Tk 500m equity to be disinvested this year

Star Economic Report

Divestment of government's equity or share holdings in the existing multinational companies will mark the beginning of new phase of disinvestment programme under the democratic government.

This divestment will start in current month and the multinationals will include those companies with Dhaka Stock Exchange (DSE) in which foreign nationals, or parent companies abroad, have also equity ownership in varying degrees.

Available indications suggested that the disinvestment programme, to be sized at Taka 500 million in current fiscal 1991-92 under the earlier announced national budget, would be completed by December. Ministry of Finance and Ministry of Industries are finalising the units to be disinvested.

Week ends with moderate fall in share trading

Star Economic Report The week ended at Dhaka

bourse with a moderate fall in share trading Thursday. In volume terms transactions declined to 3,259 from Wednesday's 4,950. Traded issues valued Taka 1,69,930.00

against the previous day's Taka 3,09,044.00. Decliners dominated transactions. And the Composite Index of Dhaka Stock Exchange lost to 289.5043 points from Wednesday's 289.7570. Index is the broad indicator of price movements

of all the listed stocks. Transactions involved thirteen stocks. Of them six lost, four gained and three remained unchanged at their previous quoted prices.

Rupali Bank declined Taka 2.67 to Taka 75.00.

Aftab Automobiles, Howlader Pvc, Dhaka Vegetable, Dulamia Cotton and Usmania Glass lost within the range between Taka 0.02 and Taka 1.00.

Bengal Food, the lone traded debenture, advanced Taka 10.00 to Taka 930.00.

Karim Pipe gained Taka 2.32 to Taka 138.13.

BGIC Insurance and Bextmeo Pharma moved up within the range between Taka 0.38 and Taka 1.00.

government equity holdings in multinationals, disinvestment is likely to take the forms of straightway sale of public sector concerns of undertakings through competitive bids, conversion of more public sector industrial enterprises into public limited companies under holding company scheme for allowing participation of the general public for sub-

scription of primary issues

(shares), and unloading of

more government shares in

the existing units under the

Besides the divestment of

holding company scheme. Finance Minister M Saifur Rahman indicated recently at a meeting with the members of Overseas Correspondents Association of Bangladesh (OCAB) in Dhaka that the divestment of government holdings in existing multinationals would be done in two ways: direct sale of shares to Investment Corporation of Bangladesh (ICB) as a prop for the latter's mutual fund and other portfolio operations, and offloading the shares through the stock exchange to help improve the depressed mood of operation in the secondary exchange market through the

Available figures showed the government's equity holdings are in twelve listed multinationals with DSE. These include: Glaxo, ICI Bangladesh Manufacturers, Pfizer, Reckitt & Colman, Aramit, Bangladesh Tobacco Company, Padma Oil, Eastern Lubricants, Bangladesh Oxygen, Bata Shoe, Singer

availability of blue chips

(shares with good dividend

performances and higher de-

Bangladesh and IFIC bank. Total government investments at face value (paid-up value) of shares in such multinationals are about Taka 10

crore while the market value of the related shares will be over Taka 22 crore. The government holdings in the total equity of the related multinationals range from 1.34 per cent to 40 per cent.

Meanwhile, the Finance Minister has also said recently that the government would like to disinvest its entire equity holdings in all public sector enterprises or bodies. But, the question, as he has rightly raised, remains whether the market can absorb such a stronger dose of privatisation.

According to available statistics, Non-Financial Public Enterprises (NPEs) which exclude railway and a number of other departmental enterprises whose accounts are consolidated in the central government budget, account for over 25 per cent of total fixed capital formation in the country but generate only three per cent of Gross Domestic Product (GDP).

Most of NPEs have been incurring financial losses. The consolidated accounts of 25 major NPEs, accounting for 95 per cent of total revenues and employing 96 per cent of total asset of all corporate NPE, indicated an overall deficit equivalent to about five per cent of the country's (GDP) in 1985-90, according to World Bank estimates provided in the last year's Country Economic Memorandum.

