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'Subsidiaries of defaulting cos to get loans after rescheduling'

Star Report
The Bangladesh Bank (BB) yesterday told the banks that they could provide fresh loans to subsidiary enterprises of a defaulting company after rescheduling loan, based on bank-client relationship.
"If such rescheduling is done based on understanding, the enterprise concerned will not be considered as loan defaulter and therefore, if the subsidiaries of that enterprise are regularly repaying the loans, these would not face any problem in receiving new loans," a BB circular said.
It further said complaints are being received that subsidiary enterprises of a group of companies which are regularly repaying loans are denied of the facility because of loan default by even only one of the companies.
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NCBs overcome liquidity crisis

By Inam Ahmed
The Nationalised Commercial Banks (NCBs) have overcome their liquidity crisis, at least for the time being, through "vigorous fund management."
Till Wednesday all the four NCBs — Sonali Bank, Janata Bank, Agrani Bank and Rupali Bank — reported comfortable fund positions.
Agrani Bank had a surplus liquidity of Tk 130 crore, Rupali Tk 70 crore and Janata Bank about Tk 150 crore till Wednesday, highly placed sources in the banks told the Daily Star. Sonali Bank was also marginally above the break-even point which, its officials claimed, was "comfortable to run daily affairs."
But to achieve this position, all these banks adopted a stricter term-lending programme and raised their interest rates on deposits.
The NCBs had been going through a period of liquidity crisis for the last six months as a result of mismatch in their deposit and lending activities.
As of June 12 this year, their total surplus liquidity came down to as low as Tk 27.60 crore. Sonali Bank faced a severe crisis with a shortfall of Tk 86.41 crore. Agrani Bank had only Tk 7.55 crore in excess liquidity. Janata had Tk 38.50 crore and Rupali Bank Tk 77.96 crore.
Officials of these four banks now blame the huge off-take of loans during 1994-95 as the main reason behind the liquidity crisis in the banks.
"We were forced to sanction huge amount of loans under various political pressures during that period. Now, we have to provide instalment money to these projects which drastically cut our liquidity," said a senior official of an NCB.
When this huge amount of loan sanctioning came into the notice of the finance ministry at that time, it tried to put a tab on more money coming out of the bank.
See Page 12 Col 8

Rule nisi for not fulfilling 30pc quota reserved for wards of FFs

By SC Correspondent
The High Court yesterday issued a rule nisi on the Deputy Commissioner of Kishoreganj and others for not fulfilling the reserved quota for the children of freedom fighters in case of non-availability of freedom fighters.
The division bench of the HC comprising Justice Md Mainur Reza Chowdhury and Justice M M Ruhul Amin issued the rule nisi on the Deputy Commissioner, Kishoreganj, Secretaries of the Ministry of Establishment and Land Administration and Reform and the Chairman, Land Reform Board to show cause against the writ petition filed by one Abdul Qayyum, son of a freedom fighter.
By the rule nisi the HC directed the respondents to show cause within two weeks as to
See Page 12 col 6

Cabinet okays extradition treaty Bazlul Huda to be brought back from Thailand for trial

Retired army officer Bazlul Huda, one of the absconding accused in the Bangabandhu murder case, will be brought back from Bangkok jail for his trial, reports UNB.
For this purpose, the Cabinet at a meeting yesterday approved Extradition Treaty 1997 between Bangladesh and Thailand.
Earlier, both the governments have agreed to sign an extradition treaty and prepared a draft of the agreement. A team of Thai Foreign Ministry also visited Bangladesh from July 14 to 16.
Major (ret) Huda, who allegedly fired on Bangabandhu on the fateful night of August 15, was arrested in Bangkok as he committed stealing at a department store there.
A prosecution witness in the Bangabandhu Murder Case told the court that the then Major Noor and Captain Bazlul Huda shot dead Bangabandhu Sheikh Mujibur Rahman.
During the trial proceedings on July 28, the witness, Mohammad Qudus Sikder, said he was standing behind Major Noor and Captain Huda when they gunned down the father of the nation.
A retired havildar of Bangladesh Army, Qudus was a security guard at the house of Bangabandhu during the killing of Mujib, his family members and close kins.
See Page 12 col 6

