

UK's recovery will be slow, says CBI

LONDON, Nov 25: Britain's recovery from recession will be slow and patchy and there is a risk that the economy could even contract for three months or more during 1992, the Confederation of British Industry (CBI) said on Monday, reports Reuter.

"It is quite possible there could be setbacks on a quarter on quarter basis," said Sudhir Junankar, Deputy Director of Economic Trends at the CBI, as the body published its latest economic forecasts.

But overall the CBI, which represents Britain's business leaders, expects a slow recovery to gain some momentum next year, with growth coming from stronger exports, higher oil production and a modest rise in consumer spending.

DSE trading nosedives

Star Economic Report

Trading at Dhaka Stock Exchange (DSE) nose dived Monday.

In volume terms transactions went down to 6,024 from Sunday's 29,800. Traded issues valued Taka 3,30,363.50 against the previous day's Taka 11,79,931.00.

Advancers dominated trading. And DSE All Share Price Index, which is the broad indicator of price movements of all the listed stocks, moved up slightly to 295.5598 points from Sunday's 295.5455.

Transactions involved twenty seven stocks. Of them thirteen gained, eleven lost and three remained unchanged at their previous quoted prices.

Uttara Bank and NTC advanced Taka 20.00 and Taka 5.00 to Taka 190.00 and Taka 280.00.

AB Bank, National Tubes, Quasem Drycells, Dhaka Vegetable, Tulip Dairy, Ambee Pharma, Beximco Pharma, Pharmaco, Therapeutics, Eagle Box and Chittagong Cement gained within the range between Taka 0.07 and Taka 1.33.

Eastern Cables and Monno Ceramic declined Taka 2.17 and Taka 1.66 to Taka 90.00 and Taka 148.00.

Rupali Bank, Atlas Bangladesh, Bangladesh Autocars, Bengal Food, Chittagong Vegetable, Oxygen, Kohinoor Chemical, Talu Spinning and Bata Shoe lost within the range between Taka 0.12 and Taka 1.11.

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on November 25, 1991.

Company	EX/ML*	Closing Rate
BANKS (Ten)		
AL Baraka Bank	1000/1	1060.00
AB Bank	100/5	177.00
City Bank	100/5	272.00
IFLC	100/5	162.00
Islami Bank	1000/1	1300.00
National Bank	100/5	105.00
Pubali Bank	100/5	100.00
Rupali Bank	100/10	86.00
U.C.B.L.	100/5	120.00
Uttara Bank	100/5	190.00
INVESTMENT (Eight)		
ICB	100/5	92.00
1st ICB M.Fund	100/5	345.00
2nd ICB Fund	100/5	153.00
3rd ICB M. Fund	100/5	132.00
4th ICB M. Fund	100/10	128.00
5th ICB M. Fund	100/10	95.53
6th ICB M. Fund	100/10	66.00
ICB Unit Cert.		
Sales Price		116.00
Re-purchase		111.00
INSURANCE (Four)		
BGC	100/10	107.00
Green Delta	100/10	114.00
Peoples	100/10	120.00
United	100/10	131.00
ENGINEERING (Nineteen)		
Afiah Automobiles	100/5	195.00
Atlas Bangladesh	100/5	42.50
Aziz Pipes	100/5	240.00
Bangladesh Autocars	100/5	86.00
Bangladesh Lamps	105/5	235.00
B.Thai Aluminium	100/10	88.25
Bengal Carbide	100/5	230.00
Bengal Steel	100/5	18.00
Eastern Cables	100/5	90.00
Howlader PVC	100/10	103.50
Kartan Pipe	100/5	130.00
Metalux Corp.	100/5	121.00
Monno Staffers	10/5	200.00
Monno Jute	100/5	230.00
National Tubes	100/10	126.00
Panther Steel	100/5	6.00
Quasem Drycells	100/5	8.07
Reznick Jaineswar	100/5	95.00
Singer Bangladesh	100/5	700.00
FOOD & ALLIED (Twenty one)		
AB Biscuit	100/5	180.00
Alpha Tobacco	100/5	48.00
Aman Sea Food	100/5	36.00
Apex Food	100/5	400.00
Aroma Tea	100/5	70.00
Bangor	100/5	305.00
Bengal Food	100/5	112.89
B.L.T.C.	100/5	480.00
B.T.C.	100/5	40.00
Cig. Vegetable	100/10	98.00
Dhaka Vegetable	100/5	152.00
E.L. Camella	100/5	1000.00
Frogleg Export	100/5	4.50
Gemini Sea Food	100/15	100.00
Modern Industries	100/5	160.00
N.T.C.	100/5	280.00
Rafay Flour	100/100	NT
Rupen Oil	100/100	6.24
Tulip Dairy	100/10	95.00
Young Flour	100/5	NT
Zeal Bangla Sugar	100/5	12.80
FUEL & POWER (Three)		
Padma Oil Co.	10/50	40.00
Eastern Lubricant	10/50	14.00
Oxygen	10/50	47.00
JUTE (Twelve)		
Ahad Jute	100/10	NT
Anowara Jute	10/50	NT
Delta Jute	10/50	8.50

