CARS THAT MAKE SENSE

DHAKA TUESDAY, APRIL 28, 1998

Parliament told Govt to open 250 training centres for farmers

The government has a plan to open 250 training centres for the farmers in the country, Agriculture Minister Matia Chowdhury informed the Jatiya Sangsad yesterday, reports BSS.

Replying to a question from treasury bench member Abdul Latif Mirza (Sirajganj), she said the plan was taken under the Agriculture Support Services Project-Phase Two.

Replying to another question from treasury bench member Mostafizur Rahman (Dinajpur), Matia Chowdhury said the government has been supplying fertiliser, agricultural inputs like fertilizer, insecticide and seed etc to the farmers at fair price to encour-

age cultivation. To ensure the fair price of fertilizer, the government gave a subsidy of Taka 212 crore for importing about four lakh tonnes of fertilizer during the 1996-97 fiscal year and Taka 112 crore to import three lakh tonnes of fertilizer during the current fiscal year.

Bank holiday

Bangladesh Bank and other scheduled banks will remain closed on Friday on the occasion of May Day, said a press release yesterday, reports UNB.

Bribery in Japan Finance Ministry punishing 112 officials

TOKYO, Apr 27: In an unprecedented attempt to repair its battered public image, the Finance Ministry announced Monday that it was punishing 112 of its officials for receiving lavish entertainment from financial institutions, reports

Eisuke Sakakibara, the vice finance minister for international affairs known as "Mr Yen" for his influence in currency markets, will be one of 14 ministry officials "severely reprimanded" under a national law for public servants,

Two other senior bureaucrats submitted resignations after their punishments were announced.

Finance Minister Hikaru Matsunaga said the punishments resulted from a threemonth, in-house investigation into the ties of 550 ministry officials to the private financial sector.

"It is with great pain that I must announce that 112 officials will receive severe punishment," Matsunaga told a gathering of ministry officials. Matsunaga didn't specify

what any of the officials had done wrong. The investigation began after four officials from the min-

istry were arrested on charges of bribery earlier this year. The four allegedly extended favours or revealed confidential information to banks and brokerages after being treated to expensive dinners and golf outings by representatives of the companies. Japanese bureaucrats long

have accepted lavish attention from private companies.

Former finance minister Hiroshi Mitsuzuka and another ranking official resigned earlier this year over the scandal, although they were not directly implicated. It is common in Japan for top officials of institutions to quit when subordinates have been accused of wrongdoing.

Atsushi Nagano, chief of the Securities Bureau, and Takashi Sugii, deputy director general of the Banking Bureau, submitted resignations. The ministry had announced it would cut Nagano's pay by a fifth for six months and suspend Sugii for the same period.

Most of the punishments announced Monday were meted out under the ministry's own rules against unethical behaviour.

ROK's jobless rate hits 12-yr high

SEOUL, Apr 27: South Korea's unemployment rate hit a 12year high at 6.5 per cent in March, government officials said Sunday, and warned that the figure will be far higher in the second half of the year, reports AFP.

The statistics office estimated the number of jobless in March at 1.378 million, or 6.5 per cent, the higher since February 1986, in the first three months of this year, 720,000 people lost jobs, it said.

It was higher than a target of six per cent projected by the South Korean government and the International Monetary

Fund (IMF), the office said. The monthly unemployment rate has risen gradually from 3.1 per cent in December when South Korea accepted an IMF bailout to avert a debt morato-

rium, it said. But the real labour crisis has yet to come, it said, warning the rate would surge up to eight per cent from the second half, when troubled firms and financial institutions are expected to lay off workers en masse.

MCCI, government differ on statistics

Minister confused over industrial growth data

Star Business Report

What was the country's industrial production growth during the first six months of the current fiscal year?

Even the industries and commerce minister Tofail Ahmed was confused yesterday when the Metropolitan Chamber of Commerce and Industry MCCI claimed that industrial output grew by only 4.5 per cent, as against the finance minister's assertion that it is growing robust and posted around 12 per cent increase during July-October, 1997.

To clear the confusion, the minister proposed to hold a meeting of all concerned agencies immediately. He was speaking at a pre-budget discussion meeting with the MCCI members at its auditorium yesterday.

