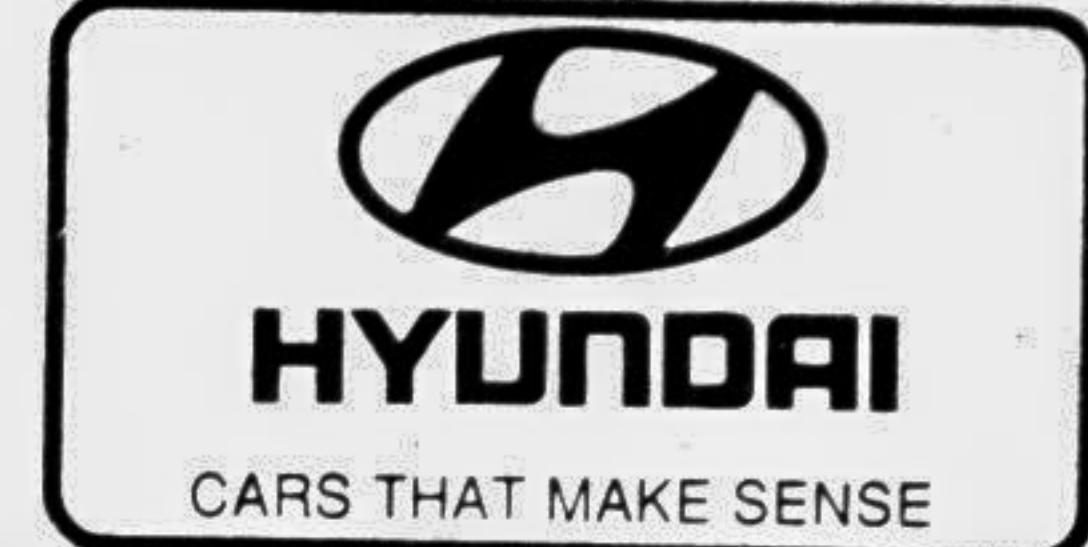


The Daily Star BUSINESS

DHAKA MONDAY, JANUARY 26, 1998



\$ 20m gas bottling plant likely

Thal-MC Company Limited, a Bangkok-based affiliate of Mitsubishi Corporation of Japan, will establish a gas (LPG) bottling plant at a cost of 20 million US dollars in the country, reports BSS.

A six-member delegation of Thal-MC Company led by T Shirakawa conveyed MC's decision to invest in Bangladesh to Farooq Sobhan, Executive Chairman of Board of Investment (BOI) when they met at BOI office at Jibon Bima Tower last Wednesday.

The visiting delegation also showed interest in the issues relating to the establishment of high-technology based industries in Bangladesh.

General Manager of Mitsubishi Corporation's Dhaka branch H Uemura was present at the meeting.

Bank holiday

Bangladesh Bank and all other scheduled banks will remain closed from January 29-31 on the occasion of Eid-ul-Fitr, said a Bangladesh Bank press release yesterday, reports UNB.

Citicorp reports \$1.1b income in 4th quarter of '97

Citicorp has reported net income for the 97 fourth quarter of \$1.1 billion or \$2.20 per diluted common share, registering increases of seven per cent and 12 per cent respectively, says a press release issued from New York.

For the full year, income was \$4.1 billion, a rise of \$359 million or nine per cent over the year '96. Excluding the \$556 million after-tax effect of the third quarter restructuring charge (\$889 million pretax), or \$8.51 per diluted common share.

Including the charge, 1997 net income was \$3.6 billion or \$7.33 diluted common share.

In the year '97, Citicorp generated an estimated \$2.1 billion of free capital and repurchased 18.8 million shares of common stock for \$2.3 billion.

World airlines to use euro from Jan 1, '99

GENEVA, Jan 25: World airlines have agreed to use the European single currency, the euro, for sales and ticketing from January 1 next year when it is due to be launched, their global body IATA said on Friday, reports Reuter.

IATA, the 260-member International Air Transport Association, said the decision had been taken by consensus at a previously unannounced meeting in Geneva last week.

In a statement issued with the announcement, the body's Director-General Pierre Jeannin said the airlines were responding to clear demand from their major European corporate customers in Europe.

These companies, he added, wanted to have the choice of using the European Union's 15 member states — for their business from its launch.

IATA said it would continue to sell tickets in the local currency of the states adopting the euro during the transition period up to 2002 when it finally replaces local currencies.

BSE index falls by 31 points

BOMBAY, Jan 25: Uncertainty over the outcome of India's national elections in February and March will push down prices on national bourses next week, an analyst forecast yesterday, reports AFP.

The barometer 30-share index of the Bombay Stock Exchange (BSE) fell 31.11 points, or 0.91 per cent, to 3,351.21 points Friday over the previous week's closing.

