

**SANYO**  
Micro  
Computer  
Controlled  
Automatic  
Washing  
Machine  
ASW-40MT

71,25,000

# The Daily Star BUSINESS

DHAKA TUESDAY, OCTOBER 7, 1997

**HYUNDAI**  
CARS THAT MAKE SENSE

EU experts tell fish exporters

## Take more time, but do it properly

Star Business Report

Two European Union experts are in Bangladesh to do the appraisal for a 'technical assistance' project for the frozen foods industry, in response to a government plea for such a EU programme.

Oscar Do Porto, a chemical engineer and Donald Gibson, chemist and microbiologist will be visiting fish processing plants in Khulna and Chittagong during the second week of this month.

The experts will also be guiding the plant owners about how to upgrade their plants in line with the EU health and hygiene regulations, officials said.

The experts are also holding meetings with government officials at different departments.

A group of exporters told The Daily Star that the EU officials were asking them to 'take more time and complete the unfinished tasks carefully'. The quality control department of the government which lack many essential equipment for various laboratory tests has also been given similar advice.

## Lankan envoy calls for boosting Dhaka-Colombo trade ties

Sri Lanka High Commissioner to Bangladesh SB Atugoda has stressed on bilateral meetings between the businessmen of two countries for strengthening existing trade relations and to look for newer avenues for mutual benefit, says BSS.

Addressing a group of Bangladeshi businessmen at Gulshan Club here, Sunday, Atugoda explained the prospects of joint ventures, direct investment and export promotion of new products for the benefit of the two countries, a press release of the High Commissioner said.

The meeting was organised by Shariatpur business mission for creating awareness about Expo '97, the trade fair scheduled to take place in Colombo next month.

The High Commissioner requested Bangladeshi businessmen to take the opportunity to visit Sri Lanka under the package of benefits offered for expo and know about the prospects of mutual cooperation.

The function was also addressed by parliament member from Shariatpur Col (red) Shawkat Ali and Master Mozibur Rahman and Md. Abdus Sobhan, Leader of Shariatpur business mission.

## Beijing seeks permanent trade privileges from Washington

BEIJING, Oct 6: On the eve of a visit by US Commerce Secretary William Daley, China's foreign trade minister urged the United States Sunday to grant Beijing permanent trading privileges, reports AP.

Wu Yi said Washington's annual debate over whether to allow Chinese goods in at low tariffs was a leftover of 'the Cold War period' that 'has created a feeling of instability among the business communities of the two countries'.

The low tariffs, known as Most Favoured Nation trading status, are debated each year by the US Congress. Wu said the debate should be abolished, resolving the issue once and for all.

'More Americans with vision have become aware of the fact that only by settling this issue can Sino-US trade relations have a solid and stable base,' Wu said in an article published by the official Xinhua News Agency.

Daley arrives Monday for a visit at the invitation of Wu's Ministry of Foreign Trade. Wu's appeal also preceded a visit by Chinese President Jiang Zemin to the United States this month.

Wu said Jiang's visit should serve as a springboard for better trade ties.

## Filipino exports rise 23 pc

MANILA, Oct 6: Electronics and computer parts helped push Philippine exports 23 per cent higher in the first eight months of 1997 from a year earlier to 16.02 billion dollars, the government said Monday, reports AP.

For the month of August alone, exports rose 27 per cent from a year earlier to 2.25 billion dollars, the National Statistics Office said.

Electronics and components surged 49 per cent in August from a year earlier and continued to occupy the top spot in the country's export list with a 44 per cent share.

Garments rose five per cent and maintained the second biggest share at 16 per cent. Computer peripherals ranked third with a seven per cent share after growing 196 per cent on strong demand from the Netherlands.

# High defence spending irks WB

By Inam Ahmed

The World Bank has questioned the level of increase in defence expenditure saying that it contradicts the government's emphasis on poverty reduction.

