

US Export-Import Bank suspends guarantees for projects in China

WASHINGTON, Feb 29: The Export-Import Bank is suspending until March 27 new loan guarantees for US projects in China, a move that could hurt American investors as well as China's economy, reports AP.

The bank acted at the request of Secretary of State Warren Christopher. It gives the administration time to obtain Beijing's explanation for reports that it sold technology to Pakistan that can be used in making nuclear weapons.

Up to 10 billion dollars in loan guarantees could be delayed, Harry Phillips, spokesman for the independent federal agency, said

Wednesday. But he said 4 billion to 4.5 billion dollars in guarantees approved before Christopher's letter reached the bank Tuesday will go ahead, including loans not yet executed.

President Clinton is weighing whether to impose other economic sanctions on China. Christopher has yet to submit a recommendation, but Glyn Davies, a State Department spokesman, said a decision is expected soon.

One reason the bank, an independent entity, complied with the request is the possibility that Clinton will decide to take other actions against Beijing, Phillips said.

"It was not a directive," he said. "It was a request."

The suspension could delay the Three Gorges Dam project on the Yangtze River to provide hydroelectric power to replace coal-fired generators for about 9 per cent of China's population.

The bank had hoped to act on credit requests by the end of 1995, but the backup caused by the partial government shutdown delayed processing of these and other requests.

The move leaves China more time to make a case that it did not violate the 1994 Nonproliferation Act aimed at deterring the spread of atomic weapons. It also gives the ad-

ministration time to evaluate the Chinese claims.

Presidential spokesman Mike McCurry said the administration has not determined whether China violated the law by selling nuclear technology to Pakistan. He said US officials asked Beijing for more information.

If China does not make a persuasive case, Clinton still could find other sanctions than suspending loan guarantees, a penalty that falls heavily on American businessmen trying to develop a foothold in what promises to be the 21st century's fastest-growing major economy.

An administration official said Clinton wants to "send a signal" to Beijing in consultation with his national security advisers.

The CIA has concluded that China last year sold Pakistan specialized ring magnets for uranium enrichment plants. China has acknowledged cooperating with Pakistan but for peaceful uses of nuclear energy.

Describing ring magnets as parts "in a gray area" of nuclear technology, the administration official said top Chinese officials are expected to come to Washington for high-level meetings to try and resolve the dispute.

While the administration has moved cautiously in this case, proliferation is a problem needing urgent attention, said the official, who spoke on condition of anonymity.

Enriching uranium involves filtering raw uranium to separate out fissionable material needed for a nuclear reaction. The procedure is a vital link in producing atomic weapons but also is necessary for producing fuel for nuclear-power plants.



Shahbir Yusuf (M), Chairman of Bangladesh Jute Spinners Association, addressing the 17th annual general meeting of the association at its conference hall in the city yesterday. Moimul Islam Khan (R), Vice-Chairman, and Shahidul Karim (L), Secretary of the association are also in the picture.

Interim budget presented in India

NEW DELHI, Feb 29: Indian Finance Minister Manmohan Singh, presenting an interim budget yesterday before crucial elections later this year, said his Congress Party held the key to sustain the government's sweeping economic reforms, reports Reuters.

Singh painted an optimistic picture of India's economy. But he warned that efforts to set up a vibrant free market economy could be frittered away by religious and ethnic strife which briefly engulfed Prime Minister P V Narasimha Rao's five-year rule.

"We are determined to further move up this ladder... we cannot afford to fritter away the vast energies of our nation in senseless communal strife or caste and class wars."

India is on the threshold of exciting new opportunities. Our party and government reaffirm our solemn commitment to successful pursuit of this giant national enterprise.

Most opinion polls say Rao would lose his water-thin majority in parliament in the general elections, which he says will be held in April. The opposition believes they could be delayed until July 7 when parliament ends its term.

Singh avoided reference to an unfolding "hawala" bribery and money laundering scandal that has forced the resignation of seven ministers and a clutch of opposition deputies.

"Soon our people will be called upon to exercise their sovereign democratic right to choose the next government," Singh said.

