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DHAKA SATURDAY, APRIL 26, 1997

## Autarky in salt likely this yr

Bangladesh is likely to attain self-sufficiency in salt this year, as has been indicated by the producers from different areas.

A source of Bangladesh Small and Cottage Industries Corporation (BSCIC) told BSS here yesterday salt production in Kutubdia, Maheshkhali, Lemshikhali, Teknaf, Bantshkhali and Chokoria of Chittagong and Cox's Bazar salt regions has already registered at 5.23 lakh metric tons from December last to April 20 of the current fiscal year.

"The salt production rate is quite satisfactory," the source said, adding that more than three lakh tonnes of salt was expected to be produced over the next two months till June, 30 if weather remains favourable.

The salt production target for the fiscal 1996-97 was fixed at eight lakh metric tons.

According to the Food and Nutrition Institute of Dhaka University and the UNICEF, country's total demand for salt is 7.8 lakh metric tons. Of the total, 6.12 lakh metric tons go for human consumption, 0.55 metric tons for livestock and fish cultivation and 1.13 metric tons for industrial raw materials and other purposes.

A total of 43 thousand acres of land has so far come under salt cultivation under the direct patronisation of BSCIC, sources said.

## Ailing insurance co ordered to close down in Japan

TOKYO, Apr 25: A life insurance company suffering serious financial losses from bad investments was ordered shut down Friday, the first time in 50 years that Japanese financial regulators forced an insurer to close, reports AP.

Finance Minister Hiroshi Mitsuoka said he has asked other life insurance companies to help share the burden of liquidating Nissai Mutual Life Insurance Co., expected to close this fall.

The Nissai group, which includes the automaker, and Hitachi may also be asked to help out. Using public funds is also not ruled out, said Finance Ministry official Makoto Fukuda.

Losses are estimated to be about 200 billion yen (1.6 billion dollars), the company said.

Tokyo stocks fell on the news, with the main barometer Nikkei Stock Average closing down 85.21 points, or 0.46 per cent. But overall, the market took it in stride, traders said.

Hiroshi Yonemoto, the President of Nissai Mutual Life Insurance, said low domestic interest rates and weak stock prices that slashed returns on investments forced it to go under.

The insurer's net worth had been negative for three or four years — something the Finance Ministry knew all along, Yonemoto said.

Japan's financial industry has been shaken by a massive bad debt problem left over from the wild speculative spending of the late 1980s, when land and stock prices soared before crashing in the early 1990s.

Last November, Hanwa Bank, a regional bank on the verge of collapsing under a heap of bad debt, was ordered shut down. That was the first time in 50 years that Japanese financial regulators had ordered a commercial bank to close down.

But the Finance Ministry said the decision to shut down the insurance company should not lead to more problems in the banking sector because Nissai Mutual Life Insurance has no bank borrowing.

## 'Next UK govt should raise taxes to check inflation'

LONDON, Apr 25: The next British government which comes to power after May 1 general elections should raise taxes rather than tighten monetary policy, to prevent inflation from getting out of control, a leading business organisation said on Thursday, reports AP.

In a rebuff of both the two main political parties' tax promises, the British Chambers of Commerce (BCC) said that the next chancellor of the exchequer should raise income tax from 23 to 24 per cent.

The opposition Labour Party, tipped in opinion polls to win power on May 1, has promised not to raise income tax for the five-year parliament. The governing conservatives have pledged a further round of cuts in personal taxation.

The BCC's Deputy Director-General, Ian Peters said: "Whilst many commentators believe that interest rates will have to rise after the election in order to contain inflation, this will have the damaging effect of hurting manufacturing investment and export competitiveness."

He added: "There is an alternative. In our view the new government must look at the option of tightening fiscal policy in order to subdue consumer demand without hurting competitiveness."

## Motia for cooperation in rice research Iran offers Bangladesh use of Caspian Sea port

Minister for Agriculture and Food Begum Motia Choudhury was impressed by the research standard on rice in Iran and emphasized the need for institutional cooperation between Bangladesh Rice Research Institute and Iranian Rice Research Institute, reports BSS.

She also stressed the need for exchanging technical information and germ plas in pursuance of the memorandum of understanding (MOU) on cooperation in the agriculture sector concluded between Bangladesh and Iran during the visit of Iranian President Rafsanjani to Bangladesh in 1995.

Begum Motia Choudhury, now in Iran, visited the Iranian Rice Research Institute in the Northern city of Rasht along the Caspian Sea in Gilan province Thursday. She was accompanied by her delegation members including Dilara Harun MP and Bangladesh Ambassador to Iran Sayed

Moazzem Ali, a message received here yesterday said.

