

## Business

# Taka convertibility to help achieve economic growth

By Inam Ahmed

With the liberalisation of the Taka in Bangladesh, the overall level of economic growth should increase and attract further investment.

This feeling was expressed by the Chief Executive of the Standard Chartered Bank, Bangladesh, Stephen M McCarthy in an exclusive interview with The Daily Star.

To tackle the anticipated increase in the level of business, we have recently undertaken a plan to reposition the bank in Bangladesh and are now undergoing a revitalisation exercise," said the Standard Chartered Bank chief. "We are investing heavily in human resources, computer technology and our overall infrastructure."

As part of the reorganisation programme, the bank is planning to spend over Taka 20 million on branch renovations and its expansion work.

While expressing enthusiasm for the convertibility of the Taka McCarthy also stressed the need for taking extreme care by the banks. "It is essential that dealing operations by the banks are very tightly controlled and they must follow the accepted laid down international guidelines," the British banker said adding, "the banks themselves

must control their operations to avoid any malpractice."

With regard to investment opportunities in Bangladesh, the Standard Chartered Bank chief expressed the opinion that these could only be considered provided the underlying business proposals were viable and, at the same time, it was impor-



Stephen M McCarthy

tant that bankers became associated with any such proposals at an early stage of their development.

He also stated that it was essential that the banks actively followed the businesses in which their customers were in-

volved to the extent that the banks should be able to anticipate their customers' needs and also be in a position to identify possible future difficulties. In this manner it was very often possible to save an ailing business from disaster.

Reflecting on his own bank's operation in Bangladesh, McCarthy said the Standard Chartered Bank is re-establishing its corporate identity. And, with the extensive recruitment of qualified professionals to man its corporate, retail, treasury, financial control and human resources divisions, he is confident of achieving this goal ensuring better services by the branches in Bangladesh.

The bank has a global network of over 700 branches in 30 countries. With this global network, the bank's customers in Bangladesh can benefit by routing their commercial transactions to various markets through the same bank thereby significantly reducing both processing time and associated charges.

In addition to offering more comprehensive services to the Corporate Customer, the Standard Chartered Bank will soon launch a programme of Retail products.

## Petroleum policy attracts multi-national companies

The new petroleum policy adopted by the present government to stimulate investment for exploration and production, refining and marketing of oil and gas has succeeded in eliciting encouraging response from multi-national oil companies.

Announcing this, Energy and Natural Resources Minister Dr Khandaker Mosharraf Hossain told UNB Sunday the three-day 'Round Table Conference on Petroleum Investment in Bangladesh', sponsored by the World Bank at Houston, Texas, in the middle of the current month aroused a great deal of interest among renowned oil companies.

At the end of the conference, six oil companies signed five memoranda of understanding (MOU) with Petrobangla. The oil companies are expected to start negotiation with Petrobangla for production-sharing contract (PSC). If any of the companies fail to sign PSC with Petrobangla within December 1993, its MOU would be considered null and void.

Two operating subsidiaries of the state-owned Petrobangla, currently produce some 635 MMCFD natural gas, 1000 BPD condensate and about 200 BPD crude from on-shore fields.

Gas is being utilized to generate power as a feedstock for the manufacture of fertilizer and for various other industrial, commercial and domestic purposes.

## Japan may cut income tax in current fiscal

TOKYO, Sept 27: The Japanese government may decide by December to cut income tax in the current fiscal year ending next month, the leading economic daily, Nihon Keizai Shimbun, said today, reports AFP.

The likelihood of a tax cut emerged as Finance Minister Hirohisa Fujii said that Tokyo would study tax reform at Saturday's meeting of finance ministers and central bank governors from the Group of Seven (G-7) nations - Britain, Canada, France, Germany, Italy, Japan and the United States, the daily said.

The government's tax commission, an advisory body to Prime Minister Morihiro Hosokawa, will start studying how to change the progressive rates of income tax and the consumption of tax rate at a general meeting Tuesday, the daily said.

Based on the commission's discussions, the government will study the timing of an income tax cut and the possibility of raising the consumption tax from current three per cent to pay for the tax cut, the daily said.

## China's offshore oilfield begins operation without foreign help

BEIJING, Sept 27: Production has started at China's first offshore oilfield to be prospected and managed without foreign assistance, the official Xinhua News agency said, reports AP.

The 11 wells at the Suzhong 36-1 oilfield, in Liaoqing Bay off the coast of Liaoning province in northeastern China, are producing 1,700 cubic metres (59,500 cubic feet) of oil and gas daily, Xinhua said late Sunday. A ceremony was held Sunday to celebrate the field's startup.

