

## Paper prices may rise soon due to production shortfall in mills

By Reaz Ahmad and Mizan Ali

Prices of paper are likely to rise soon in the domestic market due to production shortfall in the local mills, congestion in supply line and price spiral of pulp in the world market.

According to sources in paper market, in the wake of ever-growing demand for newsprint and white paper, both writing and printing purposes, and local mills' failure to meet the increased requirements in the domestic market, the government allowed paper import early this year.

However, the paper merchants observed that the prices of paper could not be contained to a reasonable limit due to unprecedented delay in supply of paper from local mills and very poor scope of options in import.

The Khulna Newsprint Mill (KNM) which used to export newsprint earlier showed a gradual decline in production. As a result, export of paper from the mill has been stopped. Furthermore, the government allowed the paper merchants to import newsprint from abroad to

meet the local demand from the beginning of current year.

Sources disclosed that KNM exported 1389 MT of newsprint during '92-93, which went down to 774 MT in '93-94, and was reduced to 150 MT in '94-95.

Currently, the city's main paper market, Naya Bazar, is virtually flooded with papers imported from China and India. This is because of serious congestion persisting in the supply of papers from the local mills to the market.

On average newsprint is imported at a cost of Taka 36,000 per ton and is sold at Taka 41,000 to the local market. On the other hand, dealers' rate for the KNM newsprint is fixed at Taka 27,000.

Sources disclosed that the Bangladesh paper market has virtually come under the grip of Indian and Chinese paper products. According to them, paper produced in countries like South Korea, Singapore and Taiwan are not cost-effective for the consumption in local market.

Taking advantage of the market situation, the export-

ing countries are trying their best to maximise profits. In some cases, even after payment the consignment does not reach on time.

According to the Bangladesh Paper Merchants Association, paper dealers, whose Taka 20 crore had been deposited with the BCIC a long time ago, haven't been getting newsprint supply from the Khulna Newsprint Mills (KNM) for the last one year.

When contacted, the Bangladesh Chemical Industries Corporation (BCIC) officials told The Daily Star that production at the KNM dropped down to 43,000 MT in 1994 from its capacity production of 48,000 MT.

Established in 1957, the KNM is situated at a distance of 80 miles from the Sundarbans. The speciality of the mill is that it produces newsprint from gewa, a specie of low density hardwood of the forest.

In the dry season, the KNM suffers from salinity problem for a period of at least two months and the production is also hampered

as the gewa is disappearing gradually due to deforestation of the Sundarbans.

In the recent past, private entrepreneurs have opened some newsprint mills, but the quality of paper is not upto the mark nor they are producing much to meet the market demand.

On the basis of per capita use of paper, Bangladesh requires 160,000 MT paper, while the country produces a 93,000 MT which includes both newsprint and white-

print. Out of the total local production, the KNM contributes the major share 43,000 MT. Karnaphuli Paper Mills Ltd 30,000 MT, North Bengal Paper Mills 10,000 MT and the rest 10,000 MT comes from the mills from private sectors.

Another factor contributing to the rise of paper prices is the increase of pulp prices in the world market.

According to the sources, the price of pulp has increased from 550 dollars to 900 dollars during the span of last 18 months.

## Hong Kong group keen to build power plants in Bangladesh

The visiting investment delegation from Hong Kong led by the Chairman and the Managing Director of the Hopewell Holdings Limited and Consolidated Electric Power Association (CEPA), one of the largest infrastructural and power sector investment groups in Asia, called on the Finance Minister M Saifur Rahman at his office yesterday reports BSS.

They discussed investment prospects in the power sector in Bangladesh with particular reference to the setting up of power plants, according to an official hand-

out. Hopewell Holdings and CEPA so far invested more than US 13 billion dollars in various power and infrastructural projects in South and South-East Asia. CEPA is showing keen interest and seriousness to build power plants in Bangladesh.

The finance minister said, Bangladesh needs a huge quantity of electricity to cope with the ever increasing demand of power in the country. He said there had been a big loss in production in the industrial sector due to shortage of power last year.

The finance minister regretted that so called system loss which accounted for the unmanageable 40 per cent loss of total electricity generated in the country each year is one of the main causes of power shortage.

He said out of the 40 per cent loss 20 per cent occurs due to non-technical factors like pilferages and thefts which could be avoided by strict administrative and legal measures.

