

**Rupali Insurance declares 25 pc dividend**

The Ninth Annual General Meeting of Rupali Insurance Company Limited was held at a city Hotel yesterday, a press release said.

M G Quddus Chairman of the company declared 25 per cent dividend for the year 1996.

The meeting also disclosed that the company earned a pre-tax net profit of Tk 31.75 million out of which 25 per cent dividend was declared after keeping a reserve of Taka five million and provision for tax of Taka 12 million.

The total reserve and asset of the company as on December 31, 1996 stood at Taka 123.97 million and Taka 359.51 million respectively.

All the directors including company Chairman M G Quddus, Jamal Uddin Ahmed FCA, Management and Financial Consultant and Z A Khan, managing director of the company were present in the meeting.

**PRAN reduces market lot of shares**

An extra-ordinary general meeting of Agricultural Marketing Company Ltd-PRAN was held on Tuesday at BCIC auditorium, says a press release.

The resolutions to reduce the market lot of PRAN shares to 10 per cent and to enhance the authorised capital to Taka 50.00 crore from Taka 10.00 crore were adopted unanimously.

Lt Col (Retd) Mahtabuddin Ahmed, Chairman of the company, presided over the meeting while Maj Gen (Retd) Amjad Khan Chowdhury, Chief Executive of the Company was present on the occasion. The chief executive highlighted the activities of the company and thanked the investors for their continued support and patronage.

**Jute purchase by govt uncertain in Rangpur**

KURIGRAM, July 9: Jute purchase by the government has become uncertain as the government closed down 25 purchase centres of greater Rangpur district in last June, reports UNB.

The prices of the jute purchased by Adamjee Jute Mills was not paid as yet. As a result, the *farjans* and *mahajans* are facing financial constraints and they are not in a position to buy jute afresh. Side by side government has said that the privately-owned jute mills will purchase jute from the growers at fair prices.

But, at present, the private jute mills are in deplorable condition as most of the mills remained closed. Besides, of the mills operating, only 6,000 looms out of 10,000 are in operation.

Moreover, government has announced that it will not give any subsidy at present even though the subsidy of Tk 220 crore was given in the jute sector through BJC in last fiscal year.

Due to the shortage of buyers, jute market is gradually going downwards. Concerned quarters here fear that the huge quantity of jute of the bordering districts will be smuggled to India.

Jute was cultivated on 1.20 lakh acres of land in Rangpur district and the production target was fixed at 4.80 lakh bales. The target is expected to be achieved but no government measures have been taken as yet to purchase the jute.

Local farmers urged the government to immediately start purchasing jute to ensure fair prices in the market.

**New chairman of Janata Insurance**

Board of Directors of Janata Insurance Co Ltd have unanimously elected M Mokammel Haque as new chairman of the Board and he has joined his new position on Tuesday, says a press release.

He brings in a wealth of experience and expertise in management from home and abroad.

Haque was a member of the administrative service for 35 years. He served as Member, Planning Commission in his 31 years of service and retired from the position of Executive Chairman, Board of Investment in 1996.

Haque had served as Director, Commonwealth Secretariat, London, in the mid-eighties for six yrs.

Tofael meets Mitsuo Sato in Manila  
**ADB responds positively to raise assistance**

MANILA, July 9: The President of Asian Development Bank (ADB) Mitsuo Sato has responded positively to the Bangladesh request to raise ADB's assistance to Bangladesh, reports BSS.

The response came at a meeting with the visiting Commerce and Industries Minister Tofael Ahmed at ADB office in Manila today.

The Bangladesh minister also requested the ADB president for more assistance to the private sector of Bangladesh so that they can participate in the development activities more generously.

Tofael thanked the ADB president for the assistance in the construction of Jamuna Bridge and development of energy sector. He also requested the ADB president to enhance ADB's assistance to the annual development programme of Bangladesh.

