



HYUNDAI

CARS THAT MAKE SENSE

Central Insurance declares 12 pc dividend

The 8th Annual General Meeting of Central Insurance Co. Ltd. was held on Saturday at Sonargan Pan Pacific Hotel in the city with Alhaj Md Abdul Maleque, Chairman of the Board of Directors of the company. A large number of shareholders attended the meeting in the chair, says a press release.

The chairman in his speech welcomed the shareholders and explained the overall performance of the company during the year under review.

Participating in the discussions, the shareholders present highly appreciated the performance of the company and expressed their full confidence in the management. They also put forward some valuable suggestions for bringing about more efficiency and profitability of the Company in future.

The annual report of the company for the year 1995 shows that the company earned a gross premium amounting to Tk 11.70 crore which was Tk 10.79 crore in 1994.

The company earned a pre-tax profit of Tk 1.56 crore which was Tk 1.28 crore in the previous year.

The total asset of the company at the end of the year 1995 rose to Tk 26.46 crore, while the total amount of investment during the year stood at Tk 10.27 crore from Tk 8.85 crore.

The shareholders of the company unanimously adopted the Directors Report, Audited Accounts and the Report of the Auditors for the year 1995 and also declared 12 per cent dividend (i.e. interim 10 per cent final 2% per cent) the meeting.

LCs in July-Aug fall by 15pc to Tk 4370.92 cr

By Staff Correspondent

Opening of Letters of Credit (LCs) for imports declined by about 15 per cent in terms of value during the first two months of current fiscal year compared to that of previous year's corresponding months.

According to a Bangladesh Bank statement import LCs worth Tk 4370.92 crore were opened by authorised dealer banks during July-August of fiscal 1996-97 which is 14.77 per cent less than what it was during the first two months of previous fiscal year.

Meanwhile, LCs worth Tk 9327.03 crore remained outstanding till August 31 of fiscal 1996-97 the statement said.

The Bank did not show any reason for the fall in opening of LCs for imports.

But banking sources pointed out that imports have been on the decline since beginning of this fiscal year.

Opening of LCs for imports in the month of July was registered at Tk 2,231 crore which was 11 per cent less than that of the corresponding period of the previous year.

Till July 31 this year LCs worth Tk 9553.18 crore were in the pipeline.

The highest amount of LCs valued at Tk 1074.44 crore were opened for import of textile fabrics and accessories for

Pakshi div of BR earns Tk 17.40 cr during July-Sept

The Pakshi Division of Bangladesh Railway has earned additional Tk 2.13 crore during the first three months of the current fiscal year, reports UNB.

In a statement yesterday, Bangladesh Railway said it earned Tk 17.40 crore during July to September this year, compared to Tk 15.27 crore in last fiscal.

During the period, it earned Tk 11.45 lakh as fare and fine from 12,261 non-boatride passengers after identifying them in a massive checking.

garments, during the first two months of this fiscal year.

The next item was chemicals and chemical products with about Tk 326 crore LCs opened during the period.

Among the other major items, LCs worth Tk 308.08 crore were opened for import of machinery, Tk 119.87 crore for motor vehicles, Tk 16.58 crore for rice, Tk 43.36 crore for sugar, Tk 60.36 crore for pulses, Tk 39.16 crore for milk food, Tk 106.63 crore for edible oil, Tk 10.74 crore for oil seeds, Tk 134.48 crore for raw cotton and synthetic fibre, Tk 79.35 crore for scrap vessels, Tk 93 crore for cement, Tk 295.63 crore for POL and Tk 181.81 crore for CI sheets, BP sheets, GP sheets, an tin plate.

However, Tk 2163.91 crore worth of textile fabrics and garments accessories — the highest amount among the outstanding bills — are in the pipeline till August 31 of this fiscal year.

Among the other outstanding import items are rice Tk 133.13 crore, wheat Tk 43.95 crore, sugar Tk 70.63 crore, pulses Tk 50.18 crore, edible oil Tk 103 crore, milk food Tk 75.06 crore, oil seeds and rape sees Tk 0.86 crore, raw cotton and synthetic fibre Tk 195.28 crore, yarn Tk 161.57 crore, drug and medicine Tk 18.90 crore, POL Tk 275.16 crore, Pharmaceutical raw materials Tk 132.42 crore, fertilizer Tk 187.36 crore, coal and coke Tk 18.83 crore, cement Tk 119.73 crore, clinker and lime stone Tk 24.57 crore, CI sheets, BP sheets, GP sheets and tin plate Tk 250.38 crore, machinery Tk 1906.27 crore, other iron and steel products Tk 53.15 crore, scrap vessels Tk 21.46 crore and motor vehicles Tk 137.55 crore.

