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## Defence wants 36.5pc more funds next year

SHAKHAWAT LITON

The defence ministry has proposed to the finance ministry a defence budget of Tk 5,598 crore for the coming fiscal year (FY), which is Tk 1,498 crore or 36.53 per cent higher than the current financial year's (2005-06).

It has also sought Tk 518 crore extra allocation in the revised budget for this fiscal year, an increase of 12.6 per cent over the present allocation. The armed forces had however sought an extra allocation of Tk 1,182 crore, sources said.

The three services -- army, navy and air force-- had proposed a budgetary allocation of Tk 6,842 crore for them with Tk 3,643 crore for the army. But the defence ministry has revised the amount to Tk 5,598 crore, sources said.

The defence budget allocation this fiscal year is Tk 4,100 crore and it was Tk 3,901 crore in 2004-05.

Justifying the proposed increase of allocation, the defence ministry showed several reasons that include implementation of new

pay scale, price hike of essentials, expansion of activities, devaluation of taka and purchase of vehicles and machinery.

But the parliamentary standing committee on defence ministry yesterday disclosed that 83 per cent of the defence budget is spent on pay, allowances, pension and fuel, about 12 per cent on maintenance and construction work and less than five per cent on procurement of equipment and training.

The House body emphasised collection of equipment to strengthen the armed forces despite the expenditures for other purposes. "Collection of equipment should be given priority. The armed forces will have to maintain austerity avoiding some unnecessary expenditures," Standing Committee Chairman and former army chief Mahubur Rahman told reporters emerging from the meeting.

Explaining the unnecessary expenditures, committee member Shawkat Ali said the armed forces could save money by avoiding its misuse for purposes like purchase

of luxury vehicles and construction of luxury buildings.

Reviewing the present trend of spending of the defence budget funds, the House committee recommended special allocation for development of the armed forces. "The government should go for a special budget for 10 years, in addition to the usual budgetary allocation, to strengthen the armed forces," the committee chairman said.

According to a defence ministry report placed before the parliamentary body, the headquarters of the army, navy and air force had sent a proposal for allocation of Tk 6,842 crore -- Tk 3,643 crore for the army, Tk 1,722 crore for navy and Tk 1,476 crore for air force-- in FY 2006-07.

But the defence ministry revised the proposal. Of the Tk 5,598 crore proposed by it, Tk 3,302 is for the army, Tk 876 crore for navy and Tk 1,420 crore for air force, sources said.

Of the Tk 4,100 crore allocation for the armed forces in FY 2005-06, Tk 2,482 crore is for the army, Tk 554 crore for navy and Tk 1,064 crore for air force.

## FIGHTER PURCHASE Air chief says sorry for giving wrong info to JS body

STAFF CORRESPONDENT

Chief of Air Staff Air Vice Marshal Fakhru Azam yesterday apologised to the parliamentary standing committee on defence ministry for providing it with erroneous information about the recent purchase of 16 Chinese F-7 fighter planes, while a ruling BNP lawmaker Sayeed Eskandar protested the discussion.

Following a short debate between the ruling and opposition lawmakers, the parliamentary standing committee disclosed that the warplanes were purchased without floating any international tender.

While the committee was discussing the issue, BNP lawmaker Sayeed Eskandar entered the meeting room and questioned the legality of the discussion without any prior agenda. "Why a discussion on the purchase is being held out of the agenda," the BNP lawmaker demanded an explanation from

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Police halt a procession of war-maimed freedom fighters and martyrs' families near Crescent Lake as it was marching towards the Prime Minister's Office yesterday to submit a memo on their five-point demand.

## HC asks govt to explain Sadequee's deportation

STAFF CORRESPONDENT

The High Court (HC) yesterday issued a rule on the government to explain within two weeks why the arrest, detention and deportation of Bangladeshi origin US citizen Ehsanul Islam Sadequee to the United States would not be declared illegal.

The court also issued the rule to show cause why the authorities concerned of the government should not be directed to produce Sadequee before the High Court bench.

Following two writ petitions, one filed by Sadequee's wife Happy and another by Supreme Court advocate MK Hasan as Public Interest Litigation (PIL), a HC division bench issued the rule.

Sadequee's wife filed the petition challenging the legality of her husband's arrest and handing over to US investigation department, the FBI.

Twelve respondents in the petition of Sadequee's wife include home secretary, foreign secretary,

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PHOTO: SK ENAMUL HAQ

This huge swamp in Khilgaon in the capital is being filled up to set up a graveyard ignoring the law that bans filling up of water bodies.

