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DSE MARKET

DSE price index	844.09 (+2.74%)
Market capital Tk	5401.73 cr
Transactions in volume	4.36 lakh
Transactions in value Tk	5.08 cr

CSE MARKET

CSE price index	422.20 (-0.22%)
Market capital Tk	2301.22 cr
Transactions in volume	1400
Transactions in value Tk	4.22 lakh

NEWS BRIEFS

**Arms recovered
 from BIT hostel**

From Staff Correspondent
CHITTAGONG, Nov 26: Police recovered a huge quantity of arms and ammunition today from a dormitory of the Bangladesh Institute of Technology (BIT) at Raosan. The arms include three Pakistani-made guns, two sophisticated revolvers, one sawed-off rifle, 49 bullets and 28 cartridges, according to police. Five persons were also arrested from the dormitory who were wanted in different criminal cases.

**Environment confce
 in Bangkok today**

Environment and Forest Minister Akbar Hossain left Dhaka yesterday for Bangkok to attend the two-day ministerial conference on environment development in Asia and the Pacific today, reports BSS.

**Speaker visits
 ailing Mostafiz**

Speaker of the just dissolved parliament Shaikh Razzak Ali yesterday visited Foreign Minister A S M Mostafizur Rahman who is undergoing treatment at the CMH in Dhaka. He spent some time with the foreign minister and enquired about his health, reports BSS.

**Egyptian embassy
 blast: One held**

ISLAMABAD, Nov 26: A Pakistani who sold the vehicle used in the bombing that destroyed the Egyptian embassy here a week ago has been arrested. Interior Minister Nasserullah Babar said today. A sketch of an Egyptian who bought the vehicles in September has been drawn on the basis of information obtained from the arrested man by interrogators. Babar said, reports AFP.

**Newspaper office
 ransacked**

From Staff Correspondent
BARISAL, Nov 26: The office of 'The Dinak Banglar Kantha', a daily newspaper published from Bhola town has been ransacked allegedly by a group of ruling party activists this evening. Police and eyewitnesses said they also manhandled some journalists of the paper.

Two leaders talk over telephone

PM rejects Hasina's demand again

By Staff Correspondent

Prime Minister Begum Khaleda Zia and Awami League Chief Sheikh Hasina had a brief telephone conversation yesterday.

The Awami League (AL) chief telephoned the PM to urge the ruling party to accept the demand for a neutral caretaker government.

Earlier in the day, the AL chief had responded to the PM's third letter which was reportedly received by Salam Talukdar on the other end.

During the telephone conversation the PM categorically rejected the AL chief's

request on the caretaker government issue, according to AL Secretary General Zillur Rahman.

"We do not accept the caretaker issue at all and in this regard we will never compromise," Zillur Rahman, who was present beside the AL chief during the conversation, quoted the PM as saying.

Other top party officials of the AL were also present in the room during the conversation of the two leaders.

Talking to this correspondent, Zillur Rahman said that

Hasina first rang the PM at 4:00 pm yesterday but was unable to find her. The PM then rang her back at the AL's Dhanmandi party office at 7:35 pm. The conversation lasted for about 10 minutes.

After exchanging personal greetings, the AL chief requested the PM to accept the caretaker government concept. Zillur quoted Hasina as saying, "Please think about the whole situation and try to understand that the whole country wants a neutral caretaker government before go-

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Interview with The Daily Star People will realise their demand, says Zillur

By Morshed Ali Khan

The Awami League (AL) will further intensify its agitation programme in view of the ruling party's 'rigid' and 'uncompromising' stand on the neutral caretaker government issue, according to Zillur Rahman, the General Secretary of the party.

In an exclusive interview with The Daily Star at the AL party office yesterday evening, Zillur Rahman pointed out that all efforts to convince the ruling party about the Opposition's demand had failed.

"The fall of this government is imminent and the people will come down to the streets for that," said Zillur

adding that when all political parties have united on a single demand, BNP has totally isolated itself by showing no flexibility at all.

