

## US-based Destec Energy planning to enter Indian power sector

NEW DELHI, Feb 13: US-based Destec Energy is planning to enter the Indian power sector by investing approximately two billion US dollars in electricity-generating projects. Industry Ministry sources said here today, reports Xinhua.

A high-level team including Destec President and Managing Director Garry Mann and its Asia-Pacific Vice-President Henry Bell is expected to arrive early next month. The visit is aimed at finalizing tie-ups with Indian partners.

The company plans to set up plants in west and south India and will focus on setting up large power plants (above 500 megawatts) as well as small captive plants for industries.

Destec will rely mainly on imported coal for power generation, said the company's Indian representative.

Destec Energy's move to invest in India comes at a time when major foreign players have drawn up plans to invest in India's power sector.

Last week, American firm Enron announced plans to invest 10 billion US dollars in India, while Japanese conglomerate Sumitomo Corporation plans to launch a 100 per cent subsidiary which will invest in five to six power projects in the country.

## China's industrial output rises

BEIJING, Feb 13: China's total industrial output climbed 10.3 per cent to 150 billion yuan (18.12 billion dollars) in January, compared with a year earlier. China's State Statistical Bureau said Thursday, reports AP.

The January output figure, which involves industrial production from enterprises at the township level and above, is 2.8 percentage points lower than the average 1996 level, the bureau said.

January value-added industrial output at state-owned companies rose 6.8 per cent to 8.5 billion yuan (10.97 billion dollars). By the same measure, the first-month figure for collective enterprises stood at 43.0 billion yuan (5.19 billion dollars), up 9.5 per cent from last January, the reports said.

Value-added production at other types of enterprises jumped 16.5 per cent to 29.5 billion yuan (3.56 billion dollars), it added.

## Hanoi may impose import controls

HANOI, Feb 13: The government is considering a move to impose import regulations for consumer goods in order to protect domestic markets and raise tax revenues, official media reported Thursday, reports AP.

Prime Minister Vo Van Kiet, in a published report, said there were too many unrestricted imports, particularly coming into southern Vietnam's Ho Chi Minh City.

Kiet says he will enlist the Ministry of Planning and Investment, and the Ministry of Trade to help draft a list of imported goods to be more tightly controlled, the state-run Vietnam News reported.

"Most imports were sold at lower prices than domestic goods," the reports said.

Vietnam faces a large trade deficit, with imports far outnumbering exports. In January, Vietnam's trade deficit was an estimated 420 million dollars, the General Statistics Office reported.

The prime minister will also ask the State Bank, Customs Office and the Trade Ministry to limit the number of import permits issued in 1997, Vietnam News reported.

## Egypt trying to lift dumping fines on cotton by EU

CAIRO, Feb 13: Egypt is trying to lift the crippling dumping fines imposed last year by the European Union (EU) on all its EU-bound cotton exports, said Egyptian gazette, reports Xinhua.

According to Abdel Hakim Hagag, head of the Holding Weaving and Textiles Co., contact and trade under way by Egyptian ministers of foreign affairs, industry and trade, and the enterprise sectors, to totally lift the penalty on Egypt's most important export.

The dispute began in early 1996 when the EU received a number of complaints from European cotton producers that Egypt, India, Indonesia, Turkey and Pakistan were adopting a dumping policy through selling their produce at less than the production price.

Accusing the Egyptian cotton companies of following a dumping policy, the EU agencies concerned took samples from three Egyptian cotton companies and decided to slap fines on them, in addition to a 13.3 per cent fine for six months on all Egyptian cotton exports to the EU, as of November 21, 1996.

After the six months, Egypt can plead against the fines.

# Shell proposes \$2.5b investment in energy sector

By Staff Correspondent

Multinational oil company Shell Exploration and Production International has recently submitted a proposal to the government for investment of 2500 million US dollars equivalent to tk 10000 crore in the energy sector of the country.

A Shell press release says its proposal includes setting up a process plant to convert natural gas into diesel, kerosene, petroleum and other gas by-products.

