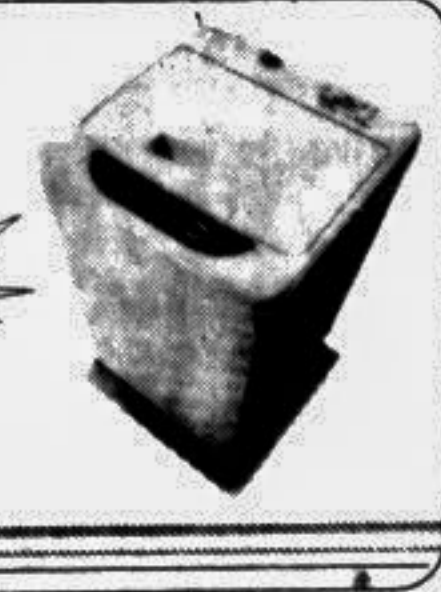



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AACAB deplors Biman's decision to raise export cargo rate

The Association of Air Cargo Agents of Bangladesh (AACAB) has said Biman's at unilateral decision of raising export cargo rate has created a total chaos at Zia International Airport, according to a press release.

The association said the existing unfavourable situation and the change in the air cargo handling system have brought the export by air to a total halt. AACAB was working with the consent of Biman authority since 1994 and all the decisions were taken at that time by the Biman management and procedures that were laid out by them, were followed accordingly by the AACAB member agents in order to expedite the export cargo handling at the airport.

It was also agreed by Biman and AACAB that in the future both the bodies would discuss time to time to help improve the export handling. But Biman's current management overnight changed the prevailing practice and implemented new non-workable procedures by unilateral decision without any notice.

Biman's erratic decision is causing the nation irreparable loss in terms of export as well driving away the foreign buyers, the press release added.

Ist Quarter Sales Confce of Square Toiletries held

The first Quarter Sales Conference '97 of Square Toiletries Ltd was held at the conference room of Square Centre at Mohakhali of the city on Friday, says a press release.

Anjan Chowdhury, Managing Director of Square Toiletries Ltd, inaugurated the day long conference and also spoke on the occasion.

S K Das, Sales Manager of the company, discussed various steps to be implemented to increase sales in the competitive market.

M Towfique Ali, Senior Executive, mentioning the position of the products presented a picture on sales market by market.

Executive Dilara Nargis discussed the new products of the company.

Besides, the senior executives, sales supervisor and sales representatives of the company from various parts of the country attended the conference.

Rangs Electronics opens new sales & service centre

Rangs Electronics Ltd has opened a new sales and service centre at Jinjira Bus Road (Howli), says a press release.

The centre was inaugurated by Aktar Hussain, Managing Director, Rangs Electronics Ltd, the sole authorized distributor of Sony Audio Video, Aiwa Audio Video, Sharp Home Appliances and Rangs products in the country.

In the inaugural speech the Managing Director said that electronics has become a part of life in the present day living.

He hoped this sales & service centre will enable the local people to get the world famous electronic products and service easily.

Rangs Electronics Ltd has sales & service centres and authorized dealers all over the country.

StanChart Group executive due in city today



Christopher Castleman will arrive in Dhaka today on a two-day visit to Bangladesh, says a press release.

Castleman is a Group Executive Director of Standard Chartered PLC, and his responsibilities include Standard Chartered's major client relationships world wide and certain key strategic issues.

Castleman has extensive experience in the financial services industry, including seven years as chief executive of the Hill Samuel Group.

He will be accompanied by John Filmeredis, Regional General Manager, Middle East and South Asia.

This is the first visit of Castleman to Bangladesh, and during his stay he will meet clients and senior members of the Hill Samuel Group, the press release added.

Seminar on FDI told Bangladesh ready for private sector investment in power generation

Scope for private sector investment in power generation through enabling policy, environment and institutional support facilities has been created in the country to meet the increasing power demand, a top official of the Ministry of Energy and Mineral Resources said here yesterday, reports BSS.

