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DHAKA TUESDAY, DECEMBER 30, 1997

Apex Foods declares 40 pc dividend

Star Business Report
Apex Foods Ltd at its 18th annual general meeting has declared a 40 per cent cash dividend.

The AGM was held at National Shooting Complex in the city yesterday with Zafar Ahmed, Chairman of the company in the chair.

The Board of Directors has foregone their portion of the dividend, says a press release.

Amam Sea Food announces 20 pc dividend

Star Business Report
Amam Sea Food Industries Ltd declared a 20 per cent stock dividend (bonus share) at its 14th annual general meeting.

The meeting was held at National Shooting Complex here on Saturday.

Zafar Ahmed, Chairman of the company, presided over the AGM, says a press release.

Bengal Ceramics declares 10 pc dividend

Star Business Report
Bengal Fine Ceramics Ltd has declared a 10 per cent dividend for its shareholders.

The dividend was announced at the company's 14th annual general meeting (AGM) held at Bhagalpur in Savar recently, according to a company press release.

Rashed Mowdud Khan presided over the AGM.

Dacca Dyeing shareholders to get 10 pc interim dividend

Star Business Report

The Dacca Dyeing and Manufacturing Company Ltd has decided a 10 per cent interim dividend for the year 97-98.

It was disclosed at the company's 19th annual general meeting held at Sheraton Hotel in the city recently.

The meeting was chaired by company Director Jamaluddin Quader Chowdhury, according to a press release.

In the year ended on June 30, '97 the company's turnover was increased satisfactorily and export performance was developed by 259 per cent over the previous year.

Shareholders approved the audited accounts and auditors' report thereon and Directors' report for the year.

They also approved the appointment of auditors for the year 1997-98 and fixed their remuneration.

Prime Bank opens Mouchak branch

The Mouchak branch of Prime Bank was opened here Sunday, reports BSS.

Dr R A Ghani, chairman of the Board of Directors of the bank presided at the inaugural function.

Tofail Ahmed, Minister for Commerce and Industry, was present as chief guest and inaugurated the branch.

In his speech Tofail Ahmed said that the present government is aspiring to bring discipline in the banking sector.

He asked for streamlining loan default culture and to inspire the real entrepreneurs.

Dr R A Ghani in his address reiterated that Prime Bank will work in changing the default culture and will continue application of latest technology to provide the client with most modern banking services.

Managing Director of the bank Kazi Abdul Mazid explained the customer-friendly welfare oriented deposit and loan products of the bank, a press release said.

Sonargaon Hotel's beautification programme

Management staff of the Pan Pacific Sonargaon Hotel joined in a beautification programme around the hotel compound yesterday, aiming to make a greener environment in the city, reports UNB.

The Operation Oasis programme included painting of road dividers and grills, planting of saplings and cleaning up of the hotel premises, officials of the five star hotel said.

Business Development Manager of Coca Cola Bangladesh Khairul Karim inaugurated the programme. Managing Director of Hotel International Ltd., the owning company of Sonargaon Hotel, Adiluzzaman was present as special guest.

Coca Cola co-sponsored the programme by donating 200 bottles of complimentary soft drinks.

The Pan Pacific family, led by the hotel's Steering Committee members, painted island grills and road dividers in front of the hotel and drew zebra crossings and road markings.

Pan Pacific Sonargaon Hotel staff in the city yesterday took part in the 'Operation Oasis' programme which included painting of road dividers and grills.

— Star photo

Garment, leather, software to get priority in proposed industrial policy

PM speaks of trouble-free port, privatising some services

By Toufique Imrose Khalidi and Govinda Shil

Prime Minister Sheikh Hasina has hinted at privatising some services to free sea ports from the hands of disruptive elements, one of the key impediments to smooth functioning of foreign trade activity. She was responding to a plea from industry leaders at a National Export Committee meeting yesterday that those obstructing port activities should be punished and that the government must act to create a normal atmosphere immediately, sources said.

"We have already responded... and taken positive steps," she was quoted to have told the meeting attended by foreign, finance and commerce ministers, and state ministers for foreign affairs and planning, senior government officials and business leaders. "Just a group of people is holding us to ransom," she said, pledging to sort out the problem soon.

The meeting also produced government decisions to put thrust on garment, leather and software industries in the proposed industrial policy aiming to diversify and expand the export base.

The government has targeted US\$ 6 billion in exports this fiscal, and the receipts have been better than expected so far, by only two per cent though. In the first five months till November, earnings were up by about 20 per cent against that in the same period last year.



