

Pakistan overcomes major impediment to sale of UBL

ISLAMABAD, Jan 5: The Pakistan government has overcome a major impediment to the sale of a premier bank to foreign investors by signing a deal with unions, officials said yesterday, reports AFP.

The government, under an arrangement with the International Monetary Fund, is obliged to privatise United Bank Limited (UBL) by January 31.

The Privatisation Commission of Pakistan has al-

ready prequalified Faysal Islamic Bank and another company run by a Saudi Prince to bid for the UBL.

However, the staff and officers federations representing some 25,000 employees in more than 1,600 UBL branches, had insisted that jobs be secured after the privatisation.

Naveed Qamar, Chairman of the Privatisation Commission, told reporters that under an agreement concluded with UBL unions late Wednesday a total of 20 per-

cent of bank shares will be sold to the bank employees in phases.

The commission has also assured the employees that the new investor will not resort to any retrenchment for a period of one year.

UBL, the second largest bank in Pakistan after Habib Bank Limited, has 28 branches abroad. Its assets are estimated at 182 billion rupees (5.2 billion dollars) and the deposits at 108 billion rupees (about three billion dollars).

China's tax revenue soars

BEIJING, Jan 5: China's industrial and commercial tax (ICT) revenue soared 18.3 per cent in 1995 to 538.4 billion yuan (65 billion dollars), exceeding the state-set target by 27.4 billion yuan, reports said yesterday, reports AFP.

The country collected 455.3 billion yuan in industrial and commercial taxes in 1994.

According to initial statistics compiled by the state administration of taxation, value-added tax (VAT) accounted for 319.1 billion yuan or about 60 per cent, of last year's ICT total, exceeding its target figure by 26 billion yuan.

The VAT figure showed a 12.3 per cent increase from 1994.

Tax officials cited by the China Daily said the final figure for ICT revenue in 1995 would grow further by the time final settlement is due on January 20.

ICT comprises all taxes collected by the state administration and makes up the lion's share of the country's fiscal revenue.

Tax revenue has increased substantially since China implemented sweeping fiscal reforms at the beginning of 1994, although the authorities were forced to wage a major campaign last year to clamp down on income tax evasion and illegal claims for export tax funds.

India not opposed to extending 'zero tariff concession'

NEW DELHI, Jan 5: India is, in principle, not opposed, to extending 'zero tariff concession' on specific list of commodities to its neighbouring countries in a bid to boost intra-SAARC trade, Indian External Affairs Minister Pranab Mukherjee said yesterday, reports PTI.

However, while extending this facility, India will have to take into consideration various technical aspects envisaged under the rule based World Trade Organisation (WTO), Mukherjee said while briefing newsmen about the deliberations at the just concluded two-day SAARC finance and planning ministers' conference here.

If India extends zero tariff concession facility to its SAARC member countries, the country may have to extend the same benefit to countries outside the SAARC umbrella, he said explaining this would have to be examined in detail before taking a final decision.

India has already agreed to provide tariff concessions ranging between 25 to 50 per cent on 106 items under the SAARC Preferential Trading Arrangement (SAPTA) which became operational on December seven last year, the minister said.

ROK to lift import ban on 28 agro-fisheries products

SEOUL, Jan 5: South Korea is to lift import ban on 28 agro-fisheries products including condensed milk and silkworms in July as part of its liberalisation programme, government officials said yesterday, reports AFP.

Another three items—grapes, apple juice and frozen pollack—were freed from all import restrictions on January 1, the agriculture, forestry and fisheries ministry said.

The market opening followed the framework of the World Trade Organisation (WTO), under which South Korea has earlier pledged to broaden the scope of its import in the agro-fisheries sector, a ministry official said.

Dollar may hit 108 yen this month, say dealers

TOKYO, Jan 5: The dollar could rise as high as 108 yen within this month, helped by buoyant US financial markets and speculation that Japan may launch another campaign to boost the US currency, dealers in Tokyo said yesterday, reports Reuter.

The dollar, which sank to a post-war global low of 79.75 yen in April last year before beginning to claw its way back up, hit 105.68 yen in Asian morning trade, its highest level since April 8, 1994.

Capital flow to the United States on perceptions that investing in the US will be more profitable than investing in Japan is behind the dollar's strength, said Takashi Kanagami, Chief Dealer at Mitsubishi Trust and Banking Co. Ltd.