"Bangladesh is ready for private sector investment in power generation," SD Khan, Director General of Power Cell of the Ministry of Energy and Mineral Resources said while presenting his key-note paper at a seminar on Foreign Direct Investment.

In this regard Khan mentioned the formulation of an act enabling private power generation and the availability of long-term debt financing as an incentive to mobilize commercial fund at market based interest for 23 years.

Organised by Board of Investment (BOI) and ESCAP, the first session on Direct Foreign Investment in power sector on the second day of the three-day seminar was held at a local hotel with advisor of the past caretaker government Prof Jamilur Reza Chowdhury in the chair.

Representatives of BOI, experts and businessmen attended the seminar. In his paper, Khan

gave an overview of the present power supply scenario, supply and demand, investment requirement, prospects of foreign investment, barriers to private investment in infrastructure, issues related to foreign investment, initiatives taken so far by the government and the incentives under private power policy.

He said the government has taken both physical projects and the institutional initiatives for the development in the power sector.

The physical projects are three 100 megawatt barge mounted power plants, (under evaluation), 300 to 450 megawatt power plant for Meghnath (request for proposal issued), 300 megawatt power plant at Hartipur (request for proposal issued) and 100 megawatt power plant at Baghabari (prequalification evaluation under process), Khan said.

He said the formulation of private sector power generation policy highlighted modality for implementation of private generation projects, tariff structure to be proposed by the bidders and incentives for the sponsors.

Khan said the fiscal incentives offered by the government included exemption from the corporate income tax for a pe-

riod of 15 years by the private power companies, allowing the companies to import plant and equipment without payment of customs duties and VAT, allowing of the repatriation of equity along with dividends and tax exemption on interest on foreign loans.

He underlined the need for ensuring a number of institutional issue including clear policy framework for implementation, transparent bidding and evaluation policy and fast and clear decision making process for implementation.

On the present power system, Khan said the present generation capability is 2200 megawatt while peak demand served so far is 2114 megawatt.

He also informed that only 15 per cent of population have the access to electricity.

He also underscored the need for ensuring 14 to 18 per cent growth in the power sector in the next few years.

Chairman of Bangladesh Power Development Board Nooruddin Mahmud Kamal and Vice President of Dhaka Chamber of Commerce and Industry Ashraf Ibne Noor also spoke on the occasion.

In his speech Nooruddin Mahmud Kamal said steps have been taken to set up three barge

mounted power plants. Ashraf Ibne Noor called for setting up smaller power units in rural areas to meet the increasing power demand.

Jamilur Reza Chowdhury stressed the need for ensuring transparency in the policy implementation and evaluation.

In the second part of the session Shahed Latif, Managing Director of Gramen Phone, presented a key-note paper on "Telecommunication in Bangladesh present and future."

Presided over by former chairman of Telephone and Telegraph Board M H Chowdhury, the second part of the session was also addressed by former general manager of T and T Board Siddique Ali Mia and Chairman of Sheba Telecommunication (private) Limited Afzal Hussain Chowdhury.

In his paper Latif said Bangladesh was now passing through transition from monopoly to competition in the telecommunications sector. He said Bangladesh ranked third lowest in the telecommunications system in the world and called for achieving the target of 4.8 million telephone links in the year 2000.

Latif said one telephone for every five families is a feasible target to achieve.

Trade policies lauded Tofael seeks Austria's help to get GSP in knit garment export

The visiting Austrian delegation led by Deputy Minister for Economic Affairs Josef Mayer appreciated the liberal policies taken by the Bangladesh government for boosting trade and investment, reports UNB.

The deputy minister observed that with these policies the investors would be interested to invest in Bangladesh.

An official handout said the appreciation came when the six-member delegation met with Commerce and Industries Minister Tofael Ahmed at his office here yesterday.

The minister sought Austrian support in getting GSP to two-stage transformation in knit garment export to EU countries.

