

### Tk 1,059.24 cr earned from gas sector

The earning from gas and condensate sales stood at Tk 1,059.24 crore during 1992-93 fiscal year, Energy Minister Dr Khondaker Mosharraf Hossain told Parliament yesterday.

In a written answer to Salahuddin Kamran (BNP) during the question hour, the Minister said that unrealised gas bills in 1992-93 fiscal year were estimated at Tk 328.27 crore till May, 1993.

Replying to another question, the Energy Minister said that gas will be supplied to some 13 thanas during the current fiscal year.

The thanas are: Kotwali (Kishoreganj), Bhaluka and Trishal (Mymensingh), Kotwali (Jamalpur), Golapanjari and Fenchuganj (Sylhet), Luxmipur (Luxmipur), Matlab (Chandpur), Barua (Comilla), Rangunia and Fatikchhari (Chittagong), Ramghar (Khagrachhari) and Peni thana of Feni district.

### Turkey's budget deficit may shoot up

ANKARA, July 9: Turkey's 1993 budget deficit may shoot up to 150 trillion lira, nearly triple the budget's target value, Prime Minister Tansu Ciller said, reports Reuters.

Turkey's 398 trillion lira 1993 budget envisages a deficit of 53.3 trillion lira compared with 43.6 trillion lira in 1992.

"After meetings we have had on the economy, there is pressure that the budget deficit may be 150 trillion lira," she was quoted by Anatolian News Agency as telling her party.

Turkey's budget deficit in the first four months of this year was 35.8 trillion lira, compared with 31.7 trillion at end-March and 11.5 trillion in the same 1992 period.

"We have to find new resources. We have to get rid of pressures from interest rates. Ciller said. One year deposit rates ranged from 61 to 80 per cent. Inflation in the year to June stood at 67.2 per cent.

Her two-week-old coalition government pledged to speed up privatisation of loss making state economic enterprises, major source of budget deficits. Their deficits are expected to be 69.1 trillion lira this year.

Officials from the Turkish treasury earlier said a budget deficit of less than 100 trillion lira did not look possible.

## BCIC units' output rises

Five enterprises of Bangladesh Chemical Industries Corporation (BCIC) registered records exceeding their installed production capacity during the just concluded fiscal year, reports UNB.

All the BCIC enterprises together produced goods worth about Taka 1523.18 crore during 92-93 fiscal year marking a 12.9 per cent growth rate, said a press release Thursday.

Five fertilizer factories of Bangladesh Chemical Industries Corporation produced 20,08,780 metric tons of urea during the period which is 3,51,051 metric tons more than the previous year's (1991-92) production.

In 1992-93, Chittagong Urea Fertilizer Factory, Jamuna Fer-

tilizer Factory and Zia Fertilizer Factory earned Taka 182.13 crore in foreign exchange exporting 3,85,780 metric tons of urea.

Zia Fertilizer Factory produced 1,300 metric tons more urea than its installed production capacity of 5,28,000 metric tons.

Country's lone TSP Complex at Chittagong produced about 1,60,000 metric tons of TSP fertilizer as against its production capacity of 1,52,000 metric tons. The previous year's (1991-92) production of the complex was 1,35,567 metric tons.

