

ICB gets nod for uniform share face value

STAR BUSINESS REPORT

The cabinet yesterday approved in principle amendments to the Investment Corporation of Bangladesh (ICB) ordinance, allowing the state-run company to change the face value of shares from Tk100 to Tk10.

The decision was taken to comply with a securities rule according to which the face value of shares of listed companies would have to be Tk 10, Cabinet Secretary M Mosharraf Hossain Bhuiyan told reporters after a cabinet meeting.

All listed companies, excepting the ICB, have already fixed the face value of their share prices to Tk 10.

ICB could not comply with the rule as it required amendment to the ordinance.

The face value of different shares ranged from Tk 1 to Tk 1,000, which was confusing to many investors but useful to manipulators.

This led the Securities and Exchange Commission (SEC) to formulate the rule in 2011 to make the face value of shares uniform.

The finance ministry placed a draft amendment proposal to the cabinet upon taking opinions of ICB and the relevant ministries.

The amendment was a requirement of the SEC," Bhuiyan said.

Build business transparency to get FDI: experts

Nordic chamber confers honorary membership on Transcom Chairman Latifur Rahman

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Bangladesh has failed to grab the required foreign investments due to an absence of business transparency, lack of knowledge about local business laws and skill deficit of bureaucrats, experts said yesterday.

They said the government and private sector should work hand in hand to improve the investment climate in the country.

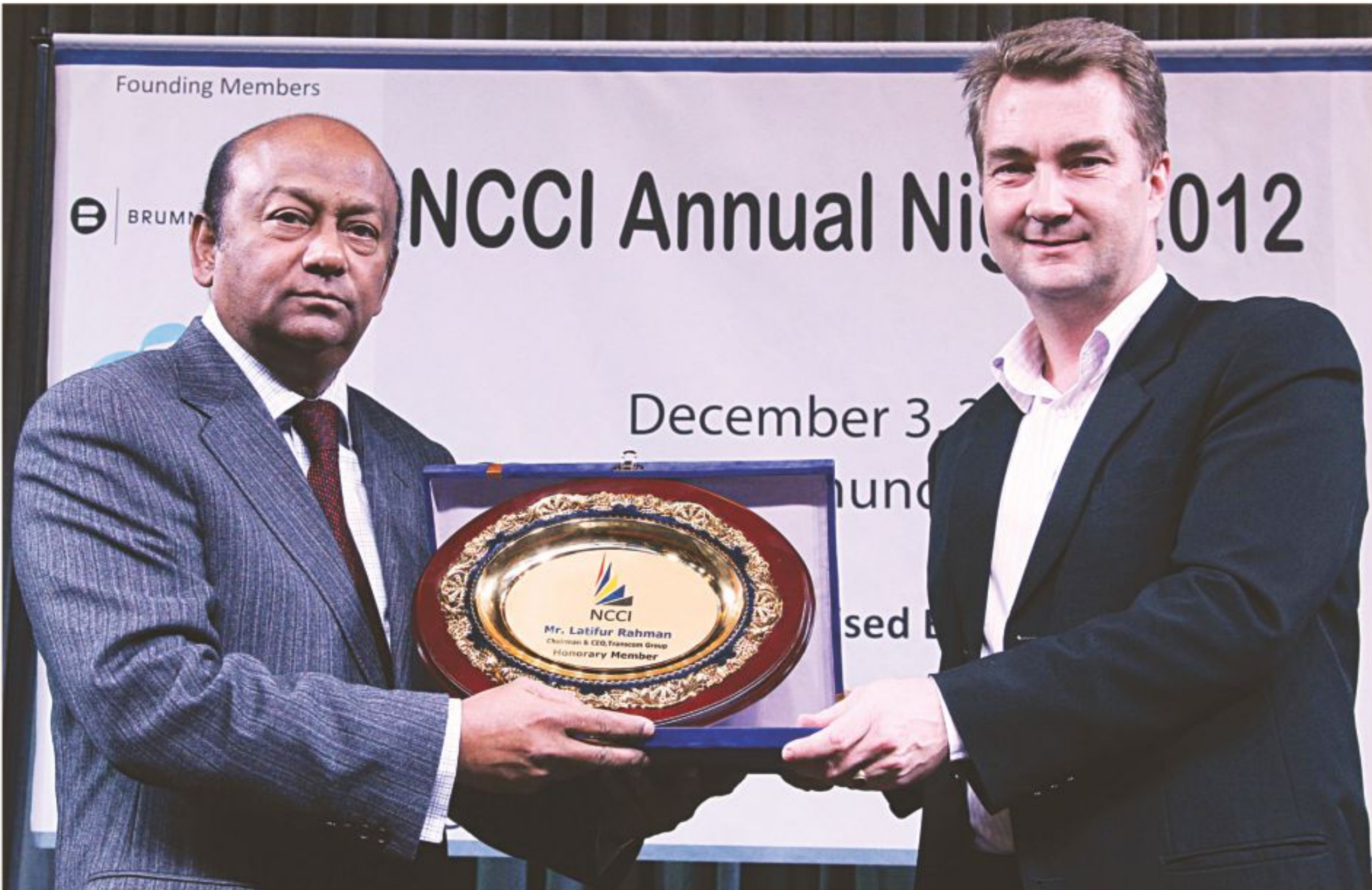
"The country is witnessing sluggishness in foreign direct investment due to a deficiency in transparency of business practices," Allah Malik Kazemi, senior policy adviser to the Bangladesh Bank governor, said at a panel discussion on business transparency.

