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Sundarbans spared

The mangrove forest declared closed for oil explorers

By Sharier Khan

The government has decided to exclude the Sundarbans, a UN declared World Heritage site, from oil and gas exploration by announcing it a "ring fenced area", sources concerned said.

As per this decision, large areas of Block 5 and Block 7 would be excluded from the Second Round Block Bidding. Shell Oil is now negotiating with the government on Block 5 and Unocal on Block 7.

The decision was taken by the energy ministry recently and conveyed to Petrobangla for necessary steps.

The environment ministry has started "a study to identify the Sundarbans area, block-wise, to be excluded from exploration activities", an official said.

Earlier, the environment

ministry had told the energy ministry that oil and gas exploration activities in the Sundarbans under blocks 5 and 7 might be "environmentally hazardous to the forest".

Meanwhile, the Asian Development Bank (ADB) also sent a letter to the government requesting it to review the environmental risks involved in exploration in these blocks.

Petrobangla informed US company Unocal about the government decision during negotiations on Block 7 last week. Unocal initially responded by saying that it would negotiate on how much area should be considered "ring fenced".

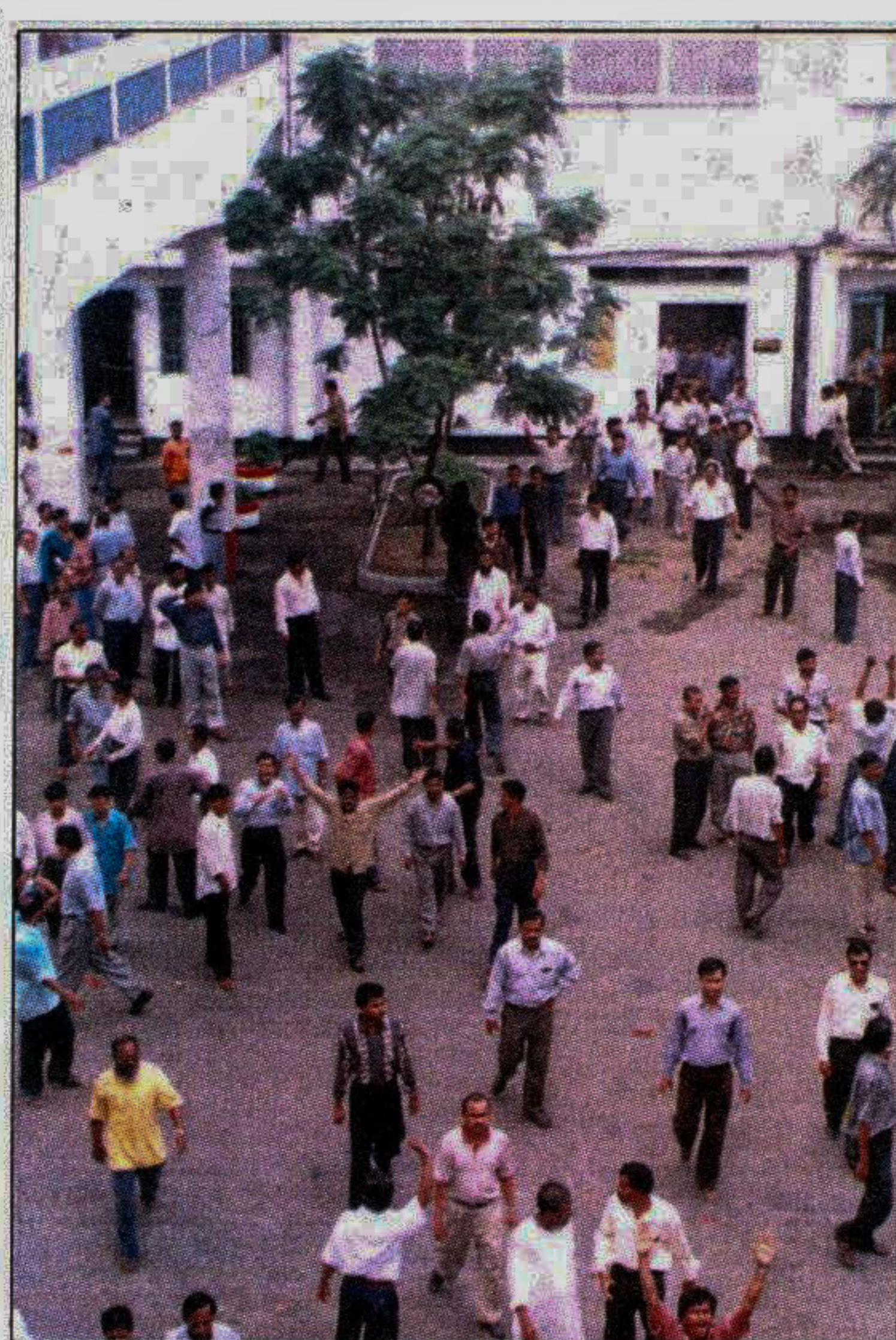
Petrobangla has also unofficially informed Shell Oil about this. The company is yet to respond.

