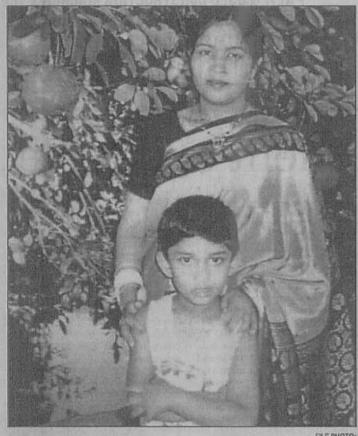
NATIONAL



Schoolboy Niloy murder case handed over to DB

IO closed for alleged neglect

OUR CORRESPONDENT, Strajganj

The Niloy abduction and murder case was transferred to detective branch (DB) police yesterday.

According to police sources, transfer of the case on murder of the eight year-old Schoolboy followed an order by Sirajganj Police Superintendent Shahadat Hossain.

SI Nuru Mollah, who was the first investigation officer (IO) of the case has been closed to the police line for alleged neglect, they said.

Niloy, a student of class two at a school in the capital, had gone to his grand father's house at Bhormohoni village along with his parents to celebrate Eid-ul-Azha.

A gang of criminals abducted him from the courtyard of his grandfather's house on January 12 and demanded Tk six lakh ransom. They slaughtered the boy as his father declined to pay the ransom. Since the gruesome incident, different political and sociocultural organisations brought out charge sheet".

STAFF CORRESPONDENT, Khulna

Speakers at a discussion held here

on Saturday stressed on planned

use of 200 acres of fallow land of

Centre, the discussion titled, 'Use

of Unused Railway Land for

Development of Khulna City' was

presided by Khulna Press Club

president Alhaj Liaquat Ali, also

editor of Dainik Purbanchal.

Khulna Deputy Commissioner

(DC) ATM Mohiuddin Ahmed was

changed radically through proper

(KDA) acting chairman ATM Wahid

Speakers said Khulna city will be

Khulna Development Authority

Held at Purbanchal Dialogue

Bangladesh Railway.

present as chief guest.

utilisation of Railway lands.

several processions and held rallies in Sirajganj town demanding arrest and punishment of the killers.

Niloy's father Abdul Hamid filed a case with Solonga police station in this connection. Police arrested three of the accused and, acting on their confessions, recovered the body of Niloy from a safety tank of a latrine in the same village on January 14.

But investigation officer (IO) Nuru Mollah, with the help of the Officer-in-Charge concerned, tried to save the killers, it was alleged by the victim's family Following this allegation, locals,

joined by NGO activists, started protests demanding removal of the The SP yesterday issued an

order for handover of the case to DB police. Talking to this correspondent,

Niloy's father Abdul Hamid said, 'We want that DB police arrest the killers immediately and submit the

'Hand over rly land to

Azhar presented a keynote paper.

In his keynote paper he said a

master plan was drawn up in 2001.

The government approved the plan

having guidelines for making best

use of Railway fallow land for dif-

repeated reminders Bangladesh

Railway is yet to hand over its land

to Khulna Development Authority

(KDA). He said Khulna city will

have a new look following con-

struction of a modern market, art

gallery, auditorium, park, tennis

complex and a five-star hotel on

All the speakers vowed to work

Among others, Greater Khulna

unitedly for overall development of

But, he lamented, despite

ferent development projects.

Another JMB trainer held in Gaibandha

Militants regrouping, police say

OUR CORRESPONDENT, Gaibandha

A JMB ehser (trainer) and 'regional commander' was arrested from a mosque in Gaibandha town in the early hours of yesterday and two live bombs and five books on Islamic 'jihad' were recovered from

Acting on a tip-off, a Rab team from Bogra raided Ayub Ali Ansari mosque in Sukhnagar area near Gaibandha circuit house and arrested Ziaur Rahman alias Badal alias Reaz Ahmed. Five of his accomplices escaped, police said.

arrested two ensars of JMB (Jamaatul Mujahideen, Bangladesh). Reaz is the son of Ismail Ali Kodalkathi village in Chapai

Last week, Joypurhat police

Nawabganj district. He was handed over to police, who produced him before a Magistrate court yesterday, seeking 10 days' remand. The court granted seven days' remand, police said.

