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Shima rape case: Govt appeals against

By SC Correspondent

judgement

The government vesterday filed an appeal in the High Court against the judgement of acquittal of all accused in the Shima Chowdhury rape case.

The appeal may appear in the daily cause list of the division bench of the HC compris-ing Justice A M Mahmudur Rahman and Justice Md Nurul Islam for admission hearing on

The Special Judge of the Nari-O-Shishu Nirjatan Daman Adalat, Chittagong vide his judgement and order dated July 13. 1997 gave acquittal to all four accused who are police personnels.

It was stated in the memorandum of appeal that Shima was raped on October 9, 1996 in police custody at Raozan Police Station which was corrobo-See Page 12 Col 7

## Chandpur killing: Main accused arrested

From Our Correspondent CHANDPUR, Aug 3: The main accused in the sensational Jhorkhali murder case Shafiqul Islam Minto, was ar rested here today.

Acting on a tip-off, a police team led by Additional SP Chowdhury Abdullah Al-Mamun arrested him from the chamber of an advocate in the

Eight members of Hazrat Ali Mistry's family was brutally murdered at village Jhorkhal under Matlab thana of the district on the night of June 29.

Earlier SP. Chandpur had declared a reward of Tk ten thousand for the arrest of Minto and his father Salamat Pradania.

### Sayeedi's appeal HC stays operation of Election Tribunal judgement

A High Court division bench yesterday stayed the operation of the judgement of the Election Tribunal of Pirojpur passed on May 19 till the disposal of the appeal filed by Maulana Delwar Hossain Sayeedi, MP, reports

The bench comprised Justice Mohammad Strajul Islam and Justice Md Fazlul Hug. Election Tribunal of Pirojpur-1 on May 19 set aside the election and ordered fresh elec-

See Page 12 Col 3

## JRC meet ends Embankments on forts her. both sides of Teesta to be built

LALMONIRHAT, Aug 3: Water experts from India and Bangladesh today met at no man's land between Burimari here and Changrabandha in Kuchbihar district and discussed the issue of water-sharing of the common river Teesta reports UNB.

The meeting of the Indo-Bangladesh Joint Rivers Commission (JRC) mainly focussed on the problem of the flow of See Page 12 Col 3

# Inside Today -Article

Dead End for **Middle East** Peace Process?

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# **Focus**

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## International

Series of crises grip Janata Dal Page 8

# Business

Lock-in selling sponsors' shares likely 9-point fall in DSE index Pages 6,7

# Credit to sister concerns of loan defaulting cos

SRABAN 20 1404 BS.

# Bank Co Act may be amended

By Inam Ahmed

The government is considering an amendment to the Bank Company Act to relax restrictions on providing credits to subsidiary enterprises of loan defaulting companies.

According to the existing provisions of the law, if one company of a group becomes defaulter, other subsidiaries of the same group are also denied loan facilities.

But bankers say, strict adherence to the law may harm a company which is professionally managed and is profitable. but has a loan defaulting subsidiary company. They observe that perhaps a distinction may be made between a defaulting and a 'clean' company within the same group. They also feel that an enterprise of a group

Finance Minister Shah AMS

Kibria yesterday appeared

tough on sick industries, asking

the banks to liquidate those

units which have already lost

potentials to be rehabilitated.

warded," he said in a seminar at

DCCI auditorium, disclosing

that the government will speed

up import liberalisation in fu-

ture after allowing some

breathspace for domestic indus-

tough line in reply to Dr Kabir

Hassan of the University of New

Orleans, USA, who argued that

liberalisation of trade regime

could be an instrument for

curbing the size of underground

economy, now 23 per cent of the

Kibria said the government slowed the trade liberalisation

The minister showed the

"Sickness must not be re-

reports UNB.

try this fiscal.

could become sick and unable to repay loan in time and join the ranks of defaulters for various

But the group may have some good enterprises which, if denied loan facilities, will also turn sick and compound the loan defaulting situation. This issue has already been discussed in the government circle and bankers have also

suggested for amendment to the

law, according to banking Bankers have already suggested to the finance ministry that the law regarding restricting loans should be made a 'directory' one, instead of a

mandatory law. "Banks can then independently decide whether to give

in this year's budget only to al-low the local industry to be

tries and banks regain their

health, he said, adding that the

government certainly would

in the past, the sick units were

rewarded while the successful

businesses penalised. "The in-

dustrial sickness also trans-

mitted to the banking sector."