5pc price hike of essentials in a month

Price of essential commodities rose sharply in last one month, averaging a 5.11 per cent hike from end of June to July, reports UNB.
According to a market survey conducted by the Consumers Association of Bangladesh (CAB), the price of vegetable, meat, egg, fish and rice substantially increased during this time pushing the price of the essentials almost out of the reach of the low-income groups.
The survey said price-spiral of vegetable topped the list showing an increase of 35.49 per cent in last one month. Price of eggs rose 15.08 per cent during this time.
There has also been scarcity of fish, resulting in an increase
See Page 12 Col 8

UK consortium to build 2nd port terminal in Chittagong

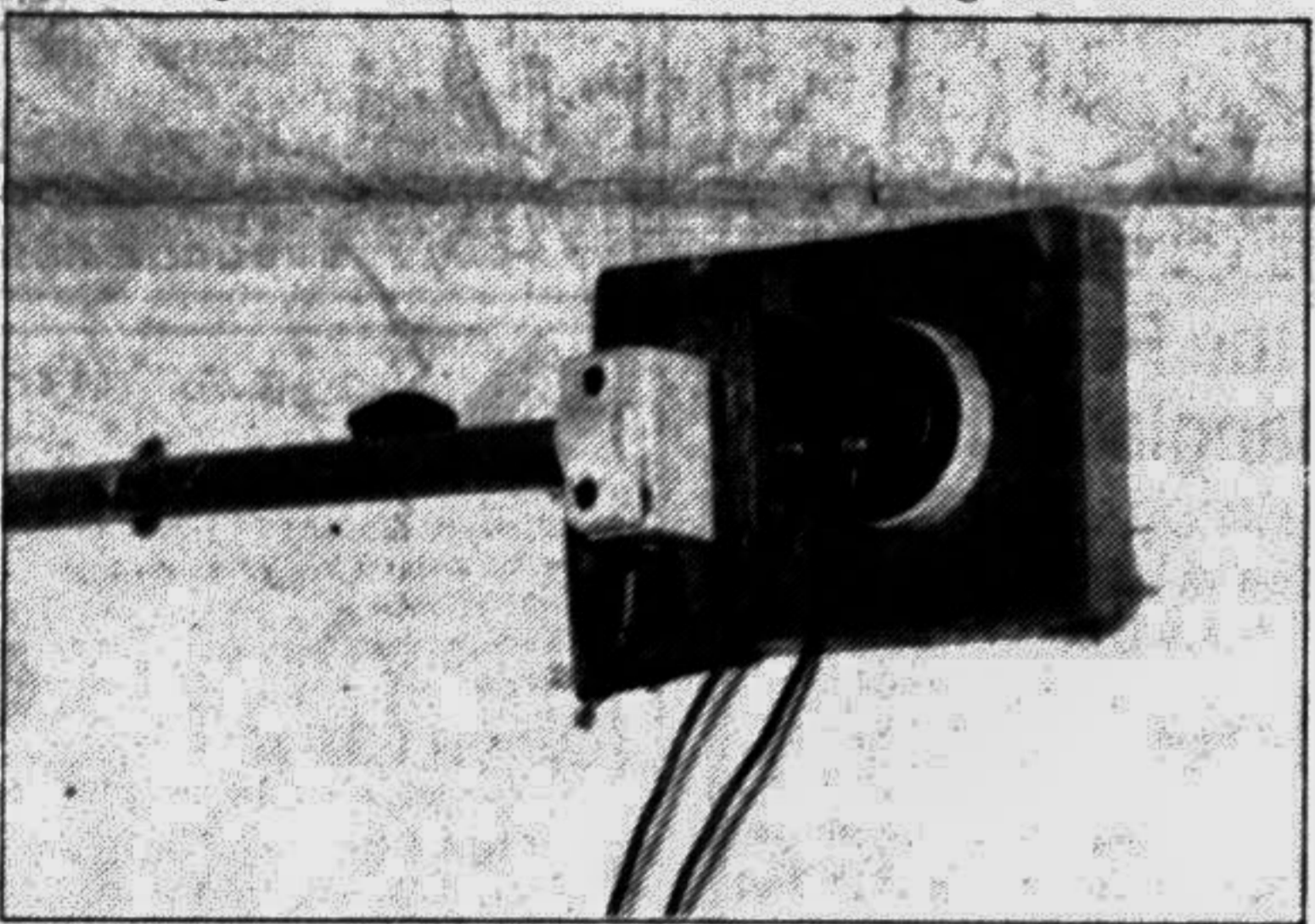
CHITTAGONG, Aug 7: A consortium of British companies will begin work for building the second port terminal in Chittagong this year which will help expedite the handling of export goods and increase the revenue earnings, says BSS.
This was disclosed by high official of the Department of Trade and Industry of Britain and export promoter of British goods David J Burton when he called on President of Chittagong Chamber of Commerce and Industry Jafrul Islam Chowdhury MP at the latter's
See Page 12 Col 2