When contacted, senior

Shell official Ton Van Der Helm told The Daily Star, "it (exclusion of the Sundarbans area) was not discussed with us so far. We are still negotiating on blocks 5 and 10 with Petrobangla as per model PSC. The government has the authority to change the deal but it should be discussed with us."

Home to the Royal Bengal Tiger, the Sundarbans spreads over 5,770 sq km with 1700 sq km area of water bodies. There are seven big rivers, hundreds of canals, 278 species of birds, 40 species of mammals and 129 species of reptile in it.

Exploration activities involve blasting of dynamites for collection of seismic survey data, drilling and blow-out risks and pipeline construction.



Secretariat employees, agitating for higher pay and change in work hours, walk out of their office yesterday. Star photo: A K M Mohsin

Police use baton, gas on Secretariat staff

30 hurt as employees demonstrate for pay hike

By Special Correspondent

At least 30 people were hurt when riot police charged baton and fired teargas canisters to disperse a rally of the low-paid government employees at the Secretariat yesterday.

The employees were holding the rally to press for various demands including change in office hours and 30 per cent dearness allowance.

Police said four of their personnel were injured when the employees hurled paper weights, rocks and flower pots from different highrise buildings of the Secretariat complex.

Two press photographers including The Daily Star Chief Photographer were also hurt

during the incident. Mohsin was hit by a teargas canister on the right leg.

The police action yesterday followed a government order for tightening of discipline and ensuring attendance in the Secretariat in the wake of demonstrations by the employees last week.

While the police action against the employees was going on, a section of the riot police tried to prevent journalists from entering the Secretariat.

Trouble began when groups of employees were parading down the stairs of different floors rises. There had been some commotion near the Fi-

nance Ministry when two factions of employees faced each other.

They came downstairs chanting slogans where all groups gathered to listen to their leaders. But police suddenly swooped on them, witnesses said.

Officials were not available for comments. Police also declined to give details until 9:30 p.m. last night.

The action disrupted normal working for quite sometime in the Secretariat on the last day of the week. The employees are scheduled to hold a 'grand rally' on August 3.

PB's pathetic performance

A Tk 15 lakh rice mill is the lone SOE to reach private hands in 20 months

By Rafiq Hasan

The Privatisation Board (PB) has been able to sell out only a small state-owned enterprise (SOE) in the last 20 months, according to sources.

The handing over of BG Bangla Rice Mill at Thakurgaon to a private owner took place on June 7 this year. Before this, Royal Textile at Bandarban was sold out to private owners way back in November 1997.

The BG Bangla Rice Mill was sold out for Tk 15.45 lakh only.

The Board had listed 56 SOEs for privatisation during 1998, but none could be sold out to private owner. However, it revised up the list and now 68 companies are to be privatised during the current year.

Many SOEs every year but did not get much response from the buyers, said a senior official of the PB. "There were many SOEs against which we did not get a single bidder even after floating tender several times," he added.

Recently bidding was invited for selling out five SOEs but there was hardly any response. "The PB is planning to float tender again against those factories," he said.

