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The Daily Star BUSINESS

DHAKA SUNDAY, NOVEMBER 26, 1995



HYUNDAI

CARS THAT MAKE SENSE

Economy secretary quits Spain's Socialist govt suffers another blow

MADRID, Nov 25: Spain's crisis-hit Socialist government suffered another blow on Friday when the economy ministry's number two official quit in an apparent policy row, reports Reuters.

A ministry spokesman said Alfredo Pastor, Secretary of State for the Economy, had resigned for personal motives but financial sources said he had deep differences with his minister over the pace of reform and reducing the public deficit.

Pastor had serious doubts over budget policy, said one former senior economy ministry official. He felt a much more restrictive policy should be followed.

He was replaced by Treasury Director-General Manuel Conthe, an official widely experienced in European monetary affairs who the government said would ensure continuity in economic policy.

"We have named Manuel Conthe because he will guarantee continuity," government spokesman Alfredo Perez Rubalcaba told a news conference after Friday's cabinet meeting which agreed the appointment.

He dampened talk of discrepancies between Pastor and the ministry, saying he had resigned for personal reasons. Pastor, a respected 51-year-old economist, took up the post after the socialist won general elections in June 1993.

Post-flood agri rehabilitation programme in Comilla

COMILLA, Nov 25: A massive post-flood agricultural rehabilitation programme at a cost of Taka 29 lakh has been taken up in 10 thanas of the district, reports UNB.

The programme was taken to recover the loss in agriculture sector caused by recent floodings, excessive rain and onrush of flood waters.

According to official sources, jute, aman and other crops on 48,064 acres of land, worth Taka about 50 lakh were damaged this year due to the natural calamities.

As a result, the small and marginal farmers in 12 thanas of the district suffered severe crop loss.

The district agricultural rehabilitation committee, in first phase, sanctioned Taka 16.37 lakh for production and distribution of aman seedlings.

But the thana committees could not implement the programme properly due to lack of seeds, seed-beds, and adequate time. Some Taka 7.85 lakh of the total allocation remained unutilised.

On the other hand, the Agriculture Ministry sanctioned Taka 12.62 lakh for aman cultivation and distribution of urea fertiliser in the district.

But this allocation also remained unutilised, as the thana committees failed to

distribute urea fertiliser among the affected farmers in time.

Then the District Committee took a rabi rehabilitation programme in Daudkandi, Sadar, Burichang, Laksham, Brahmanpara, Choudogram, Barura and Chandina thanas.

Utilising the allocation for fertiliser, the committee also took similar rehabilitation programme in 10 thanas except Laksham and Langolkot.

Under the programme, wheat will be cultivated on 1,038 acres of land, mustard on 222 acres and maize on 23 acres. Seeds and fertilisers will be supplied to the small and marginal farmers from thana agriculture rehabilitation committee.

China Motor to invest in mainland

TAIPEI, Nov 25: Taiwan's largest commercial vehicle manufacturer, China Motor Co Ltd, Friday obtained approval from Taiwan's Investment Commission to invest in China, economic officials said, reports AFP.

The commission gave approval for China Motor to invest 14.9 million US dollars to build an auto plant in the southeast Chinese province of Fujian, the officials said.

China Motor, which currently has a 61 per cent share of the island's commercial vehicle market, was the first auto maker here to gain approval to invest in the mainland, they noted.

Talks on \$ 2.8b power project Enron accepts cost-cutting changes of around \$ 300m

BOMBAY, Nov 25: Enron Corp, negotiating with India's western Maharashtra state to save a 2.8 billion dollar power project axed as unaffordable, has accepted cost-cutting changes of around 300 million dollars, officials said on Friday, reports Reuters.

Apart from a reduction in the levelised unit cost to 1.90 rupees, and the reduction of the internal rate of return to around 20 per cent from 25 per cent, Enron has also agreed to use naphtha as a fuel in the first phase, an official close to the negotiations said.

"The saving could be more than 300 million dollars," said the official, who requested anonymity. But pre-

vious financial details are still being worked out, he said.