Director general of the rice research institute received Motia Choudhury when she arrived there. She went round the various sections of the research and development process of the institute.

The Governor General of Gilan province took Begum Motia Choudhury to Bandar Anzali, an important sea port of the Caspian Sea and said Bangladesh was most welcome to use this sea port's facilities for export of Bangladeshi goods to the Central Asian republics.

He also briefed Begum Choudhury on the proposed establishment of an export processing zone in the Bandar Anzali area. Begum Motia explained to the Governor General some details on export processing zones, particularly the Chittagong Export Processing Zone in Bangladesh.

Later, she was taken to the historic city of Masuleh where she visited a woman's cooperative and saw various development activities of the city.

for Agriculture, Y. Azad Manesh, who is also the Chairman and Managing Director of Iranian state tea organisation, received the Bangladesh Minister at the Iranian Tea Research Centre at Rasht. She was taken round different sections of the tea research centre and also to a tea garden there.

Begum Motia Choudhury expressed her deep interest at the processing of tea at the various stages and underlined the need for cooperation in this sector, particularly, in the exchange of technical know-how, between the two countries.

Begum Motia Choudhury also visited some rice fields and a rice mill in Rasht where she saw for herself the processing and packaging of rice.

Later, she was taken to the historic city of Masuleh where she visited a woman's cooperative and saw various development activities of the city.

## Weekly report on DSE, CSE

### Share market indicators fall to lowest level in recent time

By Rafiq Hasan

Disappointment and panic all around the capital market have pushed the major market indicators of the country's two stock exchanges to their lowest level in recent time.

The price indices of Dhaka and Chittagong stock exchanges suffered by 98.95 and 32.57 points over the week going down to 1022.20 and 444 points respectively on Thursday, the closing day. The market capitalisation of the bourses lost Taka 831.69 crore and Taka 457.97 crore declining to Taka 8500.99 crore and 6515.83 crore respectively.

During the five-day business session in the week, a total of 8.47 lakh shares and debentures valued at Taka 16.14 crore exchanged hands. The market was closed on Saturday due to three-day Eid holidays beginning Thursday last.

Out of average 101 traded issues, prices of 69 issues suffered, 29 gained while four issues remained unchanged everyday of the week.

Though the week began on a positive note, share prices started falling again on Tuesday.

According to observers and persons related to the share market the situation of the country's stock exchanges returned to the position prevailing during June-July period of last year.

They said that 90 per cent of the new investors, who had swarmed the capital market during the upheaval period, al-

ready left the market after having huge losses and disappointments.

They said the prices are falling mainly due to selling pressure on the floor and lack of new money influx into the capital market.

Practically the investors have no money to buy shares and make up their earlier losses, said a member of the DSE. He said though it was the best time for buying stocks but the investors could not take the advantage due to lack of financial support.

On the other hand, a number of leading brokers who had stocked huge shares are releasing certificates intentionally for manipulating the market, he alleged.

He said brokers who were accused in the probe committee report, were trying to make a fall in the prices further for their own interest.

But they also lost around 50 per cent of their invested money, he commented as the DSE price index continued to decline and go down to near 1000 mark.

Prof Abu Ahmed of Dhaka University said that only market reform could restore the confidence of the investors. No reform was done in the DSE and CSE though the Securities and Exchange Commission (SEC) has been advocating for it, he said.

The first thing which should be done immediately is to separate the stock exchanges management from the traders. A

lock-in should be imposed on sponsored share-holders so that they can not sell their stocks ahead within a year after the completion date of the project, Abu Ahmed noted.

He further proposed that a company should not be allowed to issue right shares if it has not paid dividend for the past three consecutive years.

### Bombay hit by bus strike

BOMBAY, Apr 25: Commuters in India's commercial capital were stranded Thursday as 45,000 employees of Bombay's bus company went on a one-day strike to press for higher wages, reports AP.

Suburban trains were overcrowded and hurried office-goers paid extra to get to work in taxis and autorickshaws.

A spokesman for Best, the only bus company in the city, admitted the strike had been successful in disrupting services, with less than a five out of every 100 employees turning up for work.

Only 100 of the city's 3,200 buses were running.

Police reported sporadic violence when employees loyal to Best tried to break the strike by reporting for work. They were pelted with stones.

Members of the Best workers' union organised a march through the city to the state assembly but police cordoned off the area.

