

China to extend more investment if present projects do well

By Mahfuz Ullah

China will invest substantially in Bangladesh in future, provided the present investments make profit. This was stated by Luo Kaifu, President of China National Machinery Import and Export Corporation (CMC) in an exclusive interview with The Daily Star.

Kaifu is in the city leading a high-powered delegation to explore possibilities of future investments in the country and have an on-the-spot understanding of the status of projects nearing completion with Chinese help.

CMC, the largest government controlled undertaking of China was set up in 1952 and till date has a turn-over of 3.6 billion US dollar.

CMC invests abroad under both private and public sectors in projects for producing various kinds of machinery and

equipments, ships, aircrafts, locomotives, railway passenger wagons, agricultural implements like tractors, food processing equipments, and for setting up projects like calaminas, sugar mills, cement factories, chemical plants and so on turn-key basis.

Stating his first ever visit to Bangladesh as fruitful Kaifu said "I was impressed by the Development of Bangladesh economy". Kaifu said total volume of CMC export to Bangladesh last year stood at 20 million US dollar and added that they were looking forward to the successful completion of Meghna Paper Mills, where CMC is one of the three shareholders. This paper mill in first of its kind in Bangladesh where CMC has invested and is expected to be completed by September this year.

Referring to the project Kaifu said "If the project makes profit we will invest more in both public and private sectors".

Explaining the general principles of Chinese investments abroad Kaifu further said while making investments CMC seeks profits and also tries to contribute to development of that country concerned. "We want our investment to play a role in the development of the economy of a country", added Kaifu.

CMC, Kaifu said, has so far, invested in countries like the United States of America, Germany, Japan, Pakistan, Thailand, Bangladesh, Singapore, Hong Kong and the Philippines. These countries, have their own areas of priorities, he added.

Drawing a line between the developed and the developing

countries Kaifu said that from the developed countries China could learn the management skill and use of advanced technologies. And, in the case of developing countries we can help each other", he added.

Answering a question on the recent change in the socialist countries and its impact of Chinese trade Kifu said a new attitude has developed and we are now having trade with other countries on the basis of mutual benefit.

When asked whether the modernisation policy has any threat on the present political system of China, Kaifu said, "We do not see any threat to our system. We have our confidence and our people believe that we are following a socialist system to build our country quicker. We have confidence in our own system."



M. Harunur Rashid, Executive Director, United Insurance Company Limited handing over a cheque for Taka Seven lakh to Shafiqul Islam Kamal of Navana Limited for the car won by Kiyoshi Takeya of Obayashi Corporation and insured by United Insurance against "HOLE IN ONE" in the Golf Tournament organised by the American Embassy at Kurmitola Golf Club, Dhaka recently. Syed Aziz Ahmad, Director is also seen.

ADB approves \$ 39.8 m for Bhola Irrigation Project

By Staff Correspondent

The Asian Development Bank (ADB) has approved \$39.8 million US dollar loan and 790 thousand US dollar technical assistance grant to Bangladesh for Second (Bhola) Irrigation Project. This is the first of ADB loans to be given to the country during the current calendar year.

About 40,000 farm and 20,000 non-farm households in Bangladesh will benefit from increased food production and income opportunities under an SDR 29,224 million loan in various currencies (equivalent to \$39.8 million) approved by the Asian Development Bank February 27 for the Second Bhola Irrigation Project. The Bank also approved a \$790,000 technical assistance grant for the same project from the Japan Special Fund.

The loan will be drawn from the Bank's concessional Asian Development Fund, to be repaid over 40 years, including a grace period of 10 years, with a service charge of 1 per cent per annum. The five-part Project supplements the First Bhola Irrigation Project, which covered only about half the island's gross area.

The Project is expected to expand the irrigation command area by about 30,000 ha, increase the cropping intensity from 169 per cent to 193 per cent and raise rice production by 80,000 metric tons.

