



DROUGHT TOLL: The current drought spell across the country has already hit the crops hard. Villagers are plucking chilies that have dried up before they have matured. —Star photo

Fertilizer units face setback as production costs exceed prices

By Inam Ahmed

The fertilizer factories in the country are facing a serious setback as price of urea remained static for six years although the production cost went up on different accounts.

The per ton urea price was last fixed at 89.47 US dollar in 1988 by the government. But devaluation of Bangladesh taka in relation to foreign currencies, price increase of gas, power and other consumables and increase in salary and wages pushed the production cost at a level higher than the selling price during the period.

Since the fixation of selling price of urea, gas price has shot up from Taka 24.82 per thousand cubic feet (ft) to Taka 33.98. The duty on electricity per kilowatt hour (kwh) has increased from Taka 0.05 to Taka 0.25 and jute bag price has also risen from Taka 16.81 to Taka 27.84 per bag. On the other hand, the exchange rate of dollar in relation to Taka was 31.30 in 1988 and now it is 38.39.

The import of raw materials has become costlier especially with the successive devaluation of dollar leading to higher

cost of production, sources said.

At the same time, frequent rise in wages of employees has raised the production cost by Taka 60 per ton since 1988.

Despite these factors affecting the industry, the price of urea was kept static at a level which is even lower than the international market price. At present, the price of per tonne urea in the international market ranges from 140 to 155 US dollar. Sources said the government had to import urea in bulk at a price of 147 dollar in January this year.

Sources concerned said the government should lift barriers on urea price and let the market forces decide it. They said this is more needed when fertilizer is being marketed through private dealers at higher prices.

At present, there are six urea producing units in the country with an annual production capacity of 21.91 tons. The total produce can fetch about 300 million dollar at the existing international market rate of these units. Fenchuganj Urea Fertilizer Factory was shut down recently.

UN survey observes economic upturn in Bangladesh in 1990

Star Economic Report

The Economic and Social Survey of Asia and the Pacific, 1991, of the United Nations says that Bangladesh achieved an economic upturn in 1990 when GDP grew by 5.8 per cent and agricultural production increased 5.6 per cent. The industrial and construction sectors registered significant growth of 8.4 and 9.0 per cent.

It says that in 1991, GDP growth slowed to 3.6 per cent as agriculture grew at the sharply reduced rate of 2.4 per cent and the industry and construction sectors slowed to 7.9 and 5.1 per cent growth. New and strengthened economic policies were being implemented, aimed at improving agriculture, promoting domestic and foreign investment, securing a better balance between public and private sector participation in the economy including privatisation of existing public sector activities, trade liberalisation and financial sector reforms.

A higher economic growth rate, at 5.7 per cent, was envisaged for the coming year. The savings-investment, the public finances and the external payment balances left wide financial gaps to be met from external sources, according to the survey.

Bangladesh had experienced a modest rise in national savings between 1981-1987 with the aid of inflow of remittances from workers abroad, the survey says. Since 1987, both domestic and national savings rates declined, as more resources had to be diverted to both private and public sector current expenditures to repair the damage done by the floods in 1988 and 1989. Gross domestic savings (GDS) in 1990 was only 1.6 per cent of GDP. Similarly, national savings declined progressively from 6.0 per cent in 1988 to 4.3 per cent in 1990. Gross domestic investment (GDI) was only 12.0 per cent of the GDP in 1989; the ratio further declined to 11.0 per cent in 1990. The saving-investment gap as a ratio of GDP declined from 10.3 per cent in 1989 to 9.4 per cent in 1990 as the investment ratio fell.

The survey observes that the fiscal policy efforts of Bangladesh remained largely oriented towards the reduction in the budget deficit. However, not much progress was achieved on account of low tax receipts and the poor performance of public enterprises during the period 1988-1990. The ratio of total revenue to GDP remained more or less constant at around 9.0 per cent during the period 1988-1990.

