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## BUET closed till July 3

### 37 held from DU halls, students ransack JCD leader's room

STAFF CORRESPONDENT

Mounting tension among students and teachers yesterday led the authorities to close the Bangladesh University of Engineering and Technology (BUET) until July 3.

The decision was taken at an emergency meeting of senior teachers of BUET in the afternoon following the killing of a female student on Saturday. Resident students had been asked to vacate their halls by 6:00pm yesterday.

Sadequunnahar Sony, 22, a second year student of level-2, term-2 at the Department of Chemical Engineering, died in crossfire during a shootout between two factions of the ruling BNP-backed Jatiyatabadi Chhatra Dal (JCD) on the BUET campus.

Chaired by BUET Vice-Chancellor Prof. Nuruddin, the meeting was attended by syndicate members, deans, departmental heads, provosts and senior teachers.

The vice-chancellor called the meeting to review the latest situation of the campus. After a long discussion, the meeting decided on the closure of the university until normalcy returns.

Contacted, the vice-chancellor told The Daily Star that the university had been closed due to escalation of violence on the campus. "We can't push our innocent students to an unsafe situation."

Agitating students vandalised and set fire to the rooms of JCD leader Mokammel Hayat Muki and his supporters at Rashid and Ahsanullah halls of BUET Saturday night, said sources.

Students, wearing black badges, brought out a mourning procession on the campus in the morning to protest the killing of Sony. The procession paraded down different city streets to the Jatiya Press Club. They also burnt an effigy of Muki in front of the BUET Administrative Building.

The university yesterday formed a committee to investigate Saturday's gunfight and killing.

Sammilita Nari Samaj formed a human chain at Muktagang in the city yesterday in protest against the killing and brought out a procession, demanding proper investigation into the incident and exemplary punishment to the killers.

Meanwhile, law enforcers in pre-dawn raids on different residential halls of Dhaka University arrested 37 people. Twenty-five were arrested in Zahurul Haque Hall, seven in AF Rahman Hall, four in Mohsin Hall and one in Kabi Jasimuddin Hall.

Backed up by the BDR, police ringed Zahurul Haque, Mohsin, Zia, Salimullah and Jasimuddin halls at about 3:00am and launched a manhunt. They, however, could not nab any of those involved in the gunfight. Nor could the two-hour raid recover any arms and ammunition.

The BDR launched another raid on SM Hall at 5:30am and picked up



BUET students (top) parade down city streets in a mourning procession brought out yesterday in protest against the killing of Sadequunnahar Sony. Four JCD activists with arms and ammunition arrested yesterday in connection with the killing.

## War cloud seems clearing

### India taking steps to cool tension with Pakistan

AFP, New Delhi

Hopes soared yesterday for a de-escalation of tension in South Asia after India confirmed it is taking steps to cool its heated stand-off with Pakistan over Kashmir.

A senior government source told AFP a number of steps to defuse the crisis that has brought the nuclear-ready rivals to the brink of war would be announced within days.

At the same time, Pakistani President General Pervez Musharraf said in an interview published yesterday in Malaysia's New Straits Times he expected a "de-escalation" in hostilities, followed by a dialogue to resolve the long-standing Kashmir dispute between the two arch rivals.

"I think the chance of war is minimal, Musharraf told the newspaper. He said the Kashmir dispute remained an obstacle to peace but the threat of war in the last four or

five days has diminished. The Indian government source, speaking on condition of anonymity, told the wire service that a "menu" of options was available to New Delhi.

These included increasing India's diplomatic representation in Islamabad, lifting a ban on Pakistani aircraft from using Indian airspace and restoring bus and train links.

India pruned its embassy staff and took other punitive measures against Islamabad in December following an attack on its parliament it blamed on Pakistan-based militants.

The source refused to say when India was likely to announce the measures but added, "It is fair to estimate that it will be before (US Defence Secretary Donald) Rumsfeld's arrival," scheduled for tomorrow Tuesday in New Delhi.

US Deputy Secretary of State Richard Armitage announced in Estonia late Saturday

that India had pledged to make "military gestures" and take diplomatic action to ease tensions with Pakistan.

These would be as a gesture of goodwill after Pakistani President General Pervez Musharraf gave a commitment to Armitage he would "permanently" end attacks by Pakistan-based militants on Indian targets.

The government source told AFP, however, it was not likely any military de-escalation would take place until Musharraf's pledges have been verified on the ground.

He added that Indian troops stationed on India's border with Pakistan and along the Line of Control (LoC), the de facto border in Kashmir, would not be demobilised until after the holding of scheduled elections in Indian Kashmir in September or October.

"We cannot trust Musharraf entirely, but we are willing to give this chance," the source said.

On Saturday, Indian Foreign Minister Jaswant Singh described Musharraf's pledge to end infiltration as "a step forward in the right direction," during a telephone conversation with US Secretary of State Colin Powell.

