GEM co earns

Tk 39 lakh

as profit

about changes in management and

quality in production by the end of

the year 1993/94 while the officers

and workers put in their best efforts

to increase the productions. In the

year 1994/95 GEM company achieved

double production and made double

sale. As a result, the company has

earned the net profit of Tk 39 lakh

the company incurred losses Tk 8.09

crore and Tk 6.94 crore respectively.

pany produced electrical distribution

equipment including transformers

worth Tk 27 crore while the sale was

pany had been turned into a prof-

itable concern for the first time since

its inception through improvement

of management, development of

manpower and rationalisation of

den of interest of Tk three crore per

Cambodia set

to launch

anti-smoking

campaign

PHNOM PENH, July 7: Cambodia

is set to launch a major anti-smoking

campaign, with moves toward a ban

garette advertising on radio and tele-

not too concerned about the cam-

One of Phnom Penh's largest ci-

Cigarette and beer advertise

The chief editor of Cambodia's

"I haven't received the directive

Western brands are regarded as

the revenue for Cambodia's commer

International Broadcasting Corpora-

tion, Prum Kim, said the station

would suffer a large fall in revenue un-

yet but if there is a ban we will lose

status symbols in Cambodia and the

capital Phnom Penh, is covered with

Iran accuses US

of seeking to

block oil, gas

deals

Akbar Hashemi Rafsanjani today ac

cused the United States of seeking to

block oil and gas deals between Iran

nies from extending loans to

Turkmenistan if the Central Asian

country decided to export its natural

gas to Europe through Iran, he

charged during the weekly Muslim

interference is that? The United

States treats other countries like its

lackeys and dictates to them," he

said. But such bullying no longer

works. The world is more aware to-

imposed an economic and trade em-

bargo on Iran, accusing Tehran of

supporting terrorism and seeking nu

clear weapons. Washington also urged

Iran and Turkmenistan are dis-

its allies to follow suit, but in vain.

gas to Europe via Iran and Turkey.

that it would deliver eight million cu-

bic meters (280 million cubic feet) of

natural gas to Iran in the next two

United States of hampering similar oil

and gas deals between Iran and

Iran 25 per cent of its share in an in-

ternational project to develop off-

shore oilfields in the Caspian Sea.

The president also accused the

Iran is the fourth largest producer

years, mainly for re-exportation.

Pakistan, and Iran and Armenia.

The United States has since June 6

"This is shameful. What kind of

prayers at Tehran University.

Washington banned US compa-

and its neighbours, reports AFP.

TEHRAN, July 7: President Ali

cial television and radio stations.

vision. This is the first step."

level here is low," he said.

der the plan.

our income," he said.

cigarette billboards.

The company is to bear the bur-

duty sales tax by the government.

annum on previous loans.

In the years 1992/93 and 1993/94,

During the current year, the com-

The sources said that GEM com-

during the current year.

Tk 35 crore.

100, Kazi Nazrul Islam Avenue, Dhaka-1215

Telephone 815306-09, 819625-29, Fax: 813062

DHAKA SATURDAY, JULY 8, 1995

Dairy farms yield positive results, says Saifur

for 1st time MOULVIBAZAR, July 7: Finance CHITTAGONG, July 7: General Minister M Saifur Rahman has said Electric Manufacturing (GEM) comthat the government is pursuing pany, an enterprise of Bangladesh pragmatic policies to make the coun-**Steel and Engineering Corporation** try self-sufficient in dairy milk by has for the first time made a net providing loans and other incentives profit of Tk 39 lakh, company to the prospective dairy owners, resources said here today, reports BSS. ports UNB. The company had not made any

The minister was distributing inprofit since it went into commercial centive cheques to six renowned production in 1978, the sources said. dairy owners of the district here The company which had been a losing concern for many years brought

Speaking on the occasion, Saifur Rahman said the government incentives also included free freight for up to 50 high breed imported cows.

He said the government policies

to expand dairy farming had yielded positive results and the country saved Tk 200 crore as foreign exchange against dairy milk import during the

Sreemangal poura budget announced

MOULVIBAZAR, July 7: A Tk 2,12,42,712 crore budget of Sreemangal Pourashava for the 1995-96 fiscal has been announced, says

Pourashava Chairman Mohsin Miah has announced the budget at a press conference recently.

last fiscal year.