The minister said, the present government is giving priority to the development of the private sector. But due to the fi-

nanacial problem in the industrial loan giving banks, the government could not give sufficient financial support to the private entrepreneurs, he said.

The minister said, ADB is giving financial assistance to private sector for infrastructural development. He requested the ADB president to take more liberal attitude to the private sector, especially from Bangladesh.

The minister said, we have liberalised our trade policy and reformed the financial sector. At the same time, he said, government is offering incentive package to the foreign investors which is the best in Asia. He said we are taking steps to privatise SOEs to reduce the government expenditure. But we are facing some problems to go ahead with the privatisation programme smoothly, he said.

Endorsing the existing problem, the ADB president highly appreciated the achievement of the present government to socio-economic development of Bangladesh. He also agreed that Bangladesh

private sector requirement should be given consideration.

The minister also apprised the ADB president of the formation of Bangladesh, India, Thailand, Sri Lanka economic cooperation. He appreciated the ADB for giving assistance for the formation of Growth Quadrangle involving Bangladesh, India, Nepal and Bhutan.

The minister expressed his happiness over the upcoming visit of ADB president in Bangladesh.

The ADB president will visit Bangladesh in August.

In a free and frank discussion, they went through the whole range of development activities in Bangladesh and other Asian countries.

The meeting was attended by the ADB Director in charge of western part of Asia including Bangladesh Geert Van Der Linden, ADB Director Faizur Razzak, Bangladesh Ambassador to Philippines Reazul Hossain, MCCI President Samson H Chowdhury, Chairman of the Islam Group Manzurul Islam.



An extra-ordinary general meeting (EGM) of Agricultural Marketing Company Ltd-PRAN was held at BCIC auditorium on Tuesday. Ahsan Khan Chowdhury, Executive Director, Maj Gen (Retd) Amjad Khan Chowdhury, Chief Executive, Lt Col (Retd) Mahtabuddin Ahmed, Chairman, Md Giash Uddin, Company Secretary, and Sabiha Amjad, Director, were also present in the meeting.

**British Airways flight attendants go on strike**

LONDON, July 9: Flight attendants struck British Airways on Wednesday, forcing the airline to cut back on its busy summer schedule at London's two top airports and prompting delays for thousands of travellers, reports AP.

Hundreds of flights were expected to be canceled in the walkout that could cost British Airways millions, but the company insisted it would operate as many services as possible while seeking to resolve the pay dispute.

The 8,500 members of the British Airline Stewards and Stewardesses Association said they would stay off the job for three days. The Transport and General Workers Union, an umbrella union that is handling the negotiations, said early Wednesday it saw little chance for an early end to the walkout, but it hoped soon to reach a settlement that would prevent any further strikes.

British Airways said it would keep operating with help from 3,500 members of a breakaway union, Cabin Crew 89, as well as some members of the striking union expected to cross the picket lines being set up at London's Heathrow and Gatwick airports.

British Airways had said late Tuesday that 146 of its 220 departures from Heathrow would be canceled, as would nine of its 92 departures from Gatwick. Incoming flights to those airports would also be affected, and the company said Wednesday it would try to come up with updated figures on the

cancellations as more information became available.

Some 60,000 people or more could be affected on Wednesday alone.

British Airways apologized to its customers with full-page newspaper advertisements on Wednesday. The ads listed **Paris replaces Tokyo as most expensive city**

TOKYO, July 9: Tokyo was replaced by Paris as the city with the world's highest living costs, the Japanese trade ministry said in a survey report on Tuesday, reports AFP.

Prices in Tokyo stood 98 per cent of those in Paris in the three months to last March, compared with 108 per cent in the previous year's survey, the ministry said in the annual report.

It also showed that Tokyo's prices were 127 per cent of those in New York, down from 146 per cent the previous year.

Falling prices in Tokyo reflected a decline in the yen's value against other major currencies, ministry officials said.

Tokyo's prices also came to 106 per cent of those in London and 146 per cent of those in Singapore, according to the latest report.

