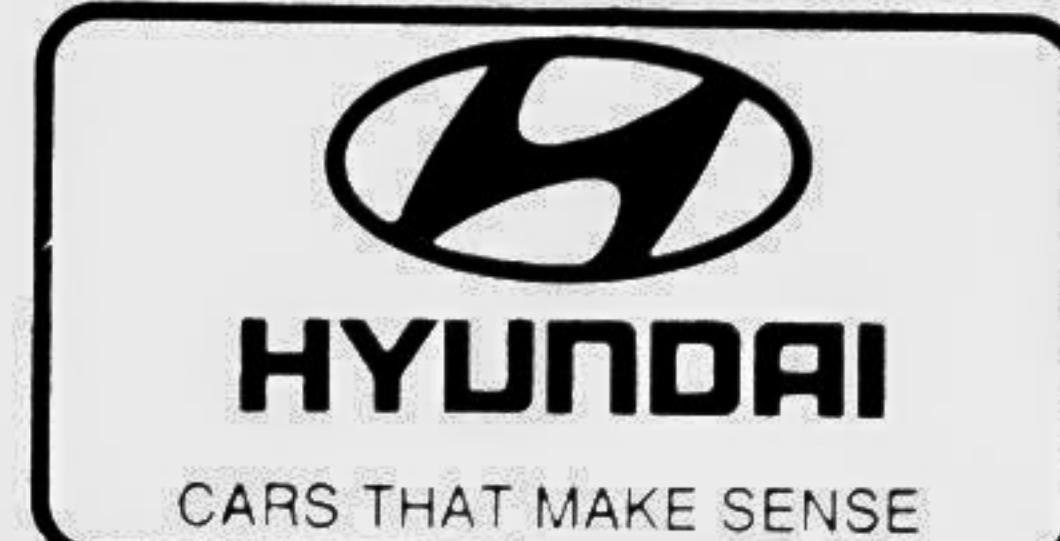


# The Daily Star BUSINESS

DHAKA TUESDAY, JANUARY 20, 1998



## BEPZA stands corrected

The export earning by the enterprises at country's two EPZs in Dhaka and Chittagong was US\$ 307 million during the first half of current fiscal instead of US\$ 30.7 million as released by the Bangladesh Export Processing Zones Authority (BEPZA) on Sunday.

Quoting the BEPZA statement, The Daily Star published a story yesterday.

The BEPZA regretted the mistake.

## Nepal-Bangladesh Bank declares 15pc dividend

### Star Business Report

Nepal-Bangladesh Bank Ltd has declared a 15 per cent dividend for its shareholders for the year 1996-97.

This was announced at the bank's 3rd annual general meeting held in Kathmandu recently, says a press release.

The Chairman of the bank, JB Shrestha, presided over the meeting. It is the first joint venture bank between Nepal and Bangladesh set-up by IFIC Bank with 50 per cent equity along with the management of the bank and the rest of the equity is held by the Nepali sponsors, has earned a net profit of Nepalese Rs 21.10 million in the 1996-97 fiscal year.

In 1996-97, the bank had a deposit of Rs 1.34 billion which is 46.20 per cent higher compared to the position in the earlier fiscal year.

During the current fiscal year, the deposit has increased by 19.30 per cent to Rs 1.69 billion.

Since commencement of business in 1994, the bank has operated profitably with six branches to date.

The share of the bank in the banking sector of Nepal is 1.7 per cent which was 1.3 per cent earlier.

The total loan and investment portfolio has grown by 68.8 per cent in comparison to last year. The bank has made loans of Rs 1.45 billion and it share in the banking sector has increased to two from 1.50 per cent.

For the fiscal year 1997-98, the bank has targeted a deposit base of Rs 1.86 billion and loans of Rs 1.56 billion and plans to open two more branches.

With the successful operation of this joint venture in Nepal, IFIC Bank has further strengthened its overseas presence in addition to its earlier set-up joint venture in the Sultanate of Oman, which is also operating profitably.

## Another BOC's plant goes into production

The second integrated welding electrode manufacturing plant of BOC Bangladesh Limited went into production yesterday.