He thinks that the government was not committed

enough to a rapid privatisation of the SOEs. "We can not expect dramatic change until the next government comes to power," he maintained.

S M Zakaria, one of the two members of the Board, agreed that the pace of privatisation had been slow. He attributed this to sluggish economy of the country.

According to him, the standard rate of privatisation in Third World countries is only three a year. "So we are not much behind them," he noted.

However, sources said, in a bid to accelerate the privatisation process, the government is thinking of bearing all kinds of liabilities after privatisation of loss-making SOEs. Huge, long-term loan liability of almost every SOE is the main reason behind the abortive government attempts to privatise the enterprises during the recent years. Many of the SOEs have long term liabilities that exceed the value of their existing property, they added.

The government recently asked the Privatisation Board to take up a pilot project for selling out one company as free from all kinds of liability, said a high official of the Board.

Accordingly, the PB invited bidding from local and international private companies to sell off the Noakhali Textile Mills. It was selected for the pilot project because of its big amount of long term liabilities amounting to Tk 24.22 crore which is higher than the current value of the mills. The PB estimated the value of the mills' fixed and current asset at Tk 8.63 crore.

"If we can sell out the factory, the government may consider selling off other loss-making industries by taking the responsibility of their long-term liabilities," the official said, adding that the bidding will be received till August 23.

In the last three years, only six loss-making SOEs could be privatised. Only 18 enterprises were sold out to private owners since the Privatisation Board was established in 1993. Besides, five other companies are in different stages of privatisation process with the PB issuing letter of intent in favour of them.

The Board is also offloading government share of nine companies through Investment Corporation of Bangladesh (ICB).

Beximco fails to pay debts in debenture

By M Shamsur Rahman

Beximco has failed to pay debenture principal and interest, issued by seven of its companies.

A total of 13 companies have issued debentures which are traded in the stock markets. Of the 13 companies seven of Beximco companies have raised a huge amount of money through debentures.

Allegations are being made against all seven Beximco companies of failing to pay principal and interest to four institutions which had invested crores of taka by purchasing these debentures.

Investment Corporation of Bangladesh (ICB), Bangladesh Shipha Rin Sangstha (BSRS), Agrani Bank and Janata Bank are complaining that Beximco companies have failed to pay according to pledges it made in the prospectus.

A formal complaint by ICB sought help from the capital market regulator Securities and Exchange Commission (SEC) in "taking necessary action in helping realise the outstanding dues".

"The investors had made their investment in the debentures after assurances that the principal and interest amounts would be paid in due time by the companies," according to a let-

ter of ICB MD to the SEC chairman.

The companies are depriving the investors of their investment in the debentures and also hindering the way of developing a bond market, according to the ICB letter.

ICB alone is claiming 21.80 crore in principal and interest for seven Beximco Companies. The companies are: Beximco Ltd (Tk 75 lakh), Beximco Synthetic Ltd (Tk 3.71 crore), Beximco Knitting Ltd (Tk 8.58 crore), Beximco Fisheries Ltd (Tk 4.96 crore), Beximco Denims Ltd (Tk 79 lakh), Beximco Textiles Ltd (Tk 2.89 crore) and Beximco Infusion Ltd (Tk 12 lakh).

ICB is also claiming another Tk 1.42 crore in outstanding Trustee fee. ICB is engaged as Debenture Trustee of four Beximco companies which owe the money.

BSRS is claiming over Tk two crore in principal and interest, while it is over Tk nine crore with Janata Bank and Agrani Bank says that Beximco Ltd failed to make the 15th instalment against its debenture loan.

Beximco companies have also defaulted in paying dividends to its shareholders. To ICB alone the Beximco group of companies owed Tk 7.28 crore.

CJ's advice to BB officers

Hire more lawyers, attend court hearing

By M Shamsur Rahman

Chief Justice Mustafa Kamal yesterday suggested that the Bangladesh Bank create a cell with a panel of lawyers to enforce relevant laws and restore discipline in the banking sector.

