

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DGEN	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
1.16%	0.95%	\$1,430.00 (per ounce)	\$102.38 (per barrel)	0.84%	4.36%	0.64%	0.34%	72.10	100.50	115.50	0.88	
6,451.84	11,668.81			17,988.30	9,608.32	3,002.75	2,919.14	BUY TK	73.10	105.93	121.14	0.96
								SELL TK				

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star BUSINESS

DHAKA WEDNESDAY MARCH 23, 2011, e-mail:business@thedailystar.net

MJL listing hits deadlock

STAR BUSINESS REPORT

A stalemate looms over the listing of MJL Bangladesh Ltd, as the regulator's instruction and the bourses' recommendations do not match over the fuel company's much-talked listing.

The Securities and Exchange Commission (SEC) yesterday asked the bourses to take necessary steps about the listing, as MJL offers compensation if its share prices go below the IPO price within six months of trading.

On contrast, the bourses had earlier recommended that the regulator give permission to the MJL only after the company agrees to buy back shares if the prices go below the IPO prices.

"If MJL is now listed in line with the SEC directive, huge complexities will arise," said a member of the Listing Committee of Dhaka Stock Exchange that sat at a meeting yesterday.

The company will face problems to manage three lakh beneficiary owners' accounts, as neither the stockbrokers have software to deal with such a large number of accounts, nor it is possible to do the job manually, he said.

"The only simple way would be to buy back as recommended earlier to the SEC," the member said.

The Listing Committee will sit in a day or two on the MJL issue and will make recommendation to the SEC, he added.

The fate of MI Cement's listing also depends on how the MJL issue is resolved. Both the companies' initial public offerings (IPOs) were made under book building method, which was suspended by the SEC in January.

The SEC instruction about the MJL came at another meeting of the regulator yesterday.

"The commission has sent a letter to the two bourses asking them to take measures on the MJL," said Saifur Rahman, spokesman and an executive director of the SEC.

The deadline for MJL listing is March 29.

BGMEA gets new president

STAR BUSINESS

Shafiul Islam Mohiuddin has been elected president of Bangladesh Garment Manufacturers and Exporters Association for the next two years.



Shafiul Islam

Mohiuddin, managing director of Onus Apparels, contested the election from Sammlito Parishad Panel that won all the 27 posts of director of the trade body. The election was held on Sunday. He is also the incumbent vice president of BGMEA.

Among other elected members, Nasir Uddin Chowdhury, managing director of Eastern Apparels, has been elected first vice-president and Siddiqur Rahman, chairman of Sterling Group, second vice-president.

Faruque Hassan, managing director of Giant Group, has been elected vice-president for finance and SM Mannan Kochi, director of Sheha Design (BD) Ltd, also got the post of vice-president.

All the elected members will take their charges on March 27 at the BGMEA's annual general meeting, said a statement yesterday.

Forum panel leader Anwar-Ul-Alam Chowdhury Parvez who boycotted the polls appealed to the BGMEA election appeal board on Monday to hold the polls again canceling the faulty voter list. His panel threatened to take the polls to court.

Slow reforms delay \$1b fund

Draft telecom policy irks World Bank

REJAUL KARIM BYRON

The release of the World Bank's budget support of \$1 billion will be deferred from the current fiscal year to the next due to slow progress in government reforms, especially in telecoms.

As the fund was to be disbursed in three fiscal years starting in the current year, the government had earlier estimated that \$300 million to be available this year would be used for the current annual development programme, finance ministry officials said.

The government will now manage the outlay from other allocations of the WB. Both the finance minister and the development partner have confirmed the delay in fund disbursement. Earlier this month, the government in its revised ADP cut more than Tk 3,000 crore from project aid, but budget support remained the same.

The finance ministry officials said the WB objected to the draft telecoms and mobile phone operators' licence renewal policy.

Under the proposed telecoms guideline prepared by the telecom regulator, Grameenphone, Banglalink, Robi and Citycell will have to pay a combined Tk 28,000 crore in spectrum charges during their licence renewal this year. The operators and telecom analysts said the fees are too high and irrational.

Last week, the WB country director and other officials held a meeting with Finance Minister AMA Muhith to discuss the overall reform programmes, especially the telecoms policy, the ministry officials said.

WB Country Director Ellen Goldstein said to The Daily Star: "Recently, at the request of the government, the World Bank agreed to postpone the first credit until the next fiscal year in order to better assess progress on reforms relat-

ing to macroeconomic management, governance and anti-corruption and telecommunications policy and licence renewal."

Meanwhile, the issues of Grameen Bank and its founder Prof Muhammad Yunus came up during the credit talks last week with the WB and another development partner, the IMF. A team of the International Monetary Fund (IMF) concluded talks with the government last week over the \$1 billion loan as Extended Credit Facility.

Both the WB and IMF teams separately met the finance minister and talked about the Grameen and Yunus issues. After the meetings with the two development partners, Muhith said: "On Grameen Bank they (WB, IMF staff) say 'many of our members have interest about Grameen Bank; so you take care of it'."

However, the World Bank country director told The Daily Star that decision-making about Grameen and Yunus is largely a Bangladeshi affair, which requires careful consideration.

Goldstein said Bangladesh is known worldwide as a pioneering nation in innovative approaches to poverty reduction, including through microfinance. Grameen and Yunus have emerged as symbols of Bangladesh's innovative and successful track record of poverty reduction and development, she said.

"Careful review is warranted to see how best to reinforce positive perceptions and nurture this home-grown institution, and we would expect the findings of the review currently underway to provide valuable information to the government and general public," Goldstein said.

"Decisions taken now in Bangladesh will have an echo worldwide which merits some reflection as the country seeks to increase public and private investment in order to accelerate growth and ensure a prosperous future for its citizens," she said.

US-Bangladesh 'tension' to hurt trade: AmCham

STAR BUSINESS REPORT

Trade between Bangladesh and the US may be hampered if the unwarranted tension that surfaced recently between the two countries is not defused immediately, said Aftab ul Islam, president of American Chamber of Commerce in Bangladesh (AmCham), yesterday.

Some important US personalities met Prime Minister Sheikh Hasina in the last few days to discuss different vital issues, Islam said at the chamber's regular luncheon meeting at Dhaka Sheraton Hotel.

He said the US has a long-standing relationship with Bangladesh where the US helped bring political stability in the country and fight against terrorism. But, recently some unwanted tensions between the two countries have been noticed, Islam added, without further elaboration.

"Major US investments in Bangladesh are in the gas and oil sectors. There is hardly any such investment in the manufacturing sector," he added.

Gowher Rizvi, international affairs adviser to the prime minister, said there are some pending issues with the US, like duty-free access of Bangladeshi products to the US market. Bangladesh paid \$500 million in duties to the US government for exporting goods worth \$4 billion last year, he added.



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