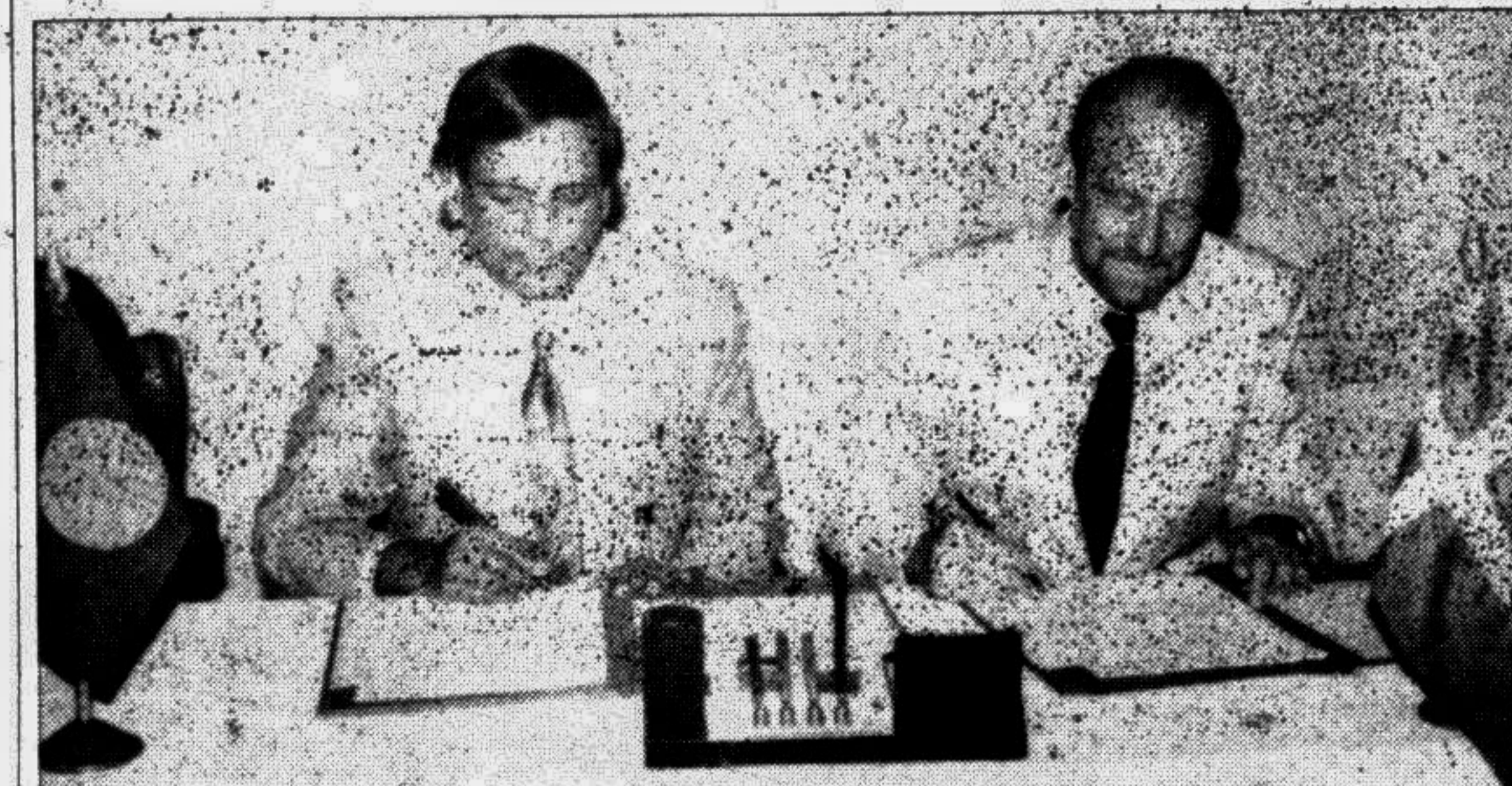
Polash Urea Fertilizer Factory produced 18,915 metric tons more than its installed capacity.

Karnaphuli Paper Mills produced 32,434 metric tons of paper as against its capacity of 30,000 while the Khulna Newsprint Mill produced 49,101 metric tons newsprint in place of its capacity of 48,000 metric tons.

Meanwhile, Bangladesh Insulator and Sanitaryware Factory (BISF) produced 1,01,355 sq metre of tiles and 2,327 metric tons sanitaryware during the period.

Lira Industrial Enterprises at Tongi produced 622 metric tons of PVC pipe in 1992-93 as against 409 metric tons of 1991-92.