During a Full Bench hearing of four bank directors' cases in the Supreme Court, the Chief Justice also suggested the central bank officers to attend the court's session for understanding the laws.

Abdul Awal lost his directorship of National Bank Ltd as the Supreme Court quashed his leave application challenging a verdict of the High Court.

Two MPs

From Page 1

Asked about the Speaker's ruling, Barrister Ishfaq Ahmed said it was not an "interim" matter of the Parliament which can be settled through a ruling by the Speaker. "It's a statutory constitutional function of the Speaker, not a matter of internal proceedings (of the Parliament)... It's not the Parliament's internal matter to decide on someone's membership."

Contacted by The Daily Star, noted lawyer Rokonuddin Mahmud gave a similar view. "The Speaker has no option but to go by the SC order. He must send the case to the Election Commission which will give a judgment through hearing."

Mahmud admitted that there is a scope for seeking a review of the SC verdict but he said it will not bring any change.

Commenting on the fate of the two BNP MPs, he said they are unlikely to retain their seats. "Their seats will be declared vacant," he said, referring to EC verdicts in similar cases in 1995.

Meanwhile, legal experts have pointed to the lengthy process in settlement of such disputes. The entire procedure of giving verdict on such a case after hearing all the parties will take at least four months, they said.

Leave applications of three other directors - AKM Abu Taher and Abu Taher of NBL and Bahauddin Mohammad Yussuf of Al Arafah Islamic Bank - were approved by the SC.

These directors were served with notices under Section 17 of the Bank Companies Act as they defaulted in repaying bank loans. They were asked to repay the defaulted loans within two months from the date of receipt of the notices or vacate the offices of director.

Appearing for the four directors, Barrister Rafique-ul-Huq said that according to a circular of the central bank, a borrower ceases to be a defaulter if he adjusts his rescheduled amount with the lending bank.

"And if one is not a defaulter, then why should one be asked to vacate the office?" Huq asked.

The Chief Justice then said that notices served under Section 17 were not for realising money from the defaulting directors.

He also said the contention

Meghnaghat Power Plant agreement signed

By Staff Correspondent

The Power Development Board (PDB) yesterday signed four agreements with American power company AES Corporation for the 450 MW Meghnaghat Combined cycle power plant.

The four agreements are: Implementation Agreement (IA), Power Purchase Agreement (PPA), Gas Supply Agreement (GSA) and Land Lease Agreement (LLA).

AES would receive the Meghnaghat project site from PDB on November 15 and would complete the project within the next 37 months.

Sex workers refusing 'foul food'

by Shaikh Nazrul Islam back from Kashimpur

Sex-workers confined at the Kashimpur vagrant home refused food provided by the authorities since Wednesday night accusing that it is mixed with intoxicants. Besides the quality of food was low and unfit for human consumption.

They said they had learnt about the intoxicants from the cook. The motive being to make them physically weak and psychologically vulnerable.

The defiant sex workers did not take any food till 3 p.m. yesterday. After that they purchased food on their own by persuading the staff.

When contacted DG of the Social Welfare Services Mir Shahabuddin yesterday claimed that this was not true. As far as I know they have been taking food," he claimed.

The DG also refuted reports in the media that the sex workers were physically assaulted. "We tried to manage them in a proper manner but they are unruly. They have no patience to listen to the authorities. Considering the circumstances, we are planning to hand them over to their respective guardians," he said.

He was surprised that journalists and social workers were so concerned about a few sex workers who are 'safely' sheltered in a government home.

When asked why they only picked 267 sex workers out of 4000, he replied "I have been asked to rehabilitate them and we are concerned only about those in the vagrant home."

The sex workers yesterday brought out a procession inside the vagrant home protesting against physical torture and sealing of a opening beside the home's door through which the sex workers used for talking to journalists.

In the face of protest, authorities were later compelled to re-open the space and scores of inmates were using it to talk to journalists and other visitors.

The sex workers protested their abduction and demanded their return to their homes. "Why have they abducted and put us in a vagrant centre? Are we vagrants?", asked a sex worker.

They also returned the clothes distributed by the authority earlier. They said that they will not accept anything from the authority until they are released.