The National Index, tracking 100 scrips, dropped 17.31 points or 1.17 per cent — to 1,460.39 points Friday.

Analyst Devash Kumar at foreign brokerage Hoare Govett Asia said "the market now strongly feels the election will throw up another hung parliament."

Kumar said the BSE index was expected to fall about 70 points next week.

The outcome of the elections is getting very confusing now and this will affect trading sentiment next week.

Investor sentiment is still very low and foreign investors are not expected to bring in much money either due to the continuing Asian turmoil," he said.

In trade, Associated Cement rose 131 rupees to 1,316 rupees. Bombay Dyeing fell eight rupees to 75 rupees. Glaxo lost 31.50 rupees to 330.50 rupees.

The State Bank of India dropped three rupees to 244.50 rupees. Tata Engineering was down 4.25 rupees to 244.75 rupees and Tata Steel was down 1.75 rupees to 125 rupees.

MCCI wants a stronger BOI Sobhan targets corruption, red tape

Star Business Report

Board of Investment executive chairman Farooq Sobhan has said he will try to curb corruption, red tape and other barriers blocking FDI as well as domestic investment.

He was talking to the leaders of the Metropolitan Chamber of Commerce and Industry (MCCI) at the chamber building yesterday.

Talking to The Daily Star, Farooq Sobhan said he would

try to address the existing problems which were affecting investment climate in the country. "I will try to curb corruption and red tapism" to quicker investment procedures.

Laila Rahaman said both BOI officials and MCCI leaders felt the need for a close interaction between the two entities on a

regular basis to build a congenial atmosphere for investment.

Quoting statistics she told the BOI chief that Bangladesh required about Tk 10,000 crore to sustain the "present level economic development" and to increase the capacity of the manufacturing sector so that

the country could derive maximum benefit from the South Asian market.

"Our manufacturing sector must be competitive to take advantage of the South Asia Free Trade Area to be launched by the year of 2001," the MCCI leader said.

She also said the BOI should be involved with issues such as traffic congestion, operation of land, river and sea ports and development of human resources.

Sobhan, since taking over more than a month back as head of the vital government agency to woo foreign direct investment, has begun meeting leaders of chambers to get their views.

Last month, he had talks with the members of the Foreign Chamber of Commerce and Industry.

A senior BOI official told The Daily Star that these meetings were part of efforts to straighten out investment procedures by curbing existing problems and ensuring best services.

Kabir suggested for restructuring, strengthening of the BOI and employing "high-profile" professionals to handle properly the complex issues of industrialisation, investment and trading.

"I don't know exactly how the BOI could be strengthened and restructured but the government should do it to encourage local investors," she said, responding to The Daily Star.

The opening of the BOI's one stop service from January 15

Farooq Sobhan, Chairman of BOI, met the members of Metropolitan Chamber of Commerce and Industry, Dhaka at the chamber's conference hall yesterday.

Get it fixed, or pay for 99 years

By Inam Ahmed

If you make a new year's call at 12 mid night in 1999 for a few minutes, you may have to pay for talking 99 years!

Only if a computer software correction is not made for the next millennium, says a software expert.

For many systems, the year 2000 will bring a host of problems related to software programs that record the year using only the last two digits.

For whatever reason -- whether they wanted to save precious memory in an era when memory was incredibly expensive, or because they did

not expect systems to last this long, or because they simply did not recognise the problem -- programmers long ago adopted this two-digit convention to represent the year," says Syed Ahsan Habib, Computer Systems Manager of the World Bank office here.

But as we approach the year 2000, computers will fail by attempting to perform comparisons or arithmetic operations that use '00' as a representation of 2000. This problem is now widely known as the Y2K problem.

This will cause unreliable

results in programmes or outright failure of the computer systems," Habib says. "Our world economy is so dependent on computers that we must address this problem quickly and without delay."

Unless the corrections are done in time, donor-aided government projects which contain computer system components and are critically dependent on computer systems for related operations will suffer delays.

The computer components of donor projects as well as sys-

tems already in use are quite vulnerable to failure at the turn of the century. Client countries like Bangladesh are more vulnerable because their resources are often limited. And they may be late in getting started with the year 2000 action, experts say.

Already thousands of computer programmers are being recruited by the Western countries to fix the Y2K problem.

Experts say the problem is so pervasive that it makes up the most challenging project the information technology community has ever faced.

Management is the bane in Bangladesh

Star Business Report

A Swiss firm, LED Co Ltd, is expanding its management services to local companies by offering modern international management practices.

LED is now developing a recovery plan for the Bangladesh Machine Tools Factory and Bangladesh Diesel Plant, says a press release.

