

Irrational tariff hike to hit hard industrial sector, says DCCI

The situation in the industrial sector tends to worsen now further, following the enactment of the Finance Bill 1992 and the implementation of the new fiscal measures. The problems have been compounded by irrational and arbitrary hikes in tariff values and that too in terms of the intervention currency of Taka, the US dollar, according to Dhaka Chamber of Commerce and Industry (DCCI) Monthly Review July 1992.

DCCI reports whatever duty cuts have been effected under the new budget for industrial raw materials will have little impact on costs of industrial operations because of increases, in an arbitrary manner, of tariff values thereof.

DCCI has submitted detailed reviews in this connection to the concerned authorities. They highlight the gross anomalies in duty structure for industrial raw materials and in tariff value fixation on the basis of "the country of origin formula" for industrial inputs.

The new arrangements for fixing tariff values in US dollar terms will set into motion many adverse reactions on the economy because of the frequent adjustments of the value of Taka against major international currencies, DCCI emphasised.

The Review informed that

in the last fiscal year several doses of depreciation of Taka witnessed. Over the period from 1972 to July 1992 the value of Taka was depreciated against the US dollar on 76 times while revaluations were made only on 19 times. Each dose of exchange rate changes leads to higher importers in Taka terms, aggravating the price spiralling phenomenon. There will thus be many offsetting effects including instability in import operations with their consequent adverse impact on overall economic activities.

We would urge the authorities concerned to set the tariff values in Taka terms on a uniform basis, irrespective of the sources of origin, DCCI said.

The new budget lacks in any consistent set of realistic measures to help accelerate the pace of industrialisation. On the contrary, the higher prices for industrial plots, will only decelerate the course of industrial expansion, DCCI remarked.

Again, DCCI informed that industrial circles in the country expected the government to allow duty-exemption facilities or lower duty rates for the import of capital goods to provide a boost to industrial investments. Such facilities and arrangements are already operational in our neighbour-

ing countries. In Pakistan, duty-exempted import facilities for capital goods have further been expanded under the latest trade policy. But no such facilities exist for the industrial investors in Bangladesh.

On the contrary, far from redeeming what was promised earlier under the export policy about tax exempted export earnings, new fiscal measures under the budget for 1992-93 have been taken to deduct tax in advance on export earnings. Such measures run counter not only to the existing facilities provided by the neighbouring countries to their exporters but also to the stated goals of the government for an export-led development, DCCI added.

DCCI also focused that fears loom large over the predicament of a large number of industries, particularly those oriented to the domestic market now in the wake of the new budgetary measures. These stand to be hit hard by reduction of import duties on a large number of finished products and enhancement of tariff values of the imported components and raw materials. Such fiscal measures have come in the name of import liberalisation and opening up the economy to the competitive international markets. The protection range has thus been com-

pressed under what has been paraded as rationalisation of the tariff structure.

We are no defenders of protectionist trade policies but would certainly welcome a higher competitive efficiency of the economy. But the conditions for attaining higher competitive efficiency must be created first to enable the industrial units to survive the competition from more developed and industrially advanced countries, DCCI suggested.

DCCI also identified the constraints to operate an industrial unit for survival which are inadequate infrastructural support facilities, frequent power disruptions, distorted tax structure, bureaucratic labyrinth in management, poor technology, funding limitations and also not-too-infrequent interventions by the government in wages policies in disregard of productivity consideration, absence of anti-dumping law, etc.

For all practical purposes, government can under no circumstances, totally disregard the fact that the fate of its industrialisation would considerably depend on planned restriction of foreign goods and development of domestic market, until the conditions for competition, are created or developed, concludes DCCI.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 02.08.92.