Against this backdrop, the divestment of such NPEs, if chosen for disinvestment package, is going to a major problem because the investors would be too lukewarm to invest their funds in the same. Meanwhile, the experience with the holding company scheme has not been anyway encouraging for the investors,

Dhaka Stock Exchange Market Profile

October-3

135 Listed Stocks 114 Unchanged 4 Gains 6 losers 114 Unchanged stocks include three traded on the

day at its previous quoted prices. DSE All Share Price Index = 289.5043 Issued Capital=Taka 5,439,680,590 Market Capitalisation = 8,272,660,773 Turnover = Taka 1,69,930.00 (Value) 3,259 (Volume).

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on October 3,

*		Closing	Gawsia Jute	10/50	NT
	Company E	V/ML* Rate	Islam Jute	100/5	70.00
BANKS (Ten)	000000000	1555 54	Jute Spinner	100/5	100.00
AL Baraka Bank	1000/1	766.00	Mutual Jute	100/5	100.00
A.B Benk	100/5	180.00	Northern Jute	10/50	NT 100 00
City Bank LFJ.C	100/5	27500	Shamser Jute Spetalised Jute	100/5 10/50	100.00 N T
islami Bank	100/5 1000/1	177.00 11 90.00	Shine Pukur Jute	100/5	100.00
National Bank	100/5	118.00	Sonali Aensh	100/5	96.00
Pubalt Bank	100/5	87.00	PHARMACEUTICALS &		
Rupali Bank	100/10	75.00	Ambee Pharma	10.50	14.30
U.C.B.L.	100/5	119.00	Bangla Process	100/5	62.00
Utter Benk	100/5	190.00	Beximco Pharma	100/5	173.00
INVESTMENT (Eight)			Glaxo	10/50	125.00
LCB	100/5	92.00	ICI	10/50	10.00
1st ICB M.Fund	100/5	390.00	Kohinoor Chemical	100/5	89.00
2nd ICB Fund	100/5	154.00	Petro Synthetic	10/50	13.00
3rd ICB M. Fund	100/5	134.00	Pfizer	100/5	110.00
4th ICB M. Fund 5th ICB M. Fund	100/10	131.00	Pharma Aids	100/5	170.00
6th ICB M. Fund	100/10 100/10	102.25 67.00	Pharmaco	100/5	52.00
ICB Unit Cert.	100/10	67.00	Progressive Plastic	110/5	46.00
Sales Price		, 115.00	Reckitt & Colman Rahman Chemicals	10/50 100/10	240.00 47.00AL
Re-purchase		110.00	Therapeutics	100/10	40.00
INSURANCE (Four)		in a manual	The Ibnstna	100/10	90.00
BGIC	100/10	105.38	PAPER & PRINTING (S	1 1 mg - 1	THE R. P. LEWIS CO., LANSING, MICH.
Green Delta	100/10	116.75	Eagle Box	10/50	16.27
Peoples	100/10	128.00AL	Monospool	100/5	105.00
United	100/10	123.50	Paper Converting	100/5	113.00
ENGINERING (Nineteen)			Paper Processing	100/10	106.00
Aftab Automobiles	100/5	201.00	Padma Printers	10/50	50.00
Atlas Bangladosh Aziz Pipes	10/50 100/5	39.50 296.00	Sonalt Paper	10/50	54.00
Bangladesh Autocars	100/5	91.00	SERVICE (Two)	10/50	10.00
Bangladesh Lamps	105/5	265.50	Bangladesh Hotel Bd. Service	10/50 10/50	12.00 NT
B.That Alluminium	100/10	90.63	TEXTILE (Eighteen)	10/30	
Bergal Carbide	100/5	250.00	Alhaj Textile	10/50	NT
Bengal Steel	10/50	18.00	Arbec Textile	100/10	NT
Eastern Cubics	100/5	79.00	Ashraf Textile	10/50	28.93
Howlader PVC	100/10	100.00	Chand Textile	10/50	NT
Karim Pipe	100/5	138.13	Chand Spining	10/50	NT
Metalex Corp.	100/5	116.00	Desh Garments	100/10	65.00
Monno Stafflers	10/5	200.00	Dulamia Cotton	100.10	85.00
Monno Jutex National Tubes	100/5 100/10	200.00 108.00	Eagle Star	10/50	34.50
Panther Steel	10/50	6.00	GMG Ind. Corp.	10/50	13.00
Quasem Drycells	10/50	8.00	Modern Dying Quasem Silk	100/5 10/50	40.10 5.95
Remutch Jajneswar	100/5	70.00	Quasem Textile	10/50	8.00
Singer Bangladosh	100/5	990.00	Rahim Textile	100/5	55.00
			Satham Textile	100/10	78.00
FOOD & ALLIED (Twenty			S.T.M. (ORD)	100/5	50.00
A.B Blecuit	100/5	180.00	Stylecraft	100/5	100.00
Alpha Tobacco Aman Sea Food	10/50	48.00	Swan Textile	100/5	60.00
Apex Food	100/5	36.00 340.00	Tallu Spinning	100/10	117.00
Aroma Tea	100/5	80.00	MISCELLANEOUS (Four		157.00
Bende	100/5	305.00	Apex Tannery Aramit	100/5 10/50	157.98 NT
Bengal Food	100/5	128.19	Bata Shoe	10/100	36.52
BLTC.	100/5	600.00	Beximco	10/100	10.00
B.T.C.	10/50	37.00	BSC	100/5	45.00
Ctg. Vegetable	100/10	99.00	Chittagong Cement	100/5	173.89
Dhaka Vegetable	100/5	134.77	G. Q. Ball Pen	10/50	52.00
E.L. Camdha	100/5	700.00	Hmadri Ltd.	10/100	NT
Frogleg Export	10/50	4.50	Milon Tannery	100/5	33.00
Gemini Sea Food Modern Industries	100/15	100.00	Monno Ceramie	100/5	151.44
N.T.C	100/5	280.00	Phoonix Leather Savar Refractories	100/5 100/5	90.00
Rabeya Flour	10/100	NT	The Engineers	100/5	100.00
Rupan Off	10/100	6.05	Usmania Glass	100/5	145.50
Tulip Duiry	100/10	94.00	DESENTURES (Four)		
Yound Plour	10/50	NT	Apex Tennery	1000/1	1050.00
Zcel Bengla Sugar	10/50	8.10	(17% 1992)	50000000000 5000000000	Children State
FUEL & POWER (Three)	2.023		Bengal Food	900/1	930.00
Padma Off Co.	10/50	40.00	(18.5% 1992)		
Eastern Lubricant	10/50	14.00	Beximeo	2500/1	2630.00
Oxygen	10/50	50.00	Bextmoo Pharma	1571/1	1633.60
JUTE (Twelve)	2333		(17% 1997)		
Ahad Jute	100/10	NT	Quasem Silk	2000/1	1770.00
Anowara Jute Delta Jute	10/50	N T	(17% 1994)		
Della Julic	10/50	8.50	** FV = Pace Value		NT= Not

