

## 14 investment proposals from 5 countries under consideration

Poland and Canada have evinced keen interest in making investment in energy sector and in participating in mining of mineral resources in Bangladesh, said Energy and Mineral Resources Minister Dr Khandkar Mosharraf Hossain yesterday, reports UNB.

Briefing newsmen at Zia International Airport on his return from a two-week official visit to Poland and Canada, the Energy Minister made this announcement.

Responding to a question, the minister said 14 investment proposals from USA, Canada, Hong Kong, UK and China are under consideration of the government. Some 1,000 megawatt power would be generated at a cost of nearly Tk 3,000 crore if these companies ultimately invest here.

Answering to another question of countrywide load-shedding, the minister said it is a problem of high demand and low supply. As a public company, we are trying much to step up power generation.

Private investment is a must as it is vital sector for overall development.

He said Poland and Canadian International Development Agency (CIDA) will send a technical and experts team to assess the prospect of investment in this sectors.

CIDA has assured Bangladesh of its best efforts to develop new hydro electric power generation project and rehabilitation of age old Kaptai hydro electric plant, he said. Six Canadian companies have given instant investment proposals in power generation projects.

During his stay in Poland and Canada, he met ministers, high officials and visited a number of power plants and informed them of the prospects and possibilities in energy and mineral resources of Bangladesh.

During the meeting with his counterparts, he explained the salient features of the Petroleum Policy enacted in 1992, modified production sharing

contract, fiscal and tax incentives for investment in oil and gas sector.

There is an immense scope for both of the countries to cooperate in the field of mining in Bangladesh as both Poland and Canada are highly advanced in mining and power generation technology. Dr Hossain, who has led a four member delegation, said.

An integrated coal mine with mine mouth power plant may be a suitable project for Polish-Bangladesh cooperation in mining, he added. The minister also proposed that Khaspir coal mine might be a starting point for future joint venture. Now Poland and Canada are generating 94 and 80 per cent power from coal respectively.

In this context, Dr Hossain referred to Barakpuria coal mine and said this project was being implemented with the financial and technical assistance of China.

According to the World

Bank, investment requirements for the power sector over the rest of the decade are estimated to be about Tk 100 billion. But the energy sector's continuing poor performance prompted IDA and other major donors to withdraw support from the sector in late 1990, negating the possibility of foreign investment.

The installed power generating capacity in Bangladesh has increased from 822 MW to 2608 MW from 1980 to 1993, and power generation has grown at about 11 per cent. Compared to GDP growth in power sector stands at four per cent per annum. Only about 12 per cent households are electrified and per capita generation is about 80 KWh which is among the lowest in the world.

Energy Secretary M Faizur Razzak, Additional Energy Secretary Jamal Hossain and Chairman of Petrobranga S K M Abdullah were present during the briefing.

## Admn officials urged to develop competence

Labour and Manpower Minister Abdul Mannan Bhuiyan Sunday urged the BCS (Administration) officials to perform their duties with the attitude of a social worker rather than a ruler, reports BSS.

He said this at the certificate distribution ceremony of a week-long training course on 'Human resource development and the role of administration in poverty alleviation' arranged by Bangladesh Institute of Administration and Management (BIAM), an affiliated organisation of BCS (Administration) cadre at its newly constructed building at Eskaton here.

Mannan said the number of the landless people is rapidly increasing in the country and unless appropriate measures are taken up for their settlement, no development programme would be successful.

"We have to generate local resources and ensure their balanced distribution for which the administration officials have a great role to play," he said.

## Two more ground satellite stations to be set up

With installation of two more ground satellite stations soon, Bangladesh is poised to enter into a modern telephone and telecommunication system.

Besides Talibabad and Bebtunia, a new satellite station at Mohakhali in the capital will start functioning by early next year, sources at the Post and Telecommunication Ministry told UNB yesterday.

The government is planning to set up another ground station in Sylhet with assistance from British Telecom Services which will help expand the country's communication network with other parts of the world, sources added.

Bangladesh Telephone and Telegraph Board will install 400 more card phones over the country, bringing the number of public phones with international dialing facilities to more than 1,000.

More than 260 card phone booths have been set up in different parts of the capital, including all hospitals, clinics, railway station, airport, su-

permarkets, post offices, press club, Bahadur Shah Park and different colonies.

Residents of Ukhia, a remote area in Chittagong, eager to talk to their near and dear ones living and working abroad, bought more than 17,000 cards on the very first day of installation of card phone booth in the area.