Sources in the Energy Ministry and Petrobangla said the proposal was submitted taking Shahbazpur Gas Field in Bholia into account.

The proposal also include setting up a 200 MW power station by utilizing the surplus heat generated by the gas process plant. The gas synthesis process will also produce 50,000

barrels of distilled water per day which can meet the entire requirement of sweet water in the Khulna industrial belt.

Shell is seeking a number of blocks for gas exploration and envisages significant investment in the industrial and power sector development. The government is yet to open up block negotiations on solicited terms, sources added.

The official press release of Shell said, an eight member team of Shell exploration and production international ventures from Holland and London came to Bangladesh last week to discuss its proposal with the Energy Ministry and Petrobangla for large scale investment in the gas sector in Bangladesh.

Earlier, two industrial development experts from Shell

Holland made a three-day visit to Barisal and Khulna region to carry out a preliminary evaluation of the infrastructure requirement in the region for such a large scale investment.

Shell's proposal, if accepted by the government, will totally replace the entire import of refined petroleum products such as diesel and kerosene etc for the next five to 10 years.

The eight-member team met Prime Minister Sheikh Hasina and explained the potential benefits of Shell's investment in Bangladesh, which is expected to be to the tune of 2500 million dollars.

As a gesture of goodwill, the shell has offered to look into the problems of Bakhrabad Gas Fields free of cost. A number of Shell technical teams had already visited Bakhrabad Gas

## India to ban aircraft without anti-collision radar

NEW DELHI, Feb 13: India is to ban aircraft from its airspace unless they are equipped with anti-collision radar, officials said today, reports AFP.

Sources at the Director General of Civil Aviation (DGCA), a government watchdog agency, said planes with a capacity of 10 or more passengers would have to install traffic alert and collision avoidance system (TACAS).

The move comes after the worst mid-air collision in aviation history near the Indian capital in November left 349 dead.

Sources said the new safety rules would come into effect by March or April and would apply to foreign as well as local passenger jetliners.

## 15 Asian bank governors question usefulness of monetary policy

BANGKOK, Feb 13: Central bank governors from 15 Asian countries sounded a rare note of doubt Thursday on the usefulness of monetary policy to cure their economic ills, reports AP.

The two-day 32nd annual conference of Southeast Asian Central Banks gives the governors a chance to present economic conditions in their countries and hold bilateral talks.

In his opening address, Finance Minister Annuay Viravan of Thailand, whose country is seeing a decade of booming economic growth falter on a huge current account deficit and plunging stock market, warned of over-reliance on monetary policy.

An industrial regional powerhouse, Thailand failed to correct economic imbalances by raising and lowering interest rates and has been forced to propose the first major budget cuts in years.

Annuay said that monetary policy "is not a cure-all, especially when the problems are fundamental in nature."

"Reliance on monetary policy alone to address fundamental weakness in the real economy will usually not be effective and may, due to their pervasive effect, cause more harm than good," he said.

The association includes Myanmar, Indonesia, Malaysia, Nepal, the Philippines, Singapore, South Korea, Sri Lanka, Taiwan and Thailand. Cambodia, Fiji, Laos, Papua New Guinea and Tonga are observers.

Despite economic ills, however, Asian countries managed to achieve average economic growth of around seven per cent in 1996, compared to a world average of 3.8 per cent, Annuay said.

The conference countries have accumulated as much as one-fifth of the world's reserves of foreign currency — 250 billion dollars — in all, Annuay said in the conference's opening session.

The rest of the conference will be held behind closed doors.



Simon L. Bird (R), Brand Marketing Manager of BTC, addressing a press conference arranged at a city hotel yesterday by the company on the occasion of launching Benson & Hedges cigarette in Bangladesh. Mahmud Rahman (C), Consumer and Regulatory Manager and Golam Mainuddin (L), Acting Managing Director of the company, are also seen. —Star photo

## BTC starts marketing Benson & Hedges

Bangladesh Tobacco Company (BTC) yesterday started marketing the world's premium brand cigarette Benson & Hedges which shares three per cent of the Bangladesh cigarette market, reports UNB.