During primary interrogation, Reaz told police that he joined JMB three years ago to establish Islamic rule in the country and was subsequently made its 'regional commander'. Recently, he came to Gaibandha with some of his aides to reorganise JMB activities and to boost morale of the militants,

police said quoting him.
Police said they hope to extract important information from Reaz during remand. Police also suspects that JMB had a plan to do sabotage or kill any important person as the mosque from where he was arrested is only about 100 ards from the Deputy Commissioner's office.

Ziaur's arrest has created an alarm in police. Arrest of three 'ehsars' in a week proves that they are trying to regroup in Gaibandha

and Joypurhat districts, a high police official told this correspondent. Though Gaibandha police continued their hunt for Isamist militants, they could not make any significant progress in nabbing

Meanwhile, Gaibandha police have submitted charge sheet against Matin Mehdi, 'second in command' of Allar Dal, an offshoot of JMB and Abdul Aziz in absentia in connection with the August 17 serial bomb blasts. Both the accused are 'regional commanders' of JMB.

Matin Mehdi alias Taroka Matin was earlier arrested by Jhenidah police on October 20, 2003 along with 10 other suspected militants from Pabahati area. But all were released on bail. Jhenidah police recently submitted charge sheet against Matin Mehdi, one of the

10 students hurt in clash with police

OUR CORRESPONDENT, Mymensingh

At least 10 students of Mymensingh Polytechnic Institute (MPI) were injured when they were locked in a clash with police yesterday morning. According to campus sources, the

students were protesting increased admission and semister fees.

The MPI authorities called

disperse the agitated students, resulting in the clash, students The students also barricaded the Dhaka-Mymensingh highway

police, who charged batons to

a long traffic jam. The students also ransacked two vehicles of MPI. Police also picked up nine students from the spot but later released them

for more than an hour that created

When contacted, MPI Principal Md Mojahed Ali said an emergency meeting of the authorities was called to discuss the situation. The meeting continued when the report was filed in the afternoon.

SUNDAY'S GUNFIGHT WITH OUTLAWS

Villagers flee homes in Meherpur as police round up 36

OUR CORRESPONDENT, Kushtia

Gangni police yesterday arrested 36 people from Bharat village in Meherpur for 'attacking police' on Sunday in which the Officer-In-Charge (OC) and a constable of the

police station were injured. Earlier on the day, SM Hiron, the injured constable, filed a case with Gangni police station accusing 60 people of the village.

A team from Gangni thana led by the OC Abdul Khalek, cordoned the village, raided houses and arrested the people, creating panic among people of Bharat and adjoining villages.

The indiscriminate arrest forced many villagers to flee homes, locals alleged. According to source, OC Abdul Malek and constable Hiron were injured in a gunfight between lawed 'Banglar' Communist Party (BCP-Laltu) on Sunday.

The gunfight erupted when, being tipped-off, a police team led by OC Malek went to raid a house in the village, expressly to nab the outlaws at about 9.45:pm Sunday. At one stage the outlaws fled the

Latter Rab members rushed to the area and arrested six of the outlaws. But they declined to disclose the names of the arrestees.

Meherpur Police Superintendent Awlad Hossain narrated the incident to journalists soon after it took place.

Talking to journalists many villagers alleged the case was filed only to harass innocent people.

They demanded withdrawal of the case and arrest of the real cul-

Dealer held for selling urea in black market

OUR CORRESPONDENT, Netrakona

A fertiliser dealer was arrested in Madan upazila headquarters yesterday allegedly for selling 122 tons of urea in black market.

Madan thana Officer-in-Charge Firuz Ahamed told this correspondent that one Gopal Pal had lifted 122 metric tons of urea from Ashuganj Fertiliser Factory and sold those in black market. He was arrested after Madan

Upazila Nirbahi Officer Nitai Chandra Sen filed a case with Madan thana on January 21 against Gopal Pal.

Police sent Gopal to Netrakona Magistrate Court, which sent him

Correction

In a story published in The Daily Star in National page on January 9 under the headline 'IT' spurs rural uplift', it was mentioned that GDC (Grameen Digital Centre) is a project of Grameen Phone. This is not correct. GDC is a project of Grameen Comminication, an organisation of Grameen family. The inadvertent

Development Action Coordination

Committee secretary general

Shaikh Ashrafuzzan, Khulna

Chamber of Commerce and

Indusry president Shahruzzaman

Martuza, Metropolitan Union of

Journalists president

Anisuzzaman, Khulna Press Club

secretary AK Hira, ex-lawmaker SM

Babar Ali, eminent educationist

Wahidur Rahman, Khulna

Citizens' Forum president Shaikh.

