

DHAKA, TUESDAY, JANUARY 3, 1995

Export earnings  
figure being  
compiled afresh

The Ministry of Commerce is compiling afresh the export earnings of the last couple of months following detection of mismatch between its own records and those supplied by the Customs, reports UNB.

A senior official of the Export Promotion Bureau (EPB) on Sunday said they are expecting a fatter export figure from the fresh compilation work, likely to be completed within a week.

Poor export figures in the first two months (July-August) of the current fiscal year, which fell short of the target by 26 per cent, had embarrassed the government.

But EPB, while looking into reasons for such dismal export figures, revealed variations in data of the Chittagong Customs authorities and the United States Customs on garments exports.

The revelation prompted EPB to recheck the data supplied by the Customs authorities in Chittagong, pending routine compilation of export figures.

EPB, which monitor and compile the country's export earnings, usually rely on day-to-day figures supplied by the Customs authorities.

A group of officials of EPB and the Customs, who worked for the past couple of weeks in re-examining the old figures, is said to have found contradictions in figures.

The exercise has been causing unprecedented delay in routine compilation of export figures, according to the EPB official. Although the current fiscal year is already halfway through, EPB has been able to publish the data only for the first two months.

Saudi trade  
surplus may  
reach \$18.1b

RIYADH Jan 2: Saudi Arabia predicts a balance of trade surplus of 66.2 billion riyals (18.1 billion dollars) for 1994 and a six per cent rise in its gross domestic product (GDP), officials said here today, reports AFP.

Exports for 1994 were expected to reach 155.5 billion riyals (42.6 billion dollars) and imports 89.3 billion riyals (24.4 billion dollars), according to finance ministry figures contained in the state budget for 1995 published Sunday.

Non-oil exports were expected to show an increase of 13 per cent in 1994, in line with government efforts to reduce the kingdom's reliance on oil, which provides the bulk of its revenue.

Bankers here said Saudi oil revenues had declined by more than seven per cent in the first nine months of 1994 compared with the same period in 1993, reaching a total of some 30.8 billion dollars.

The world's leading oil producer and exporter, Saudi Arabia counts on the sector for almost 80 per cent of its revenues. Its current oil output is eight million barrels a day.

The kingdom faces an unprecedented liquidity crisis because of the fall in oil prices and its foreign debt, estimated by bankers at 70 billion dollars.

The finance ministry said GDP for 1994 was expected to show a six per cent increase, with a four per cent growth in the contribution made by the private non-oil sector.

Revenue earnings from tobacco  
sector may fall this FY

By Asiuzzaman

The revenue earnings from the tobacco sector are likely to fall during the current financial year because of the new tariff structure which came into force from June 1994, company sources claimed.

The sector earned about Tk 880 crore during the 1993-94 fiscal year (FY). Of it Tk 785 crore came from the cigarettes.

One source of a leading cigarette company said although the bidi dominates 88 to 90 per cent of the country's tobacco market, it contributes only Tk 95 crore to the government exchequer annually.

According to company and NBR sources, of the total Tk 785 crore earnings from the cigarettes, the Bangladesh Tobacco Company (BTC) alone paid Tk 650 crore. There are a total of 18 cigarette companies in the country. Of these, 10 are in full production of different brands of cigarette.

A BTC source confirmed that the multinational would pay the government exchequer Tk 30 crore less than the amount paid in the previous FY as they lost sales in two of their top brands because of the

new tariff structure announced with the 1994-95 budget.

When contacted over telephone, Saifur Islam Khan, Member (VAT), NBR (National Board of Revenue) admitted that they apprehended a short-fall in the tobacco sector.

He said during the current year NBR has a target of Tk 850 crore revenue earnings from the tobacco sector, of

massive fall in their top brand 555 cigarettes after the company increased its price.

According to the new structure, tax rate has been increased from 65 per cent to 68 per cent for the expensive brand of cigarettes (price above Tk 3 for 10 sticks) while tax for the mid segment has been reduced to 65 per cent from 71 per cent. The duty in

selling brand in Bangladesh market.

