

Japan pledges \$1b credits

India ends tax exemption on foreign debt interest

NEW DELHI, Jan 7: The Indian government said it was scrapping an income tax exemption on interest payable on external commercial borrowings approved on or after April 1, reports Reuters.

The government said in a statement that income tax exemptions on interest and charges that had been granted on external borrowings approved on or before March 31 would continue to be valid.

It is proposed that the practice of granting exemption from income tax... on interest payable on external commercial borrowings approved on or after April 1, 1995, be discontinued, it said.

However, exemptions from payment of income tax on interest and on applicable charges that have been granted in respect of external commercial borrowings approved by the Department of Economic Affairs or by the Reserve Bank of India on or before March 31, 1995, would continue to be valid over the currency of the approved external finance, the statement said.

It said the exemption had reduced the cost of external borrowings and encouraged borrowers to seek external commercial finance.

The policy was introduced at a time when the foreign exchange situation was tight and external commercial borrow-

ing was seen as a means for obtaining additional foreign exchange, it said.

The exemption favours external debt compared with foreign equity or domestic borrowing, it said.

In the context of improved balance of payment position and the government's objective of containing the growth on external debt, the relevance of this provision has been reviewed and it has been decided that these exemptions should be discontinued, it said.

AFP report says: Japan has pledged credits of up to one billion dollars to India and has proposed an action-plan to boost trade and reinforce investor confidence, officials said here yesterday.

Japanese Minister for International Trade and Industry Ryutaro Hashimoto during talks with Finance Minister Manmohan Singh also urged India to speed up its economic reforms to "anchor Japanese confidence."

Hashimoto, who earlier Friday met with President Shankar Dayal Sharma, unveiled a seven-point action-plan aimed at bolstering economic and business ties between corporations of the two nations.

"Our minister told Singh of the growing interest among Japanese businesses in India," Eichi Hasegawa, a senior Japanese official, told reporters after the talks.

British credit lines of up to one billion dollars for two years, and we will actively provide cover to good deals in India," he quoted Hashimoto as telling Singh, architect of the reform programme.

The action-plan also pledged to further slash insurance and export premium rates for India beginning April in a second such concession since last July to encourage Japanese companies to increase business in India.

Hashimoto, Japan's first international trade and industry minister to visit India, told Singh his government would provide overseas insurance cover of up to one billion yen (10 million dollars) on each contract.

Food prices rise in Iraq

BAGHDAD, Jan 7: Food prices rose in Iraq yesterday by between 20 to 30 per cent a few days ahead of the UN Security Council's bi-monthly review of the sanctions imposed on the country more than four years ago, reports AFP.

The Iraqi dinar also fell in value on the black market to 650 dinars to the dollar compared with 550 before. The official exchange rate is 3.2 dollars to one dinar.

Industry Minister Hussein Kamal Hassan blamed the hike on "profligate traders and the attitude of the population which resorts to stockpiling."

He tried to reassure Iraqis that "there is an abundance of food products in the market" in a statement made to youth television run by the son of President Saddam Hussein.

The Iraqi government decided in December to maintain the rationing introduced in 1990 after the UN embargo was slapped on Baghdad following its invasion of Kuwait in August of that year.

Rationing cards for five staple foods are distributed at the beginning of every year to Iraqis and foreigners living in the country. They are valid for 12 months.

In September, the government, faced with a worsening economic crisis because of the sanctions, slashed the monthly rations of flour, rice, sugar and oil. Rations for tea were unaltered.

The security council is due to review the sanctions at the end of next week, amid growing dissent among its five permanent members on whether they should be eased.

Meanwhile, Saddam called Friday for respect and dialogue to "replace threat and the use of force" to help nations "reach understanding... in this way peace will prevail in the world."

His call came in a speech broadcast on radio and television to mark the 74th anniversary of the founding of the Iraqi army.

Dhaka Stock Prices

At the close of trading on January 7, 1995 Trading surges

The trading on the floor of the Dhaka Stock Exchange (DSE) surged on Saturday, opening day of the week.

A total of 93701 shares worth Tk 19045124.00 changed hands as against Thursday's 22677 shares valued at Tk 600760.00. The changes meant 311.57 per cent and 217.38 per cent increases in the turnovers in volume and value respectively.