Truded, AL=Allotment Letter

some seasoned operators in the capital market observed. Most units have not been

able to earn enough profits for announcement of any attractive dividends, though most issues drew a very favourable response from the investors while their shares were floated for public subscription in the earlier phase of disinvestment.

Some operators in the capital market pointed out that overvaluation of capital stocks or overcapitalisation of the disinvested units as much as virtual control over their operations by the sector corpora-

tions by-passing the operational jurisdiction of boards of directors for such individual companies were responsible for lingering troubles with the concerns under the holding company scheme.

Meanwhile, DSE authorities

have recently suggested that a committee should be formed, consisting of the representatives from Ministry of Finance, Ministry of Industries, DSE and Institute of Cost Accountants of Bangladesh (ICAL) for realistic valuation of units to be included under the upcoming privatisation of

state-owned enterprises. They have further pleaded for broader participation by

the people in the divested units in the interest of capital market and for that matter state owned enterprises should be divested by offering 100 per cent shares to the general public for subscription by issue of prospectus.

Knowledgeable circles have also stressed the need for procccding with divestment programme in a phase-wise manner and disinvesting the attractive units first.

Black money to be hunt out, says Saifur

Finance Minister M Saifur Rahman on Thursday said that the government would try to hunt out black money and added that vices will never be allowed for the sake of invest-

Speaking at the income tax officers' meeting at the National Economic Council (NEC) auditorium he said during the Ershad regime, tax evasions had been encouraged in the name of internal resource mobilisation. He added that any policy without moral value can not bring about any good to the nation.