MCCI President Laila Rahman Kabir presided over the meeting while industry secretary Ejazul Huq was also pre-

MCCI president Laila Rahman Kabir in her speech mentioned that the country's over all industrial production growth was a negligible 4.5 per cent mainly due to the strong ready-made garment sector.

"Except some few sectors like garments, cement, iron and steel products, all other industries particularly those oriented to domestic market, suffered production losses," Laila Kabir

The industry minister promptly responded and said he

SYLHET, Apr 28: Sylhet Pulp

& Paper Mill (SPPM), the lone

state-owned pulp producing

unit in the country, has shut

down again as its product lost

suspension, the mill resumed

production on March 30 on an

mills — Karnaphuli Paper

Mills, North Bengal Paper Mills

and Khulna Paper Mills -

would buy pulp from the SPPM,

a meeting with the Director

(Commercial) of BCIC on March

31 decided to buy 5000 tonnes of

pulp during the months of

April, May and June this year.

But no arrangement was made

to take delivery of pulp from

A total of over 1500 tonnes

Due to suspension of produc-

of pulp worth about Taka 4.25

crore are lying unsold at the

tion the mill incurs a loss of

Taka 1.7 crore a month, the

source said adding that the

amount is increasing day by

by its regular buyers — Khulna

Newsprint Mills, North Bengal

Paper Mills and Karnaphuli

Paper Mills — is the main rea-

son for the closure of SPPM.

Besides, all these three state-

run mills stopped payment of

arrear bills to the SPPM. The

The stoppage of pulp buying

mill, the sources said.

Authorities of these mills at

After about four months of

the market substantially.

assurance that three

an official said.

was confused because data provided by the government agencies were telling a different

"Which one (statistics) should we believe? Yours, or the finance minister's?" Tofail

Ahmed quipped. He said he was also confused over the data relating to export growth and the long list of loan defaulters disclosed at parliament recently. The defaulters' list was published in different newspapers and evoked strong reaction from the businessmen and industrialists.

Laila Kabir in her speech expressed grave concern over the declining trend in industrial production.

"This is not a healthy situation in a country where the manufacturing sector is expected to create additional employment and spearhead the process of consolidation of the macro-economic fundamentals of the economy," she added.

She held responsible insufficient inter-ministerial coordination, tariff anomalies and inadequate support from infrastructural services, financial institutions and law and order situation for the gloom in the industrial sector prevailing

today. The MCCI president criticised the government's tariff policy and termed it "ad-hoc arrangement" and "unrealistic." The result of this policy was dislocation of local production by imports, she observed.

total amount lying outstanding

with these mills now stands at

According to the officials,

these mills stopped buying pulp

from the SPPM due to fall in the

papers and availability of im-

ported pulp at lower prices. The

tax-free import of pulp wors-

ened the situation, sources al-

curred by the Sylhet Pulp & Pa-

stands at 64 crore 62 lakh, offi-

cial sources confirmed.

tain full production.

fiscal years.

per Mill since its inception now

The SPPM went into com-

mercial production in July,

1977 with a production capacity

of 24,000 tonnes of pulp. The

mill, however, could never at-

It earned a total profit of

The production cost for each

The SPPM owed a total

ton of pulp stood at Taka 45,273

during the months of April.

May and June last year while

amount of Taka 29 crore to dif-

ferent institutions. It owed

Taka five crore 75 lakh to

Jalalabad Gas, Taka six crore

50 lakh to Chittagong Urea Fac-

tory Limited, Taka eight crore

50 lakh to employees and work-

ers and Taka seven crore to dif-

ferent suppliers. The mill owed

the sale price was Taka 30,090.

Taka five crore nine lakh in the

1987-88, 1988-89 and 1989-90

Meanwhile, the total loss in-

demand for locally produced

Taka 27 crore, the source said.

She felt that the matter should be reviewed at the highest level of the government be-fore the next budget.

"Many local industries will have little chance of survival if the anomalies in import duty are not removed and levies such as development surcharge and fees are not waived," she noted.