SCB associate member of ASEAN shippers' body

Shippers' Council of Bangladesh has been elected unanimously associate member of the Federation of ASEAN Shippers' Council (FASC), says a press release.

The election was held at the three-day 19th Annual General Meeting of the ASEAN council in the Thai capital Bangkok recently.

The Shippers' Council of Bangladesh was represented at the meeting by its Chairman MR Ali.

The proposal for Bangladesh's membership was tabled by Kerk Chooing, State Minister of International Trade and Industry, Malaysia who is the current Chairman of FASC.

Qatar, Pakistan going ahead with \$3.5b gas pipeline project

ABU DHABI, Oct 19: Qatar and Pakistan are pressing ahead with a multi-billion-dollar project to build a pipeline to supply natural gas to the south Asian country, the project's manager said yesterday, reports AFP.

The construction of the 1,670-kilometre (1,000-mile) gasline will begin in 1998 and gas will be delivered to Pakistan three years later. Mohammed Makawi told the United Arab Emirates (UAE) newspaper Al-Itihad.

The technical studies for the project have almost been completed. Implementation measures, including the construction of the pipeline, will commence in 1998 and gas will be delivered to Pakistan in 2001," he said.

Makawi said the project would cost around 3.5 billion dollars and the pipeline would pump 1.6 billion cubic feet (48 million cubic metres) of gas per day from Qatar's north field, the biggest gas reservoir in the world.

The project will be carried out by a consortium grouping the UAE-based Crescent Petroleum Company, Brown and Roots of the United States, the Canadian Company TransCanada and Japan's Itochu.

Another consortium led by France's Total will develop gas wells in the north field, he added.

"The gas network in Pakistan is very advanced. It only requires some limited expansion for the pipeline project," he said.

He did not say who would finance the project or whether the 3.5 billion dollars cover both the construction of the gasline and field development.

The pipeline will run from Qatar through the neighbouring emirates to the UAE port of Doha in the Gulf of Oman, where it will be extended under the sea to the southern Pakistani port of Karachi, Makawi said.

The Qatar-Pakistan gasline has been on the cards for several years but it was held up by technical problems and differences on prices.

"One of the main obstacles was how to determine the price of the gas. But such a problem has been tackled," Makawi said without elaborating.

Qatar has the third largest gas reserves after those in Russia and Iran, estimated a nearly 236 trillion cubic feet (7.1 trillion cubic metres).

The Gulf state, a small OPEC oil producer, has been involved in major projects to tap these reserves and become the top producer of liquefied natural gas in the world, Indonesia is currently the biggest LNG power.

India has sought to buy natural gas from Qatar through a pipeline but the project was dropped last year after Pakistan refused passage of the gasline.

Pakistan reaches accord with IMF on releasing \$400m loans

ISLAMABAD, Oct 19: Pakistan has reached agreement with the International Monetary Fund (IMF) in talks aimed at releasing loans worth 400 million dollars, the Associated Press of Pakistan (APP) said yesterday, reports AFP.

The official agency quoted informed sources as saying State Bank of Pakistan Governor Mohammed Yaqub called on Prime Minister Benazir Bhutto from talks in Washington to say an agreement had been reached.

The IMF had earlier refused to disburse the remaining 400 million dollars of a 600-million dollar credit fund had agreed to in December, citing Pakistan's failure to implement economic reforms.

Sources here said an IMF delegation was expected in coming weeks for a detailed scrutiny of the economy and implementation of the reforms promised by Pakistan.

They said the IMF had been pressing Pakistan to impose tax on agriculture income, reduce its budget deficit, cut spending and improve revenue collection.

Corruption costs Vietnam \$150m in four years

HANOI, Oct 19: Corruption has cost Vietnam at least 150 million dollars in the last four years according to an official report published Friday by the Lao Dong Trade Union daily, reports AFP.

The report, released Tuesday to deputies at the second annual session of the National Assembly, said nearly 5,000 cases of corruption had been officially recorded from January 1993 to September 1996.