"I have every reason to believe that when the time comes, our people will be discriminating enough to recognizing the friendly hand that alone can help our nation forward on the road to peace and prosperity and preserve its unity and integrity."

A raised right hand is the election symbol of Rao's party.

Singh appeared to target a right-wing Hindu group close to the main opposition Bharatiya Janata Party (BJP) which advocates "swadeshi" or economic nationalism, and seeks to deny any role to foreign multinationals in the economy.

Singh said India could not allow the national commitment to swadeshi to be misused by the forces of obscurantism to perpetuate economic backwardness and prevent India from occupying her rightful place in the world.

"We seek to build a new India which in the words of (Mahatma) Gandhi, will be like a house with windows open on all sides. Let ideas from all the cultures and civilisations of the world freely flow in, but we must refuse to be blown off our feet by any one of them."

Opposition deputies said Singh had covered up the government's blemishes, including price rises and a recent fall of the rupee against the dollar.

"It was not a budget, but an election speech," said BJP prime ministerial hopeful Atal Behari Vajpayee. "It contained a rosy picture of India (but) a false picture from the common man's point of view."

Dhaka Stock Prices

At the close of trading on February 29, '96

Trading opens on improved note

The Dhaka Stock Exchange All Share Price Index Thursday rose slightly in an improved trading which opened after a nine-day break.

The price index reached 792.60 from 791.78, showing an increase of 0.10 per cent.

Total market capital rose to Taka 5164.66 cr from Tk

5159.33cr.

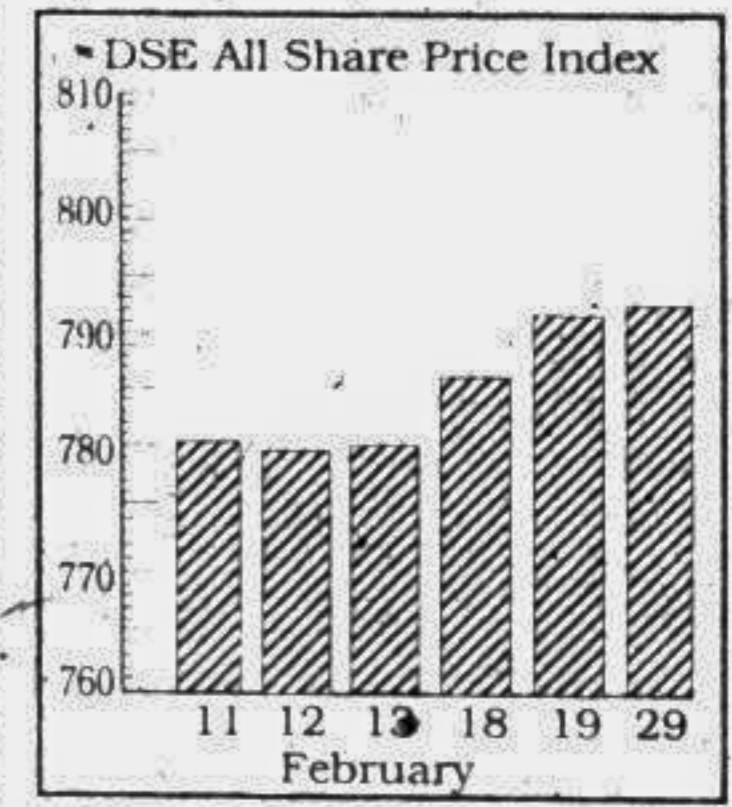
The transaction in volume surged by 151.56 per cent while the value showed a decline of 6.65 per cent.

A total of 219320 shares worth Taka 2.41cr changed hands as against 87184 shares valued at Taka 2.58cr on February 19.

The number of issues traded fell to 64 from 82, of which 37 gained, 10 incurred losses and the share prices of nine issues remained unchanged.

Volume leaders of the day were: Beximco Pharma (148750), Bata Shoe (6000), Meghna Cement (5200) and Ashraf Textile (5000).