But sources said that 555 could not make room in the market because of its high price failing to compete with the smuggled cigarettes.

At one stage few months back prices of 555 and Benson & Hedges came very closer and the consumers chose the foreign brand.

The Bangladesh market consumes about 1300 million sticks of cigarettes and another 7,000 million sticks bids every month.

The BTC now produces about 550 million sticks per month. The Dhaka Tobacco, the Alfa Tobacco and Sonali Tobacco shared significant parts of the total tobacco market.

Duty on bidi has been increased from Tk 19 to Tk 22 per thousand sticks but sources said the bidi producers evade a huge amount of taxes.

Rival companies also accused each other of evading taxes before marketing the cigarettes. NBR sources claimed that they have their mechanism to prevent tax evasion.

Fiscal year	Taka (in crore)
1991-92	Tk 740 crore
1992-93	Tk 862 crore
1993-94	Tk 879 crore
1994-95	Tk 850 crore (projected)

which Tk 750 crore would be realised from cigarettes. Rest will come from the bidi factories.

He also admitted BTC is the highest tax payer in the tobacco sector followed by the Dhaka Tobacco which pays around Tk one crore.

Dhaka Tobacco dominates middle and lower segments of the market.

The NBR executive, quoting BTC source, said that the multinational complained a

the lower segment (price up to Tk 2.49 per 10-stick pack) has, however, been increased to 50 per cent from 47.5 per cent, the source said.

Following the new duty structure, the BTC revised its price schedule and increased the price of its 555 brand from Tk 46 to Tk 52 causing a

drastic fall in sale. It, however, kept the price of another top brand cigarette, Gold Leaf, unchanged as a strategic move

because it is the highest



Mohd Noor Ali (4th from right), Managing Director, the Unique Group of Companies and Bosun Park (3rd from right), President, Tae Hung Paper Manufacturing Company of Korea, are seen exchanging documents of the memorandum of understanding.

## Tk 54.56m pre-tax profit earned

## UCBL fails to declare dividend

By Staff Correspondent

The United Commercial Bank Ltd. (UCBL) recorded a net pre-tax profit of Taka 54.56 million in 1993 as compared to Tk 10.75 million in the previous year.

This was announced at the 11th annual general meeting of the bank held in the city recently. The bank, however, failed to declare any dividend for the shareholders.

In his statement, the Chairman of the Bank, Md Jahangir Alam Khan, stressed that the economic condition in which the bank's activities were conducted in 1993 was characterised by low investment.

UCBL recorded a slight increase in deposit from Tk 5769.06 million in 1992 to Tk 6150.93 million in 1993. The year in review also showed a 5.03 per cent rise in export

business while reserves rose by 13.99 per cent.

The bank's total liquid resource inclusive of investment stood at Tk 2595.64 million being 42.20 per cent total deposit against 2046.45 million.

The annual report of the bank highlights the profit as higher than the preceding years but it also points out that this progress could not be fully reflected due to the implementation of revised procedures for classification and provisioning which has been made obligatory for all commercial banks in the country.

The prevailing sluggish investment climate had considerable bearing on the overall advances position of the bank. Net advances and loans of the bank stood at Tk 3833.04 million at the end of 1993, indicating deposit advance ratio at 1:0.62.

Average advance per branch of the bank stood at Tk 52.51 million during the year under report. The advances portfolios covered trades, term loans and working capital finance to various industries including ship breaking, readymade garments, textile, spinning, brick manufacturing, edible oil, perfumery and chemicals, writing

paper, steel mills, private hospital, printing and packaging etc.

The total volume of foreign trade handled by the bank during the year under review amounted to Tk 7494.70 million. Out of the total amount of foreign trade business, imports constituted Tk 5244.00 million. The export trade increased from Tk 2142.88 million in 1992 to 2250.70 million in 1993.

The total income earned by the bank during the year was Tk 664.65 million while total expenditure was Tk 610.10 million. The broad difference between interest earned and interest paid was Tk 101.10 million.