Referring to the country's favourable environment for dairy farming and potential entrepreneurs the finance minister said the country shall be able to attain self-sufficiency in dairy milk production in next few years if the present tempo of dairy expansion is maintained.

Earlier, the minister distributed c.i sheets and other relief materials to a number of flood affected schools, madrasas, maktabs, mosques and mandirs of the district.

The function was also addressed. among others, by district BNP president advocate Abdul Khaleque.



Mufizui Haque, President, Advisory Committee of Bardhita Pallabi Sangha addressed the general meeting of the Sangha at Pallabi in the city recently.

USEC agrees to advance \$ 100m to Russia for uranium

Under the 12 billion dollar contact, the government-owned USEC was to buy about 15,000 metric tons of low-entriched uranium converted garette importers told Reuters he was from 500 tons of bomb-grade ura-

Russia sent the first two ship-"I don't think this will affect the ments in May and June, but the future number of smokers as the education of the 20-year deal was threatened when Russia's minatom balked at terms that called for delayed payments provide a large proportion of

to pay for the uranium as early as possible rescued the agreement, but pricing of future deliveries remains unresolved.

The difficulty facing USEC is that it cannot resell all the uranium to US nuclear power plants immediately because of a separate US-Russian antidumping agreements. Timbers said USEC is discussing with the Clinton administration ways to get around ment on about one-third the value of the agreement and could submit legis ever.

Legislation would be necessary to waive anti-dumping duties that USEC might face if the agreement is bypassed to allow it to sell the uranium more promptly.

has to carry on its balancesheet will be crucial as the government puts the company up for sale. USEC hopes to complete a public offering of stocks or close a sale of the company by March 1996.

It had a net profit of 277 million dollar in 1994 on revenue of 1.4 billion dollar investment bank JP Morgan. which is advising USEC, estimates a public offering could fetch around 1.5 billion, which would make it one of the largest American privatisations

US companies Ge and Bechtel are

Newspaper reports have said the

government is considering cancelling

the 2,015 megawatt project, ap-

proved by the previous state gov-

submit its recommendations to the

efforts to consider the legitimate

concerns of the Maharashtra govern

why this review cannot reach a con-

clusion that will satisfy the needs of

all parties, the state, its citizens, its

need for power, and Enron's desire to

create a long-term and productive re-

tion was sure that Enron had not vio-

lated any law or indulged in corrupt

Wisner added the US administra-

lationship with India." he said.

practices to secure the project.

government in the next two weeks.

A review panel is expected to

Wisner said Enron would make all

"I can see no reason, therefore,

ernment, run by the Congress Party.

project partners.

US envoy in India seeks \$ 15.6m deal to settle Happy quick end to review of Land suits Enron power project NEW YORK, July 7: The families

projects, reports Reuter.

meeting late on Thursday. .

quickly as possible," he said.

power in March.

Yeo said.

NEW DELHI, July 7: The US Am-

bassador to India has asked for a

quick end to the Maharashtra state

government's review of the Enron

power project, saying a delay would

hurt India's effort to finance other

to build India's infrastructure, but

uncertainty will compromise your

ability to find the necessary financ-

ing," Frank Wisner told a Rotary Club

Dabhol power project go forward,

but let it reach its conclusion as

government of Chief Minister Sharad

Joshi in Maharashtra, India's most

industrialised state, of which Bom-

bay is the capital, ordered a review of

the 2.8 billion dollars project being

built by the Enron Corporation of the

United States at Dabhol after winning

a Cabinet minister said Friday.

The rightwing coalition state

Therefore, let the review of the

"There may be companies waiting

and estates of 85 people killed in a social club fire have reached a 15.6 million dollar settlement with the club's owner and insurance companies, a judge announced Thursday, savs AP.

The agreement settles all wrongful death lawsuits from the March 1990 blaze at the cramped unlicensed Happy Land club in the city's Bronx borough. The settlement also includes six personal injury claims. Most of those killed were Honduran immi-

The fire, one of the deadliest in US history, was deliberately set by a man who had been thrown out after arguing with an ex-girlfriend.