The survey covered 93 items of consumer goods and services including taxes, and was based on the yen's average exchange rate against the dollar.

flights that would operate as normal and promised updates on the situation through a toll-free telephone hotline or the company's Internet site.

"We would like to offer our sincerest apologies to any customers inconvenienced by the current action," said the statement signed by British Airways. "Rest assured that we are doing all that we can to keep disruption to a minimum and, most importantly, to bring this dispute to a satisfactory conclusion as soon as possible."

Union officials said early Wednesday they still hope for a resolution, although a spokesman said he saw no possibility of ending the strike before Saturday morning. A settlement could prevent any further three-day walkouts by the cabin crew, the spokesman said on condition his name not be used.

The union had previously accused British Airways of forcing a strike rather than seeking a solution, and trying to scare the workers with heavy-handed intimidation tactics.

The company has offered flight attendants increases in their basic pay, but it wants changes in work rules that would cut back on much overtime on long-haul flights.

The union said this would cost its members money overall — even though the airline had said nobody would lose out for at least three years.

The breakaway union overwhelmingly accepted management's pay offer.

**BR executing projects under 8-yr plan to improve service**

By Govinda Shil

Bangladesh Railway (BR), the lone public sector train service in the country, is executing a number of projects under an 8-year plan to improve its services and maximise revenues.

The railway incurred a loss of Tk 1,442.87 crore during 1972-95 period. But officials hope that the projects will help the railway make its operation profitable.

The major projects include the introduction of air-conditioned train services between Dhaka-Chittagong and Dhaka-Sylhet, the setting up of rail communication with Madhyapara Hard Rock and Barapukuria Coal Mine sites. These projects costing Taka 832 crore will partly be financed by the government and partly by the donors.

Other major projects are: Connecting the both ends of the Jamuna Multipurpose Bridge with rails (approximate cost is Tk 773.64 crore), Expanding facilities at Kamalapur Inland Container Depot (at a cost of Tk 72 crore) and setting up of double railines between Tongi

and Bhairab bazar (approximate cost is Tk 210 crore). The Asian Development Bank and the government of Bangladesh along with other donors will finance these projects.

The projects under the railway's 8-year plan (1995-2002) will cost a total of Tk 5,016 crore. The authorities are also preparing another 8-year plan for 2002-2010 period at a cost Tk 3,213 crore.

A senior BR official said the new projects would help the sector reach a break-even point.

He said the railway is re-introducing its Jessore-Benapole section soon.

Physical work has started to revive the section to ensure optimum use of the Jamuna Bridge.

The official said soon after the opening of JMB, the railway's revenue will be multiplied through its increased traffic for goods trains.

To maximise its revenues, BR will lease out its optic fibres for private telephone use, ensure greater participation of private sector in selling out

tickets, maintaining and repairing engines and boggies.

BR is also planning a 'door to door' service, increasing goods and container trains between Dhaka and Chittagong. The container trains have already proved its profitability.

BR's recently completed projects, under its 8-year plan, include procurement of a total of 31 locomotives from Germany and India, replacing wood slippers with concrete ones in the Dhaka-Chittagong main section and modernising BR's printing press.

A senior communications official said: "To minimise losses, we need to reorganise the BR." He said the country should identify its won priorities while developing the railway.

He suggested for a long term and well-organised plan for BR's profitability. "The railway can not operate efficiently by only procuring locomotives and boggies in a scattered way."

He said "the railway has to develop its management and examine its nature of de-

**Pak move to recover bad debts draws response from defaulters**

KARACHI, July 9: The Pakistan government's carrot and stick approach to helping State Banks recover huge bad debts has drawn an encouraging response from defaulters, banking sources said Tuesday, reports AFP.

Some 127 billion rupees (3.18 billion dollars) are stuck up in loans obtained from three state-run banks and other government development financing institutions and two other local commercial banks.

The defaulters include industrialists, landlords and politicians.