### Gordon meets

#### Mostafiz

Another report says, the visiting Hong Kong based investment delegation called on Foreign Minister A S M Mostafizur Rahman at his residence yesterday. Chairman of the Hopewell Limited Gordon is leading the delegation.

The Foreign Minister assured the delegation leader Gordon that investment in Bangladesh are fully protected by an act of the parliament.

Gordon said he had chosen Bangladesh as the prime place for investment in infrastructure sector.

### Morshed Khan

Another report adds: M Morshed Khan, Prime Minister's Special Envoy and the visiting chief of Hong Kong based internationally reputed power generating company, Gordon Wu yesterday had extensive discussions on the opportunities available in Bangladesh for foreign investments.

He called on the Special Envoy at his office. Morshed Khan said that Bangladesh would very much welcome Gordon Wu to come up with investments.

## Fishermen in Narail facing problems

NARAIL, Oct 28: The fishermen of three thanas of the district are facing problems due shortage of capital and lack of patronisation by the government, reports UNB.

The fishermen find it difficult to procure boats, nets, and other fishing appliances due to lack of capital. They have been forced to borrow money at a high rate of interest from the money-lenders.

The leasing of jalmahals by the local vested and influential quarters and practice of sub-leasing to the fake fishermen are also affecting the genuine fishermen.

The pisciculture and natural fish resources have been badly affected by the indiscriminate fishing of the non-professional fishermen, unplanned irrigated projects and use of chemical fertilizers in the crop fields.

## 69th auction of BB Bill held

Twelve bids for a total amount of Tk 180 crore were received at the 69th auction of the 91-Day Bangladesh Bank Bill held on yesterday, says a press release.

Eleven bids were accepted. Face value of the bids accepted was Tk 175 crore. The weighted average price of the accepted bids was Tk 98.57 per 100 Taka. The corresponding yield is 5.80 per cent per annum.

## ROK trade team passes busy day in city

Visiting South Korean industrialists passed a busy day yesterday talking to officials and chamber leaders in Bangladesh, reports UNB.

A group of 24 Korean industrial magnets and executives of their firms arrived here Friday night on week-long visit to explore potentials of more Korean investment in Bangladesh. Kihak Sung, Chairman of Youngone, an industrial giant of the newly industrialised country, is leading the delegation.

South Korean companies have so far invested about US dollar 150 million in different industrial sectors in Bangladesh.

Members of the delegation met State Minister for Industries Lutfar Rahman Khan at his secretariat office.

The talks between the Minister and the Korean investors covered various aspects of the present investment policy of the country and other matters relating to investment.

The team of potential investors also met with acting Foreign Secretary Mohiuddin Ahmed at the Ministry of Foreign Affairs. The Foreign Secretary briefed them about opportunities being extended

to the foreign investors in Bangladesh.

Kihak Sung, also Chairman of the Korea-Bangladesh Economic Cooperation Committee, met with leaders of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) including its Vice-Chairman Khandaker Rashiduzzaman.

The Korean entrepreneurs visited the Export Processing Zone (EPZ) at Savar in the afternoon.

They will attend the fourth meeting of Bangladesh-Korea Economic Cooperation Committee at hotel Sonargaon today.

Morshed Khan, Special envoy of the Prime Minister, will inaugurate the meeting, organised by the FBCCI.

The delegation will fly to Chittagong on Monday for a spot-survey of the planned second EPZ in the port city.

The government has offered 180 acres of land at Fauzdarhat for setting up an EPZ exclusively for South Korean investors.

An agreement to this effect was reached between the two countries during Prime Minister Begum Khaleda Zia's visit to Seoul last May.

## Tax lawyers criticise NBR

Bangladesh Tax Lawyers' Association has protested the provisions of minimum tax at Tk 1200 and compulsory deposit of 15 per cent tax in advance while filing appeals, reports UNB.

The protest was voiced at an executive committee meeting of the association held at the Dhaka Taxes Bar auditorium on Friday, said a press release.

The meeting also protested mismanagement and harassment in making adjustment of advance tax, delay in issuing tax identification number, administrative interference in appeal and tribunal cases, and contradictory circulars of National Board of Revenue.

Association president M A Salam Talukdar chaired the meeting while Secretary General Sayed Ahmad made the opening statement.