## UK keen to invest in Cox's Bazar's tourist spot

CHITTAGONG, Apr 25: Britain has shown its deep interest to invest for development of the tourist spot in Cox's Bazar.

British High Commissioner in Bangladesh David Walker CMQ said this while talking to BSS at a reception, held in observance of the birth day of Queen Elizabeth II at Fenrires Estates here Thursday.

The British High Commissioner said Cox's Bazar is blessed with vast potentiality in attracting tourists all over the world and thus Britain is actively contemplating flourishing of the tourist spot in Cox's Bazar with the longest Sunday sea in the world.

Referring to the investment policy of his government, David Walker said the ties between Bangladesh and Britain in the

## Citicorp's net income jumps

NEW YORK, Apr 25: Citicorp, a global bank with branches in 99 countries, said Thursday its net income in the 1997 first quarter jumped 81 million US dollar or 9 per cent to 995 million US dollars over the same period in 1996, says AP.

Earnings per fully diluted common share were 2.01 US dollars, up 15 per cent over the 1996 first quarter. Citicorp Chairman John S Reed said, "We are accelerating our plans to get fully engaged in our business directions, to offset continuing weakness in the US consumer credit environment plus the need to fund the expansion of our franchise in the emerging markets and the globalisation of our processing base."

Citicorp's consumer business — credit cards, and the private bank — earned 490 million US dollar in the quarter on adjusted revenue of 3.5 billion US dollar.

## Dollar falls in Tokyo

TOKYO, Apr 25: The US dollar fell against the yen on Friday, reports AP.

The dollar rose early on news of a life insurance firm's liquidation, but the currency ran out of steam in midday in Tokyo.

At late afternoon, the dollar was changing hands at 125.86 yen, down 0.43 yen from late in Tokyo Thursday and also below its late New York level of 126.13 yen overnight. It ranged between 125.72 yen and 126.35 yen in Friday's trading.

Many players remained reluctant ahead of Sunday's meeting of finance ministers and central bankers from the Group of Seven industrialised countries in Washington, and a summit between Japanese Prime Minister Ryutaro Hashimoto and US President Clinton later Friday, also in Washington.

## National policy needed to promote integrated pest management

The country, now facing a threat of ecological imbalance due to indiscriminate use of chemical pesticides, needs a national policy to promote integrated pest management (IPM), a natural and environment-friendly process of pesticide use, reports BSS.

The IPM experts said political willingness of the government and leaders of the nation was essential for introduction of IPM on a large-scale among the farmers.

They explained that IPM was the best mix of control tactics for pest problem. Under the process pests are controlled at levels through different tactics. At the first stage the farmers are encouraged to conserve and augment the natural enemies of the pests in the agricultural fields. The next step is to collect the eggs of the pests to destroy or putting up life traps, growing resistant varieties.

An immediate declaration by the government adopting IPM as the national strategy for pest control is imperative to ex-

pand the system at a faster pace across the country," IPM expert of an international organisation said.

He said it was well-known and proven time and again that the present excessive and indiscriminate use of toxic pesticides had not only created environment and human health problems but also resulted in the development of resistance to insecticides and even had increased the incidence of insect pests in a number of cases.

The expert pointed out that the resurgence of brown planthopper outbreak in 1991 in Nilphamari and Rangpur districts had been attributed to the excessive use of pesticide.

He said, "therefore, to avoid such disastrous consequences in the future, alternative pest

management tactics are needed and best alternative strategy available now is IPM."

Only when these steps fail then the chemicals pesticides are used to eliminate the pests from the agricultural fields under IPM.

But it had been proved time and again that the first three to four natural steps under IPM was 80 per cent successful in eliminating pests from the crops.

The present situation in the agricultural sector in the country is not favourable for IPM as the farmers are heavily dependent on using the chemical pesticides. The pesticide dealers have successfully created a dependence of the farmers on the chemical pesticides with their aggressive marketing policy.

## Lanka calls for int'l investment in \$ 3.4b project

COLOMBO, Apr 25: Sri Lanka Friday called for international investment in a 3.4 billion dollars development project that includes building a new airport, harbour and a modern commercial township in the southern part of the island, reports AP.

The 68,000-hectare (168,000-acre) Ruhunupura project will be linked to the capital, Colombo, by a six-lane 211-kilometer (132-mile) expressway and an electrified rail system, the first in the country.

The appeal for investment was contained in a two-page advertisement published in many of Friday's local dailies.

Ruhunupura will have an airport with two runways and an aviation school, and a harbour spanning 56,000 hectares (139,000 acres). Four major rivers will be diverted to provide drinking water and meet power and irrigation requirements, the advertisement said.