There is a creeping increase in (real) defence expenditures, which already account for 17.18 per cent of current spending, the Bank's recent draft report on public expenditure said. 'This is questionable in view of the tremendous poverty alleviation task facing the country.'

Earlier, the WB in its economic update on 1997-98 budget prepared in July had expressed similar views. 'Over eight per cent increase in spending on de-

fence is hard to understand,' it said in the Update.

Defence spending has doubled in six years since 1990-91. It stood at Tk 22.7 billion in 1996-97 from Tk 11.8 billion in 1990-91. It was six billion taka in 1985-86.

The bank also raised questions about expenditures in a number of other areas, which saw rapid expansion in recent years.

These include growing subsidies, interest payments on domestic debt, salaries and wages arising out of the issue of absorption of personnel from

the completed public projects under the recurrent budget.

The WB said the rapidly growing level of subsidies was a cause for concern.

The total food and other subsidies including fertiliser increased -- in nominal terms -- by 70 per cent in 1996-97 over the previous year's levels, and the budgeted amount for 1997-98 indicates a 41 per cent increase, it said.

The principal source of this expansion was the growing fertiliser subsidies, the Bank observed, saying further adjustments in urea prices were

needed to contain the burden on the budget.

The domestic ex-factory price is still being kept below 50 per cent of the international price despite a 29 per cent increase in June, the Bank said. 'But the economic subsidy on urea produced domestically by BCIC has not been accounted for in the national budget for many years,' it said.

'BCIC's estimate of the domestic production cost of urea is a poor indicator of the social opportunity cost of gas and capital, given the underpricing of gas supplied to the fertiliser sec-

tor, and inadequate allowance for depreciation and interest costs,' said the Public Expenditure Review (PER).

In 1996-97, the economic subsidy on urea sales is estimated to have been about Tk 1500 crore.

The Bank said interest payments on domestic debt had been increasing significantly since 1993-94, rising from about 0.5 per cent of GDP in 1993-94 to 0.8 per cent of GDP in 1996-97.

'This is attributable to the steady increase in the amount of relatively high cost non-

bank domestic borrowing to finance budget deficits, while highly concessional foreign financing has been declining,' it said.

The Bank also observed that absorption of personnel from completed development projects in the recurrent budget was one of the reasons causing recurrent spending on salaries and wages to increase continuously.

The Bank viewed that better aid utilisation through improvements in project implementation and acceleration of reforms would help contain the growth in interest payments.

## IB sanctions Tk 84cr against 43 projects

Islamic Bank Bangladesh Limited has sanctioned term investment of Taka 83.60 crore against 43 industrial projects during last financial year from July 1996 to June 1997, says a press release.

During the period Taka 65.86 crore has been disbursed against 35 industrial units.

This will create employment opportunities for about four thousand people.

The bank also sanctioned working capital facilities/investment of Taka 793.70 crore and disbursed Tk 476.39 crore favouring 249 industrial units. The bank and bank financing including the projects financed by the bank earlier during the same period.

## NBR, DSE meet on tax assessment

Star Business Report

The Dhaka Stock Exchange (DSE) members and National Board of Revenue (NBR) yesterday held a second meeting to bring uniformity in tax assessment of DSE members after they had received a NBR note asking them to submit tax returns.

The DSE members became worried after receiving letters from NBR's intelligence and investigation officials a couple of weeks back, DSE sources said.

'There is nothing to be scared of, it's a normal procedure, some of the members are already paying taxes but their files are scattered. We are trying to bring uniformity in their assessment and bring them under one jurisdiction so that every body follows the same procedures,' said NBR Member Imamuzzaman Choudhury.

DSE Chairman MA Hawlader and member Rakibur Rahman represented the DSE members to the meeting with NBR Members Imamuzzaman Choudhury and MA Sattar and other senior revenue officials.

'The meeting was very fruitful. I am personally convinced of the sincerity of the NBR in this regard, and they assured us that the investors will not be affected in any way and the NBR is issuing a circular in this regard,' DSE Member Rakibur Rahman said.

