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Mirza Golam Hafiz dead

Mirza Golam Hafiz, a veteran politician and former Speaker died of cardiac arrest yesterday morning at the National Heart Foundation. He was 82, reports UNB.

Mirza Hafiz was also law minister in Khaleda Zia's cabinet and an advisor to the BNP chairperson.

He left behind one son, three daughters and a host of relatives and admirers to mourn his death.

In his chequered political career Mirza Hafiz was several times elected Member of Parliament from Panchagarh constituency.

BNP has declared a three-day mourning. During the period, the party flag will fly half-mast atop party offices.

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Inside Today

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The American Way

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Sun Rises	Sun Sets
Dec 21	5.16 pm
Dec 22	6-37 am

Prayer Timings

December 21		
	Azan	Jamaat
Fajr	5-11	5-19
Zuhr	12-45	1-20
Asr	3-45	4-00
Maghrib	5-14	5-22
Esha	7-00	7-30

Source: Islamic Foundation



Sehri, Iftar timings

Ramadan	Dec	Sehri	Iftar
24	21	5-12	5-20
25	22	5-12	5-20
26	23	5-13	5-21

Mig, frigate purchases pull down forex reserve?

Bangladesh Bank meets today to find a way out

By Inam Ahmed

Against the backdrop of unstable foreign exchange reserve and the possibility of export receipts lying unrealised abroad, the Bangladesh Bank (BB) will sit with select banks today to hammer out a solution.

Governor Dr M Faruquddin will chair the meeting with the banks involved in major export operations.

According to sources, despite an improved export performance and remittance inflow, the country's foreign exchange reserve has declined markedly over the last few months. As of yesterday, it stood at 1.45 billion US dollars

after dropping to as low as 1.25 billion US dollars.

Many now suspect that there has been over-invoicing of imports to siphon off foreign currency.

However, according to some officials, there may have been other reasons behind the dwindling reserve. Increase in suppliers' credit could be one of the reasons, they said, arguing that repayment of these high interest

bearing loans may have led to erosion of reserve.

According to them, increase in defence expenditure in recent times has also had an impact on the reserve status. Payment of some big purchases of military hardware has definitely strained the reserve, they said.

Payment of MIG and frigate purchases had been made directly from the reserve, which pulled it down and will keep it low

even in future," said a source.

IMF, however, believes that there has been some over-invoicing by importers.

IMF Resident Representative Ronald Hicks has recently written that the foreign reserves position has also been significantly weakened by trends in the residual item in the balance of payments, now showing an annual outflow to the tune of more than 700 million US dollars.

These outflows hint at the failure to repatriate a portion of export proceeds, pointing more broadly to a fundamental lack of business and investor confidence.

"A possible over-invoicing of imports, apparently associated in part with the recent upturn in imports, could also be placing further pressure on the foreign reserve position," Hicks wrote in a recent article. "A fundamental

strengthening of the business environment to attract foreign capital and safeguard against foreign exchange leakage is, therefore, urgently needed, based on sound macroeconomic stabilisation and strict structural reform policies encouraging private sector and export-led growth."

But Bangladesh Bank sources said over-invoicing is not that much pervasive now. The central bank is still buying dollars from banks and had there been an outflow of foreign exchange, the banks would have taken recourse to central bank fund.

Major changes in Army underway

By M Anwarul Haq

Some major changes are underway in Bangladesh Army following the appointment of Major General Harun-ar-Rashid, Bir Pratik, as the next Chief of Army Staff.

Major General Ahsan Nazmul Amin, Adjutant General, will replace Gen Harun-ar-Rashid as Chief of General Staff (CGS).

Placement of three major generals, who are senior in service to the newly appointed army chief, is being reviewed as they have been bypassed, highly placed sources said.