He also sought assistance for setting up a paper mill at Sylhet Pulp and Paper Mills premises.

Referring to the incentive package offered to the investors, the minister said Austrian investors would be highly welcomed to invest in Bangladesh to exploit the incentives rated best in Asia.

He requested the Austrian deputy minister to assist Bangladesh in food for education programme and health and

energy sectors.

The Austrian deputy minister hoped for a positive outcome of their visit and suggested some confidence-building measures to attract direct foreign investment.

Commerce Secretary Sayed Alamgir Farouk Chowdhury was present.

Experts on inland fisheries to meet today

Internationally reputed experts on inland fisheries will meet here today to identify drawbacks and suggest means to boost fish production in the country, reports BSS.

Styled as "International expert consultation on inland fishery enhancement," the five-day gathering will be opened at Hotel Sonargaon.

Satish Chandra Roy, Minister of State for Fisheries and Livestock will be the chief guest at the inaugural session, a PID handout said.

The meeting is being jointly organised by Food and Agriculture Organisation (FAO) and Overseas Development Administration (ODA).

Minister to SKOP leaders

Identify problems faced by industries

State Minister for Labour and Manpower MA Mannan yesterday said the present government is determined to work for the promotion of industries and preserve the interest of the workers, reports BSS.

He stressed identifying the problems faced by the industries and taking initiatives to resolve those on priority basis.

The state minister was holding talks with leaders of SKOP (Sramik Karmachari Okiya Parishad) at the auditorium of the Bureau of Manpower, Employment and Training at Kakrail, a PID handout said.

Mannan listened to the problems of workers and assured to extended all cooperation to resolve those through discussions in phases.

SKOP leaders, who attended the meeting included, Abdus Salam Khan, Abul Bashar, Pratabuddin, Nurul Islam, Nurul Islam Khan, Dr Wajedul Islam, Moklesur Rahman and Shirin Akhtar.

Secretary Ministry of Labour and Manpower, Mohammad Mahe Alam, Director General of the Bureau of Manpower ANM Hafizul Islam, labour Director MAS Talukder and Chief Inspector of Factories and Enterprises Mahub Hossain were present.



Anjan Chowdhury (M), Managing Director of Square Toiletries Ltd, speaking at the first Quarter Sales Conference '97 of the company held at the conference room of the Square Centre on Friday. S K Das (L), Sales Manager, and M Towfique Ali, Senior Executive of the company, are also seen in the picture.

Boosting private sector investment APEC ministers agree to draw up agenda

CEBU, Philippines, Apr 6: Asia-Pacific finance ministers agreed today to draw up an agenda for action to help boost private sector investment in the region and strengthen capital and financial markets, reports AFP.

The 18 ministers from the Asia Pacific Economic Cooperation (APEC) forum, issued a joint statement at the end of two-days of talks here and their recommendations will go to the leader's summit in Vancouver, Canada, later this year.

Among items agreed were the promotion of cooperation among lending institutions providing export credits; an idea that has been actively

promoted by Japan.

They also agreed to press ahead with strengthening the ability of regulators to supervise financial markets, and strengthening the mechanism for settling trade and financial transactions accounts.

Assistance to develop credit rating agencies was also proposed and strengthening information disclosure.

The ministers said they would examine reforming government-run pension funds, as well as the securitisation of loans on capital markets.

They asked their deputies to prepare a voluntary action plan for reducing barriers to capital flows in the region.



Titan Dealer Conference was held at Hotel Sonargaon in the city on Friday. The Bangladesh representative of Tata India Ltd Aftab Ahmed was present on the occasion. Ghulam Mostafa of Kallol Distribution Ltd, the sole distributor of Titan watches in Bangladesh, discussed their future programmes for watch marketing in the country.

Gazipur Machine Tools Factory gasping for survival

By Morshed Ali Khan and Rafiq Hasan

Mismanagement, clashes between workers, political recruitment, improper planning and irregular import policy have throttled the Gazipur Machine Tools Factory.

