

Rally against Indian sugar smuggling

JHENIDAH, April 2: Angry people Sunday ransacked the office of Upazila Nirbahi Officer (UNO) of Kalliganj and locked him up when he refused to receive a memorandum from processors, witnesses here said, reports UNB.

The memorandum called for curbing smuggling of sugar from across the border. Indian sugar has allegedly flooded markets of the upazila and its adjoining areas affecting the local product.

About 4,000 workers of Mobarakganj Sugar Mill including students brought out a procession to protest rampant smuggling which has showed a rise over the recent months.

Sources said sugar worth about Taka 60 crores remained unsold and had been kept in the mill godown for a long time.

Besides, mill authorities are yet to pay arrears bills worth about Taka 3 crores to the sugarcane farmers, the sources added.

Deputy Commissioner and Superintendent of Police of the district rushed to the spot and rescued the UNO. Later the UNO was withdrawn from the upazila.

Transactions thin at share market

Star Economic Report
Dhaka Stock Exchange (DSE) witnessed thin transactions on Tuesday. But advanced dominated trading. DSE All Share Price Index moved up to 354.3676 points compared with Sunday's 353.7325.

Trading was suspended on Monday as a mark of respect to the memory of A. K. Khan, noted industrialist and a founder councillor of DSE.

In all 3,426 shares and debentures changed hands compared with Sunday's 7,725. Traded issues valued Taka 3,49,617.50. It was Taka 4,26,588.00 on Sunday.

Twenty-nine stocks were traded. Of them fifteen gained, seven lost and seven remained unchanged at their previous quoted prices.

Among the advanced City Bank and N. T. C. in the Food and Allied Sector gained most. They moved up Taka 17.50 and Taka 15.00 to Taka 250.00 and Taka 280.00.

Monosopal Paper and the debenture of Apex Tannery gained Taka 7.00 and Taka 5.00 to Taka 105.00 and Taka 101.00 respectively.

BGIC Insurance, Green Delta Insurance, Atlas Bangladesh, Bangladesh Autocars, Bangladesh Thai Aluminium, Eastern Cables, Jaques Drycells, Renwick Jajneswar, Dhaka Vegetable, Dulamia Cotton and Apex Tannery advanced within the range between Taka 0.10 and Taka 1.00.

Bengal Food, Metalex Corp and Saitam Textile lost Taka 6.55, Taka 2.00 and Taka 1.50 to Taka 198.45, Taka 97.00 and Taka 83.00.

Beximco Pharma, Usmania Glass, 4th ICB Mutual Fund and 5th ICB Mutual Fund declined within the range between Taka 0.90 and Taka 1.00.

Quoted Prices of Traded Stocks

April - 2			
STOCK	TV/MI	Closing (Taka)	Changes (Taka)
Bank	100/5	250.00	(+17.50)
City Bank	100/10	250.00	(+17.50)
Investment	100/10	145.00	(+1.00)
4th ICB M. Fund	100/10	94.00	(+1.00)
5th ICB M. Fund	100/10	112.25	(+0.40)
Insurance	100/10	113.00	(+1.00)
BGIC	100/5	113.00	(+1.00)
Green Delta	100/5	210.00	unchanged
Engineering	100/5	43.00	unchanged
Atlas Automobiles	100/5	5.00	(+1.00)
Bangladesh Autocars	100/5	97.00	(+2.00)
B. Thai Aluminium	100/10	95.50	(+0.50)
Eastern Cables	100/5	99.00	(+1.00)
Metalex Corp	100/5	97.00	(+1.00)
National Tubes	100/10	43.00	unchanged
Quamam Drycells	100/5	8.00	(+0.10)
Renwick Jajneswar	100/5	71.00	(+1.00)
Dulamia Cotton	100/5	198.45	(+6.55)
Dhaka Vegetable	100/5	280.00	(+15.00)
N.T.C.	100/5	280.00	(+15.00)
Juba	100/5	85.00	unchanged
Saitam Textile	100/5	83.00	unchanged
Pharmas & Chem	100/5	175.00	(+0.90)
Bangladesh Pharma	100/10	85.00	unchanged
Pharmas & Chem	100/5	105.00	(+7.00)
Pharmas & Chem	100/5	105.00	(+7.00)
Pharmas & Chem	100/5	98.00	(+1.00)
Pharmas & Chem	100/5	85.00	(+1.50)
Pharmas & Chem	100/5	144.00	(+1.50)
Pharmas & Chem	100/5	42.20	unchanged
Pharmas & Chem	100/5	9.75	unchanged
Pharmas & Chem	100/5	198.00	(+1.00)
Pharmas & Chem	100/5	1015.00	(+5.00)
Pharmas & Chem	171/1	1720.00	unchanged

*TV=Face Value, MI = Market Lot
** Changes: Plus signs mean gain and (-) signs losses.

