

SANYO
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Transfin Trading Limited
100, Kazi Nazimul Islam Avenue, Dhaka-1215
Telephone: 815306-09, 819625-29, Fax: 813062

HYUNDAI
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DHAKA WEDNESDAY, FEBRUARY 14, 1996

New fertilizer distribution system yielding results: BCIC

The new system of fertilizer distribution through 2226 dealers recently selected by 6 member committee led by DCs effective from 1st January, 1996 has started yielding worth while results in terms of enhanced off-take of fertilizer from the factories and availability of this fertilizer in all the districts in accordance with the agronomical demand projected by Ministry of Agriculture, says a press release of Bangladesh Chemical Industries Corporation.

According to this new system each fertilizer factory delivers urea to the dealers in accordance with agronomical demand of the districts covered under the respective command areas.

As a result all 64 districts have now started getting fertilizer matching the agronomical demand at their doorsteps. The districts are not dependent at present on the major markets like Rangadia, Ashugonj, Bhairab, Narsingdi, Narayanganj, Noapara, Sirajganj, Baghabari, Nagarbari, Jamalpur etc.

In fact 64 new distribution points have been added to the conventional 10 to 12 main market centres. Thus the primary dealers are now available in the vicinity of the retailers if not the farmers. Under this new system, no district can get delivery in excess of the agronomical demand and thus it would ensure wide dispersal of fertilizer availability covering the entire country, causing favourable impact on the price level of urea.

Six urea fertilizer factories have produced 13,29,610 MT urea during the current year up to 10th February (1st July '95 to 10th February '96 as compared to 12,79,396 MT during the period of last year (July '94 to 10th February '95) indicating higher production of 50,214 MT during the current year

(13,29,610 MT minus 12,79,396 MT). The actual production of MT 13,29,610 upto 10th February '96 represent 104 per cent of the proportionate target for the period.

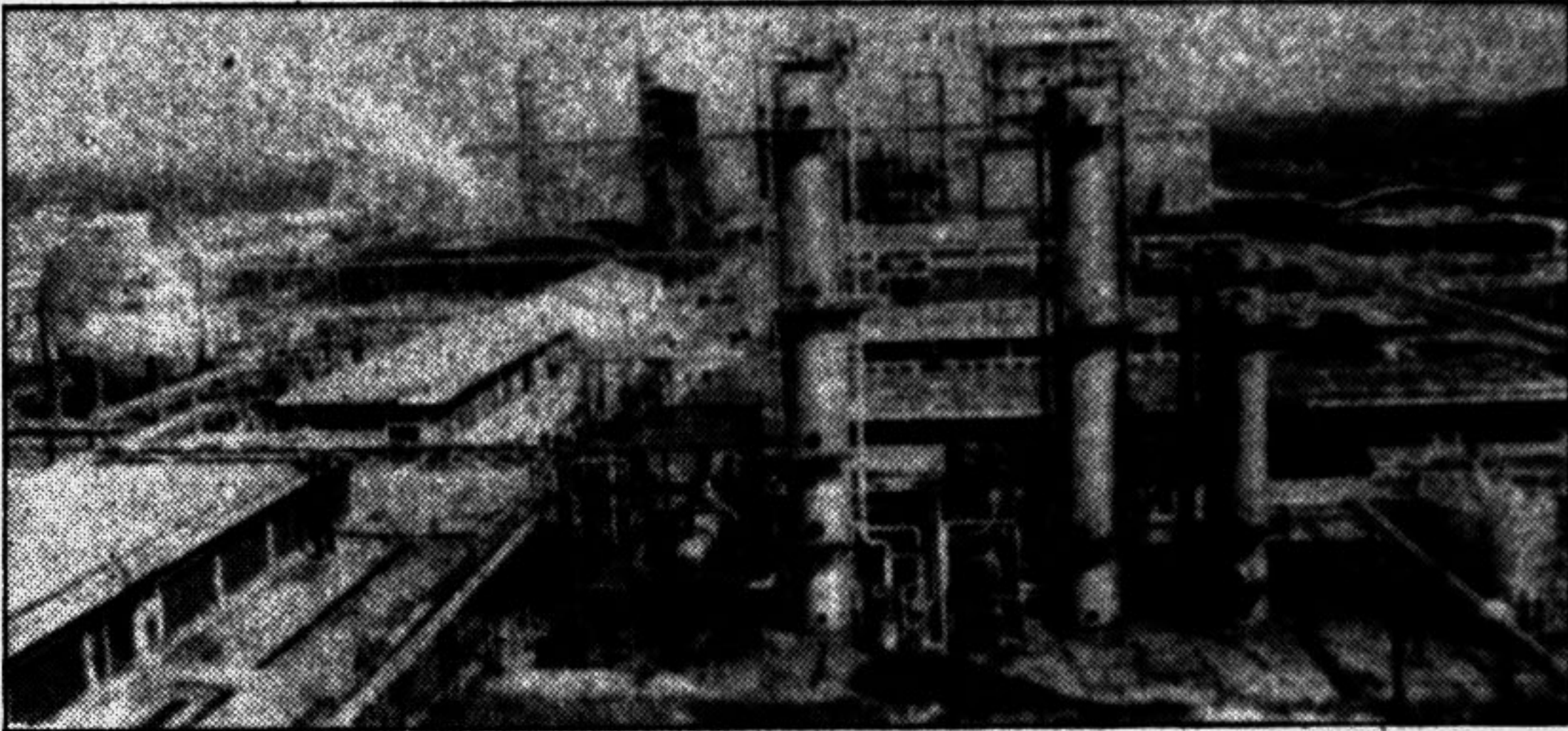
Six urea fertilizer factories have supplied 12,95,308 MT during the current year upto 10th February '96 as against 10,99,098 MT during the same period of last year reflecting enhanced supply of 1,96,210 MT during the current year (12,95,308 MT minus 10,99,098 MT). The actual supply of 12,95,308 MT upto 10th February '96 exceeds the MOA's projection (11,96,207 MT) also by 99,101 MT.