The dollar looks likely to reach around 107 or 108 yen within this month, said Noriyuki Takano, Vice President at Chase Manhattan Bank in Tokyo.

US stocks and bonds are performing well while Japanese stocks, although they have started to rally, may meet selling pressure ahead of the corporate book-closing at the end of March. Japanese interest rates remain low, making yen-based investments relatively unattractive.

US fund operators are likely to lock in profits at various stages of dollar rallies and this might slow the upward momentum, but they will not entirely liquidate dollar long positions built at lower costs, he added.

Japanese exporters have already completed required dollar sales through forward contracts covering the January to March period, said Masao Yoshikawa, a manager at the Industrial Bank of Japan Ltd. This and possible fresh foreign bond investments by major Japanese insurers might push the dollar up to 106 yen, he said.

The dollar's quick rally caught Japanese importers and investors by surprise and they are now more keen to buy dollars on dips, which could give firm support at around 103 yen, Tokyo dealers said.

Dollar buying for yen by foreign investors to prevent an erosion of the value of their yen holdings as a result

of the the dollar rally also strengthened the dollar, dealers said.

Tokyo dealers speculated that US fund operators, the main driving force behind the dollar's rise in Tokyo on Thursday, would beef up dollar purchases ahead of a global investment seminar to be held in Tokyo on January 16. Influential financial George Soros is expected to attend and make comments positive for the dollar, they said.

Eisuke Sakakibara, the Director General of the International Finance Bureau at Japan's Ministry of Finance (MOF) and a key person involved in driving the dollar back up to 100 yen last year, also plans to attend the meeting.

US-Canada firm gets tax holiday to explore gold mine in Manila

MANILA, Jan 5: US-Canadian joint venture firm Kingking Mines Inc Thursday obtained tax incentives for a 478.8 million-peso (18.4 million dollars) project to explore a gold mining prospect in the Southern Philippines, the official board of investment said, reports AFP.

The exploration work, due to start next month with metallurgical tests of the Kingking prospect in the southern town of Pantukan, was given a six-year income tax holiday, tax credits and duty exemptions on the import of capital equipment, government documents said.

Local firm Benguet Corp which controls the mining claims over the 1,548-hectare (3,823-acre) area, entered into an agreement with Echo Bay Mines Ltd of the United States and TVI Pacific Inc of Canada to develop the Kingking site.

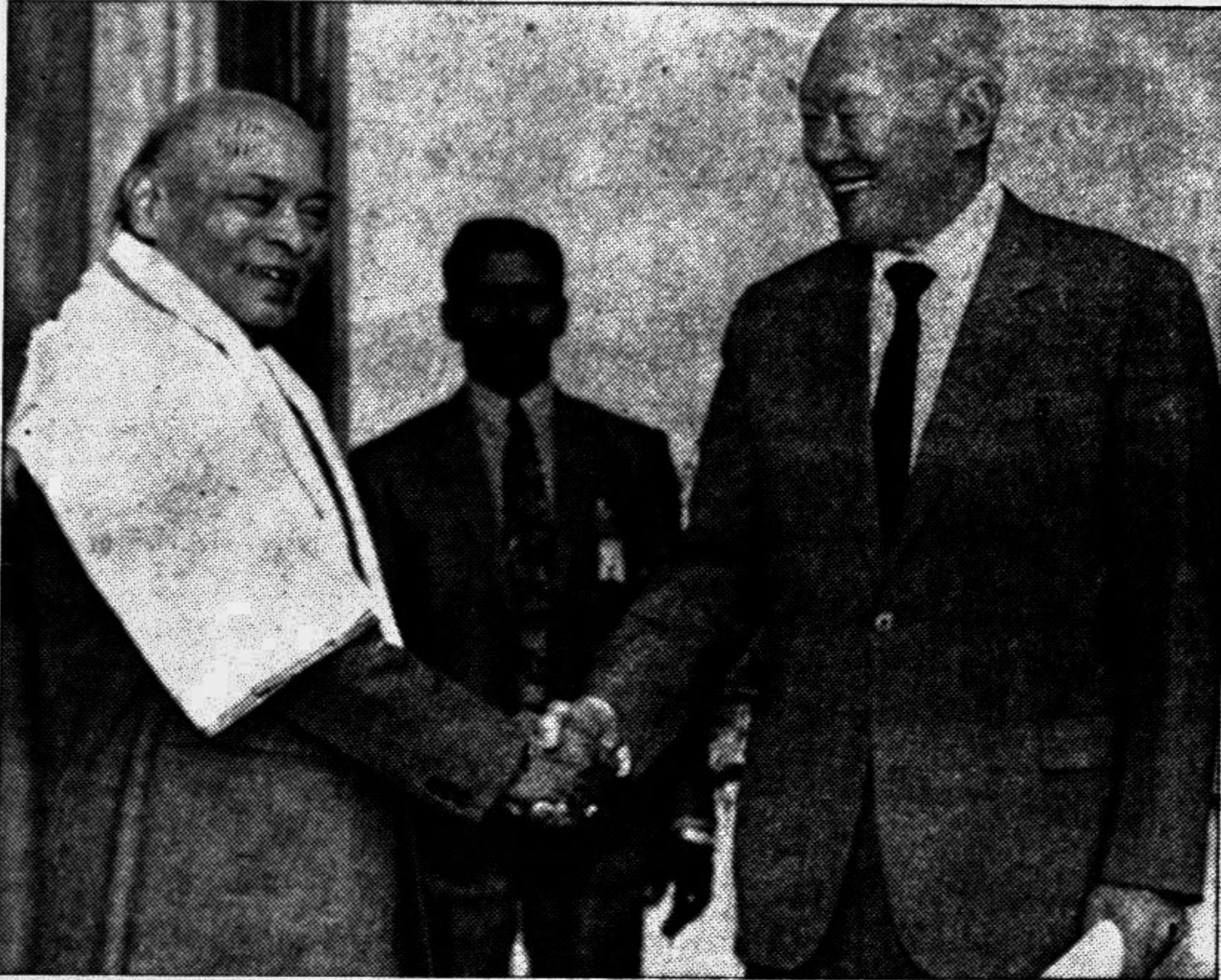
The two foreign firms formed a locally-incorporated joint venture firm, Kingking Mines, to conduct the exploration work.

