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# The Daily Star

## BUSINESS

**HYUNDAI**  
CARS THAT MAKE SENSE

DHAKA, FRIDAY, MAY 9, 1997

### Committee to be constituted soon

# Next import policy to be framed for five instead of two years

Commerce and Industries Minister Tofael Ahmed has announced that the country's next import policy would be formulated for five years instead of two years, reports UNB.

He made the announcement while inaugurating a meeting of the import consultative committee, arranged by the Ministry of Commerce at the city hotel yesterday.

The minister said a committee would be constituted soon to make recommendations in this regard and submit its report to the government by three weeks or maximum one month.

"All policies are for the people... and the main target is to ensure welfare of the country," he said adding that the policies are always forwarded by the business community.

Tofael said after the signing of Uruguay Round Agreement in 1994, Bangladesh had rapidly been advancing toward liberalisation to keep pace with the world trade.

But, he said, sudden liberalisation had some adverse impact on local industries due to withdrawal of non-tariff barriers and quantitative restrictions from certain commodities.

"We have to cope with the situation with proper policies because we'll have to go for total liberalisation sooner or later," he remarked.

The meeting was addressed, among others, by FBCI President Yussuf Abdullah Harun, MCCI President Samson H Chowdhury, Dhaka Chamber (DCCI) President A S M Quasem, Chittagong Chamber (CCCI) President Jafrul Islam Chowdhury, Bangladesh Chamber of Industries (BCI) President Sharif M Afzal Hossain and Commerce Secretary Alamgir Farouk Chowdhury.

FBCI President Yussuf Abdullah Harun emphasised the need for coordination among the ministries and follow up action in implementing any government policy.

"Businessmen are facing problems due to lack of coordination between ministries," he said.

He said due to unabated import of consumer goods, people are being habituated with foreign products causing harmful effect on local industries and making the country a market of foreign goods.

The FBCI President suggested that the Tariff Commission be strengthened by appointing skilled professionals and fixing appropriate tariff on imported products.

He said complexities of customs authority while clearing imported goods must be removed on an urgent basis in order to make the import policy effective.

MCCI President Samson H Chowdhury said local industries are incurring loss due to liberal import policy and their interest could be protected by developing proper revenue policy.

He suggested a balance be maintained in tariff rates between Bangladesh and India to prevent trade imbalance.

DCCI President A S M Quasem said it is essential to ensure unloading and clearing of imported goods as well as loading and despatching of export products within 72 hours.

He warned that local small and medium scale industries might be destroyed unless all illegal ways of inflow of foreign goods are sealed up immediately.

BCI President Sharif M Afzal Hossain said presently only 809 out of total 5,506 import products have tariff values and demanded fixing of tariff values of all products.

He said there should be difference between the import duty of raw materials and finished

