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Prime Bank makes profit

The Board of Directors of Prime Bank Limited at a meeting held at the Board room of the bank on Tuesday evaluated the overall performance of the bank and expressed great satisfaction for crossing the break-even point so early and entering into profit within a short span of six months, says a press release.

They lauded the performance of the officials for their outstanding contribution to the rapid growth of the bank.

The meeting, presided over by Dr R A Ghani, Chairman of the board was also attended by Lutfar Rahman Sarkar, Managing Director of the bank.

Bangladesh exhibition opens in Tokyo

A single country exhibition on Bangladeshi products was inaugurated in the Japanese capital, Tokyo, on Tuesday, reports UNB.

Export Promotion Bureau, Japan External Trade Organisation (JETRO) and Bangladesh Embassy in Tokyo have jointly organised the exhibition, according to a message received here on Wednesday.

Twenty Bangladeshi companies, including two jewellery firms, are participating in the exhibition. The products being displayed are: ready-made garments, greeceen check, jute products, leather and leather products, ceramics, tea, electronics and plastic products.

The inaugural ceremony was attended by Hiroshi Mituzuka, President of Japan-Bangladesh Parliamentary League and former Minister for Foreign Affairs and Ministry of International Trade and Industry, the Bangladesh Ambassador in Japan, Vice Chairman of JETRO and the President of JETRO.

A large number of visitors, including the members of diplomatic missions, Bangladeshi community and local people, were present.

New GM of Agrani Bank

Yusuf Ali Mollah joined Agrani Bank recently as general manager. Prior to this assignment, he was serving in Janata Bank as deputy general manager, says a press release.

Yusuf Ali Mollah obtained both BA (Hons) and MA in Economics from Dhaka University in '61 and '62 respectively. He started his banking career in the then United Bank Ltd. (now Janata Bank) as probationary officer in 1963. Mollah was born at the village of West Nizra in Gopalganj in 1940.

Minister criticises govt policy

Agri sector must be provided with ample amount of subsidy

By Staff Correspondent

State Minister for planning Dr Abdul Moyeen Khan, MP, yesterday said that the agriculture sector must be provided with ample amount of subsidy.

"If subsidies are well-designed and well-targeted to the poor, it can benefit them," the State Minister said, criticising his own government's agriculture subsidy

policy. "All developed countries provide subsidies to the agriculture sector because it pays back well in other means."

He was inaugurating a two-day seminar on "Monitoring adjustment and poverty (MAP) in Bangladesh" at the Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP) in

the city yesterday.

The seminar revealed that absolute poverty line population of the country has decreased to 43.5 per cent recently from 47.6 per cent of 1991-92.

"It is the proof that the poverty alleviation programmes in Bangladesh, both at the government and NGO levels, are benefiting the

poor, particularly the bottom 10 per cent." Dr Moyeen Khan said on the occasion which was also addressed by CIRDAP Director Dr Sompong Hanpongpanth, Dr Mustafa K. Mujeri, and Dr Rohingon Modhora of International Development Research Centre.

Two sessions of the seminar were presided over by Prof Rehman Sobhan and Prof Wahiduddin Mahmud.

The seminar was aimed at going into the details of the issue involved and recommending ways to achieve the objective to facilitate the attainment of poverty alleviation in Bangladesh.

State Minister Dr Moyeen Khan said that the government had enhanced the allocation for poverty alleviation to 20 per cent of the ADP of the current fiscal year.

He underscored the need to closely monitor and understand the impact of structural adjustment and other government policies on the poor.



State Minister for Planning Dr Abdul Moyeen Khan, MP, addressing as chief guest the national seminar on 'Monitoring adjustment and poverty in Bangladesh' in the city yesterday. — PID photo

Govt to take stern action against forgery in manpower business

The government has decided to take stern action against the individuals or institutions committing forgery in manpower business in the name of Bangladesh Overseas Employment and Services Limited (BOESL), reports UNB.

According to an official handout, some unscrupulous individuals or institutions have been approaching the employees in Malaysia seeking manpower business as representatives of BOESL, the only recruiting agent of Bangladesh government.

The government makes it

clear that the only recruiting agent for workers for Malaysia, BOESL, has not appointed any person or institution as its representative on its behalf, the handout said.

Any person or institution found guilty of fraudulently representing BOESL or impersonating BOESL will be severely dealt with under the existing laws of the land.

The government has requested the government of Malaysia to send the list of such persons and institutions, if any, for enabling the government of take further

action.

It also requested the government of Malaysia to take necessary action against such persons or institutions itself under their law and keep Bangladesh government informed about it.

