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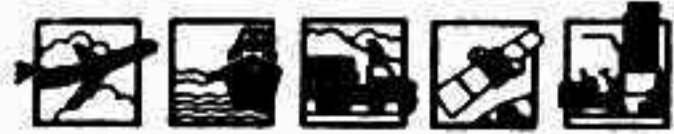
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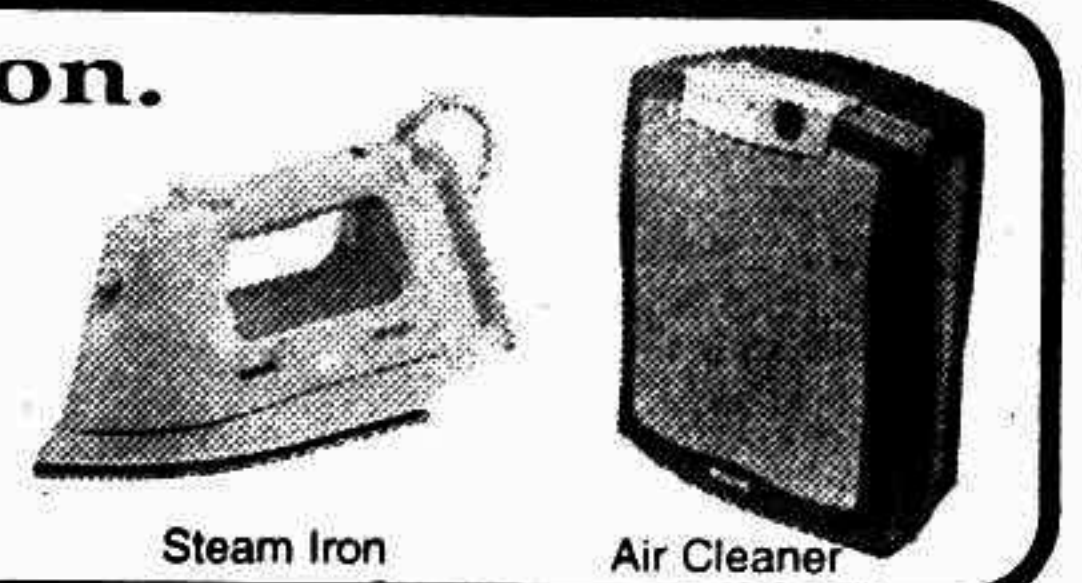
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Another tough year awaits tanners

Defaulters blamed for crisis

By Rafiq Hasan

Tannery owners and leather traders are fearing that prices of hides and skin would decline further during the ensuing Eid-ul-Azha compared to that of last year.

Low price of leather in international market, ban on export of half-processed (wet blue) leather, higher processing cost and market manipulation by a section of traders may contribute to the decline in prices, according to them.

"The price of a standard size hide may go down to around Tk 300 this year from about Tk 500 last year," said Abu Hanif, owner of Hazra Leather at Hazaribagh in the city.

He mentioned that huge quantities of wet blue leather have remained stacked up at different tanneries since last year.

For maintaining stability in leather price and steady growth of the sector, tanners have demanded an end to 'temporary bank loans' for procurement of hides and skin during the Eid-ul-Azha, granting of long term project loans and allowing export of wet blue leather.

"Only a few tanneries still in operation are not capable of consuming huge quantities of hides and skin available during Eid-ul-Azha," said Abdul Halil, General Secretary of

Bangladesh Tanners Association.

More than 40 per cent of the total supplies in the country come during this period.

"Huge amounts of money disbursed by the banks ahead of Eid-ul-Azha create an unusual situation in the leather market every year," Hai said.

He said that a group of leather traders and exporters always created pressure on the authorities for bank loans and dominated the market. This was responsible for instability in leather price. The bank loans go to a group of 25 to 30 big shots who monopolised the market and deprived the genuine leather processors and exporters, he alleged.

"Instead of giving temporary loans for procurement of raw leather, the government should arrange project loans for leather processors and exporters for a steady growth of the sector," Hai said.

Ban on export of wet blue leather in 1990 created a disaster in the sector, pushing more than 80 per cent of the tanneries towards closure, he mentioned.

