

Insurance companies facing clamour for reforms in India

BOMBAY, Aug 23: India's state-owned insurance companies, which have grown in the absence of competition, are facing an increasing clamour for reforms, reports AFP.

The private sector is lobbying hard for entry into the lucrative business as it waits for a government-appointed expert panel to recommend steps to create a modern, competitive, efficient and profitable insurance industry.

The United States, meanwhile, is pressuring India to allow entry to foreign insurance companies, arguing that barring them access to the huge market is an unfair trade practice. It has the support of the private sector here.

"Privatisation and more competition is necessary in the insurance business," the Indian merchants chamber, one of the country's oldest trade bodies, said in a submission to the expert panel.

"Foreign insurance companies also should be allowed to operate," it said.

Pradeep Shah, a banking and finance expert, said in an interview there was no reason to keep the insurance sector closed at a time when India is opening up its economy.

"When all other sectors, including banking, have opened up, insurance should not be kept under public sector control," he said. Privatisation today can play a crucial role in upgrading the status of the insurance sector.

"It would augment efficiency and improve customer service by limiting trade unionism," he said.

The 245 life insurance companies were the first to be nationalised in 1956 when New Delhi embarked on a socialist economic programme reversed by the market reforms begun in 1991.

They were merged into the Life Insurance Corp. of India (LIC). Indians today hold LIC policies worth 41.6 billion dollars. Last year 9970000 Indians insured their lives.

In 1972, the government nationalised the 107 general insurance companies. The business is controlled by four major companies which are supervised by the General Insurance Corp.

Industry complains the heavily unionised insurance sector has become fat, complacent, unaccountable, unprofessional and inefficient in the decades of protectionism.

Claims are rarely settled without long delays and paperwork, and premiums are high.

Former central bank governor R.N. Malhotra, who heads the expert panel, said in New Delhi on Friday that customers felt insurance companies were

highly bureaucratic, beset by red tape and had a poor work ethic.

The present central bank chief, Chakravarty Rangarajan, has stressed the need for "a solid and wide range" of services, such as export credit and crop insurance schemes, saying they were now inadequate and lacked sophistication.

Industry says privatisation and competition is the answer, but the powerful labour unions are determined to prevent it.

A V Nachane, General Secretary of the LIC employees Federation, said the private sector would ignore "social obligations."

The union is strongly opposed to proposals to permit foreign insurers to operate in India, maintaining the solution lies in toning up the state-owned firms and giving them autonomy.

Show of Bangladeshi products opens in Japan today

A 27-day single country exhibition of Bangladeshi products opens in the Japanese city of Kobe from today (Tuesday), says a press release.

The exhibition will continue till September 29.

The Export Promotion Bureau (EPB) has organised the exhibition in cooperation with Bangladesh Mission in Japan and JETRO.

The products to be exhibited include jute goods, readymade garments, handicrafts, hostery products, specialised textiles, cane and bamboo products,

toys, leather and leather products including shoes, Nakshi Kantha, jamdani and silk sarees, video cassette and Disket etc. Apart from the participating companies, various products from other companies have also been included in the list of exhibits.

Representative from seven-teen exporting firms have already left for Japan with their products to participate in the exhibition. Golam Mohtuddin, Asstt. Director, EPB is leading the participants as Pavilion Director.

Dhaka Stock Prices

At the close of trading on August 23, 1993

Turnovers fall

Turnovers on Dhaka Stock Exchange (DSE) fell on Monday while index made a little gain.

Turnover in volume term dropped to 6860 issues from 10957 showing a decline of 37 per cent. Turnover in value decreased to Tk 699952.10 from Tk 1013792.50, a loss of 30.957 per cent.

The DSE All Share Price Index increased slightly. It advanced to 412.2091 from 412.1253, a rise of 0.083 point.

A total of 37 stocks were traded on the floor as against Sunday's 30. Of these, 16 lost, 13 traded at previous rates while eight others gained.