Abdul Quayum, Engineer Azadul

Huq, ward commissioner Ruma

Khatoon, Rupantar director

Rafiqul Islam Khokon, Prof

Anwarul Kadir, Dainik Prothom Alo

Khulna Bureae chief Shaikh Abu

Hasan and Advocate Ashraful

Islam Bacchu addressed.

Meghnaghat-2 Project: Unholy practices

done as per the original bid proposal or in line with the phase-1 AES Meghnaghat project.

PDB sources said these flawed documents were vetted by the law ministry on Sunday.

Meanwhile, government high-ups have asked Titas Gas company to sign a Gas Sales Agreement (GSA) with the BON. The GSA is supposed to be signed in line with Meghnaghat- 1 but the authorities are asking for a modified GSA with favourable terms for the BON.

Industry insiders said the inexperienced BON has not made any progress in financing the project, which might require an investment of not less than \$200 million. The BON is however likely to sit with the Asian Development Bank (ADB) next

The BON bid was highly irregular since the beginning. Initially, the BON consisted of Japanese Nisso Iewi as the lead bidder along with Orion and Belhasa, The BON was qualified on the basis of Nisso's experience as neither Orion nor Belhasa ever built a power plant.

But soon after it was selected in 2004, the BON changed its lead bidder Nisso and introduced German company Steag. Since such a change was illegal, the cabinet purchase committee in March last year rejected the bid. Finance Minister M Saifur Rahman then told the press, "How can we approve a bid that was originally won by some other party?"
But within two months on June 26

last year, the cabinet committee on economic affairs headed by Saifur surprisingly approved this bid. On August 15, the purch approved the bid for the final round. Saifur told the press, "We have approved a power tariff of 2.78 cents for the Meghnaghat-2 power project. The project will be completed in 24

The purchase committee approved BON's bid on condition that it follows the tariff, terms and conditions of the phase-1 AES Meghnaghat projec, which boasts one of the lowest power tariff in the world -- 2.78 cents.

But a member of the PDB Negotiating Committee says political high-ups of the government dictated various terms to the committee members. Now, the IA and PPA finalised with BON do not reflect the requirements of the request for proposal (RFP) for the bid or even BON's own original proposal (given

Despite pressure, the committee Experts term it a trickery members refused to initial the pages that contained some of the contro-

versial changes, although they had earlier agreed to make some major

These issues included Site Reference Conditions (which deal with how much electricity has to be produced at certain temperature of the power generators), Milestones (implementation deadlines), Governing Law, Liquidated Damages (penalties for failures) and various guarantees and securities.

On December 22 last year, the PDB officially sent the documents for vetting by the power ministry with all the questionable changes intact. Since members of the negotiating committee did not sign some pages, the PDB in its forwarding letter highlighted the "unresolved" issues.

Although the power ministry was also told of instructions of the higherups to expedite the project, some mid-level officers of the ministry were reluctant to take the risk of okaying such serious irregularities, sources noted.

The power ministry the same day wrote back to the PDB requesting it to revise the documents to conform to the contract documents of Meghnaghat phase-I. But a BON representative immediately had an exclusive meeting with the power secretary. The same day, the contract documents without any changes were sent to the law ministry with a request for urgent vetting.

Orion and Belhasa were earlier awarded contract for the massive Gulistan-Jatrabari flyover project. Analysis of the contract

A quick comparison of the PPA negotiated by BON with its own earlier Meghnaghat phase-1 PPA reveals serious contradictions, said two contract experts requesting anonymity. PDB officials however declined to comment on the docu-

The BON proposal initially offered supplying 1.38 billion kWh of free electricity during the first 10 months of operation, failing which it would pay a penalty of \$38.24 million. This proposal was made to match the same term of the Meghnaghat-1 scheme.

But now this provision has been changed. The draft agreement now says, instead of the free electricity they will pay \$38.24 million in instalments, without any interest, over a 22-year period.