Zillur was talking to this correspondent after the AL chief had just finished talking to the PM in her bid to convince the ruling party chief on accepting the Opposition demand.

"This is a national demand and the BNP has chosen to ignore it only to remain in power."

"But never in the history have the people failed in their struggle to achieve their goal. This is an honest

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'PM proposed to keep caretaker issue on top of agenda'

Star Report

BNP Secretary General Abus Salam Talukdar said that the Prime Minister had reiterated her call for an open-ended dialogue with the Opposition, during her telephone conversation with the Awami League President yesterday.

Talking to The Daily Star last night, Talukdar quoted Begum Zia as telling Sheikh Hasina, "Let's sit across the table to discuss all issues with an open mind and your (Hasina's) caretaker government issue would top the agenda for the proposed dialogue."

But, the BNP Secretary General questioned how a di-

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Appreciation of Yen Dhaka repaying many times more than debt

By Inam Ahmed and R M Titumir

Bangladesh and other Least Developed Countries (LDCs) receiving "concessional" loans from Japan are repaying much higher amounts than their loan receipts due to the continuous appreciation of the yen, the Japanese currency.

This situation, resulting from the Japanese loan system which asks for repayment in Yen, has been causing deep concern among the aid recipients who, in the recent Japanese ODA seminar on aid, had sought a system to provide a hedge against higher repayment, according to sources.

According to Japanese aid mechanism, loans given by Japan government are converted into grants. This grant, called Debt Relief Grant (DRG), should be equivalent to the debt servicing amount.

But statistics on flow of resources into Bangladesh by Japanese government sug-

gests that the amount of loan repayment out-paces the DRG.

During fiscal 1993-94, debt servicing by Bangladesh to Japan including the principal and the interest totaled about 18,839 million Yen while DRG receipt was about 14,772 Yen, resulting in an over-payment of 4,067 million Yen.

According to sources, last fiscal's (1994-95) DRG availability would not be more than 60 per cent of the loan repayment. An expert on debt servicing said the margin would be less if the repayment of multilateral financial institutions are accounted for.

The concern of the LDCs over high repayment rate has been spurred by the apprehension that the DRG could be stopped in the future.

Japan has already indicated that the DRG facility would be extended for loans

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EC now capable of averting Magura-type polls: CEC

Chief Election Commissioner (CEC) Justice A K M Sadeque yesterday said the Election Commission (EC), political parties and the candidates should reach a consensus to ensure the holding of a free and fair polls, reports BSS.

Addressing the inaugural session of a "training workshop for election and polling agents," Justice Sadeque said democracy could be institutionalised only through holding neutral and fair elections.

Organised by the Centre for Analysis and Choice (CAC), the inaugural function was also addressed by the director of the centre, Shawkat Mahmud.

Justice Sadeque said the EC has been strengthened through enactment of necessary laws and taking various measures. The EC is now capable of doing anything which it could not accomplish in case of Magura by-election, he added.

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Sayedabad Water Treatment Plant Validity of French grant expires next month

By Sharier Khan

The fate of the Sayedabad Water Treatment Plant has again become uncertain because of government's delay in fulfilling the conditionalities of donors, according to official sources.

The validity of the French grant to build one out of four components of the 50 IMG plant will expire next month.

Expiry of the French grant may also influence the World Bank to back out from providing 76.2 million US dollars funding for the same project — which is 43 per cent of the total cost, the sources added.

Earlier in October last, the government had requested the French government to extend the validity of the 152.7 million franc grant, equivalent to 18 per cent of the project cost, and to enhance the amount by another 30 million franc, the sources said. In response the French government agreed to provide an additional 20 million

franc as soft loan.

In October the World Bank feared that because of the current political situation prevailing in the country and resistance from the labour union of the Dhaka WASA, it would be difficult for the government to fulfil the conditionalities.