Mongolia posts record gold output

ULAN BATOR, Mongolia, Jan 5: Mongolia posted a record gold output of more than 4,000 kilograms in the past year, according to bank statistics published by the local press, reports Xinhua.

The Bank of Mongolia said in a statement that the 63 gold-digging enterprises in the country turned in gold extracts which once refined to 99.99 per cent pure gold would weigh 4,077 kilograms in all worth 19.8 billion turgrigs (41.6 million US dollars).

Remaining on the banned list — except by government allotted quota — are 80 items including rice, natural honey, oranges, beef, pork, chicken and flat fish, but the bans on 62 of the items should be lifted by 2001, the official said.



Singapore Senior Minister Lee Kuan Yew (R) is greeted by Indian Prime Minister PV Narasimha Rao at Hyderabad House in New Delhi on Thursday. Lee began his 3-day official visit aimed at strengthening business and other links with India's newly liberated economy. — AFP/UNB photo

Daiwa Bank plans defence against \$ 1.1b trading cover-up

NEW YORK, Jan 5: Daiwa Bank Ltd plans to assert in court that US prosecutors have blown its 1.1 billion dollars trading cover-up out of proportion compared to famous white-collar scandals, such as the Salomon Brothers Treasury auction debacle, reports AP.

Daiwa's legal blueprint for its upcoming criminal trial will instead portray the bank as the sole victim of a scheme that cost no investors money and was orchestrated by a rogue employee, a source familiar with the matter said Thursday.

The defence team will describe the deception as the work of a greedy bond trader who exploited an antiquated bank oversight system to hide the losses, from Daiwa management, the source said, speaking on condition of anonymity.

Daiwa's defence strategy

came to light as US authorities continued to probe the bank. The investigation remains in progress two months after a sweeping 24-count indictment against Daiwa, according to a spokesman for the US attorney's office in Manhattan. He declined further comment.

Daiwa was charged with conspiring with the trader, Toshihide Iguchi, to hide from American bank regulators Iguchi's trading losses at its New York branch over a 12-year period.

The Osaka, Japan-based bank, the world's 21st largest, has pleaded innocent and is scheduled to stand trial starting March 6. If convicted the bank faces more than one billion dollars in fines.

Daiwa also was ordered to shut down all operations in the United States by Feb 2. Vowing to exonerate itself,

Daiwa has assembled a powerful team of 30 lawyers at the prestigious Manhattan law firm Debevoise and Plimpton. Louis Begley, a partner at the firm who leads the legal team, declined to comment on the defence strategy. A New York-based spokesman for Daiwa also declined comment.