## Man held with CD detailing basic nuke info

STAFF CORRESPONDENT, Khulna

Rapid Action Battalion (Rab) arrested one person in Khulna city on Sunday night and seized a compact disc (CD) and a catalogue on uses of uranium, basic element used in making nuclear bombs, from his possession.

Acting on a tip-off, the members of Rab-6 arrested Kartik Chandra Saha, 42, at a residential hotel in the city. He was allegedly looking for a buyer to sell the 14-page catalogue containing particulars about uses of uranium and the CD containing a recorded speech of some people on how and from where to get the

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## CAAB warned of poor aircraft maintenance

Biman says US authorities violated int'l aviation rules

SHARIER KHAN

US Federal Aviation Authority (FAA) has repeatedly warned the Civil Aviation Authority of Bangladesh (CAAB) about poor engineering condition of Biman's DC-10 aircraft that was barred from landing in New York but the Biman authorities say they did not get any such warnings.

Biman says the FAA has violated international civil aviation rules through its abrupt action, which is an insult to the national flag carrier.

CAAB sources said the FAA has been warning CAAB and Biman about poor engineering health of the DC-10 aircraft for a long time. The aircraft is a victim of very poor maintenance by Biman's engineering department having almost half of its 5,000-stong manpower.

According to Biman sources, the engineering department is suffering because of bad procurements and poor planning.

"All the aircraft spares are procured on the basis of Aircraft on Ground, which is on emergency

basis. This is done as per wishes of the spares supplier and maintenance contractor, who is related to the prime minister's family. As a result, prices of the spares are three to four times the market prices, and Biman always lacks spares," said onesource.

But the Biman chief says the DC-10 aircraft did not have gross flaws.

"In fact, this aircraft was okayed for landing in New York (as per last communiqué) by the FAA and

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## Bomb goes off near Tarique's meeting venue 1 injured

OUR CORRESPONDENT, Barisal

A powerful bomb went off some 150 metres from the meeting venue of Senior Joint Secretary General of ruling BNP Tarique Zia at 4:30pm yesterday, half an hour before the meeting time.

The blast left a woman injured.

The meeting on the Muladi Degree College ground, about 40 kilometres from the Barisal town, was no held.

Addressing meetings in Mehendiganj, Hizla and Muladi upazilas yesterday, the second day of his three-day tour in the district,

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## Uneasy calm at SUST

STAFF CORRESPONDENT, Sylhet

An awkward calm prevails in the crisis-stricken Shahjalal University of Science and Technology (SUST) following the sudden resignation of the vice-chancellor (VC) on Sunday afternoon.

The university is now facing uncertainty with none there to run the administration.

VC Prof Musleh Uddin Ahmed, who had resigned from his post amid students' agitation, left Sylhet in the evening without handing over the responsibilities to anyone.

He had given his resignation letter to the students who arranged

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## SC returns ATN tape seized by CJ

STAFF CORRESPONDENT

The Supreme Court (SC) registrar yesterday returned the videotape of private television channel ATN Bangla seized by Chief Justice (CJ) Syed JR Mudassar Husain Sunday when the channel's camera crew was filming the SC landscape.

A few journalists including ATN Bangla's Ashoke Chowdhury met SC Registrar Fazlul Karim around 11:30am yesterday to discuss the

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## HEROIN SMUGGLING

## BD Foods chairman remanded for 7 days

STAFF CORRESPONDENT

BD Foods Limited chairman Badruddoza Chowdhury Momen detained on charges of smuggling 22.5-kg heroin to the UK was placed on a seven-day remand yesterday.

Badruddoza, named as the mastermind behind the drug trafficking in confessional statements of two other accused, was produced before Chief Metropolitan Magistrate's Court, Dhaka amid tight security at 4:00pm. The Criminal Investigation Department (CID) of police petitioned for him to

be remanded for 10 days.

In a helmet and a bulletproof vest, he looked appalled during his appearance at the court.

Police arrested the BD Foods boss on Sunday afternoon after Nazmul Haider Bhuiyan Bulbul, a former official of the company, and Mokhesur Rahman Nayon, a cargo handler, had confessed to a magistrate that they had carried out the smuggling on orders from the top authorities of BD Foods.