"Of the 250 tanneries, only 20 to 25 are now operating regularly and the rest have either closed down or have been oper-

ating partially."

Hai said though the ban was imposed to increase export earning from the sector, it did not produce desired result as most of the tanneries had no preparations for modernisation.

"The export earning from the sector did not increase much because the tanneries had no technical know how for increasing their production," said Abdul Hannan, Manager of F K Leather Complex Limited.

"Production of finished leather is also not cost effective as most of the chemicals used for processing raw leathers are imported, and their prices are very high."

Hannan suggested that the government should allow export of wet blue leather to save the leather sector from 'total ruin'.

Meanwhile, this time the banks have been ordered to give loans only to those traders who repaid last year's instalments.

"No defaulters would be allowed to get new disbursement this time" said a Bangladesh Bank circular.

Tanners association leaders have called for stern action against those traders who did not repay crores of taka taken as loans earlier.

Khaleda's response to diplomats' concern

BNP chief comes up with her reasons to be unhappy

By Staff Correspondent

Poor state of governance, economy, politics, and law and order situation was highlighted in a statement the BNP handed over to representatives of the donor countries and agencies yesterday.

The 14-page statement, distributed at a meeting of the two sides at Hotel Sheraton in the city yesterday, identified eight specific areas of "failures" in the 33-month-old Awami League government.

The BNP statement came in response to serious concerns raised by the European Union and Development Partners of Bangladesh about political instability in the country.

Opposition leader Khaleda Zia led the eight-member BNP team in the two-hour meeting with representatives of 16 donor countries and agencies.

Heads of diplomatic missions of Australia, Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, Norway, Sweden, Switzerland, UK, USA, and representatives of Asian Development Bank, European Commission and the World Bank attended the meeting began at 4:30 pm.

The statement described the AL rule as "a regime of repression and found 'unprecedented' deterioration of law and order situation and a 'no less disturbing' decline in economic growth."

It also blamed an "openly derisive" government and a "partisan" Speaker for decimating the Opposition role in the Parliament, the ruling party for "disrespect" to accords with the Opposition, its "unlawful intrusion" in the electoral process through "politicisation, intervention and manipulation," and found a "non-existent" neutrality of the government.

"Indiscriminate use of the Special Powers Act and Section 54 are the main tools for imposing a systematic pattern of harassment and intimidation, tantamount to a police state," read the statement alleging false criminal cases, arrests and convictions against the political opponents across the board.

On law and order situation,

it said acts of terrorism, sniper and hand-grenade attacks had left significant toll of deaths and wounds across the country.

"Victims have ranged from veteran political leaders to even cultural groups. Notorious and identified killers and rapists have been given shelter as they belong to the ruling party," it said.

On the culture of hartals, the BNP reiterated its anti-hartal stance and said they considered such programme as the last resort. In this regard, it accused the ruling party of confronting the opposition in its peaceful street protests like hartal, demonstrations and rallies.

The statement said the 173 days of AL-sponsored hartals during 1991-96 were aimed at toppling the BNP government. "Today, the AL objective seems transparent -- how to retain power indefinitely."

On the economic front, BNP said, macro-economic stability has been undermined and price discipline eroded. There have been no reforms in the administration, legal and financial sectors. Also highlighted were high transaction costs in private investment, non-transparent commercial dealings, unhealthy trade-unionism in state-owned enterprises, reflection of the ills of the government -- corruption, red-tapism and spoil-seeking -- in the energy sector. Besides, the financial sector continues to be in a sorry state after the collapse of the stock market and there has been a total failure of revenue generation, it added.

On the need for removing political differences, the BNP statement blamed the government for failing to create a conducive atmosphere. It also brought allegations against the Speaker for making the Parliament ineffective by not allowing the Opposition to play its due role.

It also cited the BNP demands for recasting the Election Commission and appointment of a new head of the Commission, and its allegation of rigging in the elections held under the present government.

Later at a press briefing, BNP chief Khaleda Zia was quoted as telling the donors that her par-



Opposition leader and BNP chairperson Khaleda Zia, flanked by senior comrades, (top) meets with representatives of Bangladesh's development partners and European Commission (above) to discuss the state of politics and economy at Hotel Sheraton yesterday.