Kibria said the banks, par-

ticularly the nationalised

commercial banks (NCBs) were

asked to help rehabilitate the

sick units. But if the units are

not in a position to recover,

they should be liquidated, he

ture of interest-exemption must

See Page 12 Col 7

He also asserted that the cul-

The minister regretted that

pace up the drive.

he pointed out.

told the function.

It would help some indus-

equipped to compete globally.

Sick units to face

forced liquidation

loans to an enterprise which has a defaulting subsidiary," said a chief executive of a private bank. "When this amended Bank Company Act was made at the advise of the Bank Reform Committee, many bankers had objected to this provision because of its adverse impact on

the economy." However, sources said this law was passed because the government at that time felt that a tough law was needed 'at least for some time' to fight the defaulting practice.

Meanwhile, Bankers are likely to submit another proposal to the finance ministry this week to bring some amendments in the definition of defaulters.

See Page 12 Col 7

## \$ 230m IDA loan for Pvt Sector Infrastructure Dev project

Bangladesh will get 230 million US dollars as long-term soft loan from the International Development Agency (IDA) under the proposed Private Sector Infrastructure Development project, an Economic Relations Division (ERD) press release said here yesterday.

IDA made commitment of the loan following successful discussions from July 28 to 31 between a four-member Bangladeshi delegation led by Dr Ali Akbar Khan and IDA at the World Bank headquarters in Washington.

The press release said Canada and the United Kingdom will give five million Canadian dollars and five million pound sterling respectively as technical assistance grant under the project for establish-

Sec Page 12 Col 7



RABI-UL-AWAL 28 1418 HIJRI

Abahani defender Monem Munna (R) tries to clear the ball before Mohammedan midfielder Sabbir poses any threat during yesterday's first semifinal of the 14th Federation Cup at the Mirpur Stadium. Abahani won the encounter 3-2. - Star photo

# Abahani, Arambagh clash in final tomorrow

Sports Reporter

Abahani Krira Chakra and Arambagh Krira Sangha moved into the finals of the 14th Federation Cup football tournament eliminating their respective semifinal opponents at the Mirpur Stadium yesterday.

in the first semifinal, Abahani, aided by a golden goal from their substitute striker Tipu, recorded a sensational 3-2 win against their arch-rivals and holders Mohammedan Sporting.

Tipu struck the match-winner 11 minutes into the sudden death extra time after the 11th Cup clash of the biggies was locked in a 2-2 draw during the 90-minute regulation time. Zakir and Rana scored one goal apiece for the sky blues while Alfaz and Arman neutralised See Page 12 Col 4

# Deadline for repatriation expires Aug 15

# Myanmar urged to fix date for talks on refugees

By Reaz Ahmad

The government has taken diplomatic initiatives to fix an immediate schedule for the long-overdue high-level meeting with Myanmar authorities on the issue of Rohingya

With the August-15 deadline for repatriation of some 7,000 Rohingya refugees only 11 days away, Bangladesh government has conveyed its "feeling of urgency" to the Myanmar authorities for a schedule to sit across the table

The deadline was set earlier by Myanmar authorities on July 10 last, urging Bangladesh to complete repatriation of 7.000 refugees by mid-August.
The repatriation had resumed

in Dhaka and at the Atomic En-

ergy Research Establishment

monitored in these two institu-

tions after breaking of a news

in press regarding water leak-

age at the cooling system of the

country's lone nuclear reactor

told The Daily Star that such

BAEC authorities, however,

Entrances are being strictly

(AERE) at Savar.

on July 20, but was stopped four days later after only 399 refugees went back home. The repatriation was stopped following anti-repatriation demonstrations by some refugees. The last high-level meeting

between Bangladesh and Myanmar on the refugee issue was held in December last year. It was to be followed by a scheduled bi-monthly meeting in February last in Yangoon but it did not take place. Foreign Ministry officials

told The Daily Star that Bangladesh mission in Yangoon was asked to contact officials concerned in Myanmar for holding the meeting on an earliest possible date.

Besides, a high official in the Foreign Ministry had a meeting with the Myanmar envoy in Dhaka last week. The envoy gave assurance of using his good offices in conveying to the Myanmar authorities the urgency for a meeting.