The T & T Board expects to surpass its last fiscal's revenue earning of nearly Taka 500 crore in the current year.

In another vital step to

## British Airways earnings up

LONDON, Aug 8: British Airways reported Monday that earnings were up 22 per cent in the second quarter, reflecting increased traffic and lower fuel prices, reports AP.

The company said profit was 66 million pounds (102 million dollars), compared to 54 million pounds (83.4 million dollars) in the second quarter of 1993.

bring modern communication facilities within reach of the people, the government has decided to end the monopoly of a certain cellular telephone company.

Apart from Swedish and Singapore bidders, a Hong Kong company, able to provide cellular telephones of 35-kilometer range for about Tk 15,000, has shown interest in investing in Bangladesh.

The country, which had 2.31 lakh telephone connections under 500 circuits three years back, now has nearly 4 lakh lines connected through 1100 circuits.

Meanwhile, a memorandum of understanding has been signed between British Telecom and T & T Board for installation of the planned satellite earth station.

Along with the station, an automatic trunk exchange will also be installed in Sylhet under this agreement. As a result, an additional 100 circuits will be working between greater Sylhet and UK, the telephone board said.

## New nat'l energy policy soon

A new National Energy Policy for long-term energy balance in the country will be announced soon, allowing private sector participation in this field, reports UNB.

This was disclosed by Energy and Mineral Resources Minister Dr Khandkar Mosharraf Hossain while speaking to a group of Canadian electricity experts in the Keephills Power Station, about 200 km from Calgary, on Friday, said a delayed message received in Dhaka Sunday.

He said the energy policy, now in its final stage, will cover important issues such as protection of environment, private sector participation in energy policy, accelerated exploration and development of energy resources and expansion of energy base by diversification of its forms, rationalisation of energy prices and implementation of fuel conservation measures.

During the meeting, the minister also explained different aspects of development in the country's energy sector, its present position and future prospects.

Referring to the reform measures taken by the government in the sector, he explained the salient features of the Petroleum Policy enacted in 1992, modified production sharing contract, fiscal and tax incentives for investment in oil and gas sector.

## Delhi orders 10 foreign airlines to close offices

NEW DELHI, Aug 8: The government has ordered 10 foreign airlines that sell tickets in India but do not operate flights, to close their offices within three months, a newspaper said Monday, reports AP.

The Reserve Bank of India ordered the closure because the airlines are draining 97 million dollars in foreign exchange every year by converting rupees earned from India sales to their currencies and taking them back home, the Pioneer daily reported.

Some of the foreign airlines sell ticket for international flights from India, but the passengers are booked on other foreign airlines.

## Toshiba to set up semiconductor joint venture in China

TOKYO, Aug 8: Toshiba Corp, a major electric machinery maker, said Monday it will set up a joint venture in China to produce semiconductors for televisions and audio equipment, reports AP.

Under a recently signed agreement with Huaqin Electronics Group Corp, China's leading manufacturer of integrated circuits, the 10 million dollar venture will be established in Wuxi in Jiangsu Province, north of Shanghai, in October.

A Toshiba official, speaking on condition of anonymity, said the new joint venture is aimed at following the world's fastest growing electronics market.

The new firm, which is owned 60 per cent by Toshiba and the remaining 40 per cent by Huaqin, will start producing 2 million semiconductors a month from April 1995, Toshiba said in a release.



Dhaka Chamber of Commerce & Industry (DCCI) arranged a discussion on Securities Market Regulation and Supervision at its auditorium in the city yesterday. Seen from right: Latifur Rahman, President, MCCI, A Rob Chowdhury, President, DCCI and Sultanuzzaman Khaa, Chairman, Securities & Exchange Commission. — Star photo

## SEC chief finds fault with country's share market

A high-profile dialogue on Securities Market yesterday highlighted the urgency for fair play by issuers to build investors' confidence in the country's timid capital market, hit frequent by incidents of companies cheating shareholders, reports UNB.

Fake balance sheet, baseless assurances of profits in prospectus, absence of scheduled AGM and deprivation of shareholders of dividends — all contributing to erosion of investors' faith — came up for appraisal by experts in the capital market.

Regulators, business leaders, accountants and share brokers who attended the Dhaka Chamber of Commerce and Industry (DCCI)-sponsored dialogue resolved that effective regulatory framework was inevitable to ensure fair play in the capital market.

"Nothing can be done despite knowing full well," said Sultanuzzaman Khan, Chairman of the Securities Exchange Commission (SEC), revealing weakness in regulations for the country's share market. Khan was the moderator in the dialogue.