Giving example from export-import polices of the neigh-bouring countries Laila Kabir said the government of India recently exempted about 340 items of raw materials and components used by export-oriented industries from import

"A further 300 items are apparently being identified for similar concession which will enhance the competitiveness of Indian export including those coming into our country," she mentioned.

She warned against the impact of such changes in India's tariff policy on Bangladesh, which, she said, should not be ignored.

Disclosing the result of a limited survey conducted by MCCI, Laila Kabir said that 252 enterprises lost Tk 206 crore due to power failure during January to September 1997 pe-

She also blamed the country's central bank for "playing an indirect part in destabilizing the industrial sec-

"This has occurred firstly through tighter monetary poli-

T&T Board Taka 17 lakh and

The mill stopped production

on December 1 last year. The

production was also suspended

from July 1 to August 30 last

year due to snapping of rail

communication after the

Magurchhara Gas field explo-

sion and damaging of the

Khowai Bridge in Habiganj. The

mill closed 26 times during the

last two decades, the sources

tion, 5159 tons of green Jute

and 7700 tons of bamboo pur-

chased by the mill for produc-

ing pulp had been lying under

open sky for months together

commercial banks declined to

sanction loan for the SPPM

The mill now needs about Taka

is named as Pulp & Paper Mill,

there is no arrangement yet to

produce paper. Initially, the

mill started producing pulp

only and decided to install the

paper producing plant later, of-

paper producing plant at the

mill with a targeted expenditure

of Taka 100 crore is awaiting

approval of the ECNEC, an offi-

cial said. The proposed plant

would produce 60 tons of paper

a day by using jute. For this

A PCP for installation of a

ficial sources said.

Though the BCIC-owned mill

20 crore to run smoothly.

Because of repeated loss,

and getting damaged.

Due to suspension of produc-

the PDB Taka 15 lakh.

Lone state-owned pulp producing

unit shuts down again

From Iqbal Siddiquee

added.

cies last year and then by stop-ping credit facilities to running industries on the ground that some of their associates concerns have overdue loans with banks," the MCCI president

As the cancellation of credit to ongoing enterprises has had disruptive effect on industrial production, she urged for a decisive solution to the problem of bank defaults.

The minister admitted the industrialists and businessmen suffered due to disclosure of a defaulters' list. But he made a counterargument saying that many entrepreneurs bought latest model cars, built luxurious houses with the money borrowed from the banks for industrial purposes.

There are many instances that crores of taka were taken from the banks by a section of people and did not use even a single penny for setting up any

industry, the minister alleged. "On the other hand, they are threatening the government for launching a movement and demanding financial help for rehabilitation of their "sick" industries," Tofail Ahmed said.

Laila Rahman said her chamber was the first among those demanding punishment to borrowers who defaulted intentionally.

The MCCI president also blamed the deteriorating law and order situation, extortion and smuggling for disturbing industrial sector.

purpose, a 'Jute Line Improve-

ment Project' is nearing com-

pected to be completed by the

end of August this year, the

source said adding that 90 per

cent of work on the Taka-30

crore project had already been

completed. When implemented,

the project would raise the pulp

production capacity to 30,000

ister Moudud Ahmed, in 1994

the then Finance Minister M

Saifur Rahman and in 1997 the

Industry Minister Tofael

Ahmed while visiting the mill

assured the employees and local

people of installation of the pa-

seeking immediate installation

of the plant has been formed

with the Principal of Chhatak

Gobindaganj College, Sirajul Is-

lam, as Convenor and Moulana

Ahmed Hossain, Secretary of

the SPPM CBA, as Member-Sec-

at the Chhatak bus stand re-

cently with Sujan Miah

Chowdhury, ex-upazila Chair-

man, in the chair. The speakers

called for effective steps by

April 30 to install the paper

plant. "Otherwise, next action

programme would be an-

nounced from a mass rally"

scheduled to be held on May 1,

The committee held a rally

A 101-men action committee

per producing unit.

retary.

they said.

In 1988, the then Prime Min-

The EU-aided project is ex-

pletion.



