

Diesel crisis hits boro farming in northern districts

DINAJPUR, Apr 10: Scarcity of diesel in 16 districts of the northern region during the last week has hit boro production in the area, reports UNB.

Fall in the water level and inadequate rain during the last two months added to the crisis affecting crop production on 13 lakh acres of land.

Nearly 12 lakh tons of boro production were threatened as 40 per cent deep tubewells, 75 per cent shallow tubewells and hand tubewells became inactive in the backdrop of the 10 to 15 feet fall in the ground water level since last week.

Experts fear that food crisis may develop in the region if the situation deteriorates any further.

It is learnt that short supply of diesel oil in the area began following closure of Baghabari pump over a dispute between tank lorry workers and pump owner of Badda and Dhaka.

Farmers alleged that pump owners and hoarders were taking advantage of the situation and were charging four times higher prices for diesel.

The daily requirement of diesel in the region is about 20 lakh litre.

The district administration meanwhile urged the government to take immediate measures to mitigate the sufferings of the cultivators and protect the crops from further damage.

To arrest the situation the local Pourashava was supplying 25 per cent of the required water through six tubewells and 300 hand pump machines, sources said.

Dhaka asks for technology transfer

Bangladesh has urged the transnational corporations to make their due contribution to world growth and development, particularly by increasing investment and transferring technology to developing countries, reports BSS from Washington.

Addressing the 18th session of the transnational corporations at New York Thursday Ambassador Humayun Kabir, permanent representative of Bangladesh to the United Nations, gave a brief resume of profound changes in the world economic scene.

He stressed the need for an increase in the volume of foreign direct investment, diversification of economic structure and substantial transfer of technology to the developing countries.

He strongly endorsed the view that the key factor requiring utmost attention was the continuing need to identify the supportive external measures which would complement the efforts of Least Developed Countries to encourage inflow of foreign direct investment.

Ambassador Kabir gave an outline of measures taken by the Bangladesh Government to reform its economy and attract foreign investments and viewed that transnational corporations could take advantage of these policy measures and thereby participate in the growth and development in that part of the world.

Ambassador Kabir also urged for steps to enable the development countries to acquire appropriate technologies from transnational corporations and effective measures to improve indigenous capacity in host developing countries and their human resource base.

Arrest of traders body leader protested

President and General Secretary of Dhaka Metropolitan Shop Owners Association Helaluddin Helal and Mohammad Shahabuddin Thursday protested the arrest of Motahar Hossain, General Secretary of Anarkali Market Bank Samity, reports UNB.

Police arrested Hossain Saturday on charge of extortion.

HYV plans will fail without irrigation facilities: Expert

Plans for adoption and productivity of high yielding crop variety technology could be jeopardised if proper irrigation facilities are not improved, a food research expert said in Dhaka.

Consumption Economist of International Food Policy Research Institute DR, Akhtar Ahmed told UNB that irrigation currently covers 35 per cent of the net cultivated area while there was potential for irrigating 65 per cent of the cultivable land area.

Bangladesh has a large potential for accelerating growth in rice production, he said.

adding that irrigation facilities had to be expanded rapidly.

He said since production equals consumption at the equilibrium, the higher growth in rice production relative to population growth would result in an increase in per capita consumption of rice.

Rice is a dominant contributor of GDP. In addition to its value added, rice production has a substantial impact on the GDP through its linkage effects on the rest of the economy, he said.

He said that this growth in GDP suggests a 16 per cent in-

crease in average per capita income from 1987 to 1995.

The increase in per capita income and population lead to rightward shift in the effective demand of rice, he said and added that a rightward shift in demand curve would raise equilibrium price of rice, offsetting the price depressing effect of the rightward curve caused by the irrigation induced technological change.

Responding to the higher price, the farmers would produce more and their cash income could increase more, he said.



CHEAPER CHOICE: The low-income people find it convenient to buy towels, among other things, at prices within their reach at various pavement shops in city. The only thing they have to compromise is just quality.

Commentary

More needed to boost capital market

By Abu Ahmed
Guest columnist

The government has recently revised some provisions of the Capital Issues Act of 1947 in order to encourage investment through share market. The revisions among others were: Henceforth no prior permission will be needed from the Controller of Capital Issue for issuing right and bonus shares; the companies will be able to fix the remuneration of their chief executives without prior permission from it, the declared dividend have to be paid within 60 days etc.

The Controller of Capital Issue has also simplified the application form for shares both by the nationals and non-nationals. Previously there was restriction on buying shares and stocks in Bangladesh by the foreigners. This restriction does not exist any longer.

While these steps are welcome ones, they are not enough to give a boost to our present sluggish share market. The market is suffering from a severe confidence crisis. Such minor revisions will not bring back the lost confidence. Share market, to be put on the right track, must be reformed through concerted efforts.

There are laws and rules in the share market but they are not being enforced. These laws again, are old and outdated and they are not being updated. There are at least four laws regarding share markets and capital issue in the country. They are Capital Issue Act of 1947, Companies Act of 1913, Securities and Exchange Ordinance of 1969, and the latest one the Securities and Exchange Rules of 1987.