The PPA also says the BON will pay the money only "if there is cash flow permit", otherwise it will be considered a "loan" from the PDB.

"In terms of Net Present Value (NPV)

calculations, the PDB will actually receive less than \$4 million, instead of \$38.2 million. Thus this clause alone is robbing the PDB of \$32 million to \$34 million," said one of Explaining the NVP estimates, he

said payment of \$38 million in a single cheque is one thing while payment over a period of 22 years takes off the interest value, adds depreciation of the value and reduces worthiness of the sum. "Imagine that the BON will be supplying 10 months worth of free elec tricity over a period of 22 years. Will Backin 2000, the government had

rejected a similar proposal of Japanese powercompany Marubeni for the same project, records show. At that tine, the government had made the NPV calculations that revealed the financial trickery. Consequently, the deal with Marubeni fell flat. On the other hand, when the AES

Corporation could not provide free electricity from Meghnaghat-1, it paid the PDB about \$40 million in one instalment before the start of the commercial operation.

Again, by not undertaking the simple cycle (gas turbine- based primary plant) operation during the first 10 months of operations, the BON will save an additional \$5 million in construction cost.

The BON originally proposed to build a power plant control panel called Integrated Test Facility (ITF) worth \$ 12.6 million. This control panel ensures the plant operator's flexibility in generating power. Now, the PDB says the BON can use the ITF already built by the phase-I project. Thus, BON should pay the PDB \$12.6 illion. But there is no provision in BON's PPA for paying this money to

The BON proposal was based on a net capacity of 450 MW. But in the PPA, it changed the capacity to 495 MW, which essentially creates entirely a different premise for calculation of power tariff. Plus they did not provide the "heat rate" (efficiency of an engine) above 450 MW.

"If BON had proposed a higher MW in its proposal, its evaluated tariffwould be much higher and thus it would not be the lowest bidder," notes one expert.

Another expert explains why the BON might have resorted to such anomalies. "The agreements typically suggest that if the plant, upon completion, produces 10 percent higher than the agreed capacity, the contractor gets no extra payment. If it produces less, it will get proportion- . million. ally lower payment. Below that, the contract may be subject to termination as a penalty," he said.

"For the sake of plant efficiency, contractors typically install extra capacity. For instance, the AES plant started off with around 480 MW to 485 MW but got no extra payment. But the BON wants it all -- it wants payment for all the extra generation right from the beginning," he pointed out. "This means the PDB will have to spend more for power but this aspect was not calculated as a factor in determining the tariff."

Besides, the BON will increase

this megawatt through "supplementary duct firing," which uses huge gas and decreases efficiency of the machines. This method is wasteful and the PDB in the past did not allow any power company to exploit this

The phase-1 developer paid the PDB\$5 million as "signing bonus" for the project land. The BON is paying nothing on this account In the phase-1 PPA, the PDB was

required to have \$ 10 million in deposit for the benefit of the developer as a security for capacity payment. In case of phase-2, it is required to have \$11 million. Moreover, in phase -1, the developer was required to keep two

months' capacity payment approximately \$7 million to pay for any unforeseen maintenance. In case of phase-2, the developer is required to have only \$5 million. In Meghnaghat-1, the IA and PPA accepted corporate guarantees from

AES Meghnaghat Power Company's parent company, AES Corporation USA. In Meghnaghat-2, the IA and PPA have agreed to accept corporate guarantees from BON Consortium's parent company BN Corporation.
"What the PDB overlooked here was that the BON Consortium's

parent company BN Corporation itself is a shell company with no clear antecedents and with no assets or financial or operating history or record. What would be the value of their corporate guarantee with out Letters of Credit," said a PDB source. The Request For Proposal (RFP)

required the Governing Law to be Bangladesh Law. The IA was changed to say "English Law". The PDB had earlier rejected a proposal of Essar company for Sirajganj power project because it had asked for English Law.

