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NEWS BRIEFS

President assents to two bills

President Abdur Rahman Biswas gave his assent to two bills on June 30 adopted by the Jatiya Sangsad, according to official sources here yesterday. The bills are: Money Bill, 1993 and Appropriation Bill, 1993, reports BSS.

Hasina leaves for France

By Staff Correspondent Leader of the Opposition in Parliament and Awami League chief Sheikh Hasina left for France Thursday evening to participate in the three-day national convention of the French Socialist Party. The convention started yesterday.

Int'l Cooperative Day today

The 71st International Cooperative Day will be observed today throughout the world. Bangladesh National Cooperative Union has organised a discussion meeting in observance of the day at Samabai Sadan in Motijheel at 10 am. LORD and Cooperatives Minister Barrister Abdus Salam Talukder will be the chief guest while Deputy Minister for Cooperative M Abdul Hye the special guest at the function, reports UNB.

Army intervention feared Sharif to seek SC opinion on right to impose direct rule

ISLAMABAD, July 2: Prime Minister Nawaz Sharif has decided to resort to the courts again as his power struggle with the President enters the 'third round' amid open defiance of his authority in Pakistan's most important province, officials said today, report AFP, Reuter. The decision was taken by the cabinet in the larger interest of the country and the nation, Sharif advisor Mushahid Hussain said amid fears here that a fresh confrontation in Punjab province could so damage political authority that the army would inevitably intervene. The powerful army chiefs held a special meeting Tuesday

to discuss Pakistan's deepening political confusion. Political sources said the army, which has ruled the country for much of its 45-year history, had given a hint to Sharif not to aggravate the crisis. The corps commanders held their meeting at army headquarters in Islamabad's twin city of Rawalpindi, officials said. No other details were available. Army Chief of Staff General Abdul Waheed has shuttled between Sharif and his arch-enemy, President Ghulam Ishaq Khan, in four meetings in a week to try to persuade them to end their confrontation, the sources said. Mushahid said the government would ask the Pakistan Supreme Court for an opinion on whether it had the right to unilaterally implement a parliamentary resolution giving it direct federal rule over Punjab, or whether the resolution required the President's approval. Mushahid accused President Ghulam Ishaq Khan of launching a 'systematic campaign' to destabilise Sharif's government. 'The third round has started,' he said, referring to the controversy over the parliamentary resolution, which Ishaq Khan has so far refused to sign. Sharif won two earlier court

battles, first when the Supreme Court overturned his April dismissal by the President and later when a High Court in the Punjab capital Lahore declared the dissolution of the Assembly in Sharif's home province illegal. The latest move came as the President rejected Wednesday's proclamation published in his name by the government, which claimed that it did not need the signature of the President. Ishaq Khan also demanded an explanation from Sharif's Cabinet Secretary for issuing the proclamation to impose an emergency in Punjab on his behalf. See Page 12 Col 8

JS probe body against Majid 7 opposition MPs to meet Speaker today

Speaker Shaikh Razzak Ali has invited some opposition MPs to a meeting today to discuss matters concerning the proposed parliamentary committee to probe allegations against the Agriculture, Irrigation, Water Development and Flood Control Ministry. Sources told UNB that the Speaker has invited seven opposition leaders at his parliament chamber at 11 am. The invitees are: Deputy Leader of opposition Abdus Samad Azad, Tofael Ahmed, Opposition Chief Whip Mohammad Nasim, Barrister Maudud Ahmed, Mattiur Rahman Nizami, Suranjit Sengupta and Rashed Khan Menon. The Speaker, in a ruling on June 27, decided to set up a parliamentary committee to verify allegations brought by

Awami League leader Tofael Ahmed against Agriculture Minister Major Gen (Rtd) Majid-ul-Haq. The decision about the formation of the parliamentary body came in the wake of a challenge by the Agriculture Minister and a counter-challenge by Tofael Ahmed. The sources said that terms of reference of the planned committee might come up for discussion at today's meeting. Another source said the complication about the number of committee members was learned to have been sorted out by both sides. But the opposition might continue to oppose inclusion of ministers on the committee. The parliamentary committee might be named on July 4 (Sunday) if everything goes well, the source said.