A total of 21,000 Rohingyas are still residing in two refugee campus -- Nayapara and Kutupalong -- in Cox's Bazar. Myanmar authorities have issued clearances for 7,000 of them for repatriation. Another list of some 9,000 refugees is lying with the Myanmar authorities for their clearance. The list of the remaining

five thousand refugees is yet to See Page 12 Col 1

# assistance to monitor food processing

Ban on shrimp

Dhaka seeks EU

Bangladesh has sought technical assistance from the European Commission for monitoring food processing, reports UNB.

The European Commission has imposed a temporary ban on the import of Bangladeshi frozen shrimp and other fishes into European Union countries on the plea of unsatisfactory physical and infrastructural facilities at the processing plants.

Foreign Office sources said yesterday the EC had already conveyed its decision to its 15 member-countries.

Bangladesh has requested the EC to defer the ban on the import of frozen foods till September 30 allowing the country's exporters to conform with the European health stan-

#### 500 ayas at DMCH rely only Strict security at BAEC, AERE on tips from patients Star Report **Bangladesh Atomic Energy** Commission (BAEC) has started strictly enforcing security mea-sures both at its headquarters

By Naimul Haq and Ripon Baig

A dozen women sit next to the main entrance of the Dhaka Medical College Hospital (DM-CH) emergency department. They gossip among themselves but keep a prying eye at the gate. They wait for their turn to attend the incoming patients. An autorickshaw arrives carrying a pregnant woman. Two of the women rush for help. They hold the patient with care and com-

"Let go your hands. Don't cry, you will be fine. Just relax on my shoulder," Sakhina, one of the two women, comforted the

Sakhina is among some 500

ayas or midwives who have no job but rely on tips from patients. Their 'clients' are mostly from lower and middle class families who come for childbirth at the DMCH. Sakhina has been an aya for the last 22

"We offer help to those who need a midwife like myself. I am not a trained one. I have learnt the job seeing my experienced colleagues. I have no theoretical knowledge," she said. "I make between Tk 1200 and

1500 a month collecting tips." said Shanaz, who has been working as an aya for 14 years. Although the DMCH authorities say their services are unauthorised, many ayas have been in this profession for over 20 years. They will hope to be absorbed as regular employees. They have an association,

Asthayee Aya Samity, formed in late Eighties. In 1993, they had observed hunger strike to realise their demand for being absorbed as regular employees. "During the hunger strike the DMCH authorities had assured us to employ some of our members," said Hasina Begum, general secretary of the samity. Accordingly, 41 of our members had filed applications but we See Page 12 Col 1

restrictions were in force earlier also but were not enforced strictly.

The BAEC authorities re-See Page 12 Col 2

# Move to resolve party feud

# Khaleda summons Ctg **BNP** leaders

CHITTAGONG. Aug 3: The BNP high command has taken a fresh move to resolve the internal feud in the party in Nasiruddin and Dostagir

Khaleda Zia will deal with the party feud and top leaders of the party including its MPs in the port city have been sum-moned in Dhaka for a meeting tomorrow, the sources said.

Two rival factions of the

# From Nurul Alam

Chittagong, party sources said. BNP chairperson Begum

party are feuding over formation of a new committee for the party's city unit. They clashed on Saturday leaving some per-

sons injured. Meanwhile, the faction led by Abdullah Al Noman which opposes the new committee formed with Mir Mohammad

Chowdhury as president and general secretary respectively. continued its agitation for the fourth consecutive day today, party sources said. They are demanding cancellation of the new committee and formation of another committee. They have taken control of BNP's Chittagong city office at Nasi-

See Page 12 Col 4

# Dacoity at foreign construction co in Khulna

From Staff Correspondent KHULNA, Aug 3: A dacoity was committed in the office of China Harbour Engineering Co here Saturday night.

Six armed dacoits stormed the office at midnight and looted three air conditioners, two telephone sets, one fax machine and other valuables worth over Tk 1.50 lakh.

The foreign company is engaged in a road construction project here. Its office is located at Sher-e-Bangla Road under Kotwali thana.

The acting project manager J I Sui Yan has filed a case.

# Scarcity of petroleum products in Sylhet

From Staff Correspondent

SYLHET, Aug 3: An acute scarcity of petroleum products has been persisting in the Sylhet region due to short supply for the last few days.

