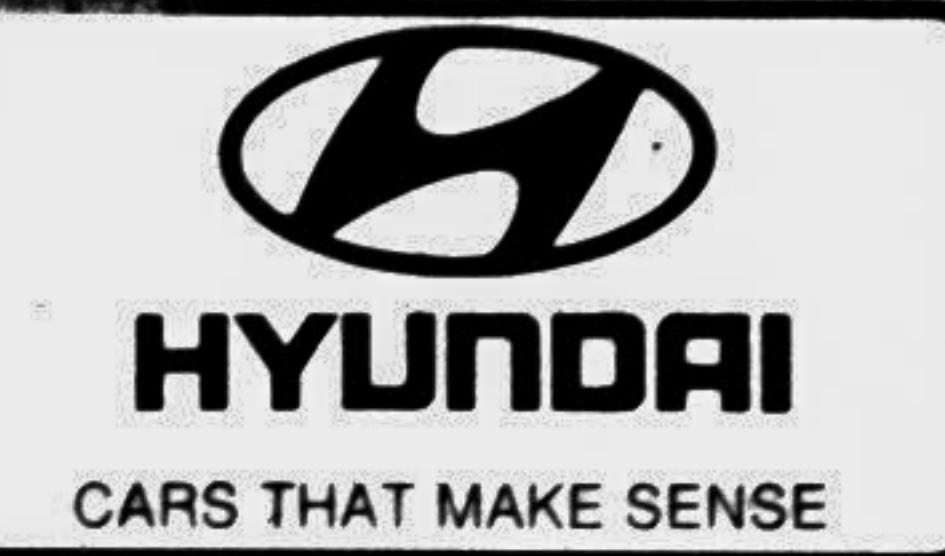




DHAKA SATURDAY, AUGUST 23, 1997



### Jute growers in Gopalganj not getting fair price

From Our Correspondent

GOPALGANJ, Aug 22:

Favourable climatic conditions

have helped produce bumper

jute crop in five thanas of the

district this year.

The farmers are not getting

fair price of their crop. Jute is

selling much below the produc-

tion cost.

Tosha is selling in different

hats and bazaars of the district

at Tk 200-240 and local variety

at Tk 180-200 per maund.

Farmers say some dishonest

money-lenders and business-

men are compelling the growers

to sell their crops before har-

vest at a very cheap rate.

There will be no government

purchase centre in the district

this year.

The growers have urged the

government to fix the price of

jute and open jute purchasing

centres.

### China records 'monumental progress' in power industry

BEIJING, Aug 22: China has recorded "monumental progress" in developing its power industry. Electric Power Minister Shi Dazhen said in an interview published by the official Xinhua news agency yesterday, reports AFP.

In power sector China had registered annual growth of eight to nine per cent for five consecutive years, he said.

The minister hailed the es-tablishment of a multi-channel system for financing further construction of power infrastructure, citing plans to adopt new means including bonds, shareholding and loans.

The sector has attracted a total of more than 13 billion dollars in foreign investment for power development, he said, vowing to step up use of overseas capital.

Beijing is experimenting with build-operate-transfer (BOT) agreements as a means of attracting foreign participation in the sector.

China's current installed capacity and annual output 236 million kilowatts and 1.08 trillion kilowatt hours - both rank second in the world, he added.

### Robust economy helps shrink US deficit

WASHINGTON, Aug 22: The robust economy helped shrink the US deficit during the first 10 months of fiscal 1997 by nearly two-thirds from the same period a year ago, government figures showed Thursday, reports AP.

With tax receipts running 12 per cent higher than the previous year, the shortfall for the fiscal year ending September 30 appeared on track to become the smallest in nearly a quarter-century.

The Treasury Department said Thursday the deficit so far in the fiscal year ending September 30 totalled 36.7 billion dollars, 64 per cent below the 100.9 billion dollars registered in the October-July period of fiscal 1996.

President Bill Clinton predicted earlier this month the fiscal 1997 deficit would be 37 billion dollars, smallest since a 6.1 billion dollar shortfall in fiscal 1974. The Congressional Budget Office is forecasting an even smaller 34 billion dollar deficit.

Although August is expected to add to the deficit, quarterly tax receipts in September normally produce a budget surplus in the final month of the fiscal year.

Clinton also contends the new tax-cut and budget-balancing laws will permit a 20 billion dollar surplus by 2002, the first black ink since fiscal 1969's 3.2 billion dollars.

The federal deficit hit a record 290.4 billion dollars in fiscal year 1992, then slipped to 255 billion dollars the following year. 203.1 billion dollars in fiscal 1994 and 163.9 billion dollars in fiscal 1995. It dropped to 107.3 billion dollars last year, smallest since 79 billion dollars in fiscal 1981.

Gain at the outset were undercut by quick selling, with the same pattern emerging again mid-way through the afternoon session after earlier declines were recouped, they said.

Analyst Anupam Shah at a domestic brokerage said: "Foreign investors are on the sidelines awaiting a further devaluation of the rupee. So they do not want to make any major purchases now."