To ensure the functioning of these laws and rules, there are mainly two government-run bodies. They are Controller of Capital Issue and Registrar of Joint Stock Companies. The former belongs to the Ministry of Finance, while the latter to the Ministry of Commerce.

The execution and enforcement of the existing laws and rules mostly lies with the Controller of Capital Issue. The Registrar of the Joint Stock Companies simply looks after the registration process under the Companies Act of 1913.

The Companies Act of 1913 is the basic and fundamental law regarding the floatation and administration of the companies, and also regarding the rights of the shareholders. This Act also outlines the terms and conditions of auditing, and procedure for holding annual general meeting of the share holders.

Though the Act is quite extensive, it has now become outdated. The most serious defect off it is that it fails to protect the rights of the small investors. In many countries including India, Pakistan and Britain itself this law was changed long ago, but it is still in use, here.

Again, existence of laws is not enough; laws must be enforced in order to have desired results from them. There are evidences that many public limited companies are breaking the laws at will, but there is no punishment for that. For example, quite a few companies are not holding their Annual General Meeting for years. This is a clear violation of Companies Act of 1913. But there seems to be no authority here who can ask those companies to obey the laws or face consequences. In the absence of any other authority it is the Controller of Capital Issue who is responsible for proper

functioning of the public limited companies but till today the law breaking companies were not asked any question about their activities.

Some of the companies hold the general meeting of the shareholders in such a way that only fulfills the conditions of the said Act but does not conform to the spirit of the Act.

Who is to compel the companies to conform to the spirit of Act? It is again the Controller of Capital Issue. But he does not have the supportive system at his disposal to look after so many things.

There are no competent auditors, nor lawyers in his office to detect irregularities of the companies. His office is simply a small wing of the Ministry of Finance which remains busy with the routine works like granting fresh permission for capital issue, accepting the audited balance sheets, receiving reports from stock exchange etc.

That is why small investors in shares raised the demand for setting up a full-fledged authority which variously can be named as Securities and Exchange Commission as in the United States, Corporate Law Authority as in Pakistan or Securities and Exchange Board as in India.

In Bangladesh, there is no supervisory or regulatory body for the auditing firms except the Institute of Chartered Accountants which approves registration as well as sets rules for the registered auditing firms. Thus it is assigned with multiple roles: One with academic one and the other with regulatory one. But the latter function is seldom performed by it and the auditing firms are at large to flout many basic rules and ethics of audit.

This can be set right by establishing a auditing standard board as found in other countries. The proposed board will regulate the auditing firms, bring them to book and order re-auditing when there is any need. Otherwise, if the share holders are left with the responsibility of detecting the flaws in auditing this will lead to nowhere and perhaps the companies will be too glad to see such an arrangement continue.

More important than changing the laws and modernising auditing system is the need to bring about reforms in the stock exchange operation. The exchange must be competitive; otherwise stock prices will be determined by human factors on the floor and not by the present value of the stocks or the economic factors prevailing in the country.

No where in the world a stock exchange is managed and run totalled and absolutely by the broker-members, but in Bangladesh it is so. It behaves like a private club and in such a situation no one either a national, or an expatriate will come forward to invest in stocks of Bangladesh.

The Government, can proceed in two ways to solve the problem. Either it can order a radical reform of the present stock exchange by exercising its power under Securities and Exchange Ordinance of 1969, or it can allow another stock exchange to operate with conditions it deems fit.

However if the government, does not do anything regarding this vital issue, the other acts will become questionable in the eyes of small investors who lost heavily in the whirlwind of the share market in the past.

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	EBPL	2/4	10/4	GI
J/2	Banglar Urmi	IBC	6/4	13/4	GI
J/3	Seyang Ace	PROG	4/4	10/4	GI
J/4	Safina-e-Haider	ASLL	2/4	14/4	GI/CL
J/5	Apj Anand	NISHAT	31/3	20/4	Coke/Pease
J/6	NGS Ranger	JF	9/4		GI
J/8	Banglar Gourab	IBC	23/3	11/4	GI
J/9	Banglar Sampad	IBC	R/A	14/4	Wheat
J/10	Lash Bangor-3 Nos				
J/11	Mount Sabana	AMI	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
MPH/1	Pong Shin (Cont)	BDSHIP	6/4	11/4	Cont
MPH/2	Petr Starostin(Cont)	CT	6/4	10/4	Cont
CGJ	Samudra Raj	SSL	18/3	12/4	Repair
CSJ	Al Tahir	KSL	R/A	9/4	Wheat
RM/4	Tamar Summer	SEACOM	2/4	11/4	CDRO
DDJ/1	Enduren Sea	EOSL	25/1	14/4	Repair
DDJ/2	Banglar Mamata	IBC	26/2	12/4	Repair
RM/8	Laurel Atar	HML	14/2	10/4	Repair
RM/9	Banglar Swapna	IBC	R/A	15/4	Repair/Dead

Tanker Due

Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
Erville	MSPL	9/4		Lub Oil
Anax Puma	JF	11/4		Tallow
Stolt Sydnees	SEACOM	16/4		CDRO