A report by the Central State Bank of Pakistan (SBP) said about 62 per cent of the total 8,100 loan defaulters had contacted their banks to take up a one-time chance given by the government for settling their debts.

The SBP has asked defaulters to clear their dues within six months on a voluntary basis to avoid legal action which includes attachment and liquidation of property.

Pakistan has amended its banking laws and increased the number of banking and special courts to speed up the recovery drive.

Memo to Prime Minister  
**Khulna Newsprint Mills on verge of collapse**

Khulna Newsprint Mills, which used to earn huge foreign exchange besides meeting the full domestic requirement, is now on the verge of closure because of the wrong policy of the previous government, reports BSS.

This was stated in a memorandum to Prime Minister Sheikh Hasina by Union President Mohammad Tajammel Haq and General Secretary Mohammad Nizamur Rahman.

The union leaders said because of faulty policy of the previous government to allow duty free newsprint in September 1995, Khulna Newsprint Mills could not market its products which caused severe financial hardship in running the mill.

They said the mill had plunged into a complex situation because of non-withdrawal of allotted quotas by the country's newspapers since October, 1995.

newsprint at the rate of 22.50 per cent, and allowing import of newsprint only after full utilisation of the local products to help the production of the newsprint in the country.

They also suggested distribution of newsprint through dealers, as for fertilisers, and providing necessary government subsidies keeping in consideration the production cost. They also demanded immediate payment of Taka 30 crore to the mill authority which was given as subsidy to newspaper owners in 1994-95 and 1995-96 period.