Ashura observed

Ashura, the 10th of Muharram, was observed all over the country Thursday, reports UNB. On this day 1400 years ago, Hazrat Imam Hossain (RA) along with his family members and followers embraced martyrdom in the Karbala desert on the banks of the river Euphrates to uphold truth and justice. Special prayers were offered at all mosques for the continued peace and progress of the country as well as strong unity and fraternity and welfare of the Muslim Ummah. Divine blessings were sought for the Muslims to achieve victory in their struggle for self-determination and independence in different parts of the world, including Bosnia-Herzegovina and the Middle East. Defying inclement weather, Muslims in their thousands, particularly members of the Shiite community, brought out See Page 12 Col 4



A goods train was derailed at Khilgaon rail-crossing in the city Thursday. — Star photo

Involve more women in nation-building: PM

Prime Minister Begum Khaleda Zia last night laid stress on awakening the women community to effectively involve themselves in the ongoing development programmes to rid the nation of poverty, reports BSS. She was addressing the newly-elected office-bearers and members of the Jatiyatabadi Sramik Dal Central Mahila Committee who called on the Prime Minister at her Sugandha office. The Prime Minister asked the leaders and members of the committee to organise the women and motivate them in nation-building activities. She said Shaheed President Ziaur Rahman had inspired the country's women to join the national uplift and women had been making contributions to the economy by responding to Zia's call. The Prime Minister referred to contribution of the garments workers — most of

whom are female — to national development. She said her government had been making endeavours to create employment opportunities and remove poverty despite innumerable problems, including the population boom. Begum Zia underscored the need for setting up more units in the private sector to create employment opportunities. The Prime Minister said her government had given women priority in different sectors including education, garments and nursing. Steps have been taken to train nurses abroad, she added. Referring to the newly-introduced food-for-education programme, she said this would help increase the rate of literacy. The Prime Minister urged the working women to discharge their duties properly and render services to the people. The JCD Dhaka University See Page 12 Col 2

Khaleda opens tree plantation drive today

By Staff Correspondent Prime Minister Begum Khaleda Zia inaugurates a countrywide monsoon tree plantation drive by planting saplings at the Mirpur Botanical Garden in the city this morning. The Department of Forest has grown nearly 10.5 crore saplings at its nurseries throughout the country for the plantation drive, officials informed this correspondent. Besides, they added, 4,000 nurseries, set up with private initiative, have also produced a large number of saplings for commercial marketing. Under the plantation programme, measures have been taken to gear up the on-going afforestation drive in the government on khas lands — on both sides of the roads and highways, railway lines and river embankments. The Environment and Forest Ministry, in association with relevant ministries and departments, has taken up programmes which include See Page 12 Col 1

Japanese investors still smarting from KAFCO experience

TOKYO, July 2: The confidence of Japanese businessmen planning to invest in Bangladesh was dampened by the cancellation of the original KAFCO contract and future prospects for investment look rather bleak at the moment, according to a top trade body executive involved in promoting Japanese private investment in Bangladesh. However, a senior official of the powerful Ministry of International Trade and Investment (MITI) expressed guarded optimism, saying that the ongoing economic liberalisation process in Bangladesh would perhaps be able to attract more Japanese private investment. But he also noted that overseas investment by Japanese businessmen have slowed down recently due to the economic recession at home. 'I think Bangladesh lost a golden opportunity to increase direct foreign investment in the country and to expand its economic base by cancelling the KAFCO contract,' pointed out Masao Sawaki, an advisor to the influential Tokyo Chamber of Commerce and a member of the Japan-Bangladesh joint committee