Built at a cost of Taka 12 crore, the plant has been imported from Esab AB of Sweden who is one of the largest welding manufacturer in the world. The plant is expected to help double the existing production capacity, says a press release.

BOC has a technical collaboration agreement with Esab AB of Sweden. Recently, the company signed a distribution contract with another world-class welding company, the Lincoln Electric Company of USA.

BOC Bangladesh is the only electrode manufacturing company in Bangladesh to receive ISO 9002 certification for establishment of quality system.

M Syeduzzaman, Chairman of the company, formally inaugurated the plant yesterday. The inauguration ceremony was attended by Dick Grant, Regional Director, South Pacific and South Asia, and Shashi Prasad, Director, South Asia of the BOC Group plc.

This plant has been set up as a part of the company's major investment programme and is sited next to the first plant installed in May, 1995 at Rupganj, near Dhaka.

## Food production in Nepal may fall this year

KATHMANDU, Jan 19: Nepal girded itself for a drop in food production this year following an unusual eight-week cold spell which damaged crops in the lowland tropical region, an agriculture official said yesterday, reports AFP.

JB Shrestha, Director General of the Agriculture Department, said heavy rainfall had damaged paddy crops in the topographical region adjoining the Indian states of Bihar and Uttar Pradesh.

The preliminary study revealed that the production of paddy is vowed to reduce by four per cent in comparison to 1996 winter season. And two to three per cent of the wheat production would fall short of the last year, Shrestha said.

Nepal produced 6.4 million metric tons of food in the last fiscal year 1996-97 up from 6.2 million metric tons in 1995-96.

## One-stop cell of BOI opens

The much-talked about one-stop cell of the Board of Investment (BOI) was inaugurated here yesterday in a bid to stop hazardous bustle by the investors to get services of different agencies, reports UNB.

Executive Chairman of the BOI Farooq Sobhan formally inaugurated the cell at its office at Shilpa Bhaban.

The investors don't require to go to different places for getting services as concerned agencies like NBR, BTB, DOE, Register of Joint Stock Companies and Firms, Ministry of Land, DESA, BPDB, Dhaka WASA and Titas Gas Company from now would provide respective facilities and services to the investors from one place to investors needed for setting up of industrial units.

Representatives from different Chambers, officials of BOI, NBR, BTB, DOE, DESA, BPDB, REB, Titan Gas, Dhaka WASA were present on the occasion.

Referring to the shifting of

## Forex reserve improves but still unsafe

The position of Bangladesh's foreign exchange (forex) reserve has slightly improved this month but it is unlikely to face a major blow as a result of recent financial crisis in South East Asia and in South Korea, says SANA.

According to official sources, the country's forex reserve rose to 1.67 billion on January 8 against only 1.60 billion on December 11 last year. It was 1.58 billion at the end of November which was the lowest in recent times.

Officials at the Bangladesh Bank attributed the rising trend of forex position to a satisfactory increase of export that registered 20 per cent growth during the first five months of the current fiscal year (1997-98).

Export earnings rose to 2.11 billion dollars in five months from July to November against 1.76 billion in the corresponding period of the previous fiscal (1996-97).

Central Bank officials, however, termed the present position of forex reserve 'not so safe' although the position has 'stabilised to a great extent' after a



Chairman of BOC Bangladesh Limited M Syeduzzaman formally inaugurating the second welding electrode manufacturing plant of the company at Rupganj yesterday.

## Most Asian currencies gain ground against greenback

HONG KONG, Jan 19: Most currencies in the region gained ground against the greenback during the week as tension and anxiety eased slightly over Asia's economic crisis, says AFP.

**JAPANESE YEN:** The yen rebounded against the dollar during the week, as concern receded over Asia's volatile financial markets and Tokyo stocks rallied, dealers said.

The yen traded at 128.88-91 to the dollar late Friday, compared with 131.37-40 a week earlier.

It traded in the 132-133 range in the early part of the week, but firmed Wednesday following the announcement of Japan's bigger-than-expected current account surplus in November, dealers said.