The government did not prosecute New York-based Salomon for breaking Treasury bond auction rules, violations that led to losses by players in the US securities market. Instead, without admitting wrongdoing, Salomon in 1992 paid a total of 290 million dollars to settle civil charges of securities and anti-trust violations.

The Japanese bank does not plan to argue against prosecution allegations that it filed false reports to the Federal Reserve in July and August.



Executives of the Tokyo Stock Exchange bow to greet each other before the first trading of the year commences at TSE on Thursday. Tokyo stock market reopens for the first trading in this year. The new year's trading starts up with 570.56 points up from the last trading finish of 20438.71. — AFP UNB photo

No change in Bundesbank interest rates

FRANKFURT, Germany, Jan 5: The German central bank left its key interest rates unchanged Thursday, three weeks after lowering them to their lowest level in seven years, reports AP.

No changes had been expected when the policy-setting Central Bank Council of the Bundesbank met Thursday in a regular biweekly session.

The discount rate remained at 3.0 per cent and the Lombard rate stayed at 5.0 per cent. Both rates were cut a half-point each Dec. 14.

The discount rate is the cheapest form of central bank financing for the German banking system and serves as the effective floor for domestic money-market interest rates.

China's first treasury bonds for '96 soon

BEIJING, Jan 5: China will issue its first treasury bonds for 1996 from next Monday, the finance ministry announced, saying the bonds would be sold at a discount rate, reports AFP.

The bonds, valued at 13.5 billion yuan (about 1.6 billion US dollars), will be registered and can be traded immediately after the issue is completed on January 30, the announcement, carried by the official news agency Xinhua said.

The bonds will be floated at a discount rate and redeemable at par value upon maturity on January 12, 1997. This is believed to be the first time in years for China to issue treasury bonds at a discount rate, Xinhua said.

Analysts said it was impossible to determine the significance of the discount until

full details were disclosed. If the bonds were offered at a significantly lower rate than elsewhere in the money market, that would be a clear sign of the government's desire to ensure a successful start to this year's bond-issuing programme, they said.

The bonds, underwritten by primary dealers and other securities institutions, will be sold to the public from China's stock exchanges in Shanghai and Shenzhen, as well as securities trading centres in Wuhan and Tianjin and an automated nationwide securities trading system, it said.

China last Friday said it hoped to curb the rapid annual growth of units treasury bond issue, which in recent years has helped to force up inflation and cause worries about repayment.

RHD Notice Inviting Tender

Sealed tenders are hereby invited in Bangladesh Form No. 2911 for the following works:

- Tender Notice No. : 40 (1995-96)EE/GRD.
- Name of work : Construction of 18.29M. long temporary steel double/single bailey bridge and improvement at road soulder by HBB pavement using inferior or unspecified bricks supplied from departmental stock at different road and different KM under Gopalganj Road Division during 1995-96 (in two) groups.
- Estimated cost : As per group list.
- Earnest money : -/-
- Head of Accounts : -/-
- Time allowed : -/-
- Eligibility of contractor : -/-
- Name of office where tender documents will be sold : Executive Engineer, RHD, Road Division, Gopalganj Faridpur/Madaripur/Sub-Divisional Engineer, RHD, Road Sub-Division, Gopalganj/ Bhatiapara/1st Line Workshop Sub-Division, Gopalganj.
- Name of office to receive tender bids : a) Superintending Engineer, RHD, Road Circle, Faridpur. b) Executive Engineer, RHD, Road Division, Gopalganj.
- Last date of selling tender : Up to the office hour of 20-1-96E/7-10-1402BS.
- Last date & time receipt of tender : Up to 12:30 PM of 21-1-96E/8-10-1402BS.
- Date, time & place of opening of tender : At 11:00PM of 25-1-96E/12-10-1402BS. In the office of the Executive Engineer, RHD, Road Division, Gopalganj.
- Lottery date, time & place : At 4:00 PM of 27-1-96E/14-10-1402BS. In the office of the Executive Engineer, RHD, Road Division, Gopalganj.