"We have to be very careful about frequent auditing lapses in the balance sheet of many

issuers. A small emerging market like us can least afford any Bombay-like scam that could drive away investors," said Latifur Rahman, President of the Metropolitan Chamber of Commerce and Industry (MCCI).

Rahman, proprietor of a leading trusted issuer, Transcom Ltd, proposed creation of independent agencies to give ratings among listed companies on the basis of their financial strength and performance. In many countries, small investors rely on such rating.

Many a participant strongly criticised companies boasting of imaginary profits in the share prospectus. The representative of the Institute of Chartered Accountants demanded of the companies to compensate shareholders if they failed to give dividends assured in the prospectus.

Securities Exchange Commission (SEC) chairman said such forecast of dividend is unlawful and deserves to be stopped.

A S Shahedul Huq, Councillor of Dhaka Stock Exchange (DSE), complained that many companies declared in prospectus the cost of machinery much higher than the

actual price, cheating investors. "There is no rule to hold them (the companies)," he said.

DSE representatives suggested urgent steps to set up financial intermediaries, including investment companies, to provide cushion to the market in case of temporary depression.

Khurshid Alam, Chairman of DSE, cautioned that prolonged absence of institutional intermediaries would have "crushing effect" on the market in case foreign investors opt to withdraw.

Brokers proposed opening of special investment wings in commercial banks.

Participants were critical of sloth in the government-pledged privatisation through stock market.

Nazrul Islam, representative of the Privatisation Board, however, told the meeting that rules were being framed for floating shares of profitable and "least losing" public sector units. At least "one or two" companies will come up in the share market in next two months.

Dhaka Chamber of Commerce and Industry President A Rab Chowdhury was present.

## Palm oil prices up in Malaysia

KUALA LUMPUR, Aug 8: Crude palm oil continued its bullish trend on the Malaysian physical market last week in the face of the forecast tightening supply, reports Xinhua.

August South was traded at a record 1,410 ringgit (542.3 US dollars) per ton on Friday, against 1,335 ringgit (513.46 US dollars) per ton a week earlier.

July output and stocks of the commodity were forecast to fall which added to the market sentiment.

In another development, technical correction resulted in a decrease natural rubber prices in the Malaysian market.

September RSSI dipped 36 Malaysian cents a kg to close the week at 315 cents (121 US cents) a kg while SMR 20 retreated six cents to 300 cents (115 US cents) a kg.

On the Kuala Lumpur tin market, the commodity fell for the third consecutive week since July 15 to 13.16 Malaysian cents (5.06 US cents) per kg, 10 cents (3.85 US cents) lower than the previous week, representing a 6.5 months low.

The stagnant market was attributed to the strengthening of the Malaysian ringgit and the spreading of the weakness of other metals on the London Metal Exchange, plus chronic tin oversupply in the world market.

## NKK plans to cut another 1300 jobs

TOKYO, Aug 8: Japanese steelmaker NKK Corp. plans to cut another 1,300 jobs over the next two-and-a-half years, in addition to the 4,500 job cuts already announced in March, a company official said today, reports AFP.

Under the revised plan presented to the company's labour union last week, NKK plans to boost the number of blue-collar job cuts from 3,100 to 4,200 and the number of white-collar job reductions from 1,400 to 1,600, the officials said.

NKK announced in March plans to reduce its workforce from 22,200 a year earlier to 17,700 by the end of March 1997.

The official said to the basic policy was unchanged.

## Vice-Chairman of Asian Re-Insurance Corpn elected

M M Murshid, Managing Director of Sadharan Bima Corporation, has been elected Vice-Chairman of Asian Re-Insurance Corporation, says a press release.