The number of issues traded rose to 72 from 45, in which 40 gained, 21 incurred losses and the share prices of 11 issues remained unchanged.

Beximco Knitting (Deb), Beximco Pharma (Deb), Beximco Knitting and B Dyeing experienced significant gains.

Monno Jute suffered a loss of Tk 400.00 per share, leading the losers.

Beximco Ltd was the top volume leader. Its 11400 shares were traded. Other volume leaders of the were: Beximco Synthetic (10590), GG Ball Pen (10250), Anbee Pharma (8150), Beximco Knitting (5800), and Rupon Oil (7100).

The DSE All Share Price Index fell to 837.59431 from 840.51508, indicating a decline of 0.3475 per cent.

Trading at a glance

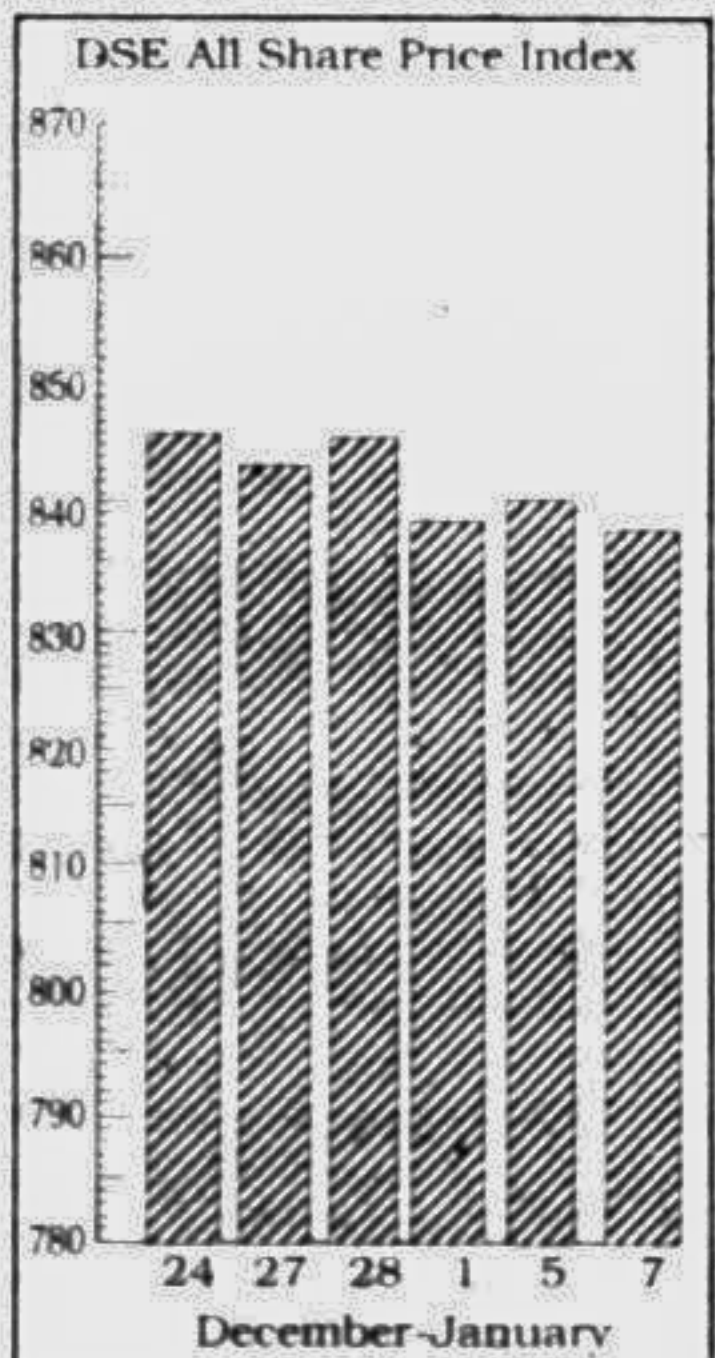
Table with columns for DSE All Share Price Index, Market Capitalization, Turnover in volume, Turnover in value, Issues traded, Issues incurred losses, Issues unchanged.