Out of the total paid-up capital, 68.57 million was provided by the sponsors, Tk 6.86 million by the government and balance Tk 61.71 million was raised from the general public. The total reserves stood at Tk 88.90 million at the end of the period under review against Tk 77.99 million in 1992.

Set up in June 1983, the bank expanded its network of branches rapidly taking a lead among the private sector banks.

## Corporate Profile: UCBL

Market Sector: Banking. Management: Chairman: Md Jahangir Alam Khan, President and Managing Director: M A Yussouf Khan. Number of Directors: 18. Head Office: Federation Bhavan, 60 Motijheel Commercial Area, Dhaka-1000.

Year of Establishment: 1983, Number of Branches: 73. Year of Listing with the Dhaka Stock Exchange: 1986. Number of Shares Issued: 13, 71428 at Tk 100 each. Number of Shareholders: 1833. Auditors: Howladar Yunus & Co Chartered Accountants, 67 Dilkusha Commercial Area, Dhaka 1000.

Key Data	1992		1993	
	Tk	137.14 m	Tk	137.14m
Paid-up Capital	Tk 1000 m	Tk 1000 m	Tk 1000 m	Tk 1000 m
Authorised Capital	Tk 10.75 m	Tk 54.56 m	Tk 10.75 m	Tk 54.56 m
Net Profit (before tax)	Tk 77.99 m	Tk 88.90 m	Tk 77.99 m	Tk 88.90 m
Reserve Fund	Tk 5769.06 m	Tk 6150.93 m	Tk 5769.06 m	Tk 6150.93 m
Total Deposits	Tk 864.55 m	Tk 978.69 m	Tk 864.55 m	Tk 978.69 m
Investment:	Tk 4048.83 m	Tk 3833.04 m	Tk 4048.83 m	Tk 3833.04 m
Advances		39.783		39.783
Earning Per Share:		2.011		2.011
Price Earning Ratio (X):				

(\* Market rate as published here on close of trade on January 1)

MOU signed with  
Korean firm  
to set up  
industrial plant

By Staff Correspondent

Tae Hung Paper Manufacturing Company of Korea and Unique Group of Companies of Bangladesh yesterday signed a memorandum of understanding MOU to set up an industrial plant in Bangladesh.

President of the Korean firm, Bo Sun Park, and Managing Director of Unique Group Mohd Noor Ali signed the MOU at a simple ceremony in the city yesterday.

The plan will have the capacity of producing 100 metric tons of industrial grade paper from wastepaper and green juice, says a press release.

According to the terms of the MOU, a working committee comprising representatives of both sides will prepare a report immediately for site selection, availability of raw materials and procurement of equipment to set up the plant.

Korean firm executive Dr Kihong Jeong and Jae Jim Lee and Unique Group executive Ibrahim Bhuiyan were present at the MOU signing ceremony.



M Anis Ud Dowla and Samson H Chowdhury, the new president and vice-president respectively of MCCI, along with the chamber Secretary-General, C K Hyder, called on the Finance Minister, M Shaifur Rahman, in the city yesterday.

BTMA for free import  
of polyester, viscose

Bangladesh Textile Mills Association (BTMA) has appealed to the government to withdraw all sorts of duties like import duty and VAT from polyester and viscose staple fibre, says a press release.

The withdrawal of duty will help the country's textile spinning mills produce year at a reasonable and competitive price, the organisation said.

BTMA has expressed deep concern at the abnormal rise in the prices of raw cotton in the international market resulting in serious problems in marketing the produced yarn at a reasonable price.

To overcome this situation polyester and viscose staple fibre are being increasingly used by the spinning mills to keep their mills running and produce year at a competitive price.

The prices of polyester and viscose staple fibre have also registered a sharp increase in international market.

The situation has been further aggravated due to imposition of 7.5 per cent import duty and 15 per cent VAT which have inhibited the competitiveness of yarn in the market.

2 shiploads of Indian  
salt likely by Jan 15

Two shiploads of edible salt is expected to reach the Chittagong port in the second week of this month to make up the shortfall that caused the essential's price hike, reports UNB.