Gawisa Jute	10/50	NT
Islam Jute	100/5	75.00
Jute Spinner	100/5	95.00
Mutual Jute	100/5	100.00
Northern Jute	10/50	NT
Shamser Jute	100/5	100.00
Specialized Jute	10/50	NT
Shine Pakur Jute	100/5	100.00
Sonali Anash	100/5	96.00
PHARMACEUTICALS & CHEMICALS (Fifteen)		
Ambee Pharma	10/50	13.80
Bangla Process	100/5	58.00
Beximco Pharma	100/5	182.00
Glaxo	10/50	125.00
I.C.I.	10/50	10.00
Kohinoor Chemical	100/5	112.97
Petro Synthetic	10/50	12.50
Pfizer	100/5	110.00
Pharma Aids	100/5	175.00
Pharmaco	100/5	55.00
Progressive Plastic	110/5	40.00
Reckitt & Colman	10/50	240.00
Rahman Chemicals	100/10	50.00AL
Therapeutics	100/5	51.33
The Ibsina	100/10	92.00
PAPER & PRINTING (Six)		
Eagle Box	10/50	38.12
Monosop	100/5	106.50
Paper Converting	100/5	113.00
Padma Printers	100/10	75.00
Sonali Paper	10/50	50.00
SERVICE (Two)		
Bangladesh Hotel	10/50	12.00
Bd. Service	10/50	NT
TEXTILE (Eighteen)		
Alhaj Textile	10/50	NT
Arbee Textile	100/10	NT
Ashraf Textile	10/50	28.00
Chand Textile	10/50	NT
Chand Spinning	10/50	NT
Dash Garments	100/10	61.00
Dulama Cotton	100/10	90.00
Eagle Star	10/50	36.25
GMG Ind. Corp.	10/50	13.00
Modern Dying	100/5	35.00
Quasem Silk	10/50	5.50
Quasem Textile	10/50	7.75
Rahim Textile	100/5	55.00
Satham Textile	100/10	77.00
S.T.M. (ORD)	100/5	50.00
Stylecraft	100/5	100.00
Swan Textile	100/5	60.00
Talu Spinning	100/10	123.00
MISCELLANEOUS (Fourteen)		
Apex Tannery	100/5	177.39
Armit	10/50	NT
Bata Shoe	10/100	34.84
Beximco	10/100	9.83
BSC	100/5	50.00
Chittagong Cement	100/5	210.00
G. Q. Ball Pen	10/50	50.00
Ilmadri Ltd.	10/100	6.00
Milton Tannery	100/5	32.00
Monno Ceramic	100/5	148.00
Phoenix Leather	100/5	90.00
Savar Refractories	100/5	114.00
The Engineers	100/5	100.00
Umsania Glass	100/5	204.00
SEMI-CONDUCTORS (Four)		
Apex Tannery	1000/1	1058.00
Bengal Food	900/1	950.00
(18.5% 1992)		
Beximco	2500/1	2190.00
Beximco Pharma	1571/1	1650.00
(17% 1997)		
Quasem Silk	2000/1	1820.00
(17% 1994)		

** FV = Face Value ML = Market Lot NT = Not Traded, All-Allotment Letter

Ershad's discriminating policy still discourages foreign investors

Multinational pharmaceuticals suggest 5-point action plan

Star Economic Report

A five-point action programme has been suggested by the multinational pharmaceutical industries to help overcome troubles and problems, now besetting the units in the sector.

The programme covers areas like registration of new medicines, price control, import of raw materials, elimination of discriminatory practices, and patent law.

Two out of nine multinational pharmaceutical companies in the country have already closed down operations, according to the related industrial circles. The same circles said that others "are also contemplating to do so."

Reviewing the current state of affairs in the pharmaceutical sector, Foreign Investors Chamber of Commerce and Industry (FICCI) sources said: "Supply of drugs from across the border has increased. Modern effective drugs are not available in the country, and

people have to import them illegally. Spurious drugs manufactured from substandard raw materials have flooded the country."

The FICCI has recently sent a representation to the government, pointing out the problems which have seriously affected the operations of multinational pharmaceutical companies and also the quality of medicines and drugs. "The pharmaceutical industry in Bangladesh has been facing innumerable problems since the beginning of Ershad regime and is in trouble," so the FICCI noted in its representation.

