

BGMEA hails Export Policy

Star Economic Report
Bangladesh Garment Manufacturers and Exporters Association (BGMEA) in an emergency meeting hailed the Export Policy of the government...

It was however felt that for the export oriented garment industry, the interest rate for export financing should be kept specifically at 8%.

Sharp decline in share trading

Star Economic Report
Trading at Dhaka Stock Exchange (DSE) witnessed a sharp decline on Monday.

In volume terms transactions declined to 4,132 from Sunday's 8,052. Traded issues valued Taka 3,07,291.00 against the previous day's Taka 6,83,536.00.

Advancers dominated transactions. And DSE All Share Price Index, which is the broad indicator of price movements of all the listed stocks, moved up to 301.3505 points from Sunday's 300.9729.

Transactions involved twenty-six stocks. Of them fifteen gained, five lost and six remained unchanged at their previous quoted prices.

Debentures of Apex Tannery and Bengal Food advanced Taka 3.51 and Taka 14.38 to Taka 990.00 and Taka 899.38.

IFIC Bank and Chittagong Cement gained Taka 6.50 and Taka 4.64 to Taka 190.00 and Taka 174.64.

Rupali Bank and Dhaka Vegetable moved up Taka 2.00 each to Taka 77.00 and Taka 129.00.

UCBL Bank, 3rd ICB Mutual Fund, 4th ICB Mutual Fund, 6th ICB Mutual Fund, BGIC Insurance, Kohinor Chemical and Bexmco gained within the range between Taka 0.25 and Taka 1.00.

The debenture of Quasem Silk lost Taka 20.12 to Taka 1569.88.

Bangladesh Thal Aluminium, Eastern Cables, Bengal Food and Quasem Textile declined within the range between Taka 0.25 and Taka 2.00.

Quoted Prices of Traded Stocks July-29

Table with columns: Stock Name, Price, Change. Lists various stocks like IFC, Rupali Bank, UCBL, etc.

EPZs being set up near Savar, Khulna DFIs, banks can sanction project loan upto Tk 30cr

Development Finance Institutions (DFIs) and nationalised commercial banks will be allowed to approve industrial project loan upto Taka 30 crore. For the projects exceeding the amount, Board of Investment will give approval.

Announcing the industrial policy in Dhaka on Monday, Industries Minister Shamsul Islam Khan told the members of the Press that loan applications will be considered within two months after their submission by the sponsoring agencies.

DFIs and commercial banks were given three months time to consider a loan application. For an incomplete application, they also must inform the applicants within 15 days.

If the industries are set up in developed, less developed, least developed and special economic zones, tax rebates for 5, 7, 9 and 12 years respectively will be given for identical industries, there will be no discrimination on the question of tax and excise between government and private sector.

The minister said an Exchange-rate Fluctuation Absorption Scheme (EFAS) will be

introduced to help the entrepreneurs recover from local currency fluctuation with hard currencies. Expatriate Bangladeshis will be given same incentives as of foreign investors. They will be allowed to deposit their foreign exchange in NFCD accounts for five years, he said.

Pointing out various facilities of the Export Processing Zones, the minister said more EPZs are being set up near Savar and Khulna to promote exports. The industries to be set up in EPZs will be given tax rebate for 10 years and after expiry of the deadline, income tax rebate will be effected on exports at the rate of 30 per cent and 100 per cent. Other facilities included, exemption of taxes on foreign credit, tax exemption of royalty, technological knowhow and technical assistance, approval of the industries outside the country to be relocated in EPZ, offshore banking facilities.

There will be an industrial development committee to review the overall industrialisation situation and fix priorities in the sector. The committee will comprise secretaries connected directly with industrialisation, four representatives from each division, four

members of Parliament, four industrialists nominated by the government president of FBCCI and other chamber bodies.

There will be an executive committee of the Industrial Development Committee with the Industries Secretary as the Convener to review the investment situation, various tariffs, excise and taxes existing in the sector. The committee will take necessary measures to help implement the industrial policy. The executive committee will meet in every three months, the minister said.

The Industrial Consultative Committee will once a year to discuss various problems of the industries both in public and private sectors. The consultative committee is headed by Industries Minister and Chairman of Board of Investment, is the member secretary.

To attract the prospective entrepreneurs to set up industries, divisional industrial development committees will be set up in each division. Each committee will take necessary steps to create a congenial atmosphere for setting up industries in every nook and course of the country.

OPEC Fund support assured for development projects

Osama Faqin, Chairman of OPEC Fund for International Development Monday assured Bangladesh of total support from the fund to take up development projects in the coming years, reports BSS.

