

# Improper credit delivery responsible for huge loan default: Saifur

Finance Minister Saifur Rahman Monday reprimanded bank managements for shifting onto politicians the responsibility of huge loan default and categorically blamed "corruption and incompetence" in credit delivery for the situation, reports UNB.

cent cases, bank officials who cleared those default credits could be out on trial.

no longer be tolerated. The government will henceforth be "tough" in management, he said.

after the banking sector, observed that wrong evaluation of credits and corruption in credit delivery had been the major reasons for huge loan default.

## DCCI team calls on President

A 13-member delegation of the Dhaka Chamber of Commerce and Industry led by its president M Younus called on President Abdur Rahman Biswas at Bangabhaban in Dhaka on Sunday, reports UNB.

The delegation apprised the President about their different problems and sought his cooperation in this regard, said a hardout.

President Biswas said that independence could be meaningful, only through achieving country's economic and political stability.

He said despite resource constraints the prosperity could be attained by concerted efforts of all by overcoming various difficulties faced by the nation.

During the meeting, Biswas, also discussed about the possible ways towards the improvement of trade and commerce in the context of regional countries.

Call money rate ranges from 8 to 11.50 pc

Money rates in the call money market during the week which ended on August 5 ranged from eight per cent to 11.50 per cent, a Bangladesh Bank press release said on Sunday, reports BSS.

During the same week interest rates offered by the bank on certificate of deposits varied from seven per cent to 14.00 per cent.

The bank rate however, remained unchanged at 8.50 per cent, the press release added.

Bundesbank's monetary policy comes under criticism

BERLIN, Aug 9: Major German Economic Research Institute DIW on Wednesday blasted the recent tightening of monetary policy by the Bundesbank, saying it constituted a barrier to investment, reports AFP.

In a report on business conditions, the institute said that the tightening, in the form of a 0.75 per cent hike of the central bank's discount rate to 8.75 per cent on July 16 to the highest level since the 1920s, was "clearly exaggerated."

It said that "this means that investments are penalized and held back, at a time when economic stability (of Germany) is in no way threatened. This policy leads to an increasing extent to an impasse, since only investments in the final



Nazmul Ahsan Khaled, Chairman, Board of Directors of Peoples Insurance Company Limited presiding over the 7th Annual General Meeting of the company on August 5.

## Tk 30.65 cr sanctioned for uplift in 6 districts

FARIDPUR, Aug 9: The government has sanctioned Taka 30 crore and 65 lakh for infrastructure development of six districts under Rural Development Programme-4 (RDP-4) of Local Government Engineering Bureau (LGEB). The districts are Faridpur, Rajshahi, Gopalganj, Madaripur, Shariatpur and Kurigram, reports BSS.

The project director said that the development projects include construction of 40 kilometres HBB road, 21 bridges, four culverts.



Mrs Ashraf Ali, Sales Development Manager, Ghazi Salah Uddin, Sales Executive, Mike Osborn, Manager, Captain Penman of British Airways accompanied the top ten recipients of British Airways award on trip to Bombay.

## Franco-Russian food for oil barter back on track

PARIS, Aug 9: A long delayed government guaranteed Franco-Russian food for oil barter deal, involving meat and sugar, is back on track, a French Finance Ministry official said, reports Reuter.

The first shipments (food to Russia) should start after the summer, if we manage to sign the deal within the next few weeks," he said.

A spokesman for French oil company, total involved in the deal, confirmed the barter had been revived but said that its financial set-up was still not completed.

Earlier this month, Russia unblocked the deal by giving guarantees that dollar 170 million of oil would be shipped to France under the barter, the French government official said.

But the final signature of the deal is still held up by French commodity traders who are renegotiating the price of the food contracts, due to the dollar's recent sharp fall, he said.

The French government is waiting for the results of talks between French traders and Russian agency Prodintorg before it gives its co-face guarantee and schedules oil shipments, he said.

"I'm waiting for the results of these talks between food exporters and their Russian counterparts," he said.

## Intra-Asian trade on increase

SINGAPORE, Aug 9: Intra-Asian commerce is growing, boosting international trade within the economically robust Pacific basin region, the Pacific Economic Cooperation Council (PECC) said in a report released on Thursday, according to Reuter.

PECC, a tripartite organisation representing government, business and academic leaders from 20 nations, said the basin was set to remain the world's most economically dynamic

area in the future and exports were expected to grow strongly.

