

IMF loan talks trip on bank reforms

INAM AHMED
 The expected deal with the International Monetary Fund (IMF) for its poverty loan has fallen through on the question of reforming the state-owned banks.
 One of the major conditions of the IMF's \$1.80 billion loan was to change the boards and top management of the nationalised commercial banks (NCBs).
 It also slapped a condition that the NCBs, strapped with as high as 34 per cent non-performing loans, will not lend any more money.
 The government now finds that

fulfilling the IMF wish would be too risky. If the NCBs cannot lend money, many state-owned as well as some private enterprises would be in trouble.
 Political pressure is also intense on the banks to churn out loans.
 The government is however ready to privatise one of the four NCBs -- Rupali Bank -- and will sit for a wrap-up meeting with the IMF today.
 Another IMF team is expected to come soon to restart negotiation on its poverty reduction growth facility (PRGF) loan.

The IMF's latest conditions are based on the observations of an earlier World Bank-IMF delegation.
 The delegation in its report said, "Failure of fundamental reforms of the NCBs, or long, slow reforms would be very costly for Bangladesh. Serious reforms will require serious government commitment."
 "As a first step, NCB operations should be freed from political and labour union interference. Their governance and management should be improved and they should be subjected to greater market competition."

"During the first phase, the NCBs should be contained (no new net lending) to prevent new losses while the new management evaluate what additional steps will minimise the cost of resolution in the broader sense."
 The delegation also said all NCBs should be gradually shrank and ultimately sold off.
 As an interim option, one of the NCBs could be converted into a saving institution that invests in government securities and other high quality instruments.

Lara lords in World Cup opener

INTERNET, Cape Town
 Brian Lara scored a magnificent 116 in the opening match of the 2003 World Cup against South Africa at Newlands in Cape Town to lead the West Indies to an awesome score of 278 for five off their 50 overs.
 That total seemed a long way off when the Windies were crawling along at 50 for two in the 22nd over.
 But Lara and Shivnarine Chanderpaul, and then Lara and Carl Hooper, put together a pair of partnerships which put the innings back on track and towards the end of the innings Ricardo Powell and Ramnaresh Sarwan played magnificently to get the West Indies score above 270.
 But Lara was the undoubted star. He may have missed most of the season with suspected hepatitis but he showed today that he is back in top form. After a slow start, in which he and Chanderpaul had to rebuild the innings, Lara really blossomed through the middle of the West Indies innings. Scoring freely on both sides of the wicket, Lara (73 at the time) played one exquisite straight drive off Makhaya Ntini which thumped into the advertising boards - a shot reminiscent of the untouchable Lara of the mid-1990s.
 Lara was especially severe on the bowling of left-arm spinner Nicky Boje. He hit the Free State bowler for two fours in his first over - the first a late cut through backward point and the second a shot off his pads through mid-wicket - and continued to milk him throughout his three-over spell which cost 24 runs.
 He reached his ton in 121 balls (10 fours and two sixes) before he skied an Ntini delivery to Shaun Pollock at mid-wicket.
 Lara and Chanderpaul added 102 for the third wicket from 145 balls.
 Chanderpaul edged a Lance Klusener delivery to wicketkeeper Mark Boucher trying to play the ball down to third man on 34.
 The two left-handers had to



An AFP file photo of West Indian batsman Brian Lara, who scored a scintillating century in the World Cup opener against South Africa at the Newlands Stadium in Cape Town yesterday.

Gas export proposal placed

STAFF CORRESPONDENT
 The Ministry of Energy and Mineral Resources yesterday submitted a gas export proposal to the Prime Minister's Office for approval, said BBC Radio last night.
 A committee headed by the principal secretary should be formed to formulate regulations on gas export if the proposal is approved, the ministry suggested.
 The proposal is based on recommendations of the two expert committees on gas reserve and utilisation, State Minister for Energy and Mineral Resources AKM Mosharraf Hossain told BBC.
 "There was no pressure from international oil companies," Mosharraf said.
 The minister thinks it will encourage the international compa-