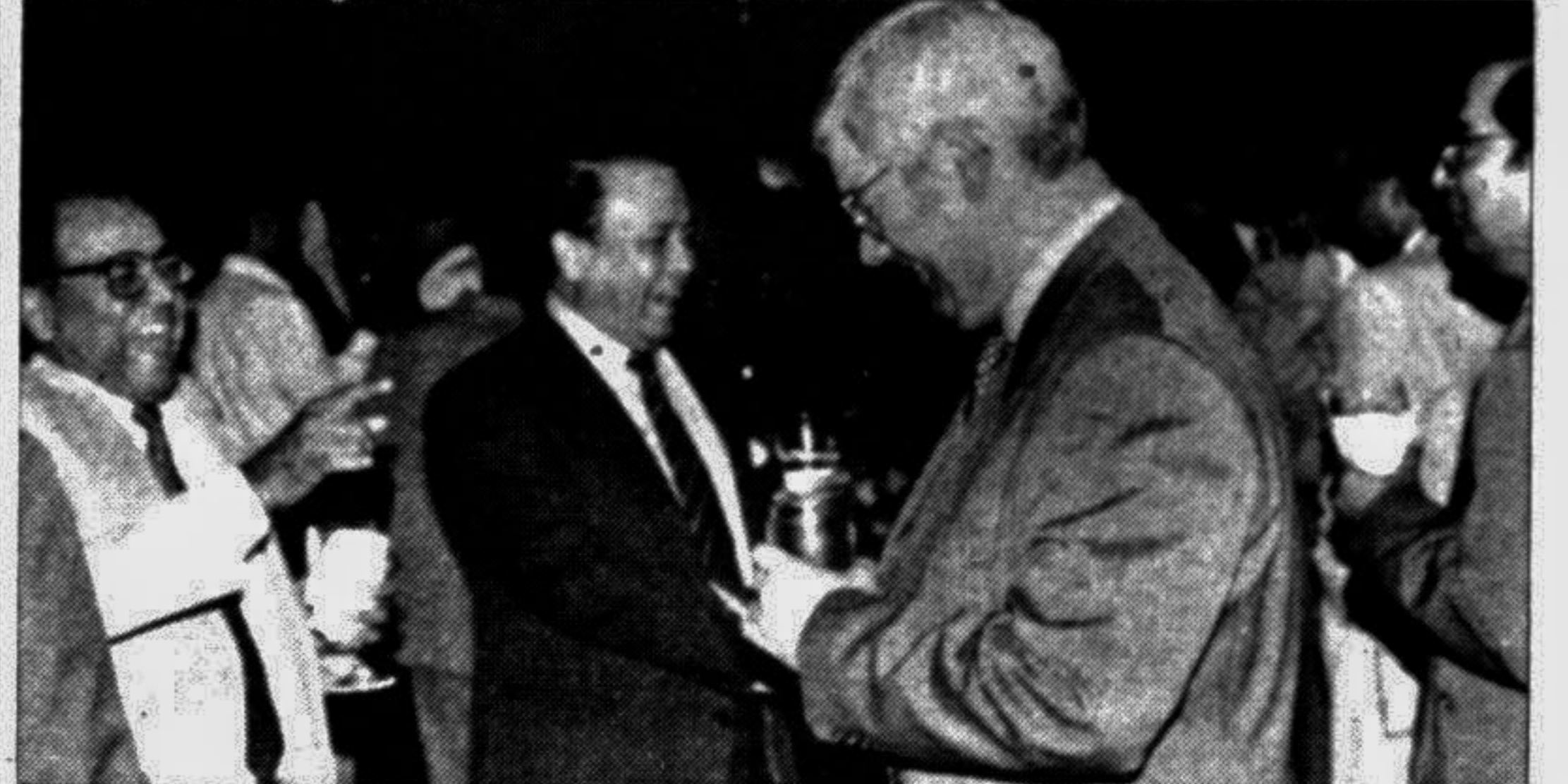
The election was held at the two-day 17th council session meeting of the Asian Re-Insurance Corporation in Bangkok on the third of this month.

Multinational Re-Insurance Organisation "Asian Re-Insurance Corporation" was established on the 1st of January 1980, the headquarter of which is in Bangkok.

Sadharan Bima Corporation is a member of the organisation since its inception.

Other member-countries are: China, India, South Korea, Bhutan, Philippines, Sri Lanka, Afghanistan, Thailand and Iran.

The main theme to organise this regional institution is to reduce dependence on Re-Insurance on European market.



A reception was held yesterday at Sonargaon Hotel by Hutchison Bangladesh Telecom Limited to commemorate the first anniversary of the company and the launching of its City Cell. Ministers, politicians, businessmen, high officials, senior journalists and distinguished citizens attended.

## \$ 1.28b Indian bond swindle Govt-Opposition confrontation likely to end soon

NEW DELHI, Aug 8: Indian Prime Minister P V Narasimha Rao and senior opposition leaders were soon expected to end a bitter confrontation over a dollar 1.28 billion banking scandal, parliamentarians said on Sunday, reports Reuter.

They said Rao, ending his public aloofness over an issue that has disrupted India's parliament for two weeks, now sought a face-saving formula acceptable to both sides.