According to the FICCI, there is "discrimination between foreign and local companies." Such discrimination "are being permitted, although illegal, and this is discouraging new foreign investment in the country, even in other sectors," the FICCI said.

The Chamber has pleaded for allowing manufacturing or

import of any medicine which is approved through certification by three developed countries as "safe and effective."

"Most of the multinational companies in the pharmaceutical industry are research-based ones," it said while noting that registration of new medicines is being delayed in the country for "administrative reasons." The Drug Control Committee, the body responsible for registration of medicine, has not held a meeting since May 1990, though it is normally supposed to meet once a month or so. The Drug Appellate Committee, which is expected to meet as and when required, has not held a meeting in about three years, the FICCI said in its representation.

The multinational pharmaceuticals companies have meanwhile suggested that all price control on drugs and medicines should be immediately withdrawn. All multinational

companies in Bangladesh are either losing money or are making unacceptably low levels of profits because their expenditures are substantially more than those of an average national company owing to their different levels of technology, quality of products and other expenses, the related circles observed.

About existing price controls for drugs and medicines, the FICCI pointed out that the formula for regulating prices of medicines "assumes that all companies have same level of expenses, same financing cost, same standards of Good Manufacturing Practices and they all use the same level of technology. This is an irrational assumption, calling for elimination of price controls, the Chamber felt. It noted in its representation to the government that there "is enough competition in the market place for medicines to ensure

that no company will survive by charging unrealistically high prices for their medicines."

The existing operational multinationals in the pharmaceutical sector also want the withdrawal of all controls in the import of raw materials. "Pharmaceutical industry is the only industry in Bangladesh which is required to take approval from a Block List Approval Committee for import of raw and packaging materials. Permission is required in respect of prices and sources of materials. Even quantities, to be imported, have to be justified," the related circles pointed out.

The FICCI termed the existing import controls for raw materials as "unwarranted" in a free economy to which the government is committed. "We do not know of any country where such restrictive policies are in existence," it noted.

The Chamber stressed that any manufacturer, whether lo-

cal or foreign, should be allowed to manufacture any product "which is allowed to be manufactured or imported in the country."

In its representation to the government, the FICCI observed, "the Foreign Investment Promotion and Protection Act (1980), the Industrial Policy, 1981 and the bilateral treaties between the government of Bangladesh and those of the UK, Germany & the USA stipulate that there will be no discrimination between foreign and national companies." Despite the strong and repeated commitments, multinational companies in the pharmaceutical industry in Bangladesh are, according to the Chamber, being "discriminated against."

About patent law, the FICCI observed that the existing patent laws in Bangladesh should immediately be "strengthened," in order to demonstrate that the country

is "a responsible member of the world community." In 1980s, most countries of the world have rewritten their laws covering intellectual properties with a view to encouraging inventions in their own countries and also to attracting foreign investors who give priority to protection of fruits of their own research, the Chamber body said while noting that research-based companies tend to invest in such countries where Patent, Design, Trade Mark laws etc are in conformity with the needs of time.

According to the FICCI, Patents and Designs Act, 1911 is still followed in Bangladesh. The other laws, protecting intellectual property, are also old and outdated, it said in its representation while pointing out that all laws, covering intellectual properties, were rewritten in Bangladesh in 1980 but this same have still remained in draft form.

A committee was formed by the government in 1980 to examine the draft intellectual property laws. A few meetings were held but no meeting of the Committee has been held since December, 1990, the FICCI pointed out.

\$ 4.5 IFC loan to private textile unit

The International Finance Corporation (IFC) will provide a loan of 4.5 million US dollars to Dynamic Textile Industries Ltd (DTIL) a Bangladesh yarn plant, to help meet the country's domestic demand of cotton and synthetic yarns, reports BSS.

An IFC release circulated Sunday here night said, the DTIL is a joint venture public limited company between Mustaque Alam Chowdhury and Associates, a local private sector group and Sulan Rashid and Associates, a Canadian group.

The IFC, a member of the World Bank group, is the largest source of private sector financing in developing coun-

tries. The Saudi-Bangladesh Industrial and Agricultural Investment Company (SABINCO), a co-financial of the project will provide 3.4 million US Dollars, the press release further said.

The 11.5 million US Dollars project is expected to produce 2.1 million kilograms of yarn a year. Located at Bhaluka, 75 km from Dhaka, the project is expected to start operations in 1993.

The plant will save the country's seven million US Dollars in foreign exchange annually with an economic return estimated at 13 per cent besides generating employment opportunities to about 500 people.