Group No.	Name of work with location	Head of A/C.	Estimated cost	Earnest money	Time allowed	Eligibility of contractor
1 (One)	Construction of 18.29M. long temporary steel double/single bailey bridge at 27th KM at Hugalakandi of Boraitala-Muksudpur-Kasinai road under Gopalganj Road Division during 1995-96.	266-CA	Tk. 3,32,162/=	Tk. 6,644/=	35 (Thirty-five) days from the date of issue of work order	All class special category contractor under (RHD) Deptt.
2 (Two)	Improvement at road soulder by HBB pavement using inferior or unspecified bricks supplied from departmental stock at different KM of Gopalganj-Takerhat Road under Gopalganj Road Division during 95-96.	168-RBF	Tk. 3,06,544/=	Tk. 6,132/=	25 (Twenty-five) days from the date of issue of work order	All category contractor under (RHD) Deptt.

Kazi Najibul Haque
Executive Engineer (C.C.)
(RHD) Road Division, Gopalganj.

বাংলাদেশ সিল্প শ্রম সংস্থা

141-143, Motijheel Commercial Area
BIWTA Bhaban (5th & 6th Floor)
Dhaka.

Law Department

Notice for sale of Mortgaged Assets and Properties of M/s Trishal Automatic Rice Mills Limited; Trishal; Mymensingh.

The mortgaged assets and properties of M/s Trishal Automatic Rice Mills Ltd, Trishal, Mymensingh will be sold in terms of Article 34 of Bangladesh Shilpa Rin Sangstha Order, 1972 read with the Bangladesh Shilpa Rin Sangstha (Direct Sale of Mortgaged Property) Rules, 1981 on 'as is where it is' basis and on the basis of 'Cash Payment' to realise the BSRS's outstanding loans and dues of Tk 14,762 million as on 01.07.1995 together with further interest and charges till realisation from the above named company and its directors listed at para-4 hereinafter.

- The tenderers may submit their tender for the purchase of the entire properties mortgaged with BSRS as a whole or for land, building and machinery separately.
- Bangladesh Shilpa Rin Sangstha will not assume any legal obligation whatsoever on behalf of the company and/or its directors in respect of any dues/claims of government and/or autonomous bodies such as WASA, local municipality, electric and gas supply authorities, land revenue and other creditors for which the company is liable.
- The following persons are the directors of the company:
(1) Mr. Amunul Haque, S/o. Mr. Fazle Haque;
(2) Mrs. Lucy Akhtari Mahal, W/o Mr. Amunul Haque;
(3) Mrs. Monowara Khatoun, W/o Mr. Fazle Haque;
(4) Mr. Mominul Islam, S/o Mr. Mohsenuddin Ahmed, and
(5) Mrs. Shamsun Nahar, W/o Mr. Mominul Islam.
- Description of Properties : About one acre of land situated at Plot No 1208, Khatian No 999, Touzi-7, Mouza- Rampur, Sub-Mouza-Barampurgram, Sub-Registration Office-Trishal, Dist- Mymensingh, together with an industrial unit capable of milling 10,800 tons of paddy per year. The machinery are of mainly Indian origin.
- The details of the mortgaged assets and properties and tender schedule containing the terms and conditions of sale may be obtained on payment of Tk 250.00 (Non-refundable) from the Assistant General Manager, Law Department, BSRS, Head Office, Dhaka. The intending tenderers/buyers who are interested to inspect the project assets may contact the Assistant General Manager, Law Department, Bangladesh Shilpa Rin Sangstha, Head Office, Dhaka.
- The intending tenderers/buyers may submit their tenders/offers in sealed cover in the tender box kept at the BSRS aforesaid Head Office, Dhaka by 2.00 PM on the 31st January, 1996 accompanied with earnest money @ 5% of the tendered amount (refundable in case the offer is not accepted by the BSRS) in the form of scheduled bank's Draft/Pay Order drawn in favour of the Bangladesh Shilpa Rin Sangstha and payable at Dhaka.
- The tender will be opened on the 31st January, 1996 at 2.30 PM at the BSRS above mentioned Head Office, Dhaka in presence of the tenderers, if any.
- The successful tenderers shall have to deposit 50% of the tendered amount within a week and the balance within 30 days from the date of acceptance of the tender. In case of failure in making the payment of the tendered amount as aforesaid within the stipulated time the earnest money, 50% of the tendered amount (including earnest money) or any amount of the tender money deposited shall be forfeited and the mortgaged assets and properties will be eligible for resale.
- The BSRS reserves the right to accept or reject any or all tenders/offers without assigning any reason whatsoever.

Assistant General Manager
Law Department
Phone: 252408, 252016-7