The warning came at a meeting held on Tuesday at the Ministry of Labour and Manpower with the representatives of Bangladesh Association of International Recruiting Agencies (BAIRA), BOESL and Bureau of Manpower, Employment and Training (BMET).

China may become largest motorcycle market by 2000

BEIJING, Nov 1: China is expected to become the world's largest market for motorcycles by 2000, with annual demand topping 11 million units, according to a report published today, says AFP.

Currently one in every 100 Chinese owns a motorcycle - a far lower ratio than the global average of three per 100 people - "so the market potential is huge," said the joint report by the State Planning Commission, State Economic and Trade Commission and Ministry of Machinery.

Workshop on fish resources ends 'Bring all ponds under aquaculture by 2000'

A four-day national workshop on fish resources development and management concluded here yesterday with a call for bringing all ponds in the country under aquaculture by year 2000, reports BSS.

Organised by the Ministry of Fisheries and Livestock in collaboration with UN Food and Agricultural Organisation (FAO), the workshop had a thorough discussion and put forward a number of recommendations for consideration by the authorities concerned.

The workshop recommended integrating fish culture with paddy farming and encouraging establishment of quality hatcheries and nurseries sufficiently available to the farmers.

It suggested protection of shrimp breeding grounds, banning shrimping during peak breeding seasons, ensuring preservation of coastal ecology and unhindered seaward breeding migration of pre-adult bagda shrimp from estuarine rivers.

It also suggested better handling and transportation of wild bagda shrimp fries to stop their wastage.

The workshop, inaugurated by Fisheries and Livestock Minister Abdullah-al-Noman on Sunday, had separate sessions for open water fisheries, aquaculture, fisheries research, land and water resource utilization, fisher credit, institutional framework for fisheries development and administration.

The concluding session of the workshop was chaired by the Fisheries and Livestock Secretary A H Mofazzal Karim.

The workshop suggested development of fisheries research particularly breeding and culture techniques for the endangered species, genetic research for improvement of fish stocks, development of techniques for seed production and culture of finfish, shellfish and establishment of fish health diagnostic laboratories in Cox's Bazar and Khulna.

CPD report on economy to be published Nov 8

A study report on the national economy prepared by a local think-tank that sparked off controversy over the country's actual growth rate will be published this month, reports UNB.

Centre for Policy Dialogue (CPD) conducted the Independent Review of Bangladesh's Development (IRBD) and released the report to the press few months back, generating debates among the politicians, economists and policy makers.

The volume on "Experience with Economic Reform: A Review of Bangladesh's Development 1995" comprising the results of the pioneering research will be published on November 8 by a leading academic publisher University Press Limited, sources said on Tuesday.

A multi-disciplinary team of experts led by Prof Rehman Sobhan prepared the review. A large number of experts and policy makers also interacted with various sectoral teams in preparing the report.

According to the publisher, the team has put forward, for the first time, an independent review of Bangladesh's development where the underlying vision, design and execution of the review remained a home grown effort.

4th round of confce on FAP begins Nov 30

The fourth and concluding round of the conference on the Flood Action Plan (FAP) will be held from November 30 to December 2 in the capital under the joint auspices of the government and the World Bank, reports BSS.

Prime Minister Begum Khaleda Zia is expected to inaugurate the conference at the International Conference Centre.

Representatives of the European Union, donor countries and agencies, local representatives, internationally reputed water experts from home and abroad, representatives of UNDP, World Bank, Asian Development Bank, different ministries and government departments, local administration and NGOs will take part in the conference.

Concerned experts will present the main reports on FAP and answer to the question of the participants.

The government has already approved a work plan titled 'Bangladesh Water and Flood Management Strategy' on the basis of data and information gathered from the last five years of FAP study.

The work plan has been designed to formulate a national plan on water management by the year 2000 and complete the ongoing studies and pilot projects of FAP. The work plan also include institutional development of the organisations related to water resources and implementation of the Tk 4500 crore structural priority projects.

'Kuwait to remain strong partner in progress'

Kuwait which has so far provided Bangladesh with Tk 106.61 billion in development assistance will remain the country's strong "partner in progress", reports UNB.

"... we have seen how this desire has been translated into reality through various assistance Kuwait provided to Bangladesh in different fields," the outgoing ambassador of the oil-rich gulf country said in an exclusive interview with UNB on Tuesday.

Mohammad Ebraheem Al-Najran referred to the assistance provided by Kuwait Arab Economic Development Fund (KAED) to various sectors, including electricity and agricultural fields, to the tune of Tk 6.615 million (KD 49,084 millions) in loans till June 1995. He said Kuwaiti charitable

organisations had also funnelled over Tk 100 billion in various sectors, like health, education income generating schemes, housing and other poverty alleviation programmes.