Annual output is expected to be 1.8 million tons and total reserves are estimated at 250 million tons, Xinhua said.

The oilfield expects to recoup its initial investment of 1.8 billion yuan (\$111 million dollar), in eight years, it said.

The field was discovered in 1986 by the Bohai Petroleum Co.

## Rupali Bank Ltd reduces lending rates further

Rupali Bank Limited further reduces its lending rates on loans and advances with effect from October 1, says a press release.

The bank took the step with a view to promoting industrial and commercial activities in the country.

Interest rates have been reduced on different categories of advances. On Agriculture from 14 per cent to 13.50 per cent, term loan to large and medium scale industries from 12 pc to 11.50 pc working capital to other than jute industry from 13 pc to 12.50 pc, jute and jute goods export from 9.50 pc to 9 pc, other exports from 9.50 pc to 9 pc, term loan to small scale industries from 10 pc to 9.50 pc and other special programme from 12 pc to 11 pc.

## US to quit 65-member int'l coffee body

LONDON, Sept 27: The United States, the world's leading coffee consumer, has decided to quit the International Coffee Organisation from October 1, Latin American diplomatic sources said Sunday night, reports AP.

It's reported decision to leave the 65-nation organisation of coffee consumer and producer nations follows the creation last week of a new 28-nation Association of Coffee Producing Countries open only to coffee producers, said the sources.

The sources, speaking in London, declined to be named. The United States accounts for about 25 per cent of all world coffee imports. The main aim of the new producers-only association is to restrict export quotas in order to boost world coffee prices. It plans to cut exports by 20 per cent from Oct 1.

Coffee market analysts say the reported planned departure of the United States from the ICO casts doubts over the continued existence of the organisation because the United States is its biggest paymaster. The US contribution to the ICO this year totals \$20,000,000.

The future role of the ICO, founded 30 years ago to agree coffee prices, is due to be discussed during four days of talks in London this week.

Coffee prices last year fell to their lowest levels in two decades but have since partly recovered.

The ICO acted as the forum for failed negotiations earlier this year for a new international price-stabilisation agreement for coffee.

The collapse of the talks was followed by moves by Brazil, Colombia and other key coffee producers to introduce their own export retention scheme to push up prices.

The creation of the Association of Coffee Producing Countries to manage the scheme was formalised at a meeting in the Brazilian capital Brasilia on Friday.

## Shipping Intelligence

### CHITTAGONG PORT

Berth position and performance of vessels as on 27.9.1993

Berth No	Name of vessels	Cargo	Local agent	Date of arrival	Leaving
J/1	Maro	Salt (T/CB)	Tuti	Litmond 25/9	27/10
J/5	Vishva Karuna	R.Seed	Chin	Litmond 30/8	30/9
J/6	Nesabudika	Salt	Kand	MSPL 19/9	27/9
J/7	Mun Su Bong	Salt	Tuti	UMAL 24/9	30/9
J/8	Kurima Sejai	S.Soil	Seag	MHL 25/9	29/9
J/10	Banglar Kiro	Repur	BSC	R/A	30/9
J/11	Indian Endurance	Salt	Kand	GEL 10/9	30/9
J/12	Eponyma	Cont	Sing	CTS 25/9	29/9
J/13	Knud Jespersen	Cont	Sing	CT 24/9	28/9
MPB/1	Fong Yun	Cont	Sing	BDSHIP 25/9	29/9
MPB/2	Lanka Mahapala	Cont	Col	Barigithi 25/9	27/9
CCJ	Samudra Samrat	Repair	Kand	SSA 25/9	30/9
GSJ	Pujalan Maru	Cement	R.Hov	BSL 20/9	30/9
TSP	Banglar Doot	R.Sulp	RKSA	R/A	29/9
RM/3	Jamac	CDSO	LEPO	Seacom 25/9	28/9
RM/4	Banglar Shourab	Repair	Col	USC 15/9	1/10
DDJ	Banglar Choudh	Cement	Tuti	USC 15/9	28/9
DDJ	Doloma	Repair	Seacom	R/A	10/10
DDJ/1	Banglar Robi	Repair	BSC	R/A	30/9
DDJ/2	Banglar Sompad	Repair	BSC	R/A	30/9
DDJ/2	Banglar Asha	Repair	BSC	R/A	10/10