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Growth runs out of steam

Real sector performance makes MCCI sceptic

STAFF CORRESPONDENT
 A top business chamber has forecast that economic growth this fiscal will be significantly low.
 The Metropolitan Chamber of Commerce and Industry (MCCI) said the GDP growth will be nowhere near the 5.3 per cent target and even less than last year's.
 The chamber based its forecast on the performance of the real sector in the first six months of FY03.
 "The limited data on the performance of the real sector available for the first few months of FY03 indicate that it will not be possible to achieve even the last year's 4.8 per cent growth," the MCCI said.
 The prospects for accelerating the GDP growth in the remaining

few months of the current fiscal are not bright, the chamber said in its latest review of the economic situation during the July-December 2002 period.
 On the manufacturing front, the MCCI said, jute, cotton textile, garments and leather sectors are in for a negative growth. And only in electricity and mining was there a growth in the first quarter.
 "The rise in administered prices of fuel, gas, electricity and water may increase production cost in manufacturing and services sector," the MCCI said.
 The import trend does not show any positive trend for the real sector, either. Even though there was a 9.37 per cent increase in import v a l u e

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Bangabazar extortion Captain, 2 soldiers withdrawn

STAFF CORRESPONDENT
 An army captain and two soldiers have been withdrawn from duty following confession by a police informant that they had "extorted money from a businessman" in the city.
 The police informant, Nuruzzaman, made the confession before a Metropolitan Magistrate's Court yesterday.
 He and eight detectives were arrested from Bangabazar Hawkers Market on February 6 for their alleged involvement in toll extortion.
 Nuruzzaman told the court that he developed relations with an army captain, Atiq. Nuru got to know that some Indian hundi traders regularly visit Bangabazar and he drew up a plan to extort money from them.
 He also involved two businessmen of Bangabazar Dinesh and

Nitai in his design.
 During the Operation Clean Heart, Nuru came to know that one of the hundi traders - Shuresh had arrived at the Shyamoli bus stand on January 29.
 Nuru informed this to Captain Atiq who along with two soldiers went to the bus stand on an army vehicle and arrested the hundi trader, according to his confession.
 They forced the trader to pay up Tk 3 lakh and then let him go free, Nuru said.
 Later, they shared the loot among themselves. The captain allegedly got Tk 80,000, Nuru got Tk 75,000 and the two soldiers and the driver of the vehicle got Tk 55,000.
 On February 6, Nuru along with the eight detectives went to Bangabazar and tried to abduct the

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Boy murder: 2 remanded

COURT CORRESPONDENT
 Two persons arrested in connection with the killing of seven-year-old Ekram Hossain in the city's Badda area were placed on a one-day remand yesterday.
 Badda police produced Mohammad Zahirul Islam and Mohammad Sohel in the Chief Metropolitan Magistrate's (CMM's) Court, Dhaka, at 3:00 pm seeking a seven-day remand for the arrestees.
 The defence lawyers submitted a bail petition.
 After hearing both sides, Magistrate Shafiq Anwar rejected

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SHAZNEEN CASE Cross-examination of 5th prosecution witness ends

COURT CORRESPONDENT
 Cross-examination of Arshadul Haq, fifth prosecution witness in the Shazneen rape case and husband of the victim's sister, by defence lawyers ended yesterday.
 He was cross-examined by the lawyers of the accused Shaniram and Badal.
 The cross-examination took place at the Second Special Tribunal

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UP polls violence leaves 100 hurt in Cox's Bazar

Magistrate abducted, rescued: Police robbed of arms

OUR CORRESPONDENT, COX'S BAZAR
 Over 100 people including 10 policemen were injured as armed supporters of a defeated Union Parishad chairman candidate attacked election officials and snatched ballot papers immediately after announcement of unofficial results at a polling centre in the Sadar Upazila last night.
 They also abducted Magistrate Khorshed Alam Rizvi and a presiding officer, and looted 13 firearms from police.
 Police said they later rescued the magistrate and the presiding officer from two houses in the area.
 The miscreants, numbering about 200, attacked them as they were leaving Naikkongdia primary school polling centre in Pakkhali union at about 9:00pm after

announcing the results.
 Police arrested 32 people in connection with the incident. The authorities postponed the polls results.
 Six of the 10 injured policemen have been admitted to Cox's Bazar Sadar hospital in critical conditions. They are Moheshkhali thana OC Imtiaz Alam, Havvidar Shafiqul Alam and constables Akbar Hossain, Abul Hashem, Akseid Ali and Md. Hasem.
 A BSS report from Cox's Bazar said: The injured included a magistrate, two presiding officers, three assistant presiding officers and 12 policemen and Ansars, including the officer-in-charge of Moheshkhali police station.
 Twenty of the wounded, including magistrate Kurshid Alam Rizvi, presiding officers Enamul Haq and

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