Workers continue agitation at Ctg Port

From Staff Correspondent
CHITTAGONG, Aug 7: Chittagong Coaster Hatch Workers Union today reiterated the office of lighterage contractor to press home their demand for handling cargo at the outer-anchorage ships.
The gherao continued from 10 am to 2 pm while a rally of hatch workers was held with their union president Jabol Huq Majl in chair.
The rally was addressed, among others, by Khorshed Alam Sajjan, advisor of Hatch Workers Union, Lakhhat Ali Khan, Labour Secretary of City Awami League, Mahub Mintu, Moazzem Hossain and Abdul Baten.
The coaster Hatch Workers Union threatened to lay a siege to the port office from August 11 for an indefinite period until their demand was met.

Garments units where 26 died in stampede reopen Workers still exposed to fire hazard

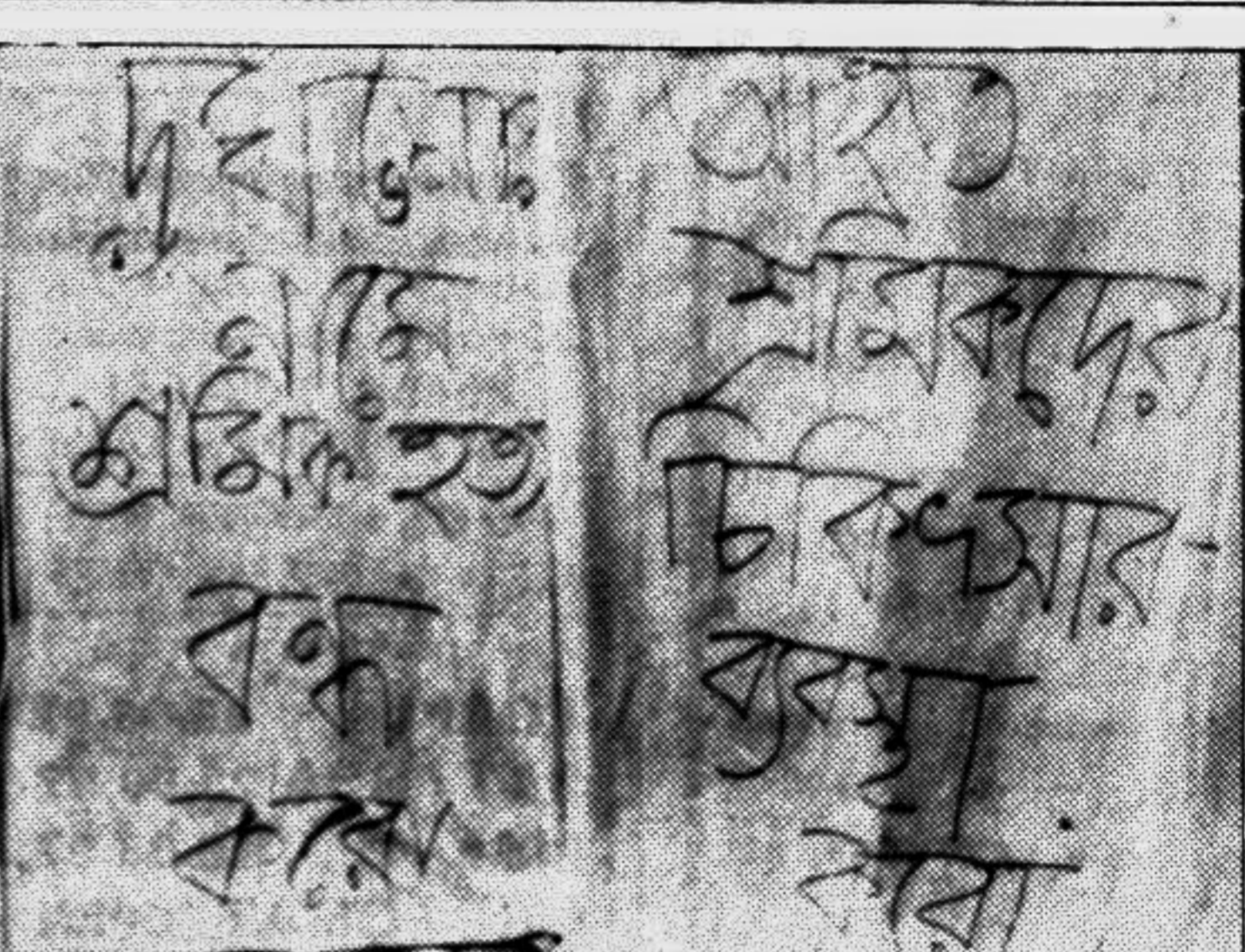
By Morshed Ali Khan
— gate manned by two uniformed guards.
"There are more workers here than we are permitted in our layout plan," admitted Nazrul Islam, an official at the factory. In the extreme corner of the room electric wires tangled overhead. Few workers sat amidst loads of highly inflammable garments materials beside the main electric switch covered with layers of dirt. Naked wires bulged out dangerously from the stuffy board.
"Is there any other way than to run when a fire breaks out here?" asked Shumi, sitting a foot away from the switch board.
On the second floor, workers from Jahanara Garments were still mourning the deaths of their colleagues. With 15 female workers dead in the July 30 incident, it had the largest casualty in the building.
The floor was devoid of workers but few officials sat there gossiping. In the corner, the electric board was covered with dirt. Some fuses were half open, apparently to disconnect some areas. As this correspondent tried to push those fuses in their sockets, instant sparks were seen. The overhead wiring network in a wooden channel was covered in a thick layer of dust. The joints of the wiring were bound with tape in an amateurish way. The only exit from the floor was narrowed because the owners had raised a wall near it to prevent outsiders from looking inside.
At Shanghai Apparels on the fourth floor, where Wednesday's incident first originated, a few hundred workers gathered for a milad. A worker there showed the wire that sparked and triggered a panic among the 2,500 workers in the building who all rushed together towards the narrow exit fearing a fire.
The five-foot long wire of a heavy sewing machine connected the electric line. As the wire got trapped under the heavy machine, it was damaged and a naked wire bulged out uncut, leading to a short-circuit. The female worker who was working at the machine when the accident occurred, said the management have replaced the wire.
But the new wire was also damaged through the same process. Several other wires also
See Page 12 Col 1