Table with columns for Company name, Change (per share), Number of shares traded.

Table with columns for Company name, Change (per share), Number of shares traded. Includes companies like AB Bank, Rupah Bank, UCLB, etc.

Table with columns for Company name, Change (per share), Number of shares traded. Includes companies like Beximco Knitting (Deb), Beximco Pharma (Deb), etc.

The DSE All Share Price Index fell to 837.59431 from 840.51508, indicating a decline of 0.3475 per cent.



DSE Shares and Debentures

Table listing DSE Shares and Debentures with columns for Company, FY/ML, Closing Rate (Taka), and Volume/Value.

Table listing Insurance companies and their rates: Eastern Insurance, Green Delta, Peoples Insurance, United Insurance, Janata Insurance, Phoenix Insurance, Eastland Insurance.

Table listing Engineering companies and their rates: Altab Automotives, Atlas Bangladesh, Alfa Pipe, Bangladesh Autocars, Bangladesh Leasing, H. Thai Aluminium, Bengali article, Bengali Steel, Kenton's Pipes, Karna's Pipe, Monno Staffers, Monno Jute, National Tubes, Farther Steel, Quamem Drycells, Renwick Japanewar, Singer Bangladesh.

Table listing Food & Allied companies and their rates: A. B. Biscuit, Bengali Biscuits, Alpha Tobacco, Arman Sea Food, Apex Food, Anusua Tea, Bangon, B. D. Plantation, Bengali Food, B.L.T.C, B.T.C, Cig. Vegetables, Dhaka Vegetables, E.L. Cornella, Farings Export, Cornish Sea Food, Hill Plantations, Modern Industries, N.T.C, Rubey Flour, Rupon Oil, Tulip Dairy, Yousuf Flour, Zari Bangla Sugar, Beximco Fisheries, Meghna Shrimp Culture.

Table listing Fertilizer companies and their rates: B.D. Chemical, Eastern Fertilizers, National Oxygen, Padma Oil Co.

Table listing Textile companies and their rates: Aban Textile, Apex Spinning, Arber Textile, Ashraf Textile, Jash Garments, Dhakana Cotton, Eagle Star Textile, GMD Ind Corp, Modern Dyeing, Padma Textile, Quamem Silk.

The above were the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HBC Group, Dhaka.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on January 7, (Figures in Taka)

Table showing Selling and Buying rates for various currencies like US Dollar, DM, F Franc, C Dollar, S Franc, Jap Yen, IRS, Pak Rupee, Iranian Ryal, AI, T, DOC, US Dollar Spot, BI Usance Rate, C) US Dollar sight, D) US Dollar sight.

Table showing Indicative Rates for various currencies like S Riyal, UAE Dirham, Kuwait Dinar, G Guilders, S Krona, Malaysian Ringgit, Singapore Dollar.

Shipping Intelligence

Berth position and performance of vessels as on 7/1/95

Table showing Chittagong Port details: Berth No, Name of Vessels, Cargo, L Port, Local Agent, Date of Leaving, Date of Arrival.

Table showing Vessels Due at Outer Anchorage: Name of Vessels, Date of Arrival, Last Port, Local Agent, Cargo, Loading, Discharge.

Table showing Vessels at Kutubdia: Name of Vessels, Cargo, Last Port, Local Agent, Date of Arrival.

Table showing Vessels at Kutubdia/Outside Port Limit: Name of Vessels, Cargo, Last Port, Local Agent, Date of Arrival.

Table showing Vessels Awaiting Instruction: Name of Vessels, Cargo, Last Port, Local Agent, Date of Arrival.

Table showing Vessels Not Entering: Name of Vessels, Cargo, Last Port, Local Agent, Date of Arrival.

The above were the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HBC Group, Dhaka.



Ms. Aziza Chowdhury, Station Supervisor, Emirates, the international airline of the UAE, presenting a Dhaka-Dubai-Dhaka airticket to the lucky winner of the raffle draw held on the occasion of New Year's Eve Ball at the Dhaka Sheraton Hotel.

Ordinary Saudis cushioned from budget austerity

DUBAI, Jan 7: Ordinary Saudis, already smarting from belt-tightening by their cash-strapped government, appear to have been largely cushioned from the effects of a New austerity measures, diplomats said yesterday, reports Reuters.