Bank sources say another about 500 million US dollar in loan will be approved soon for nine projects. These are irrigation and flood control, rural development and rural infrastructure development, education including open university and cyclone rehabilitation, secondary town protection, capital market development programme, railway recovery programme and Jamuna bridge construction projects. Of the expected loan, about 150 million US dollar will go for Jamuna Bridge Project.

The plants and machinery installed with Chinese assistance and co-operation have been handed over to BSFIC under an agreement signed in Dhaka, Wednesday between Ding Jianwen, First Secretary of Chinese Embassy in Bangladesh and A S Salahuddin Ahmed, Secretary, BSFIC, Economic Counsellor of Chinese Embassy Sun Zongqian, Chairman, BSFIC, Waseq Al-Azad, Director (P&E), Md Showkat Ali and Deputy Chief (Planning), Ministry of Industries, Sheikh Strajuddin were also present on the occasion.

With the installation of the new plants and machinery, the manufacturing capacity of M/S Renwick Jajneswar has been doubled. As a result, Tk five crore in foreign exchange will be saved annually by substituting import of spares and components, according to BSFIC. Commercial production in the enterprise will begin from July next with the completion of some ancillary work related with BMR.

China hands over Renwick plants

By Staff Correspondent

The BMR of M/S Renwick, Jajneswar & Co at Kushtia — the only engineering enterprise of Bangladesh Sugar & Food Industries Corporation (BSFIC) being implemented with Chinese assistance is nearly complete at a total cost of Tk 5 crore 54 lakh 43 thousand.

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Bottlenecks in duty drawback system to be removed

By Staff Correspondent

The Chairman of National Board of Revenue (NBR), N H Khan on Wednesday said the bottlenecks in the reimbursement process of duty drawback system will be removed gradually.

Speaking at a one day seminar on duty drawback system at the Custom House Auditorium, Chittagong, he said the process is underway to set up regional offices of Duty Exemption and Drawback Office (DEDO) outside Dhaka.

The seminar was sponsored by USAID, World Bank and the government. Dr Zia U Ahmed of USAID, in his special guest speech, said the technical assistance provided by the USAID would make the system efficient.



Ding Jianwen and A S Salahuddin Ahmed signing the handing over agreement. Sun Zongqian, Waseq-al-Azad, Md Showkat Ali, Sheikh Strajuddin are also seen.

DPS growth rate decreasing fast

By Inam Ahmed

The growth rate of Deposit Pension Scheme (DPS) which was first introduced in 1982 to encourage individual savings is decreasing alarmingly.

With the decreasing trend of the DPS, the government's effort of mobilising small savings through the scheme may also face setbacks, Bangladesh Bank sources said.

The objective of the DPS was also to arrange a pension system for the private sector employees.

Although the amount deposited through the new DPS accounts increased over the recent years, the increase was at a diminishing rate. In 1988, the amount from new DPS accounts was Taka 135 crore. It was Taka 177 crore for the next year. It was Taka 227 crore in 1990. In 1991, the amount stood at Taka 234 crore.

During June-December, 1990, DPS accounts worth Taka 158 crore was opened. But in the next six months till June, 1991, the amount was only Taka 81 crore.

Economists view that the amount of savings that DPS can mobilise could play a significant role in country's investment. Cumulative figure shows that in 1987, the amount collected through DPS was Taka 255 crore. In 1988, it was Taka 391 crore. The figure was Taka 568 crore in 1989 and rose up to Taka 954 crore in 1990. In 1991, the amount was Taka 1036 crore.

The growth rate of DPS amount is decreasing in the recent years after its initial success. The amount increased by more than 52 per cent during 1987-88. In the following years the growth rate fell. During 1988-89, it increased by 45 per cent. During 1989-90, the rate was 40 per cent and during 1990-91, the rate was a mere 30 per cent.