"Although it is the prerogative of the government to appoint an army chief one who it thinks is 'qualified and capable' for the position, other serving generals by-passed or superseded in the process choose to retire or con-

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BB suspends two for illegal trade of polymer notes

By Staff Correspondent

The Bangladesh Bank (BB) yesterday 'temporarily suspended' two of its staff on charge of involvement in illegal trading of new Tk 10 polymer bills at premium rates.

The two suspended BB employees are Md Humayun Kabir, officer of cash department and Sheikh Mohammad Alauddin, a caretaker of the same department, according to BB officials.

Amid widespread allegations that some BB officials are involved in illegal trading of new polymer notes, the central bank has also taken steps to find out which officials are involved in such unlawful practice, BB sources said.

According to BB officials, the security guards on Tuesday caught Humayun and Alauddin red handed while they were taking

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Microbus driver shot dead, owner stabbed

By Staff Correspondent

Miscreants shot dead the driver of a microbus and stabbed its owner in front of the WASA Bhaban at Karwan Bazar in the city yesterday afternoon, police and hospital sources said.

The deceased was identified as Sirajul Islam Selim, 38.

Hospital sources said Ibrahim Khalil, a contractor of Jadu Spinning Mills, came to the WASA Bhaban in his microbus. He then went to the second floor of the building and returned with Tk 60,000.

When Khalil was about to board the microbus, four muggers stopped him and demanded

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Greece to allow more Bangladeshis, give them legal status

By Diplomatic Correspondent

Greece has assured that it will encourage the regular flow of manpower from Bangladesh and provide scope for them to get gainful jobs. A new law has been enacted to enable undocumented Bangladeshis to become regularised.

Dhaka and Athens have also agreed to give more thrust on boosting trade and commerce and increasing investment.

A number of accords in different fields including manpower, shipping, tourism development and broad economic cooperation are expected to be signed shortly.

The decisions were taken at the official talks between visiting Greek Foreign Minister George A Papandreou and Bangladesh Foreign Minister Abdus Samad Azad which was held yesterday afternoon at the State Guest House Padma.

The Greek foreign minister, who is on a two-day visit here, is the first such senior official of that country to visit Bangladesh.

Speaking at a post-talks press conference at the Sonargaon Hotel, Papandreou said his country would extend all possible cooperation to Bangladesh in several fields. He said Greece has adopted a new

law, which will enable undocumented Bangladeshis to be regularised. Besides, it will also encourage more inflow of Bangladeshis. An agreement in this regard will be signed shortly so that they could come to Greece legally.

Already some 6000 Bangladeshis are working in Greece.

Responding to a question, Papandreou said his country will provide more scholarships to Bangladeshi students in the fields of archaeology and shipping. Greece will send teachers to the Marine Academy at Jaldia, Chittagong for imparting higher training in shipping. It will also cooperate to develop the tourism industry in Bangladesh.

Greece, he said, is also interested in investing in the telecommunications, energy and tourism sectors.

The two foreign ministers also discussed bilateral, regional and international issues during the official talks.

The Greek foreign minister appreciated Bangladesh's support for the UN resolution on Cyprus.

State Minister for Foreign Affairs Abul Hasan

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Search for 'mysterious' boxes on

From Staff Correspondent

CHITTAGONG, Dec 20: Divers of Bangladesh Navy continued search for the second day today for mysterious boxes dropped in the Bay of Bengal from mechanised boats by their crew including a Pakistani national, navy source said.

Two navy ships were engaged in the search operation, but nothing was recovered till filing of this report at 9 pm today.

Meanwhile, seven crew including Pakistani national Mohammad were brought under joint interrogation by NSI, DGF and DB police today at CMP headquarters.

Police sources said that Bangladeshi crew and the Pakistani national were giving contradictory statements.

Block 15 kept open for Shell to negotiate extension

By Sharier Khan

The government is yet to declare block 15 relinquished, keeping the avenue open for Shell Oil to negotiate an extension.

Shell has meanwhile rolled back operations from the stretch between the Chittagong Hill Tracts and Sandwip as it failed to fulfill the work commitment as per its production sharing contract (PSC) with the government, sources said.