Parbatipur 9,775 MT, Rajshahi 7,335 MT, Jaipurhat 1,325 MT, Thakurgaon 9,918 MT, Brahmanbaria 5,296 MT, Takerhat 2,200 MT, Baghabari 4,150 MT.

With a view to augmenting the supply of urea fertilizer in the remote areas of the country, all the factories have now started delivering urea to the newly appointed dealers of all the districts both from the factory godowns and buffer stock godowns located at various parts of the country (particularly in North Bengal) in the ratio of 40:60 matching the Ministry of Agriculture (MOA) demand projection. Whenever shortage/price spiral is noticed in

any area, instant supply is made from these buffer stock. Hence the buffer stock have served as effective deterrent against possible price spiral of urea fertilizer at the remote areas.

The factory manufactures urea fertilizer from natural gas supplied from Jalalabad Gas Transmission and Distribution Co Ltd. The factory produced 83,538 MT and supplied 93,052 MT urea during the last year 1995-96. The factory has provided employment to 531 workers, 319 staff and 180 officer totalling 1030 persons.



Fenchuganj Natural Gas Fertilizer Factory

Six urea fertilizer factories have now ready stock of 1,72,149 MT (Factory godowns 72211 MT and buffer stock of 94938 MT). The existing buffer stock of 94,938 MT is lying at 14 godowns viz Khulna, 8,642 MT, Kaligonj, 4,000 MT, Santahar 17,468 MT, Bogra 11,602 MT, Rangpur 5,394 MT, Gaibandha 1,822 MT, Mahendranagar 6,011 MT.

Natural Gas Fertilizer Factory output up
Another press release

Biswas says Dhaka-Yangon trade may be expanded

President Abdur Rahman Biswas observed that there is scope for further expansion of cooperation between Bangladesh and Myanmar particularly through enhancing trade promotion, reports UNB.

In this context, he mentioned the minister, official and trade delegation level visit between the two countries.

The President was talking to outgoing Myanmar Ambassador to Bangladesh HLA Myint Do who made a farewell call on him at Bangabhaban yesterday.

Appreciating the achievements made by Myanmar in many fields, President Biswas hoped that peace and all round prosperity will continue to prevail and flourish in Myanmar.

He also praised the valuable contribution of Myanmar in strengthening the friendship and cooperation between the two countries during Do's tenure in Bangladesh.

The outgoing Ambassador HLA Myint Do recalled with gratitude sincere cooperation from the Bangladesh Government in discharging his duties during his tenure.

BCSIR leases out process for making pulp, paper

Bangladesh Council of Scientific and Industrial Research (BCSIR) has leased out a process to a local entrepreneur for commercial production, says a press release.

The process is for production of hand-made pulp and paper from *patipata* plant for cottage industry. This process has been developed by Dr Mohibul Haque, Chief Scientific Officer of Pulp and Paper Research Division, BCSIR Dhaka.

