

Tata Iron's net profits fall

BOMBAY, Nov 20: Tata Iron and Steel Co. India's largest private sector steel maker, yesterday reported a big fall in profits for the first half of fiscal 1993-94, reports AFP. A company statement here said its net profits in April-September had fallen to a dismal 40 million rupee (1.33 million dollar) from 500 million rupee in the first six months of 1992-93. First-half sales totalled 15.5 billion rupee, a modest jump over the 15.3 billion rupee turnover of April-September 1992. Chairman Ratan Tata blamed a recession, high interest rates and depreciation for the poor profits but hoped for better second half as industrial activity picks up and a restructuring of Tata Steel pays off. Tata Steel shares lost two rupee to close yesterday at 179 rupee on the Bombay Stock Exchange after it reported the disappointing first half results. The shares had climbed eight rupee when trading opened Friday in anticipation of good results.

Usmania Glass Sheet Factory-2 Tariff on imported raw materials increases production cost

From Farid Ahmed

CHITTAGONG, Nov 20: The country's lone glass sheet factory has increased its production by 20 per cent with a 300 per cent increase in its profit during the past five fiscal years. Usmania Glass Sheet Factory, a unit of Bangladesh Chemical Industries Corporation (BCIC), has been making profit since independence. The profit in the 1992-93 fiscal year, however, fell by almost nine per cent compared to the previous fiscal year, according to an official source. A senior official of the Usmania Factory at Kalurghat said the higher tariff on the imported raw materials had resulted in an increase in the production cost and a subsequent fall in the profit. "Even the glass sheet factory is on an uneven competition with the imported glass sheet because of the higher tariff on its raw material," said the official. In the 1988-89 fiscal year, the factory produced 120 lakh square feet (sft) of glass sheet and made Taka 102.5 lakh as its pre-tax profit while the last FY's production was almost 150 lakh sft and the pre-tax profit was Taka 410 lakh. But in the 1991-92 fiscal year, Usmania's pre-tax profit was Taka 464 lakh, said the official. Among raw materials, one of the majors — silicon sand — is

available in the country, though it does not qualify as a good material. The factory has to import other raw materials needed to manufacture glass sheet. The Usmania needs some 1800 metric tons (mt) of soda ash and over 1500 mt dolomite every year for its production. Both the raw materials are imported with higher tariff. "The government has increased tariff on our raw materials whereas they have reduced the duty on imported glass from 100 per cent to 75 per cent in the previous FY budget," said the official. An earlier report of The Daily Star said that the tariff value of the soda ash had been fixed at Taka 38800 per mt in the 1992-

93 budget while the value of the same was Taka 9450 per mt. The increased tariff on the soda ash had resulted in a rise of 23 paise per sft of glass sheet in its price. Besides the other increased taxation led to a price-hike. Officials feel that these anomalies in tariff value and duty will pave the way for the imported glass sheet in the local market. Even this viable factory may turn to be non-viable," said a senior official. However, Usmania now can fulfill fifty per cent of the country's glass sheet demand with its maximum capacity. The rest are to be imported from abroad. (Series concluded.)

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Fasiul Alam, Convenor of the Committee to Protect Interest of the Cooperative Fishermen in Coastal Areas, addressing a press conference at the Jatiya Press Club yesterday — Star photo

Attempt to keep out wild animals

NAIROBI, Nov 20: The Kenyan government will spend 450 million Kenyan shilling (about 6.5 million US dollar) on fencing 322 kilometers around the mountain Kenya forest to keep out wild animals, reports Xinhua. Kenyan Assistant Minister for Tourism and Wildlife Wilberforce Kistler said here on Thursday the project, to be undertaken in phases, is expected to start during the current financial year. The Assistant Minister said the government is aware of the wild animals' menace to farmers so it, through the Kenya Wildlife Service, is planning to fence off the forest areas to keep the animals away.