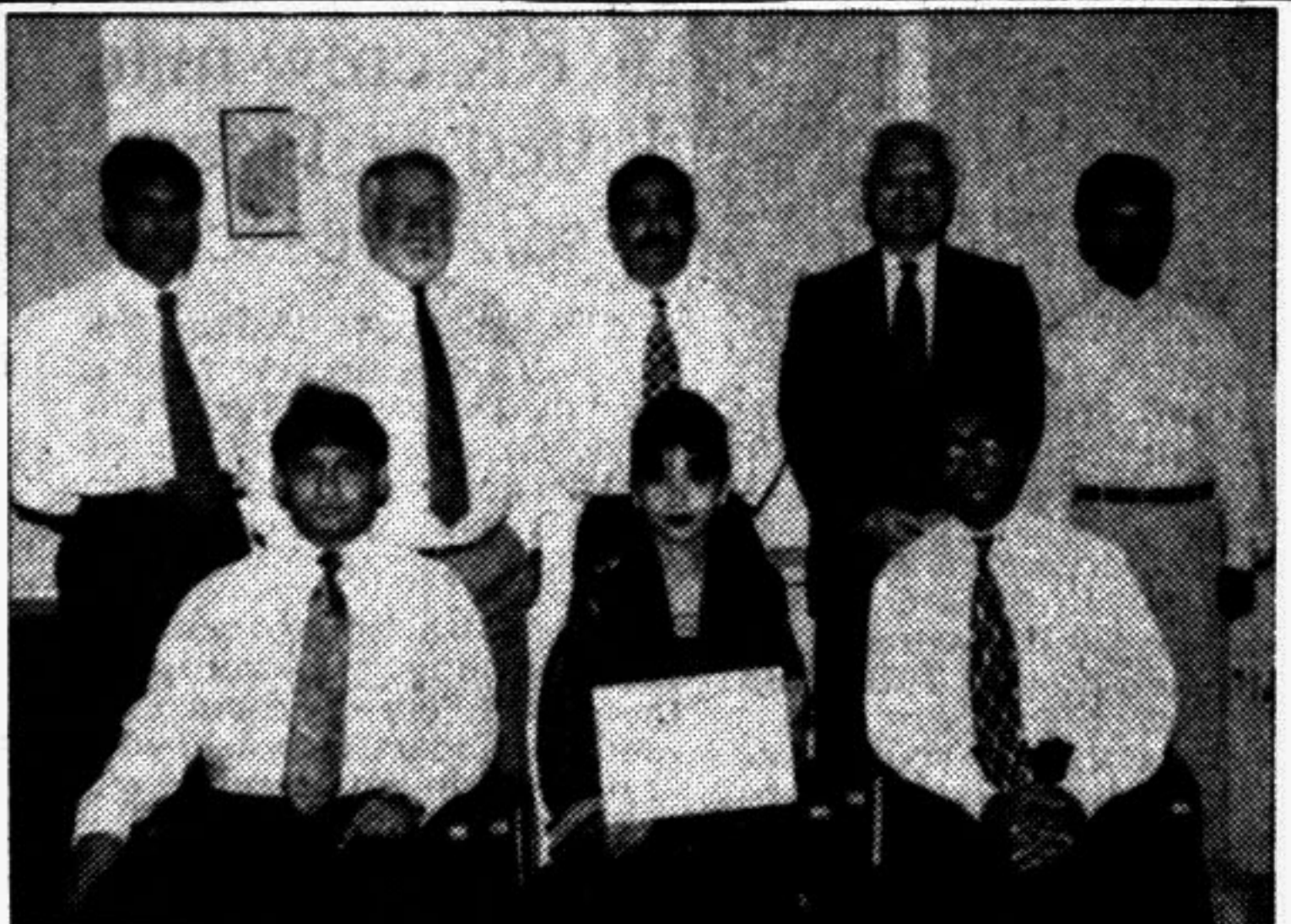
**Arab states owe Iraq \$ 1.5 b**

BAGHDAD, July 9: Arab states owe Iraq a total of 1.5 billion dollars in unpaid debts, profits on investments and bank deposits, the finance ministry said yesterday, reports AFP.

A ministry spokesman, quoted by the official news agency INA, said Saudi Arabia tops the list with a debt of 518.79 million dollars.

Syria owes more than 400 million dollars, followed by Bahrain with 290 million, Kuwait with 150 million, Somalia 78.7 million, the United Arab Emirates 16.87 million, and Egypt with 2.22 million dollars, he said.

The debts also include the value of Iraq's oil exports via its neighbours before the UN sanctions were imposed in August 1990.



The award winning Institutional Banking Team of Standard Chartered Bank, Dhaka with Geoff Williams, Chief Executive Bangladesh, and John Filmeridis, General Manager for Middle East & South Asia.

**US cos in Bangladesh expect better business this year**

American businesses in Bangladesh are looking forward to a better year in 1997 ending a less successful year in the worst business climate, but economists foresee a sluggish economy unless industry picks up, reports UNB.

According to a survey on the economic situation by the American Chamber of Commerce in Bangladesh (AmCham), the American companies expect that sales, investment and profits would be better in the year 1997.

The respondents of the survey, results of which were released in a discussion on Tuesday reported a modest increase in sales, investments and profits, indicating a 'less successful year' in 1996.

Former Finance Adviser Prof Wahiduddin Mahmud, who spoke in the discussion as one of the two-member panel, feared that GDP growth might go down next year if the industry fails to offset possible loss growth in agriculture.

"After two consecutive good

harvests, it is unlikely that there will be another good harvest next year," he said. "And whether the growth in the manufacturing sector can offset the agriculture growth remains a question."

Prof Mahmud argued that banks limited ability to provide credit to the private sector emerged as the major concern before the manufacturing sector as the banks could give a little term-lending last year.

"There has been a moratorium in long-term lending to the private sector... financial sector remains the crucial challenge for the private sector development," he told the mostly businessmen audience.

The former adviser noted that expansion of credit to private sector, hampered by heavy government borrowing last year, would be a difficult task before the authorities for revitalising the industrial sector.

But it remains a worry from where the investments would come, he said, pointing at dismal picture in the commercial banking sector while the Shilpa

Bank and Shilpa Rin Sangstha are yet to be revitalised.