In 1987, the cumulative amount of DPS stood at Taka 255 crore, the next year it was Taka 391 crore. In 1989, the cumulative amount totalled Taka 568 crore. In 1990, the amount stood at Taka 796 crore and finally in 1991 the

cumulative amount stood at Taka 1036 crore.

Officials of different nationalised commercial banks feel that the growth of the DPS would further fall during 1991-92.

When this correspondent visited different banks posing as a client and wanted to open a DPS account, the officials informed that they did not have the required forms. One Bank official bluntly said that his branch had totally stopped opening DPS accounts as per head office order.

The bank managers when approached, informed that the banks were not interested to open DPS accounts mainly because of a serious slump in credit activities and the banks did not want to overburden themselves with fresh deposits.

Bangladesh Bank sources said that the prevailing low credit demand was due to the gripping economic recession. The bankers also complained that the cost involvement in maintaining the DPS accounts

in terms of management and administration was very high. They said that the DPS account holders rush heavily at the beginning of the month which hampers the normal functioning of the banks.

Bangladesh Bank sources further said that the high rate of interest for the DPS is another reason for the reluctance of the banks in issuing DPS policies.

An individual can maintain a DPS account with a monthly deposit of Taka 100 to Taka 500.

The maturity period of the scheme is 10 years to 20 years, depending upon the nature of the policy. After maturity, the policy holders would get 15 per cent compound interest on their deposits. The interest is free of any surcharges.

Economists feel that the DPS could be an attractive way to scoop small savings. The limited income group also find it easy to deposit a small sum at the beginning of the month.

50 PDB men rewarded for service

Fifty PDB officials and employees were awarded prizes including a Chairman Gold Medal for their outstanding contribution to the power sector at a function in Dhaka, Thursday, reports UNB.

The function was organised on the occasion of PDB's merit award for 1990.

Addressing the function as the chief guest, Energy and Mineral Resource Minister Dr. Khandkar Mosharraf Hossain laid stress on the paramount need for honesty and sincerity among the workers of the power sector to make it profitable.

He said "We have to reduce system loss", since this has reduced the power sector into a losing concern. The loss is due to some dishonest employees and consumers and it was due to this recurring loss the donors are less interested to invest in this sector, he added.

The Minister urged all employees to work with honesty and sincerity to improve its performance to the break-even point.

He said per capita power consumption in our country is only 73 units as against 200 units in Pakistan. The demand for electricity in our country is increasing by 200 mega watts every year.

PDB Chairman AZ SS Rahman, Additional Secretary of Energy and Mineral Resource Ministry AM Jabaluddin Ahmed, PDB officials Matar Rahman and Alimuzzaman Majumder also spoke on the occasion.



Yuan Sheng Qing, Director, Chinese Council for Promotion of International Trade (Guangdong Chamber of Commerce, Canton (GDCC) and Masudur Rahman, Senior Vice-President, Dhaka Chamber of Commerce & Industry (DCCI) signing the Memorandum of Understanding on behalf of their respective Chambers on Wednesday at DCCI for improved business relations among the members of the two chambers and promotion of bilateral trade and investment between China and Bangladesh. Mahabubur Rahman, President, DCCI, Ismail Hussain Miah, Vice-President and A.T.M Waziullah, Director of the DCCI were present.

1.5 cr youths jobless

The country is now burdened with about 1.5 crore unemployed youths, 45 lakh of them educated, reports UNB.

This was stated by Chairman of the Bangladesh Juba Kalyan Federation (BJKF), Shahidur Rahman, while opening the office of "Iktijungandha", an organisation of self-employed youths, at Mirpur Thursday.

He said the country could get rid of the massive unemployment problem by providing training to more and more youths on different trades for self-employment.

Presided over by Jaahim Siraji of Youth Development Directorate the function was addressed, among others, by Zahidul Kabir of Rajatigandha and Maqbul Hossain Majnu of Proshikhita Juba Sangsad.

BRTC to carry necessities in Ramzan

Bangladesh Road Transport Corporation (BRTC) has made special arrangements to carry daily necessities including emergency food items to keep the market price stable during the holy month of Ramzan, according to a press release, reports ISS.