Finance Minister S A M S Kibria talking to a DSE delegation and high officials of SEC at his office yesterday. - PID photo

India unveils steps to boost power generation

NEW DELHI, Apr 27: The Indian government on Sunday announced steps to boost power generation and investment in the sector, while the power minister said he was disappointed over the role of the private sector, reports AFP.

Power Minister Rangarajan Kumaramangalam told reporters here that the cabinet had cleared a policy package to speed up investments in the sec-

It includes competitive bidding for new projects, simplified guidelines for government clearances and "transparent standards for bidding," he said. The government would offer

big power projects to the private sector by setting up "shell companies," which would have obtained necessary clearances from the authorities, he added. "The company which wins the bid will automatically re-

ceive all the clearances when the project is handed to it," Kumaramangalam said. The minister said in the five years to 1997, the power gener-

ation target fell short by 80 per "The reason for the shortfall was due to the sudden shift in

emphasis of creating additional generating capacity only in the private sector.

"Many good sites earmarked for the public sector were changed for private sector generation... the private sector investment did not take off as the policy had inherent defects,' Kumaramangalam said.

New MDs

BKB

Shoaib Ahmed has taken over the charge of Managing Director of Bangladesh Krishi Bank (BKB) on Thursday.

Prior to joining the bank, he was Managing Director of Bangladesh Shilpa Rin Sangstha (BSRS), says a press release.

He held many important positions like Collector of Customs & Excise, Joint Secretary, Ministry of Commerce, Director General, Export Promotion Bureau an Chairman of TCB.

BSB



Enamul Haq Choudhury joi-Bangla-Shilpa desh Bank (BSB) as Managing Director on current charge recently, says a press release. Choudhury joi

ned the then United Bank Ltd, Pakistan in 1965, as a senior officer

He held various responsible

positions. He visited India, Pakistan Thailand, US and England to attend various workshops, seminars and study tours.

BSRS



Mahmudul Karim has joined Bangladesh Shilpa Rin Sangstha (BSRS) Managing Dirent charge on

Prior to his present assignment, he held the current charge of the Managing Director of Bangladesh Shilpa Bank (BSB), says a press release. He joined BSB in 1964.

course held

Technological Services Ltd (BETS) recently organised a course for the Department of Agricultural Extension (DAE) on "Computer Training in Basic Skills and National Minor Irrigation Census (NMIC) software," says a press release.

pated in the course. Advantech, a sister organisation of BETS, conducted the

National Minor Irrigation Development Project of the Ministry of Agriculture is the sponsoring agency of this train-

Exchange Rates

Standard Chartered Bank, Dhaka. Central Bank USD/BDT Rate: Buying-BDT46.15/Selling-BDT 46.45 Selling Buying Currency TT Clean OD Sight BC TT/OD OD Transfer 46.1150 45.9550 45.8400 46.5100 46.5500 USD 77.9973 78.0644 GBP 76.6431 76.3772 76.1861 26.1586 26.1811 25.6337 25.5447 25.4384 DEM 0.3570 0.3480 0.3468 0.3460 30.7024 | 30.5959 | 30.4585 31.4045 31.4315 CHF 23.2434 23.2634 NLG 22.8066 | 22.7275 | 22.6370 28.7590 28.6592 28.5341 29.4341 SGD 7.7914 7.6648 7.6382 7.7848 FRF 7.6153 32.7126 CAD 31.9356 31.8248 31.6793 32.6845 6.0840 5.9526 6.0788 5.9354 30.5571 30.5834 AUD 29.4214 | 29.3193 | 29.1084 12.6839 MYR 12.6730 11.8700 | 11.8288 | 11.8083 6.0098 5.9220 5.9095 6.0150 12.4692 | 12.4799 | SAR 12.2289 | 12.1864 | 12.1656

Following is the Monday's forex trading statement by

Usance Export Bills TT DOC 30 Days 60 Days 90 Days 120 Days 180 Days 46.015 | 45.731 | 45.352 | 44.9162 | 44.4425 | 43.3183 Exchange Rates of Some Asian Currencies Against US Dollar Indian Rupee | Pak Rupee | Thai Baht | Malaysian Ringgit | Indonesian Korean Won 44.10/13 38.98/39.08 8000/8100 39.63/73 US Dollar Libor 1 Month 3 Months 6 Months 12 Months Buying Selling 46.6 USD 5.65625 Cash | 46.05 5.6875 5.78125 5.91797 45.9 46.5 GBP 7.4414 7.5 7.49609 7.45313