The country's lone machine tools factory, which was supposed to act as a nexus of the industrialisation process, always remained a problem for successive governments.

The giant factory, sprawling over 170 acres of land and having a set of 940 heavy steel equipment manufacturing machinery, has been lying idle for years. The government can neither operate it nor sell it to a private company.

The government as well as the top policy makers are in a dilemma what to do with this "white elephant" having an estimated liability of around Taka 300 crore which keeps on mounting. The factory was equipped with machinery to produce essential spare parts for almost every sector.

Instead of modernisation keeping pace with technological development and expansion of the production areas, the massive manufacturing unit was built at a cost of more than Taka 135 crore. It had only 14 years of full production life.

The factory could not be kept alive even after pumping extra

money several times and hiring management agencies from abroad.

The MTF was an idea with enough grandeur to occupy 170 acres of prime land on the outskirts of Gazipur, some forty kilometres from the capital city.

Work on the factory started in 1965-66 and it was ready for commercial production in July 1980.

Sources concerned said during this long fifteen years to 'partial existence', the factory, with its vast infrastructure, could not post any income.

"The idea behind the setting up of such a giant industry was to supply parts and machinery items to Pakistani and local industries and thus prevent import and survive," said Azizul Haq, former Director of erstwhile EPIDC (East Pakistan Industrial Development Corporation). "It was a wrong idea in the context of Bangladesh alone, for there was never enough industrialisation in this part to keep such an industry running," he said.

Some other high officials involved in the running of the factory said that the lack of planning behind its creation went to such an extent that it was even difficult to find pro-

fessional personnel to run the factory. "We had to convince the Engineering Institute at the time to send manpower to run the factory." One of them added.

At the time of liberation, only 30 per cent work of the factory was completed. In 1972, the government injected an unspecified sum of money from its War Damage Fund to revive the gigantic plant.

"Partial production resumed at the factory but it was achieved without any rigorous market survey, nor was it on the basis of much technical know-how," said a former top official of the ministry requesting anonymity. He added that the factory was producing the same items without virtually having any idea of the market demand.

At the time of completion in 1980, it had 1,672 employees and 983 heavy machines to produce various agricultural equipment, auto-tempo, textile machinery, machine tools, hand cutting tools, jute mill spares, chemical industries spares, railway spares, electric fan spares, cast-parts, forge parts and power transmission spares.

"A French company was hired to modify the machines for production while a Belgium

firm was given the responsibility to supervise and train the manpower," another top official serving at that time said. He added that despite cent per cent investment, the factory could never reach the annual break-even point of Taka 40 crore. Its income could not even be around Taka 16 crore.

Officials at the Bangladesh Steel Industries Corporation (BSIC) said that the industry faced 'serious market constraint' and blamed bad import policies and planning as regards its failure in making a profit.

"We have reports that the local industries rejected the factory's price quotes as they found that importing the same parts would cost them less," an official of the Ministry of Commerce and Industry said. "How could you expect to produce something at a reasonable price when 70 per cent of your manpower is lying idle because they do not know how to run the machines?" he asked.

The problem aggravated when the idle manpower took to politics. The MTF became a political stronghold for different parties. Most officials were of the opinion that interference from political parties put the 'final nails' on the coffin of the

MTF as regards its production. Many compared the situation with that of the Adamjee Jute Mills now.

In 1985, a desperate government handed over the management responsibility to Fabrique National of Belgium on a three-year contract. Officials said that the 'rot' could not be checked and year after year the government subsidies had to be poured to keep the 'white elephant' alive.

In 1994 when the BNP government took steps to close down the factory, rival labour unions of the MTF merged together to launch a campaign against the decision. In July of the same year, Industries Minister AM Zahiruddin Khan described the MTF as a 'white elephant' and shut down the plant retrenching the employees.