An agreement in this regard was signed between BCSIR and the entrepreneur Rana International of Mirersary in Chittagong.

According to agreement, the entrepreneur has to go into commercial production of the process soon. It may be mentioned that *patipata* plant is a good source of pulp and paper.

It grows abundantly in marshy places in Bangladesh. JB makes progress in financing agri-projects

Janata Bank has made a substantial progress in extending credit to agro-based projects during 1995, says a press release.

The bank has so far sanctioned a loan of Tk 35 crore for establishing 164 dairy, poultry, fishery and hatchery farms.

Moreover, the bank has provided credit facilities of Taka 43 crore in poverty alleviation and employment generating activities. This has created employment opportunities for about three lakh people, the press release added.

Japan rejects US request to extend bilateral semiconductor accord

TOKYO, Feb 13: Japan has rejected a US request to extend the bilateral semiconductor accord, International Trade and Industry Minister Shumpei Tsukahara said today, reports AFP.

Tsukahara told reporters the US request to extend the accord had been made Friday after a two-day meeting of Japanese and US trade officials in Los Angeles to review what had been achieved under the agreement.

"We explained our stance and that was that," Tsukahara was quoted as saying by Kyodo news.

The Trade Ministry maintains that the pact would not be extended after its expiry July 1, having achieved its desired objective of more than 20 per cent access by foreign microchips to the Japanese market.

Washington had reportedly asked for the accord to be extended, offering to delete numerical targets, but Tsukahara told reporters the US had made no such concrete proposals.

The foreign share of Japan's semiconductor market climbed to a record 26.2 per cent in the three months to September, having consistently topped the 20 per cent benchmark set under the arrangement since the December quarter 1993.

The Japan-US semiconductor arrangement first concluded in 1986 and renewed in 1991, included the US industry's expectation for the market share of foreign made chips in Japan to exceed 20 per cent.



A Q Siddiqui, Managing Director of Agrani Bank, speaking at the conference of zonal heads and important branch managers of Dhaka and Narayanganj zone. General managers Md Helal Uddin, Habibur Rahman, A S Ashrafuddin Ahmed, Yusuf Ali Molla and Deputy General Manager Mahmud Hassan are also seen in the picture.

Lloyd's offers \$ 4.28 b settlement to members

LONDON, Feb 13: Trying to end its long-running litigation with thousands of disgruntled investors, Lloyd's of London on Monday offered a 2.8 billion pound (dhs 4.28 billion) settlement that includes a cap on each member's liability, reports AP.

The 308-year-old umbrella group of insurance providers, who write policies on everything from oil-tank spills to rock-star voices, has lost more than 12.4 billion dollars in five years.

Lloyd's has blamed its troubles on a string of natural disasters, including hurricanes and earthquakes, as well as high-cost asbestos litigation in the United States.

But investors, known as "names," who put their entire net assets on the line to back insurance policies at Lloyd's, say they were victimized by insider dealings, and they have won key court decisions against former Lloyd's operators.

To resolve the fight, Lloyd's said last year it would offer members a settlement

of 2.8 billion pounds (now worth 4.28 billion dollars). In details released Monday, the insurance giant proposed capping each member's liability at no more than 100,000 pounds (153,000 dollars) above whatever funds he or she deposited to cover losses from 1992 and before. These liabilities are due to be reinsured into Equitas, a new company, later this year.

Key points of the proposal, include: — The creation of an 800 million pound (1.22 billion dollars) litigation settlement fund reserved for active litigants; — 2 billion pounds (3.06 billion dollars) of debt credits to be allocated to names; — The application of 100 million pounds (153 million dollars) to (229.5 million pounds) to provide further assistance to those names still unable to meet costs despite the cap; and refund of litigation expenses to action groups.

The proposal will be sent to members in late May. Each will decide whether to accept the offer by the end of June.

Lloyd's Chairman, David Rowland said in a letter to members, "The desire to bring finality within the reach of all members will continue to guide our efforts in the months ahead. Council is committed to the principal that no name wishing to accept the final settlement offer should be prevented from doing so by lack of means."

Lloyd's believes the settlement offers greater affordability for names, and benefits that cannot be realized through continued litigation. By the company's reckoning, more than 9,000 members will benefit from the 100,000 pound (dhs 153,000) cap, and for 16,000 other members the cost of clearing the losses will be less than their existing funds at Lloyd's.

Individual notices of approximately how much names will have to pay under conditions of the offer will be sent out at the end of February, with final statements sent in May.