The official said the revised per megawatt cost would be 26 million rupees compared with an original estimated cost of 45 million rupees.

"There should also be a substantial saving because of the recent worldwide crash in the prices of imported turbines and machinery," he said.

Dabhol Power Company, the Enron arm overseeing Indian operations, has agreed to source more components from local suppliers, and invite open tenders for the second phase, the official said.

Protest against French govt plan to curb social welfare spending

PARIS, Nov 25: Public transport ground to a virtual halt around Paris and France's other big cities yesterday as unions staged a strike to protest French government plans to curb social welfare spending, reports AFP.

The action by an estimated 182,000 workers in six unions idled most subway and commuter trains serving the French capital and reduced bus services by 85 per cent.

Air traffic was also hit and traffic jams were building up earlier than usual as many people resorted to using cars to get to work.

The strike action, which will also hit hospitals, post offices and the gas and electricity utilities, is to protest plans to cut France's social security budget, and some public sector workers also oppose proposals to make them work longer to qualify for a full state pension.

Labour and Social Affairs Minister Jacques Barrot meanwhile called for talks with union leaders to resolve the impasse, saying strikes would not resolve the country's problems.

"I respect those who strike and those who protest, but I will not cease in calling for dialogue," he told RTL.

"We cannot resolve France's problems by protests alone and we cannot ensure a return to growth by inciting fear throughout the country," he added.

"If everyone makes the necessary effort over the next two years, the social security (system) will rediscover its solidity and vigour in order to resolve social problems."

16 economies pledge to push freer global trade

VANCOUVER, Nov 25: Ministers and senior officials of 16 so-called medium-sized economies agreed here yesterday, at the end of a two-day meeting, to continue pushing for freer global trade, reports AFP.

But the informal meeting of Trade Ministers from Australia, Canada, Hong Kong, Hungary, Indonesia, Morocco, New Zealand, Norway, Singapore, South Africa and Thailand and officials from Argentina, Brazil, Chile, Mexico and Switzerland failed to come up with any specific action plan.

The meeting was called by Canadian International Trade Minister Roy MacLaren to help pave the way for next year's first-ever ministerial meeting of the newly-formed World Trade Organization (WTO).

MacLaren insisted that the

Vancouver gathering was "not intended to be a decision-making meeting."

It was, he told reporters, arranged to "identify more clearly where there are problems."

"There was," he said, "unanimity on trying to accelerate the work of the unfinished business of the Uruguay round," referring to the global trade negotiations which led to the formation of the WTO.

He said the countries represented at the Vancouver meeting agreed to go back to the different WTO working groups with "a renewed vigour and renewed determination."

On specific issues, he said the Vancouver delegates had agreed there was not yet any consensus on the contentious issue of trade and labour standards.

Bangladesh Atomic Energy Commission
4, Kazi Nazrul Islam Avenue, PO Box No 158
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Advertisement (Corrigendum)
Reschedulement of "National Training Course on Radiation Protection"

It was advertised in the daily News Paper "The Daily Star" dated 22-10-95 that the "National Training Course on Radiation Protection" would be held from 25 November-07 December, 1995. Due to some unavoidable circumstances, the date of the above Training Course has now been shifted to 02 March-14 March, 1996.

Nomination papers by the intended participants should reach to the undersigned on or before 15 January, 1996. The other terms and conditions of the Training Course will remain unchanged.

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Bangladesh Atomic Energy Commission

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EU ministers likely to finalise single currency plan tomorrow

BRUSSELS, Nov 25: European finance ministers are expected to finalise plans for the changeover to a single currency on Monday and will get their first chance to debate the merits of a European "stability pact" on budget deficits, says Reuters.

The meeting is seen as one of the most important gatherings in the runup to monetary union, as the ministers will work towards cementing a blueprint which EU leaders will consider when they meet in Madrid in December. Diplomats said the final outcome is expected to follow closely the scenarios laid out by the European Monetary Institute (EMI) and European Commission.

"I suspect at the end of the discussion you will end up with something like the EMI scenario," said one diplomat.