Dhaka Stock Exchange Market Profile

April - 2

134 Listed stocks
15 Gains
7 Losers
112 Unchanged

112 Unchanged stocks include seven traded on the day at the previous day's quoted prices.
DSE All Share Price Index = 354.3676
Issued Capital-Taka 4,620,377,190.00
Market Capitalisation = 10,133,860,016.00
Turnover = Taka 3,49,617.50 (Value) 3,426 (Volume).

Task Force suggests measures to restore discipline in banking sector

Major causes for indiscipline identified

Star Economic Report

The Task Force on finance sector reforms has identified five major causes for growing indiscipline in country's banking sector.

The causes are: (1) Mandatory-lending operations, (2) Non-adherence to banking norms in sanctioning credits to the public sector or government-controlled agencies, (3) Favours by the powerful quarters within the government to particular groups or individuals in sanctioning credits in the eighties, (4) Pervasive influence of labour or employees unions and other vested interests over management operations by banks and (5) Unwillingness on the part of the borrowers at large to repay loans.

The 10-member Task Force with Dr. Mohiuddin Khan

Alamgir, Additional Secretary, Economic Relations Division (ERD) as its Convenor suggested a number of steps to restore discipline in the ailing banking system.

The steps, as noted by the Task Force in its recent report to the government, include: (1) The participation of the banking personnel in introducing proper norms and practices must be ensured under the supervision of Bangladesh Bank and Ministry of Finance, (2) The tendency on the part of any ministries, particularly ministry of industries, to impose, decisions flouting, normal banking practices, must be curbed, (3) The equity: debt ratio for project financing should be decided by the banks and Development Financing Institutions (DFIs)

themselves on the basis of normal bank-client relations and no limits about such financing operations or collateral arrangements should be prescribed by any government authorities, (4) Any borrower, defaulting in making repayment of loans to any bank, should not be permitted or allowed to borrow from other banks, (5) Bangladesh Bank should be represented in boards of directors for banks and DFIs and (6) Highest priority should be accorded to credit recovery operations.

It noted with concern that widespread corruption had eaten up the vitals of banks, it strongly recommended that steps should immediately be taken to identify the corrupt officials involved in various irregularities in credit opera-

tions and to initiate actions against them.

The Task Force suggested that the government itself should take moves on an urgent basis for arranging repayment of overdue loans by the public sector bodies. The decision about interest exemption on credits to textile mills and also about segregation of loans for jute mills demands reconsideration on a commercial basis, it stressed.

It has pleaded for setting up a committee to probe into the cases of remission of interest charges, amounting to tens of crores of Taka in industrial and other sector credits. Waiving of interest charges on such a large scale has created a bad precedence and this needs to be properly investigated to

help restore discipline in the financial sector, it said.

The Task Force suggested that efforts must be made to restore healthy trade unionism in the banking sector and to curb undue influences of employees unions. A code of conduct should be enforced for the unions. The employees unions must not be allowed to exert any influences in areas outside their operational jurisdiction. The existing practices about influence-peddling in credit sanctions, and resistance to any transfers, appointments or promotions must be stopped, the Task Force stressed.

The Task Force on financial sector reforms was one of 29 working groups, constituted by the government to review the

existing socio-economic problems in various sectors and to suggest policy options to remedy the same.

The members of the Task Force included: Lutfur Rahman Sarkar of Islami Bank, Humayan Hamid, Managing Director, Agrani Bank, A. Qureshi, Managing Director, BSCIB Ltd, Kazi Baharul Islam, former Managing Director, Rupali Bank, S H Chowdhury of Square Pharmaceuticals, M M Nurul Haque, Managing Director, Bangladesh Shipa Rin Sangstha, SR Karmakar, Executive Director, Bangladesh Bank, Khondoker Ruhul Quddus, Managing Director, Bangladesh Krishi Bank, A B M Mahbubul Amin Khan of Bangladesh Institute of Bank Management and Khondoker Ibrahim Khaled of PKSP.

Crop production falls due to low quality seeds

The country's crop production has been decreased due to low quality seeds and pest attack, reports UNB.

"Crops worth about Taka 2,000 crores are damaged annually only because of widespread pest attack," disclosed the Minister for Agriculture, Irrigation, Water Development and Flood Control, Maj Gen (Retd) Majid-ul Haq while inaugurating a day-long workshop in city Tuesday.

The workshop on Plant Quarantine Regulations of Bangladesh was jointly organised by Bangladesh Agricultural Research Council (BRAC) and DANIDA, an NGO.

He said private sectors should be encouraged for production of seeds locally and efforts made to implement the national seed policy.