Shipping Intelligence

Chittagong Port

Name of Vessels	Berthed	ETD	Berth	L Port No	L Agent
Al Swamroz	04/03	20/03	J/1	NA	NA
E Ruby	04/03	05/03	J/2	NA	NA
R Victory	01/03	15/03	J/3	Sing	ISAL
Continent-1	29/02	08/03	J/4	Peng	CLA
Banglar Mamata	26/02	08/03	J/7	Kara	ISL
Safina-e-Ichmat	29/02	10/03	J/8	Kara	ASLL
Weser Star	04/03	05/03	J/10	Sing	BDSI/HP
Euro liberty	16/02	14/03	J/11	Champ	EOSL
Danilovgrad	02/03	09/03	J/12	Sing	ISL
NGS Ranger	03/03	06/03	M/3/1	Sing	BDSI/HP
Ivestia	04/03	07/03	M/3/2	NA	NA
P One	19/02	07/03	CCJ	Bank	CLA
Banglar Asha	26/02	-	G/SJ	-	ISL
Harmony	01/03	08/03	TSP	Col	TSLL
B Kiron	03/03	06/03	RM/4	-	ISL
Banglar Shourabh	01/03	07/03	RM/6	-	ISL
Laurel Star	15/02	10/03	DD	Mong	BML
Endurance Sea	02/02	07/03	DDJ/1	Aqaba	UMAL
Banglar Swapna	23/02	10/03	RM/9	Dead	ISL

Vessels Due to Berth

Vessel's Name	Berth on	Jetty No
Banglar Robi	05/03	GSJ/DDJ/2

Vessels at Outer Anchorage

Name of Vessels	Ready	L Port	L Agent
Vessels ready at outer anchorage			
None			
Vessels not ready			
Hang Tone	-	Sing	ISL
Vigorous Swan	-	Aqaba	-
Vessels awaiting instruction			
Al Ishrat	-	Mong	KSL
Banglar Sampad	-	-	ISL
Banglar Jyoti	-	-	ISL
Songrim	-	-	RISA

Vessels Due at Outer Anchorage

Name of Vessels	ETA	L Port Call	L Agent
Infinity	06/03	Sing	RSL
Ravida	10/03	-	RSL
Ahlers Breze	07/03	Col	RSL
Georgy Chichertin	08/03	-	CT
Fong Yun	08/03	Sing	BDSI/HP
Mowlavi	08/03	-	RSL
Mandiri	09/03	Sing	RSL
Atlantia Clipper	10/03	Cal	BDSI/HP
Andrian Goncharov	10/03	-	CT
Alissa	11/03	-	ISL
Kota Buana	11/03	Sing	C/S
Karabivcetti	12/03	-	EBL
Fong Shin	13/03	Sing	BDSI/HP
New Genlord	13/03	Sing	BDSI/HP
I Yamburcnko	13/03	Sing	CT
Peter Stroatin	15/03	Sing	CT
Grunwald	15/03	Mad	USA
Evercheer	17/03	Sing	ISL
Grunwald	15/03	Mad	USA
Banglar-Gourab	18/03	Para	ISL

Source: AQUAMARINE LIMITED

Dhaka Stock Prices

At the close of trading on Mar 5, 1992
Star Economic Report

Business slightly improves

Business at Dhaka Stock Exchange (DSE) bettered slightly on Thursday's trading but not enough to signal optimism. A little improvement, both in terms of volume and value, was marked over previous day's performance.

In the day's business 2885 issues were exchanged valuing Tk 170,820. The figures for Wednesday are 1,423 papers valuing Tk 136,282.

There were four gainers and eight losers at the close of the day's dealings. Three issues traded at previous day's quoted prices.

The declining DSE Composite Index shed further 1.1240 points and stood at 289.6567. This is the first time this year the DSE Index went down below 290 mark.