Al-Najran, who is leaving here shortly completing his six years tenure, played a key role in promoting bilateral relations.

About the possibility of Kuwaiti investment in Bangladesh, he said, "Kuwait has a free market economy. You have to compete with others not only to enter the Kuwaiti market but also attract the Kuwaiti investors here. There is much to be done in this respect."

The envoy invited Bangladeshi entrepreneurs to hold industrial fairs in Kuwait to project their products.

DSE second trading booth opens

State Minister for Textiles Abdul Mannan yesterday inaugurated the second trading booth of Dhaka Stock Exchange (DSE) at its office here, reports BSS.

Speaking on the occasion, he underscored the need for expanding stock exchange market for capital accumulation. He said DSE is flourishing very well.

During last July-October quarter, DSE has made a transaction of more than Tk two hundred crore of which transaction of Tk one hundred crore has been done in October only. The new booth will further augment the business, he added.

Among others, Khorshed Alam, DSE Chairman, members and authorised stock exchange traders were present.



State Minister for Textiles Abdul Mannan inaugurating the second trading booth of Dhaka Stock Exchange in the city yesterday. — Star photo

Highlights of SLA Group's financial results for 6 months

The SIA Group's unaudited results for the six months ended September 30, 1995 were released on October 24, 1995. All monetary figures are in Singapore dollars unless otherwise stated. The exchange rates of 1.420 and 1.485 on September 30, 1995 and September 30, 1994 respectively are used for conversion of the April-September 1995 and April-September 1994 results in Singapore dollars to United States dollars. Percentage changes shown are based on Singapore dollars.

Earnings
The SIA Group's operating profit for the six months ended September 30, 1995 was S\$528 million (US\$372 million), an increase of S\$50 million (US\$50 million) or 10.5 per cent over the same period in 1994.

The Group's profit before tax increased S\$58 million (US\$56 million) or 12.0 per cent to S\$544 million (US\$383 million), while its profit after tax and minority interests rose S\$62 million (US\$58 million) or 13.5 per cent to S\$523 million (US\$368 million). The Group's earnings per share was 4.9 cents (+13.5 per cent) higher at 40.8 cents.

The company's operating profit rose S\$26 million (US\$30 million) or 6.6 to S\$411 million (US\$289 million). Revenue went up S\$134 million (US\$185 million) or 4.5 per cent to S\$3,071 million (US\$2,163 million), while expenditure increased S\$108 million (US\$158 million) or 4.2 per cent to S\$2,660 million (US\$1,874 million).

The company's profit before tax went up S\$37 million (US\$40 million) or 8.3 per cent to S\$481 million (US\$339 million), after accounting for an increase of S\$9 million (+15.7 per cent) in surplus on sale of aircraft spares. Profit after tax grew S\$36 million (US\$33 million) or 8.3 per cent to S\$475 million (US\$334 million).

The company's expenditure grew S\$108 million (US\$155 million) or 4.2 per cent to S\$2,660 million (US\$1,874 million) and came mainly from higher costs of staff, handling, aircraft hire, landing and parking fees, in-flight meals and depreciation. These cost increases were partially offset by lower fuel costs.

Staff costs rose S\$38 million (+8.7 per cent) mainly because of service increments, higher staff strength and increased provision for profit-sharing bonus. The higher handling charges (+S\$32 million or 11.5 per cent) and landing and parking fees (+S\$13 million or 8.6 per cent) were mainly due to capacity growth and price hike. Aircraft hire expenses increased S\$19 million (+35.5 per cent) with the new joint freighter service with Air France and the lease of two A310-200 aircraft from SilkAir. The rise in in-flight meal costs of S\$7 million (+5.0 per cent) was chiefly due to higher frequencies. Depreciation charges went up only S\$6 million (+1.5 per cent). Despite increases in average fuel price (+4.0 per cent) and volume of fuel uplifted (+6.1 per cent),

fuel costs fell S\$6 million (-1.6 per cent) as a result of the appreciation of the Singapore dollar.

Capacity, traffic and load factor
Capacity grew 10.0 per cent mainly from (1) additional services to San Francisco, Amsterdam, Zurich, Perth, Sydney, Hong Kong, Osaka, Taipei, Seoul, Hiroshima, Cape Town, Ho Chi Minh City, Denpasar, Surabaya, Hanoi and Bangalore, (2) resumption of service to Kaohsiung, and (3) the new joint freighter service with Air France and a new freighter service to New York.