About 85 percent of the economy is driven by the private sector, but corporate governance is in deficit, he said.

So the private companies, both local and foreign, should focus on the best practices of corporate governance through accurate and complete financial disclosures, Kazemi said.

The discussion was co-organised by Nordic Chamber of Commerce and Industry in Bangladesh (NCCI) and the Norwegian embassy on the occasion of "NCCI Annual Members' Night 2012" at GP House in Dhaka.

NCCI, a platform of Nordic entities in Bangladesh, awarded honorary membership to Latifur Rahman, chairman of Transcom Group and vice-president of International Chamber of Commerce Bangladesh



Right, Arild Klokkehaug, president of Nordic Chamber of Commerce and Industry (NCCI) in Bangladesh, presents a crest to Latifur Rahman, chairman of Transcom Group and vice-president of International Chamber of Commerce Bangladesh. The chamber awarded Rahman honorary membership in recognition of his contributions to the development of Bangladeshi businesses.

(ICCB), in recognition of his contributions to the development of Bangladesh business.

"This is an honour for all of us to be able to extend the honorary membership to Latifur Rahman for his outstanding contributions to the development of Bangladeshi business in the global arena and his accomplishments in the area of ethical business," said Arild Klokkehaug, president of NCCI.

In May 2012, Rahman received prestigious Business for Peace Award 2012, the highest distinction given to a businessperson for outstanding accomplishments in ethical business.

At the discussion, Rahman said a culture of loan default is one of the

major problems in Bangladesh.

Rahman cited two major scams surrounding Hall-Mark Group and Destiny Group and said these episodes might deal a serious blow to the business confidence of foreign investors here.

He stressed the need for ethical business for sustainable growth.

Jica has no concern about transparency in metro rail funding

STAR BUSINESS REPORT

The Japan International Cooperation Agency (Jica) yesterday said it has no concern about transparency in the funding of \$2.1 billion it will provide for the \$2.7-billion metro rail project.

Jica is keeping a 'friendly watch' on the government's efforts for the project, Takao Toda, Jica chief representative in Bangladesh, said at a press conference at the Planning Commission.

The Japanese lender will soon sign a loan agreement after some negotiations with the government of Bangladesh, said Toshiyuki Kuroyanagi, vice president of Jica.

Jica will continue its support to Bangladesh for its development projects, said Kuroyanagi.

Jica, the lone financier of the 20-kilometre metro rail from Motijheel to Uttara, is expected to provide 80 percent of the project cost as soft loan at a 0.01 percent interest rate.

"Japan has committed to give \$898 million for three projects within the current fiscal year," said Iqbal Mahmood, secretary to the Economic Relations Division.

Jica will give \$133 million for Dhaka Mass Rapid Transit Development Project, popularly known as metro rail project, \$527 million for Bheramara Combined Cycle Power Plant Development Project and \$238 million for National Power Transmission Network Development Project.

"We have already finalised the route. If needed, we will talk with the communication ministry and other stakeholders," he said.

The project recently gained momentum after a nearly three-year delay over change of route of the metro rail with the government deciding to appoint a consultant to prepare a detailed design of it.

The three-year delay has increased the project cost to \$2.7 billion from \$1.7 billion.

Families of Tazreen victims to get compensation today



Women queue up in Ashulia yesterday for re-registration as workers of Tazreen Fashions Ltd to get salaries and termination benefits. Bangladesh Garment Manufacturers and Exporters Association and labour leaders are drawing up a list of such workers.

STAR BUSINESS REPORT

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) will disburse compensation today to the relatives of the workers killed in a fire at Tazreen Fashions.

Preliminarily, every family of the deceased will get nearly Tk 4 lakh each, said BGMEA President Shafiul Islam Mohiuddin at a hurriedly called press briefing at the trade body's office in Dhaka yesterday.

But Mohiuddin did not specify how many families would be compensated as many workers were still either missing or were burnt beyond recognition.

The relatives of the deceased will collect the cheques from Prime Minister Sheikh Hasina, Mohiuddin said, adding that the prime minister,

BGMEA and some donors have contributed to the fund.

The BGMEA chief also said they have opened two information centres -- one at Ashulia and another at the BGMEA office in Dhaka -- for the Tazreen incident.

A total of 51 workers are undergoing treatment in different hospitals under the auspices of BGMEA, he said.

He said the injured workers can contact BGMEA's Additional Secretary Zaglul Hyder at 01817044677 or 8140310 for treatment.

The BGMEA will brief the media at its office at 3pm everyday on the latest developments of the Tazreen situation.

Meanwhile, the Bangladesh Garment Sramik Shanghati organised a protest rally yesterday in front of the BGMEA Bhaban in Karwanbazar, where they demanded the compen-

sation for each deceased worker's family be increased to a minimum of Tk 10 lakh.

The speakers at the rally also criticised the BGMEA and Tuba Group for their failure to clear Tazreen Fashions' payroll as promised.

They also demanded immediate arrest of Delowar Hossain, the owner of Tazreen Fashions Ltd, and that the concerned authorities make public the actual number of deaths in the fire.

CPD dialogue on hold

Due to unavoidable circumstances, the Centre for Policy Dialogue has called off its discussion on accidents and deaths in garment factories, CPD said in a statement yesterday. The dialogue had been scheduled at the BRAC Centre Inn Audito-

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