In 1991-92, the enterprises of the BCIC produced goods worth about Taka 1355.28 crore.



Md Sirajul Islam, Joint Secretary, Economic Relations Division, Ministry of Finance and Niels Nielson, Charge d' Affairs of Danish Embassy in Dhaka signed two agreements on Thursday under which Bangladesh will receive from Denmark about Tk 19.78 cr as grant. — PID photo

### Israeli businessman plans big investment in India

NEW DELHI, July 9: Israeli businessman Shaul Eisenberg is planning to invest between 500 million and one billion dollar in the power, agriculture and telecommunications sectors in India. The Economic Times newspaper reported Friday, says AFP.

Eisenberg is the Chairman of Israel Corp Ltd, which has an annual turnover of 2.5 billion dollar in Israel alone.

He flew into New Delhi Sunday and met with the ministers for power, finance, agriculture and telecommunications.

In an interview with the newspaper, Eisenberg said he was impressed with the economic reforms in India and had already decided to invest 100

million dollar in a power project. Eisenberg will be the first Israeli businessman to make a major investment in India since the resumption of diplomatic ties between the two countries in January 1992, the Financial daily said.

"I am very happy to be here to do business, make joint ventures and work here on a long-term basis," the newspaper quoted him as saying.

For the past few years, the worldwide Eisenberg Group of companies has had links with Indian industry.

"I want to expand my business here. Our existing office will be soon enlarged," he added.

### 1200 seek 'golden handshake' in Food Dept

In response to the government's voluntary retirement programme 'golden handshake', nearly 1200 officials and employees of the Food Department have offered retirement, reports UNB.

Sources in the Food Ministry said the authorities have already granted retirement to some 1100 applicants.

They, however, said shortage of fund was hampering the voluntary retirement programme, creating discontent among the beneficiaries.

An estimated Tk 38 crore will be needed to pay the retirement benefits to the applicants while the Ministry of Finance has so far disbursed only Tk 15 crore.

## Indian experience of capital market reforms can benefit us

By K M Adnan Masud

Strategies to invite substantial public investment in areas like energy, transport, communications etc. over the last decade had helped the Indian economy a great deal. It yielded a reasonably good infrastructural base following a series of steps taken on the fronts of industrial and trade policy. Industrial growth had picked up significantly in the early 80's which paved the way for India's journey towards industrial growth.

Aspirations are already there for a double digit industrial growth in the present fiscal policy. Though the trends of BOP (balance of payments) and repayment of external debts do not appear bright, export is turning to be a promising sector. In fact, the underlying strength and revitalization of the economy could not be better demonstrated in any sector.

Though the country faced some big economic obstacles, as well as major internal problems, nonetheless it is expected that the growth target envisaged in the present fiscal plan would be achieved. In an endeavour to enable the Indian economy to move on to higher growth from a strong position the Indian government has not only consolidated its gains from the past investments but also increased the pace of investments by adopting several policies. These policies laid positive results in increasing productivity of investments. Even after that the government pressed on with investment, required to move onto an even higher growth path.

As India did not have any provision for huge external investments, much greater mobilisation of internal resources had taken place domestically. Couple of years back when the Indian national treasury failed to provide sufficient support for higher investment, the capital market came to its rescue.

Since then it adopted some policies to bring the treasury to a comfortable position for support to investments. After solving this investment crisis the Indian government focused on the live sectors of the economy and planned on their greater role in the economy. To give this plan a shape, it has already undergone several reforms aiming at a competitive industrial sectors. The results are already apparent in the attainment of a substantially higher industrial growth. The major focus of all these initiatives has been on procedural reforms of the whole gamut of regulations on industry and trade. Although many of these regulations had a role in guiding investments into desired directions in the early decades, these were becoming difficult to administer and somewhat counter-productive. Realising this Delhi has streamlined these regulations by delicensing a large number of industries, replacing quantitative restrictions on imports by tariffs and giving a policy thrust on export promotion. It has also attempted rationalisation of the tax system to some extent.