China's inflation likely to rise 9.5 pc in '96

BEIJING, Feb 13: China's retail prices are expected to rise 9.5 per cent year-on-year in 1996, according to State Planning Commission forecasts quoted by Xinhua yesterday, reports AFP.

The State Information Centre, which is affiliated with the commission, said inflationary pressures would be particularly strong in the second half of year, the official news agency said.

Following credit tightening measures and price controls, inflation was reined in to 14.8 per cent in 1995, down seven percentage points from the 1994 figure.

Eurotunnel plans to invest \$ 612m

LONDON, Feb 13: Eurotunnel plans to invest 400 million pounds (612 million dollars) in modernising passenger services over the next four years even though it faces an imminent crisis over debts of eight billion pounds, the Financial Times reported yesterday, according to AFP.

The company, which is threatened with insolvency, began operating services through the tunnel between France and England in 1994.

Eurotunnel hoped to spend up to 400 million pounds on modernisation of its terminals and on expansion of its fleet of shuttle trains to produce and urgently-needed increase in passenger traffic, the report said.

The main purchases were expected to be 16 shuttle wagons, to be delivered this year, and two additional shuttle trains to go into service at the end of 1998.

The Anglo-French tunnel operator, which suspended interest payments on its debt last September, needs to secure the annual approval of the 19 instructing banks with which it maintains regular contact for such investment. The funds would be drawn from operating income.

Eurotunnel is expected to announce this week that it is to ask a French court to appoint an official mediator to assist negotiations with its 225 creditor banks about refinancing the reports said.

Meanwhile in Paris a lawyer for Adacte, one of the organisations representing small shareholders, said that a claim for 18 billion francs (3.6 billion dollars) might be made against the banks which also faced a "very heavy local risk."

He alleged: apart from the threat of failure, the responsibility of the banks in strangling eurotunnel, and the continuation of a business which is quite clearly generating losses under ruinous conditions, is absolutely clear.



The executives of Dhaka Sheraton Hotel led by its General Manager San Amalan undertook a programme to thoroughly clean the hotel's staff cafeteria recently.

DCCI chief suggests steps to rationalise tax, duties

The Dhaka Chamber of Commerce & Industry (DCCI) in cooperation with German Federation of Small Business (ZDH) & Technonet Asia (TA), Singapore organised a seminar on 'Buoyancy in Trade, Commerce & Industry through Fiscal Reforms' on February 12 at DCCI auditorium. The purpose of the seminar was to analyse the needs for up-grading fiscal reforms for the promotion of small & medium enterprises, says a press release.

Dr. Saadat Husain, Chairman, National Board of Revenue (NBR), inaugurated the seminar while Ali Hossain (Hasan), President, DCCI chaired the inaugural session.

Ali Hossain (Hasan), President, DCCI, in his address of welcome mentioned that NBR has a big role in promoting investment in the country. Hossain proposed some measures in connection with rationalisation of tax & duties. The President, DCCI, proposed for countervailing duties for some imported products to save local industries from adverse competition. Anti-dumping act may be promulgated — the president added.

Besides, the DCCI President proposed, advance income tax, deducted at source from export-oriented industries at the rate of 0.25 per cent may be withdrawn, increase of tax per annum should be 5 per cent instead of 10% for small assesses, exemption limit of the individual income should be increased to Tk 1 lakh instead of existing Tk 55,000/-, an assessee should be allowed to submit an appeal on the basis of the returned income at the appellate tribunal level, capital gain tax should be exempted upto a minimum of Tk 20,000/- instead of Tk 5,000/-, the rate of VAT

should be lowered to 10% from 15%, wealth valuation for the purpose of wealth tax should be determined every three years instead of one year through a committee with representation from the private sector, private sector educational institutions engaged for high quality education should be tax exempted, corporate tax should be further reduced in line with other competing countries, in line with GATT and SAPTA, government should revise tax policies to make Bangladesh competitive in the world market.

President, DCCI also urged Chairman, NBR not to issue SROs (Statutory Regulatory Orders) from time to time because such SROs create confusions & distortions in the market & business operation.

Dr. Saadat Husain in his inaugural address thanked DCCI for organising the seminar on 'Buoyancy in Trade, Commerce & Industry through Fiscal Reforms'. This

BRAC disburses Tk 360 cr loan in '95

Bangladesh Rural Advancement Committee (BRAC) has disbursed loan amounting to Taka 360 crore in the year 1995 to its group members who come from landless poor families in 27 thousand 445 villages, reports BSS.