The first ship — MV Oravita — carrying 7,988 tons of salt left an Indian port on Sunday while the second one — MV Danian Bedney — is expected to take off within a couple of days with 10,000 tons, officials said.

The consignments are part of the import of 70,000 tons of refined crushed salt for which the state-run Trading Corporation of Bangladesh (TCB) has finalised the import deals.

Rest of the salt is also expected to reach the country within this month. The government had earlier directed

the TCB to import salt to meet the deficit in the local market.

The annual requirement of salt in the country is some 750,000 metric tons of which some 700,000 tons are produced locally every year.

Sources said the deficit was estimated about 200,000 tons due to a poor output in the country's salt-beds during last season.

Retail price of salt in the markets has registered rise over the last three months. In October, salt sold at a rate of Tk 8 per kg while in December at Tk 10 per kg.

Industrial salt was being sold between Tk 11 and Tk 12 per kg yesterday (Monday).

Sources said more than one lakh tons of salt is likely to be imported further to meet the consumers' demand.

MCCI leaders  
meet Saifur

Leaders of the Metropolitan Chamber of Commerce and Industry felt the urgency of resolving prevailing political impasse at the earliest through dialogue in greater interest of the country, reports UNB.

It is the economy which would be the casualty if uncertainty continues, said MCCI President M Anis Ud Dowla during a meeting with Finance Minister M Shaifur Rahman at his office yesterday.

Though it was a courtesy call on the minister, several issues facing the country and economy featured in the discussion. The newly elected MCCI president was accompanied by Vice President Samson H Chowdhury and Secretary General CK Hyder.

A press release said the chamber president also said that the success in the macro-economy management had, boosted the image of the country and foreign investors are showing interests in Bangladesh.

Dowla said the economic reforms must be expedited so that the economy may move further ahead, and new employment opportunities are created.

The Finance Minister said that the government was keen to resolve political issue through discussion and in this regard, referred to the Prime Minister's speech offering re-suspension of talks.

He also assured the business community that reform measures would continue and said the government was committed to pursuing the reform measures.

Malaysian firm  
to help develop  
Cambodian

## tourism sector

KUALA LUMPUR, Jan 2: A private Malaysian firm, Ariston, signed a one billion US dollar deal on Monday to help develop Cambodia's infrastructure for tourism, reports Reuter.

The agreement constitutes the single largest investment in Cambodia, making up the bulk of the two billion US dollar in investments approved since ratification of the country's new investment law in August.

Ariston, controlled by Malaysian entrepreneur Chen Lip Kweong, said the project would serve as a catalyst for other Malaysian companies to invest in Cambodia.

"Ariston shall be trailblazer for Malaysian corporations," Chen told reporters after the deal was signed in Kuala Lumpur. Among the witnesses were Cambodia's co-premiers, Prince Norodom Ranariddh and Hun Sen, and Malaysian Prime Minister Mahathir Mohamad.

Civil Aviation Authority  
of Bangladesh

Kurmitola, Dhaka

"পাছে লাগান, পাছে পরিচর্যা করুন  
এবং পরিবেশ বাচান" - প্রধানমন্ত্রী।

বিমান বন্দরকে পরিষ্কার রাখুন।

## Re-Tender Notice

Name of work : O&M of ZIA, Kurmitola, Dhaka during the year 1994-95 (S. H. Repairing of bathroom and ancillary works of Fire Station) at ZIA, Kurmitola, Dhaka.

Sealed Tenders are hereby invited for the above noted work from CAAB enlisted 'A-Special (Civil)', 'A', 'B' & 'C-Class' Contractor (Civil) up to 12.00 Noon on 23-01-95 and will be opened by the undersigned at 12.30 PM on the same day in presence of the contractors or if any. Tender papers, other terms & conditions may be available in the office of the Superintending Engineer, Civil Circle, Cash Section, CAAB, HQ, Kurmitola, Dhaka and in the office of the undersigned on cash payment of Tk. 250/= (Taka Two hundred fifty) (Non-refundable) during the office hours on due date and time. No tender paper will be sold on the date for opening of the tender. The authority reserves the right to accept or reject any tender or part without assigning any reason thereof.

