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DHAKA TUESDAY MAY 8, 2012, e-mail:business@thedailystar.net

High Court again asks SEC to explain shareholding notice

STAR BUSINESS REPORT

The High Court yesterday again asked the stockmarket regulator to explain within two weeks why a directive for directors to hold individually at least 2 percent stakes in companies should not be declared illegal.

The HC rule came after a writ petition was filed by Abul Bashar, a director of Popular Life Insurance Company.

Earlier, the Securities and Exchange Commission had made it compulsory for sponsors, directors and promoters of listed companies to hold at least 2 percent stakes individually in their own companies.

Along with the SEC, the court also directed a share investors' association to explain as to why the directive will not be declared illegal.

A bench of Justice Farid Ahmed and Justice Sheikh Hassan Arif issued the rule after hearing the petition.

After the hearing, Attorney General Mahbubey Alam told journalists that although the petitioner sought a stay order on the SEC directive, the court issued a rule.

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Higher growth hinges on investment: CPD

The think-tank in a budget proposal asks govt to cut bank borrowing

STAR BUSINESS REPORT

The Centre for Policy Dialogue (CPD) yesterday said the government must revive stagnant investments to achieve higher economic growth -- a major challenge in the upcoming national budget.

Reducing reliance on bank borrowing and utilisation of foreign aid would be other major challenges, according to the civil society think-tank.

Like every year, CPD has come up with a set of proposals for the budget for fiscal 2012-13. The proposals included sectoral recommendations and imple-



Second from left, Debapriya Bhattacharya, distinguished fellow of CPD, speaks on a budget proposal at the think-tank's Dhanmondi office in Dhaka yesterday. Prof Mustafizur Rahman, executive director, and Fahmida Khatun, head of research, are also seen.

mentations of the budget.

"Investment promotion should be the major focus in the upcoming budget," said Dr Debapriya Bhattacharya, distinguished fellow of CPD. Boosting investment is an urgent requirement for macroeconomic stability and social justice, he added.

The investment rate in Bangladesh is stuck at around 24 percent of GDP for several years now, though the country needs to take it to 30 percent for higher growth. The situation worsened in the last few years because of an energy crisis, especially gas.

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Stubborn BTCL drops firm from bidding

Turns down directives of its own board, ministry and purchase review panel

ABDULLAH MAMUN

...... State-run telecom company BTCL has dropped a participant from a bidding process, disregarding the decision of a review panel on public purchases.

Not only that, the state-run company also turned down the recommendations of the telecom ministry, and also the decision of its own board of directors, to allow the participant in the bidding.

The bidding was for the job of building an optical fibre transmission network of Bangladesh Telecommunications Company Ltd (BTCL) with loans from Japan International Cooperation Agency (JICA).

Istanbul-based Nortel Networks Netas Telekomunikasyon took part in the prequalification assessment process of the bidding, but the BTCL disqualified the firm, saying it did not submit appropriate documents.

Korea-based KT Corporation and NEC Corporation of Japan qualified for the bidding.

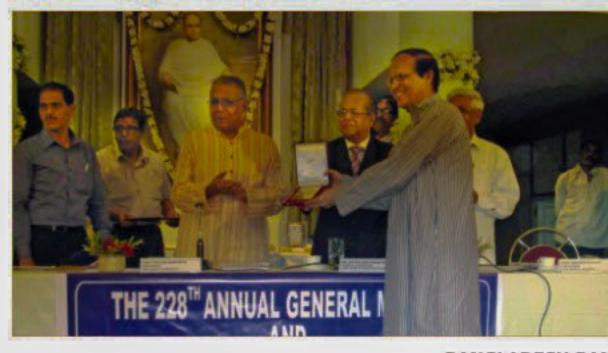
In a verdict on March 18, the quasi-judiciary panel, which reviews all public purchases on the basis of any complaint, declared Netas qualified and directed the BTCL to allow Netas to take part in the bidding.

The panel, after a hearing, also said the removal of Netas from the prequalification assessment was illogical and unilateral.

The panel said the BTCL has done improper activities during the evaluation.

On May 17 last year, the telecom company gave an advertisement for the prequalification assessment for the job -- Supply, Installation, Testing and Commissioning of National Transmission Backbone (Optical Fibre and Microwave System-Lot-B) -under Telecommunication Network Development project.

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BANGLADESH BANK

Atiur Rahman, central bank governor, receives the Indira Gandhi Gold Plaque at a ceremony in Kolkata yesterday.

Atiur receives Indira Gandhi Gold Plaque

STAR BUSINESS DESK

Bangladesh Bank Governor Atiur Rahman has received the prestigious Indira Gandhi Gold Plaque 2011 at a ceremony in Kolkata, the central bank said in a statement yesterday.

The award was in recognition of his contribution to international cooperation towards human progress.

Justice Asok Kumar Ganguly, the chairperson of West Bengal Human Rights Commission, presented the award at the 228th annual general meeting of The Asiatic Society at the society's Vidyasagar Hall.

"I accept with deep gratitude and utter humility the Indira Gandhi Gold Plaque for 2011 awarded to me by the Asiatic Society in appreciation of my humble efforts towards advancement of human progress through international cooperation," Rahman said.

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