The decision of the BNP government now lying with the Privatisation Board says that all its moveable property should be sold to pay off the liabilities and the free-hold land should be used as an Export Processing Zone.

The present government is now exploring several possibilities to revive the plant although many experts feel that with the age-old machinery it might never be a viable project.

Prices of oil, gold, cotton fall over the week

LONDON, Apr 6: Oil prices, which had been pegged firmly above the 24-dollar mark in early 1997, slipped to 18 dollars per barrel this week, as the arrival of spring in the northern hemisphere reduced demand for heating oil, reports AFP.

Analysts said that prices had melted under the burden of increased output from the North Sea region and from West Africa.

Iraq has stepped up exports, after a worldwide embargo that was imposed after troops loyal to Saddam Hussein invaded Kuwait in 1990.

Market players wondered if crude was on the verge of the abyss, ready to fall back to the dark days of 1992-1996, when rampant oil production around the globe knocked Brent North Sea oil prices down to 13 dollars per barrel.

GOLD: Tarnished. Neither a crash in stock markets around the world nor a fall in the value of the dollar at the start of the week could inspire any investor enthusiasm for this precious metal.

Instead, gold followed oil and other commodity prices lower, analysts said. Prices fell by 1.5 dollars to

347.5 dollars per ounce.

SILVER: Dive. Silver prices fell by 40 cents to 4.75 dollars per ounce as speculators considered that the metal was overvalued.

COPPER: Tumble. Copper prices fell by about 10 dollars to 2,350 per tonne after the London Metal Exchange (LME) unveiled a smaller-than-expected fall in market reserves.

Dealers feared that a fall in orders from Japan might provoke continued losses in the copper market, after heavy Japanese buying early this year.

LEAD: Dull. Lead prices remained largely unchanged at about 680 dollars per tonne.

ZINC: Liftoff. The price of zinc, which is mainly used in anti-corrosive treatments, soared to its highest level for more than four years after a surprise fall in market stocks.

Three-month zinc prices hit a peak of 1,300 dollars per tonne — a high point since October 1992 — before slipping back to 1,275 dollars per tonne later in the week.

ALUMINIUM: Fall. Aluminium prices fell by about 30 dollars to 1,620 dollars per tonne, under the effect of specu-

lative selling.

LME stocks fell slightly, despite hefty consignments which made their way into market warehouses. GNI trading house said that prices had risen faster than was justified by the moderate demand for the metal.

NICKEL: Slip. The price of this metal, widely used in the manufacture of metal alloys, fell by 30 dollars to 7,650 dollars per tonne under the weight of a rise in LME reserves.

Dealers said that trading was extremely thin.

TIN: Calm. Tin prices hovered around 5,800 dollars per tonne amid quiet trading.

RUBBER: Soft. Low demand and the prospect of bumper rubber production in South East Asia softened rubber prices this week.

The London rubber index fell by 22.5 pounds to 757.5 pounds per tonne.

Sap is on the rise ounce more in Malaysia, one of the world's leading producer countries, where rubber trees are emerging from winter's inertia. Production will bounce back soon dealers said.

drinkers will have to wait until next week to discover if prices continue to build a head of steam under the combined effect of reduced African production and delays in shipments from India.

SUGAR: Stuck. White sugar prices stuck at recent high levels and fluctuated between 305 and 308 dollars per tonne amid quiet trading.

In Cuba, one of the world's leading sugar exporters, this year's harvest — which officials had hoped would far exceed the 1996 crop — has disappointed traders and may well only just outstrip the 4.45 million tonnes reaped last year.

VEGETABLE OILS: Swollen. Fears of strike action at the Brazilian port of Paranaguá, the country's main outlet for soy beans, and dry weather in Brazil, which risks hitting production levels there, conspired to lift soy bean prices.

The market also reacted to a US Agriculture Department announcement that stocks of soy held in the United States had fallen.

Rumours that China was about to buy up large quantities of soy whirled through dealing rooms, large scale purchases

from Asia would eat into US stocks further.