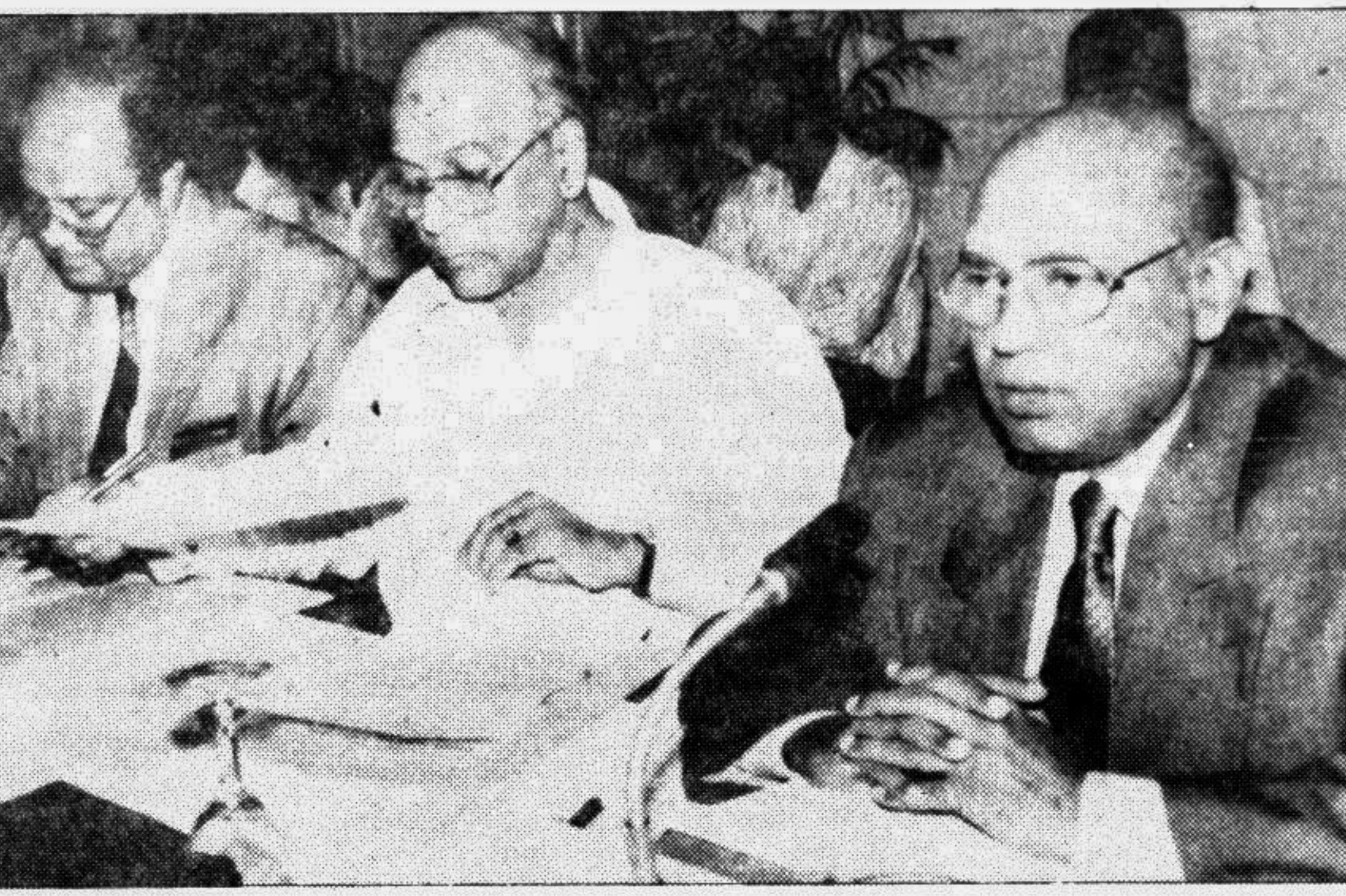
products for the sake of local industries and industrialisation.

CCCI President Jafrul Islam Chowdhury MP suggested decentralisation of government departments related to export and import to facilitate the businessmen of Chittagong.

He requested for setting up some offices in Chittagong so that they can locally get the permission of import.

Commerce Secretary Alamgir Farouk Chowdhury sought suggestions from the participants of the meeting to formulate an effective and simplified import policy for the country.

Chamber leaders from six divisions, leaders of different trade associations, representatives from banks and concerned officials were present at the meeting.



Commerce and Industries Minister Tofael Ahmed addressing a meeting of the import consultative committee arranged by the Ministry of Commerce at a city hotel yesterday. — Star photo

# Bill slashing customs duties moved in Indian parliament

NEW DELHI, May 8: Indian Finance Minister P. V. Narasimha Murthy introduced legislation to cut excise and customs duties on a range of items, adding the 31-million-dollar shortfall would be made up by higher tax revenues, reports AFP.

Moving the finance bill in parliament for the federal budget to March 1998, Chidambaram said concessions on customs duties would cost the exchequer 15 million dollars.

The minister halved customs duty on ferro-nickel, a raw material for steel, to 10 per cent, reduced duty on glass shells used to make colour picture television tubes and announced concessions for an array of other items.

Slashed excise rates on consumer goods and raw materials would cost another 16 million dollars, he said, adding that the loss would be made up by an increase in tax revenues.

"I will ensure that anybody

who should be in the tax net does not remain out of it," Chidambaram said, of India's predominantly non-tax-paying population. Only about 16 million out of some 950 million pay taxes.

Chidambaram, however, did not make any changes in direct taxes in his budget announced in February for the fiscal year to March 1998.

He said a controversial service tax, imposed on travel firms, caterers, recruitment agencies and truckers, would not immediately become law. The tax is expected to rake in 342 million dollars in the current fiscal year.

"An opportunity will be given to the industries concerned to make their representations about the manner in which the tax will be collected and exemptions if any deserve to be granted," Chidambaram said.

The finance minister also increased government funds for

state-run power companies by 257 million dollars to beef up the inadequate infrastructure sector — a major impediment to foreign investment.

