

## Pak forces fully prepared to face challenges: Musharraf

AFP, Karachi

Pakistan President Pervez Musharraf said yesterday the army was fully prepared to face all challenges, including those from its neighbour India.

"We are confronted with external and internal challenges. But our forces are prepared to face all challenges," he told a crowd here at the mausoleum of Mohammad Ali Jinnah to mark 125th birth anniversary of Pakistan's founding father.

"We will have to step very cautiously ... as we are a responsible state of 140 million people with nuclear capabilities."

Musharraf also said Pakistan was prepared to seek a peaceful settlement of its bitter and bloody dispute with India over the Himalayan region of Kashmir which is divided between them.

"We are ready to seek a peaceful resolution with India provided the Indian government sheds its superiority complex and talks to us on even terms," Musharraf said.

However, he warned that the way ahead would not be easy.

"The challenges which we face today are in no way less than what Pakistan and Pakistanis faced in 1847," he said referring to the bloody partition of the sub-continent which led to the creation of India and Pakistan.

# India moves air force, armour & warships to Pak borders



A member of the Indian Border Security Force (BSF) fires at Pakistani positions from Pallanwalla sector, 85 kms west of Jammu, near the Line of Control (LOC) separating Indian and Pakistan held Kashmir yesterday.

- India takes ballistic missiles to border
- Villages evacuated
- 3 killed in cross-border firing
- Indian troops on high alert

AFP, AP, New Delhi

India bolstered its frontier defences with military jets and armour while warships raced to defend the country's maritime borders with Pakistan, reports said yesterday.

Indian newspapers and television networks reported a steady movement of "air assets" to the border states of Kashmir, Punjab and Rajasthan in northern India but defence ministry officials in New Delhi described the deployment as a "precautionary measure".

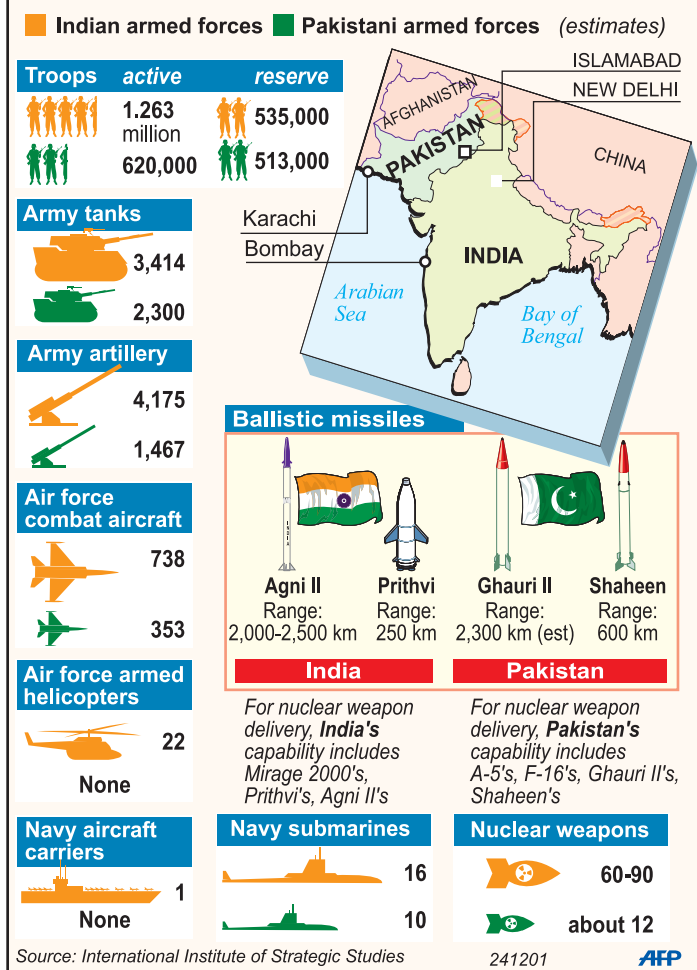
The Statesman daily said India was moving ballistic missiles, tanks and artillery to its borders and had put its air force, which has strike aircraft such as French-built Mirage 2000s, Russian MIG 29s and Sukhoi 30s, on the second highest level of alert.

It also said India was redeploying its faster corvettes and frigates from naval bases in the Bay of Bengal to the Arabian Sea off Bombay to counter any maritime offensive on the country's west, which houses a crucial nuclear facility and several key industries.

The Indian army yesterday also ordered residents in border villages to evacuate and moved more air force equipment to the frontier bases.

Indian defense officials said they were responding to a massive

## India-Pakistan military balance



## 8 killed as buses collide in Comilla

UNB, Comilla

Eight people, including six of a family, were killed and 25 others injured as two buses collided at Choudhagram on Dhaka-Chittagang highway yesterday.