Benson & Hedges, the most popular brand of cigarette among the affluent and upper middle class in Bangladesh, was available in the country's market since long through illegal channels.

Importing straight from the UK to market the Benson & Hedges in Bangladesh, the multinational BTC is expected to contribute a good amount of money to the government exchequer as revenue.

Addressing a press conference here, BTC Acting MD Golam Mainuddin said some 555 million sticks of Benson & Hedges were sold in Bangladesh markets last year. Those entered the country through illegal channels.

The smuggling deprived the government of earning at least 133 crore as revenue last year, he said.

BTC has fixed maximum retail price of a pack of Benson & Hedges at Tk 68.

The Chief Executive of BTC said price of the brand is higher as "we are paying 450 per cent import duty."

He said BTC will contribute Tk two million to government exchequer for every million sticks of Benson & Hedges.

To distinguish the legally marketed cigarette from the illegal one, the health statutory warning will be written in

Bangla along with the retail price of the cigarette.

A BTC press release says: "As you are aware Benson & Hedges has been available here for many years, but through illegal routes. Smuggling such as this deprives the government of much needed revenue and the recent rapid increase in this trade has prompted our action to try and assist their efforts in containing smuggling. Only the government can take the necessary action to stamp out this trade. However BTC can help by ensuring that Bangladeshi consumers have a legal alternative to choose rather than relying on an illegally distributed product. From the consumer point of view the price has never been stable and availability has not always been consistent," said Golam Mainuddin at the press conference.

"As we will be paying full import duties on this legal product the price per pack will be Tk 68 which is printed on the back panel. Other than these small differences to the packet, the product itself and the smoking quality enjoyed by the Bangladeshi consumers for so long remains completely unchanged. I would like to stress again that we are not manufacturing this product ourselves but importing it direct from the factory in the UK," commented Consumer & Regulatory Affairs Manager Mahmud Rahman.

The press conference was also attended by Simon L. Bird, BTC's Brand Marketing Manager and Brand Manager Sayef Nasir.

## BCI reception to new FBCCI body members

Bangladesh Chamber of Industries (BCI) accorded a reception to the new executive committee members of Federation of Bangladesh Chambers of Commerce and Industry at its Board room on Wednesday, reports UNB.

FBCCI president Yusufur Abdullaha Harun attended the function as chief guest while Bangladesh Ambassador to Japan S M Rashed Ahmed was present as guest of honour, said a press release yesterday.

Presided over by BCI President Sharif M Afzal Hossain, the function was attended, among others, by Mohammad Rajib Sharif, Khurshed Ali Mollah, Mohammad Nur Ali, Obaidur Rahman, Maleka Khan, Golam Dastagir Gazi, P R Shaha Mohammad Shahjahan, Dr Mohammad Jahangir Alam, M A Shahid, Liaquat Ali Bhuiyan, A Baten Begh, Niaz Rahim, FBCCI members and BCI directors.

In the past decade, two-way trade has ballooned to 100 billion dollar in 1996, double the level in 1989. Both sides say more is possible by raising EU investments, increasing joint ventures, eliminating trade barriers, setting common industrial norms and standards and boosting cooperation in fighting illegal drugs trade and international crimes.

The basis of more intense ASEAN-EU relations are hefty studies by private and public sector figures from both regions detailing the shortcomings of the current relationship.

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## Two-day talks open ASEAN welcomes more EU business

SINGAPORE, Feb 13: South-east Asian nations opened two days of talks with the European Union Thursday welcoming stronger economic and political ties, but cautioning that they will take no human rights lessons from the West, reports AP.

"What works in Europe will not always work in the Asian context," Singapore Deputy Prime Minister Lee Hsien Loong told a meeting of foreign ministers from the 15 EU countries and the seven members of the Association of Southeast Asian Nations.