"Several other measures will be taken to speed up the commissioning of an additional 6,000 megawatts of power over the next two years," he said.

"All efforts will also be taken to revive the sick public sector companies. Money will not be found wanting for the same."

Chidambaram said the government has invested about 18 billion dollars in state-run companies and "these companies should now perform and show good returns as it was the hard earned money of the Indian tax payer."

He said India's foreign exchange reserves had increased from 19.7 billion dollars on February 29, 1997 to 22.7 billion dollars on May 8.

### Exchange Rates

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 08/05/97:

Buying			
TT	OD Sight	OD	
Clean	Export	Transfer	
	Bills		
US Dir	43.5200	43.3522	43.2386
GB Pnd	69.9023	69.6165	69.4340
D Mark	25.1802	25.0773	25.0115
F Franc	7.4679	7.4373	7.4178
JP Yen	0.3466	0.3452	0.3443
C Dir	31.3432	31.2150	31.1332
S Franc	29.6847	29.5633	29.4858

Selling			
Name of Currency	T.T. & O.D.	B.C.	
US Dollar	43.8120	43.8650	
GB Pound	70.9308	71.0116	
D Mark	25.6079	25.6370	
F Franc	7.5916	7.6002	
JP Yen	0.3547	0.3551	
C Dollar	31.8685	31.9047	
Franc	30.1920	30.2263	

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

Selling		Buying	
US Dir	43.8500	43.3500	
GBP	69.9300	67.9300	
S Riyal	11.8000	11.4000	
UAE Dh	11.8500	11.3500	
Ku Dinar	143.5000	138.0000	

# Foreign investors meet in Dhaka Nov 5-6

A number of foreign investors are expected to meet in Dhaka November 5-6 dovetailing with the annual meeting of the Bangladesh Aid Group for 1997, reports UNB.

The Aid Group, who meets every year in Paris, had decided last September to hold its next meeting for the first time in the Bangladesh capital from November 3-4.

Prime Minister Sheikh Hasina is likely to open the proposed Investors' Forum to be organised by Economic Relations Division (ERD) with the assistance from World Bank and Asian Development Bank.

An official release said Wednesday the Forum is expected to allow the development partners to have a first hand exposure to the policy reforms the government has initiated to attract private investment in the

country.

Over next couple of years, the country will need at least two billion US dollars worth of investment in its physical sector.

To facilitate long-term investment in the infrastructure sector, the government recently decided to incorporate Infrastructure Development Company Limited, a fully government owned company.

The government hopes substantial investments in its energy, telecommunications, road communication, port development, water supply and waste management sector.

The company will start functioning with 150 million US dollars. Canadian International Development Agency and British Overseas Development Administration are also likely to provide grants to the company.

# Pak trade team arrives in city

A seven-member delegation of Pakistani traders led by Mian Sultan Mahmood Noorani, a prominent businessman, arrived in the city yesterday on a three-day visit to Bangladesh, says a press release.

During its stay, the team will hold talks on enhancing trade between the two countries.

The delegation consists of manufacturers of textile processing machinery, powerlooms, agriculture implements and cast iron pickles, fittings for sanitary building, auto-parts and chemicals plants from Faisalabad.

They are: Mohammad Ishaq, Haji Bashir Ahmad, Haji Mohammad Saeed (Agriculture Machinery and Implements), Mohammad Saeed Mughal, Talib Hussain (Powerlooms), and Mian Maqsood Ahmad (Textile Machinery).

The team will hold meetings with Dhaka Chamber of Commerce and Industry besides negotiating with individual businessmen.

# China admits severe job crisis

BEIJING, May 8: China today admitted of a severe jobless problem in cities but warned it would not be resolved by restricting the flow of migrant labourers, reports AFP.

"China is facing a severe unemployment problem... but those who advocate closing the cities to rural labourers have ignored the principle of fair competition," Zhou Giren, professor at the China Research Centre for Economic Research told The China Daily.

"The only way to deal with urban unemployment is to carry on reform in state-owned sectors in order to form a highly competitive labour market," he added.

According to Vice Labour Minister Lin Yongsan, the official number of urban unemployed hit 5.53 million people by the end of 1996, with another 22 million surplus state workers on a minimum retainer waiting to be re-employed.

In addition to the employment pressures in the cities, an estimated 130 million rural

workers are surplus.

But the state sector, which has hit overwhelming economic difficulties in dealing with competition from private companies, is in no position to hire new employees.