"Six members of a family waiting for bus at Amanganda bus stand died on the spot as the buses fell on them after colliding head on, police said.

A mother and her daughter who were travelling in one of the two buses also died in the collision that took place between a Dhaka-bound bus from Bashurhat and a Noakhali-bound bus from Dhaka at about 11.30 am.

The six were identified as Laila Begum, 38, wife of late Giasuddin of Barera, Devidwar in Comilla, her daughter Moli, 12, sons

## Plaques of JMB industrial park, by-pass road removed

OUR CORRESPONDENT, SIRAJGANJ

Unidentified people removed the inauguration plaques of the Industrial Park at the Bangabandhu Jamuna Bridge and the plaque of the by-pass road named after former prime minister Monsur Ali on the western side of the bridge Monday night.

The Industrial Park was inaugurated by former prime minister Sheikh Hasina and the by-pass road was opened jointly by former home minister Mohammad Nasim and former foreign minister Abdus Samad Azad earlier this year.

The incident has surprised the local people as they said the police are "always on duty" at the site.

An official of the Bangabandhu Jamuna Bridge West Police Station filed a general diary. The officer in-charge of the station said they are investigating the case.

## Cabinet reshuffle looks certain

# Battle to settle portfolios

STAFF CORRESPONDENT

With a reshuffle in the council of ministers well in sight, many BNP lawmakers are engaged in hectic lobbying to get a place while the existing ones are fighting to either retain their posts or get better portfolios.

Sources said almost all the four-party alliance members of the parliament (MPs), even the first time MPs and some senior members of the party, are lobbying with BNP policymakers, particularly those at the 'Hawa Bhaban' to get portfolios.

There is a common anticipation among the party leaders that some cabinet and junior ministers may be dropped soon because of their poor performance and other reasons.

A top BNP leader holding a vital portfolio in the cabinet said suddenly almost all party MPs are aspiring for ministerial posts because they feel if so many 'incompetent' persons could be incorporated to the 60-member cabinet, they should also get a chance.

He said there is also pressure for further increasing the number of ministers while others view about 15 'incompetent' ministers should be axed.

BNP sources said a section of party leaders and activists have long been complaining against some ministers and suggested that immediately they be dropped because of their 'very poor performance'.

A cabinet minister in charge of a sensitive ministry has been accused

by the party men of promoting pro-Awami League officials and not upholding party causes, sources added.

They said some existing ministers, who are among those in the line of fire, are giving a hard try with influential leaders to retain their current positions, while some state ministers are expecting promotions. On the other hand, some full ministers, who did not get portfolios of their choice, are out to get their ministries changed.

And so, 'Hawa Bhaban' has become the most important destination for ministers, which is monitoring the ministerial performance, and appealing the party stalwarts is now the order of the day.

SEE PAGE 11 COL 7



## Blair likely to arrive in city Jan 3

DIPLOMATIC CORRESPONDENT

British Prime Minister Tony Blair is likely to come here on January 3 on a two-day visit, diplomatic sources said.

The British premier would leave Dhaka the next morning.

Prime Minister Khaleda Zia will leave for Kathmandu the same day to join the 11th SAARC Summit after seeing off her British counterpart.

Blair would be visiting Bangladesh as part of his South

SEE PAGE 11 COL 3

## Police informant shot dead in Mirpur

STAFF CORRESPONDENT

Unidentified assailants shot dead a police informant at Box Nagar in the city's Mirpur area yesterday.

The deceased has identified as Mohammad Tarek, 25, son of Abu Bakar Siddiqi of Zoo Road, Box Nagar.

Police and witnesses said a gang of four swooped on Tarek in front of a shop at about 1:15 pm. They shot Tarek in his chest and left the scene.

Victim's mother took him to the Dhaka Medical College Hospital (DMCH) where the doctors declared

SEE PAGE 11 COL 3

## West Bengal's move for 20 pc duty on 'luxury items'

# Trade gap with India set to widen further

M SHAMSUR RAHMAN, back from Kolkata

The huge trade gap between Bangladesh and India may widen following a recent decision by the West Bengal state to slap 20 per cent duty on import of some 'luxury goods'.

The decision will effectively render a number of the few items that the country exports to India non-competitive.

Bangladesh exports battery, instant power supply (IPS), uninterrupted power supply (UPS) and stabiliser in a small quantity to its

next-door neighbour. The decision to impose the new duty is likely to expand the bilateral trade gap further, which is currently more than US\$1 billion in favour of India.

Sources said the West Bengal government recently passed a luxury and sales tax amendment bill in the state assembly, paving the way for slapping of the 20 per cent duty.

The state assembly observed that the local industries were 'affected' due to import of such foreign goods.