The NBR has assured DSE that they have employed 'the best officials' for the purpose, and DSE members can submit return without any fear, he added.

'We are progressing in a very cordial atmosphere and are not expecting any sort of harassment from them and about 15 DSE members will attend the next meeting on October 12', he said.

## US envoy calls on Privatisation Board chairman

US Ambassador to Bangladesh Jhon C Holzman called on Chairman of the Privatisation Board Kazi Zafarullah at the latter's office here yesterday, reports UNB.

They discussed matters relating to bilateral issues particularly on the privatisation of state-owned enterprises of Bangladesh, says a press release.

The chairman informed the Ambassador that the present government has geared up the privatisation process.

He also said the board has finalised to denationalise 32 state-owned enterprises in 15 months of the present government. The sale value of these enterprises has been estimated at about Tk 306 crore, he added. He also sought active cooperation for successful implementation of the privatisation process.

Holzman assured the chairman of his government's necessary cooperation and assistance for successful implementation of the Privatisation Board's divestment programme.

## Export earnings stand at \$922m in first 2 months of current FY

Country's export earning in the first two months of the current fiscal year (1997-98) stood at \$922 million US dollars against the target of \$833 million dollars, reports UNB.

The figure marked 20.83 per cent and about 30 per cent increase over the export of the corresponding period (July-August) of 1996 and 1995 respectively.

A review meeting was held that the export growth is continuing at an enhanced rate. Commerce and Industries Minister Tofael Ahmed chaired the meeting held Sunday.

Export target of the current fiscal year (1997-98) was fixed at 5 billion dollars against the total export of 4.42 billion dollars in 1996-97.

The total export of fiscal 1995-96 was 3.86 billion dollars.

The export of the last two months (July-August) is also 10.62 per cent higher than the target.

Export of jute has increased by 41.54 per cent in the July-August period as compared to the corresponding period of 1996. RMG and frozen food exports increased by 33 and 12.52 per cent respectively.

The minister asked the EPB officials to expedite the promotional activities to facilitate new exporters and market expansion.

He asked the commerce ministry to provide all logistic support to EPB to set up a micro-firm unit and create more computer facilities.



Once an import item, nylon ropes are now hand-made in Bangladesh. Hundreds of maunds are produced daily by poor villagers in Sonargaon which are transported to nearby towns or marketplaces by rickshaws.

— Star photo by A K M Mohsin

## Move underway to amend textile quota rules

A move is underway to amend the Textile Trade and Quota Administration Rules, 1991 to stop the 'quota trade' and break the monopoly of some exporters dealing with readymade garments quota for the United States and Canada.

Reliable sources told UNB Sunday that the move is aimed at dismantling the coterie of a few old garment owners and bringing out quotas from another group of non-manufacturers.

They said these two groups are making money just by transferring the quota papers to the new garment owners, who

are not getting quotas as per their requirements.

The 1991 Rules, allowing the transfer of quota to anyone by the allottees, gave birth to a 'quota market' with a large number of brokers collecting quotas at a throw-away price and selling those at an exorbitant price to the needies.

The sources said the genuine garment manufacturers — and also the new ones — have become hostage in the hands of these middlemen and a handful of manufacturers who are getting quotas for their past performance.