An open connection in an electrical socket at a garments factory in Mirpur in the city. — Star photo

'Deaths in fire in garments factories are killings'

By Staff Correspondent
Sammilita Nari Samaj organised a rally yesterday in front of the garments factories housed in a multistoried building at Mirpur in the city, where 26 workers were killed recently in a stampede fearing a fire.
Addressing the rally, Samaj leaders termed the deaths in fire in the garments factories as killings. They urged the owners of the factories to follow the provisions of Factories Act and labour laws.
They said that most of the garments factories did not have any fire fighting equipment and security measures. The incidents of fire in garments factories could no more be termed accidents as these had become regular events.
The Samaj leaders claimed that the factory buildings were not built as per the provisions of relevant laws. The staircases are narrow and the main entrances of the factories remain locked, they pointed out.
They urged the garments owners to make the factories safe places for the workers.
The rally was addressed, by among others, Rabeya, an injured worker of Shanghai Fashion Ltd, Jaeda Begum, mother of one of the dead workers of the factory, Samaj leaders Shirin Akter, Farida Akter, Sima Das and Shamsunur Josna.



Sammilita Nari Samaj organised a rally in front of a garments factory building in Mirpur yesterday. —Star photo

Corruption charge against Kazi Zafar framed

By Staff Correspondent
KHULNA, Aug 7: Corruption charge against former Prime Minister Kazi Zafar Ahmed has been framed in the Divisional Special Judges Court. The court has fixed September 23 for hearing of the case.
Kazi Zafar, who came here on Tuesday, allegedly misappropriated government wheat under the Food for Work Programme Tk 9,86,556 in the name of the construction of a cancer hospital on his paternal land at Digholia, twelve kilometres from the city.
He allegedly utilised the wheat for earth filling works of the land where the cancer hospital was supposed to be built.
The District Anti-corruption Bureau of Khulna filed a corruption case against him with Digholia thana.
The charge against him has been framed under sections 409/109 of the BPC and also under Section 5(2) of Anti-Corruption Act.
The former PM was refused any sort of special treatment when he appeared before the learned judge. He was escorted to the court from his paternal house by a group of his followers.