A six-day Swiss food promotion began at the Cafe Bazar of Sonargaon Hotel on Monday. —Star photo

Call to ensure balanced use of chemicals to attain food autarky

A two-day conference on "Production and Use of Multinutrient Fertilizers in Bangladesh" began here Monday with a call to ensure balanced use of chemicals for attaining food autarky, reports UNB.

Inaugurating the conference at the BARC auditorium this morning, Additional Secretary of the Agriculture Ministry Md. Irshadul Haq urged the agro-scientists to evolve ways and means to reach the benefits of fertilizer to the farmers.

to set up a division in Dhaka for expediting sustainable agricultural development in the country.

Partnership in progress is the theme of cooperation, K. L. Moots observed and said his organisation would extend all possible help to the private sector to boost food production in the country.

The conference arranged in the backdrop of nutrient deficiency, acute crisis of bio-mass fuel and depleting organic matter of soil will focus on the grading of multinutrient fertilizers matching with agro-nomic situations and cropping patterns.

About 250 scientists, chemists, extension specialists and fertilizer manufacturers are participating in the conference.

BSS adds: Dr Z. Karim, in his paper presented at the conference, said the unbalanced application of fertilizer and shortage of biomass were aggravating soil fertility problems, leading to decline in crop yields in many areas of the country.

He said the long-term soil productivity would be affected if this situation was not improved.

Dr. Karim said about two million tons of different varieties of fertilizers were now being used in Bangladesh of which nitrogen constitutes

Chaired by Dr. M. Sujayet Ullah Chowdhury, Executive Vice Chairman of BARC, the inaugural session was also addressed by USAID Mission Director Ms Mary C. Kilgour, Executive Vice President of the International Fertilizer Development Centre (IFDC) Dr. Amitava H. Roy, IFDC Asia Director and Chief of Party, Dhaka K. L. Moots and BARC Member Director Dr Z. Karim.

Haq underscored the need for ensuring balanced use of fertilizers to achieve sustainable agricultural development.

Ms Mary C. Kilgour said her government will continue its support for developing a dynamic private sector in Bangladesh and added that the use of multinutrient fertilizers would help attain self-sufficiency in food.

Dr. Amitava H. Roy said his organisation recently decided



NBL MD's term extended

Star Economic Report

The Board of Directors of the National Bank Limited has extended the term of the appointment of R A Howlader, Managing Director of the bank for another five years, says a press release of the bank issued on Monday.

The meeting of the Board of the National Bank was held on Sunday. Howlader joined the bank from its inception and was performing as Managing Director of the bank from 1985.

Central bank's takeover by Russia won't affect G-7 pact

STUTTGART (Germany), Nov 25 : Russian President Boris Yeltsin said Thursday's takeover by the Russian Parliament of Soviet central economic power did not endanger foreign debt agreement with leading industrialised nation, reports Reuter.

Yeltsin, on the last day of a three-day visit to Germany, also told a news conference that Russia would not allow one gram of gold to leave the country and that it would be able to refill reduced gold reserves within one year.

He said the takeover of the state bank (Gosbank) and the bank for foreign economic affairs (Vneshekonombank), announced in Moscow Thursday, aimed to form an inter-republican banking union.

Asked if it jeopardised an agreement with the Group of Seven (G-7) industrialised nations to help Soviet republics overcome problems repaying foreign debt, Yeltsin said, "No, the agreements will continue to be honoured."

Yeltsin said "both the central bank and the banks of the individual states will be part of this banking union."

Bangladesh Bank bill auction held

Star Economic Report

Fourteen bids amounting Taka 50 crore were received at the 12th auction of the 91-day Bangladesh Bank bill held on November 25. Six bids were accepted. The total face value of the bids accepted was Taka 25 crore. The weighted average price of the accepted bids was Taka 97.77 per 100 Taka. The corresponding yield is 9.13 per cent per annum, says a Bangladesh Bank press release.

Agrani Bank waives Tk 98 cr agri loan

Agrani Bank has waived agricultural loan to the tune of Taka 98.18 crore up to 15th November. It may be mentioned here that 1,90,425 farmers have been benefited as per government directive for exemption of agricultural loan up to Taka 5000.00. The waiver under this programme still continues, says a press release issued on Monday.

Gold & Silver

November—25

(Taka for 11.66 grams)

Gold 6,200.00

Tejati 6,100.00

Silver 200.00

Source: Department of Agricultural Marketing

Exchange Rates

November—25

SELLING AND BUYING RATES, offered by Commercial Banks, for Bank Cheques (BCs) and Overseas Drafts (ODs)

One Unit of Foreign Currencies (FCU) for Taka

FCU Selling Buying

US Dollar 38.2226 37.7294

UK Pound Sterling 68.5058 67.7141

German Deutsche 24.1304 23.8040

Mark

French Franc 7.0596 6.9637

Saudi Riyal 10.