China to raise prices of range of agri products

BEIJING, Nov 20: China is to raise the prices of a range of agricultural products and reduce the costs of inputs next year to improve the lot of the country's farmers, the China Daily reported today, says AFP. Minister of Internal Trade Zhang Haoru said yesterday the price of grain, cotton and other products would be raised, while that of fertilisers, pesticides, plastic sheets and other inputs would be lowered, but gave no details. The paper quoted New State Statistical Bureau figures as showing that farmers incomes had increased only 2.7 per cent in the first nine months of 1993 over the same period last year. Previous figures released in October had said their incomes had risen five per cent between January and September, compared with a 12 per cent increase in cities. Zhang said the slow rise in incomes together with the arbitrary levies imposed on them by local authorities had dampened farmers enthusiasm for growing crops. Reports of a number of violent incidents in the countryside this year have worried the central authorities. The central government has in recent months ordered local authorities to cancel all fees and to ensure immediate payment to farmers for their crops, warning them of severe punishment if they continue such practices.

Zahir welcomes migrating industries from Hong Kong

Industries Minister A M Zahiruddin Khan has welcomed migrating industries to Bangladesh from the region, especially from Hong Kong, reports BSS. He described Bangladesh as a gateway to the subcontinent. The Minister was addressing a gathering of prominent Rotari Club members in Hong Kong on 'Investment opportunities in Bangladesh' Thursday. According to a message received in the city Saturday, Zahiruddin Khan highlighted the salient features of the industrial policy of the government explaining various aspects of investment opportunities in Bangladesh. He said the gov't's macro-economic policy has made Bangladesh one of the lowest inflation countries in the world. The homogeneous character-

istic of the people of Bangladesh he said, creates a congenial atmosphere for investment. This homogeneity, he said, keeps the country free from social tension. He explained various industrial sectors which have been opened for foreign investors and said seven leading American companies had recently come with proposal to build 250-300 MW power generation plants in Bangladesh which reflects the confidence on the future industrial prospects of Bangladesh. Paper pulp industries from renewable resources like jute he said, would be a viable manufacturing project in Bangladesh. He called upon the business community of Hong Kong to relocate their industries specially in the fields of textile, garments and steel re-rolling in Bangladesh. Prof A Q M Badruddoza Chowdhury, Deputy Leader of the Jatiya Sangsad speaking as chief guest on the occasion of voluntary blood donation programme of the employees of National Bank Ltd (NBL) on Thursday, Shahidul Huq Jamal, MP and Chairman, Bangladesh Red Crescent Society, Mahbubur Rahman, Chairman, M A Wahab, MD (Current Charge), Rafiqul Islam Khan, Executive Vice President of the bank also seen in the picture.

Merrill Lynch opens branch in Bangkok

BANGKOK, Nov 20: Merrill Lynch formally opened a representative office in Thailand Friday, saying its 500 billion dollar investor base would increase the flow of cash into the country's booming economy, reports AP. J Michael Giles, chairman of the international banking group of Merrill Lynch International Bank Ltd, said the office will concentrate on providing information to investors interested in Thailand. Representative offices in Thailand are barred from trading securities, taking deposits or lending here. Finance Minister Tarrin Nimmanhaeminda said the company was coming at a good time since Thailand was liberalising its markets.

Cotton prospect bright in Khulna

JESSORE, Nov 20: The prospect of cotton in seven districts under four zones in Khulna Division is bright because of the earnest care devoted by the Bangladesh Cotton Development Board to raise a better crop this year, according to Deputy Director, BCDB, reports BSS. Jessore region seed cotton was cultivated in 32,409 hectares of land in these districts under four zones. These zones are Jessore and Sathkhira districts under Jessore zone, Jhenidah and Magura districts under Jhenidah zone, Kushtia district under Kushtia zone and Chuadanga and Meherpur districts under Chuadanga zone. According to the source, over eight lakh 75 thousand mauluds of seed cotton worth about Taka 68 crore would be harvested from these districts during the season. The harvest