Draft fifth 5-yr plan Tk 24221 cr projected for transport sector

The draft fifth five-year (1997-2002) plan has projected an outlay of Tk 24,221 crore for the development of the country's transport sector, reports BSS.
The outlay has been proposed to cope with the demand of the transport's growth which is assumed to be 7.5 and 8 per cent for passenger and freight traffic respectively for 2002 in consideration of increased GDP growth rate.
Of the projected amount, the government's contribution will be Tk 12,221 crore and the rest Tk 12,000 crore is expected to come from the private sector.
To encourage the private sector to increase its involvement, the government will create a favourable environment with regard to tariff regulation, import policy, credit facilities and training facilities.
The government's contribution includes Tk 6,321 crore for road transport, Tk 2,350 crore for railway, Tk 1,350 crore for water transport, Tk 750 crore for air transport and Tk 1,450 crore for Jamuna Multipurpose Bridge.
The expected private sector contribution includes Tk 4,000 crore in road infrastructure and services, Tk 1,000 crore in rail infrastructure and services, Tk 4,500 crore in water transport infrastructure and Tk 2,500 crore in civil aviation.
Under the draft plan, the major projects for the transport sector are — completion of Jamuna bridge, Jamuna railway link project, construction of three major road bridges, two in the Mongla/Khulna-northwest corridor and one in Dhaka-Sylhet corridor, construction of container terminals at Chittagong sea port and expansion and modernisation of container handling facilities, setting up of a new cargo-cum-general container composite port
See Page 12 Col 7

Emergency meet of ALCWC today

An emergency meeting of the Awami League Central Working Committee will be held at Ganobhaban today, reports UNB.
Awami League chief Prime Minister Sheikh Hasina will preside over the meeting to be held at 5 pm, said a party press release.
All members of the working committee, staying in Dhaka, have been requested to attend the meeting.

New project to seek WB funds for ailing jute sector underway

The government will frame another project in the jute sector seeking fresh funds for the ailing industry after the lapse of the World Bank-funded Jute Sector Adjustment Credit (JSAC).
The JSAC, for which the Bank had sanctioned about 250 million US dollars, expired on June 30 after the government failed to fulfil some preconditions under the ambitious project.
A top official told UNB yesterday that a high-powered technical committee, headed by Joint Secretary at the Ministry of Jute Rezaul Karim, had recently been formed to prepare the project papers.
"We are working on emergency basis... and hope to submit the project paper to the World Bank by October next," said Mohammad Abdul Hannan, the Jute Secretary.
The committee members include representatives of the Bangladesh Jute Mills Corporation, Bangladesh Jute Mills Association and Bangladesh Jute Spinners' Association. The Director General of Jute is also a member.
Hannan said the committee, which was asked to submit its report to the ministry as soon as possible, will hold its first meeting on Sunday.
The committee will prepare the papers for the new project and identify the reasons for the failure of the Jute Sector Adjustment Credit (JSAC) project.
An evaluation of the project is also being carried out by the World Bank.
Of the 250 million US dollar sanctioned for the JSAC, the World Bank disbursed 50 million US dollar only under its first instalment following some initial performances by the government.
It later declined to give the rest instalments as the government failed to fulfil some
See Page 12 Col 7

Fugitive wanted in 27 cases surrenders

By Staff Correspondent
A fugitive wanted in more than 27 cases surrendered before the district court yesterday.
Keramat, the alleged leader of a gang of criminals, was later arrested by the Detective Branch of police.
Police said Keramat, aged about 35, was involved in murder, extortion and many other criminal activities for a long time. Keramat's organised gang was mainly active in Mirpur area in the city.
The cases against Keramat were filed with city's Mirpur, Pallabi, Mohammadpur and Ramna thanas and Gazaria thana under Munshiganj district.
A DB team acting on a tip off cordoned Keramat when he went to the district court yesterday noon. Later, he surrendered before the court.
The DB prayed for taking Keramat on remand for interrogation. The court granted four days of remand.
Describing Keramat's reign
See Page 12 Col 8

BCL ransacks student union room at DU

By DU Correspondent
A group of young men, reportedly the activists of Bangladesh Chhatra League (BCL), ransacked the canteen and student union room at the Institute of Education and Research (IER) of Dhaka University yesterday morning.
According to sources, meeting of the BCL was scheduled to be held at the student union room at 11 am. But the activists could not enter the room as it was locked. The room was under the control of JCD men as they won the 1990 election to the student union.
Earlier, BCL leaders of the IER unit requested the leaders of Chhatra Dal (JCD) to give the key of the room. The JCD men agreed but the key did not reach them in time.
The angry BCL activists broke open the door and stormed into the canteen of the institute. JCD brought out a procession on the campus protesting the incident. And the BCL leaders blamed the JCD for the incident.