Losses in the sector reached 7.4 billion dollars by the end of 1996, and although the state sector employs two-thirds of the workforce, it produced only 30.9 per cent of the nation's industrial output in 1995.

"Reforms might lower salary and welfare standards (in state companies) that are artificially high compared to low productivity," Zhou said.

"But reduced salaries that reflect the true productivity of state-owned enterprises will discourage rural labourers from entering the cities and put the growth of the economy back on a sound track," he added.

He also called for an end to policies which gave preferential bank loans to state companies at the expense of their private competitors.

# MCCI seeks income tax exemption on donations to sports federations

Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) has made a representation recently to the Finance Minister requesting him to exempt entrepreneurs from income tax on donations made to the national level sports federations, says a press release.

In justifying its request, the MCCI has mentioned the role of sports as a means of national solidarity and unification, of which the recent example was the winning of the ICC Trophy by the Bangladesh Cricket Team.

The Bangladesh Cricket Team's feat, the MCCI pointed out, is a glorious and most encouraging event for the nation. Nothing unites the nation more than sports, the Chamber commented.

The MCCI feels that income tax exemption will encourage private financial patronage to the sports federations and thereby enable them to organise themselves in a manner required for international level.

The MCCI has expressed the hope that in view of the national need for promoting sports in the country, the government will take a sympathetic view of its request and announce a decision at the earliest.

# ICC blasts govts for imposing new taxes on airlines, users

PARIS, May 8: The International Chamber of Commerce has criticized governments for imposing hundreds of new taxes on airlines and users, according to an ICC press release.

These charges have a distorting effect on world commerce and travel, it added.

The ICC which represents business throughout the world said in a statement on Wednesday that the situation is clearly getting out of hand. It is time to reverse the trend to heavier taxation on airlines and passengers and to recognize that the benefits that all economies obtain from air travel will be seriously reduced if present trends continue.

Approved unanimously by the ICC's Air Transport Commission, the statement pointed out that there were now more than 1,087 instances of taxes and fees imposed on airline tickets, up from 650 in 1992. These include taxes for programmes ranging from agricultural fees to immigration, most of which have little to do with air transport.

"Clearly, government authorities still labour under the misguided belief that a transport is reserved for a chosen elite, in fact, it is the fundamental mode of long-distance transport for many people worldwide and a necessity for modern economies," the ICC said.

Among taxes cited are Britain's Airline Passenger Duty (APD) of five pound sterling charged on each airline departing from a UK airport, a tax which will rise to ten pound

sterling on 3 November. There is no pretence that the funds collected will be used for purposes other than to reduce the general budget deficit," the ICC said.

Other examples include Lithuania's 18 per cent value added tax imposed on incoming tourists, Greece's 25, tax on airline tickets for each passenger departing from a Greek airport, and a range of US taxes on passengers — for purpose ranging from immigration fees to Department of Agriculture inspection charges.

Jeffrey Shane, Chairman of the ICC air transport commission, and former US Assistant Secretary of Transportation, called the current situation "appalling" and said: "The benefits that all economies obtain from air travel will be seriously reduced if present trends continue. Governments must stop treating airlines and their customers as a collective cash cow."

The ICC called for the elimination of all airline ticket taxes not strictly related to air transport needs. It maintains that no government should use airline taxes to reduce budget deficits or to pay for airline and airport security. "The state, not airlines or users, is the target of terrorism," the ICC said.

A further recommendation is that governments eliminate the practice of collecting taxes from users at airports: "This practice causes confusion and delay and has a particularly detrimental effect on the business traveller who may be hurrying to catch his flight."

### Coming AGMs

Company	Book Closure	AGM/EGM	Date	Venue & Time	Dividend Proposed
Reclit & Colman	19/04/97-08/05/97	AGM	08/05/97	—	35
Modern Ind	22/04/97-04/05/97	AGM	04/05/97	Hotel Purani, 3.30pm	7 (F)
Delta Life Ins	—	EGM	24/05/97	Hotel Purani, 10am	—
United Ins	23/04/97-13/05/97	AGM	13/05/97	Hotel Sonargang, 4pm	—
Phoenix Ins	—	—	—	—	30
Monro Ceramic	24/04/97-07/05/97	AGM	07/05/97	Factory Compound Dharmal, Dhaka, 9am	—
Alpha Telecom	23/05/97-29/05/97	AGM	—	—	20 (I)
Arbee Textile	03/05/97-07/05/97	AGM	—	—	2R5 (M per)
Bata Shoe	04/05/97-08/05/97	AGM	08/05/97	Factory Premises Dharmal, 10.30am	220
Reliance Ins	—	AGM	18/05/97	Ball Room Hotel Sonargang	—