Executive Engineer

Civil Division-I,

CAAB, Kurmitola, Dhaka.

DFP-14681-28/12

G-14

Rebels blame Mexico's free  
trade policies for crisis

GUADALUPE TEPEYAC, Mexico, JAN 2: Ski-masked Indian rebels celebrating the first anniversary of their armed uprising say the government's free-trade policies are to blame for Mexico's current economic crisis, reports AP.

Mexico's new president, meanwhile, is expected to detail his economic recovery package Monday night in a televised address. The peso has fallen nearly 30 per cent in two weeks.

President Ernesto Zedillo responded to the peso's sharp fall by sacking the Treasury Secretary and announcing an emergency programme to confront the crisis. Zedillo has said that Mexico would accept an international financial package to help stabilize its economy.

The Zapatista rebels timed their January 1, 1994 uprising to coincide with the start of the North American Free Trade Agreement, which they said would sound a death knell for impoverished Indian peasants. The rebels maintain that the peasants will be unable to compete with cheaper imports, including corn — a Mexican staple.

The country's "economic farce" has burst at year's end, said Subcomandante Marcos, spokesman of the Zapatista National Liberation Army. On Sunday, he called for jettisoning Mexico's free-trade policies.

"The nightmare of unemployment, need and misery will now be sharper for the majority of Mexicans," Marcos said.

বিজেএমসি বিজ্ঞাপন  
প্রেস টেন্ডার নোটিশ

উপমহাবাহুস্বপক (সিবি), কার্পেটিং জুট মিলস লিঃ, রাজশাহী, যশোর কর্তৃক (১) হার্টওয়ার, (২) ইঞ্জিনিয়ারিং, (৩) নাইলন পিকাপ, (৪) ঢাকা-৯-৭৬৬ কাজের ডেস্কিং পেন্সিং ও ইঞ্জিন ওভারহোল্ডিং ইত্যাদি এবং (৫) সাদা স্ট্রাট পাজিডার সরবরাহের জন্য সীলমোহরকৃত দরপত্র আহ্বান করা যাইতেছে।

দরপত্র ২১-১-৯৫ তারিখে বিকাল ২-৩০ মিঃ পর্যন্ত বিজেএমসি, কুলনা অফিস ও সহকারী ব্যবস্থাপক (ডায় কন্ট্রোল) কার্পেটিং জুট মিলস লিঃ, রাজশাহী, যশোর-এর অফিসে রক্ষিত টেন্ডার বাক্সে গ্রহণ করা হইবে এবং উক্ত দিনই বিকাল ৩-০০ ঘটিকার সময় জনসম্মুখে খোলা হইবে। প্রকৃত চাহিদার বিবরণ ও সরবরাহের অন্যান্য শর্ত এবং নিম্নোক্ত সন্নিবেশিত দরপত্রের শিডিউল দরপত্র খোলার দিন ব্যতীত অন্যান্য দিন উপমহাবাহুস্বপক (সিবি), বিজেএমসি, প্রধান কার্যালয়, আদমশাহী কোর্ট, মতিবন্দু, ঢাকা, উপমহাবাহুস্বপক (সিবি) ও অর্বি, বিজেএমসি, বাতিশপুর, কুলনা, মহাবাহুস্বপক (সিবি) ও অর্বি, বিজেএমসি, হাজার চেম্বার, ১২, আগাবা, চুইনাম ও বাবুস্বপক (সিবি) ও অর্বি, কার্পেটিং জুট মিলস লিঃ, রাজশাহী, যশোর হইতে প্রতি লক্ষের প্রিসেন্টে ৪০.০০ টাকাও পাঠ্য যাইবে (অকম্পেন্সেবল)।

বিজেএমসি ১৩০১

ডিএফপি-১৪৬৪১-২৮/১২

জি-১৪