—Star photo: A K M Mohsin

Independence Day awardees

The government has decided to confer the 'Independence Day Award '99' on 11 persons for their outstanding contributions in various fields of the national life, reports UNB.

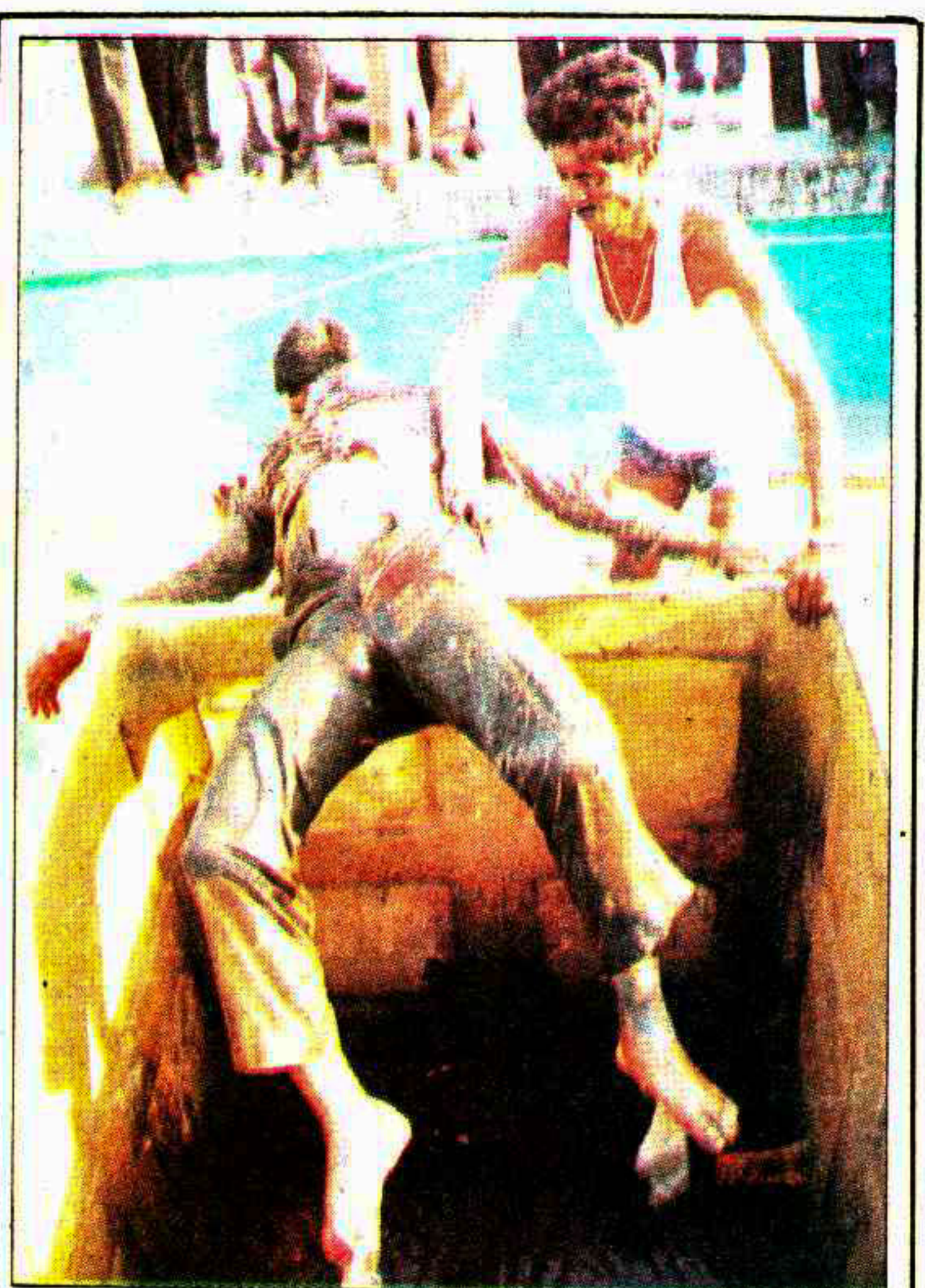
The nominees are: Abdus Samad Azad (Independence and Liberation War), Prof. Dr. Rashiduddin Ahmed (Medical Science), Prof. AQM Bazul Karim (Education — posthumous), Prof. AF Salahuddin Ahmed (Education), Sikandar Abu Zafar (Literature-posthumous), Prof. M Kibria (Fine Arts), Begum Badrunessa Ahmed (Social Welfare-posthumous), Kalim Sharafi (Music), FR Khan (Architecture), Mazharul Islam (Architecture) and Brojen Das (Sports-posthumous).

