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Credits to govt sector now more than that to pvt sector

80pc bank loans to private sector are influenced by ministers, MPs and political leaders

By Staff Correspondent

For the first time in the country's history, net credits to the government sector from the banking system has surpassed that to the private sector, renowned economist and Chairman of the Bank Reform Committee Prof Wahiduddin Mahmud has said.

Of the bank loans to the private sector, 80 per cent are influenced by ministers, MPs, political leaders and union leaders, the former advisor to the last caretaker government said.

Mahmud, a professor of Dhaka University, was speaking at a seminar on 'Politics of Bangladesh and the Changes in Banking', organised by the Bangladesh Institute of Bank Management (BIBM) at its auditorium yesterday.

Presided over by BIBM Director General Dr Muinul Islam, the seminar was also addressed by Senior Research Fellow of BIDS Dr Atiur Rahman.

Managing Director of Merchantile Bank Taheruddin and Dr Toufique Ahmed Chowdhury and Munim Kumar Barai of BIBM. Journalist Ajay Das Gupta presented the keynote paper.

Prof Mahmud said borrowings by the government sector will decide how much funds the private sector will get from the banking system as the banks have a limit to sanction loans whatever their liquidity is.

"If the banks cross this limit, it will put pressure on inflation."

There could always be a debate on whether the government should borrow from the banking system or what should be the allowable limit. "There could be some rationale behind the government borrowing. This is not a good sign if the government borrowings keep on increasing."

Quoting an under-process

BIBM study on 150 big loan cases, he said only in 20 per cent, people got loans without any influence from political quarters and in the rest, influential political people intervened for sanctioning loans.

Discussing the BIBM study, Mahmud said that in 46 per cent of the cases, ministers used their influence to compel banks to sanction loans to their favoured persons. Parliament members were involved in 35 per cent cases, political parties in 13 per cent and CBA leaders were involved in four per cent cases.

Prof Mahmud urged the BIBM to conduct a broad-based study to see the extent of political influence on bank loans and how much of such loans sanctioned during the rule of different governments have become bad.

One of the weaknesses of the country's banking sector, even

after deregulation, is that the intermediary cost is too high. After deregulation, the intermediary cost has gone up from 5-6 per cent to 7-8 per cent while it should have been the other way round, he said.

Dr Atiur Rahman said that a system has been created in the country to enrich a few people through the banking system by depriving the majority.

Dr Rahman, also a director of Sonali Bank, said a nationalised commercial bank (NCB) had started a process to restore discipline and make the NCB profitable by motivating the staff. "This process brought some positive results. We had succeeded in bringing down the number of loss-making branches from 600 to 500. But the man who led this process was transferred after three months," he said with frustration.

Bangladesh may play maiden Test on V-Day

By Hasan Masood

Bangladesh might have a chance to celebrate its 30th Victory Day by playing its maiden Test match against India on December 16 this year if everything goes as expected.

Recent developments have strongly suggested that the prospect of such a historic spectacle is not at all a distant likelihood. All is however depending on when the aspiring cricket-crazy nation gets the

Test tag.

The current pulse of the world cricket speaks for Bangladesh certainly getting the elusive status at the Lord's meeting of the International Cricket Council (ICC) next month. It is however not clear yet whether the game's governing body would award Bangladesh the Test status with immediate effect.

Knowledgeable sources said

that India are keen to play against Bangladesh in their first Test, as they did for South Africa (after their readmission to international cricket) and latest Test-playing country Zimbabwe.

Zimbabwe were awarded with Test status in June 1992 meeting, and they played their first Test against India at home next October. Taking that example into consideration, it

could be expected that Bangladesh would be treated in the same manner.

However, neither the BCB president nor the general secretary was ready to give any clear-cut answer to it yesterday.

"We have a plan, but I won't disclose that unless ICC officially recognises us as the tenth Test-playing nation," said Saber Hossain Chowdhury, the

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One held in Calcutta Plot to kill Hasina?

By Staff Correspondent

Indian intelligence bureau has arrested an alleged illegal arms dealer in Calcutta, Mohammad Bashir, on charges of involvement in a plot to assassinate Bangladesh Prime Minister Sheikh Hasina. BBC Bangla service said last night.

It did not identify the intelligence bureau and said Bashir had told interrogators that a retired Bangladesh Army Colonel early last month met him in a Calcutta hotel. He gave him 800,000 Indian Rupees to send several hired foreign assassins to Bangladesh to carry out the contract.

