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BARAPUKURIA COAL MINE

Tk 128cr loss in 2 years

SHARIER KHAN

Due to massive project cost escalation and low coal production, Barapukuria coal mine has incurred a loss of Tk 128 crore since it started production two years back, according to a Petrobangla source.

The mine will continue to incur losses for around six years even if it maintains a healthy coal production rate and the government maintains a coal sales rate of \$70 per tonne.

According to the mining company's report, it incurred a loss of Tk 52 crore in fiscal 2005-06 and Tk 77 crore in 2006-07.

But it will not incur losses

forever," said the source. "According to a proposal, the coal sales rate may be increased to 95 dollars in 2010. With such a rate, if the mine can produce around eight lakh tonnes of coal a year, the mining company will reach its break even point in 2014-15."

When the mine project was approved in the early nineties, production cost of coal was estimated at \$35 per tonne and annual production target was set at two million tonnes for 30 years. The original project cost was less than Tk 800 crore, and the project was supposed to start operation in 2000.

But the Chinese Supplier's Credit financial package coupled

with poor project implementation doubled the project cost to Tk 1,600 crore while the annual production target nose-dived to 800,000 tonnes a year. As a result, the coal production cost almost tripled.

According to Barapukuria Coal Mine Company Ltd (BCMCL) of Petrobangla, coal production cost was \$91 per tonne in fiscal 2005-06 and \$84 in 2006-07. Since the mine went into operation, the government had set coal sales price at \$60 a tonne.

But because of this high production cost that was imposing huge loss on the company, the BCMCL had been asking the government to increase the coal sales price. The government had formed a commit-

tee that included members of Petrobangla, the BCMCL and the main consumer of coal Power Development Board (PDB) several months ago. Based on the committee's recommendation, the government increased the sales price to \$70.

"But the production cost will reduce further from this year due to steady production," said a high official.

From early this year, the mine has been steadily performing so well that it has almost completely filled up its coal yard having a storage capacity of 1.3 lakh tonnes. On an average, the mine is producing 3,000 tonnes of coal daily -

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5 held for theft of rail clips

Involvement of railway staff suspected

STAFF CORRESPONDENT

Government Railway Police (GRP) yesterday arrested five people in connection with the theft of 3,510 metal clips of train lines in the capital Friday and one of them admitted to police his involvement in the act.

Railway officials and investigators suspect involvement of low-level serving and retired railway staffers in the theft which put at least 17 trains at risk of serious accidents.

"It would not have been possible to steal such a large number of metal clips of around 1.5 kilometres of track without their [current and retired railway workers] involvement," said a top railway

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TRUTH COMMISSION

Anti-graft bodies, court to send corrupt people

JULFIKAR ALI MANIK and SHAMIM ASHRAF

The Truth and Accountability Commission will have the power to hold closed-door hearings on corruption or corrupt practices in certain cases, although there will be provision of public hearings.

The draft of the proposed law, "Voluntary Disclosure Ordinance, 2008" says the Commission may hold such hearings if there is a "likelihood" that an open hearing will result in harming the person concerned.

The Commission may also hold such a hearing on appeal of the person who has made the volun-

tary disclosure before it.

Though someone taking the advantage of voluntary disclosure will not have to serve in jail, they will be awarded up to five years if

- Commission to work for six months
- Can summon a person independently
- Can hold closed-door hearing
- First 30 days to apply for voluntary disclosure
- Five years' jail for not complying order

they commit the offence of not complying with the commission orders.

In case of the closed-door hearings, no-one else will be present at such proceedings or any part of it, says the draft. Besides, there is a provision in the draft to have legal representation subject to the permission of the commission.

Every member of the three-member commission will preserve and take part in preservation of the confidential matters as identified by the ordinance or the commission.

The much-talked-about Truth Commission will be constituted for

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5-POINT DEMAND

AL to observe hunger strike next month

UNB, Dhaka

Bangladesh Awami League (AL) will stage a daylong mass hunger strike across the country next month to press for its five-point demand that includes announcement of election schedule and release of detained party chief Sheikh Hasina.

The decision came from a daylong meeting of Awami League Central Working Committee (ALWC) held at the party's Dhanmondi office with Acting President Zillur Rahman in the chair.

The three other demands are: Bringing down high prices of essentials, trial of war criminals, and improving the law and order.

Briefing reporters after the meeting, Acting AL General

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Trial of war criminals must for democracy

Freedom fighters say

STAFF CORRESPONDENT

Trial of war criminals is a must, not just drive against corruption, to ensure justice and democratic rule in the country, speakers said at a reception given to freedom fighters yesterday.