"Exports are expected to grow about 7.5 per cent a year in real terms, about twice the rate of growth of GDP" the report for 1992-1993 said.

PECC forecast China, Hong Kong, Indonesia, South Korea, Malaysia and Thailand would report year-on-year export growth of more than 10 per cent in both 1992 and 1993, some as high as 18 per cent af-

ter similar growth in 1991.

But growth in aggregate imports in the Pacific region was not very strong in 1991 because of a 2.6 per cent fall in Japan's imports and a poor 0.3 per cent US import growth.

"The robustness of international trade in the region was thus the result of trade among ASEAN countries, the Asian newly industrialising economies South Korea, Taiwan, Hong Kong and Singapore and China."

## Focus on garments & textile industries-II

# Fresh taxes to hit export hard

By Inam Ahmed and Masud Hasan Khan

The workers' wage and other costs.

The garment industry representatives view that the government should take immediate steps to help develop garments sector in a vigorous way in view of the new challenges arising out of the Uruguay Round Talks.

The 1210 garment factories registered with the BGMEA every year use more than 650 million square meters of fabrics worth US dollar 600 million.

The industry expect to earn Taka 43 billion by June, Taka 47 billion by September and 51 billion by December, 1992, a BGMEA export projection said.

"The government and the private sector should now invite foreign investment in the composite textile sector," the

BGMEA President suggested.

The garment sector leaders believe that this would be the only way to supply local quality fabrics to the garments industries at a competitive price.

They suggest that the government should provide adequate financial support for the growth of the composite textile sector.

In this respect the government should relax the debt-equity ratio for better response from the private entrepreneur, they point out.

The garment export grew from merely Taka 0.14 billion in 1981-82 to Taka 45 billion in ten years of time. During 1984-85 the export rose to Taka 3,004 billion from 0.77 billion the previous year.

The higher fixation of CM ratio would force Bangladesh to lose high quality garment market as well as the low quality market, the exporters said.

"We had gained expertise in high quality cloth production," Mosharrar Hossain said, "but the buyers are not interested to pay high price for the same CM used for low quality clothes."

As a result, the buyers will go to Cambodia or Vietnam where such regulations do not make the CM charge high, garment unit owners observed.

The export of Bangladesh garment industry accounted for close to 60 per cent of the country's total export. It is the only sector which exceeded its export target by Taka 500 crore in 1992.

The additional economic activities generated by the garment industry are: employing more than six lakh skilled and half-skilled workers of the country including transport, shipping, packaging, real estate and hotel sectors.

## Shipping Intelligence

### Chittagong Port

Berth Position and Performance of Vessels as On 09.08.92

| Berth No | Name of Vessels  | Cargo  | L Port Call | Local Agent | Date of Arrival | Date of Leaving |
|----------|------------------|--------|-------------|-------------|-----------------|-----------------|
| J/1      | Margilan         | GI     | Sing        | Prog        | 7/8             | 15/8            |
| J/3      | Armas            | GL     | Mong        | OWSL        | 6/8             | 16/8            |
| J/4      | Ocean Earth      | Cement | Sing        | Sunshine    | 19/7            | 10/8            |
| J/5      | Semudra Raj      | Idle   | Kara        | SSL         | 18/7            | 10/8            |
| J/7      | Silver Lake      | GI     | Mong        | Prog        | 6/8             | 12/8            |
| J/8      | Kwan Mo Bong     | Urea   | Mong        | Seacom      | 5/8             | 12/8            |
| J/12     | New Genlord      | Cont   | Sing        | BDSHP       | 5/8             | 9/8             |
| MPD/1    | Optima           | Cont   | Sing        | RSL         | 6/8             | 10/8            |
| CCJ      | Samudra Samrat   | Repair | Col         | SSL         | 1/7             | 15/8            |
| TSP      | Bryarokyt        | Repair | Col         | SSL         | 1/7             | 15/8            |
| RM/4     | Long Khan        | Cement | Sing        | Bright      | 30/7            | 11/8            |
| RM/8     | Nan Du Jiang     | Cement | Chin        | MSA         | 25/7            | 9/8             |
| RM/9     | Banglar Sompad   | Repair | -           | BSC         | R/A             | 20/8            |
| DOJ      | Banglar Shourabh | Repair | -           | BSC         | R/A             | 10/8            |
| DDJ/1    | Endurance Sea    | Repair | Arqiba      | ECSL        | 25/1            | 15/8            |
| DDJ/2    | Banglar Beari    | Repair | -           | BSC         | R/A             | 12/8            |