Sources said the CID-led five-member team probing the

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## Businesses decry threat to paralyse Ctg port

STAFF CORRESPONDENT

Top industry and business leaders in a joint statement yesterday expressed grave concern over the threat of Chittagong city Mayor Mohiuddin Chowdhury to paralyse the Chittagong port and stop movement of goods to and from Chittagong.

"This has created an alarming situation both at home and abroad and already given a very wrong signal to the outside world," the statement said, adding, "This will have a serious bearing on our export orders as well as lack of security of future investment in Bangladesh."

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## TERMINAL PRIVATISATION Ctg mayor withdraws blockade, strike plan

Akbar, Mohiuddin agree to hold talks

STAFF CORRESPONDENT, Ctg

In an apparent retreat from his stance, Chittagong City Corporation (CCC) Mayor ABM Mohiuddin Chowdhury yesterday called off the indefinite blockade of the port, previously announced to be enforced from May 19, and the daylong strike at the terminal scheduled for May 18.

The latest development in the stalemate between Minister for Shipping Akbar Hossain and the

mayor came late last night after phone conversations twice between the two, said Chittagong mayor's personal secretary Shamsher Mahmud Chowdhury.

Earlier, addressing a press conference in the afternoon, the mayor said the decision about whether to go for a continuous blockade or even tougher programme will be taken after the strike.

Meanwhile, Mohiuddin received a letter from the shipping

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## Corrupt power sector hindering growth WB suggests urgent solution

STAFF CORRESPONDENT

Bangladesh's power sector is in a very bad shape due to rampant corruption, which is badly affecting private sector growth and investment climate, the World Bank has observed.

The WB officials warned that the country's future growth might slow down if the problems in the power sector could not be resolved urgently.

Their observations came at the launching of the WB's new Country Assistance Strategy (CAS) for Bangladesh to the media at a local

hotel yesterday.

The WB officials also said the Anti-Corruption Commission (ACC) of Bangladesh has proved to be a joke as it has failed to function as an effective institution.

"We, donors, are prepared to make necessary investment in the power sector, but the problem is the sector is very badly affected by corruption, specially in the procurement in installing power plants," Pratul C Patel, WB vice president for the South Asia Region, said.

Replying to question on the

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## Power crisis due to fund shortage

Claims minister, trashes graft allegation

STAFF CORRESPONDENT

The state minister for power claimed that lack of funds is responsible for the country's dismal powersituation.

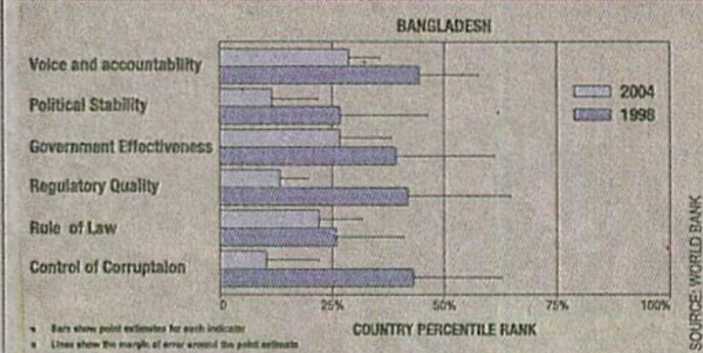
He also strongly rejected all allegations of corruption that is said to be the main reason for the government's failure to improve the situation.

Yesterday at a press briefing in the conference room of the Information Department the state minister for power did not have any assuring word for the power hungry people. In fact a paper titled

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## Governance comparison of 2 eras

STAFF CORRESPONDENT



The new Bangladesh Country Assistance Strategy of the World Bank (WB) shows that the government in 2004 severely underperformed in six areas of governance compared to the government in 1998.

The report launched yesterday said because of declining performance in political stability, regulatory quality and control of corruption, Bangladesh ranks in the bottom quartile of all countries.

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## We Mourn

The Board of Directors and the employees of Dutch-Bangla Bank Limited are deeply grieved at the demise of Alhaz Sakina Begum, Wife of Alhaz Abdul Kader Miah, a renowned businessman of the country and Mother of Mr. M. Sahabuddin Ahmed, Founder Chairman of Dutch-Bangla Bank Limited and Chairman of Dutch-Bangla Bank Foundation on May 14, 2006 (Inna ..... Rajeun) after protracted illness and old age complications. We extend our sincere condolences and heart-felt sympathy to the members of the bereaved family.

May the departed soul of the deceased rest in eternal peace.

### Dutch-Bangla Bank Limited

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