Added Kabir U Ahmad, another noted economist: The industry will be deeply hurt if the trend of heavy government borrowing continues next year. It will crowd out the private sector from the market and push up interest rate.

"Credit is highly restricted while facilities for exports remained limited... Credit should be available at a cheaper rate," said Ahmad.

The respondents in the survey complained about a "substantial deterioration" in their performance last year, mainly because of the turmoil during early 1996, after a 'fairly satisfactory' performance a year back.

Hartals have been identified as the greatest problems in 1996 followed by poor utilities like electricity, corruption, customs, taxes, business atmosphere, business slowdown, slow government action etc.

The five main problems remain: hartals, business atmo-

sphere, customs, taxes and banks, and utilities, according to the survey in which AmCham members and some other national and multinational companies took part.

The survey showed relative slowdown of the economy for 1996 and found the expectations of the AmCham members high for 1997 as they hope a sustained political stability will contribute to creation of favourable business atmosphere.

But most of the respondents doubted sustainability of political stability. The greatest problems that they expect in 1997 are hartals and political disturbances.

AmCham members found the port and electricity unsatisfactory. On inter-city roads, opinion was split.

They also cited providing better utility services, changing attitude of bureaucracy, promoting country's image and financial sector reforms as the biggest challenges for Bangladesh.

Representatives of the Amer-

ican businesses wanted an inflation rate of 4.9 per cent and expected December 1997 exchange rate to be Tk 45.4 a US dollar.

Speaking on the economic performance, Prof Mahmud pointed out a narrowing current account deficit, but said the improvement is largely because of decline in imports, rather than rise in the exports.

If the manufacturing sector picks up, the imports will grow again and there would be a problem in the balance-of-payment situation, he said. He suggested diversification of export items to arrest a slowdown in exports.

The former adviser noted a "temporary moratorium" in the import liberalisation policy and said the exporters need now some aggressive measures to boost exports. He said the potential small exporters should be given special incentives.

Referring to the interest rates, he said the spread between deposit rates and lending rates is "too high in our na-

**Coming AGMs**

Company	Book Closure	AGM/EGM	Date	Venue & Time	Dividend Proposed
Rupali Ins	19/06/97-08/07/97	AGM	09/07/97	Hotel Sonargang, 3pm	-
Basim Tex (Deb)	15/06/97-30/06/97	(Half yearly interest)	-	-	-
Best Dairies (Deb)	do do do	do do do	-	-	-
Best Fisheries (Deb)	do do do	do do do	-	-	-
Best Knitting (Deb)	do do do	do do do	-	-	-
BCL (Deb)	17/06/97-27/07/97	Half yearly interest	-	-	-
FC	17/07/97-08/08/97	AGM	27/07/97	Hotel Sonargang, 3 pm	150:100
National Life Ins	01/07/97-12/07/97	AGM	12/07/97	Sahag Community Centre, 11:30 pm	-
Pragati Ins	17/07/97-08/08/97	AGM	08/08/97	Hotel Sonargang	30
Peoples Ins	13/07/97-31/07/97	AGM	31/07/97	Hotel Sonargang, 5:30 pm	22.50
Eastern Housing (Deb)	24/06/97-30/06/97	(Half yearly interest)	-	-	-
Eastland Ins	17/07/97-31/07/97	AGM	31/07/97	Hotel Purbani 3:30 pm	18
AMCL Plan	-	EGM	08/07/97	BOC Auditorium 3pm	-
Arden Pharma	14/07/97-24/07/97	AGM	24/07/97	Tegapon Reg Office 3:30pm	15
BD Zipp (Deb)	14/07/97-31/07/97	AGM	-	-	24
BGC	-	-	-	-	185