of cotton would start by the middle of December next, the source said. The board disbursed an amount of Taka 21 lakh among the farmers for the procurement of seeds, fertilisers, pesticides and cultivation cost as loan. These loan amount would be adjusted from the crop sale. The BCDB BTMC and private ginners would setup procurement centres in all units for purchasing cotton from the farmers. UNB from Natore adds: A total of 3457 acres of land have been brought under cotton cultivation programme in the district during the current season. According to official sources, the target was fixed at 4,200 acres of land which could not be achieved due to heavy rainfall during the season. About 3600 bales of cotton are expected to be produced in

the district this year. The Cotton Development Board has set up seven units in Sadar, Ahmedpur, Razapurhat, Dyrampur, Mananchi, Bagatipara and Jyantapur to grow cotton under modern methods of cultivation. The Board has disbursed Taka three lakh as loan among 400 cotton growers. Different commercial banks also disbursed loans among the growers to make the programme a success. Meanwhile, CDB local office has already sold 27,000 kgs of cotton seeds during the season. CDB also arranged several training programmes under which 4000 farmers of different areas have given short term training and 14 farmers from seven units given basic training at Sadarpur Seed Growing and Training Centre, Dinajpur.

US trade deficit widens

WASHINGTON, Nov 20: The US trade deficit with the rest of the world widened in September to 10.89 billion dollar from 10.05 billion dollar in August, the commerce department said Friday, reports Reuters. Exports rose in September 2.1 per cent to 38.87 billion dollar while imports rose 3.4 per cent to 49.75 billion dollar. The resulting trade shortfall was greater the 9.8 billion dollar expected by Wall Street economists. In the first nine months of 1993, the trade gap has swelled to a seasonally adjusted annual rate of 117.3 billion dollar from the 1992 shortfall of 84.5 billion dollar, the department said. The politically sensitive deficit with Japan grew slightly in September to 5.33 billion dollar in September from 2.6 billion dollar, and accounted for nearly half of the total US trade gap. So far this year, the US trade gap with Japan has widened to 42.2 billion dollar from 34.87 billion dollar in the same 1992 period.

Gold price rises in Hong Kong

HONG KONG, Nov 20: Gold in Hong Kong rose 2.30 US dollar an ounce on Saturday to close at 378.25 US dollar, compared to Friday's 375.95 US dollar, reports AP. The US dollar closed Saturday at 7.7265 Hong Kong dollar, compared to Friday's 7.7300. The FAO forecasts 3.5pc fall in global grain output. LONDON, Nov 20: World production of cereal grains will fall by 3.5 per cent this year and several African countries will have acute shortages, the UN Food and Agriculture Organization said Tuesday, reports AP. The agency's new forecast is for a global cereal harvest this year of 1.894 billion metric tons, compared with 1.911 million projected last month. The FAO forecasts 1993 world wheat output at 566 million tons (unchanged on 1992) and coarse grains — mainly maize (corn) — 808 million (down 62 million). Paddy rice output is expected to fall seven million tons from last year's record to 520 million. It said that Kenya's food aid need had increased massively after a poor harvest.

Rabin seeks world help for Palestinian economy

NEW YORK, Nov 20: Israel will ask the world to help the Palestinians build their economy, Prime Minister Yitzhak Rabin said Friday, reports AP. "It is in our interest" to do so, Rabin said at a meeting of about 400 American businessmen at a luncheon of the New York Economic Club. Rabin urged Saudi Arabia and the other Arab nations, as well as Europe and Japan, to help the Palestinians. Arab solidarity should not be limited to negative aspects only," he said. "Without an improvement in the Palestinians

lives, peace will not be achieved." Rabin noted that in the West Bank the per-capita annual income of Palestinians is around 1,800 dollar a year. In the Gaza Strip it is even lower, compare with 13,000 dollar for Israelis and 8,000 to 10,000 dollar for Israeli Arabs. Asked whether Israel would help the Palestinians solve their social problems, Rabin said, "We do not want to patronise. We want to talk to the Palestinians as partners. We do not want to run the lives of 1.8 million Palestinians."

