



Stocks	
DGEN	▲ 0.13% 6,805.71
CSCX	▲ 0.19% 12,934.71
IDLC Index	
IDLC 50	▼ 0.58% 6,927.13

Asian Markets	
MUMBAI	▲ 0.72% 19,346.96
TOKYO	▼ 0.24% 9,299.31
SINGAPORE	▼ 0.59% 3,048.65

Currencies		
	Buy Tk	Sell Tk
USD	68.90	69.90
EUR	87.17	91.39
GBP	104.65	109.14
JPY	0.80	0.87

Commodities	
Gold	▲ \$1,253.55 (per ounce)
Oil	▼ \$77.13 (per barrel)

India scraps approval for Lafarge cement project

AFP, Shimla, India

Indian authorities have overturned environmental approval given to a 200-million-dollar cement plant project planned by French industrial giant Lafarge in northern India.

The National Environment Appellate Authority on Monday ruled against the proposed plant in the state of Himachal Pradesh, citing a threat to the local economy and wildlife.

The Lafarge project was to be built in Mandi district, 100 kilometres (65 miles) north of the state capital Shimla.

The panel said just 16 of 381 landowners had given their consent and that it would create "dispossession, impoverishment and trauma" to locals.

In 2006, the Himachal Pradesh cabinet approved the proposal by Lafarge, which would have involved construction of a cement plant with annual capacity of three million tonnes and attached limestone mines.

The environmental panel said it believed "that on environmental and social considerations it is neither desirable to mine the Tehlan village nor put up a cement plant at Ghanger."

Summit steps into financial services

United Insurance	United Leasing
Summit's holding : 59pc	Summit's holding : 30pc
59pc of market cap : Tk 297.8cr	30pc of market cap : Tk 296.2cr
Yesterday's share trade : Tk 1,736	Yesterday's share trade : Tk 1,893
Paid-up capital : Tk 30cr	Paid-up capital : Tk 53cr

SAJJADUR RAHMAN

Summit Group is moving into the financial services sector with its purchase of a majority stake in both a leasing company and a local insurer.

The group bought 59 percent of the shares of United Insurance and 30 percent shares of United Leasing, group Chairman Muhammed Aziz Khan told The Daily Star yesterday.

"A memorandum of agreement was signed with Duncan Brothers, the majority shareowner of those two companies, on September 9," Khan said. The deal may be final by November.

In June, the group also bought a majority of the shares of ICB Islamic Bank (formerly known as Oriental Bank) from a Malaysia-based financial group for \$55 million.

In addition to buying a bank, general insurance and a leasing company, the group recently won a licence for merchant banking and has applied for licence for a life insurance company. Summit also has a licence to run a brokerage house, but it remains unused.

"We find people here need financial services to continue the present pace of development and further development as

well," Khan said.

Summit Group declined to disclose the price of the shares bought from United Insurance and United Leasing. Khan said only that Summit won with the highest bid.

Two local banks -- AB Bank and Eastern Bank -- took part in the bidding jointly.

Bank officials closely associated with the bidding process said they offered an average of Tk 2,200 a share for the insurance and leasing companies.

First listed in the stock market in 1990, United Insurance has Tk 30 crore in paid-up capital. A share of the company last traded at Tk 1,736 at the Dhaka Stock Exchange (DSE) yesterday.

United Leasing, first listed in 1994, has nearly Tk 53 crore in paid-up capital. A share of the company traded at Tk 1,893.25 yesterday.

Summit Group, one of the largest industrial-infrastructure organisations, has focussed on power generation.

The group started business in 1972 as Sanguine Traders, a small trader of thermo-plastic moulding compounds. More than three decades later, it controls more than 10 companies and employs more than 500 people.

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Beef sales in freefall

MD FAZLUR RAHMAN

Beef sales in Dhaka have plummeted 75 percent as customers avoid the item due to the outbreak of anthrax, butchers and traders said.

They said demand for beef, the most popular food among the Muslims countrywide, has been dwindling since the disease broke out last month.

Beef traders in Dhaka said sales dropped by three-fourths due to the panic.

Abdul Hannan, a butcher at Shantinagar kitchen market, used to slaughter two cows a day before, but now he sells less than 25 kilograms a day. "That is when restaurant owners place orders."

Parul Akhter, who has been in the trade for the last 25 years, said the same. She had to keep her shop shut since August 26, as customers are less interested in consuming beef.

Many restaurant owners said they struck beef off their menus due to the decreasing demand for the dish.

Large department stores also reported a decline in beef sales. "We used to sell 80 kilograms of beef a day before the outbreak of anthrax," said Maksudur Rahman, assistant manager of PQS in Shantinagar.

"But in the last 10 days, we have not sold the item, considering public health safety even though our suppliers are enlisted with Dhaka City Corporation," he told The Daily Star yesterday.