Each plaintiff will receive an average of about 171,000 dollars under the deal announced by state Supreme Court Justice Douglas E. McKeon. Individual payoffs will be kept confi-

"We wanted to amass as much as we could as quickly as we could so the survivors would have some compensation in their lifetime," said Leonard Weinstock, who headed the plaintiffs' committee.

The settlement includes about 7.2 million dollars from the insurance of Jay Weiss, the club's leaseholder and actress Kathleen Turner's husband. Insurers for building owner Alex Dilorenzo and several companies that provided construction material used in Happy Land paid dlrs 6.8 million

Many of the victims died from incussing a deal to construct a gas haling toxic fumes released when the pipeline to transport Turkmen natural material burned. The money will be held in escrow Turkmenistan disclosed this week

for a year, earning in interest the remaining 1.6 million dollar of the settlement, said Bronx Administrative Judge Burton Roberts.

The fire killed 87 people. It was not immediately clear whey the fami lies and estates of only 85 of the people who died were involved in the agreement.

guilty in May 1992 to building-code

violations at the club, including lack

of a sprinkler system.

of oil and possesses the world's sec-**Julio Gonzalez was convicted of** ond biggest gas reserves which remain 174 counts of murder — two for each largely unexploited. victim - and sentenced to life in Under pressure from Washington, prison. Azerbaijan cancelled a deal to allow Weiss and Dillorenzo pleaded

affected, Yeo said. marks benefit, he said.

Conversely, companies whose export revenues are in yen or deutsche Portman, which owns 60 per cent of the mine, and its partner Anshan Iron and Steel Complex of China, recently announced the shipment of the

SINGAPORE, July 7: The Singapore dollar appreciated 11 per cent

The biggest impact of this has been on profits of the manufacturing

The Singapore dollar depreciated by five per cent against the yen and

However, in general, the effects of the strong Singapore dollars are

Companies whose exports earnings are mainly denominated in the US

against the US dollar on a year-on-year basis in the first five months of 1995.

sector as the United States is a bigger export market the Japan or Germany,

six per cent against the German currency in the first five months of 1995,

mixed, depending on the specific circumstances of the companies, he

dollar and whose inputs are mainly in yen or deutsche marks are adversely

the Minister for Trade and Industry, Yeo Cheow Tong, told Parliament.

first million tons of ore from the port of Esperance to China. The general manager of marketing for Koolyanobbing, Ken Houghton, said gaining entry to the Japanese market had not been easy.

"However, it is anticipated that if Sumitomo are satisfied with the performance of Koolyanobbing lump, it could lead to the possibility of longterm lump sales contracts being negotiated with more than one Japanese buyer," Houghton said.

He said demand for iron ore from China was also increasing, reflecting

Lanka's inflation rate rises

to 10 pc

SRI LANKA, July 7: Sri Lanka's inflation rate rose to 10 per cent in June, from 8.1 per cent in May, the Central Bank announced Friday, reports AP.

The bank also said that the Colombo Consumer Price Index, the nation's main inflation gauge, stood at 1,701.5 at the end of June, up two per cent from the level at the end of May 1994.

The average increase for the 12 months ending in June stood at four per cent, up from 3.9 per cent for the 12 months ending in May.

President Chandrika Kumaratunga came to power about seven months ago, promising to improve Sri Lanka's economy, but its raging civil war has set back her efforts.

A cease-fire she began with Tamil rebels fighting for autonomy collapsed April 19, and since then the fighting has escalated.

Prices of all commodities up in Patuakhali

PATUAKHALI, July 7: Prices of all essential commodities, including fish, eggs and vegetables, have gone up in the local markets throughout the district, reports UNB.

Local people attributed the price hike of fish to its inadequate supply. They said various categories of rice in being sold at Tk between 13 and 18 per kg

Prices of baby-food also registered a upward trend. Locally packed low quality milk-powder has gone beyond the reach of the commonmen.

Market sources said prices of jackfruits and mango have also shot up. Fazli is being sold between Tk 25 and 30 per kg while jackfruit is being sold at Tk 30 and 90 piece.

Coffee producers meet to halt crash in prices

LONDON, July 7: Leading members of the Association of Coffee Producing Countries (ACPC) held a crisis meeting here yesterday to find ways of halting a crash in prices, Brazilian official Ivanese Maciel said, reports AFP. The meeting, which was held at

the Brazilian Embassy, included representatives from Brazil, Colombia. Ivory Coast and various producers from Latin America and Africa. Another meeting on how to reverse a recent sharp fall of prices was

to have taken place between Latin American producers in Bogota on Thursday or Friday. But a Colombian representative

said that meeting had been delayed to the weekend or next week.