Passenger seat kilometres and cargo capacity tonne kilometres expanded 6.4 per cent and 14.2 per cent respectively. Traffic in load tonne-kilometres rose 9.0 per cent, which was lower than the capacity increase. Consequently, the overall load factor was down 0.7 percentage point to 69.6 per cent. Passenger seat factor improved 0.9 percentage point to 72.8 per cent, while cargo load factor shed 2.3 percentage points to 68.9 per cent.

Yield, unit cost and break-even load factor
Overall yield dropped 4.4 per cent to 71.20/Ltk. This was mainly due to the strength of the Singapore dollar, which appreciated 4.1 per cent against a basket of major currencies. Unit cost fell at a higher rate of 5.7 per cent to 44.40/ctk as capacity growth outpaced the rise in operating expenditure. As a result, break-even load factor was 0.8 percentage point lower, at 62.4 per cent.

Interim dividend
An interim dividend of 7.5 per cent or 7.5 cents per share less income tax at 27 per cent, amounting of S\$70 million, has been declared. The interim dividend rate is the same as in the preceding year.

Financial position
The SIA Group's financial position remains strong. Till September 30, 1995, shareholders' funds stood at S\$9,439 million, a rise of S\$769 million (+8.9 per cent) from a year ago. The Group's net tangible assets per share on September 30, 1995 was S\$7.36, up S\$0.60 (+8.9 per cent) from a year ago. Total assets of the Group amounted to S\$12,574 million an increase of S\$912 million (+7.8 per cent). The Group's net cash grew S\$303 million (+36.3 per cent) from S\$835 million on September 30, 1994 to S\$1,138 million on September 30, 1995.

Staff productivity
The Group's average staff strength rose 1,071 (+4.3 per cent) to 26,202, while that of the company grew 428 (+3.4 per cent) to 12,862.

Group staff productivity measured by value added per employee, rose 3.8 per cent. Group revenue per employee fell 0.4 per cent.

The company's staff productivity, measured by the average increases in capacity produced, load carried, revenue earned and value added per employee, improved 3.9 per cent.

Fleet development
During the period of April to September 1995, one new B747-400 freighter aircraft joined the fleet. Two A310-200s and one DC8-73 freighter aircraft were leased from SilkAir and Southern Air Transport respectively.

Excluding 1 B747-400, 2 B747-300, 2 B747-200 and 1 B747-200 freighter aircraft leased to other airlines, SIA's fleet strength till September 30, 1995 was 70.

Route development
In July 1995, the frequency to San Francisco was increased to 10 times a week with the commencement of three times weekly B747-400 services from Singapore to San Francisco via Seoul. At

the same time, the frequency to Vancouver was reduced from three to two times a week.

From March 1995, all twice daily services to London and the daily service to Frankfurt became non-stop services. Zurich and Amsterdam are now served daily with the increase of one frequency each to these destinations.

The total number of services to Seoul was increased from 13 times to 17 times a week. Capacity from Osaka was redeployed to Nagoya by reducing the Osaka frequency from 14 to 13 times a week and upgrading two Nagoya services to B747. Operations to Kaohsiung were resumed with five A310 services a week. (Kaohsiung was previously served by SilkAir).

The service to Capetown was increased to two times a week. Indonesia and Vietnam had frequency increases. Together with the daily Ho Chi Minh services, Vietnam is now served 10 times a week.

Two new freighter destinations were introduced. Perth and New York were launched with once weekly B747-400F Mega Ark service in May and September 1995 respectively. Additional joint services with partner airlines, Air

France (AF) and British Airways (BA), were launched. The second joint freighter service with AF from Singapore to Paris took off in April 1995 and a second joint freighter service with BA from Singapore to London was launched in September 1995.

Three new scheduled services were started. The Singapore to Melbourne B747-400 freighter service became a scheduled weekly service from August 1995. A weekly Bombay and Madras linked B747-400 freighter service commenced in July 1995. Seoul became a scheduled freighter destination on the DC8-73 freighter in September 1995.

The number of B747-200 scheduled freighter services increased from three times weekly to five times weekly to USA, from 11 times to 13 times weekly to Europe, from twice to three times weekly to South West Pacific and to once weekly to West Asia and Africa.

Outlook for second half of the financial year

The outlook for the second half of the financial year is one of cautious optimism.

Passenger demand is expected to increase, while cargo demand is likely to be steady. However, excess capacity and stiffer competition in the market and the strong Singapore dollar will continue to put pressure on passenger and cargo yields. — Source: SIA News Release