The RFP had no provision of giving extension for Commercial Operation Date (COD). In Meghnaghat- 1, the project sponsor could buy extension of COD for 90 days by paying \$8 million. But the BON is now being allowed to buy a 90-day extension by paying only \$2

The Meghnaghat- 1 project demanded of the bidder to provide a performance security deposit of \$30

asked to give only \$10 million. Meghnaghat-1 demanded \$10 million operation security deposit, whereas this figure has been halved to \$ 5 million for the BON. It also

demanded maintaining a contin-

gency reserve equivalent to three

million whereas the BON has been

percent of the cost to construct the plant facility (to be used for cost overruns). But this has been omitted in the draft PPA with BON. Who is BON Consortium? The BON Consortium is apparently a Bangladeshi registered project company. As claimed, the owners of the BON Consortium are Orion

Corporation. Orion Power Company is a Bangladesh company owned by Obaidul Karim. It was created for this

Power Company Ltd and BN

The BN Corporation is a shell company apparently registered in Dubai for the purpose of this project where Nisso Iewi of Japan and Belhasa Group of Dubai are reported to be owners. It is claimed that instead of Nisho Iwai, Steag of Germany is an owner of BN Corporation. Steag has been shown as the lead bidder after the BON Consortium was selected on the basis of the merits of Nisho Iwai.

The Daily Star faxed message and sent e-mails to Steag seeking its clarifications about its actual involvement in the project but received no response

Even the PDB is not clear about what is BN Corporation and the relationship of BN Corporation with Belhasa and Steag.

"It is not unlikely that neither Steag nor Belhasa has any legal responsibility for this contract. Thus it is entirely possible that PDB may be signing contract with a non-existing entity or an entity that has no substantial owners. Thus in the event of any default, PDB will not be able to enforce any contract, or encash any

guarantees," saida PDB official. The original BON proposal stated that Steag will be its operation and maintenance (O&M) contractor and later it also added that Steag will be the lead partner, replacing Nisso Iewi. However, industry insiders say that recently the BON has promised the O&M contract to a company called The O&M Solution.

The O&M Solutions is a company formed recently by former expatriate employees of Globeleq, the present owners of Meghnaghat phase-I. Senior staff of O&M Solutions are crafting the strategy for the BON and conducting negotiations with the PDB on behalf of BON with the hope and promise of getting the O&M contract, sources said.

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পৰি মেজ ১৯৯৬০বংক। মামানেটি মেজ ১৯৯৮৬-১৯। মিন্তেটি সেউব ১৯৫৫বংক। কিলাজ ব্ৰহ্মান কৰ্মিন ১৯৯৫বংক। মিল্লাজ ব্ৰহ্মান কৰ্মান ১৯৯৮খন । নিল্লাজ ব্ৰহ্মান ব্ৰহ্মান ক্ষিত্ৰ ১৯৮০বংক। মিল্লাজ ব্ৰহ্মান বৰ্মান বৰ্মান বৰ্মান ব্ৰহ্মান ব্ৰহ্মান ব্ৰহ্মান বৰ্মান বৰ্মান বৰ্মান ব্ৰহ্মান বৰ্মান বৰ্ম খনে, উল্লো ১৯৯১১৮৯ । নামাল্য ১৯১১৮৯ । নামাল্য ১৯১১৮৯ । বিশ্বেলা ১৯১৮৮৮ । বিশ্বেলা ১৯১৮৮৮ । বিশ্বেলা ১৯১৮৮৮ । বিশ্বেলা ১৯৮১৮ । বিশ্বেলা ১৯৮৮ । বিশ্বেলা বিশ্বেলা ১৯৮৮ । বিশ্বেলা ১৯৮৮ । বিশ্বেলা ১৯৮৮ । বিশ্বেলা ১৯৮৮ । বিশ্বেলা বিশ্বেলা বিশ্বেলা বিশ্বেলা বিশ্বেলা বিশ্বেলা ১৯৮৮ । বিশ্বেলা ব মার্কেই, সমীমান । কর্মাজার ১৯২২) । কেনী । কর্মাজার ১৯২২) । কেনী । কর্মাজার ১৯২৬ । ক্রিনীয়াল হ ১৯২৬। তৃলিলা ১৯২৬। তলিলা ১৯৯৯। তলিলা নজ্জিন १ ০১৭১-১৮৮৪৫৭। সাজপানা १ ২২৪১৪। সাজপানা १ ২২৪১৪। সাজপানা १ ২২৪১৪। সাজপানা १ ১৯৬৬। সাজপানা ৪ ১৯৯৬। সাজপানা ৪ ১৯৯৯। সাজপ