Since a large part of the industrial capital in India is in public sector, any attempt at raising productivity of investment could not be considered independent of restructuring and reorienting the public sector. So the government has initiated certain moves in this directions too and came to some sort of understanding with a few public sector enterprises about the reform plan. Contrary to our government, the Indian government could show the light of a healthy and orderly development of the capital market after all these steps. It enhanced the public confidence in the ability of the industry which is important for sustaining a high growth of investment and a faster growth of the economy.

Essentially there are three important features of a healthy and orderly capital market. First, the market should be broadbased in terms of investors, instruments and institutions. Secondly, it should be efficient enough in mobilising and allocating investible funds. Thirdly, it should be stable in prices of securities and should not exhibit undue volatility. The credibility of financial institutions and financial in-

struments is crucial to the operation of capital market because unlike most other markets it operates mainly on the basis of confidence. De-similar to commodity or real estate markets, transaction in this market involves exchange of money for paper instruments such as share scrip, debenture or deposit scrip.

Only a broad-based capital market is able to mobilise investible funds on an increasing scale. Such a market should have, with varying degrees, a risk return perception. It should also have a menu of financial instruments to cater to the tastes and performances of these investors in particular. This menu of instruments should have a judicious balance between debt and equity instruments. Finally, it should have an array of credible financial institutions or financial intermediaries who channel the communities savings to the deficit spending sectors through these instruments.

But we find in our country's perspective that trading establishments in Bangladesh don't use big capitals for conducting their business which refers to the lack of credibility of the entrepreneurs. The average of capital employed in a trading firm in the country was found to be Tk 71,647.39. About 78 per cent of the total number of traders invested capital upto one lakh taka and only 7.43 per cent had capital around two lakh taka. The number of firms with capital totalling between two lakhs to 1.5 lakhs was less than that with of two lakh taka.

Broadbased capital market is desired for achieving a number of distinct kinds of objectives. First, broadbased means that a larger proportion of the earning population would develop a greater stake in the assets of the country and it lead to a more equitable distribution of wealth and income. Secondly, the fact that current participants in the capital market of our country are predominantly just from the metropolitan cities suggests there is a vast potential to be tapped from the small towns and thanas. The prosperous rural areas are even untouched by the spread of the capital market. Hence broadbased capital market is essential for mobilising more financial savings for industrial investments. Thirdly, the inadequately developed capital market of Bangladesh inhibits the growth of mid-level industrialists.

The industrial sector in Bangladesh is characterised by a polypolar distribution of firm size. One the one hand there are large business houses who alone are capable of mustering large resources for investment. On the other hand, hundreds of small firms who have cropped up on account of government regulations, concessions and incentives. Both of these are, however, insufficient to meet the country's need for industrialisation. Moreover, under these circumstances, there is perhaps inadequate risk taking capitalists. The development of capital market must, therefore, be designed to engender a whole new breed of mid-level industrialists who may bring new technological and managerial capabilities to Bangladesh industries. Similarly, specific measures will have to be taken to encourage the entry of venture capital in the industrial sector.

It is against the backdrop that we should examine the inadequacy of the existing institutions, instruments and yield structures in the Bangladesh capital market, and the ground rules governing its functions. These issues should be addressed primarily from a long term perspective based on the diagnosis of other countries' experiences especially the neighbouring countries. The planners of our country thus can outline a set of recommendations which would go along in strengthening our capital market in the decades to come.

The Author is a final year graduate student at the University of Delhi, India.

## Dhaka eligible for subsidised US wheat

Bangladesh is one of 30 countries which will be eligible to purchase US wheat at prices established under the Export Enhancement Programme during the 1993-94 marketing year which began July 1, according to an announcement by the United States government, reports UNB.

The US government has taken the step in response to subsidised wheat sales by the European Community, says a USIS press release.