The minister urged the National Board of Revenue (NBR) authorities to concentrate their tax collection drive on the real delinquent tax payers instead of harassing the genuine tax payers. He said this would relieve the tax collecting people from workload. He observed that NBR have failed to give direction to its officials.

Saifur Rahman suggested the tax collecting officials

Star Economic Report

should not waste time and energy in realising tax from public sector enterprises and multinational companies because these sectors do not evade taxes. He rather asked them to hanker after the real tax evaders.

The minister said internal resource mobilisation is nceded for self-reliance. He stated that the logistic and training condition of the NBR did not improve in the last 10 years. He said proposals to develop the sector would be scrutinised.

Satfur Rahman stressed the need for decontrolling the economy. He observed that the control slows down efficiency. He said government would least interfere in the private sector activities. He said the customs barrier would be brought down to make the public sector competitive.

He added that this would emphasize the need for internal resource mobilisation for development through VAT and other taxes. He said the indus-

tries would be given only the primary protection.

Earlier, member of NBR, S M S Zaman also addressing the meeting said the NBR suffers from severe manpower and logistical shortages. He mentioned that at present there are about some 12 lakh cases pending due to lack of manpower. He said each assessing officer is now burdened with 2,500 cases. He suggested that a separate law department for NBR would help settle the appeal cases.

Zaman mentioned that the percentage of tax payers remained the same since 1931 due to tax evasion.

The State Minister for Finance, Mujibur Rahman, addressing the meeting said the problems of NBR would be solved in stages. He urged the officials to solve the pending cases immediately.

The chairman of NBR, Nurul Hossain Khan, presiding over the meeting said NBR would try its best to achieve the goals set for 1991.



Chief Engineer of Road and Highways Ataur Rahman and Deputy Head of Italian Mission in Dhaka Dr. Gianfranca Dignazio are exchanging documents of two operational agreements signed here on Wednesday for Dinajpur-Thakurgaon-Panchagar Road Rehabilitation Project.

Dinajpur-Thakurgaon-Panchagarh road project

Operational agreements signed with Italian cos

ments between the Roads and Highways Department and two renowned Italian companies were signed in Dhaka Wednesday for the Italian aided Dinajpur-Thakurgaon-Panchagarh Road Rehabilitation Project, official sources

Two operational agree-

WDB completes 9 projects in Barisal

BARISAL, Oct 3: Water Development Board (WDB) has completed nine projects at a cost of Taka 11.39 crore in Bhola district under the financial assistance of International Development Agency (IDA), reports BSS.

According to an official source, the project included the construction of five sluice gates, three coloures and 26 kilometer long flood control embankment.

A total of 18,000 acres of land will be saved from salinity and tidal surge by the construction of these projects. 16,000 metric tons of additional food-grains will be produced in the district annually, the source said.

Corrigendum

The news item published on our Thursday issue on Page-7 under the headline "BEA opposes wage hike, pleads for investment" the word 'employers' was inadvertently nusspelt as 'employees' The mistake is regretted.

said Thursday, reports BSS.

Chief Engineer Alaur Rahman signed the agreements on behalf of Roads and Highways while Francioni Roberto, team leader of the consulting firm Sauti Srl, and Sbardella Renato, Commercial Director of the contractors' firm Bonatti SPA, signed the agreements on behalf of their respective companies. Deputy Head of Italian Mission in Dhaka Dr Gianfranca Dignazio Brown and Additional Chief Engineer of Roads and Highways Fazlul Karim were present on the occasion.