President Chandrika Kumaratunga said in the advertisement that the initial assessments reveals that the project has the potential to emerge as an international business centre similar to other ports cities in Asia.

Chairman of the Southern Development Authority, Navin Gooneratne, said that the new port could be used by ships sailing between Aden and Singapore which carry 500 tons of fuel, water and other supplies for their voyage.

"If we provide bunkering and other services, these ships can carry more cargo and earn more," Gooneratne told the state-run Daily News newspaper.

## Japan's biggest brokerage suffers \$1.92b loss

TOKYO, Apr 25: Nomura Securities Co, Japan's biggest brokerage, said Thursday it lost 242.74 billion yen (1.92 billion dollars) in the fiscal year ended March 31 because of financial assistance for a troubled affiliate, reports AP.

The loss, for the whole Nomura group of companies, compares with a net profit of 49 billion yen (388 million dollars) in the previous year.

Financial assistance of 371 billion yen (2.92 billion) provided to Nomura Finance to help it overcome bad loan problems was recorded as a one-time extraordinary loss.

Japan's finance industry in general has been suffering from a mountain of bad debt left when stock and property prices collapsed after the late 1980s "bubble" of easy credit and rampant speculation.

The brokerage said operating profit rose 23 per cent to 166.58 billion yen (1.32 billion dollars) from 135.08 billion yen (1.07 billion dollars) in the previous fiscal year. Operating revenue climbed by 13 per cent to 919.12 billion yen (7.28 billion dollars), it said.

Meanwhile, Nomura has been trying to regain public trust after a scandal over shady stock deals allegedly made for the benefit of racketeers.

## Report on US-controlled Pacific territory Bangladeshi, other Asian workers abused

WASHINGTON, Apr 25: Asian workers lured to factory jobs in a Pacific territory under US control are often held there against their will and routinely abused by employers, a Democratic Congressman charged Thursday, reports AP.

Representative George Miller said US and Chinese-owned garment factories in the northern Mariana Islands were profiting from the systematic exploitation of Chinese, Filipino, and Bangladeshi workers.

The California Democrat also introduced legislation aimed at tightening federal enforcement of labour and immigration laws in the Marianas and documenting labour and human rights abuses there.

At a news conference, Miller released a 24-page report by congressional staff alleging that the Marianas — 14 islands ceded by Japan to the United States after World War II — "have also become a haven for drug, smuggling, Asian gang activities, and prostitution."

"Freed from US immigration

and minimum-wage laws, the (Commonwealth of the Northern Mariana Islands) fails to prosecute aggressively those who mistreat and abuse foreign labour by forcing them into prostitution ... restrict their expressions of political beliefs, and who deny them the wages they have earned," he said.

"Many workers have said that speaking out against battery and rape, unsanitary living barracks, illegal wage withholdings, long hours, or violations of their work contract can result in prompt deportation and the forfeiture of wages," Miller said.

Many Asian workers are lured to jobs in the Marianas under false pretenses, held against their will, and paid only about three dollars an hour, two dollars below the federally mandated US minimum wage, he said.

The Marianas became a UN territory under US administration after World War II. Its citizens voted in 1975 to live under US sovereignty.



Hong Kong film star Hung Yan poses with a 240,000 US dollar emerald necklace during the opening ceremony of Hong Kong-based Emperor Watch and Jewellery new boutique in Kuala Lumpur yesterday. The company, a subsidiary of Hong Kong's Emperor Group and an eminent leader in the territory's watch and jewellery business, is aggressively making inroads into other Asia-Pacific markets. — AFP/UNB photo

## Kibria opens branch of Ansar-VDP Bank Govt will try to increase growth rate up to 7pc

SAVAR, Apr 25: Finance Minister Shah AMS Kibria yesterday said the government will try to increase the growth rate up to six to seven per cent, reports BSS.

He said, if we can continue this growth rate for five years the total condition of people of the country will be changed.

The minister was inaugurating the 17th branch of Ansar-VDP Unnayan Bank here which started its journey in 1996 with a view to carrying out micro-credit operation among the about 43 lakh Ansar-VDP members.

The Finance Minister said the infrastructure of the agrarian economy should be developed for overall progress of the economy and the bank could play a vital role in this regard extending its credit programme

among all the Ansars of the country.

Kibria said the bank should consider three things for its success — helping the clients to pay back the loan in time, providing inputs so that the clients could use the money in productive sectors and providing guidance to the borrowers in marketing their products.

He assured the bank officials that the government would provide every thing necessary for the smooth operation of the bank.