One concerns the issuance of public debt during a monetary union. Under the EMI's plan, sovereign debt would be denominated in the new currency right at the launch date on January 1, 1999. Not all member states are happy with this aspect some want to have part of their debt still

denominated in national currencies for a period of years.

A second concern is the legality of the new currency.

The EMI carefully sidestepped this issue, acknowledging its importance but adding that it was still considering several options and would make a final recommendation when current studies have been completed.

Some worry that a delay would risk undermining the credibility of the new currency. Without knowing whether the new currency is legal tender from the start, businesses and banks might be reluctant to spend the necessary sums involved in preparing for a monetary union.

A final source of contention is the actual date when member states would be judged whether they qualify for EMU.

Under the treaty, a decision would have to be made right at the start of 1998 so as to allow central banks a full year to prepare for the currency's implementation.

But since countries will be evaluated on their economic performance in 1997 it is not certain that complete or reli-

able figures will be available in time. The decision date might have to be postponed until March or April of 1998.

Diplomats said it was unclear whether there would be a resolution to this problem on Monday.

Not on the formal agenda but certainly a central topic will be German Finance Minister Theo Waigel's proposal for a "stability pact" that would ensure budgetary discipline among countries forming a monetary union.

Waigel will present his ideas over lunch, allowing his counterparts an opportunity to question the notion of heavy fines countries which run excessive deficits.

Most diplomats said they did not expect the group to formally endorse the plan, but some saw the chance of a political agreement with the details left until a later date.

Rounding up the lunch hour will be a presentation from Sir Nigel Wicks, had of the EU's monetary committee, on the future currency relationship between those inside a monetary union and those on the perimeter.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
নির্বাহী প্রকৌশলীর কার্যালয়
কক্সবাজার গণপূর্ত বিভাগ, কক্সবাজার

দরপত্র বিজ্ঞপ্তি
নং ২৮/৯৫-৯৬ ইং

তারিখ: ১৫/১১/৯৫ইং

১। এতদ্বারা নিম্নলিখিত কাজের জন্য গণপূর্ত অধিদপ্তরের তালিকাভুক্ত বিশেষ প্রথম শ্রেণী, প্রথম শ্রেণীর বৈদ্যুতিক/বায়নিক টিকাদার, চট্টগ্রাম গণপূর্ত জোন, চট্টগ্রামের তালিকাভুক্ত দ্বিতীয় শ্রেণীর বৈদ্যুতিক/বায়নিক টিকাদারগণের নিকট হইতে ২৯১১ নং বিডি ফরমে সীলমোহিতকৃত দ্বারা দরপত্র আহ্বান করা যাইতেছে। উক্ত দরপত্র নিম্নস্বাক্ষরকারী এবং নির্বাহী প্রকৌশলী, গণপূর্ত বিভাগ, নং ৩/৪, চট্টগ্রাম এবং নির্বাহী প্রকৌশলী, গণপূর্ত বিভাগ, কক্সবাজার কর্তৃক আগামী ৭/১২/৯৫ ইং পূর্বে ১২-০০ ঘটিকা পর্যন্ত গ্রহণ করা হইবে এবং ঐদিনই ১২-১৫ ঘটিকার সময় আগামী দরপত্রাদানের উপস্থিতিতে (যাহারা উপস্থিত থাকিতে ইচ্ছুক) বোলা হইবে। বামের উপরে কাজের নাম উল্লেখপূর্বক দরপত্রাদান করিতে হইবে। মূল্য সংযোজন কর বিধানের মূল্য সংযোজন নিবন্ধন সার্টিফিকেট এর সত্যায়িত কপি দরপত্রের সহিত সংযোজন করিতে হইবে।

২। কাজের নামঃ বাংলাদেশের ৬৩টি জেলা পশু হাসপাতাল নির্মাণ তথ্যে কক্সবাজার জেলায় একটি (উপকাজঃ জেলা পশু হাসপাতাল ভবন-এর অভ্যন্তরীণ বৈদ্যুতিককরণ কাজ) নং ১৯৯৬-৯৬ ইং।