A general agreement on the technical cooperation of the US Dollar project was signed between UK Pound Ituly and Bangladesh in March last year in Rome. Later, Memorandum Understanding in this regard was signed in Dhaka last September. Italy has granted 33 billion Italian Lira (about Taka 105 crore) for the rehabilitation and reconstruction of the 90-kilometre long road which was severely damaged

The works on the project will begin soon after the required lands are handed over and the works are expected to be completed in 28 months.

by the devastating floods in

Gold & Silver

October --- 3 (Taka for 11.06 grams) 9,250.00 6,100.00

Exchange Rates

October —3

Overseas Drafts (ODs) Buying 37.3318 37.8226 65.2315 UK Pound Sterling 6.5627 French France 9.9871 10.1184 **Dutch Guflders** 1.5324 1.5178 Pakistan Rupee (AMU*) 22.4214 10.3332 22.1304 10.1991 Not available **Kuwait Dinar** 1.4467 6.2131 S. Kroner

Wage Earners Fund/ Export Performance 66.93 10.47 The rates of Pound Sterling are decided every day, based on the crossrates of New York market

Hides & Skin

(Wet/Salted)

(Taka per100 pieces)

October —3

13,000.00 - 27,000.00 47,000.00 - 52,000.00 57,000.00 - 62,000.00 87,000.00 - 72,000.00 77,000.00 - 82,000.00 Very heavy 21,000.00 - 24,000.00 9,800.00 - 7,300.00 6,900,00 - 3,600.00

- 8,500.00

54,000.00 - 56,000.00

ping, 142-143 (7th floor) Motifheel C/A, Dhaka requires "Engineer Surveyor & Examiner", must be 1st class Marine Engineer certificate holder with 10 yrs experience. Please apply with complete bio-data together with attested copies of educational qualification certificates, 2 copies of recent pp size photographs and character certificate from 1st class gazetted officer to the above address by 10.10.91.

A Financial Institution requires officers for legal Department. Applicants must have Bachelor Degree and 2nd class in LLB examinations with 3 yrs experience as a lawyer. Please apply with bio-data, attested copies of all certificates, nationality certificates, character certificates from 1st class gazetted officer and attested 2 copies pp size photographs to GPO Box No 531, Dhaka, mentioning top of the envelop "Officer for Legal Department" by 10.10.91.

Executive Search, PO Box No. 26, Ramna, Dhaka-1000 invites applications for the post of; 1) "Survey Team Leader", must be Master's in Economics/Statistics/Social Sciences with one yrs experience. 2) "Field Surveyor", must be Bachelor Degree holder/HSC preference will be given to the candidates having experience in related field. Please apply with complete bio-data including two names of references alongwith a photograph by 12.10.91.

Tender

General Manager, Urea Fertilizer Factory Ltd., Ghorasal, Narshingdi, Bangladesh invites sealed international tenders for supply of "Water Pump" on C&F (c) Chittagong Sea Port/Dhaka Air Port basis. Tender documents available from (1) BCIC, 30-31, Dilkusha C/A, Dhaka, (2) BCIC, 6, Agrabad C/A, Chittagong, & (3) UFFL. Tenders will be received upto 11.00 am of 10.11.91 & 13.11.91.

Deputy General Manager, Amin Jute Mills Ltd, Sholashahar, Chittagong invites scaled international tenders from dependable foreign suppliers/manufactures/ local agents for import of dye and chemical items. Tender documents available from (1) Controller of Accounts and Finance, BJMC, Adamjee Court, Motifheel/Dhaka. 2) General Manager, (Accounts and Finance), BJMC, 99, Agrabad, Chittagong and (3) Accounts Department of the mill on all working day. Tenders must be submitted in the tender box kept at the offices of (1) Deputy General Manager (Administration) of the mill. (2) Zonal General Manager, BJMC, 99, Agrabad, Chittagong before 2.30 pm of 30.10.91.

6) Executive Engineer, Water (C&D) Division, Dhaka WASA invites sealed tenders from 1st class civil contractors enlisted under Dhaka WASA for laying of 150/100 mm dla water line at Mirpur Shah Ali Bag area. Tender schedule available from Chief Accounts Officer of Dhaka WASA, WASA Bhaban, 98 Kazi Nazrul Islam Avenue, Dhaka and all MODS Zone offices of Dhaka WASA. Tenders will be received upto 12.00 noon of 14.10.91.