Moldova, Armenia will abandon Russian rouble

MOSCOW, Nov 20: Two former Soviet republics, Moldova and Armenia, will abandon the Russian rouble over the next two weeks and replace it with their own currencies, news agencies reported Friday, says AP. The move will leave Tajikistan the only former Soviet republic still using pre-1993 Russian rouble as the only legal tender. Armenia will introduce a new national currency, the dram, on Monday and Moldova will replace the rouble with the leu a week later.

Delhi permits foreign institutions to own bank shares

BOMBAY, Nov 20: India has permitted foreign financial institutions to own shares in new private banks to inject greater efficiency into its state-dominated banking sector, reports Reuter. Approval was announced by the Reserve Bank of India (RBI) governor Chakravarty Rangarajan on Thursday during a conference of leading Indian and British businessmen. Foreign institutions can hold up to 20 per cent equity in the banks, while expatriate Indians are allowed up to 40 per cent equity. Analysts said the decision to allow institutions to invest in new banks was made to improve the sector's performance. India's big banks were nationalised in 1969 and 1978. Given a mandate to pursue social goals, chiefly helping farmers with concessional loans, they became unprofitable and inefficient. "The present predicament of the Indian banking system is the result of a combination of factors both internal and external and financial sector reforms are meant to address both these factors," Rangarajan said. The reforms, part of a radical economic reform programme, were launched in 1991. The reforms were stepped up this year with the decision to allow the first five private banks

in India in two decades. Financial sector reforms suffered a setback last year due to the involvement of several leading banks, including foreign ones, in a billion dollar securities scandal that shook India. However, that has not stopped foreign banks seeking permission to enter India or expand there. Ing Bank of the Netherlands, Thailand's Siam Commercial Bank (SCB) and the State Bank of Mauritius have already won permission to enter the market, while five other foreign banks have been allowed to open additional branches in India. "This is a clear signal that India is no longer apprehensive

of the role of the foreign banks," a senior banker said. A few members of the parliamentary committee investigating the securities scandal had sought severe penalties, including the cancellation of licences, for foreign banks found to be at fault. But though guilty parties will face punishment, this will not affect the application of foreign banks seeking to establish a presence in India, analysts said. Analysts said one reason for the change in attitude towards foreign banks was the government's insistence that banks observe global capital adequacy ratios.

NAFTA survives Senate challenge: AP survey

WASHINGTON, Nov 20: The North American Free Trade Agreement (NAFTA) easily survived an eleven-hour Senate challenge Friday night, and supporters pressed for swift final approval. An Associated Press survey showed a majority behind the plan to establish the world's largest free trade zone. On a vote of 73-26, the Senate turned back a bid by Sen Ted Stevens of Alaska to open NAFTA to changes — a move that supporters described as a "killer" that would have doomed the accord to defeat. After an arduous battle, the House of Representatives voted 234-200 on Wednesday night in favour of the legislation, which would unite the United States,

Mexico and Canada into a vast tariff-free region. Senate passage was expected either Saturday or early next week, and would send the measure to President Clinton to sign into law. NAFTA would phase out tariffs on goods over 15 years, and supporters say it would open the door for American exports to an enormous new market in Mexico. Opponents, many of them backed by organised labour, say it would lead American businesses to move their factories to Mexico, where labour is cheap and environmental standards lax, and thousands of jobs would be lost in this country as a result.

Table with 5 columns: প্রাপ্ত মূল্য, বায়ারের টাকা, সময় বরাদ্দ, টিকাদারের যোগ্যতা. Includes title (সেওজ) মৌলভীবাজার-এর দরপত্র আহবানের বিজ্ঞপ্তি and details about the procurement process.



Mustafa Aminur Rashid, MD, Agran Bank, inaugurating the three-week course on 'lending risk analysis' at the bank's head office, in the city Saturday. Naziruddin Ahmed, GM of the bank is also seen.