### VESSELS DUE AT OUTER ANCHORAGE

| Name of Vessels     | Date of Arrival | Last Port | Local Agent | Cargo   | Loading Port |
|---------------------|-----------------|-----------|-------------|---------|--------------|
| Fong Shin 25/7      | 10/8            | Sing      | BDSHP       | Cont    | Sing         |
| Banglar Gatab       | 10/8            | Mong      | BSC         | Urea    | -            |
| Al Mohammod         | 10/8            | Mong      | KSL         | Urea    | -            |
| Flying Dragon       | 10/8            | Mong      | USTC        | Cement  | -            |
| Artemis-1           | 10/8            | -         | Bright      | Cement  | -            |
| Vishva Abha         | 11/8            | Mong      | SSL         | GL      | Odesa        |
| Bellatrix           | 11/8            | Mong      | MMI         | -       | B Abbas      |
| South Shields       | 11/8            | -         | KSL         | -       | -            |
| Stonewall Jackson   | 11/8            | -         | Karna       | GI      | New York     |
| Andromache 26/7     | 11/8            | Col       | RSL         | Cont    | Mong Col     |
| Pearl Ore           | 11/8            | Karna     | Cross       | Bitumin | -            |
| Yao Sheng           | 12/8            | Sing      | Bright      | -       | -            |
| ONYX                | 12/8            | Mong      | Aqua        | GL      | Doula        |
| Petr Starostin 27/7 | 12/8            | Sing      | CT          | Cont    | Sing         |
| Kota Buana 12/8     | 12/8            | Sing      | CTS         | Cont    | Sing         |
| Orange Berini       | 12/8            | -         | BWA         | GI      | -            |
| Mizoram             | 14/8            | Col       | SSL         | GI      | E Japa       |
| Fong Yun 1/8        | 14/8            | Mong      | BDSHP       | Cont    | Sing         |
| Safina-e-Haider     | 15/8            | Kara      | ASLJ        | GI/GL   | Karachi      |
| Andrian Goncharov   | 27/7            | -         | CT          | Cont    | Sing         |
| Miramir             | 15/8            | Mong      | KSL         | GL      | Port Sudan   |
| NGS Ranger 5/8      | 17/8            | Sing      | BDSHP       | Cont    | Sing         |
| Kota Eagle (Cont)   | 8/8             | -         | CTS         | Cont    | Sing         |
| Ultra Sea           | 19/8            | New Orle  | Lams        | Wheat   | -            |
| Banglar Shobha      | 19/8            | Pena      | BSC         | GI      | -            |
| Ever Cheer 8/8      | 19/8            | Sing      | BDSHP       | Cont    | Sing         |
| Hafes 26/7          | 20/8            | Mong      | SSL         | E/L     | B Abbas      |
| Ivyverett           | 20/8            | -         | EBPL        | GI      | Japa Fe      |
| Vishva Pallav       | 22/8            | -         | SSL         | GL      | Dundee Ant   |
| Mehedint            | 25/8            | Col       | BSC         | GI      | -            |
| Caribos Explorer    | 25/8            | Stock     | Alamin      | Wheat   | -            |

### TANKER DUE

Nil

### VESSELS AT KUTUBDIA

| Name of Vessels | Cargo | Last Port | Local Agent | Date of Arrival |
|-----------------|-------|-----------|-------------|-----------------|
| T T Energy      | COil  | Col       | NNL         | 27/4            |
| Summit Venture  | Wheat | Vanc      | Ancient     | 5/8             |
| Banglar Aaha    | Wheat | -         | BSC         | R/A             |

### VESSELS AT OUTER ANCHORAGE

#### READY ON

| Name of Vessels | Cargo  | Last Port | Local Agent | Date of Arrival |
|-----------------|--------|-----------|-------------|-----------------|
| Karabievrett    | GI     | Sing      | EBPL        | 8/8             |
| Fresh Ocean     | Cement | Sing      | USTC        | 5/8             |