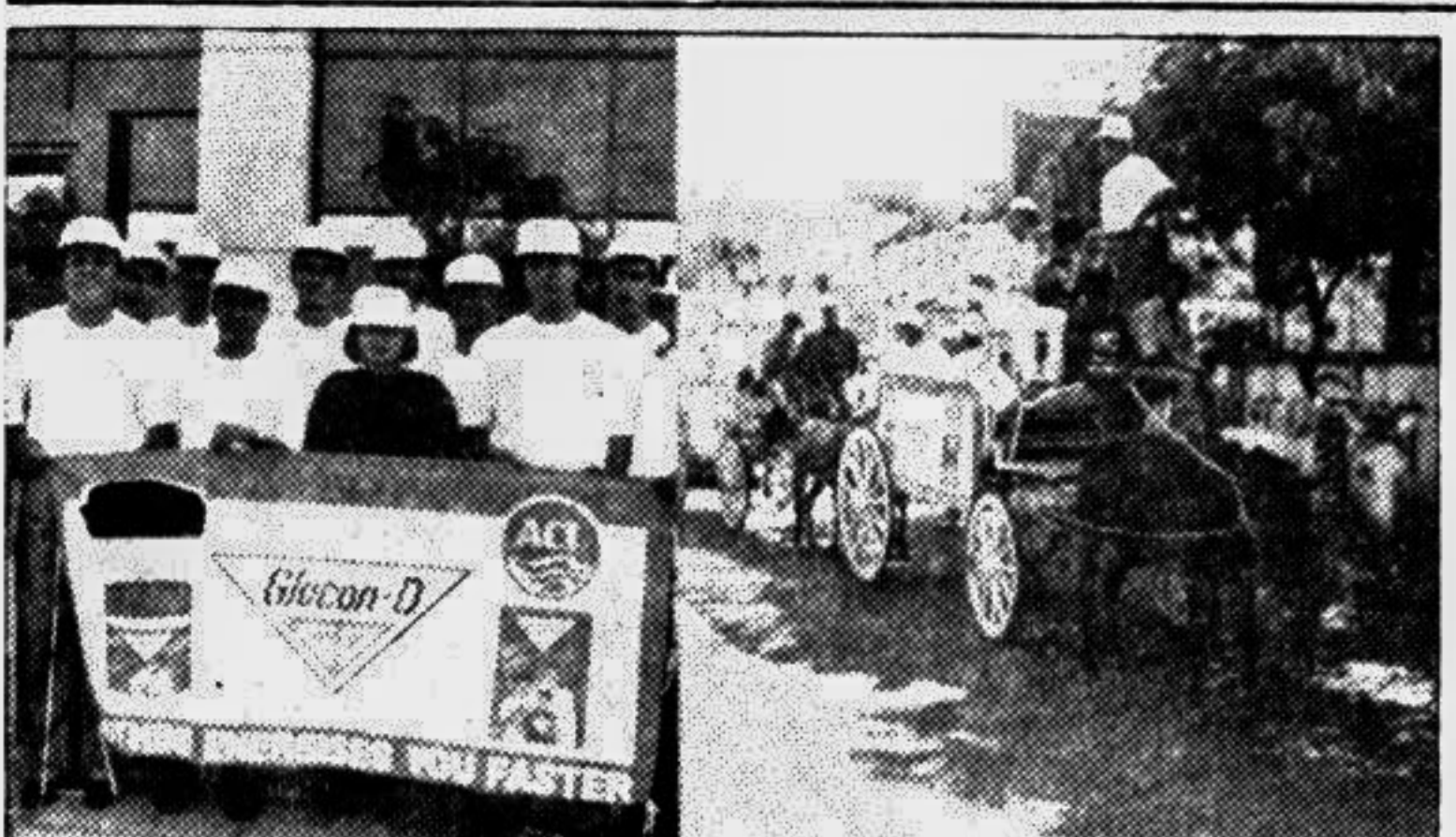
But in most of the cases, they

transfer the quotas instead of utilising those, it was alleged.

Some of the garments factory owners, who have already switched over to other businesses, are still holding their quotas only to sell those either to brokers or to genuine manufacturers.

Bangladesh exported readymade garments worth about 1200 million US dollars to USA while around 55 million US dollars to Canada in 1996-97 fiscal.

The industry's export earnings from only these two countries rose by 13 per cent last year as compared to 1995-96.



Colourful rallies marked the launching of Gluco-D, an ACI consumer brand, in the city yesterday.

## 'Upgrade phone network in hill dists'

Post and Telecommunications Minister Mohammad Nasim has directed the T&T Board to formulate a project within a month to upgrade the existing telephone network in the hill districts, reports UNB.