Creating new jobs with a diversified and expanded export base appeared a top priority for the prime minister who presided over a meeting of the National Export Committee yesterday. — PID photo

State Minister for Foreign Affairs Abul Hasan Chowdhury suggested a stronger and reorganised export promotion bureau, which he said was not properly equipped to do its job.

Software received the most attention as the prime minister gave directives to extend support to "new entrepreneurs and new ideas". She assigned the task to the science and technology ministry which would coordinate with other ministries and agencies.

The prime minister also raised the issues of vegetable

and jewelry exports, "which could help create job opportunities in rural areas".

Small-scale industry was another area the prime minister identified as having potential to prop up the job market. Her personal interest resulted in a proposal to set up a handicraft design centre at the planned craft village Rupashi Bangla in Sonargaon, near Dhaka.

Responding to leather industry representatives who complained of non-availability of funds, she said the tanners

should get loans ahead of Eid-ul-Azha at least from the money already recovered.

Garment exporters asked for an interest write-off for some 500 "block accounts", so called because these were blocked or frozen after the borrowers' failure to pay back. The exporters say they are victims of such circumstances as the political standoff in 1995-96.

The meeting suggested resolution of the problems on a "case-to-case basis", which kept BGMEA leaders far from being happy. They said they were

willing to pay the "interest-free block amount".

According to a BGMEA estimate, meeting their demand would mean waiving some Tk 100 crore, or 20 per cent of the Tk 500 crore in original loans.

"The banks have done business with us for long. They have made money every time. But this time we failed because of situations beyond our control," a BGMEA leader argued when asked by The Daily Star why the banks should agree to bear the losses for which they were not responsible.

Asia's currency crisis to persist in '98, predict analysts

SINGAPORE, Dec 29: Asia's financial turmoil enters its sixth month this week amid forecasts that the region's currency meltdown will persist in 1998 as economies contract, governments tighten spending and people put up with higher interest rates, reports AFP.

The Chinese Calendar's Year of the Tiger could see Japan, South Korea, Indonesia and Thailand engulfed in a biting recession and little growth forecast for the economies of Malaysia, the Philippines and even Singapore, analysts said.

While governments battle inflation — due to galloping costs suffered by the sharp erosion in their currency values — and unemployment stemming from business closures, they would at the same time beef up exports for speedy recovery, according to the analysts.

They believe that pressure on the troubled Asian currencies would ease by the middle of 1998 when markets shift their focus to Europe where efforts to forge a single euro currency would take centre stage.

"The second half of 1998 is likely to be a period of consolidation for many Asian currencies," said Philip Wee, regional treasury economist with Standard Chartered in Singapore.

Wee said during that period, he expected more evidence of the export-cycle picking up in Asia where currencies have devalued rapidly, adding that governments would encourage investment that generate foreign exchange earnings as opposed to those that encourage consumer imports.

"The belt-tightening in Asia in 1998 will discourage foreign direct investments aimed at exploiting the domestic consumer markets or significant foreign portfolio flows seeking to derive capital gains in the asset markets," he said.

The meltdown in the Asian currencies had followed Asian

in stock and property markets in the region and snowballing of debts leading to bankruptcies and winding down of companies, banks and industries.

"The debts are stacking up and most of them are unhedged. Against this scenario, we could possibly see near zero growth in Indonesia, just as in South Korea and Thailand," said Jimmy Koh, regional economist with British financial house IDEA.

Analysts warn that if currencies, especially those of South Korea, Thailand and Indonesia — the three economies that have come under the belt of the International Monetary Fund (IMF) — continue to slide, a debt moratorium would be the only answer.

If they default on their foreign debt and declare a moratorium, creditors would have to form a consortium to negotiate a repayment schedule.

Asia's currency crisis was sparked off by Thailand's de facto devaluation of its baht on July 2 and spread to neighbouring Southeast Asian countries and engulfed North Asia as well.

Since July 2, the US dollar has appreciated by a staggering 120 per cent against the Indonesian rupiah, 84 per cent against the Thai baht, 53 per cent against the Malaysian ringgit, 52 per cent against the Philippine peso and 17 per cent against the Singapore dollar.

The greenback had chalked up 65 per cent against the Korean won since September 15.

Although there was relief after the IMF announced a speed-up of aid to South Korea last week following a 60-billion-dollar bailout pledge for the ailing economy, analysts warn the South Korean finance sector is still in trouble.

"I think the action by the IMF last week underscores the desperate state of South Korean finances," said David Cohen, analyst with US research house

Standard and Poor's in Singapore.