According to the sources, although a contract for the fourth component of the project was awarded to the French company Degremont in July the government is yet to give the green signal to the contractor to begin work.

"Clearly, if the current impasse continues, the project could become more costly," observed a World Bank mission which visited Bangladesh in October.

The Sayedabad project, worth 167.6 million US dollars (Tk 704.6 crore) taken under the Fourth Dhaka Water Supply Project funded by the IDA, under an agreement signed in June 1995. During

the negotiations, the government agreed to fulfil five conditionalities of the IDA, the soft-term lending arm of the World Bank.

These conditions include enactment of the new WASA Ordinance and appointment of a new Board of Directors and Chairman, commencement of the programme to contract out WASA's billing and collection to local contractors, reduction of total arrears to no more than five months billings and appointment of a Managing Director for WASA on contract basis. Based on these conditions, a Board was established in September.

The new WASA Ordinance, without which the government cannot appoint a new Board or a Chairman, is yet to be approved. The draft of the Ordinance, approved by the Cabinet on August 2 has been okayed by the Law Ministry last week. It is supposed to

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Hasina's third letter to PM

By Staff Correspondent

Following is The Daily Star's translated version of Awami League chief Sheikh Hasina's letter to Prime Minister Khaleda Zia sent yesterday.

"I commend you for the step that you have taken in advising the honourable President to dissolve the Parliament.

"The honourable President has created an opportunity to resolve the current political crisis by dissolving the Parliament. In the greater interest of the country and the nation, I would earnestly appeal to you not to prolong your stay in power and to advise the honourable President to form a non-partisan neutral caretaker government to conduct the general elections.

"This decision of yours

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Saturday's cyclonic storm More than 50 boats still missing

COX'S BAZAR, Nov 26: Only one out of about a hundred fishing boats missing since Saturday's cyclone and tidal surge returned home today with 15 fishermen unhurt, reports UNB.

We could return alive for our good luck," said the boatman of the returned trawler, FB Jyotsna.

Another boatman Mohammad Afsar said, we saw many boats sinking during the cyclone with a number of fishermen aboard. "The number of missing boats including big and small will be around 100," he said.

Earlier, on Saturday Fishing Boatowners Association president put the number of missing boats to about 50. He also said some 200 fisher-

men were missing.

No official version in this regard was available till 3 pm today.

BSS adds: Bangladesh Navy ship Abu Bakr during a post-cyclone search mission rescued 10 fishermen from the Bay of Bengal.

The rescued persons belonging to fishing trawlers

Editorial on page 4

were floating in the sea without food and water as their trawlers sank in the cyclonic storm, according to a ISPR press release.

A one-year child, Shami Mallik, killed during the cyclone, was found today under the debris of battered house

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Rail link with N dists still snapped

From Our Correspondent
RANGPUR, Nov 26: The snapping of rail communication between Dhaka and ten northern districts, hundreds of railway passengers have been stranded at both Fulchhari and Bahadurabad ghats since yesterday.

Women, children and the ailing passengers are suffering most as they are passing day and night under open sky.

The rail communication was snapped Saturday due to sharp fall in the water level of Brahmaputra and emergence of innumerable shoals in the river.

Water level in the Brahmaputra has been dropping at an abnormal rate for the past one month and hundreds of shoals have emerged in the 36 kilometre long river route between Fulchhari and Bahadurabad ghats.

The railway authorities which has undertaken dredging operations are yet to make significant progress reportedly due to inadequate dredging units.

Jamaat activist beaten to death

PABNA, Nov 26: A Jamaat activist was beaten to death by angry villagers of Kuladi in sadar thana early today, reports UNB.

The dead was identified as Ziaur Rahman Zia, 25.

Police and local people said some villagers nabbed him along with a country-made revolver and two bullets at about 11 pm Saturday and beat him indiscriminately.

Police rescued him from the angry villagers and sent him to Sadar Hospital in critical condition.