Each award carries a gold medal, Tk 25,000 and a certificate, an official handout said yesterday.

Prime Minister Sheikh Hasina distributed Independence Day Award '98 at Osmany Memorial Hall in the city yesterday.

Ten people were given the Independence Day Award '98, the highest national award, for their outstanding contributions to the nation.

Award recipients: Shaheed Sheikh Fazilatunnesa Mujib, Shaheed Syed Nazrul Islam, Shaheed Tajuddin Ahmed, Shaheed Capt Mansur Ali, Shaheed A H M Quamruzzaman, Shaheed Abdur Rab Seranabab and Shaheed Sheikh Fazlul Huq Moni — all posthumous (contribution to Liberation War), Dr. Abdul Mosabber Chowdhury (Science and Technology), Shaheed Shahidullah Kaiser (Literature-posthumous), and Shaheed Sheikh Kamal (Sports-posthumous).



Decomposed body of the unidentified man being dragged out of the overhead water tank of the Detective Branch headquarters in the city yesterday. Although we are opposed to printing such pictures, under the exceptional circumstances we find it relevant. —Star photo: A K M Mohsin

Charges framed against Rupon chairman

By M Shamsur Rahman

The Third Additional Metropolitan Sessions Court yesterday framed charges against Rupon Oil and Feeds Limited and its chairman Md Nurunnabi for manipulating the stock market in 1996.

Nurunnabi, also the managing director of the company, has been charged for selling shares in the kerb market at higher price during July-December period.

"For the purpose of market manipulation, you in collaboration with some stock brokers

and dealers made artificial transactions inflating the price of the stocks and induced purchases by others," Judge Mollah Mustafa Kamal said reading out the charge sheet.

"As a result, the price of the stocks soared from Tk five on July 30, 1996 to Tk 32 on December 31, 1996."

"Although there was no production and no business, you still made fake transactions without disclosing the facts. You sold some 68,600 shares in the kerb market and unlawfully influenced the share market."

The judge contended that the activities of Rupon Oil and its chairman manipulated the securities laws which are punishable under section 17 (a), (e), (ii) (iii) and (iv).

When the chairman pleaded innocent, the judge fixed May 18 for the next trial.

Meanwhile, the Metropolitan Sessions Court yesterday did not give its verdict on the transfer application filed by the Beximco lawyers.

The court was presided over by AK Roy who acted in place of Shaikh Rejwan Ali.

The defence lawyers argued that since the matter was related to transfer of the three share scam cases, it could be sent to any court including that of the presiding judge.

Appearing as SEC lawyer, Barrister M Zahir said that the judge was assigned to dispose of emergency matters and what else could be more urgent than the share scam cases.

NATO strikes again

BOON, Mar 25: NATO launched a new series of air strikes against Yugoslavia this evening, the German Foreign Ministry said. "You can say that a new wave has been launched," said a ministry spokesman after several planes took off from US and NATO bases in Italy, in Belgrade, air-raid sirens sounded at 7:25 pm (1825 gm), reports AFP.

Dhaka's reaction

By Staff Correspondent

A spokesman of the Foreign Ministry commenting on the recent NATO air strikes against military targets in Yugoslavia stated that Bangladesh always supported diplomatic initiative to resolve the problem and had earnestly hoped that the recent negotiations would provide a basis for a peaceful solution to the humanitarian crisis in Kosovo.

But it is regrettable that diplomacy was not allowed to succeed, he added.

Biman lists 4 probable partners

By Shehab Ahmed

Bangladesh Biman authorities have shortlisted four companies and held preliminary discussions with their representatives on Tuesday to offload its shares under a privatisation programme.

The companies are City Bank and ABT Associates of USA, ANZ Investment Bank and Fleming Consortium of UK, Bimco sources said. They have been shortlisted from among 44 bidders.