#### VESSELS NOT READY

| Name of Vessels | Cargo  | Last Port | Local Agent | Date of Arrival |
|-----------------|--------|-----------|-------------|-----------------|
| Hang Shing      | Cement | Sing      | H & H       | 22/7            |
| Hansa           | Cement | Col       | Bright      | 4/8             |

#### VESSELS AWAITING INSTRUCTION

| Name of Vessels | Cargo | Last Port | Local Agent | Date of Arrival |
|-----------------|-------|-----------|-------------|-----------------|
| Banglar Jyoti   | -     | -         | BSC         | R/A             |

#### VESSELS NOT ENTERING

| Name of Vessels | Cargo     | Last Port | Local Agent | Date of Arrival |
|-----------------|-----------|-----------|-------------|-----------------|
| Alyn            | Cement    | Sing      | Lamin       | R/A             |
| Nchaj           | Scrapping | Col       | UMAL        | 10/8            |
| Golden Gate     | Fert      | Tampa     | SSST        | 3/8             |

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 9

| Item                       | (Taka per kg) | NA            |
|----------------------------|---------------|---------------|
| RICE                       | 16.00-17.00   |               |
| Amardfine                  | 13.50-14.00   |               |
| Pujan                      | 10.00-11.00   |               |
| VEGETABLES                 |               |               |
| Brinjal                    | 8.00-12.00    |               |
| Kumola                     | 9.00-11.00    |               |
| Laishak                    | 4.00-6.00     |               |
| Pepya                      | 6.00-8.00     |               |
| Green Banana (Four Pieces) | 4.00-6.00     |               |
| OTHER FOODGRAN             |               |               |
| Flour                      | 13.50-14.00   |               |
| Ario                       | 10.50-11.00   |               |
| FISH                       |               |               |
| Ruhi(big)                  | 170.00-190.00 |               |
| Kul(big)                   | 120.00-150.00 |               |
| Hilak                      | 65.00-75.00   |               |
| Pango                      | 120.00-135.00 |               |
| Shrimp(big)                | 90.00-100.00  |               |
| Sing                       | 130.00-140.00 |               |
| Koi                        | 14.00-150.00  |               |
| MEAT                       |               |               |
| Beef                       | NA            |               |
| Mutton                     | NA            |               |
| CHEESEN                    |               |               |
| Large                      | 62.00-64.00   |               |
| Moderate                   | 66.00-68.00   |               |
| Small                      | 70.00-72.00   |               |
| TEA                        |               |               |
| Dust (Plan)                | 70.00-80.00   |               |
| EGG                        |               |               |
| (4 pcs)                    | 13.00-14.00   |               |
| Han                        | 12.00-12.50   |               |
| Duck                       | 13.00-14.00   |               |
| Firm                       | 13.00-14.00   |               |
| PULSES                     |               |               |
| Mashur                     | 27.00-28.00   |               |
| Moogh                      | 30.00-32.00   |               |
| Chholo                     | 22.00-23.00   |               |
| Khasari                    | 14.00-15.00   |               |
| FRUITS                     |               |               |
| (One piece)                |               |               |
| Green Coconut (Small)      | 6.00-7.00     |               |
| Coconut (Large)            | 8.00-9.00     |               |
| One piece                  |               |               |
| Phenopie                   | 8.00-12.00    |               |
| Jackfruit                  |               |               |
| Banana:                    |               | (4 pieces)    |
| Sagar (Large)              |               | 12.00-14.00   |
| Champa                     |               | 3.00-4.00     |
| Dates                      |               | 45.00-50.00   |
| OIL                        |               |               |
| Mustard                    |               | 52.00-54.00   |
| Soybean                    |               | 38.00-39.00   |
| Coconut (Colombo)          |               | 85.00-95.00   |
| Vegetable Olee (1kg)       |               | 48.00-52.00   |
| SPICES                     |               |               |
| Onion (local)              |               | 10.00-10.50   |
| Garlic (local)             |               | 20.00-26.00   |
| Chillies (local)           |               | 30.00-40.00   |
| Turmeric (local)           |               | 45.00-50.00   |
| Green chillies             |               | 80.00-120.00  |
| Ginger                     |               | 18.00-20.00   |
| Cinnamon (10gm)            |               | 3.00-3.50     |
| Cardamom (10gm) (small)    |               | 7.00-8.00     |
| Ruiz (50 gms)              |               | 9.00-10.00    |
| MILK                       |               | (Two kgs)     |
| Dano                       |               | 306.00-307.00 |
| Red-Cow                    |               | 316.00-317.00 |
| MISCELLANEOUS              |               | (Taka per kg) |
| Cheese                     |               | 230.00-240.00 |
| Salt                       |               | 7.00-8.00     |
| Sugar                      |               | 27.00-27.50   |