He gave the directive while addressing a meeting of the senior officials of T&T at his office on Sunday.

Nasim said the existing Magneto and CB exchange systems at thana level will be replaced by digital ones, said an official handout.

## Exchange Rates

The following are the Sonali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 6th Oct '97.

Buying			
TT Clean	OD Sight Export Bills	OD Transfer	
US Dlr 44.4300	44.2545	44.1580	
GB Pound 71.3957	71.1137	70.9586	
D Mark 25.2155	25.1159	25.0611	
F Franc 7.5028	7.4731	7.4568	
C Dir 32.2215	32.0942	32.0242	
S Franc 30.5725	30.4517	30.3853	
JP Yen 0.3584	0.3570	0.3562	

Selling			
Name of Currency	T.T. & O.D.	B.C.	
US Dollar	44.7105	44.7505	
GB Pound	72.4328	72.4976	
D Mark	25.6444	25.6673	
F. Franc	7.6273	7.6341	
C Dollar	32.7627	32.7920	
S Franc	31.0962	31.1240	
JP Yen	0.3681	0.3684	

A) TT (DOC) US Dollar Spot Buying Tk. 44.3422

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 06/10/97.

Buying			
Name of Currency	TT Clean	OD Sight Export Bills	OD Transfer
US Dlr 44.4350	44.2519	44.1433	
GB Pound 71.3992	71.0965	70.9221	
D Mark 25.2268	25.1199	25.0583	
F Franc 7.5059	7.4741	7.4558	
JP Yen 0.3631	0.3616	0.3607	
C Dir 32.2230	32.0864	32.0077	
S Franc 30.5952	30.4655	30.3907	

Selling			
Name of Currency	T.T. & O.D.	B.C.	
US Dollar	44.7115	44.7510	
GB Pound	72.4130	72.4776	
D Mark	25.6336	25.6564	
F. Franc	7.6261	7.6329	
JP Yen	0.3713	0.3717	
C Dollar	32.7452	32.7743	
S. Franc	31.1011	31.1288	

Coming AGMs					
Company	Book Closure	AGM/EGM	Date	Venue & Time	Dividend Proposed
Beem Ltd (Debt)	28/09/97-10/10/97	Hill Yearly Interest			
ICB	16/10/97-30/10/97	AGM	30/10/97	Hotel Putran, 3pm	
Quessen Drycol	26/09/97-30/09/97	AGM			SR3 (pre Tk 15)
Best Pharma	10/11/97-30/11/97	AGM	30/11/97		30 182
Shine Pukur	-	-	-	-	10P
Papst	20/10/97-18/11/97	AGM	18/11/97	Officers Club, Dhaka, 11am	
Uttara Bank	16/10/97-30/10/97	AGM	30/10/97	Hotel Putran, 4pm	
Wells Chemical	16/10/97-30/10/97	AGM	30/10/97		
Beni Int'l (India)	09/10/97-20/10/97	AGM	20/10/97	Factory Premises, Chp, 3pm	
Barco Ltd	07/10/97-18/10/97	AGM	18/10/97	Hotel Sonargaon, 3.30 pm	
A Banka Bank	07/10/97-18/10/97	EGM	23/10/97	Hotel Putran, 3pm	
Green Del Ins.					