Shah said the market had been also expecting New Delhi to announce a petroleum price hike on Thursday, but was disappointed when the increase was put off by Prime Minister Inder Kumar Gujral's government.

Reliance Industries lost 5.25 rupees at 359.75 rupees, MTNL was down six rupees at 265.50 rupees, Tata Steel shed 8.50 rupees at 196.75 rupees and Tata Engineering was down 5.50 rupees to close at 360.75 rupees.

Hindustan Lever lost 34.75 rupees at 1,407 rupees, Glaxo dropped 7.25 rupees at 425 rupees, Procter Gamble India was down 25.50 rupees at 915.25 rupees, Tata Power shed 0.50 rupees at 134 and Tata Hydro remained unchanged at 86 rupees.

The 30-share BSE index lost

The situation in the country's capital market becomes critical following a sharp fall in major indicators of the bourses and a controversy over settlement system.

The Dhaka Stock Exchange authorities blamed the Securities and Exchange Commission for allowing netting settlement system in Chittagong Stock Exchange, the second bourse of the country.

According to them, the volume of trading increased heavily in the CSE due to that system which allows settlement once a week.

The DSE demands a similar system of trading or its removal

from CSE. They said as the netting system allows submitting

scripts and money after a regular interval on the basis of balance, the brokers of CSE do not need enough fund for share-trading.

Though the system has several disadvantages including high risk during volatile market, the DSE authorities have been arguing that two systems of trading can not exist in one country.

The DSE submitted a written proposal to the SEC on Thursday for introducing netting system in share settlement. But the SEC is yet to give any decision in this regard.

Since the beginning of the week the DSE All Share Price Index continued to fall and went down to 862.05 points, the lowest of this year, on Monday.

The DSE authorities alleged that the netting settlement system in CSE has helped surpass the DSE's daily turnover.

The average volume of transaction in CSE was 6.99 lakh valued at Tk 7.82 crore while it was only 2.23 lakh in DSE worth Tk 4.77 crore.

However, the All Share Price Index and other market indicators of both the bourses experienced a significant decline over the week compared to the previous week's closing-day position.

The market capitalisation of the DSE lost Tk 435.42 crore when it suffered by Tk 364.14 crore in CSE.

The DSE market capitalisation closed at Tk 7314.21 crore from Tk 7749.63 crore.

Out of 129 traded issues, 79 suffered while only 46 gained and two remained unchanged.

Observing a massive fall in

most of the issues, the kerb market operators staged agitation programme demanding resignation of the DSE Chairman Abdul Haq Howlader and Finance Minister S A M S Kibria. They also urged the government to take some urgent measures to rescue the plunging market.

The market observers and member of the DSE said the falling trend persisted in the market mainly due to lack of institutional participation.

The DSE authorities have already held discussion meetings with finance minister and high officials of the government's regulatory body, the Se-

curities and Exchange Commission, but there is no sign of any change in the market.

During the meeting the finance minister assured the DSE authorities of accelerating activities of Investment Corporation of Bangladesh (ICB) and other government organisations related with capital market for increasing institutional participation in the market.

The DSE authorities got an assurance with Prime Minister Sheikh Hasina on Tuesday next to apprise her of the overall situation in the share market.

The DSE authorities will also hold a board meeting on Monday to finalise agenda.

### Govt planning to relocate tannery units in phases

The government has been contemplating both short and long-term programmes for pollution management of tanneries at Hazaribagh in the city, reports BSS.

Under the short-term programme, the wet-blue processing units, responsible for 80 per cent of the pollution, would be relocated either to Savar or to a convenient place beside Dhaka-Chittagong highway.

The long-term programme will include building of necessary physical infrastructures, construction of roads, setting up of modern waste disposal system in the new selected area and gradual shifting of all tanneries from Hazaribagh.

The plan was revealed at a discussion on 'Towards sustainable development: Waste management of Hazaribagh,' organised by the World Conservation Union.

It was chaired by Director General of Environment Directorate Sayid Mushtarrak Hussain. Government officials, environment experts, NGO representatives, leaders of Bangladesh Tanneries Association, Bangladesh Tanneries Workers Union, Bangladesh Environment Lawyers Association and Forum of Environment Journalists participated in the discussion.

The meeting was told that an international technico-economic study team would visit Bangladesh next month for pollution control and treatment of tannery effluents at Hazaribagh.

The World Conservation Union will provide 1,401,000 US dollars under its regional programme for pollution control in tanneries in South Asia. The participants dwelt on the dangerous aspects of unscientific disposal of tannery waste which has been posing serious health hazards to a vast number of people in Hazaribagh, Jigatola, Lalbagh, Nawabganj, Pilkhan areas and southern parts of Dhanmondi Residential Area.

They observed that the entire tannery industry would have to be relocated with the provisions of modern waste disposal sys-

tem.

President of Bangladesh Tannery Workers Association said 60 per cent of 12,000 workers have already been attacked by dangerous diseases like tuberculosis. There are about 200 tannery units in Hazaribagh area.