India, Pakistan should resolve disputes for higher growth: Clinton

WASHINGTON, Aug 7: President Bill Clinton has said India and Pakistan should resolve their differences to attain the higher growth rates like in East Asia and offered a 'more constructive' US role to achieve it, reports PTI.
"India and Pakistan can attain the high East Asian rates of growth and become America's best partners if they resolved their differences," Clinton told a press conference at the White House lawn here yesterday.
"It's a source of continuing concern to me that the people of Pakistan and the people of India have not been able to work through their differences, because if they do so, I am convinced they could quickly begin to enjoy economic growth rates... and be our best partners for the future," he said.
Clinton said the US presence should be heavily felt in South Asia because of the long relationship America had with India and because of the enormous potential of the region for good if things go well and for ill if things don't.
"We can be even better friends in the next 50 years and a more constructive supporter of resolving these difficulties in the near term," Clinton said referring to the role he wanted the US to play in the sub-continent.
The US President, who was replying to a question on whether he would be visiting India on the occasion of Golden Jubilee of India's independence, See Page 12 col 6

Sylhet BNP, JCD leaders, workers sued under SPA

From Staff Correspondent
SYLHET, Aug 7: Kotwali police has lodged four cases under the Special Powers Act against a large number of leaders and workers of Sylhet district BNP and JCD.
The cases were filed on charges of causing damage to public and private property, vehicles and attack on law enforcing agency personnel during the hartal hours yesterday.
In one of the cases, police mentioned names of the accused as Ariful Haque Chowdhury, General Secretary of district BNP; Abdur Razaque, Organising Secretary and 200 to 250 others. In another case, the names were mentioned as Ariful Haque Chowdhury GS, District BNP; Abdur Razaque, Organising Secretary and 80 to 60 others.
In all the 4 cases, the two leaders were named as main accused, a police official confirmed tonight.

Mannan Bhuiyan protests filing of false cases against Sylhet BNP men

BNP secretary general Abdul Mannan Bhuiyan has protested the filing of "false" cases against an unspecified number of leaders and workers of BNP and its front organisations in Sylhet, reports UNB.
In a statement yesterday, he alleged police attacked pro-hartal processions and rallies without any provocation during peaceful hartal in Sylhet on Tuesday and Wednesday.
Bhuiyan said police along with the 'terrorists' of Chhatra
See Page 12 Col 7

Contempt of court Jail sentence of govt official stayed

An Appellate Division Judge yesterday stayed a High Court order sentencing just-retired Comptroller of Defence SAM Iqbal to one-month simple imprisonment for contempt of court, reports UNB.
Justice Abdur Rouf stayed the order for two weeks upon a petition moved by attorney's lawyer, Khandaker Mahubuddin Ahmed.
The contempt bench of the High Court comprising Justice Mohammad Mozammel Huq and Justice Hasan Amin on Wednesday delivered the judgement awarding the former Managing Director of Bangladesh Shipping Corporation, SAM Iqbal, who recently retired as Comptroller of Defence (Finance), one-month simple imprisonment.
The High Court also directed the contemner to surrender before the Chief Metropolitan Magistrate, Dhaka, who was subsequently ordered to send him (Iqbal) to Dhaka Central Jail to suffer the imprisonment.
The court order came on Wednesday following a contempt petition filed against Iqbal, a former Managing Director of Bangladesh Shipping
See Page 12 Col 4

Malaysia not recruiting unskilled manpower

The government has advised the people not to go into a financial transaction with any individual or agency for export of semi-skilled and unskilled manpower to Malaysia, reports UNB.
A press release issued by the Labour and Manpower Ministry yesterday said the restriction imposed on import of semi-skilled and unskilled manpower by Malaysia on July 10 last year is still in force.
Malaysia is now importing only skilled manpower, it said, adding that once the restriction is withdrawn, it will make public immediately.

Inside Today

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