ullah was the executive vice president of NCC Bank and chief executive officer of NCCB Securities and Financial Services.

Citi risks officer due today



STAR BUSINESS DESK

Piyush Agrawal, chief risk officer of Citi for South Asia, is due in Dhaka today on a two-day visit.

During the visit, he will meet local stakeholders and customers, the bank said in a statement yesterday.

Agrawal, an MBA from Wake Forest University, USA, and a CA from the Institute of Chartered Accountants of India, is based in Mumbai and responsible for the corporate portfolio of India, Bangladesh and Sri Lanka.

Prior to moving to India to take on his current role, he worked in several capacities in Citibank, New York.

Agrawal began his career with Citi in 2001 in leasing advisory business and then joined the global power team.

Govt to permit union at RMG units

STAR BUSINESS REPORT

The government will implement trade unionism in the garments sector from next year to ensure worker rights, Israfil Alam, chairman of the parliamentary standing committee on the labour and employment ministry, said yesterday.

Pointing to the fact that garment workers can hardly realise demands from their owners in absence of trade unionism, he said consequently the workers frequently vandalise factories.

"Once trade unionism is allowed in the sector, workers will come under legal bindings and enjoy freedom of association and realise their rights through collective bargaining," he told a discussion in Dhaka.

The lawmaker said there should be no excuses for delay in implementing the fresh minimum wage structure for the garment workers within Monday, because all the stakeholders have already agreed upon it.

Germany-based social compliance agency LIFT Standards organised the roundtable on "Towards effective workers' representation -- the ways of implementation" -- at Dhaka Sheraton Hotel.

Bangladesh Garment Manufacturers and Exporters Association, Bangladesh Knitwear Manufacturers and Exporters Association and the international buyers have some responsibilities in establishing worker rights, Alam told reporters after the roundtable.

"I asked international buyers to follow ethical buying practices in payment for purchasing Bangladeshi garment items."

He said there are 148 registered trade unions and 250 workers' welfare associations in Bangladesh.

Montu Ghosh, an adviser to Garment Sramik Trade Union Kendra, said hundreds and thousands of workers are not able to bargain with owners in absence of unionism.

"Nobody wants to speak in fear of losing their jobs. We are demanding healthy trade unionism. We do not want any political interference."

Towhidur Rahman, president of Bangladesh Apparel Workers Federation, said the government is bound to allow trade unionism in the industrial units because Bangladesh is a signatory to the International Labour Organisation (ILO).

"The workers have freedom of association and collective bargaining. We want free and fair trade unions without political interference."

Stefan Frowein, the outgoing ambassador of the European Union, said the EU has been working with ILO to promote dialogue between owners and workers of the garment units.

The trade unions should be formed with representation from all stakeholders, Frowein said.

The roundtable was chaired by LIFT Standards Managing Director Christian von Mitzlaff and moderated by senior journalist Farid Hossain.

German firm to open testing lab in Dhaka

STAR BUSINESS REPORT

German-based TÜV SÜD will open its testing laboratory in Dhaka to facilitate the testing of exportable textile items from tomorrow.

In a statement, Bangladesh-German Chamber of Commerce and Industry (BGCCI) said the 15,000 square-feet lab, set with state-of-the-art equipment, will be able to test textiles, clothing and footwear items.

The laboratory complements TÜV SÜD's pool of technical expertise and comprehensive portfolio of value added services.

The statement also said several top-level managers of renowned companies from both Bangladesh and Germany will speak at the global conference on corporate social responsibility at Radisson Water Garden Hotel in Dhaka tomorrow.

Daniel Seidl, executive director of BGCCI, said over 150 managers from both the countries would speak at the conference. BGCCI is organising the conference in collaboration with the German embassy in Dhaka and GTZ.



Mercantile Bank Director MS Ahsan inaugurates the bank's 61th branch at Begumganj in Noakhali recently. Managing Director (acting) AKM Shahidul Haque was also present.

United Airways widens wings

STAR BUSINESS REPORT

United Airways (BD) Ltd plans to start flights to London via Sylhet and Bangkok in December, its chairman said yesterday.

The airline also looks to start flights to Jeddah, Saudi Arabia, next year to expand its international network, said Captain Tasbirul Ahmed Choudhury, chairman and managing director of United Airways.

He made the statement at the induction of two planes -- one Airbus-310-300ER and ATR-72 -- to the existing fleet of the carrier.

The size of the airline's fleet rose to six from four. United Airways said it added these planes to consolidate its domestic and international networks. The airline handles more than 30 lakh travellers a year.

Jatiya Party Chairman HM Ershad inaugurated the two aircraft at Shahjalal International Airport. Civil Aviation and Tourism Minister GM Quader was also present among others.

"We have operated 14,000 flights with 97 percent dispatch reliability since beginning

our operation in July 2007," Choudhury said. The newly procured A310-300 aircraft accommodates 18 business class and 183 economy class seats, while ATR-72 has four business class and 62 economy seats, according to the airline.

In a posting to stock exchanges last month, United said it procured one A-310 and three ATR aircraft. Of the four, two arrived early this month. The airline quoted Tk 84 crore in approximate price for each A-310 aircraft. The price of each ATR-72 is Tk 62.66 crore.

United said it would use A-310 aircraft to fly on Dhaka-Dubai-London-Dubai-Sylhet and Dhaka-Jeddah-Dhaka routes and the ATR-72 will be used on domestic and regional routes.

The airline now operates flights to Dubai, Kathmandu, Kuala Lumpur and London also wants to introduce flights to all domestic destinations and as far as New York in future.

The company recommended 5 percent stock dividends for the year to June 30. The company lost 0.93 percent to Tk 609 on the spot market transaction yesterday.



Officials of First Security Islami Bank pray during the celebration of its 11th anniversary in Dhaka on Monday. Deputy Managing Director Md Abdull Quddus was present.

New asset management company launched

STAR BUSINESS DESK

Alliance Capital Asset Management Ltd (ACAML), a new asset management company, has recently launched its operation, aiming to introduce diversified financial products to customers.

Samson H Chowdhury, chairman of Square Group and Mutual Trust Bank (MTB), inaugurated the company as the chief guest at a city hotel.

The Securities and Exchange Commission issued a licence on June 7 to ACAML to launch its activities as asset management firm in Bangladesh.

Meanwhile, ACAML has signed an agreement with Mutual Trust Bank to launch 'MTB Index Fund,' an index based open-ended mutual fund.

MTB Index Fund is such a mutual fund as will let investors know where their money is invested. Normally, the investors do not know where their money is invested.

"Investment in the capital market is growing rapidly as demand for shares soars amid supply crunch; we are hopeful that appointing ACAML as asset manager of MTB Index Fund will cater to the needs of the investors," said Chowdhury.

Wali-ul-Marooof Matin, managing director of ACAML, said: "This fund will help diversify the capital market and leave a positive impact on the investors as it will be one of the most transparent funds ever."

Shakil Rizvi, president of Dhaka Stock Exchange, and Meer Sajed-UI-Basher, chief financial officer of MTB, were also present.

OFFICE SPACE WANTED

DHL Express, world's largest express and logistic service company, is searching for office spaces (250-350 SFT) in the ground floor, on the main road, in order to set up sales outlets/showrooms in the following areas of Dhaka city:

- Kuril / Pragati Sarani
- Asad Gate / Shaymoli
- Malibagh / Mouchak
- Ittefaq more / Haatkholra

We are requesting genuine owners to contact us within seven days.
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