Maciel was unable to say if the London talks had replaced the Bogota meeting.

Pakistan, Malaysia sign cooperation accord

KUALA LUMPUR, July 7: Malaysia and Pakistan signed an agreement on economic, scientific and technical cooperation today and another on promotion and protection of investments, says Reuter.

The agreements were witnessed by Malaysian Prime Minister Mahathir Mohamad and visiting Pakistani Prime Minister Benazir Bhutto following a one-hour meeting. Malaysia's Foreign Minister Abdul-

lah Ahmed Badawi, who briefed reporters on the meeting, said Bhutto had invited Malaysian firms to venture into fields like shipping, mining and transportation. Malaysian investments in Pak-

istan total a modest 14.6 million US dollar Malaysian firms are involved in the construction of an oil at Qasim Port in Karachi. Pakistan, one of Malaysia's

biggest palm oil customers, imported 900 million dollar worth of Malaysian goods, but exports to Malaysia totalled only 50 million dollar.

motive market.

increased steel production in that country.

Sales of 400,000 tons of lump to China have been contracted for the rest of 1995, while Anshan continues to take contracted shipments.

Meanwhile, the South Australian-based ROH Steel Wheel Co. on Friday signed a contract with South Korea's Hyundai Motor Co. worth more then 17 million US dollars (25 million Australian dollars) over three years.

Federal Industry Minister Peter Cook, who witnessed the contract signing in Seoul, said ROH Steel Wheel would supply original equipment wheels to the Korean motor vehicle company.

Cook said ROH supplied wheels to every motor vehicle manufacturer in Australia and was enjoying considerable export success.

In a statement released in Canberra, he said Australian automotive component parts manufacturers had about three years to make themselves an important part of South Korea's spectacular growth in the world auto-

Asia business briefs

HONG KONG — Bank Brussels Lambert SA, the world's 150th largest bank in terms of capital, has won a licence to upgrade its representative office in Hong Kong to a branch, the government said Friday.

exchange, money market and corporate and private banking services through its new branch, a government statement said. The branch will also support a representative office BBL opened in Beijing last October, the statement said.

Incorporated in Belgium, BBL plans to offer trade financing, foreign

It said BBL is the 183rd bank to be licenced in Hong Kong, or which four were licensed this year. BBL is Belgium's fourth largest bank in terms of capital and has

964 branches in Belgium, the statement said.

branches in Britain, the United States, Singapore, Italy and Spain, as well as

- Source: AP

Chinese farmers hoarding full year's grain

HONG KONG, July 7: Chinese farmers are hoarding more than a year's supply of grain and using up to 15 per cent of China's wheat crop to feed their livestock, traders said on Thursday, reports Reuter.

'Farmers are carrying more than a year's production. They are not holding it in expectation of higher prices but as a guarantee against crop fail ure, inflation," said a trader who recently toured China's interior.

"They treat their grain like cash." Hoarded grain totalled at least 460 million tonnes, he said, with farmers south of the Yangtze river holding rice and wheat, those in the north storing corn.

China's total output of grain in 1994 was 444.5 million tonnes, a drop of 2.5 per cent on the previous year. Recent shortages were not due to

production falls, the traders said, but because of the shift from statecontrolled stocks to farmers holding and not releasing grain to the mar-

Grain prices rose dramatically in 1994 after state reserves were found all but gone. Fear of shortages prompted panic buying, some regions issued ration coupons and farmers stopped selling crops to the free market. State media report that farmers

are hoarding grain for security be cause of inflation which has been running at more than 20 per cent. A recent article in the communist

party mouthpiece people's daily said in 1994 the rural population held back 541 kg (1,190 lb) of grain per capita after selling their quota to the state About 850 million of China's 1.2 billion people work on farms. This year, however, the govern

ment has threatened to confiscated land if farmers refuse to sell their grain to the State Procurement Bureaus.