Berth No	Name of Vessels	Cargo	L-Port	Local Agent	Date of Arrival	Leaving
J/1	Rongjay Victory	Cement	Sing	PSAL	16/7	3/8
J/4	Banglar Gourab	GI	Pena	BSC	18/7	2/8
J/5	Samudra Raj	Idle	Kara	SSL	15/7	7/8
J/10	Arktis Orion	GI	Sing	BSC	30/7	5/8
J/11	Rongjay Choomie	Peapair	Mong	PSAL	10/7	2/8
J/12	NGS Ranger	Cont	Sing	BDSHIP	28/7	4/8
J/13	Harmen Oldendorff	Fert	Mong	SSST	17/7	4/8
MPB/1	Bervalla	Cont	Mong	SSL	1/8	3/8
MPB/2	Kota Buma	Cont	Sing	CTS	30/7	2/8
CCJ	Banglar Mamata	Repair	Mong	BSC	28/7	4/8
GSJ	Ocean Earth	Cement	Sing	Surahine	19/7	4/8
TSP	Samudra Samrat	Repair	COI	SSL	1/7	5/8
RM/4	Alexy Tolstoy	Cement	Sing	PSAL	23/7	4/8
RM/5	Tenyoishi Maru-4	L Oil	Indo	NWSL	R/A	2/8
DDJ	Banglar Shourabh	C Oil	BSC	R/A	3/8	5/8
DD	Banglar Baant	Repair	BSC	R/A	3/8	5/8
DDJ/1	Endurance Sea	Repair	Agaba	EOSL	25/1	5/8
RM/8	Nan Du Jiang	Cement	Chin	MSA	25/6	4/8
RM/9	Banglar Sampad	Repair	BSC	R/A	4/8	5/8
CUFJ	Banglar Kiron	Urea	BSC	R/A	6/8	5/8

VESSELS DUE AT OUTER ANCHORAGE

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Zang Su Bong	2/8	Cal	Umal	-	Phil
A Megacarrrier	3/8	Mong	BDSHIP	Cont	Sing
two 7/7					
Vishva Pankaj	11/7	Mong	SSL	E/L	Dundee Ant
Armas	3/8	Mong	OWSL	-	Sing
Kota Eagle 26/7	3/8	Sing	CTS	Cont	Sing
Golden Gate	3/8	Tampa	SSST	-	Sing
Oryx	4/8	Mong	Aqua	GL	Doula
Knud Jespersen	20/7	-	CT	Cont	Sing
Huruz	4/8	-	Bright	Cement	Adab
Fresh Ocean	4/8	-	USTC	Cement	-
Silver Lake	5/8	Hong	Prog	GI	-
Marglian	5/8	Sing	Prog	GI	-
Al Mohammed	5/8	Mong	KSL	-	Vietnam
New Genford	25/7	Sing	BDSHIP	Cont	Sing
Yao Sheng	5/8	Mong	Bright	Cement	-
Bellatrix	5/8	Mong	MMI	-	Abbas
Summit Venture	5/8	Vanc	Ancient	Wheat	-
Mehedini	6/8	COL	BSL	GI	-
Byanelsky	6/8	Anruba	TSLL	E/Phos	-
Marinoströtel	6/8	Mong	SSL	R/L	Abbas
Hafez 26/7	6/8	Sing	BDSHIP	Cont	Sing
Fong Shin 25/7	6/8	Sing	BSL	Cont	Sing
Optima 28/7	6/8	Sing	BSL	Cont	Sing
Vishva Abha	7/8	-	SSL	GL	Odcasa
Flying Dragon	7/8	-	USTC	Cement	-
Stonewall Jackson	8/8	Kara	GI	Cont	New York
Pearl one (48)	8/8	Kara	Cross	Bitumin/Cotton	-
Andromache 26/7	8/8	Col	BSL	Cement	-
Mizoram	10/8	Cal	SSL	Cont	Mong
Artemis-1	10/8	Cal	Bright	Cement	Fe. E.Japa
Karabieverett	10/8	-	EBPL	GI	Japa. Fe
Sofina-e-Haider	10/8	Kara	ASLL	GI/GL	Karachi
Peter Starostin 27/7	12/8	-	CT	Cont	Sing
Fong Yun 1/8	12/8	-	BDSHIP	Cont	Sing
Andrian Goncharov	27/7	-	CT	Cont	Sing
Ultra Sea	18/8	New Orle	Lams	Wheat	Sing

TANKER DUE

Neptun Antila	3/8	Sing	MSPL	HSD&JP-1
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VESSELS AT KUTUBIA

T T Energy	C Oil	Col	NNL	27/4
Topaz	C Oil	Jebel	ECSL	21/7
Banglar Jyoti	C Oil	-	BSC	R/A

VESSELS AT OUTER ANCHORAGE

Long Khan	Cement	Sing	Bright	30/7
Apollo Asuka	Lub Oil	Ind	NWSL	1/8

VESSELS NOT READY

Hang Shing	Cement	Sing	H&H	22/7
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VESSELS AWAITING INSTRUCTION

Ocean Envoy	Col	BSC	R/A(27/7)
Banglar Asha	Col	BSC	R/A(30/7)
Andamius	Cement	IND	2/8

VESSELS NOT ENTERING

Alyn	Cement	Sing	Alamin	R/A(18/9)
Red Deer	Cement	Sing	KSL	R/A(26/11)
Nehaj	Scraping	Col	Umal	10/6
Anh Dao	Bunker	Mong	Umal	27/7