### VESSELS DUE AT OUTER ANCHORAGE

Name of vessels	Date of arrival	Last port	Local agent	Cargo	Loading port
Santa Margherita	27/9/93	Sing	Prog	GI	Sing
Jala Yamini	27/9/93	Kand	M.S.H.	Salt	—
Astro Star	27/9/93	Sing	OTBL	—	—
Tug Ocean-II	27/9/93	Sing	OTBL	—	—
Tanary Star	28/9/93	Mong	PSAL	GI/CL	—
Al Salma	28/9/93	Rang	ASL	Salt	—
San Evans	28/9/93	Kand	MSPL	Salt	—
Amer Aisha	1/10/93	Sing	Eastwest	Cement	—
Pu Aspiration	1/10/93	Chin	Litmond	Cement	—
Imke Wehr (Cont)	28/9/93	Anti	APL (B)	Cont	USA Fe
Ingratity (Cont)	28/9/93	Mong	BTSA	Cont	Col
Stonehall Jackson	28/9/93	—	Karna	GI	—
South Land Star	28/9/93	—	UMAL	Cont	Sing
Mong Kiat (Cont)	10/10/93	—	PSAL	Cont	Sing
Ronyer Victory	30/9/93	—	PSAL	Cement	—
Petr Starostin (Cont)	30/9/93	Sing	CT	Cont	Sing
Banglar Kakh	30/9/93	Sing	BSC	GI	UK Cont
Jiang Cheng	4/10/93	S.Hai	BDSHIP	GI	C Ports
NOS Ranger (Cont)	30/9/93	Sing	BDSHIP	Cont	Sing
Fong Shih	1/9/93	Sing	BDSHIP	Cont	Sing
Friedrich Engels	30/9/93	Itly	EOSL	Cont	—
Rafiah	30/9/93	Jybo	Dynamic	M Seeds	—
Iyyeretti	1/10/93	Sing	EBPL	GI	Japa Fe
Optima (Cont)	1/10/93	Sing	RSL	Cont	Sing
Mowlav	2/10/93	Mong	SSL	GL	B Abbas
Hong Wan	3/10/93	—	BDSHIP	SPL Cargo	—
Kota Buana	4/10/93	Sing	RSL	Cont	Sing
Banglar Mont	5/10/93	Mong	BSC	Cont	Sing
Meng Lee (Cont)	5/10/93	—	AML	Cont	Sing
Leona	5/10/93	—	Prog	GI	—
Jin Jiang	7/10/93	Xuy	OWSL	—	—
I Yamburenko (Cont)	7/10/93	—	CT	Cont	Sing
Exceed-2	10/10/93	—	BBA	GI	—

### TANKER DUE :

NIL

### VESSELS AT KUTUBDIA

Name of vessels	Cargo	Last Port	Local agent	Date of arrival
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### VESSELS READY

Name of vessels	Cargo	Last Port	Local agent	Date of arrival
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### READY ON

Name of vessels	Cargo	Last Port	Local agent	Date of arrival
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### VESSELS NOT READY

Name of vessels	Cargo	Last Port	Local agent	Date of arrival
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### VESSELS AWAITING INSTRUCTION

Name of vessels	Cargo	Last Port	Local agent	Date of arrival
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### VESSELS NOT ENTERING

Name of vessels	Cargo	Last Port	Local agent	Date of arrival
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### MOVEMENT OF VESSELS FOR 28.9.1993

OUTGOING	INCOMING	SHIPPING
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Currency	Selling B.C.	T.T. (C)	Buying O.D. Transfers
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Note: AMU—Asian Monetary Union.

## Dhaka Stock Prices

At the close of trading on September 27, 1993

## Business improves

Business on the floor of Dhaka Stock Exchange (DSE) showed signs of moderate improvement on Monday.

Both the turnovers increased. Value reached Taka 1884751.75 from Taka 915104.05 showing a rise of 105.960 per cent while volume rose to 14950.00 issues from 14115.50, a gain of 5.911 per cent.

The DSE All Share Price Index advanced to 418.1716 from 417.8099, an increase of 0.361 per cent.

The number of companies taken part in the trading also increased slightly. It totalled 46 as against Sunday's 44. Of them, 17 gained, 14 lost while 15 others traded at previous rates.

Modern Dyeing dominated the gainers' list with a rise of 12.500 per cent in its share price while the share price of Dhaka Vegetables lost by 6.000 per cent leading the losers on the floor.

Traded shares of BGIC totalled 2180, the highest number of the day.

## DAY'S TRADING AT A GLANCE

DSE Share Price Index	418.1716
Market Capitalisation Tk	16338942743.40
Turnover in Volume	14950
Turnover in Value Tk	1884751.75

Company's name	Previous price Tk	Closing price Tk	Change (absolute) Tk	Change (% over price)	Number of shares traded
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