Corruption and mostly affected the financial, banking, real estate and medical insurance sectors, the newspaper quoted state Assistant Inspector-General Duong Ngoc Son as saying.

Son cited Vietnam's biggest corruption case, involving Tamexco, a company formed by the Communist Party in southern Ho Chi Minh City, and several banks which led to losses of 50 million dollars through diversion of funds.

Son also stressed the need for a code of practice to fight corruption and require senior officials to declare income and inheritance.

Experts say the true extent of corruption is probably much wider, given official figures only refer to cases that have been exposed.

BFFEA greets new FBCCI office-bearers

The Bangladesh Frozen Foods Exporters Association (BFFEA) yesterday greeted the newly elected office-bearers of Federation of Bangladesh Chambers of Commerce and Industry, reports UNB.

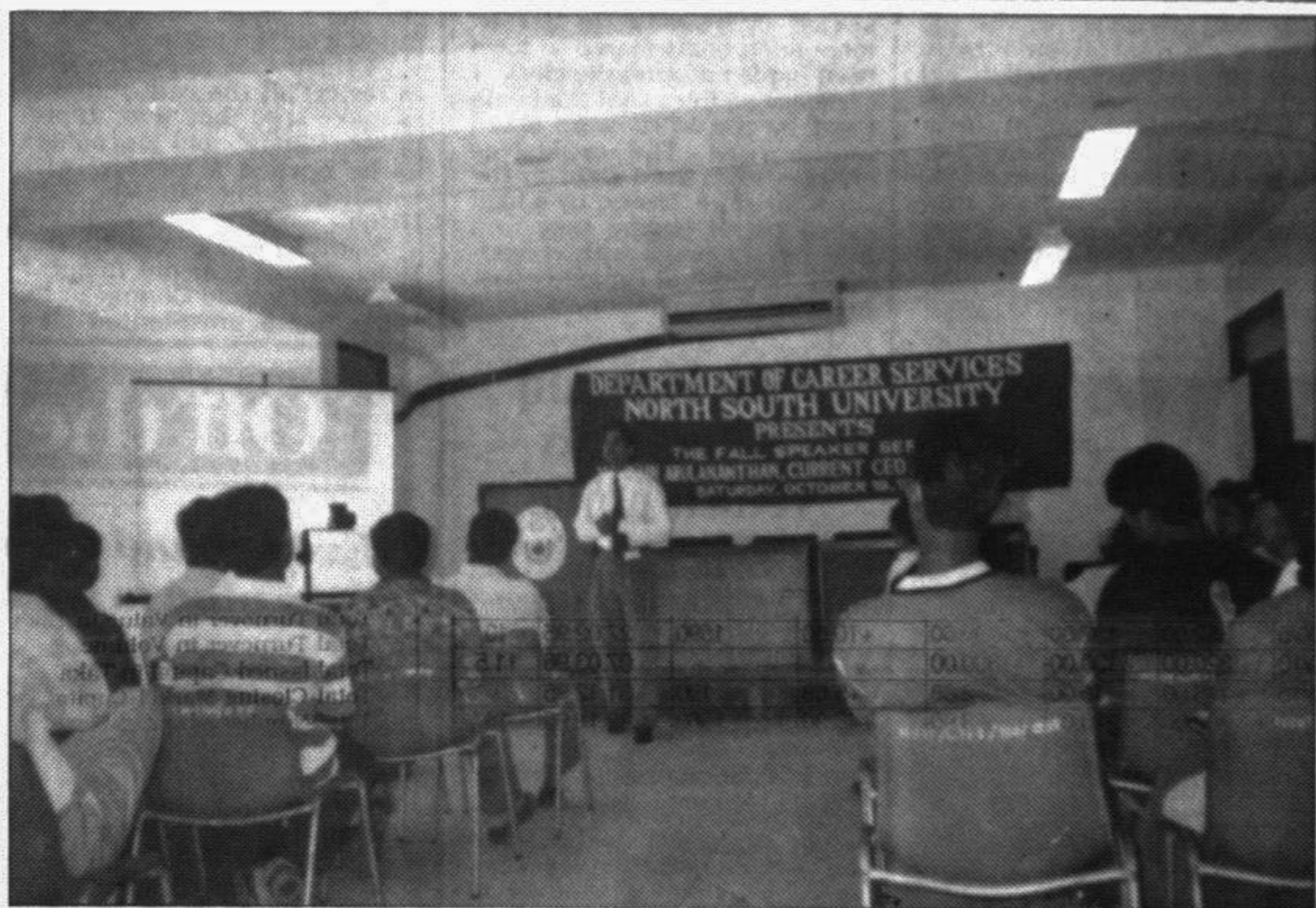
Expressing their all-out cooperation to newly elected leaders of the top business body of the country, BFFEA President Dr. Aftabuzaman in a statement hoped that the elected leaders would be able to lead the business community under the context of free market economy.