Presided over by Additional Secretary, Ministry of Agriculture Md. Irshadul Haq, the inaugural session was addressed by S. A. Munim, Director of Plant Protection Department and Dr. H. R. Kristensen, team leader of DANIDA mission.

Kristensen suggested establishment of a plant health board in the country to prevent plant disorders.

Price Barometer: Essentials

April - 2	
Item	(Taka per Kg)
RICE	
Aman (Very fine)	17.00-17.50
Amant(fine)	14.50-15.00
Pajam	13.00-14.00
Ufahi	11.50-12.00
VEGETABLES	
Potato(White)	3.00-3.50
Brinjal	4.00-6.00
Lady's finger	8.00-10.00
Karolla	10.00-11.00
Lalshak	4.00-5.00
Papay	5.00-6.00
Green Banana (Four Pieces)	5.00-8.00
OBBERFOODGRAN	
Flour	12.00-14.00
Atta	10.00-11.00
Wheat	9.00-10.00
Suzi	18.00-20.00
FISH	
Ruhi(big)	120.00-130.00
Katla(big)	90.00-100.00
Hilsha	50.00-55.00
Pangas	110.00-120.00
Shrimp(big)	80.00-90.00
Singi	75.00-85.00
Koi	90.00-100.00
PULSES	
Mash	27.00-28.00
Mashur	26.00-28.00
Moogh	33.00-35.00
Chhola	22.00-24.00
Matar	25.00-27.00
Khesari	16.00-18.00
MEAT	
Beef	50.00-60.00
Mutton	80.00-90.00
OIL	
Mustard	50.00-54.00
Soyabean	33.00-34.00
Palm Oil	40.00-41.00
Cocconut (Colombo)	64.00-68.00
Vegetable Ghee	40.00-52.00
SPICES	
Onion(new)	12.00-15.00
Garlic	20.00-28.00
Chillies	54.00-60.00
Tumeric(Round)	40.00-44.00
(Long)	42.00-48.00
Green chillies	16.00-20.00
Ginger	20.00-24.00
Cinnamon* (10grams)	3.00-3.50
Cardamom* (large)	3.50-4.00
Jhira (50grams)	7.00-7.50
MISCELLANEOUS	
Cher	220.00-230.00
Sugar	29.00
Molasses	18.00-20.00

Source: Department of Agricultural Marketing



Prawns are being netted in, using an indigenous device, at Bay beach near Cox's Bazar.

— Star photo

Sharif to wipe out parallel economy

ISLAMABAD, Apr 2: Prime Minister Nawaz Sharif, the architect of Pakistan's new industrial revolution, hopes to jump-start its stalled economy and wipe out the parallel economy run by smugglers, drug barons and black marketers, reports AP.

Sharif has launched a no-questions-asked investment policy that allows black money to be legally laundered. Cumbersome tariff laws also are being tossed out, customs regulations simplified and red tape slashed.

"Our new industrial policy allows people to invest in industries. We won't ask any questions about where their money came from," said Finance Minister Sartaj Aziz.

Financial analysts estimate as much as five billion dollars could be injected into Pak-

istan's ailing economy, burdened by unemployment, inflation and a soaring population growth rate of 3 per cent annually, one of the world's highest.

The parallel economy is estimated to be almost equal to the Federal budget of 11.2 billion dollars.

And business is booming. Huge bazaars in the Northwest Frontier Province thrive on contraband items, from Chinese silk to Soviet-made air conditioners.

Black markets deal in everything from bogus passports to counterfeit money. Foreign currency is exchanged at a rate slightly higher than the official rate of 22 rupees to the U.S. dollar.

But the big money-maker in Pakistan is drugs. Poppies produce a lucrative

cash crop for farmers along the Pakistan-Afghanistan border, where scores of heroin manufacturing labs have sprung up.

Sharif, a self-made millionaire, is trying to harness that wealth and propel the economy forward.

"He's a man who knows the value of free enterprise," said one western diplomat, speaking on condition of anonymity.

But economists and analysts say Sharif's economic reforms were in part an act of desperation.

In 1988, the International Monetary Fund (IMF) put together a one-billion-dollar bailout programme to aid an economy crippled by short-term borrowing. High interest rates were eating away at Pakistan's meager revenues, sending the deficit spiralling skyward.

But the IMF clamped down on the package last year after Pakistan failed to bring its inflation rate down and reduce its deficit. It won't release the final 200-million-dollar instalment until Pakistan significantly slashes its 15-billion-dollar budget deficit and cleans up its financial institutions, many of which are said to be near bankruptcy.

The deficit was to be reduced last year to 5.5 per cent of the country's gross national product of 41 billion dollars.