He succumbed to his injuries at the hospital at about 6 am today.

Two businessmen murdered in Jhenidah

JHENIDAH, Nov 26: Two businessmen of the town who were called out of their homes Saturday evening were found shot dead at a village this morning, reports UNB.

Jahangir Hossain (32) and Shariful Islam (30) were gunned and then slaughtered at Hiradanga in sadar thana.

They were called out separately by unidentified people last evening, family sources said. Police suspect that this was an act of an outlawed group active in the region.

PM's mass contact tour by train Nov 30

The Bangladesh Nationalist Party (BNP) chairperson and Prime Minister Begum Khaleda Zia will undertake her mass contact tour from Dhaka to Chittagong by train on November 30, a BNP press release said here last night, reports BSS.

The tour will start from Dhaka station at 10-30 am and the Prime Minister will address public meetings at all the railway stations scheduled earlier, the press release said.

The mass contact tour of the Prime Minister, which was scheduled for yesterday, was earlier postponed due to inclement weather caused by the cyclonic storm in the Bay of Bengal.

Strike at RU continues

From RU Correspondent
RAJSHAHI UNIVERSITY, Nov 26: The second day today of the 3-day strike on the varsity campus, called by the Anti-Communal Students Alliance (ACSA), passed off peacefully.

The ACSA had called the strike demanding removal of Vice-Chancellor M Yusuf Ali and end to what it called terrorism by Islami Chhatra Shibir on the campus.

A hand bomb was hurled at the residence of physics department chairman Prof M Nazrul Islam today but none was injured in the incident.

The Rajshahi University Teachers' Association will bring out a procession on the campus on November 29 to protest "terrorism" on the campus.



Smoke spewing up from the burning houses in the city's Kalabagan area yesterday morning. At least 20 tin-shed houses were gutted in the fire which reportedly originated from an electric short circuit. However, none was injured in the fire which lasted for about an hour.

— Star photo

During the seminar

By Staff Correspondent

Comments by a business leader and a former BNP minister on the prevailing political situation vis-a-vis the business environment created an embarrassing situation at a seminar in the city yesterday.

At one stage, Zahiruddin Khan, a former industries minister, was about to leave after replying to FBCCI chief Salman Rahman's comments but stepped back following requests from the seminar organisers.

They were among the participants in the seminar on British Technology and Infrastructure where the visiting British trade team were also present.

The two — Salman F Rahman and Zahiruddin Khan — were attending a seminar on British Technology and Infrastructure, organised jointly by the Department of Trade and Industry of the British government and DCCI at a city hotel.

Addressing the seminar, Salman F Rahman departed from his written speech to say, "The present political situation is unacceptable to us."

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British envoy on investment Fair polls, pro-reform govt preconditions

By Staff Correspondent

Commerce and Information Minister M Shamsul Islam at an investment seminar here yesterday urged the visiting British trade delegation to take advantage of the country's favourable investment climate while British High Commissioner Peter J Fowler underscored the need for "all-party permissiveness of the reform agenda."

They were speaking at the inaugural session of the day-long seminar on "British Technology and Infrastructure", jointly organised by the Southern Asia Advisory Group (SAAG) of British government and Dhaka Chamber of Commerce and Industry (DCCI) at a city hotel.

Chaired by leader of the British delegation Peter Lee, the inaugural session was also addressed by DCCI president R Maksud Khan, Director of Midlands Power International

John Bryant and president of Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) Salman F Rahman.

Shamsul Islam said the government's reform measures in different sectors have already starting paying dividends. "The present democratic government is committed to provide all necessary support for creating an enabling environment for foreign investment in Bangladesh," Islam added.

British High Commissioner Peter J Fowler said that to tap further potential for growth the whole reform agenda should be energetically pursued by the government. "It has been only partially implemented.

"We know that Bangladesh needs stable, legitimate, accepted and efficient government. But it should also be able to engage the whole people and the whole political spectrum in a cooperative

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