Soya prices rose by 30 cents to 8.71 dollars per bushel (of 27.2 kg).

On the Rotterdam market, palm oil prices rose by five dollars to 555 dollars per tonne.

Rapeseed oil prices rose by 1.75 guilders to 101.75 guilders per 100 kg, sunflower oil prices rose by 10 dollars to 540 dollars per tonne, groundnut oil prices held at 930 dollars per tonne.

Grains crushed. Wheat prices fell this week, in the face of favourable weather conditions on the American great plains and low international sales from the US.

In Chicago, wheat prices fell by 20 cents to 3.75 dollars per bushel 27.2 kg — for delivery in May.

COTTON: Shrunk. Prices on the US cash market fell by 78 cents per pound, while on the New York futures market, prices rose in the light of widespread consumer interest.

WOOL: Muffled. Wool prices in the British auction houses fell by 20 pence to 401 pence per kg. In Australia, trade was quiet as dealers enjoyed the Easter break.

Government of the People's Republic of Bangladesh

Office of the Executive Engineer, Facilities Department
Ministry of Education, Narayanganj Zone
119, BB Road, Narayanganj

Tender Notice

No 23/Revenue/PE/FD/NZ/96-97 Dated: 22-03-97

Sealed tenders in Bangladesh Form No 2911 are hereby invited from Facilities Department's enlisted A-1, A-2 class contractors for repair & renovation work of Private Educational Institutions under Revenue Head under Narayanganj Zone.

- Name of project : Revenue Head.
- Place where tender will be available from and will be received at : Tender document will be available at the office of the Executive Engineer, Facilities Department, Narayanganj/Dhaka/Savar/Narsingdi/Mymensingh/Ki shoreganj/Tangail/Madaripur/ Faridpur Zone/Senior Assistant Secretary, Ministry of Education, Building No 6, Floor No 18, Room No 1825, Bangladesh Secretariat, Dhaka and Assistant Engineer, Facilities Department, Munshiganj District Office during office hours and will be received at the abovementioned offices at the prescribed time.
- Price of tender : Tk 400/- (four hundred) only (non-refundable).
- Last date of selling tender : 13-04-97 up to office hours.
- Date of receiving & opening tender : Will be received at the above-mentioned offices up to 12-00 Noon of 15-4-97 and will be opened on the same day at 12-30 PM (if any present).
- Time for completion of work : 2 (two) months.
- Earnest money : 2% (two per cent) of the estimated cost as earnest money must be submitted in the form of Pay Order/Bank Draft from any scheduled bank of Bangladesh in favour of the Executive Engineer, Facilities Department, Narayanganj Zone.

Detailed information including estimated cost, group no, location of educational institution will be mentioned in the tender document.

Additional terms & conditions:

- Contractors/contractory firms should purchase tender on production of their enlistment registration book at the time of purchasing tender document. Contractors/ contractory firms should produce their Value Added Tax (VAT) registration certificate at the time of purchasing tender document and its attested photocopy should be attached with the tender to be submitted.
- If any contractor/contractory firm submits tender document at rate more than 5% (five per cent) below the estimated cost then his/her submitted tender will be treated as cancelled. For rate more than 5% (five per cent) above, rate analysis of each item must be submitted with the tender.
- Tender document will not be sold to such contractors as have not renewed enlistment up to 96-97 financial year or have not deposited renewal fee or have no VAT registration.
- Bill will be paid to the contractor subject to receipt of allotment but he will be found to complete the work within the prescribed time and the work should be completed by this current financial year, according to Govt order, otherwise bill cannot be paid.
- VAT and income tax will be deducted from the bill as per Govt rules.

Other terms & conditions of tender will be mentioned in the tender document. The authority reserves the right to accept or reject any/all tenders without assigning any reason.

Executive Engineer
Facilities Department
Narayanganj Zone
Narayanganj
DFP-7404-27/3
G-945