**NEW ZEALAND DOLLAR:** The dollar made a late surge Friday to 58.31 US cents, up from 57.05 US cents a week earlier.

"We saw a decoupling of the currencies. Before we were always following the US dollar, yen and Aussie movements," a currency dealer said. "The Aussie went up and the US dollar (and) yen went down overnight but we actually stayed put and there was good two-way business around 57.80 US cents."

**HONG KONG DOLLAR:** The Hong Kong dollar closed the week at 7.734-7.736, to the greenback, compared to 7.747-7.749 last week. It is pegged to the US dollar around 7.8.

**INDONESIAN RUPIAH:** The Indonesian rupiah closed trading at 8,553-8,747 to the dollar compared to 7,800-8,300 to the dollar the previous Friday.

**MALAYSIAN RINGGIT:** The Malaysian ringgit ended the week firmer at 4.1700 to the dollar from 4.5600 a week earlier and IMF chief Michel Camdessus said Malaysia did not have a bailout programme.

A dealer said the ringgit also strengthened due to investor



Chairman of Janata Bank Imamuddin Ahmed Choudhury handed over a cheque for Tk 10 lakh, on behalf of the bank, to Prime Minister Sheikh Hasina for the Prime Minister's Relief Fund on Sunday. M A Hashem, Managing Director, and W R Tawhed, Deputy General Manager of the bank were also present on the occasion.

## Business failure high in Japan

TOKYO, Jan 19: Ruined by a credit crunch and a stagnant economy, more Japanese businesses went bankrupt in 1997 than in any year in the last decade and debts of failed firms reached a postwar high, researchers said Monday, reports AP.

In 1997, the 225-issue Nikkei Stock Average gained 271.73 points, or 1.69 per cent, in the first 30 minutes of trading on expectations that Japan's government was seriously considering additional measures to stimulate the economy.

On Friday, the Nikkei had jumped 924.47 points, or 6.11 per cent.

The US dollar fell further against the yen by midday Monday, trading at 128.36 yen early morning, down 0.80 yen from late Friday in Tokyo and lower than its New York rate of 129.30 yen on Friday.

Hong Kong stocks, which ended a volatile last week just slightly higher, opened sharply up Monday, buoyed by gains in other Asian markets. Hong Kong's key stock barometer, the Hang Seng Index, was up 404.87 points, or 4.5 per cent, after a few minutes of trading to 9304.91.

Asian markets are doing quite well this morning," said Josephine Hui, research director at Cheerful Securities in Hong Kong.

The rebound followed whistle-stop tours of Asia last week by the head of the International Monetary Fund, Michel Camdessus, and by a senior US Treasury official, Lawrence Summers, who was dispatched by President Bill Clinton to assess the region's financial turmoil.

Especially hard hit was the construction industry where 4,785 firms went bust last year. The government has dramatically cut the amount it spends on public construction projects in an effort to reduce its burgeoning budget deficit.

Japanese banks are struggling with a pile of bad real estate loans still left from the collapse of land prices early this decade.

Yamaichi went belly up with debts of more than three trillion yen (23.1 billion dollars) and was Japan's biggest business failure ever.

In December alone, 1,593 firms filed for bankruptcy, 26.5 per cent more than in the same month a year earlier. And aggregate debts left by bankrupt companies rose fourfold to 2.75 trillion yen (21.1 billion dollars), a postwar high for a single month.

Especially hard hit was the construction industry where 4,785 firms went bust last year. The government has dramatically cut the amount it spends on public construction projects in an effort to reduce its burgeoning budget deficit.

On Monday, South Korea's share index opened sharply higher, fueled by a buying spree by small investors, analysts said. After 10 minutes of trading, the main stock index was 21.95 points, or 4.4 per cent.

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The affected countries' retraction on imports and the reduction of the export prices are imposing a double pressure on China's exports," Meng Guirong, President of the China Chamber of Commerce for Mineral, Metal and Chemical Exporters was quoted as saying by the official China daily.

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."

The newspaper said "many cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997."