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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 Hal, 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," said Hal.

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," Hal 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 operating.

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

Independence Day award winners

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.

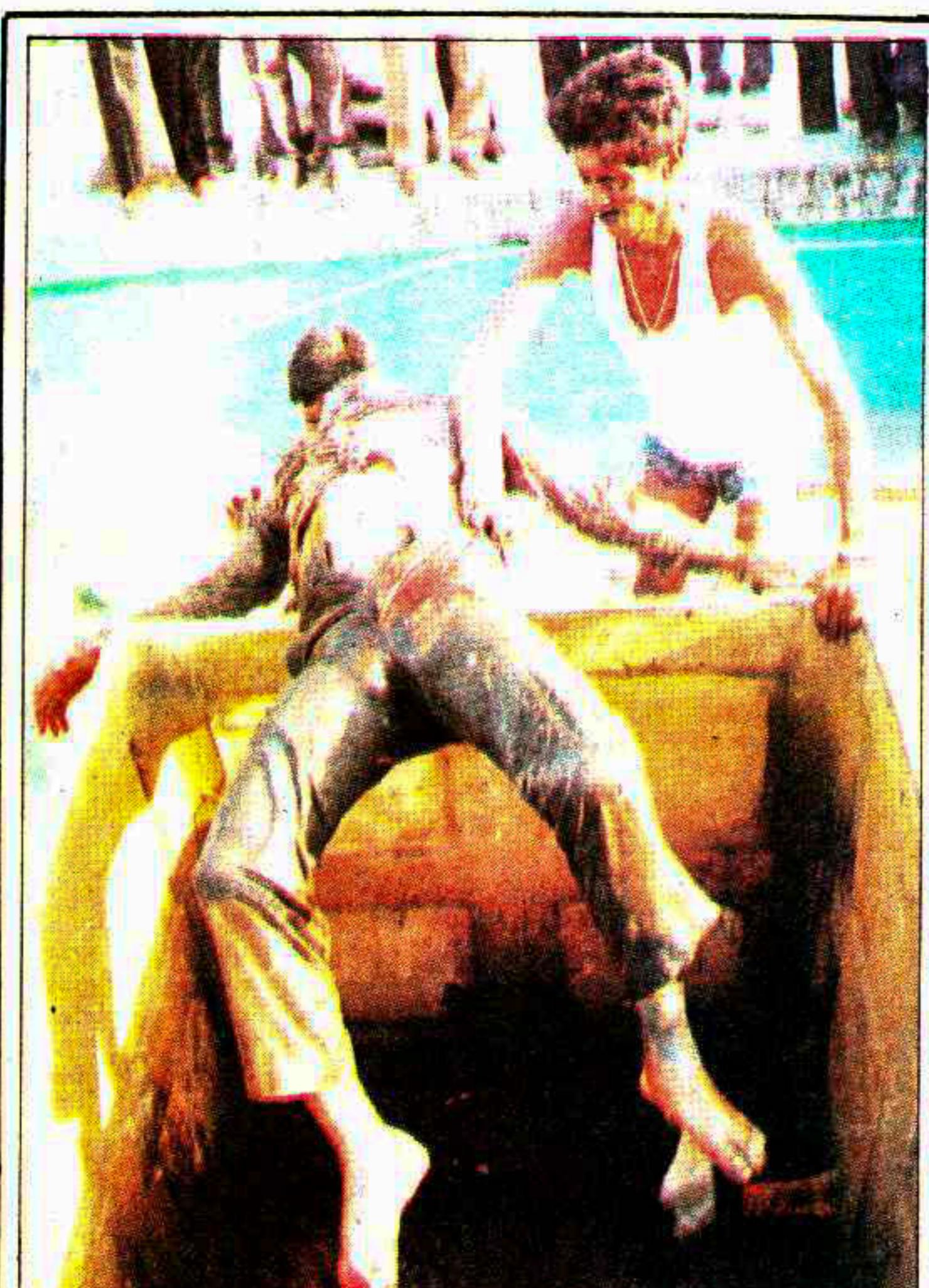
The nominees are: Abdus Samad Azad (Independence and Liberation War), Prof Dr Rashiduddin Ahmed (Medical Science), Prof AQM Bazul Karim (Education — posthumous), Prof AF Salauddin Ahmed (Education), Sikandar Abu Zafar (Literature—posthumous), Prof M Kibria (Fine Arts), Begum Badrunnesa Ahmed (Social Welfare—posthumous), Kalim Sharafi (Music), FR Khan (Architecture), Muzharul 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 Seriabat 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 head-quarters 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 5 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 market in violation of the securities laws which are punishable under section 17 (a), (e), (II) (III) and (V).

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 case was assigned to dispose of emergency matters and what else could be more urgent than the share scam cases.

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

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

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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.

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.

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 hartals, 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 Treasury bench and the House 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

ty's agitation was to restore democracy, make the parliament effective and establish people's rights in the country.

She apprised them of the country's socio-economic and political situation and the party stance.

Prof AQM Badruddoza Choudhury, BNP's senior vice-chairman, told reporters.

He said the government's 'undemocratic' and 'autocratic' practice, its attempt to annihilate BNP and 'misrule' ruining the national economy dominated the talks.

be held in close succession under a caretaker government.

But she found the municipal and union council elections under the caretaker government to be problematic.

Approached by reporters, British High Commissioner said, "We just heard the opposition leaders and didn't suggest anything."

However, US ambassador John C. Holzman declined to make any comment on the outcome of the discussion. He just fled the scene to avoid the reporters.

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 ruination, 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 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 Bhalorhat thana under Chapanawabganj 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, *attacus ricini*, is also reared by the silk farmers, especially in the Bhalorhat thana under Chapanawabganj district.

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 imports, while the Indian silk sector is being benefited. The worst affected are the farmers," says Sadar Ali, an all-round entrepreneur, so to speak, in the silk sector with immense experience in cultivating mulberry silk.

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 supports from both private and public sector entrepreneurs, Rahman said.

"On top of that all, the government, if willing to revamp the sector, has to stop indiscriminate import of raw silk and silk yarn," he says.

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 Bhalorhat, Gomastapur, Shibganj and Chapanawabganj into a deep crisis.

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.

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