DAY'S TRADING AT A GLANCE

DSE Share Price Index	412.2091
Market Capitalisation	15480030148.29
Turnover in Volume	6860
Turnover in Value (Tk)	699952.10

Company's name	Previous price Tk	Closing price Tk	Change (absolute) Tk	Change (% over price)	Number of shares sold
Gains (08)					
UCBL	80.00	84.88	4.88	6.100	17
Paper Processing	15.00	15.25	0.25	1.666	10
BD Oxygen	73.00	78.86	5.86	8.044	525
Islami Bank	1405.00	1420.00	15.00	1.067	06
Monno Ceramic	280.67	282.00	1.33	0.473	15
Cig Cement	179.00	180.00	1.00	0.558	20
Apex Footwear	175.61	175.90	0.29	0.165	1300
Debiture:					
Bestmco	1955.00	1960.00	5.00	0.255	11

Company's name	Previous price Tk	Closing price Tk	Change (absolute) Tk	Change (% over price)	Number of shares sold
Losses (16)					
2nd ICB M Fund	185.00	165.00	-20.00	-10.810	160
5th ICB M Fund	97.00	87.00	-10.00	-10.309	290
3rd ICB M Fund	157.00	146.00	-11.00	-7.006	100
4th ICB M Fund	157.00	146.00	-11.00	-7.006	20
Aftab Automobiles	179.00	173.00	-6.00	-3.351	300
Bata Shoe	41.99	41.36	-0.63	-1.500	1000
Howlader PVC	102.25	101.00	-1.25	-1.222	10
Bestmco Infusion	235.50	233.00	-2.50	-1.061	10
Quasem Drycell	9.80	9.70	-0.10	-1.020	50
Thal Aluminium	79.00	78.25	-0.75	-0.949	30
BD Autocars	58.50	58.03	-0.47	-0.808	180
Saham Textile	82.50	82.05	-0.45	-0.545	250
Tallu Spinning	96.02	95.50	-0.52	-0.541	50
6th ICB M Fund	57.50	57.25	-0.25	-0.434	100
Bengal Food	117.00	116.54	-0.46	-0.393	205
Padma Textile	165.00	164.63	-0.37	-0.224	40

Traded at previous rates (13)

Shares: City Bank (5), Atlas Bangladesh (50), Eastern Cables (1045), Monno Jute (10), Renwick Jajneswar (25), Zeal Bangla Sugar (400), Ashraf Textile (266), Desh Garments (10), Ambee Pharma (200), Bestmco Pharma (5), Kohiroor Chemical (35), Ibsina (35), Apex Tannery (100).