Vessels at Kutubdia

Matterhorn	DSLL	8/4		C Oil
Banglar Shourabh	BSC	R/A		C Oil

Vessels at Outer Anchorage

Name of Vessels	Local Agent	Date of Arrival	Last Port	Cargo
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

Adkris	BSL	30/3	Sing	Gold Rolled
Hang Fook	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

Banglar Kiron	BSC	R/A (6/4)		
Banglar Jyoti	BSC	R/A (8/4)		

Vessels not Entering

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	Scrapping
Allissa	H&H	18/3	Padu	Cement
Sea Progress	AML	8/4	Padu	Cement
Olympic Phoenix	BSL	R/A (4/4)	Sing	
Liberty Beele	KSL	6/4		Wheat
Theomana	JF	9/4	Rio	Scrapping

Vessels due at outer Anchorage

Name of Vessels	Date of Arrival	Last Port	Cargo	Local Agent	Loading Ports
Platon	9/4	AGABA	R PHOS	SST	Sing
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			RISA	
Anclrian Goncharov (Cont) 4/4	12/4	SING	CONT	CT	Sing
Ahlers Breeze (Cont)30/3	13/4	COL	CONT	RSL	COL
Catilya	13/4		GI	PROG	
Shezan	12/4	JUBA	SHUPHER	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
Vishvi Parjiti (E/L)8/4	15/4		E/I	SSL	UI C Ports
Mandiri (Cont)28/3	16/4	COL	CONT	RSL	Sing
Arunachal Pradesh	16/4		GI	SSL	Far East
Infinity (Cont)7/4	16/4	SING	CONT	RSL	Japa Sing
Orlent Venture	17/4		GI	BSA	
S Fisher	17/4			MMI	Suez
I Yambaranko (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

Item	Unit	Price (Taka)
RICE	(Taka per kg)	70.00-80.00
Amran(fine)	15.50-17.00	BGG (dps)
Pajon	14.50-15.50	Ilm
VEGETABLES	(Taka per kg)	9.00-9.50
Potato (local)	7.00-8.00	Firm
Brijjal	4.00-5.00	PULSES
Karolla	8.00-10.00	Mashur
Lalchak	4.00-5.00	Mogh
Pepya	6.00-7.00	Chola
Green Banana (Four Pieces)	4.00-5.00	Khanari
OTHER FOODGRAIN	(Taka per kg)	15.00-16.00
Flour	14.50-15.00	FRUITS
Arise	12.00-12.50	Green Coconut (Small)
FISH	(Taka per kg)	30.00-45.00
Roh(big)	140.00-150.00	Watermelon (Large)
Kalia(big)	100.00-110.00	Coconut (Large)
Wihlu	85.00-90.00	Banana (Sagar) (Large)
Panga	130.00-135.00	Hanasa (Chapa)
Shrimp(big)	90.00-110.00	
Sing	90.00-100.00	Dato
Koi	100.00-120.00	OIL
MEAT		(Taka per 500)
Beef	60.00-65.00	Mustard
Mutton	85.00-90.00	Soyabean
CHECKEN		Coconut (Colombo)
Large	70.00-72.00	Vegetable Ghee (1kg)
Medium	74.00-76.00	SPICES
Small	78.00-80.00	Onion (local)
TEA		7.00-8.00

Source: Department of Agriculture marketing

Exchange Rates

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

Currency	SELLING	BUYING
US dollar	39.1326	38.9087
Poundsterling	68.4435	67.6587
DM	24.0461	23.9012
FF	7.1008	7.0563
S Riyal	10.4602	10.4003
D Guilders	21.3806	21.2268
S Kroner	6.6276	6.5841
Singapore Dollar	23.7138	23.5782
UAE Dirham	10.6911	10.6299
Kuwaiti Dinar	133.5596	132.7954
Indian Rupee (AMU)	1.5104	1.5036
Pak. Rupee (AMU)	1.5616	1.5545

Note: AMU—Asian Monetary Unit.

Dhaka Stock Prices

At the close of trading on Mar 31 and Apr 9, 1992

Company	March 31	Apr 9	High	Low
BANKS (10)				
Al Baraka Bank	1000/1	1090.00	1200.00	760.00
A.B Bank	100/5	188.00	188.00	158.00
City Bank	100/5	270.00	148.00	172.00
L.F.I.C	100/5	183.00	180.00	200.00
Islami Bank	1000/1	1500.00	1500.00	1900.00
National Bank	105.00	103.00	106.00	118.00
Pubali Bank	100/5	102.00	102.00	110.00
Rupali Bank	100/10	90.00	86.00	110.00
U.G.B.L	100/5	123.00	123.00	131.00
Utara Bank	100/5	140.00	140.00	200.00

Company	March 31	Apr 9	High	Low
INVESTMENT (08)				
ICB	100/5	90.00	90.00	85.00
1st ICB M.Fund	100/5	330.00	330.00	400.00
2nd ICB Fund	100/5	148.00	150.00	180.00
3rd ICB M. Fund	100/5	124.00	124.00	150.00
4th ICB M. Fund	100/10	122.		