Bashir told the interrogators that he had helped earlier this month two women to enter Bangladesh. He thinks they were Tamils and carried Indian passports. They obtained visa from Bangladesh Deputy High Commission in Calcutta.

The intelligence bureau said that they had specific information earlier that some Bangladeshis retired military

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70000 marooned in Moulvibazar

Breach in embankments, road links cut off

By Special Correspondent

At least 70,000 people are marooned in Kulara, Komolganj and Rajnagar upazilas in Moulvibazar district as Manu and Dholai rivers breached their embankments at six points yesterday.

Road link between Moulvibazar town and Kamalganj thana headquarters was snapped as the road went under water.

The flood situation in greater Sylhet district worsened as other rivers in the Meghna basin continued to rise due to

rush of water from northeastern Indian hills, our correspondents reported.

UNB reported that at least four persons were killed and about 100 injured in northwestern parts of Magura, Jhenidah, Barisal and Shariatpur districts, damaging over 25,000 houses and crops on vast tracts of land. Two were killed in Magura and two in Jhenidah.

Our Moulvibazar correspondent reported that Manu, which crossed its red mark, was flow-

ing at its highest ever level. The swelling waters breached its embankment at Ranchap and Gazipur villages under Kulara upazilla and Kamarchak and Haripasa villages under Rajnagar upazilla.

The Dholai, also flowing above danger level, tore through its embankment at Bade-Karimpur and Basudevpur villages.

The worst affected unions are Tilaganj, Hazipur and Shariatpur in Kulara upazilla.

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Indians in the town: Star batsman Sachin Tendulkar (left) and Mohammad Azharuddin (right) talk at the ZIA on their way to board the hotel bus. The Indian team for the Pepsi Asia Cup arrived here yesterday.

—Star photo



Asia Cup opener today if weather favours

By Al-Amin

The opening match of the Pepsi Asia Cup between hosts Bangladesh and defending champions Sri Lanka was postponed yesterday due to the wet ground condition caused by heavy rain.

Weather permitting, the day-night match will start at the Bangabandhu National Stadium at 2.30 pm today, a day scheduled originally as rest day. If the match does not take place then the two teams will split points.

A day fraught with frustration started with the umpires calling off the game at 11.45 am without a single ball being bowled. With the elements playing havoc, the premium event got off to the worst possible start, diminishing prospects of what could have been a fascinating cricket carnival.

The umpires' ruling was quite predictable. Two captains -- Sanath Jayasuriya and Aminul Islam -- made a court-

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Pirojpur bus plunge: 13 bodies recovered

From Staff Correspondent

BARISAL, May 28: Thirteen bodies were recovered from the passenger bus that sank in the river Kacha at Charkhali ferryghat under Bhandaria thana of Pirojpur district yesterday.

Of them, eight were identified as Suraiya Azad, 35, Champa Shil, 30, Mamata Shil, 40, Berek Mia, 60, Akash, 4, Wahidul Islam, 20, Kamal Hossain, 18 and Harun Mridha, 43.

The identity of five others could not be known till filing of this report at 7:30 pm today.

Local administration handed over the identified bodies to their relatives while the unclaimed were kept in sadar hospital morgue.

Divers from Khulna with the help of local people recovered

the bodies from the river.

BIWTA salvage vessel Hamza reached the spot at around 11 am today and lifted the bus from the river bed at 12:30 pm. No bodies were found inside the bus.

Relatives of the victims apprehended that more bodies might have been washed away downstream in Motbaria and Morolganj upazilas.

At least 40 people were feared dead when a Pirojpur-bound passenger bus from Bhandaria fell into Kacha river breaking the railings of the ferry at about 1 pm on Saturday.

About 10 to 15 passengers, including the driver of the bus,

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Myanmar PM's visit put off

By Diplomatic Correspondent

Prime Minister of Myanmar Than Shwe has 'put off' his visit to Bangladesh, officials said yesterday.

He was due to arrive in Dhaka this morning on a three-day official visit at the invitation of Prime Minister Sheikh Hasina.

This was announced yesterday afternoon by Foreign Secretary Shafi Sami, only hours before Than Shwe was scheduled to arrive.

The foreign secretary told newsmen that the trip of the Myanmar Prime Minister has been 'put off' as he fell sick on Friday.

This was the first scheduled

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Shimul discloses names of six 'godfathers' in Khulna city

From Staff Correspondent

KHULNA, May 28: Five separate investigation teams are questioning outlawed Purbo Banglar Communist Party leader Mahmud Hasan Shimul in the Jessore police lines amid tight security.