Faqin who arrived Dhaka Monday for a 3 day visit leading a two member delegation of the fund said during their stay, they will make a thorough review of the progress of fund aided projects with government leaders and discuss needs of Bangladesh in which fund could contribute.

Dr Y Seyyid Abdulai, Executive Director of the fund is accompanying the Chairman.

Talking to newsmen at the airport, Faqin said the delegation was here to express sympathy and support of the fund to Bangladesh government and also to praise it for successful tackling of the situation arising out of the worst cyclone.

Another purpose of the delegation is to sign an agreement for improvement of health sector, said the fund Chairman, who is also the Deputy Finance Minister of Saudi Arabia.

Faqin is the first Chairman of OPEC Fund to visit Bangladesh. Bangladesh is one of the 91 countries in 4 continents that receive assistance from OPEC Fund.

Official level talks between the two sides began Monday and an agreement for eight million Dollars for construction of eight upazila health complexes will be signed today.

Since 1977 with the establishment of Bangladesh's relations with OPEC Fund, the country received 181.33 million Dollars of which nearly two thirds went to projects

and rest to commodity aid as soft term loan. Energy, road communication, education and health are the major areas where OPEC Fund were used.

Replying to a question Faqin said the fund is in good shape and only last month approved 10th lending programme with a total outlay of 400 million Dollars for two years. Describing fund's relation with Bangladesh as 'excellent', the Chairman said despite difficulties Bangladesh kept its commitment to the fund.

Enam Ahmed Chowdhury, Secretary, Economic Relations Division who received the delegation appreciated OPEC Fund for extending 'stringent, need-oriented and quality' assistance. Bangladesh would look forward for more cooperative relations with the fund, he added.

Price Barometer: Essentials

Table listing prices for various commodities like Rice, Vegetables, Pulses, Meats, etc. with columns for item name, price, and change.

BCCI clients in garments sector suffer huge loss

Star Economic Report

The clients of BCCI in the readymade garments sector are incurring huge losses for delays at the port in clearing of their import consignments of raw materials under back-to-back Letters of Credit (LCs).

Garments owners said the documents are now being processed through Agrani Bank under the instruction of Bangladesh Bank after closure of BCCI.

The owners said the Agrani Bank was handling the business in a very restricted way and strictly within the guidelines given by the Bangladesh Bank.

Besides, the validity of the

Letters of Credit (LCs) of the owners were also running out due to non-clearance of the documents, they added.

In a statement Monday, the owners said due to delay in supply of garments, the buyers would cancel their order which might result in closure of the hundred per cent export-oriented garments industries leaving 10 to 15 thousands workers unemployed.

Therefore, they have made an earnest appeal to the authorities to take the matter into consideration immediately to save the factories, which earn huge foreign exchange for the country.

The owners who established back-to-back LCs through the BCCI said goods were shipped by the fabric and accessories suppliers but documents cannot be cleared for suspension of the BCCI activities.

But the Agrani Bank was not releasing the import documents due to lack of instructions from the central bank when documents for fabrics come to the bank for garments-manufacturing goods. Moreover, the Agrani Bank was demanding payments for the value of the documents.

The factory owners were unable to pay the value since the normal practice is to pay for these documents within 120 days out of the proceeds of the export documents against master LCs after production of the merchandise, they said adding they always get the documents released at free of cost.



New Manager of Air India

G S Chhugani has rejoined as Manager of the Air India in Dhaka after eight years. He was transferred as Manager, Air India to Tanzania and Mozambique from Bangladesh in 1984.

Earlier, he was in Dhaka from 1980. Chhugani joined the Air India as Assistant Station Superintendent in 1965 and later appointed as Area Manager- Franch, West Africa in 1971, and was based in Lagos. Born in Bolari (Pakistan) on October 5, 1939, Chhugani migrated to India in 1947.

Women's bank in India soon

NEW DELHI, July 29: India's first all-women's bank will open in the country's business capital, Bombay, on August 15, the India Express reported Sunday, says AFP.

Tk 12cr premium earnings by Green Delta Insurance

Star Economic Report
The Gross premium earnings of Green Delta Insurance Company Ltd in 1990 was Taka 11.8 crore compared to Taka 10.6 crore of 1989.

During the period the company paid gross claims, amounting to Taka 8.5 crore in 1990 against Tk 3.5 crore in 1989.

The Annual Report of the Company, presented to its fifth Annual General Meeting on Sunday at Engineers Institute auditorium, showed this.

The meeting was presided over by Safayet Ahmed Chowdhury, Chairman of the Company.

The company had an underwriting profit of Taka 2.5 crore in 1990 while it was Taka 2.4 crore in 1989. Its profit before tax was Taka 3.6 crore in 1990 against Taka 2.9 crore in 1989.