The opposition, which first paralysed parliament and then boycotted proceedings, has accused Rao of shielding several senior ministers blamed in a Joint Parliamentary Committee (JPC) report on the 1992 scandal by rejecting its key findings.

Bankers and brokers were accused of collusion in siphoning off money illegally from the inter-bank market in government securities to invest on the booming Bombay Stock

Market.

The opposition wants Rao to withdraw an action taken report — the government's response to JPC's findings — from parliament.

"Something short of a total withdrawal of the action taken report would be ideal," Chandul Chandrakar, spokesman for the ruling Congress Party said. "We expect the opposition to end their boycott by Tuesday," he added confidently.

Opposition deputies said their campaign was in danger of running out of steam if the government did not respond quickly.

Analysts said Rao was also unhappy with a parliament without an opposition.

Lawmakers' said Rao's meeting on Saturday with Atal Behari Vajpayee, the chief opposition leader and deputy of the Hindu nationalist Bharatiya Janata Party (BJP), could

be the beginning of the thaw.

"The process that the Prime Minister has initiated of consulting the leadership of the opposition directly, is perhaps the first necessary step," BJP deputy Jaswant Singh told Reuters. His BJP colleagues said both sides appeared prepared for a retreat.

Rao's new initiative appears to have pleased the left. Rao on Saturday consulted Harkishan Singh Surjeet, general secretary of the Communist Party of India-Marxist (CPM), the largest leftwing group in parliament, to end the deadlock.

"There will be a positive response from the CPM," a CPM deputy said after Rao phoned Surjeet, currently in London.

Analysts said part of the opposition's eagerness to end its standoff stemmed from its members' suspicion of one another.

## Pay-off scam in S Korea Prosecutors expand probe

SEOUL, Aug 8: Prosecutors expanded a probe Monday to see if South Korean government or business leaders were involved in pay-offs over the construction of nuclear power stations, reports AFP.

The prosecution is also looking into whether Ahn Byong-Wah, a former trade minister arrested last week on graft charges, had bribed the administration of former president Roh Tae-Woo.

Ahn was initially accused of receiving 248,000 dollars from Sanchang Co, a nuclear plant contractor, in 1991 as head of Korea Electric Power Corp. But prosecutors also found he had received money from business magnates. As head of the state-run electricity supplier from January 1989 to March 1993, Ahn placed 17 competitive orders with local and foreign bidders, including Westinghouse of the US and Framatome to France.

In South Korea, bidders often provide kickbacks or rebates to win competitive orders.

On Saturday, prosecutors questioned Choi Won-Suk, chairman of the Donghah Group, who is suspected of giving 250,000 dollars for favours in pursuing a contract for a

thermal power plant.

Ahn, 63, also reportedly confessed to receiving money from Daewoo group founder Kim Woo-Chong.

The prosecution declined to elaborate on its investigation but has indicated businessmen involved in the bribery scandal would face criminal charges.

The investigation followed the ruling camp's humiliating setback in by-elections last week and spurred fears among businessmen of a new anti-corruption drive.

## Stocks up, dollar down in Tokyo

TOKYO, Aug 8: The US dollar edged lower against the yen in slow trading Monday, while stock prices closed slightly higher, reports AP.

The dollar closed at 100.44 yen, down 0.01 yen from Friday's close but above its finish in New York Friday at 100.25 yen. The dollar opened at 100.24 yen and ranged between 100.23 yen and 100.55 yen.

Spot trading remained low at 3.54 billion dollars, about even with 3.535 billion dollars Friday.

## Scientists in India working on information highway

NEW DELHI, Aug 8: Scientist are working on an information highway aimed at linking 70 cities across the country by next March, the Press Trust of India said yesterday, reports AP.

The highway will be superimposed on an existing satellite-based computer network run by the National Informatics Network (NICNET) connecting 15 towns, the news agency said.

"It will be India's first information highway with multimedia capabilities in which audio, video and graphics can be transferred," NICNET Director General N Seshagiri was quoted as saying.

"Its speed (2.2 million bits per second) and large carrying capacity will distinguish it from existing networks," he added.

Seshagiri said corporate bodies, research centres, educational institutions and even exporters could use the high-speed services which would include data and large file transfers, electronic data interchanges and video-conferencing.



Nooruddin Al Masood, Chairman of BSL and Secretary, Civil Aviation and Tourism, planted a sapling in the Dhaka Sheraton Hotel premises recently. Ross Larsen and S Bari were among others present on the occasion.