Cohen said based on preliminary figures, South Korea notched a surplus in the current account for the second month running in December and "this gives some hope and shows some progress".

"If they can simply not suffer a big capital outflow, this can help resolve their problem," he added.

'Bird flu' hits Chinese chickens, threatens global epidemic

BEIJING, Dec 29: A ban on chicken exports to Hong Kong from mainland China prompted by a "bird flu" scare is devastating farmers in southern Guangdong province, a Chinese official was quoted as saying today, reports Reuters.

Huang Shaorong, head of the Guangdong Poultry Association, said no trace of the H5N1 killer virus had been found in Guangdong's chicken farms, the China Daily reported.

"Bird flu" has killed four people in Hong Kong and sparked fears of a worldwide epidemic. Hong Kong, previously imported about 75,000 chickens a day from China.

On Sunday, authorities in Hong Kong said all chickens in the territory would be slaughtered and burnt starting today.

Huang said the price of live chickens in Guangdong's capital, Guangzhou, had plunged almost 50 per cent as a result of the ban, which had flooded an already saturated local market.

About 120,000 Guangdong households raise some 470 million chickens each year, according to incomplete data cited by the China Daily.

Huang said several chicken farms were on the verge of going out of business.



Square Pharmaceuticals Ltd held its annual sales conference, 1997 at BPATC, Savar on Saturday with Tapan Chowdhury, Managing Director of the company, presiding. Samson H Chowdhury, Chairman, Square Group, Dr A R Q Baksh, Executive Director, Dr Jiben Roy, Head, R&D, Arshad-ul-Alam, Marketing Manager and Md Ismail, Sales Manager, also spoke at the conference.



Nurul Hussain Khan, Chairman of Eastern Bank Limited, opening its 20th branch at Mirpur in the city.

'Not privatized enough'

Most of the entrepreneurs of Bangladesh think that the economy of the country is not privatized enough for the desired growth of entrepreneurship, reports BSS.

This was observed by Dr. Wali I. Mondal, professor of Business, Henderson State University, Arkansas, USA, at a seminar in the city on Sunday.

Organized by the centre for Development Research, Bangladesh (CDRB), the seminar heard a key-note paper entitled "Privatization and growth of entrepreneurship in Bangladesh" by Dr. Mondal.

Noted scholar and chairman of CDRB, Dr. Mazmur Rahman Shelley was in the chair.

In his paper, based on findings from interviews of 71 entrepreneurs in various parts of Bangladesh, the author pointed out that the principal reasons why the entrepreneurs thought the economy of Bangladesh was not "privatized enough" were: Non-availability of long-term capital, excessive government regulation, strong foreign competition, high tax rates, high interest rates and general difficulties in creating market conditions in a regulated economy.

The visiting professor, who is currently in Bangladesh, said that 28 per cent of the respondents in his survey, however, thought that the Bangladesh economy was "privatized enough" for the growth of entrepreneurship.

Professor Mondal recom-

mended, among other things, that long-term credit be made more accessible to entrepreneurs and government regulations that interfere with the free play of market forces should be lifted. The government should also evaluate its liberal import policy as unauthorized entry of goods to the markets of Bangladesh hampers the growth of domestic industries at an early stage.

BGFCL earns Tk 48.57 cr net profit

Star Business Report
Bangladesh Gas Fields Company Ltd (BGFCL) earned a net profit of Tk 48.57 crore the last fiscal year.

It was disclosed at the company's 42nd annual general meeting held in the city yesterday, according to a press release.

The company earned Tk 829.39 crore from sales of gas, petroleum products and other sources and paid Tk 779.64 crore to the government exchequer in the form of VAT, SD, corporate tax, DSL and dividend during the financial year under review. This is 18.73 crore higher than that of previous year.

Petrobangla Chairman Md Mosharraf Hossain presided over the meeting.

UNDP okays \$ 26m grant for Bangladesh environment

The government and United Nations Development Programme (UNDP) yesterday approved a new 26 million US dollar (Taka 120 crore) programme for sustainable environment management, reports BSS.

The programme document was signed by Economic Relations Division Secretary Dr. Moshir Rahman and UNDP Resident Representative and UN Resident Coordinator David Lockward at the NEC Bhaban here.

A UNDP press release here said, implementation of the much acclaimed National Environment Management Action Plan (NEMAP) is on the way to reality with approval of the sustainable environment management programme by the government and UNDP. NEMAP was a wide national and international effort because of its unique participatory formulation process involving consultations with men and women from all walks of life — villagers, students, professionals, academics, civil society, civil service and even children.