Bangladesh Lamps led the gainers with a rise of Taka 88.77 per share. Lexco Ltd, Singer Bangladesh, Apex Foods, Monno Ceramic and Cig Cement also experienced significant gains.



Trading at a glance

DSE All Price Index	792.59543
Market capital Tk	5164.66cr
Transaction in volume	219320
Transaction in value Tk	2.41cr
Total issues traded	64
Issues gained	37
Issues incurred losses	10
Issues unchanged	9

Apex Spinning	5.57 (G)	140
Dynamic Textile	2.28 (G)	180
Mita Textiles	0.00	140
B Dying	831.0	80
Delta Millers	1.53 (G)	40
Apex Weaving	1.70 (G)	3600
Sonargang Textiles	3.00 (G)	100
Beximco Textiles	1.40 (G)	90
Beximco Denims	2.18 (G)	2580
Prime Textile	14.44 (G)	100
Sajib Knitwear	49 (G)	200
Chic Tex	28 (G)	14500
Beximco Pharma	1.91 (L)	148750
Apex Limited	0.00	100
Reckitt and Colman	5.22 (G)	950
Wata Chemical	0.00	40
Beximco Infusions	0.00	60
National Polymer	50 (L)	460
Beximco Synthetic	34 (L)	480
Orion Infusion	64 (L)	1300
Square Pharma	7.83 (G)	60
Maq Paper	1.04 (G)	820
Apex Tannery	3.39 (G)	260
Bata Shoe	41 (L)	6000
Q Ball Pen	1.03 (G)	450
Monno Ceramic	24.25 (G)	225
Beximco Ltd	44 (L)	5000
Chittagong Cement	29.29 (G)	720
Apex Footwear	13.03 (G)	160
Eastern Housing	42 (L)	7000
Confidence Cement	2 (L)	840
Meghna Cement	1.41 (L)	5200
Lexco Limited	38.77 (G)	500
BGC	5.00 (G)	10
Janata Insurance	2.00 (G)	180
Phonix Insurance	4.05 (L)	400
Central Insurance	0.00	140
People Insurance	40 (L)	250
Delta Life	2.56 (L)	172
Beximco Knitting (Deli)	0.00	56
BT Zipper (Deli)	0.00	6

DSE Shares and Debentures

Company	FV/ML (Taka)	Closing Rate	Company	FV/ML (Taka)	Closing Rate
2nd ICB Mutual Fund	21.79 (G)	140	Quamam Textile	10/50	23.00
7th ICB Mutual Fund	72 (G)	820	Rahim Textile	100/5	120.00
6th ICB Mutual Fund	2.12 (G)	1500	Netro Synthetic	100/10	85.00
Atab Automobiles	00	25	S T M (ORD)	100/5	18.00
Aziz Pipes	16.41 (G)	145	Stylcraft	100/5	360.00
Bengal Carbide	8.70 (G)	150	Swan Textile	100/5	40.00
Bangladesh Lamps	88.77 (G)	140	Tallu Spinning	100/10	125.00
Eastern Cables	84 (L)	535	Tamijuddin	100/10	200.00
Karim Pipe	2.00 (L)	610	Handy Dyeing	100/20	7.00
Singer Bangladesh	38.35 (G)	393	Sonargang Textiles	100/5	115.00
Atlas Bangladesh	00	100	Beximco Ltd	100/5	118.00
Quamam Drycells	50 (G)	600	PHARMACEUTICALS & CHEMICALS (23)		
Apex Foods	33.14 (G)	78	ACI	10/50	120.00
Bengal Food	5.42 (G)	40	Ambee Pharma	10/5	17.50
ULC	1.17 (G)	246	Bangla Process	100/5	90.00
NTC	7.00 (L)	209	BCIL	100/10	225.00
Rupom Oil	10 (G)	1000	Beximco Infusion	100/5	365.00
Tulip Dairy	3.00 (G)	110	Beximco Pharma	10/50	81.23
Bengal Biscuits	54 (G)	560	B Synthetic	100/20	155.30
Meghna Shrimp	60 (L)	2440	Sabra Pharma	100/20	333.00
BOC Bangladesh	11 (L)	1900	Glass	10/50	122.64
Shine Pakon	1.68 (G)	750	Ino Sina	100/10	116.00
Ashraf Textile	09 (G)	5000	Kohinoor Chemical	100/5	142.00