Green Delta has announced a 16 per cent dividend for its share holders for the year, 1990.

The Annual Report of the company, reviewing the overall business, that the insurance sector was adversely affected due to the Gulf crisis. The crisis led to reduction in export earnings, higher oil prices, large-scale repatriation and rehabilitation of stranded Bangladeshis, and resultant fall in remittance earnings to the tune of US Dollar 100 million annually.

Abu Dhabi won't aid clients outside Gulf New bank with BCCI assets urged in UK

LONDON, July 29: British creditors of the Bank of Credit and Commerce International (BCCI), shut down amid allegations of massive fraud, said on Saturday they wanted a new bank set up with BCCI's remaining assets and some of its former employees, reports Reuter.

Clive Russell, a partner in the accounting firm Halpern and Woolf, which belongs to the association of BCCI creditors, said he would discuss the proposal with Treasury Minister John Major on Tuesday.

The future of BCCI's British operation is likely to be decided on the same day in the High Court.

Part of the plan would involve having the people running the bank approved by the Bank of England and other regulatory bodies, Russell said.

Speaking after a meeting of the creditors' group, he said he hoped to go to Abu Dhabi to discuss BCCI with the Emir's ruler, Sheikh Zaid Bin Sultan al-Nahayan.

But Gulf bankers have said that Sheikh Zaid, who with the Abu Dhabi Government owns 77.4 per cent of BCCI, is not prepared to waste any more money on the scandal-hit bank. Bank of England Governor Robin Leigh Pemberton says he

believes BCCI is beyond rescue, in Britain at least.

BCCI spanned 69 nations and held 20 billion Dollars in deposits. Investigators say the fraud could involve between four billion Dollars and 15 billion Dollars, up to three-quarters of BCCI assets.

Another AP report adds: The government of Abu Dhabi, chief owner of the scandal-plagued Bank of Credit and Commerce International, has no intention of coming to the aid of depositors outside the Gulf, a newspaper said Monday.

But the report by the Financial Times said Sheikh Zayed al-Nahayan's wealthy oil Emirate would make some provision for depositors in the United Arab Emirates, who have nearly 1 billion Dollar tied up in the collapsing bank.

The leading British business daily quoted an unidentified 'senior Gulf source' as the basis for its report but did not specify possible provisions for shareholders in the region.

The fabulously wealthy Sheikh and his government own 77 per cent of the bank, whose operations were shut down in eight countries recently after the Bank of England began investigating evidence of widespread fraud.



The 5th Annual General Meeting (AGM) of Green Delta Insurance Co Ltd held on Sunday at the Engineers Institute premises with Safayet Ahmed Chowdhury, Chairman of the Company in the Chair. Nasir Ahmed Chowdhury, Managing Director of the Company addressing the meeting.



Half-yearly Branch In-Charges' Conference of Peoples Insurance Company Limited was held on Sunday at a city hotel. It was presided over by Al-Haj Nazmul Ahsan Khaled, the Chairman of the Board of Directors of the Company and addressed by Directors Giasuddin Ahmed, Al-Haj Rahimuddin Bharosha, M A Mannan, Nurul Islam Patwary and Engr. M A Taher and Managing Director Nasir Uddin Ahmed.

EC budget includes \$472m for Moscow

BRUSSELS, July 29: European Community (EC) budget ministers have adopted a draft EC budget for 1992 including 400 million European currency units (ECUs, 472 million dollars) for technical assistance to the Soviet Union, reports AFP.

The budget also includes 38 million ECUs for Albania and 60 million ECUs for emergency humanitarian aid needs, according to officials of the Netherlands, which currently holds the rotating EC presidency.

The 1992 budget provides for total spending of 65.5 billion ECUs some 10 per cent more than this year's budget, but the increased aid for the Soviet Union, Albania and the emergency humanitarian aid programme have meant cuts elsewhere.

A total 380 million ECUs have been trimmed from the environment, domestic market, food aid and energy budgets, EC sources said.

The draft has yet to be approved by the European parliament and come back to EC

Highlights of export, tea policy

The highlights of the two-years (1991-92, 1992-93) export and tea policy announced by the Commerce Minister M Keramat Ali through Radio and Television Saturday evening are as follows, reports BSS.

Export target for 1991-92, Taka 7,744 crore.

Export target for 1992-93, Taka 10,000 crore.

Export target of tea for 1991-92, 30 million kg worth Taka 1881 crore.

Export target of tea for 1992-93, 31 million kg worth Taka 200 crore.

Production target of tea for 1991 and 1992, 48 million and 50 million kg respectively.

Minimising the gap between export and import trade. Qualitative improvement of export commodities.

Expansion, consolidation and creation of new export markets.