They said it is unfortunate that the state has so far failed to bring to justice the war criminals who worked against the birth of the country and killed freedom fighters, the best sons of the soil.

Bangladesh Mukti Joddha Nou Commando Association organised the reception at the Jatya Press Club in the city where twenty-five freedom fighters and dignitaries were accorded reception for their valiant role during the Liberation War.

Speaking as the chief guest at the event, Air Vice Marshal (ret'd) and deputy chief of the liberation

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PHOTO: STAR

Onlookers crowd the closed-off street in Motijheel yesterday after the under-construction building City Centre developed large cracks.

Motijheel skyscraper develops cracks before completion

STAFF CORRESPONDENT

The under construction 37-storey City Centre at Motijheel has developed cracks in its walls, prompting police yesterday to evacuate people who live or work in the building and the adjacent area.

The cracks in a front wall were first noticed about one and a half months ago. Suddenly, they started widening yesterday afternoon, setting off panic in the commercial neighbourhood. Besides, a side wall on the ground floor curved in precariously, security guards and construction workers told The Daily Star.

Later, police marked the site with yellow tape and closed off the road between Shapla Chattar (roundabout) and Dainik Bangla Intersection as precaution.

Belhasa Accom JV Limited is developing the high-rise designed

to be an office block-cum-multi-storey car park on a Dhaka City Corporation (DCC) land. It is a joint venture involving Orion Group, which is owned by Obaidul Karim, a businessman infamous for scam.

The construction is scheduled for completion by next month. So far, 28 storeys have been built and a couple of floors rented out to different companies including HSB, Grameenphone and Standard Chartered Bank.

Officials of Belhasa Accom described the cracks as 'ordinary ones' and 'not at all risky'.

"Those are in the makeshift walls and won't affect the main structure," said AKM Nurul Islam, a project director from the realtor.

A huge crowd of onlookers gathered at the site as police and firemen struggled to make them move away. Earlier, offices housed

Story of a skewed deal

PINAKI ROY

Top officials of Dhaka City Corporation (DCC) helped Belhasa Accom JV Ltd, a UAE-based joint venture with Obaidul Karim's Orion Group, to get the project for constructing City Centre, the tallest commercial tower-cum-car parking in the country.

An investigation by the task forces into the tender process of the project revealed huge corruption immensely benefiting scamster Obaidul Karim while incurring a loss of at least Tk 50 crore to DCC, said a source in the city corporation.

Blessed by the BNP-led four-party alliance government, Obaidul's companies 'bagged' dozens of large-scale deals on own terms even without having appropriate qualification. The 37-storey City Centre is one such ongoing project.

"The tender was floated in a way so that the authorities can announce any company as

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India hikes rice price to \$1,000 per tonne

Importers find it prohibitive; India finally offers \$430 for import at govt level

STAR REPORT

India increased minimum price for export of non-basmati rice to \$1,000 per tonne from \$650 but food ministry officials believe this move would not have any major impact on Bangladesh.

Meanwhile, the Indian team negotiating rice price with Bangladesh officials left for India yesterday, finally offering the export price of per tonne of rice at \$430 at government level.

The Indian team also asked the Bangladesh authorities to inform the Indian side about their decision on import of four lakh tonnes of rice from India by this month.

An Indian commerce ministry notification signed by its additional secretary IK Gujral fixed the new price for non-basmati rice.

Food Secretary Mollah Wahiduzzaman told The Daily Star that Bangladesh has food reserve for three months and Boro

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Govt to supply 15pc of April rice need

STAFF CORRESPONDENT

The government will supply 15 percent of the country's requirement of rice next month through various safety net programmes amid continued price escalation.

Food Secretary Mollah Wahiduzzaman yesterday told The Daily Star that the government would inject around 2.8 lakh tonnes of rice into the market through these programmes.

According to Food Planning and Monitoring Unit (FPM) statistics, the annual demand for rice in the country is 2.55 crore tonnes with the monthly requirement being 21.25 lakh tonnes.

The overall food situation and

distribution programme were reviewed at a high level meeting yesterday at the food ministry with the food secretary in the chair.

Meanwhile, an emergency meeting of the Advisory Committee on Purchase is scheduled for today. Food ministry sources said the proposal for procuring four lakh tonnes of rice from India will be placed at the meeting.

Wahiduzzaman said that of the 2.8 lakh tonnes of rice, 2.58 lakh tonnes will be distributed through open market sale (OMS) and vulnerable group feeding (VGF) programmes.

The meeting at the food ministry decided that the government

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