LED has found that the main problems facing the country's economy are the low performance of idle companies, characterised by the shortage of management manpower and skills, lack of market information and absence of technical expertise in the field of business planning and production.

Modernisation at top of agenda now

Pubali posts record Tk 70cr profit in '97

Star Business Report

Pubali Bank Limited, the largest private commercial bank in Bangladesh, has announced a Tk 70 crore profit as at the close of 1997, recording a more than 100 per cent annual increase.

The amount of profit in 1996 was Tk 34.00 crore and in 1995 as to Tk 10.00 crore, the bank said.

The high profits came after years of losses.

Since 1990, after implementation of financial sector reforms programme, PBL had been sustaining loss. The main reasons behind the losses were the huge load of classified loans and advances of crores of taka held in the public sector," the bank said in a statement.

In the meantime, PBL could be able to recover a substantially large part of its classified loans and advances. The fact that no new big loan was classified in 1997 was yet another factor that contributed to making such a big amount of profit," it said.

The bank said the amount of loans and advances recovered in 1997 had been the highest ever, and was about 140 times higher than that of 1996.

Loans and advances recovered last year amounted to Tk 115 crore while increase in deposits amounted to Tk 115 crore.

Loans and advances for 1997 rose by Tk 146 crore compared with those of the previous year.

In local as well as in international trade deals, PBL has made tremendous breakthrough. Imports and exports handled during the year amounted to Tk 1414 crore and Tk 835 crore respectively, higher by Tk 4923 crore and Tk 239 crore than those in the previous year," the bank said.

It also reported an increase in remittance business by Tk 30 crore.

The management of the bank is also taking steps to improve the standard of cus-

tomers' service and develop the operational superstructure. The key vehicle for this has been the introduction of incentives of employees, the management said.

Aziz Ahmed, the deputy managing director, said the bank's service network was being thoroughly recast as part of

Aziz Ahmed a vigorous drive to improve efficiency.

Initiatives have already been taken to centralise the bank's service system through computer so that the customer's from any corner of the country could avail themselves of our services under the ambit of one point service network," he said.

PBL hopes to become the forerunner in introducing the system among the local banks.

Steps are also there to modernise the extensive operational structure of the bank by fitting the latest system. PBL would soon assume the leading position in the banking sector in all preparedness to counter the challenge of the 21st century," Ahmed said.

He claimed that the bank had a long experience of 40 years, huge moveable properties and efficient manpower, which no other private bank could match.

Shipping Intelligence

Chittagong Port

Berth Position and Performance of Vessels As on 25.1.98.

Berth	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival
J/1	Sarah-1	Gl	Yang	Cross	30/12 25/1
J/2	IB Everett	Gl	Sing	Everett	15/1 28/1
J/3	Sea Energy	Gl	Bus	Prog	8/1 28/1
J/4	Sea Horse	Gl (COPRA)	Sing	Seacom	22/1 31/1
J/5	Norbuk Oak	Gl	S Hal	Prog	1/1 27/1
J/6	Baltimore Neptune Gl (COPRA)	Gl	Sing	AASS	23/1 29/1
J/7	Krk	Gl	Mad	Oil	15/1 27/1
J/8	Da Fu	Cont	Sing	APL(B)	20/1 28/1
J/9	Kota Alam	Cont	Sing	Pil (BD)	23/1 29/1
J/10	Banglar Robi (Flag)	Cont	Sing	BSC	21/1 26/1
J/11	Leerort	Cont	Sing	RSL	14/1 27/1
J/12	Kota Berjaya	Cont	Sing	Pil (BD)	19/1 26/1
J/13	Bangabagir (Prt)	Cont	Sing	BDShip	18/1 26/1
CCT/1	Cape Hatteras	Cont	Sing	RSL	15/1 26/1
CCT/2	Manaslu	Cont	Sing	Bardhi	25/1 29/1
CCT/3	Kota Chaya	Cont	Sing	Pil (BD)	15/1 28/1
RM/14	Kuryong	Cement	Sing	Delmure	9/12 30/1
TSP	Linghai-18	C Link	Sing	MBL	10/12 -
RM/6	Parmar	HSD	Mina	MSTPL	22/1 -
DD/1	Banglar Urm	Repair	Par	PSAL	R/A 1/2
DDJ/1	Tanstar Star	Idle	Par	PSAL	-
RM/9	Banglar Kallol	Repair	B Abb	Move	17/12 1/2
Kelco (U)	Sweet Lady	Urea	Sing	ANCL	19/1 29/1

Vessels Due At Outer Anchorage

Name of Vessels	Date of Arrival	L Port Call	Local Agent	Cargo	Loading Port
Sotoon	25/1	-	Simni	Scraping	-
Sea Elegance	14/1	25/1	Sing	Pil (BD)	