For the first time in the history of the nation, NEMAP presented an opportunity to the people to participate in national planning. The Ministry of Environment and Forest steered the formulation of NEMAP over a six-year period (1991-96) with UNDP's support.

NEMAP was approved in 1995 as a nationally owned framework of priority actions for sustainable environment management in Bangladesh through peoples' participation.

The five-year 26 million US dollar sustainable environment management programme, the first major programme to implement NEMAP, focuses on five major areas policy and institutions, participatory ecosystem management, community-based environmental san-

itation, awareness and advocacy and training and education. Twenty-two government NGO civil society private/academic institutions will co-implement the new programme in what is popularly called the "NEMAP spirit of partnership" with the government.

The programme is a very significant breakthrough for Bangladesh in the area of environment and development as it will benefit the grassroots population, particularly women, in the eco-specific areas of intervention. It supports community capacities for sustainable management of environment and natural resources, and strengthens the capacity of the public sector for policy development in support of community participation, awareness and legislation leading to environmental sustainability.

The entire 26 million US dollars is outright grant.

Treasury bill auction result

The 76th auction of the 90-Day Treasury Bill, the 67th auction of the 30-Day and 180-Day Treasury Bills and the 41st auction of the 1-year Treasury Bill were held yesterday, reports UNB.

Fifty-seven bids for a total of Tk 657.50 crore of 30-Day Bill and two bids each for a total of Tk two crore of 180-Day Bill and 1-year bills were offered.

Of these, 27 bids for a total of Tk 550.50 crore 30-Day Bill were accepted. No bid was offered for 90-Day bill and the bids offered for 180-Day and 1-year bills were not accepted.

The weighted average price of the accepted bids was Tk 99.35 per 100 Taka.

Exchange Rates

The following are the Sonali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 29th Dec '97.

| Name of Currency | Buying | | | |
|------------------|----------|----------|-------------|------------|
| | TT Clean | OD Sight | OD Transfer | OD 30 Days |
| US Dir | 45.2800 | 45.1100 | 45.0100 | 45.0100 |
| GB Pound | 75.5549 | 75.2712 | 75.1044 | 75.1044 |
| D Mark | 25.4296 | 25.3311 | 25.2780 | 25.2780 |
| F Franc | 7.5988 | 7.5703 | 7.5535 | 7.5535 |
| C Dir | 31.3744 | 31.2566 | 31.1873 | 31.1873 |
| S Franc | 31.4730 | 31.3548 | 31.2853 | 31.2853 |
| JP Yen | 0.3443 | 0.3430 | 0.3422 | 0.3422 |

| Name of Currency | Selling | |
|------------------|-------------|---------|
| | T.T. & O.D. | B.C. |
| US Dollar | 45.6595 | 45.6990 |
| GB Pound | 76.382 | 76.8746 |
| D Mark | 25.9151 | 25.9375 |
| F Franc | 7.7461 | 7.7528 |
| C Dollar | 31.9664 | 31.9941 |
| S Franc | 32.0781 | 32.1059 |
| JP Yen | 0.3545 | 0.3548 |

A) TT (DOC) US Dollar Spot Buying Tk. 45.1950

B) Usance Rate
30 Days 44.4373 44.0000 12.0000 42.5000
60 Days 44.4373 44.0000 12.0000 42.5000
90 Days 44.4373 44.0000 12.0000 42.5000

C) US Dollar sight export bill 3 months forward purchase: Same as OD sight export bill buying rate.

| Currency | Indicative Rate | |
|-------------|-----------------|---------|
| | Selling | Buying |
| Saudi Riyal | 12.1759 | 11.9995 |
| UAE Dir | 12.4318 | 12.2539 |

Sonargaon Hotel's profit rises by Tk 1.56cr

The Sonargaon Hotel earned Tk 9.44 crore net profit in 1996, which was Tk 1.56 crore higher than the previous year (1995), reports UNB.

This was disclosed at the 19th annual general meeting of the Hotels International Limited (HIL), owners of the 5-star hotel, here on Sunday.

HIL Chairman and Secretary to the Ministry of Civil Aviation and Tourism Ismail Hossain presided over the AGM.

Hotel Sonargaon has earned profits for five consecutive years, said a PID handout.



Netherlands Minister for Social Affairs and Employment, APW Melkert (Centre), visited Van Ommeren Tank Terminal Bangladesh Ltd and Edible Oil Refinery recently. IJ Mulk (left), DG of the ministry, and Najmul Huq Chowdhury, MD of VOTT-B and IOM are also seen.