## 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 August 9, 10 and 11.

| Currency           | Selling B.C. | T.T. (C) | Buying O.D. Transfer |
|--------------------|--------------|----------|----------------------|
| US Dollar          | 39.1326      | 38.9087  | 38.6339              |
| Poundsterling      | 75.4491      | 75.0932  | 74.6014              |
| DM                 | 26.6480      | 26.5172  | 26.3289              |
| FF                 | 7.8936       | 7.8453   | 7.7899               |
| S Riyal            | 10.4641      | 10.4042  | 10.3307              |
| D Outdiers         | 23.6679      | 23.5183  | 23.3522              |
| S Kroner           | 7.3454       | 7.2985   | 7.2450               |
| Singapore Dollar   | 24.3286      | 24.1894  | 24.0186              |
| Kuaf Dirham        | 10.6911      | 10.6299  | 10.5548              |
| UAE Dirham         | 134.3853     | 133.6194 | 132.6727             |
| Indian Rupee (AMU) | 1.5104       | 1.5025   | 1.4960               |
| Pak Rupee (AMU)    | 1.5523       | 1.5451   | 1.5374               |

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

## Dhaka Stock Prices

At the close of trading on August 9, 1992

Star Economic Report

### No bull in sight

Bears completely dominated the floor of Dhaka Stock Exchange (DSE) on Sunday. Number of shares transacted remained unchanged at 25. Of those, 16 were losers and nine were traded at previous quoted prices. There was no bull in sight.

Turnover in value terms increased to 1,775,505.00 from yesterday's 1,265,857.50, registering a rise of 40.26 per cent, while in volume term it increased to 19,701 from 13,455, a rise of 46.42 per cent.

Market capitalisation fell from 10,173,425,315 to 10,123,685,765. DSE Composite Index also shed 1.7409 and stood at 354.3243.

### THE DAY'S TRADING AT A GLANCE

| Company                    | FV/ML  | Previous day's price | Closing Price  | Change (absolute) | Change (% over previous price) |
|----------------------------|--------|----------------------|----------------|-------------------|--------------------------------|
| DSE All Share Price Index  |        |                      | 354.3243       |                   |                                |
| Market Capitalisation (Tk) |        |                      | 10,123,685,765 |                   |                                |
| Turnover in Value (Tk)     |        |                      | 1,775,505.00   |                   |                                |
| Turnover (in volume)       |        |                      | 19,701         |                   |                                |
| Company                    | FV/ML  | Previous day's price | Closing Price  | Change (absolute) | Change (% over previous price) |
| Losses (16) Shares:        |        |                      |                |                   |                                |
| Froglegs Export            | 10/50  | 5.50                 | 3.00           | 2.50              | 45.454                         |
| Monospool Paper            | 100/5  | 102.00               | 90.00          | 12.00             | 11.764                         |
| Rupali Bank                | 100/10 | 100.00               | 90.00          | 10.00             | 10.00                          |
| Modern Dying               | 100/5  | 43.50                | 41.00          | 2.50              | 5.747                          |
| G Q Ball Pen               | 10/50  | 76.00                | 73.00          | 3.00              | 3.947                          |
| BD Thai Aluminium          | 100/10 | 108.00               | 102.50         | 5.50              | 5.092                          |
| Chittagong Cement          | 100/5  | 344.11               | 333.92         | 10.19             | 2.961                          |
| Zeal Bangla Sugar          | 10/50  | 14.50                | 14.10          | 0.40              | 2.759                          |
| Satham Textile             | 100/10 | 83.00                | 81.00          | 2.00              | 2.410                          |
| Quasem Drycell             | 10/50  | 10.50                | 10.25          | 0.25              | 2.381                          |
| Ctg Vegetable              | 100/10 | 99.00                | 97.00          | 2.00              | 2.020                          |
| Renwick Jaineswar          | 100/5  | 86.62                | 87.00          | 1.62              | 1.826                          |
| Green Delta                | 100    |                      |                |                   |                                |