The teams include a high-level one from KMP. They are trying to find out clues to four recent murders in the city. All the victims of these murders were members of Shimul's rival party — Biplobi Communist Party (BPC).

Shimul named six 'godfathers' in Khulna city who allegedly possess more than 100 modern firearms.

Most of these firearms were bought from across the border, Shimul said. He claimed that he took shelter of a KCC ward

commissioner after getting bail from the High Court in Imran Ghazi murder case. He also disclosed names of six 'godfathers' to a three-member KMP team.

"I have a strong group of over 50 armed cadres in Khulna," he was quoted by the team consisting of AC (DB) Awlad Hossain, Inspector of city SB Abdul Baten and OC of Sonadanga thana Shuhrawardy.

Shimul told police that 70 persons were killed in Khulna 'zone' of his party as they were 'enemies of the proletariat'. These 70 murders were committed since 1986. The victims include Imran Ghazi of Dumuria and Chairman Abul Kashem of Phulatala Union of Khulna district.

"Yes, I myself killed them as

per party decision. But I was not directly involved in other murders although my opinion in the decision was counted with due importance, he was quoted as telling the teams who quizzed him for hours on Saturday. He further told the police officials that the mobile set recovered from his possession belonged to a top ranking leader of Jessore district unit of Chhatra League.

Shimul may also be sent to the joint interrogation cell in Dhaka for questioning, said a top official of Jessore police team.

Earlier, on Friday midnight, Khulna and Jessore teams jointly raided several houses in his native village Damodar un-

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MP Kamal to advise his son to surrender

By Staff Correspondent

Ruling party MP Kamal Ahmed Majumder has said he will advise his son Jewel to 'surrender to police'.

Jewel is one of the three accused in the killing of businessman Iftekhar Ahmed Shipu, 38, at Banani in the city on Wednesday.

When contacted last night, the MP from the city's Mirpur-Pallabi area said, "If I know his whereabouts, I will advise him to surrender to police."

Asked whether as a lawmaker he should have handed over Jewel to police soon after the incident, he said, "As I saw the news item (regarding the killing), I became so furious that I beat him and asked him

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May	Sun Rises	Sun Sets
21		6-41 pm
30	5-11 am	