Indicative forward cover selling rates against Taka Month Months months Months Months Months USD/BDT 46.71 GBP/BDT 1 78.10 78.33 78.57 78.82 79.33 DEM/BDT 26.26 26.58 26.79 26.91 27.07 CHF/BDT 31.52 31.79 32.06 32.33 32.60 **Market Commentary** The local foreign exchange and money market was quite

active on Monday as the international markets resumed operation after weekend. In the interbank market, demand for US dollar was high and the US dollar traded between Taka 46.4470 and 46.4560. The local market was quite liquid as funds are coming back in circulation. The call money rate remained steady and is reported to have ranged between 7 pc and 8 pc. In the international markets Japanese yen softened against

the major currencies. Fear of Bank of Japan's intervention persists but market believes that successful intervention depends on erasing Japan's gloomy economic outlook that persist despite the stimulus package announced earlier. Sacking of 112 MOF officials including "Mr Yen" (Vice Finance Minister), also kept the yen low. At 1700 hours local time, US dollar closed at 1.7948/53 DEM, 132.64/2.73 yen and GBP at 1.6679/90 against USD.

Shipping Intelligence

Chittagong port Berth position and performance of vessels as on 27.4.98

Name of vessels Local Date of Leaving Cargo L port no agent arrival Yunlin GI Dali Prog 18/4 J/2 Diamond Dragon GI Osaka 20/4 28/4 Prog China Stra (48) Col Everet 25/4 25/4 Macho Sing Rainbow 16/4 R.Seed Banglar Mookh (Flag) BSC 23/4 29/4 Meghna Wheat(P)/GI Seacom 27/3 J/7 Banglar Asha Lams Tamakgol Rice(G) Mald OSA 19/4 J/10 ESCO Argo G Jaka Prog 19/4 29/4 J/11 Sea Bird Rice(G) Kaki 30/4 Litmond J/12 Nol Beryl Sing 16/4 28/4 Cont J/13Kota Berjaya Pil (BD) Cont Sing 18/4 29/4 CCT/1 Banglar Moni (Flag) BSC 21/4 27/4 Sing Cont CCT/2 Sea Bright Cont PII (BD) 20/4 29/4Sing RM/14 Penguine 30/3 30/4 Repair Yang Cross ∞ 1 Tristar-1 C. Clink Lang RML 24/4 GSJ Ever Forest Wheat(G) Tilb OWSL 28/4 TSP Ocean Cruiser Sulp Dubai USTC 17/4 RM/4 Lestari Indah Cement Pada RML 20/4 RM/5 Nidia H&SL Sko/MS Sing 23/4 29/4RM/6 Banglar Robi(Cont) Cont/Repair Sing BSC 21/4 29/4 DOJ Banglar Shourabh BSC Repair R/A DD Albatross-III 29/3 Repair Cand Cross DDJ/1 Tanary Star IDLE Para PSAL SM/10 Tug Ocean Alpha -Batam Olapsl 19/4 CUFLJ Tempest HSL

Cement/Idle Sing R/A Vessels due at outer anchorage Name of vessels Date of L port Local Cargo Loading arrival call agent Thor Simba (48)12/4 27/4 G Everet 27/4 USTC Rie(G) Leerort 16/4 RSL Cont Sing Skylark Ballast Mokran RPhos Hamr Delmure Ryong Nam Sam 29/4 Kaki OWSL Rice(G) Mir Damad 19/4 29/4 Sing SSL Cont Sing Prosrich 21/4 QCSL 29/4 Sing Coint Sing Al Salamas 29/4 ASLL Sea Joy 29/4 Rice(G) Seacom Mizoram 2/5 SSL Amethyst (48) 21/4 P.Kel Moskovskiy Komsomolets ANCL Kaki Rice(P) QCSL Sin Hai 20/4 1/5 Sing Cont Sing Ocean Brave G Everttt OWSL Rice(G) Gong Jiang 2/5 Kaki Banglar Kakoli 2/5 BSC Xpress Resolve 23/4 RSL 2/5 Sing Cont Manaslu 23/4 3/5 Baridhi Cont QC Pntail 20/4 QCSL 3/5 Sing Cont Seacom C. Clink New Reach 3/5 Bonsal 4/5 OTBL Scraping Hai Xiong 26/4 4/5 Pil (BD) Sing Cont M Regina 26/4 7/5 Pil (BD) Sing Cont Sing