THE DAY'S TRADING AT A GLANCE

DSE All Share Price Index	289.6567
Market Capitalisation (TK)	8,284,303,765
Turnover (in value TK)	170,820
In volume	2,885

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

Gains(04)

Saver Refractories	100/5	95.00	97.50	+2.50	2.631
5th ICB, M Fund	100/10	87.00	88.00	+1.00	1.149
Chittagong Cement	100/5	220.50	221.00	+0.50	0.226
Atlas Bangladesh	10/50	32.00	33.00	+1.00	3.125

Losses(08)

Reckitt&Colman	10/50	200.00	190.00	-10.00	5.000
1st ICB, M Fund	100/5	340.00	330.00	-10.00	2.941
BGC	100/10	113.00	110.00	-3.00	2.654
Bata Shoe	10/100	33.50	32.38	-1.12	3.343
Tallu Spinning	100/10	105.00	104.00	-1.00	0.952
National Bank	100/5	104.00	103.00	-1.00	0.961
Eagle Star	10/50	19.05	18.50	-0.55	2.887
Oxygen	10/50	41.33	41.00	-0.33	0.798

Traded at previously quoted prices
Shares: 6th ICB, M Fund, Dhaka Vegetables
Debiture: Beximco

SHARES & DEBENTURES LISTED WITH DSE

Company	FV/ML Tk	Northern Jute	10/50	NT
BANKS (10)				
Al Baraka Bank	1000/1	1090.00	-	-
AB Bank	100/5	188.00	-	-
City Bank	100/5	267.00	-	-
IFIC	100/5	183.00	-	-
Islami Bank	1000/1	1810.00	-	-
National Bank	100/5	103.00	-	-
Pubali Bank	100/5	102.00	-	-
Rupali Bank	100/10	90.00	-	-
U.C.B.L	100/5	123.00	-	-
Uttara Bank	100/5	158.00	-	-
PHARMACEUTICALS & CHEMICALS (15)				
Ambee Pharma	10/50	11.75	-	-
Bangla Process	100/5	56.00	-	-
Beximco Pharma	100/5	197.00	-	-
Glass	10/50	125.00	-	-
I.C.I	10/50	30.00	-	-
Kohinson Chemical	100/5	76.00	-	-
Petro Synthetic	10/50	17.17	-	-
Pfizer	100/5	110.00	-	-
Pharma Aids	100/5	150.00	-	-
Pharmaco	100/5	60.00	-	-
Progressive Plastic	110/5	40.00	-	-
Reckitt & Colman	10/50	290.00	-	-
Rahman Chemicals	100/10	39.67	-	-
Therapeutics	100/5	85.00	-	-
The Ibratna	100/10	92.00	-	-
INVESTMENT (08)				
ICB	100/5	90.00	-	-
1st ICB M.Fund	100/5	330.00	-	-
2nd ICB Fund	100/5	153.00	-	-
3rd ICB M. Fund	100/5	130.00	-	-
4th ICB M. Fund	100/10	125.00	-	-
5th ICB M. Fund	100/10	88.00	-	-
6th ICB M. Fund	100/10	60.00	-	-
ICB Unit Cert.	-	-	-	-
Sales Price	-	116.00	-	-
Re-purchase	-	111.00	-	-
INSURANCE (04)				
BGC	100/10	110.00	-	-
Green Delta	100/10	124.00	-	-
Peoples	100/10	2128.00	-	-
United	100/10	144.50	-	-
ENGINEERING (19)				
Alfab Automobiles	100/5	180.00	-	-
Atlas Bangladesh	10/50	33.00	-	-
Asa Pipe	100/5	233.00	-	-
Bangladesh Autocar	100/5	78.10	-	-
Bangladesh Lamp	106/5	225.00	-	-
B.Thal Aluminium	100/10	85.00	-	-
Bengal Carbide	100/5	220.00	-	-
Bengal Steel	10/50	18.00	-	-