Prayer Timings

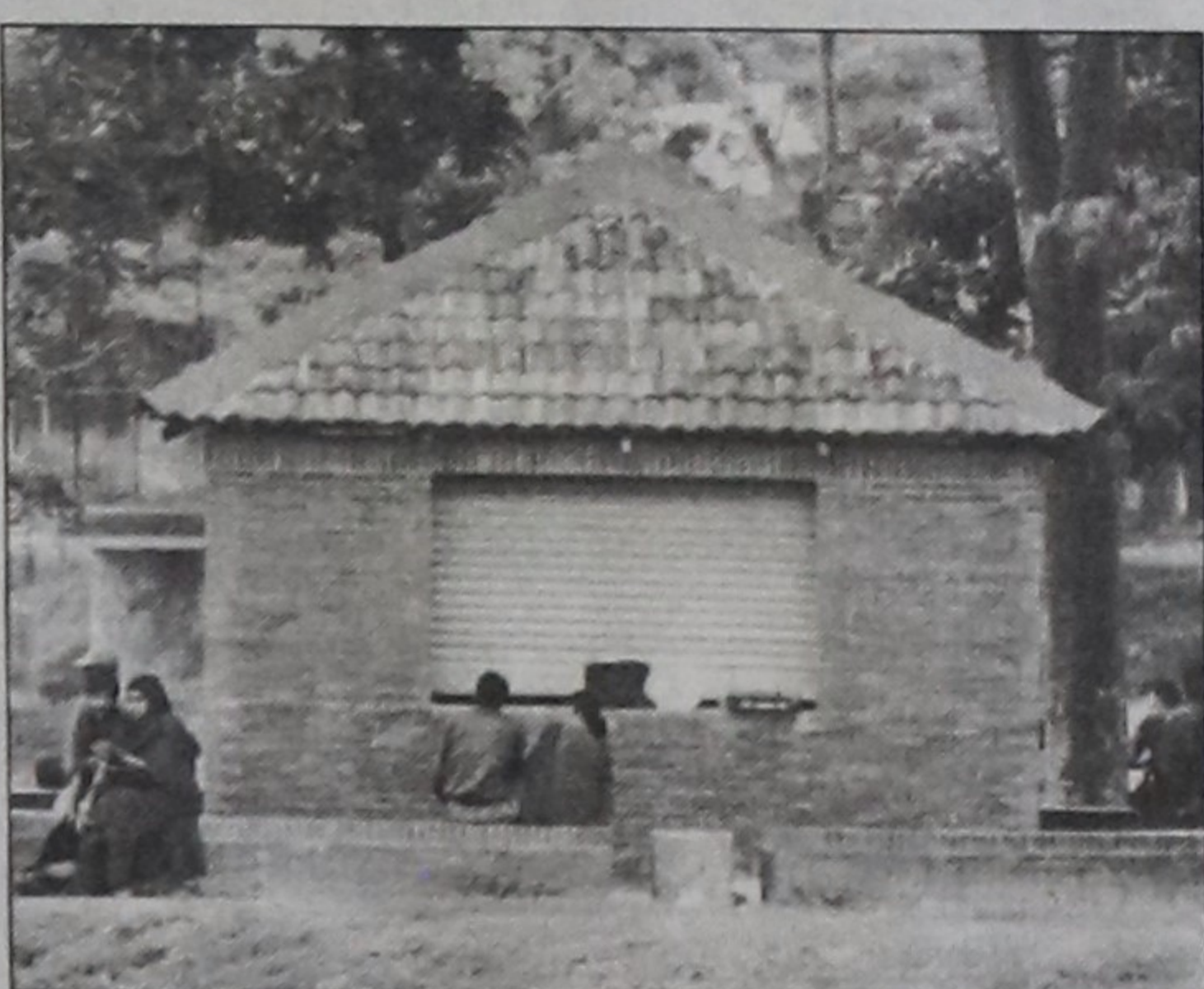
May 29

	Azan	Jamaat
Fajr	4-15	4-45
Zohr	12-30	1-30
Asr	5-00	5-15
Maghrib	6-43	6-45
Esha	8-00	8-30

Source: Islamic Foundation

Under the banner of Smriti Sangsad

By Staff Correspondent



The restaurant overlooking Dhanmondi lake, opposite Bangabandhu Memorial Museum, was illegally occupied recently by some people claiming to be activists of the Russel Smriti Sangsad.

—Star photo

A group of people under the banner of Russel Smriti Sangsad illegally occupied a restaurant and started business recently in the small island of Dhanmondi lake opposite Bangabandhu Memorial Museum.

Dhaka City Corporation (DCC) sources said "an engineer" at the Nagar Bhaban gave the group the go-ahead. The restaurant is one of the 17 commercial structures of the Dhanmondi Lake Development Project and considered one of the most viable.

The project is far from being over and the authorities are yet to chart a management policy to run it after completion.

The manager of the restaurant, Firoz, said he is the brother-in-law of the contractor of the project, Abul Hossain Kabir, and that he lives in Shukrabad. He said they had taken over the restaurant because they come from the local-

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Charges against 6 in Shazneen rape case

By Court Correspondent

The Special Court for Women and Children Repression Prevention, Dhaka yesterday framed charges against six accused in the Shazneen Tasnim Rahman Rape Case.

Judge M Shah Alam Miah fixed June 18 for cross-examination of the prosecution witnesses.

The accused pleaded not guilty after the public prosecutor of the case read out the charges framed against them.

Earlier, the Appellate Division of the Supreme Court directed the Special Court to frame charges against the accused under Section 6(1) and 14 of the Women and Children Repression Prevention Act 1995.

As per the directive the Special Court framed charges against the principal accused with the First Additional

prosecution Prevention Act 1995 and five others under Section 6(1) and 14 of the Act.

Charges were framed against the six accused on April 13, 1999. But the lawyers for the two accused Minu and Perveen — filed a "Criminal Appeal" with the High Court Division of the Supreme Court to set aside the order passed by the Special Court.

The High Court after hearing both the side stayed the operation of the case on July 6 last.

The Appellate Division of the Supreme Court vacated the stay order of the High Court Division upon a petition filed by the prosecution lawyers on February 17, 2000.

At the same time the court stayed the proceedings of the Shazneen murder case pending with the First Additional

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ALUMNI ASSOCIATION

The Bangladesh chapter of the LSE Alumni Association is planning a gathering in an effort to promote the ideals of LSE. A reception/dinner will be held during June 2000.

All LSE alumni are requested to pre-register by sending the following information by e-mail, fax or post. Forthcoming event details will also be available.

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