Chittagong Port

Shipping Intelligence

Name of Vessels	* Berthed	" ETD	Berth No.	L. Port Call
Onyx	24/9	4/10	J/1	Pola
Al Tajwer	2/10	6/10	J/2	•NA
Queen of Diamond	3/10	4/10	J/3	•NA
Ivory Bay	30/10	5/10	J/4	•NA
Jiang Cheng	25/9	6/10	J/7	•NA
Al Mohammad	29/9	5/10	J/8	Cal
Agion Oros	1/10	8/10	J/9	•NA
NGS Ranger	3/10	7/10	J/11	•NA
Fong Shin	30/9	7/10	J/12	Singapore
Adrian Goncharov	2/10	4/10	J/13	Singapore
Banglar Baant	3/10	4/10	MPB/1	Mongla
Vivari-II	20/9	9/10	MPB/2	Singapore
Synphonic(Attached)	11/9	5/10	OCJ .	JEDD
Entalina	1/10	4/10	GSJ	•NA
Fong Yun (Attached)	03/7	10/10	TSP	Singapore
Banglar Swapna	3/10	6/10	DDJ/1	•NA
Red Deer(Attached)	11/7	5/10	RM/8	Singapore
Al Salma	17/9	7/10	RM/9	Singapore

Berth No. Gold Horizon 4/10 •NA Banglar Shourabh 4/10 •NA RM/6 Amphion RM/4

" ETD

Vessels Due to Outer Anchorage

.. ETB

Name of Vessels

Name of Vessels	***BTA	L. Port Call
Kapitan Silin	6/10/91	•NA
Safina-e-Haider	5/10/91	Kara
Sea Rhapsorty	6/10/91	Singapore
Infinity	4/10/91	Singapore
Arktis Sea	6/10/91	Singapore
Koto Mawar	7/10/91	Singapore
Glory Star	6/10/91	Jaka
I. Yamburenko	7/10/91	Singapore
State of Gujrat	7/10/91	Mongla
Hyok Sin	7/10/91	Chin
Hang Tone	7/10/91	-NA
Karabieverett	7/10/91	Singapore
Fong Soon	7/10/91	Singapore
Horn	6/10/91	•NA
Fong Shan	8/10/91	Singapore
New Genlord	8/10/91	Singapore
Anting /	8/10/91	Kand
Kota Buana	8/10/91	•NA
Anke	9/10/91	Singapore
Johneverett	10/10/91	•NA
Hafez	10/10/91	-NA
Chestnut IIIII	11/10/91	•NA
Sun Star	12/10/91	-NA
Weser Star	12/10/91	Singapore
Metti Sif	13/10/91	Singapore
Mowlavi	14/10/91	•NA
Atlantic Cliffer	12/10/91	Mongla
G. Kointsev	15/10/91	•NA
74	Mondo Dor	20

Mongla Port Berthed "ETA "ETD

	20 - 10 - 10 - 10 - 10 - 10 - 10 - 10 -	~		
Al-Kantara	23/8		26/8	Chittagong
Fair Runner	20/8		•	Chittagong
Ronjoy	22/8			Chittagong
Tropis	25/8			Chittagong
Arkady Caidar		26/8		Calcutta
Swan Glory	23/8	3		Chittagong
Samudra Raj	21/8	₩.		Chittagong
Gold Asia	25/8	-		Chittagong
Vishva Prafulla	**	•NA	3	Calcutta
Fingyin		•NA		Qinhuam
Viacherna Breeza	i s a s	•NA		Singapore
Al-Swamruz	3 - 6	•NA		Chittagong
Wincotrader	22/8	± **	28	B. Indon
Hang Fook	STATES WALTER	30/8	5	Chittagong
State of Harayana	•	07/9	407	Calcutta
Banglar Kollol		28/8	09/9	Chittagong
Sea Destiny	24/8	*		Padang
Neustdadt	20/8	21/9		Chittagong
Kaptai	24/8		05/9	Chittagong
Gorankovacic	- Ti	27/8	31/9	Calcutta
• Berthed = V	essel at Port	Jetty		
•• ETD = E	Expected Tim	e of Depar	ture	
	expected Tim			
	ot Available			
•• ETB = E	expected to I	Berth		
Soruce : Aquar	narine Lin	nited		

Sales-Purchase-Tender & Employment News

Director General (Current Charge), Department of ship-

Wanted