## Shipping Intelligence

Chittagong Port						
Berth Position and Performance of Vessels as on 6.10.97						
Berth No.	Name of Vessels	Cargo	L Port	Local Agent	Date of Leaving	Arrival
J/1	Kimberley	C Clink	Dali	MBL	9/9	11/10
J/2	Saigon-2	Urea	Rowen	CTPL	22/9	7/10
J/4	Hong Men	Sugar (G)	Itaz	Seacom	29/9	8/10
J/6	Voccan	CI	Maura	Oil	25/9	6/10
J/7	Aurora	Wheat (G)	Mora	Lams	R/A	10/10
J/8	Great Prize	Wheat (G)	Qasim	Ancient	23/9	7/10
J/9	Prudent Challenger	CI	Vize	Prog	30/9	11/10
J/11	Sam II Po	GL	Mong	OWSL	19/9	7/10
J/12	Banglar Asha	Wheat (G)	-	Lams	R/A	8/10
J/13	Sea Elegance	Cont	Sing	Pil (BD)	1/10	8/10
CCT/1	Padma	Cont	Sing	RSL	5/10	8/10
CCT/2	Kota Pusaka	Cont	Sing	Pil (BD)	2/10	7/10
CCT/3	Lamphun Navee	Cont	Sing	RSL	30/9	6/10
RM/14	Ivan Vazov	Fert (Mop)	-	Litmond	R/A	8/10
CGJ	Nan Du Jiang	C Clink	Dam	Seacom	21/9	9/10
TSP	Navigator	R Phos	-	Prog	R/A	7/10
RM/3	Shao Shan	Cement	-	Delmure	R/A	7/10
RM/4	Sheng Yuan	Cement	Peng	RML	19/8	10/10
RM/5	Star Glory	Cement	Lans	Delmure	R/A	13/10
DOJ	Banglar Jyoti	Repair	-	BSC	R/A	7/9
DDJ	Banglar Shourabh	Repair	-	BSC	R/A	16/10
DDJ/1	Ransary Star	Idle	Para	PSA	8/6/9530/10/97	
RM/8	Banglar Mookh	Repair	Yoko	BSC	20/9	14/10
RM/9	Banglar Makoli	Repair	Yoko	BSC	20/9	14/10
Kafco (U) Tur Ocean Echo	P Mat	Sing	MBL	30/9	15/10	

Vessels Due at Outer Anchorage						
Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading	Port
Meng Lee 22/8	7/10	Sing	BDSHIP	Cont	Sing	
Sin Hai 26/9	6/10	Sing	GCSL	Cont	Sing	
Xpress Resolve 1/10	6/10	Col	Baridhi	Cont	Sing	
Et Carrier-2	6/10	-	Total	P Mat	-	
Venturer	6/10	Fuja	Sinmi	Scraping	-	
Hui Feng	6/10	Sing	BDSHIP	Ballast	-	
Cadmus	6/10	-	UMTL	Scraping	-	
Etsuzan Maru No 5	6/10	-	BBA	-	-	
Great Best-1	7/10	Col	Riza	USTC	Cement	
Leont 24/9	7/10	Sing	Singapore	Cont	Sing	
Rab	8/10	Shrek	Litmond	Fert (Mop)	-	
Kota Bintang 29/9	8/10	Sing	Pil (BD)	Cont	Sing	
Dragon Sentosa 4/99/10	8/10	Col	Baridhi	Cont	Col	
Jiao Cheng	10/10	-	JF	GI	-	
Ultima 1/10	10/10	Col	Baridhi	Cont	Col	
Venessa 1/10	10/10	Sing	RSL	Cont	Sing	
Banglar Robi 1/10	11/10	Sing	BSC	Cont	Sing	
Arktis Future	11/10	-	Sunshine	GI	-	
Golden Ocean	12/10	Sing	CTPL	Urea (Fert)	-	
Hai Xiong 22/9	12/10	Sing	Pil (BD)	Cont	Sing	
Albatros-III	12/10	Ruwa	Cross Urea	(BCIC)	-	
Qc Teal 2/10	12/10	Sing	GCSL	Cont	Sing	
Danah	13/10	-	Sunshine	GI	-	
Da Fu 5/10	13/10	Sing	APL (B)	Cont	Sing	
M Regina 5/10	13/10	Sing	Pil (BD)	Cont	Sing	
Anlida	15/10	Sing	BNSC	Cement	-	
Banglar Moni 1/10	15/10	Sing	HSC	Cont	Sing	
Qc Pintail 5/10	16/10	Sing	GCSL	Cont	Sing	
Astro Jyojin						