Emirates ad wins int'l award

Emirates, the international advertising campaign, featuring award-winning passengers flying an award-winning airline, has itself won top prizes at Media and Marketing magazine's annual awards night in London. Emirates has won over 100 international awards to date, says a press release.

The campaign has been voted Best Travel Campaign, Best European Press Campaign and was runner-up of Best Global TV Campaign. Judges described the print campaign as "very elegant" and "a great concept" and also praised it for having the potential to be effective in many different markets.

The campaign, directed by the airline's Corporate Communications Department, was created by Emirates new advertising agency BDDH and the media schedules were planned by Mediacom. The television commercial was directed by an American, Ms Fatima Andrade, and was shot on location in Dubai with production in the charge of Geraldine Lowe.



Rajan Arulanathan, Head of Operations in Bangladesh, Citibank NA, talking to students of the Department of Career Services at North South University on the Fall Speaker Series yesterday.

Citibank official talks with NSU students

Rajan Arulanathan, Head of Operations in Bangladesh, Citibank NA, yesterday gave a talk on Fall Speaker Series at the Department of Career Services of the North South University, says a press release.

The Fall Speaker Series is designed to introduce students and faculty to leading figures from the industry.

He spoke on Citibank NA with special emphasis on management of commercial loans.

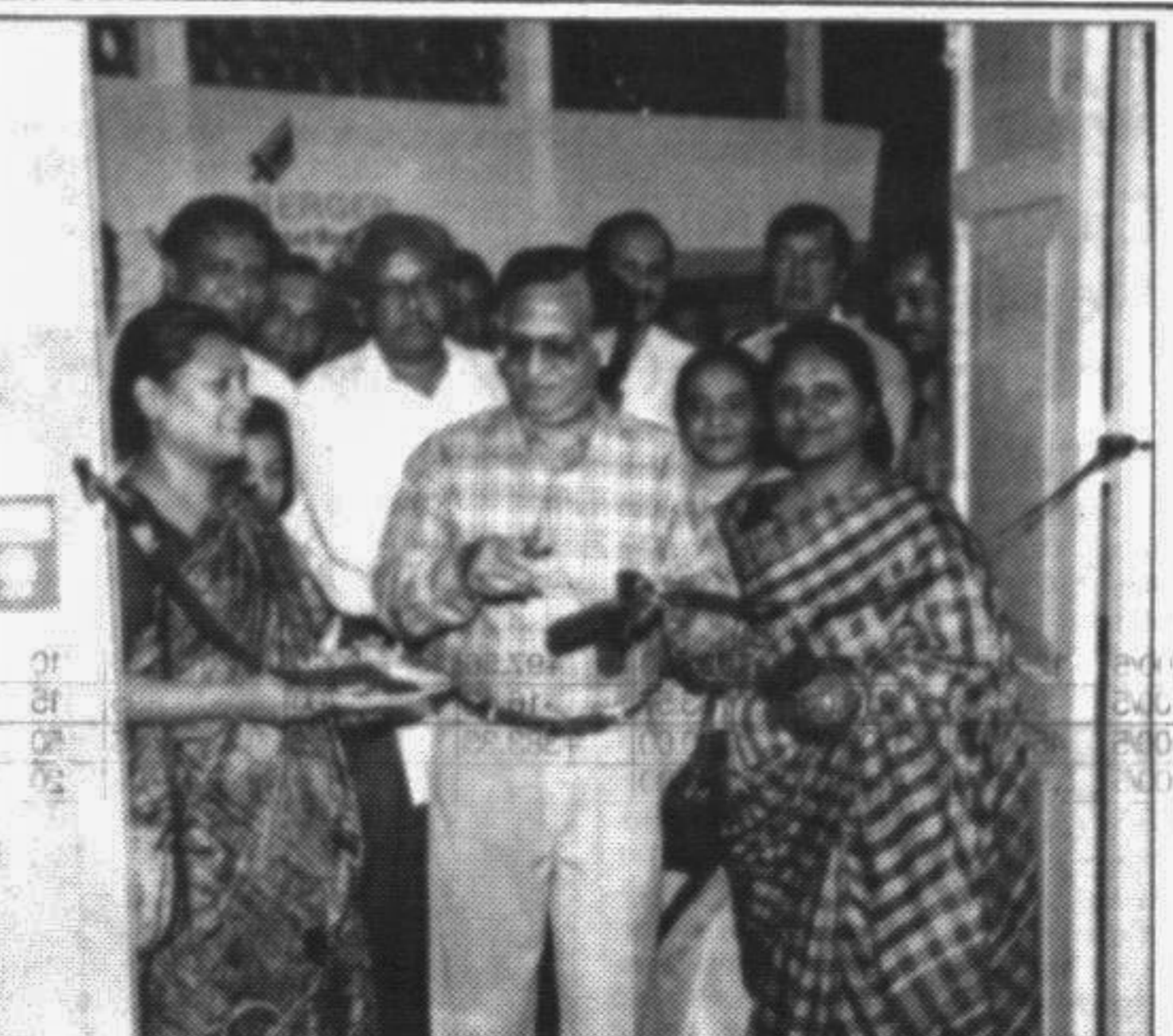
Tanya Gupta, Coordinator, Department of Career Services, Dr Musa, Coordinator, Department and Ms Rumana Chowdhury, Internship Officer, were also present.