A ban on ious is being generally adhered to, the traders said, but a host of taxes and fees are being deducted from the state payment

"The farmer grows one mu (0.06 ha, 0.14 acre) of wheat and gets 500 kg (1,100 lb), of which 100 kg (220 lb) must go to the government, for which he gets 108 renminbi (US 13 dollars)" one trader said.

"But before he gets that 108 renminbi, all sorts of taxes - road taxes, fertiliser fees, yu name it come out of it and he ends up with 20 renminbi (2.41 dollars)."

Yet the farmers are not permitted to sell their grain on the free market first and pay their taxes out of the higher price, traders said.

They also said farmers were using hoarded grain to feed livestock. Household feed use accounts for 15 per cent of the total wheat crop of around 100 million tonnes.

"A lot of production areas have to rely on wheat for feed because they can't get or can't afford corn," an Australian industry executive said.

China's Arcane Transportation Network makes movement of grain outside production areas almost impossible. The only way corn has reached southern livestock centres in the past year has been through government-ordered emergency shipments of 2.5 million tonnes from the northeast.

Russia has little option but to pay off debts

LONDON, July 7: Russia failed to reach agreement in talks with banks to reschedule its debt but has most eventually strike a deal if it wants fresh finance from the west, analysts said vesterday, reports Reuter.

The two-day talks ended in Frankfurt on Wednesday without agreement through the two sides said they had made progress and would meet again on how to settle the 30 billion dollars or so owed to the banks, most of its from the days of the Soviet Union.

Analysts polled by Reuters said it was in the interest of both sides to get a deal done and, though there was some disappointment that talks had not moved further forward, most were optimistic that there would eventually be an agreement.

We would have been surprised if

there had been a breakthrough last night," said Dirk Damrau, Londonbased director of emerging market research at Salmon Brothers.

He predicted at least another three months of negotiations.

1 think (Chief Negotiator Oleg) Davodov was less willing to compromise than banks thought. But I feel the differences are probably not too large," one Russian debt trader said.

News that the talks produced no agreement immediately pushed down the price of Russian debt on the secondary market where it had been at 20-month highs earlier.

The trader expected banks would have to reluctantly bend a little towards demands by Russia, which one veteran of debt negotiations called one of the hardest to deal with.

US firms blast proposed Japanese software quality standard

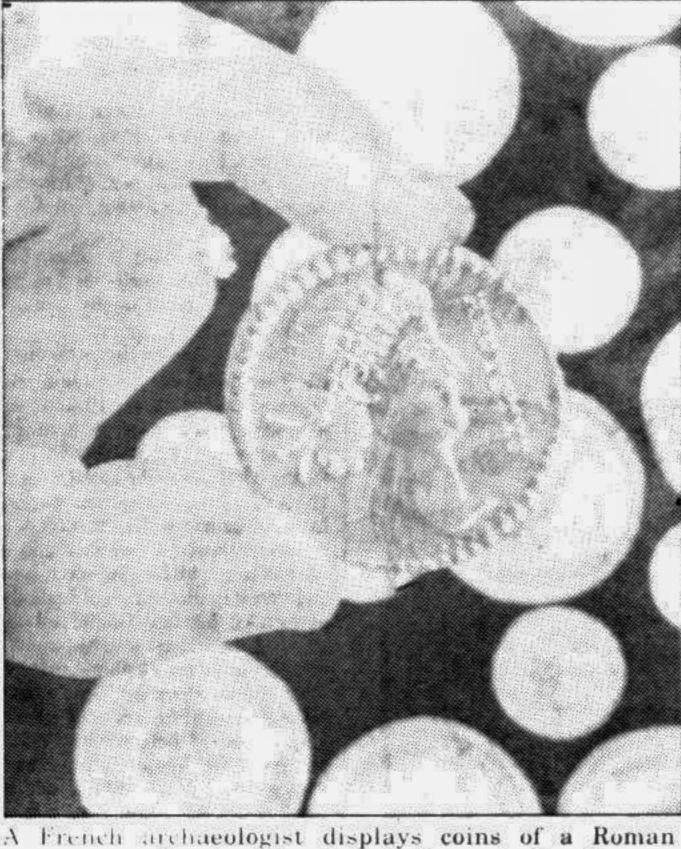
TOKYO, July 7: US electronics industry officials have asked the US government to block a proposed Japanese quality standard for computer software, saying it could become a barrier for foreign products, officials said Friday, says AP.