# Shipping Intelligence

## CHITTAGONG PORT

Berth position and performance of vessels as on 8-5-97

Berth No	Name of vessels	Cargo	Last port call	Local agent	Date of arrival	Leaving call
J/1	Banglar Kallol	CL	Mong	BSC	3/5	8/5
J/2	Georgy Dimitrov	Cement	Sing	Delmure	20/3	9/5
J/6	Sea Concert	Cement	Sing	Bright	21/4	3/5
J/7	City of Lome	CL	Hald	RSA	5/5	9/5
J/9	Feng Qing	CL/GI	Bela	Bdship	2/3	9/5
J/11	Topaz	Cement	Sing	PSAL	4/5	17/5
J/12	Padma	Cont	Sing	RSL	7/5	10/5
J/13	Qc Pintail	Cont	Sing	QCSL	6/5	10/5
CCT-1	Kota Selamat	Cont	Sing	Pil(BD)	4/5	9/5
CCT-2	Meng Kiat	Cont	Sing	AML	4/5	9/5
RM/14	Meng Yang	Repair/Survey	Sing	AML	29/4	10/5
CCJ	Fong Lee	Repair/Survey	COL	Bdship	1/5	12/5
GSJ	Arcadia	Wheat(G)	ENGL	RSA	28/4	8/5
TSP	Raffia	Idle	Mong	KSL	29/4	10/5
RM/4	Delos	Cdso	Mong	TSL	5/5	10/5
RM/5	Pactol River	Sko/MS	Sing	ECSL	5/5	8/5
DDJ	Banglar Shourabh	Repair	BSC	R/A	8/5	8/5
DDJ/1	Banglar Jyoti	Repair	BSC	R/A	8/5	8/5
DDJ/2	Tanary Star	Idle	Para	PSAL	8-6-95	10-10-95
RM/8	Banglar Asha	Idle	Mong	BSC	5/5	8/5
Curj	Mantis	Repair	Mumb	Cross	15/4	12/5
Curj	Bile Noryt	Cement	Qing	PSAL	3/6	—
Kalco(U)	Ea world	Urea	Mong	Saffron	25/4	9/5

### Vessels due at outer anchorage

Name of vessels	Date of arrival	Last port call	Local agent	Cargo	Loading port
Ultima	8/5	Col	Baridhi	Cont	Col
Peleas-K	8/5	Col	PSAL	Cement	—
Veta-T	9/5	—	PSAL	Cement	—
Techmat Pioneer	9/5	—	PSAL	Cement	—
Denamara	9/5	Sing	Prog	GI	—
Indian Goodwill	9/5	Ban	—	—	—
Magist	10/5	Col	Bdship	GI(steel)	—
Vanessa	10/5	Sing	RSL	Cont	Sing
Torin	10/5	Sing	ARL	Scraping	—
Altair Ace	11/5	Yang	Everet(GI(20 Vehl)	—	—
Saadi	11/5	Mong	SSL	—	B Abbas
Banglar Robi	11/5	Sing	BSC	Cont	Sing
Suzel	12/5	Col	Baridhi	Cont	Col
For Yun	12/5	Sing	Bdship	Cont	Sing
Fong Shin	13/5	Sing	Bdship	Cont	Sing
Mukhtar Auezov	12/5	Bang	Ancient	Rice(G)	—
M Regina	13/5	Sing	Pil(BD)	Cont	Sing
Lian Sha	14/5	Sing	Bdship	Cont	Sing
QC Teal	14/5	Sing	QCSL	Cont	Sing
Freesia	15/5	Sing	RSL	Cont	Sing
Ravida	15/5	Mad	SSL	GI/GL	Uk cont
Able Lieutenant	15/5	Yoko	BBA	vehi	—
Pagan	16/5	Yang	MTA	GI(Logs)	—
Banglar moni	17/5	Sing	BSC	Cont	Sing
Steamers future	9/5	Col	Bdship	Cont	Col
Tanker Due	—	—	—	—	—
Aspiros	9/5	BSL	Crude oil	—	—
Yang PU	9/5	TSL	CPO	—	—

### Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Ismaia	—	Sing	B Bay	9/1
Brunei Eagle	—	Sing	B Bay	25/2
Mighty Tide	—	Sing	B Bay	R/A
Jasmine	Wheat(G)	Sing	SSST	4/5
Banglar Kiron	Wheat(G)	Sing	BSC	R/A
Mihalis-F	Wheat(G)	Sing	SSST	5/5