He talked about the importance of a clearly defined business strategy, a focused target market, comprehensive risk acceptance criteria, minimum profitability standards and appropriate concentration limits which are all standards that Citibank tries to apply.

He spoke on the need to conduct assessments of the internal and external environment and to have a clearly defined target market. Ways of managing risk were also discussed, in particular concentration risk, liquidity risk and price risk.

Bank holiday

The Bangladesh Bank and all scheduled banks will remain closed on Tuesday on account of Durga puja, a central bank press release said yesterday, reports UNB.



A three-day art exhibition of the young painters was inaugurated by Mr Masih-ul-Karim, M D of Berger Paints Bangladesh Ltd. in the city.

US trade deficit shrinks to \$10.8b in Aug

WASHINGTON, Oct 19: The US goods and services trade deficit shrank to 10.8 billion dollars in August from a revised 11.6 billion in July, the Commerce Department announced yesterday, says AFP.

The shortfall with Japan declined to 3.8 billion dollars from five billion dollars a year ago and 4.3 billion dollars in July.

For the first eight months of the year, the deficit with Japan amounted to 30.4 billion dollars, down 28 per cent from the 42.5 billion dollars in the same

period last year.

The department noted that the eight-month deficit with Japan was the lowest for that period since 1992.

But with China, the August deficit expanded to 4.7 billion dollars from 3.9 billion a year earlier and 3.8 billion dollars in July.

On Wall Street, analysts had predicted that the overall deficit would narrow to 9.4 billion dollars in August.

The trade deficit in July was revised downwards to 11.6 billion dollars from the initial estimate of 11.7 billion.

Rhone-Poulenc Rorer VP in city

The Vice President (Marketing) of Rhone-Poulenc Rorer Liisa Palme is in the capital on a 4-day visit to Bangladesh, says a press release.

Her mission is to review the marketing operations of Rhone-Poulenc Rorer Bangladesh Ltd. and Fisons (Bangladesh) Ltd.

Liisa Palme visited main medical institutions such as the ICGM & R, BIRDEM, ICDDR,B and Cancer Institute. She was very impressed with the efforts being made in Bangladesh to provide healthcare to patients, even in the face of many constraints.

Vietnam leading gold consumer in South-East Asia

HANOI, Oct 19: Vietnam has become the biggest gold consumer in South-East Asia, using 35 tons of the precious metal in 1995, reports Xinhua.

In recent years, Vietnam's demand for gold has risen by an average of 20 per cent a year, the Vietnam news quotes W K Cruikshanks, the chief representative of the World Gold Council (WGC) as saying today.



Mr. Mahmudul Huq, Director of Janata Jute Mills Ltd., is seen receiving Export Trophy from Prime Minister Sheikh Hasina at a function organised by Ministry of Commerce and EPB at Osmani Memorial Auditorium on Sunday.

Taxphobia: How to overcome it

By Mohammad Delwar Husain

Following is the concluding part of the article published on Saturday.