One of the key goals of the meeting in Singapore will be to bolster economic relations between the two regions, officials said.

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Despite the trade potential of European know-how and Asian markets, West Europeans still see "the continuing economic rise and dynamism of Asia (as

a threat to the West's own economic well-being," he added.

Looming over the European-Asian relationship are human rights concerns about human rights abuse in some Asian nations.

"We have come for a deepening and strengthening of the relationship," Dutch Foreign Minister Hans van Mierlo told the meeting's opening session. His country now holds the EU presidency.

He said it was important for the Europeans to air their human rights concerns without clinging to a principles-before-profits attitude.

The 33rd auction of the 90-day treasury bill and the 24th auction of the 30-day and 180-day treasury bills were held yesterday, reports UNB.

Nineteen bids for a total of Tk 90.30 crores were offered against the 30-day bill while nine bids for a total of Tk 43.20 crores against the 90-day and one bid for a total of Tk 10 crores against 180-day bills.

Of these, 14 bids for a total of Tk 74.10 crores of 30-day bill were accepted. No bid was accepted against the 90-day and 180-day bills.

The weighted average price was Tk 98.34 per Tk 100 and the corresponding yield was 7.94 per cent per annum, said a Bangladesh Bank press release.

## BB bill auction results

NEW DELHI, Feb 13: The Indian government's plans to open up the coal industry to private competition were ridiculed here Wednesday by expert commentators, who branded the move as "a mere signature at the bottom of a paper," reports AFP.

Economist Adit Jain said outside investors would only be attracted when the country's entire "investment climate is made more conducive."

He was speaking after officials said the government would introduce a bill in the forthcoming budget session of Parliament amending laws prohibiting major private sector participation in the coal industry.

Ministry of State for Coal Kanti Singh announced the new policy Tuesday, under which private and foreign investors will be allowed to take equity in Indian companies or float subsidiaries for mining and exploration.

Previously, they had been limited to investing in mines. Jain, Managing Director of

## PEREGRINE BANGLADESH INDEX

**Thursday's market comment**  
The PBI added 1.4 per cent for the day to close at 886.07. Trading was mixed as 13 issues advanced over 11 losers. One issue remained unchanged. BTC topped the winners' list with a 9.9 per cent gain on retail demand followed by ULC which added 8.2 per cent. The pharmaceutical stocks performed well as Square Pharma and Beximco Pharma appreciated by 3.7 per cent and 2.8 per cent respectively. In the minus column, Apex Tannery dropped 3.4 per cent on institutional selling whilst retail selling was responsible for 2.1 per cent and 1.9 per cent slide in Eastern Housing and Eastern Cables respectively. Chittagong Cement remained unchanged in the absence of any buyer.

## Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 13/02/97

Selling Currency	Buying			O.D. Sight	O.D. Transfer
	T.T. Clean	T.T. Clean	Export Bills		
US Dollar	42.9120	42.9650	42.5200	42.4531	42.3438
GB Pound	70.3377	70.4195	69.2979	69.0131	68.8323
D Mark	25.5481	25.5777	25.1125	25.0093	24.9437
F Franc	7.5742	7.5330	7.4469	7.4163	7.3968
J Yen	0.3492	0.3496	0.3411	0.3397	0.3388
C Dollar	31.7947	31.8316	31.2597	32.1312	32.0496
S Franc	29.7585	29.7930	29.2483	29.1281	29.0517

Janata Bank's selling and buying rates in cash currency for public:

	US DLR	GBP	S RIYAL	UAE DH	KU DINAR
SELLING	42.9000	69.3377	11.6500	11.6500	141.0000
BUYING	42.3000	66.5877	11.2000	11.1500	135.5000