They said the measures, including higher electricity, petrol and water rates were designed to have minimal effect on lower income Saudis, many of whom live simply in stark contrast to the western caricature of the oil-rich Arab.

The government has been very careful to ensure that poorer people, and there are substantial numbers of them in

Saudi Arabia, do not suffer undue hardship, one western diplomat said of the kingdom's 12 million Saudi nationals.

Diplomats said the Saudi government's dire need to slash costs - it budgeted for a six per cent spending cut this year to 40 billion dollars - comes at an awkward moment for the kingdom.

The measures were vital to restore credibility to its economic policies, denied by more than 12 years of deficit financing that have largely denuded its foreign reserves.

They still left the government with a deficit of 4 billion dollars this year and it will have to borrow to plug the gap.

But the diplomats said the government can ill afford to antagonise an already restive public, target of an intense anti government campaign by Muslim fundamentalist opposition, mainly operating from exile.

Only two days after the budget and new revenue raising measures were published, the most active opposition group a "scandal" and accusing royals of mismanagement and words. Thousands of these faces

are being received by ordinary Saudis in their homes and offices," one resident said of the messages from the London-based committee for the defence of legitimate rights.

Officially-backed Saudi media have, since the measure were announced, stressed the need to end conspicuous consumption and praised the government's wisdom in protecting the low-paid.

"God's book (the Holy Koran) urges us to control spending," said Al-Yum Daily, a headline in the Saudi-owned Ashraq Al-Awsat newspaper read "citizens have to stop being extravagant and expecting everything for nothing".

Saudi-based economists who have long campaigned for fiscal discipline, agree with the media for once.

"Apart from paying more for their petrol the vast bulk of the kingdom's poorer people will hardly feel any direct impact," one diplomat said.

While petrol prices have been virtually doubled, they are still at 0.60 riyals (16 US cents) a litre among the cheapest in the world.

US apples gain market in Japan

TOKYO, Jan 7: The United States will clear another hurdle in its fight to gain more market access to Japan when the first ever shipment of American apples comes ashore on Saturday, reports Reuters.

The ships have been coming in since Thursday after noon," said Toshiaki Abru, a spokesman for the Washington apple information centre, which was set up in Tokyo for the event.

The unloading of the first apple cargo is due to take place on Saturday morning in Tokyo, with quarantine inspections scheduled for Monday. American apple will be put on store shelves starting on Monday evening, Abru said on Friday.

Japan lifted a ban on American apples last August after years of heated dispute which started in 1984. Japanese authorities said the ban was because of quarantine problems, while the United States said the ban was evidence of general Japanese reluctance to lift its barriers to imports.

export about 12,000 tonnes of golden delicious and red delicious apples to Japan this year Japan consumes about one million tonnes of apples annually.

"American apples are harvested between August and October. With the ban lifted in August, we didn't have much time to prepare for Japanese exports. But depending on how they sell this year, our exports next season may increase," Abru said.

Supermarket Chain Daisei Inc will kick off sales of American apples on Monday, pricing them about 20 to 30 per cent lower than domestic apples. Currently the most popular homegrown Fuji apples are priced at about 150 cents (80 cents) to 150 cents (80 dollars) each.

New Zealand was a fore-runner in apple exports to Japan, shipping 235 tonnes last year after a ban was lifted in June 1993.

"We've learned from last year's experience that there's strong demand for New Zealand apples," Eugene Bowen, Minister Commercial at the New Zealand embassy in Tokyo, told Reuters.

The price of the New Zealand apples is nearly twice as high as that of 'Fuji' apples, due to high quarantine costs. US growers are expected to

Time Extension Notice. The last date of selling and opening of tender as published earlier in various newspapers for printing of bilingual (English & Bengali) annual report of the year 1992-93 is hereby extended from 4-1-95 and 5-1-95 to 15-1-95 and 16-1-95 respectively.

RHD Notice Inviting Tender. Tender Notice No. 26/SRD/1994-95. Tender for filling up the scour & protective work at 20th KM of Pajla-Jagannathpur Road under Sunamganj Road Division during the year 1994-95.