Last month, Shell Oil submitted a prayer to the government seeking a five-year extension without any work commitment. As the PSC offers no scope for such an extension, it was turned down.

The PSC, which was signed in June 1995 and expired on December 12 last, could have been extended for two more years had Shell struck oil or gas in the block before expiry.

But Shell sources in October

told The Daily Star it was prepared to relinquish the block, instead of final round of extension, as there was not much prospect of oil or gas discovery.

Later, Shell changed its mind on total relinquishment and sought a five-year extension in the light of the latest PSC was signed with US company Unocal for block 7.

"Shell's prayer referred to the PSC for block 7 where Unocal has been allowed to operate in the block without any work commitment," said a Petrobangla source. "It said that since there was not

much of gas market growth in Bangladesh, Shell should also be freed from any work commitment in block 15 for the next five years."

Petrobangla has rejected this prayer but did not close the door for an extension of the PSC, sources said adding, Shell has already invested a lot in the block and it has a lot of seismic data. Therefore, Petrobangla would be flexible if Shell goes by the existing PSC criterion and seek a two-year extension with work commitment.

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An oil tanker burst into flames while refilling a reserve tank at the Malibagh petrol pump yesterday. Both the tanker and the reservoir were burnt to ashes. Six fire-fighting vans did show up but late as usual. Fortunately, no one was hurt. As Eid shoppers ran helter-skelter and shop-owners pulled down shutters, panic prevailed for quite a while. The police blocked the three busy roads in the area for safety reasons, which caused miserable traffic jams prior to iftar.

--Star photo

OBITUARY



With deepest grief and sorrow we announce the sudden death of Mr. Jasimuddin Khan (Inna Lillahe Wa Inna Elaihe Rajewun), Director, Pacific Group of Companies, on Wednesday, December 20, 2000 at Chittagong. He was the younger brother of Mr. M. Morshed Khan M.P. and Chairman of Pacific Group of Companies.

We at Pacific Group deeply mourn his premature demise and pray to the Almighty Allah to grant eternal bliss to the departed soul in heaven.

We share the sorrow with the bereaved members of his family and may the Almighty Allah give them the fortitude to bear this irreparable loss.

All Directors & Employees:

Pacific Bangladesh Telecom Limited
Pacific Motors Limited
Pacific Industries Limited
Pacific Traders Limited
Therapeutics Bangladesh Limited



পবিত্র ঈদুল ফিতরের ছুটির সময়ে সম্মানিত গ্রাহকগণের সুবিধার্থে প্রাইম ব্যাংকের সকল শাখা আগামী ২৩ ডিসেম্বর এবং ২৫ ডিসেম্বর সকাল ৯টা থেকে বেলা ১টা পর্যন্ত খোলা থাকবে।
এছাড়া বাংলাদেশ ব্যাংকের নির্দেশক্রমে ৩০ ডিসেম্বরও ব্যাংক পূর্ণ দিবস খোলা থাকবে।



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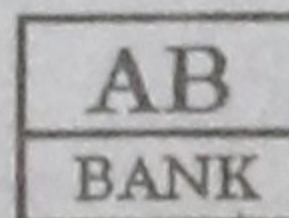
WE MOURN



We are deeply shocked and grieved at the sudden and untimely death of our Director Mr. Jasimuddin Khan, son of Late Salamat Ali Khan, who breathed his last at his Chittagong residence on December, 20, 2000 (Innalillahi Wa Inna Elayhe Rajewun).

Late Mr. Jasimuddin Khan is the only brother of Mr. M. Morshed Khan, M.P. and Chairman of Arab Bangladesh Bank Ltd.

We are praying to almighty Allah for eternal peace of the noble soul. We also express our heartfelt condolences to all the members of the bereaved family and pray to almighty Allah to give them enough strength to bear this irreparable loss - AMEEN.



Members of the Board of Directors,
Management and all Staff Members of
Arab Bangladesh Bank Limited