Bangladesh is eligible to purchase 800,000 metric tons of wheat under the Export Enhancement Programme. This is not an aid programme, but allows Bangladeshi wheat buyers to purchase wheat from US

suppliers at competitive prices. In order to ensure that America competes equally in the global market, the US government will provide an incentive to US wheat exporters. This will put US and European wheat on an equal footing in the market, the release said.

In announcing the programme, the US Department of Agriculture said it would provide clear evidence that the United States intends to remain competitive in world wheat trade. Farmers, exporters and foreign buyers will continue to have greater certainty about market opportunities, making the United States more reliable supplier.

## Shipping Intelligence

### CHITTAGONG PORT

Berth position and performance of vessels as on 8-7-93

Berth No.	Name of Vessels	Cargo	L. Port Call	Local Agent	Date of Arrival	Leaving
J/1	Apple Blossom	Caracases	Jedd	LTL	2/7	9/7
J/2	Banglar Kiran	Repair	—	BSC	R/A	12/7
J/3	Sam Hac.	GI	Hong	Sea-	27/6	22/7
J/4	Banglar Sampad	Repair	—	BSC	R/A	12/7
J/5	Agra	Cement	Long	PSAL	12/6	12/7
J/6	Ronjay Choomie	Cement	Sing	USTC	2/6	15/7
J/7	Pearl one	Urea	Rang	Cross	6/7	12/7
J/8	Efstrates-G	Idle	Ant	BSL	20/5	11/7
J/9	Mafy-M	M. Seeds	Pena	USTC	30/8	12/7
J/11	Portatissa	Urea	—	Umal	R/A	11/7
MPB/1	NGS Express	Cont	Sing	BDShip	5/7	8/7
MPB/2	Eagle Breeze	Cont	Sing	Ula	7/7	10/7
CCJ	Vishva Mamta	C. Clink	Visa	Umal	5/7	16/7
GSJ	Nomadic Querida	Wheat (G)	Sing	Lams	30/6	8/7
TSP	Orsha	Idle	Sing	USTC	6/5	11/7
RM/4	Akademik Semanov	CDSO	RIO	Royal	5/7	11/7
RM/5	Nezabudka	Cement	Sing	USTC	2/7	8/7
DOJ	Banglar Jyoti	C.Oil	—	BSC	R/A	9/7
DD	Banglar Shobha	Repair	Mong	BSC	23/6	11/7
DDJ/1	Barge Labroy-90	GI	Sing	Ila	31/1	7/8
DDJ/2	Banglar Asha	Repair	—	BSC	R/A	15/7

### VESSELS DUE AT OUTER ANCHORAGE

Name of vessels	Date of Arrival	Last port Call	Local Agent	Cargo	Loading Port
Sam Houston	9.7.93	—	Karna	GI	SA. New
Mandalay	9.7.93	Yang	MTA	—	—
Samudra Samrat	9.7.93	Mong	SSL	—	—
NGS Ranger	10.7.93	Sing	BDShip	Cont	Sing
Rafah	9.7.93	Niko	Dynamic	M. Seeds	—
Banglar Moni	9.7.93	Sing	BSC	Cont	Sing
Cherry Blossom	9.7.93	—	LTL	—	—
Banglar Maya	10.7.93	Mak	BSC	GI	—
Optima	11.7.93	Sing	BSL	Cont	Sing
Mukachevo	10.7.93	—	USTC	Cement	—
Kabirdas	10.7.93	Mad	SSL	E/L	Dundee.
Vishva Shobha	11.7.93	Bomb	SSL	GI/GL	Harb
Meng Klat	11.7.93	Sing	AML	Cont	Assal
Andrian Goncharov	11.7.93	Sing	CT	Cont	Sing
Vishva Parimal	12.7.93	Mad	SSL	GI	—
Parkita Ocean	12.7.93	—	BSL	GI	—
Kota Buana	12.7.93	—	CTS	Cont	Sing
Boris Lavrenyov	12.7.93	—	USTC	GI	—
Lanka Mahapola	15.7.93	Mong	RSL	Cont	Col
Banglar Robi	15.7.93	Sing	BSC	Cont	Sing
Sound Royal	16.7.93	—	BB	GI	—
Petr starostin	17.7.93	—	CT	Cont	Sing
Fong Shin	17.7.93	Sing	BDShip	Cont	Sing
Dancing Sater	19.7.93	Kand	OWSL	Cont	Sing
Golden Union	25.7.93	—	OWSL	GL	D.E. Seiam
Neptune Iris	11.7.93	—	MSA	Pulses	—