## Shipping Intelligence

**Chittagong Port**  
Berth Position and Performance of Vessels as on 13-2-97

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Date of Leaving
J/1	Hong Xiang	Urea (G)	Sing	Seacom	31/1	18/2
J/2	Nel Jiang	GI	Sing	BDSHIP	1/2	17/2
J/4	Nikolaos	GI	Bank	USS	7/2	13/2
J/5	Banglar Shobha	Urea (G)	Marc	BSC	11/1	17/1
J/6	Yong Tong	Urea (G)	Sing	Litmond	7/2	19/2
J/7	Kabridas	GI	Mong	SSL	8/2	14/2
J/8	Gao Yang	GI/GL	Land	BDSHIP	2/2	13/2
J/9	Bi Ryu Gang	GR Phos(P)	Col	Litmond	6/2	16/2
J/10	Susak	Cont	Col	Baridhi	7/2	13/2
J/11	Banglar Robi	Cont	Sing	BSC	12/2	13/2
J/12	Star Lite	GI	B Aba	Arafern	17/1	14/2
J/13	Sea Elegance	Cont	Sing	PH (BD)	10/2	15/2
CCT/1	Fong Lee	Cont	Sing	BDSHIP	7/2	13/2
CCT/2	Consistence	Cont	Sing	RSL	8/2	14/2
CCT/3	QC Teal	Cont	Sing	GCSL	10/2	13/2
RM/14	Banglar Asha	Repair	Mong	BSC		
TSP	Banglar Mamata	GL	Mong	BSC	9/2	
RM/4	Mekamanik Gordiyenko	Cement	Sing	RML	R/A	18/2
RM/5	Lady Rebecca	GI	S Hat	Prog	22/1	13/2
RM/6	Athenian Charm	HSF	Qaw	ECSL	8/2	13/2
DOU	Banglar Jyoti	C Oil		BSC	R/A	13/2
DD	Banglar Monti	Repair	Mong	BDSHIP	15/1	22/2
DDJ/1	Tanary Star	Idle	Para	PSAL	6.7.95	15-2-97
DDJ/2	Kommunist	GI	Mad	BSL	1/2	15-2
CUF/L	Blue North	Cement	Indo	PSAL	3/6	20/2
Kafco(U)	Al Mubaraq	Urea		MTCL	24/1	15/2

**Vessels due at outer anchorage**

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Meng Kiat 29/1	15/2	Mong	BDSHIP	Cont	Sing
Tropeon	14/2	Mumb	RSL	GI (Steel Cargo)	Sing
Padma 4/2	14/2	Sing	RSL	Cont	Sing
Faaraha	14/2	Mong	SSL	GI	B Abbas
San Mateo (Star/243/3)	14/2		JF Rainbow	Vehi M Seed	
Siba	15/2		Prog	GI	
Yi Yang	15/2	Xing	BDSHIP	Cont	Sing
Fong Yun 4/2	16/2	Sing	BDSHIP	Cont	Sing
Freesia 11/2	16/2	Qol	BDSHIP	Cont	Col
Emeral Venture	15/2		Simni	Cont	Col
Mare	16/2		Indo	GI (Copro)	

**Vessels at Kutubdia**

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Ismaya			B Bay	9/1
Aspilos			BESL	11/2
Banglar Shourabh	C Oil			R/A

**Vessels not ready**

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Chelyabinsk	Cement	Sing	CCNL	26/1
X-Press Trisuli (Cont)	Cont	Col	Baridhi	11/2
Captain X Kyriakou	HSF	Mapt	ECSL	13/2

**Vessels Awaiting Instruction**

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Hydroussa	Ballast	Moun	OTL	21/1
Banglar Sampad			BSC	R/A (17/1)
Shinhung-2		Sing	RKSA	R/A (30/1)
Agnessa-1	Ballast	Tampa	GEL	10/2

**Outgoing**

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
J/7 Kabridas	CCT/2 X-Press Trisuli	RM/14 B Asha To DDJ/2		
J/12 Star Lite	J/7 Sun Mateo			
CCT/2 Consistence	J/12 Padma Maru			
CCJ F Mountain	NB Duzna			
DOJ B Shourabh	DOJ B Jyoti			
DDJ/2 Kommunist	NB Jupiter			
	CCJ Golden Grace			