The above were the Sunday's shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Price Index

August 1			
Essentials	Moogh	Chhola	30.00-32.00
RICE	(Taka per kg)	Khesari	22.00-23.00
Amam(Rice)	16.00-17.00		14.00-15.00
VEGETABLES	(Taka per kg)	Green Coconut (Small)	4.00-5.00
Potato (local)	11.00-12.00	Coconut (Large)	8.00-10.00
Brinjal	10.00-12.00		
Karolla	10.00-12.00	Pineapple	(One piece)
Lalchak	5.00-6.00	Jackfruit	20.00-50.00
Papaya	6.00-8.00	Banana	(4 pieces)
Green Banana (Four Pieces)	4.00-6.00	Sagar (Large)	12.00-14.00
OTHER FOODGRAIN	(Taka per kg)	Champa	3.00-4.00
Flour	14.00-14.50		
Asio	10.50-11.00	Dates	45.00-50.00
FINH	(Taka per kg)	Mustard	(Taka per litre)
Ruh(bag)	150.00-180.00	Soyabean	52.00-54.00
Katla(bag)	110.00-140.00	Coconut (Colombo)	38.00-39.00
Hibhu	50.00-55.00	Vegetable Ghee (1kg)	85.00-95.00
Pungas	120.00-140.00	SPICES	48.00-52.00
Shrimp(bag)	90.00-100.00	Onion (local)	(Taka per kg)
Sing	140.00-150.00	Garlic (local)	11.00-12.00
Kor	NA	Chillies (local)	26.00-32.00
MEAT		Chillies (local)	28.00-35.00
Boat	60.00-65.00	Turnerie(local)	45.00-50.00
Mutton	85.00-90.00	Green chillies	8.00-10.00
CHICKEN		Ginger	18.00-20.00
Large	64.00-66.00	Cinnamon (10gm)	3.00-3.50
Moderate	68.00-70.00	Candamom (10gm) (small)	7.00-8.00
Small	72.00-75.00	Jhira (50 gms)	9.00-10.00
TEA		MILK	(Two kg)
Dust (Plan)	70.00-80.00	Dano	306.00-307.00
EGG	(4 piece)	Red-Cow	315.00-316.00
Han	12.00	Ghee	(Taka per kg)
Duck	12.00	MISCELLANEOUS	220.00-240.00
Firm	13.00	Salt	7.00-8.00
PULSES	(Taka per kg)	Sugar	27.00-27.50
Maar	27.00-28.00		

Exchange Rates

The following are the Commercial Banks BC selling and TT (C) OT transfer buying rates for some selected foreign currencies effective on August 2, 3 and 4.

Currency	Selling B.C.	T.T. (C)	Buying O.D. Transfer
US Dollar	39.1326	38.9087	38.6339
Pound sterling	75.3710	75.0153	74.5239
DM	26.5486	26.3788	26.1925
FF	7.8603	7.8106	7.7555
S.Rival	10.4641	10.4042	10.3307
D.Guider	23.5483	23.3995	23.2342
S.Kroner	7.3077	7.2600	7.2078
Singapore Dollar	24.2698	24.1309	23.9805
UAE Dirham	10.6911	10.6299	10.5848
Kuwaiti Dinar	134.7706	134.0535	133.0590
Indian Rupee (AMU)	1.5104	1.5035	1.4960
Pak Rupee (AMU)	1.5523	1.5461	1.5374

Authorised dealers will apply T T clean buying rate for purchase of remittances from Bangladeshis working abroad. Note: AMU-Asian Monetary Union.

Dhaka Stock Prices

At the close of trading on August 2, 1992,

Star Economic Report

Booming business

Business continues to march ahead at Dhaka Stock Exchange (DSE) on Sunday. Volume jumped to 25181 from Saturday's 12134 and registered 107.52 per cent rise while value, which also rose from Saturday's finish of Taka 1121853.00 to Tk 143482.00 showing a rise of 27.85 per cent.

Number of shares trading on the floor also increased from 36 on Saturday to 40. Losers dominated the floor outnumbering the gainers by 20 to only eight. Twelve shares traded at their previous rates.

DSE Composite Index continued to show disappointing figures. It further lost 2.766 points to close at 358.0850 from 360.8527.