"In the normal course, we would have done it, but the Gulf crisis came and we couldn't accommodate that," Aziz said. "When you are locked into such a tight readjustment programme you can't accommodate abnormal things."

DSE condoles A.K. Khan's death

By Staff Correspondent

The death of the Founder Councillor of Dhaka Stock Exchange (DSE) and an eminent industrialist A.K. Khan was condoled in a meeting at Dhaka Stock Exchange.

It was presided over by Selahuddin a senior DSE member. M.A. Huq Howlader, General Secretary, A.K.M. Abdur Razzak and the Chairman of the meeting discussed the eventual life of the deceased. A manuzat led by A.K.M. Abdur Razzak was offered for the salvation of the departed soul.

Gold & Silver

April - 2	
Item	(Taka for 11.66 grams)
Gold	6,000.00
Tejabi	6,000.00
Guinea	6,300.00
Silver	200.00

Source: Department of Agricultural Marketing

Hides & Skin (Wet/Salted)

April - 2

Item	(Taka per 100 pieces)
Cow	15,000.00 - 19,000.00
Light	28,000.00 - 35,000.00
Medium	40,000.00 - 45,000.00
Heavy	55,000.00 - 60,000.00
Very heavy	70,000.00 - 75,000.00
Rejected	30,000.00 - 35,000.00
Goat	
Big & heavy	14,000.00 - 15,000.00
Light & medium	7,500.00 - 8,000.00
Rejected	3,500.00 - 4,000.00
Sheep	10,000.00 - 10,500.00
BUFFALO	60,000.00 - 65,000.00

Source: Department of Agricultural Marketing

Panic buying in Soviet Union

MOSCOW, Apr 2: Panic buying swept the Soviet Union as consumers skipped work to stand in long queues to buy up basic food ahead of steep price rises due tomorrow, Soviet media reported, says Reuter.

The panic reached such serious proportions that rationing was introduced in some regions on bread, ordinarily the most abundant item in the Soviet Union, the Communist Party newspaper Pravda and the official news agency TASS said. Shops closed early to halt the flood of anxious consumers.

Long-awaited rises averaging about 60 per cent go into effect tomorrow as the government attempts to create a market economy.

UK's recession can bottom out soon

LONDON, Apr 2: Britain's economic recession could soon bottom out, an employers leader said Tuesday, reports Reuter.

John Banham, Director-General of the Confederation of British Industry (CBI), said: "We think we might be in sight of the bottom of the recession. Times are still very difficult for a very large number of businesses and the situation is continuing to get worse."

"However, we may be in prospect of German levels of inflation within the year. If this is the case we can expect interest rates to come down and we could expect to see the economy turning round in the

6 Gulf states to establish fund

PARIS, April 2: Six Gulf Arab states are considering establishing a fund to finance private sector ventures in Arab countries, the French newspaper, Le Monde has reported, says Pool.

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Exchange Rates

April - 2		
SELLING AND BUYING RATES, offered by Commercial Banks, for Bank Cheques, B/Cs and Overseas Drafts (O/Ds)	One Unit of Foreign Currencies (FC) for Taka	
FCs	Selling	Buying
US Dollar	35.9226	35.4432
UK Pound Sterling	62.8564	62.1052
German Deutsche	21.1808	20.8858
Mark		
French Franc	6.2209	6.1357
Saudi Riyal	9.8101	9.4819
Dutch Guilder	18.7146	18.4505
Pakistan Rupee (AMU)	1.5828	1.5475
Singapore Dollar	20.0247	19.7584
US Dirham	9.8141	9.6851
Kuwait Dirar		Not available
Indian Rupee	1.8271	1.8098
AMU	5.9411	5.7584
S. Kroner		
AMU-Asian Monetary Unit		
SECONDARY EXCHANGE MARKET		
Wage Earners Fund/Export Performance Benefit (XPB) Fund	Buying	Selling
US Dollar	36.48	36.53
UK Pound	63.98	63.91
Sterling		

* The rates of Pound Sterling are decided every day, based on the composite of New York market. Source: Small Bank

Snippets

Banks blacklisted in Saudi Arabia

NICOSIA, April 2: Saudi Arabia has blacklisted several international banks, including two Japanese, a Taiwanese and a Canadian institution which with drew from the Kingdom after Iraq invaded Kuwait in August, the Middle East Economic Survey (MEES) reported Monday, reports AFP.

The Nicosia-based newsletter said Sanwa Bank and Tokai Bank of Japan were cited in a list made out by Saudi financial authorities. "Although both vigorously assert that they are continuing to conduct normal business in Saudi Arabia," MEES did not name the Taiwanese and Canadian banks.

8,000 businesses in UK, Wales collapse