In December last Taka 39 crore 40 lakh were disbursed for various income, generation activities, a BRAC press release said here yesterday. The money is utilised by the group members in the activities like poultry, livestock, agriculture, vegetable cultivation, fish culture, small trade and pisciculture.

is a reflection of private sector commitment towards economic development.

Chairman, NBR mentioned that free market economy is the declared policy of the Govt and it is supported by irrespective of all political parties. NBR formulates fiscal policies in keeping view with the free market economy. Fiscal measures are aimed at generating revenues for community services like poverty alleviation, human resources development and employment promotion — the Chairman added.

Husain emphasised that for an economy like Bangladesh, managerial capability & entrepreneurial capacity are very scarce. These are the crucial elements for economic development.

Husain also stated that saving is not a serious problem. This could be overcome. What is needed is the disciplined and enabling environment with proper ethics. He urged the chamber leaders to take reap of the market economy and at the same time to fight against moral hazards.

Chairman, NBR assured of consultation with private sector leaders prior to the formulation of any fiscal policy including issuing SROs. Constant linkage will be maintained with the private sector — the NBR chairman stated.

M Azizur Rahman, Resident Representative, ZDH/TA Project in Bangladesh also spoke on the occasion. He lauded the role of DCCI for entrepreneurship development activities & assured of ZDH/TA's assistance to DCCI.

M Azizur Rahman, Secretary, DCCI, gave introductory remarks and explained the very objective of the seminar in brief.

UN-Iraq talks Allocation of funds from oil sale remains at odds

UNITED NATIONS, Feb 13: Despite progress in talks on resuming Iraqi oil sales, Iraqi and UN negotiators remained at odds Monday over using some of the money to aid Iraqi Kurds, sources familiar with the negotiations said, reports AP.

As the talks resumed, a US official said Security Council members would discuss stricter procedures to monitor Iraqi imports and exports under terms of the UN sanctions that cut off the flow of Iraqi oil after Baghdad invaded Kuwait in 1990.

After negotiations Tuesday at UN headquarters, Chief Iraqi negotiator Abdul Amir Al-Anbari said talks were progressing and have centered mostly on the distribution of food and medicine.

UN spokesman Sylvana Foa said negotiators were focusing in detail on the plan for distributing medicine, health supplies and food as well as "the means for guaranteeing their equitable distribution."

United Nations and Iraqi officials began talks last Tuesday on a UN offer to allow Baghdad to resume sales to buy humanitarian supplies. Iraq was barred from selling oil under Security Council sanctions imposed after Baghdad invaded Kuwait in 1990.

Talks were to continue Tuesday. Al-Anbari gave no indication how long this first

round would take, but said he hopes a second round will begin "as soon as possible."

Under the plan, Iraq would be allowed to sell one billion dollars worth of oil every 90 days for an initial 180-day humanitarian goods, pay war reparations to Kuwait and fund UN monitoring operations in Iraq.

Jilin Chemical, BASF to build \$ 20m chemical plant in China

JILIN, China, Feb 13: German chemical concern BASF AG and China's Jilin Chemical Industrial Co said Monday they agreed to construct and operate a 20 million dollars factory in China, reports AP.

The plant will produce neopentylglycol, a chemical used to produce solvent-free powder resins, the main ingredients in powder paints.

The joint venture company is 40 percent owned by Jilin Chemical and 60 per cent by BASF. Construction is to begin in June, with full production scheduled for September 1998.

Jilin Chemical produces basic chemicals and chemical raw materials.



M MA Razzak Saiful Islam

Sonargaon Hotel workers, employees form new body

Majority members of the Sonargaon Hotel Sramik-O-Karmachari Union (SHORU) expressed their no confidence in its executive committee elected for the year 1995-97 at an extra ordinary general meeting held at the hotel on Monday, a press release of the union said here yesterday.

They also formed, an ad-hoc committee with MM A Razzak as president, Saiful Islam Khan as General Secretary, Fazlul Haq as Vice-President, Mostaque Ahmad as Vice President, Sharif Laskar as Joint Secretary and Azizul Karim as Treasurer.

The 14-member ad-hoc committee strongly condemned the attack on officials

Ex-Chinese banker sentenced for corruption

BEIJING, Feb 13: The former director of the Bank of Investments of Henan province in central China has been sentenced to 10 years in prison for corruption, a newspaper said today, reports AFP.



A glimpse of the fair at Bangla Academy premises yesterday. Enthusiastic girls attired in colourful yellow sarees crowding a stall to purchase items of their choice. Star photo