**Initial public offering of shares**

Company Name	Subscription List	Total Issued Capital/Debt Taka in lacs	Offer to Public Tk in lacs	Offer Value
	Opening Closing			
Samporna Hospital	07/07/97... 18/07/97	600.00	30 (ICB) 10 (NRB) 10 (Employee) 150 (GF)	100.00
Uttara Fin and Invest Ltd	06/07/97... 15/07/97	1200.00	60 (ICB) 20 (NRB) 20 (Employee) 150 (GF)	100.00
Gem Knitwear Fabrics Ltd	15/07/97... 24/07/97	200.00	15 (ICB) 5 (NRB) 5 (Employee) 75 (GF)	100.00
CMC Kamal Textile Mills Ltd	04/07/97... 13/08/97	1720.00	129 (ICB) 43 (NRB) 43 (Employee) 845 (GF)	100.00

**Shipping Intelligence**

**Chittagong port**  
Berth position and performance of vessels as on 9.7.97

Berth No.	Name of vessels	Cargo	L port call	Local arrival	Date of arrival	Leaving
J/1	Orinis	Caraca	Jedd	Cont	5/7	10/7
J/2	Arktis Meridian	P.Cargo	Sing	Karna	2/7	9/7
J/5	Ocean-1 (48)	Idle	Cal	Cross	29/6	11/7
J/6	Vientiane	Idle	Cal	Fairmax	23/6	9/7
J/7	Guang Ming	GI	Dali	Prog	25/6	15/7
J/8	Tiger Sun	GI	Ying	Prog	1/7	9/7
J/9	Kota Pusaka	Cont	Sing	PH(BD)	30/6	12/7
J/13	Won Fu	C.Clink	Col	Delmure	2/7	13/7
J/13	Kota Berjaya	Cont	Sing	PH(BD)	27/6	12/7
CCT/1	Lampun Navee	Cont	Sing	RSL	27/6	12/7
CCT/2	Banglar Robi	Cont	Sing	BSC	30/6	11/7
CCT/3	Da Fu	Cont	Sing	Apf (Bj)	30/6	11/7
RM/14	Banglar Shobha	Repair	Kara	BSC	26/6	10/7
CCJ	Mashakti	C.Clink	Kara	USTC	4/7	18/7
GSJ	Zara	Repair	Col	Nishan	2/7	10/7
TSP	Ya Mujeer	Sulp	Sarja	USTC	3/6	10/7
RM/4	Ventura	Cdso	Darb	Seacom	4/7	12/7
RM/5	Nidia	Hsd	Mina	MSTPL	4/7	12/7
DOJ	Firas-1	Cement	Sing	Jaycee	25/6	10/7
DDJ/1	Tanary Star	Idle	Para	PSAL	-	-

**Movement of vessels for 10.7.97**

Outgoing	Incoming	Shifting
J/1 Orinis	DOJ	B.Joyti
TSP Ya Mujeer	Rm/6	Viola
DOJ B.Shourabh	Kafco(a)	Al Salma
	J/1	Kuan Yin

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

**Exchange Rates**

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 09/7/97:

Currency	Buying		OD Transfer
	TT & OD Sight	Export Bills	
US Dlr	43.5200	43.3522	43.2386
G Pound	73.0640	72.7652	72.5744
D Mark	24.5800	24.4795	24.4153
F Franc	7.2883	7.2585	7.2395
JP Yen	0.3845	0.3829	0.3819
C Dlr	31.5142	31.3854	31.3031
S Franc	29.5732	29.4523	29.3751

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US Dollar	43.8120	43.8650
GB Pound	74.1370	74.2214
D Mark	24.9972	25.0256
F Franc	7.4103	7.4187
J.P Yen	0.3936	0.3940
C Dollar	32.0425	32.0789
Franc	30.0786	30.1127

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

Currency	Selling		Buying	
	TT & O.D.	B.C.	TT & O.D.	B.C.
US Dlr	44.1000	43.6000	43.1400	42.6400
GBP	73.1400	71.1400	71.1400	69.1400
S Riyal	11.7000	11.3500	11.3500	11.0000
UAE Dh	11.8500	11.3500	11.3500	10.8500