Agricultural Income:

The employee owns 5 acres of agricultural land. His holdings yield double crop a year. He shows the following computation.

| | | | |
|----------------------------------|-------------------------------------|------------------------|--------------------------------------|
| yield per acre 30 mds of paddy : | total yield (30*5*2) 300 mds. | (double crop) comes to | 600 mds |
| Price of paddy comes to | Less 60 per cent cost of production | (as provided in law) | Income (net income) from agriculture |
| | | | Tk. 27,000 |

Dividend:

The employee during the relevant income year has received dividend of Taka 50,000.00 from share of public limited companies. He purchased the share with money borrowed from bank. He computes his income from dividend in the following manner:

| | |
|--------------------------|----------------|
| Dividend | Tk. 50,000 |
| Less interest on loan | (-) Tk. 10,000 |
| Income from dividend | Tk. 40,000 |
| Less exempt | Tk. 30,000 |
| Net income from dividend | Tk. 10,000 |

Interest of fixed deposits:

The employee has received Tk. 60,000 as interest on fixed deposit maintained with a bank. He has shown the entire amount as income i.e. interest income Taka 60,000.

The employee having thus calculated his income correctly from each source, now aggregates these as follows:

| | |
|-----------------------|--------------|
| Salary income | Tk. 1,82,800 |
| House property income | Tk. 58,300 |
| Agricultural income | Tk. 27,000 |
| Dividend | Tk. 10,000 |
| Bank Interest | Tk. 60,000 |
| Total income | Tk. 3,38,100 |

The employee had a relatively easier problem to handle to figure his tax liability he had only employment income. Now on aggregation of all sources, his income has not only increased in quantum, he is also facing a new problem of figuring his tax liabilities pertaining to salary income, which his employer has undertaken to bear. Hence he is required to figure his total tax liability as well as the portion of liability his employer is to bear. Finding the exercise little puzzling, he goes to a tax consultant who guides him as follows:-

Income Aggregation:

| | |
|-----------------------|--------------|
| Salary income | Tk. 1,82,800 |
| House property income | Tk. 58,300 |
| Agricultural income | Tk. 27,000 |
| Dividend | Tk. 10,000 |
| Bank Interest | Tk. 60,000 |
| Total income | Tk. 3,38,100 |

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Figuring Tax:

| | | |
|----------------|------------------|----------------|
| Total income | Tk. 3,38,100 | Tax Nil |
| On last | Tk. (-) 55,000 | |
| On the next | Tk. 2,83,100 | Tax Tk. 11,250 |
| | (@ 15%) | |
| | Tk. 2,08,100 | |
| On the next | Tk. (-) 1,60,000 | Tax Tk. 32,000 |
| | (@ 20%) | |
| On the balance | Tk. 48,100 | Tk. 12,025 |
| | @ 25% | |
| Total Tax: | | Tk. 55,275 |

Investment Tax Credit:

Investment scenario here undergoes a complete change. When total income was computed with employment income as the only source, the admissible investment was figured at Tk 36,160 against investment claimed at Taka 76,000. Now that total income due to aggregation of all sources has increased, his

Government of the People's Republic of Bangladesh
Office of the Executive Engineer
Pirojpur Public Works Division, Pirojpur

Tender Notice No. 21/1996-97

- Name of work : Project for construction of 44 newly formed district headquarters in Bangladesh one at Pirojpur. Sub-head: Providing interval sewerage and water supply system at 600 sq ft (4 unit) staff quarters of Pirojpur Police Line. Year 1996-97.
- Estimated cost : Tk 1,48,172/-
- Earnest money : Tk 2,963/-
- Last date of selling tenders : 29/10/96 during office hours.
- Date and time of receiving and opening tenders : 30/10/96 at 12:00 Noon and will be opened on the same day at 12:15 PM (in presence of the interested contractors).
- Tender forms, schedules etc : At all the Divisions under Directorate of Public Works Circle, Barisal and Khulna Public Works Division-1/2.
- Eligibility of contractors : Special first class, first class and second class sanitary and plumbing contractors.
- If more than one tenders quoting the same lowest rate are received then lottery will be held to select the lowest tenderer on 12/11/96 at 11:00 AM at the office of the undersigned.

(N.B: Other details are described in the tender)
DFP-23161-13/10 Executive Engineer
G-1279 Public Works Division, Pirojpur