৩। প্রাকলিত ব্যয়ঃ টাকা ৩,৬০,৪০১/০০

৪। বায়নারঃ টাকা ৭,২০,০০/০০

৫। কার্য সম্পাদনের সময়সীমাঃ কার্যাদেশ প্রদানের তারিখ হইতে ৯০ (নব্বই) দিন।

৬। (ক) বিডি ফরম নং ২৯১১, দরপত্র অভিরিক্ত সর্ভাকী ইত্যাদি নিম্নস্বাক্ষরকারী নির্বাহী প্রকৌশলী, গণপূর্ত বিভাগ নং ৩/৪, চট্টগ্রাম নির্বাহী প্রকৌশলী, গণপূর্ত বিভাগ, কক্সবাজার অফিস হইতে আগামী ৫/১২/৯৫ইং বা তৎপূর্বে অফিস চলাকালীন সময়ে প্রচলিত মূল্যে দেখিতে বা জমা করিতে পারিবেন। দরপত্র নিজে বা তৎকর্তৃক ক্ষমতাপ্রাপ্ত প্রতিনিধি জমা করিতে পারিবেন।

৭। অর্থ মন্ত্রণালয়/জাতীয় বাজার বোর্ড কর্তৃক শ্রেণী ভিত্তিক কাজের বিশদীকৃত যে হারে ভাট আদায়ের জন্য সিদ্ধান্ত গৃহীত হইবে টিকাদারগণ টিক সেই হারেই এই কাজ হইতে ভাট প্রদান করিতে থাকিবেন। টিকাদার কর্তৃক ভাট নিবন্ধীকরণ এবং নির্ধারিত হারে ভাট পরিশোধ না হওয়া পর্যন্ত চুক্তি বিল নিষিদ্ধ/পরিশোধ করা যাইবে না।

৮। যদি একাধিক ব্যক্তি বা প্রতিষ্ঠান এককভাবে নিম্নহায়ে দর প্রদান করিয়া নিম্ন পরামিতা হন তবে আগামী ১২/১২/৯৫ইং কোণ ১২-০০ ঘটিকার সময় নিম্নস্বাক্ষরকারী বা তৎকর্তৃক ক্ষমতাপ্রাপ্ত প্রতিনিধি যারা উপস্থিত টিকাদারগণের সম্মুখে (যাহারা উপস্থিত থাকিতে ইচ্ছুক) লটারী অনুষ্ঠিত হইবে।

মোঃ বদরুল আজার সৌধুরী
নির্বাহী প্রকৌশলী
কক্সবাজার গণপূর্ত বিভাগ
কক্সবাজার
ফোনঃ ৩৫৪৭

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G-1784

Consumers' protection right: Consumers' credit

The Consumers Association of Bangladesh (CAB), an organisation working for the protection of consumers' rights, estimates that prices of essential commodities have recorded a rise of 14.86 per cent in June this year compared to the corresponding month last year. That is, however, the average rise in prices.

During the last six months, items like vegetables and rice have registered a spiralling price hike up to 34.02 and 25.63 per cent respectively. The budgetary provision of tax relief this time should have brought down prices of some of the goods of daily use. But so far there is no reflection of the tax cut on the price indices. Instead, in some cases, the prices are showing an upward trend. The CAB has taken serious exception to the fact that a section of traders is increasing prices "on one pretext or the other."

Even the budgetary benefits for the commonman are robbed by a sellers' market. Both the government and the people are cheated. In the face of such an organised market manipulation, the government and the common people need to devise effective means to defend their decision to frame a 'Consumers' Right Law' has been deferred is unfortunate. It will be treated by the wicked traders as a retraction by the government. Actually we not only need such a strong law but also regular

market monitoring and supervision to ensure that no item registers an arbitrary price rise.

Consumer lobby groups are needed to mount sustained pressure to obviate the manipulative mechanism for raising prices. Such groups have been working with tremendous success in other countries.

Consumers Deprived:

The Finance Minister has expressed dissatisfaction that private sector was not responding in favour of the commonman after the reduction of taxes announced in the current budget. He said that "it hurts me that the consumers have been deprived of the benefit of the government-offered large-scale tax relief due to non-response of the private sector."