For the balance, the UN organisation will appeal to various countries, international funding agencies and NGOs, according to a message received in Dhaka on Thursday.

UNESCO has prepared the project following the second UN Conference on LDCs held in Paris in September, 1990, that urged the developed countries to help the LDCs achieve a satisfactory nutrition

level for their population through some basic nutrition education.

Bangladesh government had also requested the UNESCO to help the people in distress after the devastating cyclone of April, 1991.

The project is aimed at setting up 12 multipurpose family community resource centers throughout the country giving mothers and children up to six years basic education on healthcare and nutrition and skills to the families to face the harsh natural disasters and its aftermath.

It is also designed to develop basic education to the families. UNESCO will train some persons in organising and conducting the centers activities.

The ministries of education, health and social welfare will be implementing authorities of the project.

1989, and rose to 10.5 per cent in 1990. Government expenditure as a percentage of GDP remained within 16.0 per cent and the overall fiscal deficit was maintained within 7.0 per cent of GDP. It adds that the 1991 budget recorded a revenue surplus of Tk 5.1 billion, available for ploughing back to meet part of the developmental expenditure, as compared to Tk 382.2 million in 1990. The larger surplus materialised as expenditure growth was slowed and tax collections improved by more than 10.0 per cent.

The survey points that policy measures were recently adopted to broaden the tax base to bring more goods within the scope of indirect taxes, raise the contribution of direct taxes, and improve tax administration, including the introduction of new and advanced techniques for collection methods and procedures. The value added tax (VAT) was introduced in July 1991, with a view to expanding the tax base, simplifying the tax collection procedure and curbing tax evasion. The abolition of sales tax on imports following the introduction of VAT would be compensated by raising the rate of customs duties by 10.0 per cent on goods thus affected.

The UN survey mentions that a financial sector reform programme was adopted to ensure that the banking sector would play a more effective role in supporting the country's development programmes and in mobilisation and allocation of resources. Banks were permitted to fix, on the basis of the bank-client relationship, the margin of deposit for issuing letters of credit for import of industrial raw materials, and the margin requirement for import of consumer goods was reduced.

As measured by the middle class CPI for Dhaka city (1973-1974 = 100) the inflation rate declined to 8.9 per cent in 1991 as compared with 9.0 per cent in 1990, according to the survey. The 'food' sub-index recorded an increase of 6.9 per cent as compared with 7.1 per cent in the previous year, while the 'non food' sub-index rose by 12.0 per cent as against 14.8 per cent in 1990. It predicts that price increases were likely to continue at a higher rate during 1991 because of natural disasters which had again destroyed a large part of the food and other crops. In addition, a public sector salary increase could contribute to price increases.

Erratic power jeopardises irrigation

PANCHAGARH, Apr 9: Irrigation on about 4,700 hectares of land in 10 upazilas of Panchagarh and Thakurgaon districts is being hampered following rampant power failure and load shedding, reports UNB.

According to farmers, most of the shallow and deep tubewells remained inoperative causing setback to boro farming due to erratic power supply. The cultivation of irri-boro fully depends on irrigation.

Meanwhile, a vast tract of boro field in Sadar and Boda upazilas of Panchagarh and Sadar, Rautaisankali and Pirganj upazilas of Thakurgaon have been invaded by pests.

Acute scarcity of pesticides has been prevailing in the districts. The poor farmers cannot afford to buy pesticides from the market at exorbitant prices.

No step has yet been taken to combat the menace.

A \$ 6 lakh UNESCO initiative Child-family-community resource centers planned

UNESCO is to undertake a project for setting up child-family-community resource centers in Bangladesh at an estimated cost of 600,000 US dollar, reports UNB.

The United Nations Educational, Scientific and Cultural Organisation will provide 25,000 US dollar for the project from its participation programme and the Bangladesh government will give physical, human and financial support.

For the balance, the UN organisation will appeal to various countries, international funding agencies and NGOs, according to a message received in Dhaka on Thursday.