Government of the People's Republic of Bangladesh Office of the Executive Engineer Local Government Engineering Directorate Dinajpur

Memo No. LGED/EE/Dinaj/96/743 Dated: 02-11-1402 BS/14-02-1996

Tender Notice No. 17/1995-96

Tenders with itemwise quotation in Bangladesh Form No. 2911 are invited under sealed cover from contractors/contractor firms with pre-qualification for Rural Development Project-13 under Local Government Engineering Directorate for implementation of works of the undermentioned projects in Dinajpur district with the fund allotted for maintenance of Rural Development Project-13 during 1995-96 financial year:

- Tenders to be purchased from:
 - Headquarters, LGED, 5/7, Lalmatia, Block-B, Dhaka-1207.
 - Project Director, Rural Development Project-13, LGED, 5/8 Lalmatia, Block-B, Dhaka-1207.
 - Deputy Commissioner, Dinajpur.
 - Executive Engineer, LGED, Dinajpur/Thakurgaon/Panchagarh/Sherpur/Jamalpur.
 - All Thana Engineers, Offices, Dinajpur.
- Tenders to be submitted to: The above selling offices.
- Last date of selling tender: 11-03-96 (28-11-1402 BS) (Monday) up to office hours.
- Date & time of submitting tender: 12-03-96 (29-11-1402 BS) (Tuesday) up to 1-00 PM.
- Date & time of opening tender: 12-03-96 (29-11-1402 BS) (Tuesday) at 2-00 PM before the tenderers (if any) present.
- Special terms & conditions: Earnest money at the rate 2.50% (two point five zero per cent) through Bank Draft/Pay Order in favour of Executive Engineer, LGED, Dinajpur should be deposited with the tender.
- Schedule of Work

Serial No.	Group No.	Name of work	Earnest money	Price of tender	Time limit	Class of contractor
01	45	Construction of road & drain culvert with ASS & 25 mm dense bituminous carpeting from 2.30 km to 3.65km up to Jagatpur crossing of Birol headquarters to Kaliaganj road under Birol Thana.	2.5% (two point five per cent) of quoted rate.	500/=	45 days	All classes of contractors under Rural Development Project-13
02	46	Construction of road & drain culvert with ASS & 25 mm dense bituminous carpeting from 0.00 km to 1.20 km of Jagatpur crossing to Mahajanpara road of Birol headquarters to Kaliaganj road under Birol Thana.	2.5% (two point five per cent) of quoted rate.	300/=	45 days	All classes of contractors under Rural Development Project-13

- The authority reserves the right to accept or reject any or all tenders without assigning any reason whatsoever and, if required, may increase or decrease the quantity of work. No extra rate or compensation will be given for this.
- Error-free rate analysis in support of the rate for each work should be submitted with the tender and if the quoted rate is found to be incompatible for the work then the authority would reserve the right to reject the tender.
- Detailed work plan shall have to be submitted with the tender otherwise tender will be treated as cancelled outright.
- To determine the qualitative standard of work, it has to be got tested by LGED's Laboratory. Test fee as per the LGED approved rate shall have to be deposited and the contractor concerned should bear it. Test fee should be covered in the rate to be submitted. List of the different tests regarding the qualitative standard will be provided with the schedule.
- Work order will be treated as cancelled outright if the work is not started within 7 (seven) days of receiving work order.
- No additional work should be undertaken without prior permission of the authority and the liability of additional work executed without prior permission will rest on the contractor.
- Besides deduction of Income Tax, Government imposed VAT will also be deducted as per rules.
- In view of the shortage of road roller with this Directorate, contractor should procure the road roller on his own responsibility and start the work.
- None other than the contractor himself or his representative with written authorisation can purchase the tender schedule.
- Price of departmental/recovered goods will be deducted by adding VAT & income tax with the departmental rate.
- In case of pre-cast RCC pile, both the casting & driving works will be treated together. Under no circumstance bill for only cast pile without driving will not be paid.
- All information regarding the tender can be seen and obtained from the above tender selling offices during office hours

ABM Israil
Executive Engineer
LGED, Dinajpur.
DFP-4287-24/2
G-310

It's not our business, says Islamabad

ISLAMABAD, Feb 29: Pakistan said today the US Export-Import Bank's action in delaying 10 billion dollars in loans to China amid a row over an alleged Chinese sale of nuclear technology to Islamabad was not its concern, reports Reuters.