The experts suggested involvement of political parties, civil societies and all concerned for finalisation and implementation of environmental programmes integrating tannery waste disposal and treatment plant.

The Director General of Environment Directorate said the government is determined to find out a solution to the long-standing problems of tannery industries.

### US tobacco co vows to halt production if smoking causes lung cancer

MIAMI, Aug 22: The head of the world's largest cigarette maker, Philip Morris Inc, vowed his company would halt production if given proof smoking causes cancer, a lawyer said Thursday, reports AFP.

In a deposition videotaped earlier Thursday, Geoffrey Bible, Chairman and CEO of Philip Morris, also admitted that his company was advertising to entice young people to smoke, said lawyer Ron Motley.

Motley, who videotaped himself earlier Thursday in west palm beach, Florida, described the tobacco executive's testimony as "remarkable" and unprecedeted.

"He certainly is the first tobacco executive to say anything like this," Motley told AFP by telephone.

"He said that if his scientific staff told him they believed cigarettes caused lung cancer he would close the factory down," Motley quoted Bible as saying in the deposition.

### Emirates gets loan to finance a new Boeing 777

DUBAI, Aug 22: Emirates Airlines of Dubai announced yesterday it has received a 115 million dollar loan to finance the purchase of Boeing 777, the fourth of nine such planes it has ordered since 1993, reports AFP.

The funding was provided by a consortium of six banks, led by the Hong Kong-based British Bank, Societe Generale of France and the National Bank of Dubai. Emirates said in a press release.

Emirates announced a week earlier that it will buy two new B777s on top of seven others ordered in 1993, in response to strong market demand.

The last of the first batch of B777s will be delivered next month while the two latest orders will arrive next year.

## DSE blames SEC for allowing netting settlement system in CSE

# Capital market becomes critical

By Rafiq Hasan



Three Sri Lankan domestic workers along with 300 of their compatriots, wait at their embassy in Kuwait where they are seeking refuge on Thursday after their employers allegedly beat them. N Srmali (C) claimed she was beaten with bat while P Sandhya (L) said she had been struck on the head and hurled down a staircase. Woman on right is unidentified.

### Assetless people generate Tk 60 cr through small savings

## BRDB realises 98 pc of loan

Bangladesh Rural Development Board (BRDB) has distributed Taka 232 crore as micro-credit to the assetless men and women during the fiscal 1996-97, a release of the board said yesterday, reports BSS.

The board has recovered Taka 205 crore from the loanees which is 98 per cent of the total recoverable loan, the board said.

Fifteen lakh assetless men and women organised under poverty alleviation programmes have so far generated a capital amounting to Taka 60.25 crore through small savings, the BRDB said.

The board is running a separate project for development of women since 1974. The project titled "Women programme" was assisted by the World Bank and Canadian development agency CIDA up to the year 1995. Considering the positive impact of the programme in the field of health, family planning, primary education, sanitation,

child care and women leadership development, the government included this programme in the revenue budget from January 1996.

Under the women development programme 2,15,656 members from 6234 village-based women societies have been organised. Almost all the society members received credit amounting to Tk 85 crore for operating income generation activities (IGA) and some 60 per cent members have been successful in raising their family income, the credit recovery rate is 92 per cent, the board said.

The women members under this programme have generated Tk 12 crore as their own capital through weekly savings.

The board in the current financial year is implementing 16 development projects at a cost of Taka 103 crore, through these projects another five lakh assetless men and women will be organised and credit amounting to Taka 275 crore

will be distributed to them, the board said.

The board has trained fifteen lakh assetless men and women in different income generating activities during fiscal 1996-97 which has played a significant role in fulfilling the government objective of poverty alleviation, the release said.

The meeting was told that an international technico-economic study team would visit Bangladesh next month for pollution control and treatment of tannery effluents at Hazaribagh.

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They observed that the entire tannery industry would have to be relocated with the provisions of modern waste disposal sys-

tem.

There is an excess of dollars in the market and slack demand so I do not expect the rupee to lose much value against the dollar," he said.

The rupee has been trading at around 35.7 to 35.8 to the dollar for more than a year. Even though the dollar has appreciated during the period against most world currencies.

The experts suggested involvement of political parties, civil societies and all concerned for finalisation and implementation of environmental programmes integrating tannery waste disposal and treatment plant.

The Director General of Environment Directorate said the government is determined to find out a solution to the long-standing problems of tannery industries.

### Four out of 10 buildings in Delhi unauthorised?

NEW DELHI, Aug 22: Four out of 10 buildings in the Indian capital were illegally constructed by "fly-by-night operators" and the industry was gripped by organised crime, a leading Indian developer said yesterday, reports AFP.

The Indian currency closed at 36.15 rupees to one dollar, for the previous day's close of 35.93 rupees.

The Indian currency had



A get-together of Navana Limited/Goodyear representative and dealers of Goodyear Tyres was held at a city hotel on Thursday.

## India rupee crashes to 18-month low

BOMBAY, Aug 22: The Indian rupee crashed to an 18-month low against the dollar in the foreign exchange