The meeting was addressed, among others, by Khademul Islam, Mohammad Ali, Sardar Jinnat Ali and Mosharraf Hossain of Dhaka Bar. M A Wadud Chowdhury, Abul Bashar Talukdar and Mohsin Chowdhury of Chittagong, Mohsin Khan of Rajshahi, Kazi Fazlur Rahman of Khulna, Ismail Hossain Hawladar of Barisal, Shah Asaduzzaman of Mymensingh and M A Salam of Sylhet.

## Grindlays Bank opens office at Uttara

ANZ Grindlays Bank Plc opened a new cash office at Uttara Model Town in the city yesterday.

The office was formally inaugurated by Dr A T M Shamsul Huda, Secretary, Banking Division, Ministry of Finance, says a press release.

With this, ANZ Grindlays Bank have increased its network to 13 offices across the country.

The opening ceremony was attended by high ranking officials, business executives and prominent citizens of Uttara Model Town.



Managing Director of Hopewell Holdings Ltd of Hong Kong Gordon Wu called on Commerce and Information Minister M Shamsul Islam at his Secretariat office in the city yesterday. Wu is also the MD of Consolidated Electric Power Association, one of the largest power sector investment groups in Asia. — PID photo

## Wasteland area increasing in India

BHOPAL, Oct 28: Nearly forty per cent of the total 33 crore hectares of land in the country has been declared wasteland and this area was increasing, according to the Union Minister of State for Wasteland Development, Col (Retd) Ram Singh, according to PTI.

Inaugurating a reclamation programme in the Chambal Ravines at village Piprai in Moreana district, about 400 kms from here yesterday, Col Singh said large scale destruction of forests was the main reason for this critical situation.

## Share prices fall heavily at Bombay Stock Exchange

BOMBAY, Oct 28: Share prices lost heavily on the Bombay Stock Exchange (BSE) in a truncated trading week, but recovered marginally yesterday, reports AFP.

The 30-share-blue-chip BSE sensitive index fell 70.30 points from the previous week's close and finished

the week at 3,444.12 points the 100 share national index lost 35.06 points and closed at 1,557.98 points.

The BSE, India's oldest and largest bourse, traded only on three days this week. It was shut on Monday and Wednesday on account of Hindu religious holidays.

Trading on Tuesday, marking the beginning of the Hindu new year, saw heavy selling following reports that a large number of duplicate and fake share certificates of market leader Reliance Industries were still in circulation.

Selling pressure continued on Thursday, but eased a little towards close of business yesterday, with the BSE

index recovering 35.45 points.

Analyst Devesh Kumar said the rupee's downward slide against the dollar also contributed to the market slide.

In trading, Associated Cement Co's shares fell by 160 rupees at 415 rupees. Bombay Dyeing lost five rupees at 352 rupees, Century Textiles remained unchanged at 5,500 rupees while Glaxo was down by a rupee at 198 rupees.

Reliance Industries slid by 14.50 rupees to 246.50 rupees, Tata Engineering was up by a rupee at 415 rupees, and Tata Steel lost 6.50 rupees to close at 245.50 rupees.

## State pensions for older women sought

BUENOS AIRES, Oct 28: Germany's delegate at the first world congress of housewives called for state pensions for older women on Friday and criticised Latin delegates for being stronger on talk than action, reports Reuter.

"When they are at a conference they cry 'I want I want' but when they are at home they do not," Siglinde Prosch, President of the German Housewives' Federation, told Reuters.

"If you talk with the Spanish or the Italian people they fight if they are outside, without the men, but if they are together with their husbands, the women are just normal housewives," she said.

Earlier Prosch told housewives from 11 countries that they should have the right to pensions when they are old. "They must receive honour and not only with words but also with money," she said.

Housewives from 11 countries flew into Argentine capital on Thursday for the three-day congress.

League of Housewives, hope the congress will begin a campaign to win respect for housewifery as a profession and give women who stay at home a voice in a world scene dominated by men and feminists.

## OMS operation in Patuakhali

PATUAKHALI, Oct 28: District administration is conducting Open Market Sales (OMS) operation in the district to check the price hike of foodgrains in local market, reports UNB.

District Food Controller said that a total of 618 metric tons of rice were sold at fixed prices through 84 OMS centres in the district till September 21.

He further said that the stock of foodgrains in the district was satisfactory.

Till last month, 2,735 metric tons of rice and 4,024 metric tons of wheat were in stock at different food godowns in six thanas of the district, he said.