DSE SHARES AND DEBENTURES

Company	FV/ML (Taka)	Closing Rate (Taka)	Northern Jute	Shamshir Jute	Specialised Jute	Shine Pakur Jute	Sorali Aarsh
BANKS (12)							
Al Baraka Bank	1000/1	800.00	10/50	NT			
A.B. Bank	100/5	200.00	100/5	106.00			
City Bank	100/5	320.00	100/50	34.00			
Eastern Bank	100/20	110.00	10/50	30.10			
IDLC Ltd	100/20	217.00	10/50	NT			
LFIC	100/5	160.00	100/10	50.00			
Islami Bank	1000/1	1420.00	100/10	76.50			
National Bank	100/5	86.00	100/5	14.00			
Pubali Bank	100/5	100.00	100/50	10.00			
Rupali Bank	100/5	65.00	100/5	30.00			
U.C.B.A.	100/5	84.88	100/20	164.63			
Uttara Bank	100/5	90.00	10/100	2.60			
INVESTMENT (06)							
ICB	100/5	100.00	100/5	95.00			
1st ICB M Fund	100/5	365.00	100/10	82.05			
2nd ICB M Fund	100/5	165.00	100/5	20.00			
3rd ICB M Fund	100/5	146.00	100/5	130.00			
4th ICB M Fund	100/10	146.00	100/5	10.00			
5th ICB M Fund	100/10	87.00	100/10	95.50			
6th ICB M Fund	100/10	57.25	100/10	180.00			
ICB Unit Cert.		112.00					
Sales Price		107.00					
RE-PURCHASE (04)							
BGC	100/10	195.00					
Green Delta	100/10	206.00					
Peoples	100/10	316.33					
United	100/10	205.00					
ENGINEERING (19)							
Aftab Automobiles	100/5	173.00	100/10	67.00			
Atlas Bangladesh	10/50	43.00	100/5	10.00			
Aziz Pipes	100/5	225.00	100/5	450.00			
Bangladesh Autocars	100/5	58.03	100/5	178.00			
Bangladesh Lamps	100/5	307.00	100/5	50.00			
B. Thal Aluminium	100/10	78.25	100/5	28.00			
Bengal Carbide	100/5	272.00	100/5	95.00			
Bengal Steel	10/50	20.00	100/50	32.00			
Eastern Cables	100/5	86.00	100/5	71.00			
Howlader PVC	100/10	101.00	100/10	101.00			
Kartm Pipe	100/5	75.00	100/20	122.00			
Metalex Corp.	100/5	36.00					
Monno Staffilers	100/5	190.00					
Monno Jute	100/5	350.00	10/50	23.00			
National Tubes	100/10	60.00	100/5	25.00			
Penrith Steel	10/50	8.00	100/5	70.00			
Quasem Drycell	10/50	9.70	100/5	15.25			
Renwick Jajneswar	100/5	80.00	10/50	50.00			
Singer Bangladesh	100/5	795.00					
FOOD & ALLIED (03)							
A.B. Biscuit	100/5	200.00					
Alpha Tobacco	10/50	45.00					
Aman Sea Food	100/5	15.00					
Apex Food	100/5	675.00					
Aroma Tea	100/5	60.00					
Bergin	100/5	120.00					
B.D. Plantation	100/5	500.00					
Bengal Food	100/5	116.54					
B.L.T.C.	100/5	800.00					
B.T.C.	10/50	70.00					
Cig. Vegetable	100/10	61.00					
Dhaka Vegetables	100/5	67.00					
E.L. Camella	100/5	1040.00					
Progle Export	10/50	2.00					
Gemini Sea Food	100/5	39.00					
Hill Plantation	100/5	320.00					
Modern Industries	100/5	208.00					
N.T.C.	100/50	20.00					
Rupali Flour	100/100	4.30					
Rupali Oil	100/10	50.00					
Tulip Dairy	10/50	NT					
Yousaf Flour	10/50	NT					
Zeal Bangla Sugar	10/50	6.50					
SERVICE (02)							
Bangladesh Hotel	10/50	12.00					
Bd. Service	10/50	NT					
MISCELLANEOUS (18)							
Apex Footwear	100/20	175.90					
Apex Tannery	100/5	335.00					
Anamit	10/50	30.00					
Bata Shoe	100/10	41.36					
Bestmco	100/10	18.40					
BSC	100/5	60.00					
Chittagong Cement	100/5	180.00					
G. G. Ball Pen	10/50	76.74					
High Speed	100/5	50.00					
Himadri Ltd.	100/100	6.00					
Milton Tannery	100/5	9.00					
Monno Ceramic	100/5	282.00					
New Dhaka Refac	100/20	80.00					
Phoenix Leather	100/5	102.00					
Savar Refractories	100/5	79.00					
The Engineers	100/5	100.00					
Textip Ind	100/10	100.00					
Ummanta Glass	100/5	255.00					
DEBENTURES (04)							
Bestmco	1960/1	1960.00					
17% 1998	1969/1						
Bestmco Infusion	1500/2	1738.00					
(17% 1998)							
JUTE (02)							
Ahad Jute	100/10	NT					
Anowara Jute	10/50	NT					
Delia Jute	10/50	8.50					
Genesia Jute	10/50	NT					
Islam Jute	100/5	45.00					
Jute Spinner	100/5	75.00					
Mutual Jute	100/5	105.00					

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

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 23/8/1993

Berth No.	Name of Vessels	Cargo	L-Port Call	Local Agent	Date of Arrival	Leaving
J/1	Menado	GI (Copro)	Sing	AML	19/8	26/8
J/2	Maro	Salt (TCB)	Kand	MSPL	17/8	25/8
J/4	Chrysanthi	GI	Sing	USTC	19/8	25/8
J/5	Vishva Navika	GL	Mong	SSL	20/8	25/8
J/6	Boris Lavrenyov	GI/S.Ash	Sing	USTC	22/8	27/8
J/7	Chipsam	Urea	Sing	PSAL	14/4	24/8
J/8	Quing He Cheng	GI/GL	S.Hai	BDSHIP	22/8	26/8
J/9	Mukachevo	Urea	Mong	RRSA	15/8	26/8
J/10	Banglar Kiron	Repair	—	BSC	R/A	26/8
J/11	Nezabudka	Salt (TCB)	Tuti	MSPL	13/8	25/8
J/12	Banglar Mont	Cont	Sing	BSC	21/8	24/8
J/13	NGS Express	Cont	Sing	BDSHIP	19/8	23/8
MPB/1	Optima	Cont	Sing	ASL	21/8	24/8
CCJ	Banglar Baant	C.Clink	Vish	BSC	8/8	30/8