During a visit to the area yesterday, this correspondent found some local youths roaming around the vagrant home. The sex workers earlier alleged that they enter the premises and beat the inmates whenever there is no visitor in the area.

The guards and police allow them to enter the home and beat the sex workers, they alleged. At least 28 sex-workers including Shahidi were admitted to the make-shift medical centre, inside the compound, as a result of the tortures, they said.

Many of them were assaulted in the private parts of their body that was embarrassing to show.

A female NGO worker who went inside the home, told The Daily Star that every inmate was carrying a stick to protect them from probable attack.

This correspondent found several pimps roaming around the vagrant centre yesterday in a bid to contact the sex workers.

The sex workers evicted from the Tanbazar and Nimtoli brothels at Narayanganj on July 22, have been housed in the Kashimpur vagrant home, Gazipur, 52 kilometres north of the capital.

Clinton fined for contempt of court

LITTLE ROCK, Ark. July 29: A federal judge today ordered US President Bill Clinton to pay 90,000 dollar for contempt of court for denying having sex with Monica Lewinsky in his testimony in the Paula Jones sexual harassment lawsuit, reports Reuters.

US District Judge Susan Webber Wright ordered Clinton to pay extra lawyers' fees caused by his "false, misleading and evasive answers that were designed to obstruct the judicial process."

Wright used strong language in setting the punishment for Clinton, which followed an April ruling in which she found him in contempt for a January 1998 deposition in the Jones case.

"The court takes no pleasure in imposing contempt sanctions against this nation's president and, no doubt like many others, grows weary of this matter," Wright wrote in her order.

"Nevertheless, the court has determined that the president deliberately violated this court's discovery orders, thereby undermining the integrity of the judicial system, and sanctions must be imposed to redress the president's misconduct and to deter others who might consider emulating the president's misconduct," the judge wrote.

Wright ordered Clinton to make payments within 60 days to Jones' attorneys for work triggered by his answers to questions about his relationship with the former White House intern.

Jones accused Clinton of making an unwanted sexual advance in May 1991 while he was governor of Arkansas and she was a state employee. Wright eventually dismissed the case, and Clinton settled for 850,000 dollars.

Tofail

From Page 1

for Commerce of Bangladesh and Pranab Mukherjee, former Commerce Minister of India.

Article VIII of the agreement said, "The two countries agree to make mutually beneficial arrangement for the use of their waterways, roads and railways for commerce between the two countries and for passage of goods between two places in one country through the territory of the other."

Tofail also referred to the SAPTA agreement signed in 1993 by the BNP government of Prime Minister Begum Khaleda Zia.

According to Article 12 of the SAPTA agreement, "Contracting States agree to undertake appropriate measures for developing and improving communication system, transport, infrastructure and transit facilities for accelerating the growth of trade within the region."

About the opposition of BNP to the cabinet decision that approved examination of the proposal of transshipment of Indian goods through Bangladesh, Tofail said, "BNP is an immoral political party... when it stays in power it does one thing but speaks totally opposite while in the opposition. They are opportunists."

Tofail said the government has appointed consultants to study the economic feasibility of transshipment of Indian goods through Bangladesh and also what arrangements could be made for that.

Asked about the timing of the transshipment, he said, "It will take time. The cabinet has just agreed in principle to examine the matter, now questions of negotiations, infrastructural development, routes... lot of many things are still left out."

About the opposition allegation of possible transportation of Indian army, arms and ammunition through Bangladesh, Tofail said, "Question does not arise. Agreement will be only for transshipment of commodities."

Making a counter-allegation, he said, "Rather the BNP government had agreed to give transit facilities for everything including transportation of arms and ammunition in the name of 'goods' in its 1980 agreement."

OCAS ReUnion 2000

3rd Re-union of OCAS is scheduled in next winter. Members address database under process. All ex-cadets, ex-teachers & ex-faculty members of S.C.C. are requested to contact OCAS immediately. OCAS annual dinner scheduled in 6th August, 1999. Please contact at your earliest.

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