A private Japanese standards group has proposed that software companies voluntarily submit their products to it for quality review. The reviews are to be based on widely

used quality standards for manufacturing, called ISO 9000, developed by the Geneva-based International Standards Organization.

But US software companies say they fear the Japanese government and other organisations may make certification mandatory for the software they buy, making it more difficult for foreign software, makers to sell in Japan.

Japan has become an important



treasure on Monday, found in St-Ouen du Breuil, near Rouen, western France. The 16 golden and 26 silver coins from the IVth century that were hidden in a ceramic pot, allegedly belonged to a German dignitary. The treasure was found accidentally as workers built a highway between Le Havre and Amiens, where some 60 other sites - AFP/UNB photo | ally. were discovered.

market for American software. The certification standard would greatly increase the cost of developing software and lengthen the time it takes to bring products to market, said John Stern, director of the American Electronics Association's Tokyo office.

The heads of the AEA and five other American electronics and software associations set a letter last week to US Trade Representative Mickey Kantor saying the proposal could amount to a trade barrier.

They hope that Washington will raise the issue with Tokyo in trade talks next week on government purchases of information technology and telecommunications.

Many European companies, and some in the United States, require that their suppliers meet ISO 9000 standards for manufactured goods to assure high quality. But most US customers do not observe the standards when purchasing software.

Certification under ISO 9000 is a complex process involving visits by inspectors, who examine paperwork and management supervision of the production process.

Japanese companies first resisted adoption of the ISO 9000 standards because Japanese production philoshophies stress instead the importance of worker initiative in improving quality. But as more European companies

have required certification, the standards have become more accepted in The software proposal, by the

Japan Accreditation Board for Qual-System Registration, "would apply ISO 9000 standards in a much

broader fashion than they've been before to a wider range of products than before," Stern said. But officials in Japan's trade min-

istry denied that, and said the country is merely implementing standards that have been accepted internation-

Japan lowers short-term interest rates

TOKYO, July 7: Faced with the threat of a new recession, Japan's central bank announced Friday it had allowed short-term interest rates to go down and that it would increase the supply of money for short-term loans, says AP.

The news sent Tokyo Stock Reserve's announcement Thursday Exchange prices soaring. The key index closed 6.27 per cent higher than the previous session. "Looking at the state of the

economy, there continues to be strength in the economic recovery. but the momentum of the recovery is tending to stagnate slightly," the Bank of Japan said in a statement. The move was viewed by many

investors as a sign of an impending cut in the discount rate - the interest rate charged on loans from the central bank to commercial banks but Kunio Kojima, executive director, for policy at the central bank, denied any such plan.

The last time the discount rate was slashed, by three-quarters of a point in mid-April, the bank first

trimmed short-term rates. Following the central bank's an-

nouncement, the key short-term money rate fell to a record low of 0.90 per cent. It had been at about 1.25 per cent for the past three months. The move followed the US Federal

that it was cutting its target for the

federal funds rate from 6 per cent to 5.75 per cent. Japan's discount rate, the interest rate charged by the central bank on its loans to commercial banks, now stands at a historic low of 1.00 per

cent, the lowest among the major in-

dustrialised nations. Lower interest rates make borrowing easier and thus boost investment in the stock market and else-

Japan's gross domestic product grew by a mere 0.1 per cent in the first quarter this year from the fourth quarter of 1994, after starting to recover last year from a three-year re-

on television and radio advertising of cigarettes, the first issue on the agenda, the country's health minister WASHINGTON, July 7: The the low-entriched uranium. lation on it to Congress soon. said today, reports Reuter. inited States Enrichment Corpora-Vice President Al Gore said in Health Minister Chea Thang will tion agreed to advance Russia 100 Moscow last week that the problems ask the Cambodian council of minismillion dollar to help save a landmark had been resolved but disclosed no ters to declare the ban as a first step accord for uranium from dismantled to eliminating all cigarette advertis-Soviet nuclear warheads, USEC Presiing in the country. The 100 million dollar advance dent William Timbers said on Thurs-The Russian uranium price USEC "Our main objective is to protect from USEC, secured by the energy day, reports Reuter. the people's health," he told redepartment, and promises by USEC porters. "First we have to ban the ci-