UNESCO has prepared the project following the second UN Conference on LDCs held in Paris in September, 1990, that urged the developed countries to help the LDCs achieve a satisfactory nutrition

Diesel price hike hits cultivation

MANIKGONJ, Apr 9: Scarcity and sudden price hike of diesel have been threatening cultivation in the district during this season, reports UNB.

According to farmers, irri-boro cultivation on at least 15,000 acres of land has been facing setback as most of the irrigation pumps are lying idle due to fuel scarcity.

According to sources, 122 deep and 350 shallow tubewells and 50 power tillers of Daulatpur, Shibhalaya, Hartrampur and Ohor upazilas are lying idle following the paucity and price rise of diesel.

Farmers said, boro seedlings raised for cultivation dried up in the seed beds for want of irrigation waters.

Fuel dealers said they are not getting their quotas due to non-availability of diesel. Taking advantage of the situation some unscrupulous businessmen are selling their stock at an exorbitant price.

Shipping Intelligence

Chittagong Port

Berthing Position & Performance of Vessels as on 9/4/92						
Berth No	Name of Vessels	Local Agent	Date of Arrival	Date of Leaving	Cargo	
J/1	Shaplaeverett	EBFL	2/4	10/4	GI	
J/2	Banglar Urmil	BEC	6/4	13/4	GI	
J/3	Seyang Ace	PROG	4/4	10/4	GI	
J/4	Safina-e-Haider	ASL	2/4	14/4	GI/GL	
J/5	Apj Anand	NISHAT	31/3	20/4	Coke/Peano	
J/6	NGS Ranger	JF	9/4		GI	
J/8	Banglar Gourab	BEC	23/3	11/4	GI	
J/9	Banglar Sampad	BEC	R/A	14/4	Wheat	
J/10	Lash Barge-3 Nos					
J/11	Mount Sabana	AML	31/3	10/4	C Bales	
J/12	Golden Fish	BSL	27/3	15/4	MOP	
J/13	Al-Tabith	KSL	R/A	11/4	Wheat	
MPB/1	Pong Shin (Cont)	BDSHIP	6/4	11/4	Cont	
	Aken(Cont)	RSL	7/4	10/4	Cont	
MPB/2	Petr Starostin(Cont)	CT	6/4	10/4	Cont	
CCJ	Samudra Raj	SSL	18/3	12/4	Repair	
GSJ	Al Tafir	KSL	R/A	9/4	Wheat	
RM/4	Tamar Summer	SEACOM	2/4	11/4	CBSO	
DDJ/1	Enduren Sea	BOSL	25/1	14/4	Repair	
DDJ/2	Banglar Marmata	BEC	26/2	12/4	Repair	
RM/8	Laurel Atar	BML	14/2	10/4	Repair	
RM/9	Banglar Swarna	BEC	R/A	15/4	Repair/Dead	

Tanker Due				
Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
Eryllia	MSPL	9/4		Lub Oil
Anax Purna	JF	11/4		Tallow
Stolt Sydney	SEACOM	16/4		CDSO

Vessels at Kutubdia				
Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
Matterhorn	DSLL	8/4		C Oil
Banglar Shourabh	BEC	R/A		C Oil

Vessels at Outer Anchorage				
Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
Ready on:				
Hang Wan	H&H	7/4	Sing	CEMENT
Ronjay Victory	PSAL	7/4		CEMENT
NGS Ranger (Cont)	BDSHIP	8/4	Sing	CONT
Kota Buana (Cont)	CTS	9/4	Sing	CONT

Vessels not Ready:				
Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
Adkris	BSL	30/3	Sing	Gold Rollo
Hang Pook	BRIGHT	1/4		Cement
Pionar	MSA	4/4		Salt
Banglar Asha	BSC	R/A (7/4)		Wheat
Amite	SSL	8/4	Argen	Wheat

Vessels Awaiting Instruction				
Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
Banglar Kiron	BSC	R/A (8/4)		
Banglar Jvoti	BSC	R/A (8/4)		

