

COMMODITIES		ASIAN MARKETS				CURRENCIES						
DGEN	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
1.55%	1.50%	\$1,531.50 (per ounce)	\$102.86 (per barrel)	0.57%	0.27%	0.41%	Flat	73.45	105.69	120.78	0.90	
5,668.68	10,155.98			18,608.81	9,719.61	3,172.87	2,743.57	BUY TK				
								SELL TK	73.60	105.93	121.06	0.90

BD BUSINESS

DHAKA THURSDAY JUNE 2, 2011, e-mail: business@thedailystar.net

Money Double Scheme
Deposit One lakh or its multiple
make double in 6 years

NCC Bank Ltd.
Where Credit and Commerce Integrates

www.nccb.com.bd

MJL listing sees light

STAR BUSINESS REPORT

A long-running stalemate over the listing of MJL Bangladesh Ltd ended yesterday, as the issuer and the bourse reached a consensus to cut the price to Tk 115 each share.

However, it will take another two weeks to list the fuel company on the premier bourse, as some processes will have to be completed before that.

Although the IPO price of each MJL share was Tk 152.40, the company will be listed on the Dhaka bourse with a price of Tk 115 each. The rest Tk 37.40 will be returned to the investors through refund warrants.

The decision was taken at a board meeting of the Dhaka Stock Exchange yesterday, where MJL Managing Director Azam J Chowdhury was also present.

After the meeting, DSE President Shakil Rizvi said: "We have decided to give a listing approval to MJL for the greater interest of the

stockmarket and the investors."

However, before giving the approval, the DSE will convey its decision in writing to the Securities and Exchange Commission.

"Finally, we have agreed on the listing of MJL, which is the largest IPO after Grameenphone," Chowdhury said.

"We have discussed with the regulator and the bourse authorities so many times to resolve the issue, and now the uncertainty is over," he said.

He also said it may take two weeks to complete the refund warrant process, and then they will be ready for the listing.

The stalemate loomed over the listing of MJL after the regulator suspended book building method for initial public offering in January following a government instruction.

The SEC yesterday asked the bourses to take necessary steps about the listing.

Earlier, the MJL had offered sev-

eral compensation packages for the listing, but the stock exchanges did not agree.

The company had said it would buy back shares if the prices go below the offering value within six months of trading and it would compensate the investors.

Later, as the bourses declined to consider the proposal, MJL came up with a package that it would issue 30 percent bonus shares before listing. It was also not accepted by the DSE.

Then the MJL had offered to give cash dividends to primary shareholders and compensation to investors if its share prices go below the offer price within the first six months of trading.

In its next move, the company wanted to offer more than 100 percent cash dividends and 15 percent to 20 percent compensation to the shareholders.

But, none of the proposals was accepted by the Dhaka bourse.



Angry investors bring out a rally in front of the Dhaka Stock Exchange building yesterday as share prices decline.

Meghna to make soybean meal

SOHEL PARVEZ

A local commodity giant will make soybean meal in an attempt to cater to demands of the local feed mills mostly dependent on the import of raw materials to make feed for poultry, fish and cattle.

Meghna Group of Industries says it is setting up an oilseed crushing mill to extract edible oil and soybean meal used by the local feed mills at nearly 100,000 tonnes per month.

More than 80 percent of the total requirement for the soybean meal, the second most used item after maize to make feed, is met through imports from India, feed industry insiders say.

"Our venture will help reduce import dependence of the local feed mills," said Mostafa Kamal, chairman and managing director of Meghna Group that venture into the essential commodity market after cement and bottled water manufacturing.

The group has already begun setting up a plant -- Meghna Seed Crushing Mills -- at Meghnaghat, Sonargaon, 25 kilometres away from Dhaka.

The mill is expected to kick off production by the end of the year with a capacity to crush 2,500 tonnes soybean and other oil seeds daily.

Of the crushed soybean seeds, 85 percent will be soybean cake or meal, said Kamal.

He said they will require a total capital of Tk 315 crore including Tk 190 crore for machinery and factory set-up. The remaining Tk 125 crore will be the working capital, he added.

Of the amount, Meghna will borrow Tk 112 crore as syndicated finance from six banks led by BRAC Bank.

Meghna's will be the second seed crushing plant in Bangladesh after

More than 80 percent of the total requirement for the soybean meal, the second most used item after maize to make feed, is met through imports from India



the City Group one that is already supplying soybean meal to feed mills.

But feed millers and poultry industry insiders say they have to depend highly on import for the raw material because of a lack of local supply.

Meghna says it will mainly focus on selling soybean meal to help meet the burgeoning demand of the feed industry, thanks to a huge expansion of poultry, fish and cattle farming all over the country.