The Biman has also started the process of appointing a consultant to help it find "strategic partners" who would be offered 40 per cent of its shares. The process will be completed by the first week May, the sources said. The consultancy is being financed by the World Bank.

Under the privatisation programme, Bimco officers and employees will be given nine per cent of the share and the rest 51 per cent will be retained by the state-owned airline.

The privatisation process is expected to be completed by next year, the sources said.

The airline has nine aircraft and 5,500 employees and operates flights to 24 international destinations.

Biman currently has "strategic alliance" with Korean Air to carry cargo, mainly garments, to the US.

Silk industry sees silky future in protection

Plea to regulate yarn imports

By Nurul Kabir, back from Rajshahi

Absence of a 'silk policy' is gradually pushing the country's silk sector towards total collapse. Unless a comprehensive policy is formulated soon, the industry - already hit hard by its absence - will virtually be condemned to ruin, Rajshahi-based producers fear.

Government officials at the Bangladesh Sericulture Board (BSB) are not that pessimistic, though. Nevertheless, they too, believe that the government must have 'some control over import of silk yarn to protect the local industry.'

Entrepreneurs, in both private and public sectors, believe that the government should have a policy under which an importer of silk yarn has to buy certain percentage of his total requirement from the local market.

In Thailand, an importer is legally bound to purchase one kilogram of silk yarn from the local market, if he collects four kilograms from abroad. Local entrepreneurs, in the private sector, favour a similar ratio for Bangladesh, so do the BSB officials.

Silk yarn is a kind of animal fibre produced by the young silk worm larvae. The most common silk worm in our country is *bombyx mori*, which is commercially domesticated and reared by the silk farmers, especially in the Bholahat thana under Chapainawabganj district.

Its larvae live on the mulberry leaves. Yarn produced from the cocoon of this species is smooth, strong, viscous and golden in colour. Another kind of silk worm, *atrocus ricini*, feeds on linseed leaves and produces bright white yarn.

More than 3.5 lakh kilograms of cocoons were produced in Bholahat thana in 1986-87. Recently, production has come

down to only 25 thousand kilograms. In 1986, some 1.1 lakh silk worm eggs were needed for hatching and rearing of cocoons, but presently only about 2.8 lakh eggs are used for the purpose.

Before 1990, some 3.5 thousand *bighas* of lands were used for cultivation of mulberry plants. But presently the figure has come down to 2.7 thousand *bighas*.

Bholahat thana of Chapainawabganj still produces about 50 per cent of the total silk of the country. Production in Bholahat and its adjacent areas has drastically declined. During the 1980s, farmers of the area produced 80 per cent of the country's total silk.

Withdrawal of restrictions on silk yarn import has been a major reason for the decline.

Says Sadar Ali, owner of one of the largest silk mills in the country, "Until 1991, only genuine users were entitled to import silk yarn, while importers had to pay 30 per cent duty on the import of raw silk. Factory owners needed to get registered with the Directorate of Textile."

"The restrictions have gradually been withdrawn. Presently, anyone - be he an owner of a factory or not - can import raw silk and silk yarn. As a result, local farmers involved in rearing cocoons and producing raw silk have been hit hard."

There are allegations that most of the importers having no factory are involved in smuggling silk yarn to India, where the price is much higher.

"We are spending hard currency over silk import, while the Indian silk sector is being benefited. The worst affected are the farmers," says Sadar Ali, an all-rounder, so to speak, in the silk sector with immense experience in cultivating mul-

berry plants, rearing cocoons, producing silk fibres as well as finished products out of silk.

The BSB chairman, Tazul Islam Khan, shares Sadar Ali's sentiment.

"For the sake of our silk industry, the government has to exercise some control over import of raw silk," he says. "Besides, there should be constant government vigilance to ensure that only the genuine users are importing silk yarn."

According to Khan, the silk factories should be registered with the BSB that will assess, on a regular basis, the actual requirement of silk imports.

The BSB chairman also supports the idea of introducing the system of 4:1 ratio under which an importer has to purchase at least one-fourth of his requirement from the local market.

"Such measures would help us save foreign currency as well as put the local silk industry on the right course," he says.