Vessels not Entering				
Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
Alyan	ALAMIN	R/A (18/9)	Sing	Cement
Red Deer	OTL	R/A (26/11)	Sing	
Oryx	AQUA	27/2		Salt
Hang Tone	H&H	31/3	Mong	Scrappping
Allissa	H&H	18/3	Padra	Cement
Sca Progress	AML	8/4	Padra	Cement
Olympic Phontix	BSL	R/A (4/4)	Sing	
Liberty Beele	KSL	6/4		Wheat
Theomana	JF	9/4	Rio	Scrappping

Vessels due at outer Anchorage

Name of Vessels	Date of Arrival	Last Port	Cargo	Local Agent	Loading Ports
Platon	9/4	AGABA	R FHO5	SST	
Weser Star (Cont)7/4	11/4	CAL	CONT	BDSHIP	Sing
Dekhoda (E/L)7/4	11/4			SSL	B Abbas
Dimitry Poluyan (28/3)	12/4	MONG		CT	Odesa
Eastern Breeze	12/4			RRSA	
Andrian Goncharov (Cont) 4/4					
Ahlers Breeze	12/4	SING	CONT	CT	Sing
(Cont)30/3	13/4	COL	CONT	RSL	COL
Cathya	13/4			GI	PROG
Shezan	12/4	JUBA	SHIPPER	AQUA	
Robert-e-Lee	12/4		LASH	KARNA	USA Ports
Ever Cheer (Cont)6/4	13/4	SING	CONT	BDSHIP	Cal
Silver Sea	13/4			GI	PROG
Fong Yun (Cont)1/4	13/4	SING	CONT	BDSHIP	Sing
Vaahvi Parjith (E/L)8/4	15/4			E/I	UI C Ports
Mandiri (Cont)28/3	16/4	COL	CONT	RSL	Sing
Arunachal Pradesh	16/4			SSL	Far East
Infinity (Cont)7/4	16/4	SING	CONT	RSL	Sing
Orient Venture	17/4			GI	BSA
S Fisher	17/4			MMI	Suez
I Yamburanko					
(Cont)9/4	17/4		CONT	CT	Sing
Petr Starostin (Cont)4/4	20/4		CONT	CT	Sing
Optima (Cont)1/4	3/5	SING	CONT	RSL	Sing

The above were the Thursday (9/4/92) Shipping position and performance at Chittagong Port as per berthing sheet of CPA supplied by HRC GROUP, Dhaka.

Price Index

Essentials			
April-8			
	(Taka per kg)		(4cent)
RICE	15.50-17.00	BOG	10.00-11.00
Amorfinine	14.50-15.50	Hen	9.00-9.50
Papay	7.00-8.00	Duck	9.00-9.50
VEGETABLES	4.00-5.00	Firm	11.00-11.50
Potato (local)	8.00-10.00	PULSES	(Taka per kg)
Brijal	4.00-5.00	Mushor	28.00-30.00
Karolla	8.00-10.00	Mooch	28.00-30.00
Lalshad	4.00-5.00	Chola	24.00-25.00
Pappo	6.00-7.00	Kheasri	15.00-16.00
Green Banana (Four Pieces)	4.00-5.00	FRUITS	(Taka per kg)
OTHER FOODSTUFFS	(Taka per kg)	Green Coconut (Small)	5.00-6.00
Flour	14.00-15.00	Watermelon (Large)	30.00-45.00
Arta	12.00-12.50	Coconut (Large)	8.00-10.00
FISH	(Taka per kg)		(44 pieces)
Rubi(big)	140.00-150.00	Banana (Sagar) (Large)	12.00-15.00
Kat(big)	100.00-110.00	Banana (Chapa)	2.50-3.00
Haha	85.00-90.00		
Pappo	130.00-135.00		
Shrimp(big)	90.00-110.00	Dam	(Taka per kg)
Sing	90.00-100.00		45.00-50.00
Koi	100.00-120.00	OIL	(Taka per litre)
MEAT		Mustard	52.00-54.00
Beef	60.00-65.00	Soybean	37.00-38.00
Mutton	85.00-90.00	Coconut (Colombo)	90.00-95.00
CHEEKEN		Vegetable Ghee (1kg)	48.00-50.00
Large	70.00-72.00	SPICES	(Taka per kg)
Moderate	74.00-76.00	Onion (local)	7.00-8.00
Small	78.00-80.00	Garlic (local)	20.00-24.00
TEA		Chillies (dry)	65.00-70.00
Dust (Plain)	70.00-80.00		