## Notice Inviting Tender

1. Tender Notice No : 50/95-96.
2. Name of work : Repairing & Painting-Utility-Type-2-017/80 under Ferry Maint. Sub-Divn, Dhaka.
3. Estimated cost : Tk 1,22,467/12
4. Earnest money : Tk 2,450/-
5. Time allowed : 15 (Fifteen) days from the date of issue of work order.
6. Form No : Bangladesh Form No 2911
7. Eligibility of : Enlisted 'A to C' general category contractors of RHD, 'D' general category contractors of Mechl Ferry Circle, Dhaka & 'E' general category contractors of RHD, Ferry Maint. Divn, Dhaka.
8. Name of office of availability of tender documents : EE RHD, FMD Dhaka/ FCD 117, Santinagar, Dhaka & EE RHD, Ferry Divn, Sylhet/ SDE RHD, Ferry Maint Sub-Divn Dhaka Tender documents will be available on or before 8-11-95.
9. Name of officers to receive tender bids : E.E. RHD, Dhaka Ferry Circle, Dhaka, E.E. RHD, Ferry Maint. Divn, Dhaka/F.C.D. Dhaka & E.E. RHD, Ferry Divn, Sylhet.
10. Date of receipt of tender : Up to 12.00 Noon of 9-11-95.
11. Date & Time of opening of bids : 12.30 PM of 11-11-95.

Md Golam Mowla  
Executive Engineer, R&H  
Ferry Maint Divn, Postogola  
Dhaka  
DPP-26175-25/10  
G-1591



Finance Minister M Saifur Rahman inaugurated a day-long workshop on 'Institutional support to technical assistance project: Establishing a policy reforms evaluation system' at Sonargaon Hotel in the city yesterday. Resident Representative of Asian Development Bank Bhanuphol Horayangura and Finance Secretary Nasimuddin Ahmed are also seen in the picture. — Star photo

## US Senate passes budget-balancing bill slashing social programmes

WASHINGTON, Oct 28: The US Senate early Saturday passed a budget-balancing bill that would make deep cuts in social programmes benefiting the poor and the elderly, reports AFP.

The measure was approved by 52 votes to 47 one day after similar legislation was adopted in the House of Representatives, 227 to 203.

The fight-win Republican party controls the 53 of the 100 seats in the Senate, with 46 in the hands of President Bill Clinton's Democratic Party.

One Senate seat is currently vacant.

Clinton has threatened to veto Republican-driven budget-balancing legislation that he says will impose undue hardship on the country's most vulnerable citizens while favouring the wealthy.

The House and Senate must now reconcile their two versions before sending it on to Clinton. But backers of the bill in both chambers appeared not to have the necessary two-thirds majority to override a Presidential veto.

The Republicans rode the budget issue in the November 1994 poll to capture both

chambers for the first time in 40 years. They pledged to balance the budget by 2002.

Under current budget projections, the US deficit would stand at 256 billion dollars by that year, according to the congressional budget office.

## Workshop on gas pricing 2-member team leaves for Washington

A two-member delegation of energy and mineral resources officials left here yesterday for Washington to attend a gas pricing workshop, reports BSS.

The delegation led by the Secretary, Ministry of Energy and Mineral Resources, Mohammad Faizur Razzak, will attend a workshop on national gas pricing to be jointly organised by the World Bank and the US Department of Energy in the US capital, said an official press release.

On way back home the delegation, which includes, Chairman of Petrobangla, S K M Abdullah, will attend a programme in Karachi to be organised by the Pakistan Ministry of Petroleum and Natural Resources.

The delegation is expected to return home on November 9.

## Course on selling skills begins at BATC

A week-long course on "professional selling skills" began at the Bangladesh Airlines Training Centre (BATC) in the city yesterday, says a press release.

Eleven participants from Kuwait Airways, Druk Air, Biman and local travel agents are attending the course jointly organised by the Airlines Association of Human Resource Management (AAHRM) and BATC.

Director Administration of Biman Raisuddin Ahmed inaugurated the course as chief guest.

Referring to the cooperation between Biman and Kuwait Airways, Ahmed said that this course would help improve selling skills and this would be a very positive step in developing human resources.



Dr A T M Shamsul Huda, Secretary, Banking Division, Ministry of Finance, inaugurating the new ANZ Grindlays Bank branch cash office at Uttara yesterday. Also seen in the picture are (from left) Peter J Fowler, the British High Commissioner in Bangladesh, Frank Gamble, ANZ Grindlays Bank, and Kenneth W Aspinall, the Australian High Commissioner. — Star photo