### Vessels ready

Banglar Gaurab	GI	Nago	BSC	7/5
Gul Lin Yang	C Clink	Chin	USTC	7/5
Kota Berjayacont	Cont	Sing	Pil(BD)	7/5
Da Fu (Cont)	Cont	Sing	Ap(B)	7/5
Hae Woon No 2	Cement	Sing	RML	6/5

Vessels not ready:

Taecheon	Cement	Sing	Cosmos	5/5
Castor	HSD	Baha	ECSL	5/5

### Vessels awaiting instruction:

Banglar Smapad	—	—	BSC	R/A
Marc	—	—	Lams	R/A

### Vessels not entering:

Hydroussa	Ballast	Monr	OTL	21/12
Pilifs	Straping	Hoan	GEI	3/3
Shakalin-5	Scaping	Sing	JF	25/4
Oriental Way	Scraping	OTL	—	2/5
Angeliki-R	Cement	Lans	Jaycee	30/4

### Movement of vessels for 9-5-97 & 10-5-97

OUTGOING		INCOMING		SHIFTING	
J/5	—	J/1	Ultima	J/11	Topaz
J/2	Georgy Dimitrov	CCT-1	B Kiron	Kulfo	Sea World
J/6	Concert	J/12	—	—	—
J/7	City of Lome	J/14	ST Future	—	—
J/9	Feng Qing	RM/4	Taecheon	—	—
CCT-1	K Selamat	—	—	—	—
CCT-2	Fong Lee	—	—	—	—
TSP	Raffia	J/2	Yang up	—	—
J/1	B Kallol	—	Magister	—	—
10/5	—	—	—	—	—
J/13	QC Pintail	—	—	—	—
CCT-2	Padma	—	—	—	—
RM-4	Delos	—	Aspiros	—	—
DDJ	B Jyoti	—	Dinamarca	—	—
—	—	—	Indian goodwill	—	—
—	—	—	ST Future	—	—
—	—	—	T Flower	—	—

The above are the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

**Bangladesh Power Development Board**  
Amendment No. 2  
**Site Preparation Contract**

A. The following amendment is hereby made to the "Invitation for Tenders" (Site Preparation Contract) of Meghnaghat Power Plant Project:

- Amendment to para 2:**  
The site area to be filled is an area of approximately 100 hectares with an estimated volume of 4 millions cubic metres. The hydraulic fill is to be sourced from approved locations in and around the Meghna River to raise the site.  
River embankment protection to the filled site is required on three sides with a total length approaching 3.4 KM and a protective embankment on land to the fourth side with a length of approximately 800 metres.
- Amendment to para 3:**  
All works under the design and build (turnkey) contract (Section 1, 2, 3) shall be completed within 300 days. However, all works under Section 1 and 2 shall have to be completed within 155 days from date of award of contract.
- Addendum to Volume 1 and Volume 2 of the tender document (Site Preparation Contract) will be issued separately to intending tenderers.**
- All other terms and conditions of the "Invitation" shall remain unchanged.**

**Habibur Rahman Jamaly**  
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**Coca-Cola celebrates 111 years**

A soft drink that has been the favourite drink of all generations and has seen through the world wars, cultural revolutions to the satellite break-through and man walking on the moon, Coca-Cola the world's favourite soft drink has the secret of being the eternal youth. It has been quenching thirst for 111 years and is still world's number one soft drink, says a press release.

Created by pharmacist Dr. John Stith Pemberton in Atlanta, Georgia, on May 8, 1886, Coca-Cola sold 50 glasses in its first year of production. Today the company's products are enjoyed by consumers in nearly 200 countries.

"Coca-Cola is the world's most recognised brand name", says Khalid Raja of Coca-Cola Far East Limited (Bangladesh Branch). "Since Coca-Cola's last birthday it has taken leadership in Russia, Venezuela and Vietnam. We have introduced a contour can in test markets within the US. These are specific examples of how a 111-year-old brand remains new and relevant to consumers around the world — the secret to a long life!"

The first Coca-Cola bottling plant was established in this country in the port city of Chittagong during early 60's. Today products of The Coca-Cola Company lead the carbonated soft drink market in Bangladesh.

# Emirates launches flights to Baku

Emirates, the international airline of the UAE, has unveiled its latest expansion plans announcing the launch of its new thrice-week