Source: Department of Agriculture marketing

Exchange Rates

The following are the Commercial Bank's BC selling and TT (C) OD transfer buying rates for some selected foreign currencies effective on April 10 and 11.

Currency	SELLING	TT(C)	BUYING
US dollar	39.1326	38.9087	38.6339
Pound sterling	68.4435	68.1056	67.6557
DM	24.0461	23.9012	23.7323
FF	7.1008	7.0563	7.0065
S Royal	10.4602	10.4003	10.3269
D Guilder	21.3606	21.2268	21.0769
S Kroner	6.6276	6.5841	6.5376
Singapore Dollar	23.7138	23.5782	23.4116
UA# Dirham	10.6911	10.6299	10.5548
Kuwaiti Dirar	133.8596	132.7954	131.8575
Indian Rupee (AMU)	1.5104	1.5036	1.4961
Pak. Rupee (AMU)	1.5618	1.5545	1.5467

Authorized dealers will apply T T clean buying rate for purchase of remittances of Bangladesh's working abroad.

Note: AMU-Asian Monetary Unit.

Dhaka Stock Prices

At the close of trading on April 9, 1992

Star Economic Report

None loses in brisk business

Business rose substantially on the floor of Dhaka Stock Exchange (DSE) on Thursday. Gainers held firm position on the floor from the beginning. After a long interval the gainers solely dominated the floor with no losers in sight. A total of 32 shares traded on the floor compared to Wednesday's 25.

Twenty six shares gained against 19 of Wednesday while six shares were traded at previously quoted prices.

Transaction sharply increased on Thursday compared to past few days. Both volume and value recorded a substantial increase compared to Wednesday. Twelve thousand 426 papers traded compared to a mere 8121 papers on Wednesday. Total turnover amounted to Tk 46,4704 from Wednesday's Tk 428535.

The DSE Composite Index further gained 1.730 point and closed at 289.2280.

THE DAY'S TRADING AT A GLANCE

DSE All Share Price Index	289.2280
Market Capitalisation(Tk)	8,272,041,957
Turnover (in value Tk)	46,4704
(In volume)	12426

Company	FV/ML	Previous Day's Price Tk	Closing Price Tk	Change (Absolute) Tk	Change (% over previous) Price
Gains					
Shares:					
Kohinoor Chemical	100/5	81.59	86.94	+5.35	6.557
Savar Refractories	100/5	90.00	95.00	5.00	5.556
Bextmco Pharma	100/5	205.18	210.00	4.82	2.349
Apex Tannery	100/5	186.00	190.00	4.00	2.151
Umanisa Glass	100/5	205.00	209.00	4.00	1.951
BD Thai Aluminium	100/10	85.00	88.14	3.14	3.694
Green Delta	100/10	129.50	132.27	+2.77	2.139
Renwick Tajnewsar	100/5	64.15	66.71	+2.56	3.991
Eastern Cables	100/5	77.00	79.00	+2.00	2.597
BGIC	100/10	122.78	124.70	+1.94	1.580
National Tubes	100/10	110.83	112.71	+1.88	1.696
Eagle Box	10/50	23.00	24.83	+1.83	7.957
Modern Dying	100/5	37.00	38.56	+1.56	4.216
Oxygen	10/50	40.00	41.50	+1.50	3.750
Zeal Bangla Sugar	10/50	9.86	10.95	+1.0	