Making export activities more profitable and attractive than the import trade and setting up of import substitute industries.

Creation of job opportunities especially for the educated unemployed youths.

Creation of a separate export promotion fund to strengthen export activities.

Increase of use of indigenous raw materials in export oriented industries.

Strengthening the ready made garment industries.

Raw Jute

Table showing Raw Jute prices for July-29, including Kutchha bales and various varieties like White, Tossa, Meshta.

Table showing Pucca bales prices for July-29, including various varieties like Bawla, White, BW SPL, BWA, BWB, BWC, BWD, BWE.

Table showing Bawla Tossa prices for July-29, including BT SPL, BTA, BTB, BTC, BTD, BTE.

Table showing White Rejection (WRS) and Tossa Rejection (TRS) prices for July-29, including Habtaji Cut Ropes.

Table showing White/Tossa Cutting prices for July-29, including BWCA, BWCB, BTCA, BTBC, BCR.

Table showing White/Tossa Imports/Arrivals prices for July-29, including Spl., A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Snippets

UK law on fishing rights overturned

LUXEMBURG, July 29: The European Court of Justice overturned a British law for the first time in a dispute over fishing rights, sparking outraged complaints in London of undermining of British sovereignty, reports AFP.

The European court ruled that Britain's 1986 merchant shipping act, which restricted the right to fish in British waters to boats owned or managed by British citizens living in the country, contravened European Community (EC) laws.

This is an absolute disgrace and an invasion of our national sovereignty," opposition labour deputy Douglas Hoyle said in London, calling for a strong reaction from the conservative government.

Japan's bank staff involved in swindle

TOKYO, July 29: Tokai Bank Ltd., Japan's eighth largest commercial bank, said Saturday an employee was involved in fraudulent transactions following revelations of similar swindles at two other banks, reports AFP.

JJI press said the fraud transactions may have amounted to 25 billion Yen (180 million Dollars), while the Mainichi Shimbun said they totalled 60 billion Yen (430 million Dollars).

A spokesman for the Nagoya-based bank said a senior employee at a branch in Tokyo had issued fake certificates of deposit to favoured clients as collateral for loans from financial companies.

General Motors, Ford lose \$1b

DETROIT (Michigan), July 29: General Motors Corp and Ford Motor Co., the first and second largest US vehicle makers, said yesterday they lost a total of more than one billion Dollars in the second quarter as a result of the year-long recession that cut buyer demand, reports Reuter.

The chairman of both companies said they saw some improvement in the US economy in the second half of the year and expressed guarded optimism that it would be enough to entice more buyers into their showrooms.

Java sea oil field comes on stream

JAKARTA, July 29: The offshore Camar field in the Java sea, operated by British Firm Enterprises Oil Ltd., has started its first crude production, the state-owned oil and gas company Pertamina said Monday, reports AFP.

The field, some 104 kilometres (65 miles) north of the east Java city of Surabaya, was expected to produce by October this year, around 16,000 barrels of oil per day for seven years, Pertamina press release said.

Enterprise operates the Bawean bloc, where the Camar field lies, under a production sharing contract with Pertamina. It also operates the bloc on behalf of its partners, Kuwait Foreign Petroleum Exploration Co. and Samedan Oil Indonesia Inc. which hold 25 and 15 per cent of the shares respectively.

Taiwan's economy recovering

TAIPEI, July 29: Taiwan's stagnant economy shot upward in June, signaling a resumption of steady growth after 15 months of downturn, officials here said Sunday, reports AFP.

The domestic economy has recovered rapidly as can be seen from our monthly composite index, which rebounded to the 'green light' category, officials of the Council for Economic Planning and Development (CEPD) said.

CEPD, the island's top economic planner, divides Taiwan's economic activity into five colour categories with green meaning the economy is stable and no longer in a slow-down.

China sets record for tourist arrivals

HONG KONG, July 29: China's prosperous special economic zone of Shenzhen has set a record for tourist arrivals, hotel occupancy and receipts, a semi-official Chinese news agency reported here Monday, says AFP.

For the first half of this year, nearly 2.3 million people visited the zone which borders Hong Kong, a rise of 37.89 per cent over the same period last year, the China News Service said, quoting Shenzhen tourism administration office.

Dhaka Stock Exchange Market Profile July - 29. 134 Listed Stocks. 15 Gainers, 5 losers, 114 Unchanged. DSE All Share Price Index = 301.3505. Issued Capital = Taka 5,439,680,590. Market Capitalisation = 8,611,168,411. Turnover = Taka 3,07,291.00 (Value) 4,132 (Volume).

Exchange Rates July - 29. Table showing selling and buying rates for various currencies like US Dollar, UK Pound, etc. Source: Sonali Bank.