AKM Mostafizur Rahman, former president of the Rajshahi Chamber of Commerce and Industries, says that flood, pest attacks, non-availability of bank loans, influx of artificial yarn and so on have thrown thousands of silk worm cultivators of Bholahat, Gomostapur, Shilganj and Charchat into a deep crisis.

Given the role of small farmers involved in the process of mulberry plantation, rearing of silk worms and producing fibres from eggs, the poor cultivators really need financial assistance and institutional support from both private and public sector entrepreneurs, Rahman believes.

"On top of that all, the government, if willing to revamp the sector, has to stop indis-

criminate import of raw silk and silk yarn," he says.

From tiny, yellowish eggs come out larvae, locally called *polu*. The *polu* has a life span of 24 to 40 days and feeds on mulberry leaves. After a number of morphological changes, the *polu* turns young and consumes huge quantity of mulberry leaves. A young *polu* looks yellowish golden in colour.

About six weeks after hatching, the *polu* stops eating and secretes a kind of saliva. The saliva turns into silk fibre - an individual fibre is 300 to 900 metre long - when it comes in contact with air. During the secretion, the *polu* spins its cocoon.

Preservation of yarn is sometimes very important for the producers. Says another silk mill owner, The BSB should create a Yarn Bank.

Meanwhile, the World Bank has recently come forward with a Tk 100 crore fund to set up a Silk Foundation which will conduct various research, help extend BSB projects, provide training to farmers and so on.

Deadline for polls in 2 city corps extended

By Staff Correspondent

The Election Commission has extended the deadline for mayoral elections in Khulna and Rajshahi City corporations.

According to an EC press release yesterday, election in Khulna City Corporation would now be held by September 29 this year, instead of April 2.

Election in Rajshahi City Corporation will be held by October 1, instead of April 4.

Road accidents kill 8, hurt 102

At least eight people were killed and 102 injured in separate road accidents in Dhaka, Narsingdi and Gazipur yesterday, report agencies.

Of them, five were killed in the capital city, two in Narsingdi and the rest was killed in Gazipur.

BSS reports: Five people were killed and 50 others injured in three road accidents in the city yesterday, hospital and police sources said.

Three unidentified people died on the spot and 50 others

were injured when a 'Tangail-bound passenger bus collided with a Dhaka-bound truck in the afternoon at Azampur, Uttara.

Both the drivers of the vehicles escaped from the scene, but police seized the bus.

Taslim Khan, 60 of Mirpur 12 was killed on the spot when a speeding truck ran over him at Agargaon area in the morning.

In another accident an unidentified young man aged about 22 died on the spot when a

minibus hit him at Tantibazar crossing in the afternoon.

All the bodies were sent to Dhaka Medical College hospital for autopsy.

In Narsingdi, two people were killed and 40 injured when a bus overturned on the Dhaka-Monohardi road at Purandri in Shibpur thana yesterday.

The dead were identified as Sohag, 25, and Zakir, 24.

Police said the accident occurred at 9 in the morning as the driver lost control over the

vehicle.

In Gazipur, one policeman was killed and 12 were injured critically in a road accident on the Tongi-Ashulia road yesterday, police said.

They said the accident took place in the afternoon when a police van carrying police personnel to Savar Smriti Souha overturned near Jirabo.

Sirazul Islam, 50, died on the spot. The critically injured policemen were admitted to Tongi hospital.



We mourn

We are deeply shocked at the sudden death of our beloved friend **Md. Saiful Azam** (Riyed) on 24th March 1999.

We pray for the departed soul will rest in peace.

We ...

Batch '94

On behalf of all the students of Buss. Admn. Discipline Khulna University, Khulna.

Editor: Mahfuz Anam

Published by the Editor from Mahfuz Anam Ltd., 90 Kakrail, Dhaka-1000 on behalf of Mediaworld Ltd., 62 Motijheel C.A., Dhaka-1000. Editorial, News & Commercial Offices: House No. 11, Road No: 1, Hanmandi Rd, Dhaka-1205. PABX: 866772-4, Commercial: 866771, Fax No: 88-02-863035, GPO Box No: 3257, Cable: DAILYSTAR, DHAKA. Internet edition address: http://www.dailystarnews.com and Email address: dstar@bangla.net