Vessels at Kutubdia Date of Name of vessels Cargo L port Local call agent arrival B.Bay R/A (25/2) Sing B.Bay B.Bay R/A[7/4] The above are the Monday's (27.04.98) Shipping position and performance of

Sing

Pil (BD)

Cont

Sing

Most Asian units rise against dollar HONG KONG, Apr 27: In a

week that ended with Japan unveiling a new economic stimulus package, most Asian currencies rose against the US dollar, reports AFP.

JAPANESE YEN: The yen rose against the dollar, buoyed by expectations on the Central Bank of Japan's dollar-selling intervention and details of the Japanese government's new economic package released late Friday, dealers said.

The Japanese currency stood at 129.76-79 to the dollar Friday afternoon, up from 131.86-89 a week earlier.

The yen fell into the 132 range on Monday due to a sharp rise in Japan's trade surplus in March but turned up on the following day amid speculation that the Bank of Japan would step into the market to shore up the yen.

It edged higher on Friday ahead of the release of details of the government's spending

AUSTRALIAN DOLLAR Weaknesses in Japan, lingering anticipation of another interest rate cut and the waterfront dispute will keep the pressure on the Australian dollar in the coming week, analysts said Fri-

At week's end, the Australian dollar closed at 65.12 US cents, down from 65.38 cents a week ago.

NEW ZEALAND DOLLAR :

The New Zealand dollar closed Friday worth 56.03 cents, up from the 55.84 cents of a week earlier. This closing was near the

bottom of its trading range and dealers said they were awaiting details of Japan's stimulus package. SINGAPORE DOLLAR: The Singapore dollar ended the

lar to 1.5894 from 1.6000 the previous Friday. HONG KONG DOLLAR: The Hong Kong dollar closed Friday

week higher against the US dol-

at 7.7497-7.75 to the previous INDONESIAN RUPLAH: The rupiah closed trading Friday at

7.889 to the dollar compared to 7,765 to the dollar on Friday the previous week. MALAYSIAN RINGGIT : The ringgit ended the week slightly firmer at 3.7550 to the dollar

week. The local unit is expected to trade in a narrow band next week, amid fears that the yen's weakness against the dollar

Friday from 3.7600 the previous

Chairman of Bulk Trade International, Aminur Rashid Khan Mamun, and General Manager of Agricultural Inputs Corporation of Nepal, K B Shrestha, are exchanging documents on the signing of an agreement for the supply of 30 thousand metric tonne urea fertiliser to Nepal.

would continue to weigh down on regional currencies, dealers

PHILIPPINE PESO: The peso fell 1.04 per cent against the dollar, closing at 38.47 pesos to the greenback on Friday. It closed at 38.07 on April 18.

SOUTH KOREAN WON: The won strengthened from 1381.30 won per dollar a week ago to close out at 1366.70 won on Fri-

TAIWAN DOLLAR: The Tai-

wan dollar rose 0.1 per cent over the week to close at 32.986 against the greenback Friday in narrow range trading amid central bank intervention. The bank announced to tighten control on currency speculation Monday and ap-

peared determined to keep the

currency from falling through

the 33 level. THAI BAHT: The baht appreciated against the dollar over the week to Friday, trading in a narrow range and closing at 38.70-75 to a dollar, compared to the previous week's

Analysts said the currency strengthened on the back of ongoing capital inflow from banking recapitalisation measures, including Bangkok Bank PLC, the country's largest commercial bank.

close at 39.40-45.

The baht is expected to continue to gain against the greenback over the next week.

BETS training Bangladesh Engineering &

About 40 officials partici-

training course.

Ismava Laut Tide Seabulk Energy vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

5/5

trade Fast 22/4