But the Bangladeshi manufacturers feel frustrated as they fear that their goods would lose competitive-

ness in the Indian market. Rahim Afroz and Micro Electronics had just started making their way into the West Bengal market with battery, IPS, UPS and stabiliser.

Bangladeshi battery is set to lose market with the recent Indian move to impose anti-dumping duty on the product.

And now, the new 20 per cent luxury duty on the other items will further discourage Bangladeshi entrepreneurs from exploring the next-door market.

Micro Electronics is currently

SEE PAGE 11 COL 3

## Meeting soon to set guidelines to write off bad loans

INAM AHMED

The finance ministry will sit with the Bangladesh Bank (BB), nationalised commercial banks (NCBs) and development financing institutions (DFIs) Saturday to set a guideline to write off bad loans of the banking system.

Earlier, the ministry held two meetings on the issue and suggested writing off some Tk 5000 to Tk 10,000 loans of the NCBs which were taken before the country's independence. These loans are fully provided for by the banks concerned.

The meetings chaired by a joint secretary and attended by a general manager of the central bank and general managers of the NCBs concerned also suggested writing off loans of two Abu Dhabi based companies with the Janata Bank. Sources said these two firms have about Tk 40 crore bad loans with the bank and there is no chance of their recovery.

The meetings also suggested that the banks concerned take punitive actions against the officials responsible for giving loans to such bad companies.

Till September this year, the total classified loans of the banks stood at Tk 24,116 crore, of which the NCBs had Tk 12,412 crore and the DFIs have Tk 6629 crore classified loans.

The NCBs have about 34 per cent of their portfolios classified. According to BB sources, about 10 per cent of the loans which are classified could be reduced by writing them off.

The BB in a circular early this year had observed that the increasing amount of bad loans of the NCBs is

SEE PAGE 11 COL 6

## BSF guns down 5 Bangladeshis

Indian border guards yesterday shot dead five Bangladeshi nationals at the borders near Murshidabad and Thakurgaon, according to wire services.

Two of them were killed when they illegally crossed the border and entered a district near the city of Kolkata, Indian officials there said. The intruders were gunned down when they crossed into the district of Murshidabad through an unfenced zone of the Bangladesh border, area Border Security Force (BSF) chief Rudrapal Singh told AFP.

Singh said the BSF had killed 20 Bangladeshi refugees and arrested another 200 after they crossed into West Bengal state since October. As many as 600 Bangladeshi nationals have been intercepted and sent to prison for crossing into India in the current year.

UNB from Thakurgaon adds: Three persons were killed and another was injured as the Indian Border Security Force (BSF) opened fire on them at Haripur and Baliadangi frontiers early yesterday.

Kamaluddin, 22 and Monwar, 18 were killed on Haripur border and Muhammad Kushiara, 25 on Baliadangi border. They died on the spot. The injured, identified as Baset, received bullet wounds on Baliadangi border.

Indians took away the bodies, which were not returned till yesterday evening.

Last month, India unveiled plans to raise a "special force" to patrol the 2,000-kilometre stretch of border it shares with Bangladesh.

The BSF also plans to raise 34 new battalions to deter the growing refugee influx along India's porous borders with Bangladesh which is unfenced in most places.

## Raising of gas, power & fuel prices protested

STAFF CORRESPONDENT

Different political parties and business organisations yesterday protested the government decision to increase prices of oil, gas and electricity, effective from January 1.

The main opposition party Awami League (AL) said prices of essentials and agri-inputs including fertiliser are already high due to "misrule" of the BNP-led alliance and the government decision will increase miseries of the commonman further.

In a joint statement AL acting president Abdus Samad Azad and its General Secretary Zillur Rahman demanded withdrawal of the decisions and called upon the people to build a movement to resist those.

Convener of Bangladesh Samajtantrik Dal (BSD) Khalequzzaman in a statement said, the BNP-Jamaat government enhanced the prices as per prescriptions of World Bank and IMF, ignoring people's interests.

He urged the people to launch a movement against the 'anti-people' decisions.

The business organisations warned that the price hike will seriously hit the country's industries and exports which have already been affected by the global recession.

The decisions are unjustified before taking proper steps to reduce the huge system loss in gas and electricity supply, they said.

This will seriously affect exports and the manufacturing sector because the producers are already under pressure to cut production costs of goods to

SEE PAGE 11 COL 4

## INSIDE TODAY

Article 4

2001: Unipolarism becomes stark M B Naqvi writes from Karachi

Culture 16

Fashion: Fusion in fashion

	Sun Rises	Sun Sets
Dec 26		5-19 pm
Dec 27	6-40 am	

## Prayer Timings

Dec 26		
	Azan	Jamaat
Fajr	5-30	6-00
Zohr	12-45	1-15
Asr	3-45	4-00
Maghrib	5-25	5-30
Esha	7-15	7-45

Source: Islamic Foundation