The function was presided over by Deputy Commissioner of Dhaka MA Mubarak. Bank Chairman Azimuddin Ahmed, Managing Director SS Nizamuddin and Acting Director General of Ansar and VDP Col. Kazi Ashrafuddin Ahmed addressed the function.

## Gujral's cabinet adopts budget presented by Chidambaram

NEW DELHI, Apr 25: Indian Prime Minister Inder Kumar Gujral's cabinet today adopted the 1997-98 (April-March) budget which had been presented to Parliament by former Finance Minister P Chidambaram, reports Reuters.

"The union cabinet met today and adopted the budget as introduced in parliament," the spokesman said.

The government looks forward to parliament adopting the budget which is already in possession of the house. Therefore, as the budget is the property of the house, any changes or amendments in the budget cannot be discussed outside the house."

Chidambaram introduced the budget, which would cut corporate and personal income taxes, on February 28.

The budget, which set off a stock market rally, has been held hostage by political upheaval which led to Deve Gowda's downfall and the naming of Inder Kumar Gujral's cabinet as his party has decided not to join the government.

## Table of top ten foreign reserve holders

HONG KONG, Apr 25: The following is a table of the top 10 foreign currency reserve holders according to figures released by the Hong Kong government on Thursday, reports AP.

Foreign reserves ranking:

Japan	219.4 billion US dollars Year 97
China	110.3 billion US dollars Feb 97
Taiwan	88.6 billion US dollars Feb 97
Germany	85.2 billion US dollars Feb 97
Singapore	77.4 billion US dollars Feb 97
United States	69.9 billion US dollars Jan 97
Hong Kong	63.4 billion US dollars Mar 97
Spain	60.9 billion US dollars Feb 97
Italy	57.2 billion US dollars Jan 97 and 48.9 billion US dollars Feb 97.

## Asian stock markets close lower

HONG KONG, Apr 25: Asian stock markets ended the week generally lower Friday, with share prices falling in Tokyo for the second straight day after a life insurance company folded, reports AP.

Tokyo's 225-issue Nikkei Stock Average closed the day's trading at 18,812.86 points, down 85.21 points, or 0.46 per cent. On Thursday, the average had fallen 37.40 points, or 0.20 per cent.

The Tokyo Stock Price Index of all issues listed on the first section was down 7.46 points, or 0.53 per cent, to 1,411.63. The TOPIX closed down 1.70 points, or 0.12 per cent Thursday.

The Finance Ministry on Friday morning ordered Nissai Mutual Life Insurance Co., a financially troubled medium-sized life insurance company with bad debts, to shut down its operations.

It was the first time in 50 years that Japanese financial regulators ordered the liquidation of a life insurance company.

Some investors initially sold banking and brokerage issues following news of the Japanese life insurer's failure, but bargain-hunters bought back later in the morning. In the afternoon, share prices again moved into negative territory on arbitrage-linked selling, traders said.

Meanwhile, the US dollar was quoted at 125.86 yen, down 0.43 yen from late in Tokyo Thursday and also below its late New York level of 126.13 yen overnight.

In Hong Kong, share prices closed lower after two straight days of gains.

The Hang Seng Index, the Hong Kong market's key indicator of blue chips, fell 81.07 points, or 0.6 per cent, closing at 12,645.76. On Thursday, the index had gained 19.79 points.

Brokers attributed the slide to profit-taking following recent gains in share prices.

They said an overnight fall on Wall Street also dragged the Hong Kong market down.

The markets were closed in Australia and New Zealand for holidays.

TAIPEI: Share prices closed slightly higher in active trading. The market's key Weighted Stock Price Index rose 24.96 points to 8,654.19.

MANILA: Share prices closed lower. The Philippine Stock Exchange Index (PSE Index) of 30 selected issues fell 33.96 points to 2,872.37.

SEOUL: Share prices closed slightly higher on bargain-hunting. The Korea Composite Index rose 1.68 points to 692.

48 SINGAPORE: Share prices closed mixed. The benchmark 30-share Straits Times Industrial index fell 0.57 points to 2,019.60.

KUALA LUMPUR: Malaysian share prices closed generally higher, but the key index slipped because of declines in some blue-chip stocks. The Composite Index, which tracks the movements of 100 blue chips, fell 7.08 points to 1,089.45.

BANGKOK: Thai share prices closed lower. The Stock Exchange of Thailand index fell 4.42 points to 684.00.

JAKARTA: The stock exchange's Composite Index fell 0.508 points, closing at 652.476.