"It is not our business," a foreign ministry spokesman said. "It concerns China, doesn't it? Let the United States do what it wants to do."

In Washington, an Ex Im Bank spokesman said on Wednesday the bank had temporarily suspended work on the loans at the request of US Secretary of State Warren Christopher.

US officials said Washington was considering imposing sanctions for Beijing's alleged transfer of nuclear materials to Pakistan. The CIA says China shipped specialised magnets to a Pakistani laboratory late last year for use in equipment that enriches uranium, a key nuclear weapons ingredient.

Pakistan denies the charge. China acknowledges nuclear cooperation with Islamabad but says it is entirely peaceful.

Fiat chairman replaced

TURIN, Italy, Feb 29: Giovanni Agnelli, legendary chairman of Italian automaker Fiat for the past 30 years, was replaced yesterday by his second-in-command Cesare Romiti, reports AP.

The decision, which had been in the offing since December, was made at a Board of Directors' meeting in Turin. Replacing Romiti as chief executive will be Paolo Cantarella, who has been in charge of the Fiat auto division. Agnelli, 75, who is reputed to be the richest and most powerful industrialist in Italy, is to stay close to Fiat as honorary chairman.

He is also to remain at the head of a shareholders' group that controls Fiat, the biggest non-state corporation in Italy. The Agnelli family alone holds 20 per cent of Fiat shares.

Romiti, 72, is expected to focus on bringing younger management into the upper echelons of the Fiat group, which will celebrate its 100th anniversary in 1999.

Fiat's turnover last year was 75.5 trillion lire (some 47 billion dollars), with profits exceeding one trillion lire.



Koichi Kunitada, the Representative Director of Daiwa Bank Ltd in the United States leave Federal Court in New York on Wednesday after pleading guilty to 16 charges of improper banking practices.

Daiwa Bank pleads guilty, agree to pay fine

NEW YORK, Feb 29: Daiwa Bank Ltd, pleaded guilty Wednesday to concealing a 1.1 billion dollar loss last year from US regulators and agreed to pay a record criminal fine of 340 million dollars, reports Reuters.

Federal prosecutors made it clear during the plea hearing that this was far from the bank's only wrongdoing and that its senior management in New York and Japan had engaged in a "pattern of criminal conduct" dating back to at least 1984.

Also during the hearing, a lawyer for the huge Japanese bank revealed that Japan's finance ministry "implied" as early as August 8, 1995, that it would be best to delay disclosing the 1.1 billion dollar loss because of the impact it would have on Japan's economy.

Judith Best, a lawyer representing the bank, said the MOF (Ministry of Finance) gave priority to the convenience of the Japanese government and implied that it would be the absolutely worst timing if the incident were to come out when the bank learned of the losses.

Daiwa decided at the outset to disclose those losses, but at a later date, Best told US district judge Kimba Wood.

The bank pleaded guilty to 16 of the original 24 charges. The counts include conspiracy to defraud US regulators, failure to report or stop a crime, falsifying bank records and obstructing a bank examination.

Manhattan US Attorney Mary Jo White said the 340 million dollar fine was "the largest criminal fine ever imposed in the United States."



A month-long foundation course for the probationary officers of Eastern Bank Ltd began at Bangladesh Institute of Bank Management yesterday. AIM Iftikhar Rahman, Managing Director of Eastern Bank, inaugurated the course as the chief guest while AHM Nurul Islam Chowdhury, Director General BIMB, presided over the inaugural session.