for economic cooperation. 'The abrupt action of the Bangladesh government (to revoke the KAFCO contract) made the business sector say that this was not a country to deal with.' The Karnafuli Fertiliser Company (KAFCO) contract was earlier renegotiated by Bangladesh last year over a disputed clause requiring the government to provide a guarantee for the total project. Sawaki noted that the decision to revoke the original contract resulted in the immediate cancellation of two Japanese textile projects, worth about 10 million US dollars in Bangladesh. The projects, in the final stages of planning at the time, were cancelled after the MITI withdrew its guarantee for the investments, he added. Terminating the cancellation of the KAFCO contract as a 'tremendous mistake', Sawaki, who attended the last joint committee meeting held in Dhaka in April, said: 'Many people attack the old contract but I don't think that it really makes sense. If you are not satisfied with something, you don't sign it, but if you do sign it, you have to stick by the contract.' Sawaki, a former ambassador to the Philippines and also the executive advisor to the Tokyu Corporation, a huge conglomerate with extensive business interests in rail communications, retailing, real estate and other areas here, pointed out that the disputed guarantee clause was nothing 'extraordinary'. 'It is a standard provision accepted by the World Bank, the International Monetary Fund and the Exim Bank of Japan and the governments of Thailand, Malaysia and Indonesia have also accepted similar clauses.' A MITI official, Kiyoshi Katagiri, deputy director for the Northwest Asian Division, which includes the South Asian region, said that the problem was that the government guarantee for the investment was not forthcoming. 'But last year the government guarantee was issued and the project is back on track and things are moving.' The KAFCO project, scheduled to begin operation from November next year, is worth nearly half a billion US dollars and includes private investment. See Page 12 Col 4

ROK, Dutch firms lowest in Jamuna Bridge tenders

By Staff Correspondent Tenders for two components of the Jamuna Bridge Project were received and opened Wednesday at the office of the Jamuna Multipurpose Bridge Authority (JMBA). Seven international firms submitted tenders for the project — three for the main bridge component (Contract-1) — and four for the river training component (Contract-2). The lowest offer for the main bridge component was received from Hyundai Engineering and Construction Company Limited of South Korea while the lowest offer for the river training component was received from the HAM/Van Oord ACZ JV of the Netherlands. The South Korean firm quoted a sum of Tk 879 crore for the contractor's own design and Tk 1161 crore for the consultant's design. The estimated cost for the component is, however, Tk 1128.6 crore. The Dutch company, bidding for the river training component, quoted Tk 1233 crore with stones procured from anywhere, and Tk 1073 crore if the stones could be procured from neighbouring See Page 12 Col 3

Ctg Steel Mills loses Tk 147 cr in 13 yrs

The Chittagong Steel Mills (CSM) Limited, the country's largest manufacturer of steel products, has incurred a total loss of Tk 147.21 crore in the last 13 years. According to mills sources, in 25 years of commercial production, the factory made profit only in a dozen years. The loss in the current fiscal year alone is expected to exceed Tk 50 crore, the sources said. Unequal competition, lack of capacity utilisation, irregularities and corruption at various tiers of administration and wrong government policy were reportedly the major reasons for the enormous losses incurred by the factory. Some officials of the mills, while talking to The Daily Star recently, said seven units of the factory were almost non-operative since April, 1991 because of acute shortage of pig iron, the basic raw material. The Bangladesh Steel and Engineering Corporation (BSEC), which owns the unit, is doing very little to improve the situation, officials complained. Speaking on condition of anonymity, they also said that more than one-third of the to-

tal officers and staff of the CSM had already opted for the 'golden handshake' or voluntary retirement. 'We opted for the golden handshake because we see no future here. The government does not seem eager to remove the deadlock,' one official, who has opted for voluntary retirement, said. According to sources, some 1210 officers and staff of the mills out of the total 3247 have opted for the golden handshake. Ironically, most of them are more skilled than those who decided to remain. If these 1210 workers are allowed to go on retirement, the CSM would face an acute shortage of skilled manpower, sources added. The sources also said that the production cost of billet exceeded the price of imported billet because of irrational import duty on its raw materials. In fiscal 1990-91 and 1991-92, imported billet enjoyed about 33.75 per cent additional duty facilities compared to that produced in the Chittagong Steel Mills, the sources said, adding that 15 per cent additional VAT was imposed on billet production See Page 12 Col 7