Credit is an inherent right of the people and ought to be used by the right person for the right purpose. He really wonders why the banks are maintaining higher lending rates when the government has reduced the bank rate. He also pointed out that there are certainly ways to lower the lending rates. But the private sector no longer means a careless private sector of the past century, rather it is now a sector which has respect for the people.

When there is a rise in tax, prices immediately go up. But the traders do not re-

By Anu Mahmud

act when tax is reduced. Equity and justice should be maintained in a free economy, otherwise tension would eat into the macro economic stability that has been established.

Within Buying Capacity:

The Prime Minister urged the members of the business community to help keep the prices of essential commodities within the purchasing power of the people. She also indicated that the government had reduced taxes on the commodities in the current national budget with a view to keeping the prices of essentials within the buying capacity of the people. But she regretted that the people were being deprived of getting the benefits of tax reduction. Reminding the businessmen and the traders of their responsibilities towards the people as well as the country, the Prime Minister asked them to help people reap the benefits of tax reduction and buy the essential commodities at fair prices. She also mentioned that a section of unscrupulous traders always attempted to create an artificial crisis of commodities with the ulterior motive of earning huge profit. But it was unethical to create any shortages of goods.

On the other hand, business leaders argue saying that depleted production, price spiral of essentials at the international market, rise of

per-capita income, impact of GATT agreement, flood situation and problems in the transportation of goods had contributed to the price hike. The introduction of the free market economy in our country was yet to bring benefit to the people, as they were not developed psychologically toward it, mentioned by one leading businessman.

Hoarding for Profiteering

When goods are secretly stored in anticipation of profit by selling them when these will be in short supply and hence dear, often beyond the purchasing power of buyers, this is called hoarding. Profit-making is permissible but profiteering, the activity of making large profits by changing high prices of goods that are in short supply and thus creates an artificial crisis of consumable goods because of illegal storing is not only morally improper but also a reprehensible sin. Islam prohibits hoarding in clear terms, but it is a pity that in this Muslim country a section of businessmen trades on human miseries with impunity. There seems to be no device to control the human vultures always greedy to gain or to make a profit out of someone else's distress.

Under this credit scheme, the essential items for household uses are selected by the bank. The term pe-

riod for the loan has been fixed two years for car. Loan will be disbursed only when the bank is satisfied with the ability of repayment of the borrowers. And they have to deposit 20 per cent of the required amount as equity. Within seven days of the payment of the commodity, the item will be purchased under the direct supervision of the bank officials.

Consumers Credit Scheme:

To assist consumers to meet the demand of their essential household and luxury commodities, newly floated Prime Bank has introduced a consumers' credit scheme for the professionals in consultation with the businessmen's organisations, should devise ways and means to crack down on dishonest traders.

According to the credit policy of bank, an individual can get a loan up to Taka one lakh to purchase household consumer items. In terms of purchasing a car, individual can draw a loan of Taka three lakh with a down payment of 20 per cent of the total amount. Professionals, aged from 20 to 50 from government office, semi-government and autonomous bodies, bank, insurance company and other organisations acceptable to the bank are eligible for the credit scheme.

It is true that it is rather impossible to make it sure

To extent bank's ownership on the purchased items, all purchase documents will be in the name of the bank and it will be kept in the bank. After completion of the repayment of the loan, the documents will be transferred in favour of the borrower. The borrower will have to give a promissory note to the bank stating that he will pay the instalments regularly. The borrowers from government office will have to bring personal guarantee from their higher authority and the borrowers from private organisations will have to bring guarantee from the 1st Class Magistrate.

The borrowers will have to pay two per cent of the total amount at a time for risk fund. But what would be the rate of interest, that is not disclosed? It is necessary to impose a Consumers Right Law for the benefit of the commonman.

(The writer is an occasional contributor to The Daily Star)



The visiting British trade delegation led by Peter Lee held a meeting with the Chairman of Investment Board Dr. Tawfiq-Elahi Chowdhury Bir Bikram in the city yesterday. —PID photo