### TANKER DUE

Nil

### VESSELS AT KUTUBDIA

Name of Vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Banglar Kallol	Wheat(G)	Cal	BSC	R/A
Meng Lee	—	Col	AML	7/7
Simara Express	SPL	Col	OWSL	8/7
Baltico	L. Oil	Rije	ECSL	8/7
Ingenuty	Cont	Col	BSSA	9/7

### VESSELS READY

Ready on:

Name of Vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Chipam	Cement	Titiz	USTC	14/4

### MOVEMENT OF VESSELS FOR 9.7.93 & 10.7.93

Outgoing	Incoming	Shifting
9/7	—	—
J/1	Apple Blossom	Cuff, Mandalay
J/12	Meng Lee	Doj. B. Jyoti
DOJ	B. Shourabh	—
10/7	—	—
J/13	Simara Express	DOJ. B. Shourabh
MPB-2	Eagle Breeze	MPB-1
MPB-1	Ingenuty	J/3 Sam Hac to J/12
RM-6	Baltico	B. Moni
DOJ	B. Jyoti	—

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

## Exchange Rates

The following are the Commercial Banks' BC selling and TT (C), OD transfer buying rates for some selected foreign currencies effective on July 9 and 10.

Currency	Selling		Buying OD Transfers
	B. C.	T. T. (C)	
US Dollar	39.9326	39.7087	39.4586
Pound Sterling	59.6185	59.3054	58.9478
DM	23.4033	23.2555	23.1072
FF	6.9177	6.8754	6.8315
S Riyal	10.6740	10.6142	10.5465
D. Guilders	20.8380	20.6924	20.5605
S. Kroner	5.0870	5.0553	5.0230
Singapore Dollar	24.6224	24.4843	24.3283
UAE Dirham	10.9016	10.8405	10.7714
Kuwait Dinar	133.1513	132.4047	131.5608
Indian Rupee (AMU)	1.2721	1.2664	1.2601
Pak Rupee (AMU)	1.4656	1.4591	1.4518

Authorised dealers will apply T T clean buying rate for purchase of remittances of Bangladesh working abroad.

## Dhaka Stock Prices

Weekly comparison: At the close of tradings on June 30 and July 8, 1993

Company	FV/ML*	1992-93			
		June 30	July 8	High	Low
<b>BANKS (12)</b>					
Al Baraka Bank	1000/1	900.00	900.00	1150.00	850.00
A.B Bank	100/5	190.00	190.00	215.00	165.00
City Bank	100/5	355.00	355.00	355.00	268.00
Eastern Bank	100/20	110.00	110.00	110.00	110.00
IDLC Ltd	100/20	225.88	224.30	242.00	215.00
IFIC	100/5	180.00	182.30	190.00	150.00
Islami Bank	1000/1	1300.00	1308.37	1750.00	1300.00
National Bank	100/5	100.00	99.13	122.50	90.00
Pubali Bank	100/5	100.00	100.00	105.00	90.00
Rupali Bank	100/10	70.00	70.00	106.00	69.00
U.C.B.L	100/5	91.00	90.00	125.00	90.00
Uttara Bank	100/5	88.00	103.00	135.00	87.00

<b>INVESTMENT (08)</b>					
ICB	100/5	100.00	100.		