THE DAY'S TRADING AT A GLANCE

DSE All Share Price Index	358.0850
Market Capitalisation (TK)	10,231,135,435.00
Turnover in Value (TK)	143482.00
Turnover (in volume)	25181

Company	FV/ML	Previous day's price	Closing Price	Change (absolute)	Change (% over previous price)
		TK	TK	TK	

Gains (08)					
Shares:					
Rupan Oil	10/100	6.80	7.00	0.20	2.941
5th ICB M Fund	100/10	100.71	103.00	2.29	2.274
Quasem drycells	10/50	10.09	10.26	0.17	1.685
Green Delta	100/10	142.00	144.00	2.00	1.408
Dulama Cotton	100/10	95.00	95.93	0.93	0.979
Zal Bangla Sugar	10/50	14.00	14.10	0.10	0.714
Eagle Star	10/50	28.50	28.75	0.25	0.893
Tallu Spinning	100/10	144.00	144.79	0.79	0.549

Losses (20)					
Shares:					
Progressive Plastic	100/5	90.00	81.00	9.00	10.000
6th ICB M Fund	100/10	64.57	60.04	4.53	7.016
Tamijuddin	100/10	202.00	190.00	12.00	5.941
B Oxygen	10/50	59.50	56.50	3.00	5.042
Aziz Pipe	100/5	282.00	269.00	13.00	4.610
Renwick Jajneswar	100/5	89.77	86.00	3.77	4.200
Monno Ceramic	100/5	310.00	298.29	11.71	3.777
Karim Pipe	100/5	160.20	156.00	4.20	2.622
Usmanila Glass	100/5	281.67	275.00	6.67	2.368
Beximco	10/100	17.16	16.77	0.39	2.273
Aftab Automobiles	100/5	230.00	225.00	5.00	2.174
Eastern Cables	100/5	80.60	79.00	1.60	1.985
Dhaka Vegetable	100/5	122.00	120.00	2.00	1.639
Saiham Textile	100/10	84.33	83.00	1.33	1.577
Rahman Chemicals	100/10	45.00	44.33	0.67	1.489
United Ins	100/10	151.00	150.00	1.00	0.662
Beximco Pharma	100/5	354.78	353.00	1.78	0.502
NTC	100/5	261.20	260.00	1.20	0.383
Bangladesh Lamps	100/5	271.00	270.00	1.00	0.369
BGC	100/10	147.04	147.00	0.04	0.027

Traded at previous rates (12)
Shares: UCBL, BTC, Ambee Pharma, Kohinoor Chemical, Pharma Aids, The Ibsina, Eagle Box, Desh Garments, Modern Daring, Apex Tannery, Chittagong Cement, GQ Ball Pen.

DSE SHARES AND DEBENTURES

Company	FV/ML Tk		
BANKS (10)			
Al Baraka Bank	1000/1	1115.00	
A.B. Bank	100/5	215.00	
City Bank	100/5	305.00	
LF.I.C	100/5	165.00	
Islami Bank	1000/1	1490.00	
National Bank	100/5	110.00	
Pubali Bank	100/5	102.00	
Rupali Bank	100/10	100.00	
U.C.B.L	100/5	124.00	
Uttara Bank	100/5	124.00	
INVESTMENT (08)			
ICB	100/5	100.00	
1st ICB M.Fund	100/5	400.00	
2nd ICB Fund	100/5	200.00	
3rd ICB M. Fund	100/5	150.00	
4th ICB M. Fund	100/10	148.00	
5th ICB M. Fund	100/10	103.00	
6th ICB M. Fund	100/10	80.04	
ICB Unit Cert.			
Sales Price	112.00		
Re-purchase	107.00		
INSURANCE (04)			
Jute Spinner	100/5	81.00	
Mutual Jute	100/5	105.00	
Northern Jute	10/50	N.T.	
Shamser Jute	100/5	100.00	
Specialized Jute	10/50	N.T.	
Shine Pakur Jute	100/5	95.00	
Sonali Aansh	100/5	96.00	
PHARMACEUTICALS & CHEMICALS (17)			
Ambee Pharma	10/50	19.00	
Bangla Process	100/5	66.00	
BCL	100/10	200.00	
Beximco Pharma	100/5	353.00	
Glaxo	10/50	125.00	
ICI	10/50	10.00	
N Polymer	100/10		
Kohinoor Chemical	100/5	95.00	
Petro Synthetic	10/50	17.50	
Pfizer	100/5	110.00	
Pharma Aids	100/5	210.00	
Pharmaco	100/5	60.50	
Progressive Plastic	100/5	81.00	
Reckitt & Colman	10/50	110.00	
Rahman Chemicals	100/10	44.33	
Theapeutics	100/5	100.00	
The flusina	100/10	101.00	