AL calls hartal in Ctg tomorrow for Babu, MP

From Staff Correspondent CHITTAGONG, July 2: Bangladesh Awami League, Chittagong chapter, has called for a half-day hartal on July 4 demanding the withdrawal of what it said a 'false case' filed against the party's central leader Akhtaruzzaman Chowdhury Babu, MP. The local AL leaders have planned to organise a rally and procession here tomorrow in support of the July 4 hartal. Akhtaruzzaman, an accused in the businessman Humayun Zahir murder case, went into hiding since the cancellation of his ad-interim bail. Despite a massive hunt police could not yet locate him. Chief Metropolitan Magistrate, Dhaka issued a warrant of arrest and an order of attachment of property against Akhtaruzzaman Chowdhury when he failed to surrender to the court by June 12 last. Copies of the court order reached Chittagong police on June 13 and accordingly police raided Akhtaruzzaman's city and village houses but in vain. Police then attached the movable property found at his residence and business offices.

Rao ready to testify: Mehta fails to produce hard proof

NEW DELHI, July 2: Indian Prime Minister P V Narasimha Rao said yesterday he is willing to testify about allegations he was bribed by a Bombay stockbroker if a parliamentary panel asks him to, local news agencies reported, report Reuter, AFP. In his first news conference since broker Harshad Mehta shocked India last month by alleging he paid the Prime Minister 10 million rupees, Rao said he saw no reason to volunteer to give evidence to the Joint Parliamentary Committee (JPC), which is probing India's worst financial scandal. 'I have come out clean and I could not be cleaner,' the Press Trust of India quoted

him as saying at Nandyal in his home state of Andhra Pradesh. But United News of India said he added, 'If the JPC wants anyone to appear before it, who will refuse?' The JPC questioned Mehta for the second time yesterday but deferred a decision on whether to summon Rao. The burly broker, nicknamed 'Big Bull' for his flamboyant stock market dealings, says he bribed not only Rao but other ministers and government officials, whom he has not named. Mehta, who is at the centre of the dollar 1.28 billion securities scandal, told Reuters yesterday the bribes bought him political protection in controversial deals until the

scandal was exposed by the press and opposition lawmakers. He said he was not interested in making further disclosures and had named the Prime Minister only because he had been asked on oath by investigating agencies why he withdrew large sums of money from his bank accounts. 'I was not coming out with any disclosure and was only giving details of the withdrawals. It was just unfortunate that those withdrawals related to the Prime Minister,' he said. He said he made a public disclosure to protect himself from reprisals. 'They could have finished me,' he said. Asked why the payments

could not protect him from being arrested, Mehta said, 'The whole operation of cover-up was going on. But the situation had reached unavoidable circumstances and the CBI found it imperative to arrest me.' 'They thought, who can (have the courage to) claim to have paid off the Prime Minister,' he added. Mehta admitted he did not have clinching evidence he had paid Rao. 'I hope people do not expect that I have a video of the Prime Minister blessing me,' he said, 'we are relying on confirmatory evidence. I cannot go on the offensive. I have to break the defence of the other side.' JPC officials were divided

on party lines on the worth of his evidence and on whether Rao should also be questioned. Members of Rao's ruling Congress party said Mehta's evidence was contradictory and the Prime Minister did not need to be examined. The JPC is to decide on Tuesday whether to summon Rao and documents that Mehta says will prove his links with the Prime Minister. Mehta maintained he had paid off Rao, but offered no definitive proof in a marathon deposition before a parliamentary committee. 'We had called Mehta to give us proof,' said Ram Niwas Mirdha, chairman of the Joint Parliamentary Committee (JPC).

Aided in Sudan

NAIROBI, July 2: Fugitive Somali warlord Mohamed Farah Aided is in Khartoum as an official guest of Sudanese military junta leader Omar Hassan El-Beshir, the rebel Sudan People's Liberation Army (SPLA) claimed in a statement here Thursday, reports AFP. General Aided has been on the run since the United Nations ordered his arrest for the June 5 killing of 24 Pakistani peacekeepers in Mogadishu. And in a letter to the just-ended Organisation of African Unity (OAU) summit in the Egyptian capital Cairo, general Aided accused the UN of endangering the lives of Somali civilians.