A number of petrol pumps have run out of stocks since the last one week. President of the Sylhet Division Petroleum Dealers Association said today. Presently, there is no stock in the Sylhet depot of Jamuna Oil Company and Padma Oil

Official sources said the daily demand for petrol is one lakh litres, 30,000 litres of diesel and 75,000 litres of kerosene in the four districts of Sylhet division. The three depots of Meghna, Padma and Jamuna Oil companies in Sylhet supply the said quantity of petroleum products through their local dealers. About 75 per cent of the normal demand of

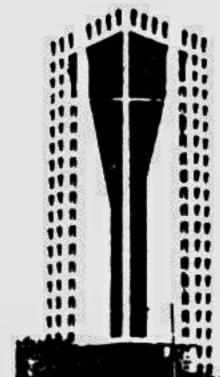
those companies were being met from the supply from the Eastern Refinery, Chittagong.

The supply was being sent to Sylhet through Railway oil tankers. The rest 25 per cent of the demand was being met from the supply from Kailashtila Oil field in Golapganj. Sylhet.

Since the suspension of rail communication after the huge fire and explosion in the Magurchhara gasfield in Moulvibazar in June, transportation of petroleum products were being continued through tank lorry by road.

But on July 13, the road communication was also snapped due to the damage of Khowai bridge near Shaistaganj Road communication was restored on July 25 after the erection of a bailey pontoon bridge. But the authorities re-See Page 12 col 6

#### **IDB BHABAN** Sher-e-Bangla Nagar, Dhaka, Bangladesh



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Proposal with sealed price quotations are invited from the established bonafide firms for pri viding surveillance and security of IDB Bhaban a prestigious 20 stori d office-cum-shopping complex located at Shere-Bangla Nagar, Diaka, by deploying well trained and suitable personnel

The interested firms are requested to submit their proposals to the undersigned on or before August 16, 1997. The proposal shall contain the followings

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details experience in the past

work plan i i respect of providing surveillance and

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Md Anowar Hossain

Joint Secretary (MI.), ERD IDB Bhaban, 4th Fl or, E/8-A, Rokeya Sharani

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# Company, he added.

Ayas wait for patients at the Dhaka Medical College Hospital emergency unit. -Star photo

# 'Underground economy' averages about 23 pc of formal GDP A large UE is bad for the fis-

Gross Domestic Product omy: The Case of Bangladesh." (GDP) from 'underground economy (UE) in the country has averaged about 23 per cent of the formal GDP, according to statistics presented at a seminar in the city yesterday, reports UNB.

The statistics show that the UE in the export and import sectors has averaged 1.7 and 9.1 per cent of the formal GDP, and 12 and 34 9 per cent of the formal export and import sectors respectively.

These results suggest that the UE is big enough for the Quasem said the undesirable policymakers to take a serious look at it. said an economist malignant growth of UE has while presenting a paper on 'Es-timation and Policy Implica contributions from business men as well as politicians and tions of the Underground Econ people in the administration

Underground economic activities are the attempts to evade taxes and regulations, illegal activities of business agents, and the activities of individuals and small units operating at the periphery outside the formal economy.

Dr Kabir Hassan, Associate Professor of the University of New Orleans in USA, in his paper did not blame any specific quarters for the fast and unimpeded growth of the underground economy But DCCI President ASM

cal and monetary management of the economy, he said adding, an underground economy with tax evasion, smuggling, black marketing, bribery and kickbacks decreases revenue income and increases revenue expendi-

Quasem appreciated some government steps which, he said, would help contain the growth of UE, including liberalisation of foreign trade, reduction of customs tariff, simplification of revenue and tax procedures and plans for expansion of tax net. Finance Minister Shah AMS

Kibria inaugurated the semi-

nar, organised jointly by the

Dhaka Chamber of Commerce

and Industry (DCCI) and Centre for Development Research. Bangladesh (CDRB), at the DCCI auditorium. CDRB Chairman Dr Mizanur Rahman Shelley said UE is a

part of life in Bangladesh as in many other developing coun-"It is necessary to find out ways and means to bring the underground economy to sur-

face and transform it into formal economy," said Dr Shelley. Dr Kabir in his paper said existence of a sizable UE has significant economic consequences stemming from the impact of information distortions on the conduct of economic policy and the efficiency

of resources allocations.

A large and growing UE sends incorrect signals about the economy to policymakers. he said adding, an expansionary policy designed to stimulate a perceived slow growth could be more inflationary than intended. He said a sizable UE presents

a particular problem for the government's fiscal position. "While the UE benefits from government services, the government suffers a loss in tax revenues. If the UE is growing at faster rate than the formal economy. government outlays will grow

with the overall (underground and formal) economy, but its revenue will grow at the slower See Page 12 Col 8