The mills produce around 30 lakh tonnes of feed a year, according to millers.

Kamal said increased consumption of fish and animal protein will lead to a rise in demand for feed. "The demand will rise, keeping

pace with the growth of the economy. Farming will expand as people will consume more protein due to an increase in per capita income."

He said bulk of the soybean meal is now imported from Maharashtra, India and it takes days to come, leading to a deterioration of quality. "We will be able to provide better quality meal at competitive prices."

Syed Mahbubur Rahman, managing director and chief executive of BRAC Bank, said the project will be a step forward in developing backward integration of poultry feed industry.

"We want to work with projects that contribute to economy. The project will facilitate value addition and cut import dependence for soybean meal," said Rahman.

Keep Ramadan prices low: FBCCI to businesses

STAR BUSINESS REPORT

The apex trade body yesterday urged businessmen to keep the prices of basic commodities within the reach of consumers during Ramadan.

The leaders of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) made the plea to businessmen as some traders tend to increase the prices of essentials to bag hefty profits.

While presiding over the meeting on import, supply and price situation of basic commodities at the Federation Bhaban, FBCCI President AK Azad sought suggestions from the businesses on ways to keep prices stable during the holy month.

Azad advised the businessmen to submit written complaints to the FBCCI if their bankers impose excess charges on food imports or refuse to open letters of credit.

The government has fixed 12 percent interest on imports of food items, but some banks are allegedly charging 14-16 percent. "We will discuss the issue with the central bank,"

Stocks slip back into the red

STAR BUSINESS REPORT

Stocks returned to the red after four days of gains as investors went for sell-offs yesterday.

The benchmark general index of Dhaka Stock Exchange edged down 89 points, or 1.6 percent, to close at 5,668 points. The selective categories index of Chittagong Stock Exchange declined 155 points, or 1.5 percent, to 10,155 points.

Investors sold the shares for booking profits, while some others were in losses, said a stockbroker.

"The liquidity crisis is the main problem of the market that requires co-ordination between the SEC and the central bank to boost the money flow," said Akter H Sannamat, former managing director of Prime Finance and Investment. All stakeholders should work collectively to develop the market, he added.

He also said the Securities and Exchange Commission should work properly to control manipulation in the market, and fix the prices of initial public offerings fairly.

"Investors are more interested to make profits in the form of cash rather than by shares," said Green Delta Securities.

Of the total 259 issues traded on the DSE floor, only 30 advanced, 223

declined and six remained unchanged. Turnover of the premier bourse stood at Tk 461 crore, which is 36.8 percent lower than in the previous session.

The banking sector lost 1.41 percent, making 28.5 percent of the total market capitalisation. Of 30 issues, three closed positive.

The non-bank financial institutions slumped 1.83 percent. All closed negative of the 21 issues.

The fuel and power sector lost 1.19 percent, reaching 11.8 percent of the total market capitalisation. Out of 12 issues, only two closed green.

Grameenphone, which represents the telecommunication sector, lost 1.75 percent, while the general insurance lost 1.94 percent. Of 34 issues, three closed positive.

National Bank topped the turnover leaders with 23.32 lakh shares worth Tk 13.82 crore changing hands.

The other turnover leaders were United Commercial Bank, MI Cement Factory, Beximco, United Airways, People's Leasing and Financial Services, Titas Gas, Eastern Housing, Aftab Automobiles and BSRM Steels.

Eastern Housing was the biggest gainer of the day, posting a 3.9 percent rise, while the Alltex Industries slumped 8.7 percent to end the day as the worst loser.

MTB 24/7 ATM Booth

Grand Opening @ Square Hospitals Ltd.
Saturday, June 4, 2011

www.mutualtrustbank.com

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

BB hikes interest rebate on spices

STAR BUSINESS REPORT

Bangladesh Bank has fixed the interest rebate on spices at 4 percent, which will come into effect on July 1.

Currently, state banks provide loans in the spices sector at the rate of 2 percent interest. The target of loan disbursement in the current fiscal year was Tk 96 crore, of which 71 percent has already been disbursed in the first 10 months.

600+ VIP Lounges in 100+ countries with 1 Platinum Card

Standard Chartered

1 Platinum Card, worldwide!

Now get a FREE Priority Pass membership with your Standard Chartered Platinum Card, and enjoy the luxury of 600+ Airport Lounges at more than 100 countries. So go Platinum, because you belong to a different league!

- FREE Air Ticket to Kolkata on Kingfisher Airlines
- Treats & Temptations – Exclusive Dining Discounts
- Golf Privileges
- Platinum Treatment @ Hazrat Shahjalal International Airport
- Priority Banking

*Conditions apply

Call 8957272

Priority Pass

Here for good
standardchartered.com