Humayun Kabir, a butcher at Shonir Akhra bazar in Dhaka, said he slaughtered 10-12 cows last Eid-ul-Fitr, but this year, he slaughtered only four against his target of 40.



ANISUR RAHMAN

POULTRY REPLACES BEEF: Red meat sales have dived due to an anthrax scare among consumers.

Beef traders also blamed the government's sweeping comments on the disease that make people frightened although none died so far from anthrax in Bangladesh.

"The government should alert people by providing concrete information on the disease, instead of scaring them," said a trader at Gabtoli Cattle Market, the largest one in the city.

"Beef is a crucial item in food menus during any Eid, but we had to count huge losses ahead of last week's Eid-ul-Fitr, as most customers shied away."

"But this cannot continue for long. We want a solution. Otherwise, the industry will suffer," the traders said.

Butchers and cattle traders also urged the government to prudently tackle the issue that poses a threat to the country's dairy industry. It will further damage the industry ahead of Eid-ul-Azha, when hundreds of thousands of cattle are sacrificed to conform to Islamic principles, they said.

Eid-ul-Azha, now only about two months away, is one of the largest religious festivals for Muslims when 50 percent of the total number of cows slaughtered in Bangladesh.

Last year, over 72 lakh cows were slaughtered in Bangladesh, according to industry people.

Since the outbreak of anthrax on August 18, it infected 508 people, spreading to at least 10 districts, according to the Institute of Epidemiology, Disease Control and Research (IEDCR), a national agency responsible for conducting disease surveillance and investigation.

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SEC digs into rise of Eastern Housing

STAR BUSINESS REPORT

The premier bourse failed to unearth evidence of wrongdoing in a suspicious price spike of Eastern Housing Ltd (EHL) shares, but the stockmarket regulator will now start to dig.

The Securities and Exchange Commission (SEC) formed a two-member committee to probe the unusual price rise of EHL shares, an SEC official said yesterday.

The market watchdog also asked the probe body, led by SEC Director Mohammad Rezaul Karim, to submit the investigation report to the commission by October. Mohammad Rakibur Rahman, assistant director of the SEC, is also on the committee.

An SEC official said the Dhaka Stock Exchange (DSE) investigated the EHL issue only to see whether bourse rules were violated, and found no major irregularities.

"Now the SEC body will re-examine the DSE's investigation report and also see whether any securities rules were violated," the official said.

Earlier last month the DSE investigated the EHL price spike, following instructions from the market regulator.

EHL shares almost trebled in 90 days, from Tk 600 to Tk 1,700. The DSE also suspended trading of EHL in the last week of

August, and submitted a report to the SEC on August 31.

The company's shares rose on the trading floor yesterday, too. EHL traded between Tk 1,630 and Tk 1,799 -- before closing at Tk 1,700 per share on the DSE.

EHL was listed on the DSE in 1994 under the services and real estate segment.

The Dhaka stocks however closed nearly flat with choppy trading. The benchmark index DSE General index rose just 9 points, or 0.13 percent to 6,805.

Telecom, engineering and insurance pushed the market up slightly, while banking, ceramics and mutual funds were in negative territory.

Advancers beat losers 169 to 81, with seven securities unchanged, while the prime bourse, traded more than 5.24 crore shares and mutual fund units with a total value of Tk 1,131 crore.

Aftab Automobiles, a vehicle assembler and small parts manufacturer, topped turnover leaders, with 12.08 lakh shares worth Tk 64.96 crore traded on the floor.

Chittagong stocks gained slightly, with the CSE Selective Categories Index increasing 25 points, or 0.19 percent to 12,934.

The Chittagong stock exchange traded more than 72.74 lakh shares and mutual fund units with a value of Tk 101.20 crore.

BB re-fixes commemorative gold coin price

BSS, Dhaka

Bangladesh Bank has re-fixed the prices of commemorative gold coins for International Mother Language Day.

From now, a 22 carat gold commemorative

coin weighing 10-gram will cost Tk 40,000 instead of Tk 35,000.

The central bank increased the prices of such coins considering the rise of gold prices in the international and the local market.

Pleasure of launching

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MTB CENTRE CORPORATE BRANCH

MTB Centre, 26 Gulshan Avenue

www.mutualtrustbank.com

WB assistance strategy today

BSS, Dhaka

The World Bank releases the Country Assistance Strategy for Bangladesh today.

Finance Minister AMA Muhith will attend the launch of the three-year strategic plan.

An Initiative of Bangladesh Brand Forum

LEADERSHIP SUMMIT

Transforming Corporate Transforming Bangladesh

TAKING THE QUANTUM LEAP

Date : 2 October 2010
Venue : Radisson Water Garden

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Ex Dean, Kellogg School of Management, USA

DR RAM CHARAN
Business Advisor, USA

RENE CARAYOL
CEO, Inspired Leaders Network, UK

ALLEN J. PATHMARAJAH
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