"Its implementation on the ground will be carefully assessed, where after, as Prime Minister (Atal Behari) Vajpayee has already stated, India will respond appropriately and positively," a later Indian foreign ministry statement said.

The shooting down by Islamabad's jets of an Indian spy plane that strayed into Pakistani territory late Friday does not seem to have affected the mood of optimism, said analysts, who expected the incident to blow over quickly -- unless there is a repeat.

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## Bankers involved in creating default culture: Saifur

### Body soon to deal with problems

UNB, Dhaka

Finance Minister Saifur Rahman yesterday said a high-powered committee would be formed soon to find means of mitigating the nagging problem of default loans, for which he blamed some bankers.

"Some bankers are involved in creating the default culture," he told a meeting with top central bank executives in the finance division conference room.

The amount of classified loans of the NCBs soared to Tk 12,227 crore in 2001 from Tk 5,953 crore in 1995.

Saifur Rahman asked Bangladesh Bank officials to ensure payback before lending out public money, according to sources close to the meeting.

Bangladesh Bank Governor Dr

Fakhruddin Ahmed, deputy governors and executive directors attended the meeting where Saifur expressed his dissatisfaction over the performance of Bangladesh Bank, especially of its high officials. He criticised the officials for presenting inappropriate statistics of foreign exchange transactions that were less than actual figures. He asked them to project how much Bangladesh imports and exports in real sense.

There is a much-debated problem in the balance-of-payments account that the export figures of Bangladesh Bank and the Export Promotion Bureau (EPB) always maintain a big difference. To balance the account, the central bank treats the differences as errors and omissions.

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## PDB, DESA, BPC blamed for 86 pc of SOE losses

STAFF CORRESPONDENT

The Power Development Board (PDB), Dhaka Electric Supply Authority (DESA) and Bangladesh Petroleum Corporation (BPC) together accounted for 86 per cent of the total losses incurred by all state-owned enterprises (SOEs) in fiscal 2000-2001.

World Bank (WB) Country Director Frederic T Temple said this at a seminar on 'Energy Subsidies in Bangladesh: Magnitude and Beneficiaries', held at the auditorium of Dhaka Chamber of Commerce and Industry (DCCI) yesterday.

"BPDB has lost around Tk 5 billion and DESA Tk 2.8 billion annually in the last two years. BPC has lost over Tk 13 billion annually," Temple said in his keynote paper.

As per the Bangladesh Economic Review 2002, 40 SOEs incurred a loss of around Tk 26.59 billion in FY 2000-2001.

Temple also said that the amount of net cash subsidy on Petrobangla's affiliated gas distribution companies, PDB and DESA in fiscal 2001-2002 is estimated to be Tk 33 billion, equivalent to 1.2 per cent of the GDP.

"The distribution of the subsidies due to inefficiency and poor governance in the gas and power distribution systems are undoubtedly highly inequitable," the WB official said.

Temple suggested withdrawal of subsidies from the energy sector in phases. "If the government decides to maintain energy subsidies, they should be made more transparent, explicit and a funding mechanism should be identified," he said at the seminar jointly organized by the DCCI and the World Bank.

While the WB country director made such observa

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## Budget pushes up prices of essentials

STAFF CORRESPONDENT

Prices of some essentials on the retail market have already gone up and wholesalers are planning to hike the prices of some items due to higher duties proposed in the new budget.

Non-canned soybean oil has shown the highest price hike, as it rose by Tk 14 per litre on the retail market. The price of non-canned soybean oil climbed to Tk 44 from Tk 30 a litre, the pre-budget price, said some traders.

By contrast, the prices of canned soybean oil in different brands increased by Tk 2 per litre. The five-litre can of soybean oil now sells at Tk 225, which was priced at Tk 215 before the announcement of budget.

The traders set down the price hike of soybean oil to the increased import duties and an increasing trend of prices on the international market.

The price of iodised salt also increased by Tk 50 a carton of 25

one-kg bags. One kilogram iodised salt previously priced at Tk 9 now sells at Tk 10, the traders added.

The prices of different pulse varieties also increased by Tk 2 per kg. The prices of best-quality pulse went up to Tk 40 per kg from Tk 38.

The price of sugar also increased by Tk 1 per kg. At Karwan Bazaar, per kg sugar sells at Tk 33 instead of Tk 32. However, the traders said the prices may slide, as the government lifted the restriction on sugar import.

Although the prices of other items are unchanged, the wholesalers apprehend that the prices of many would increase due to additional duties.

Some traders at Karwan Bazaar said the prices went up on the retail market only because of rumour.

"Some unscrupulous traders always try to hike the prices of essentials whenever they get chance," alleged Mujibur Rahman, a wholesaler at Karwan Bazaar.

Those traders hiked the prices in

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Bang...Japanese midfielder Junichi Inamoto (L) blasts the ball home as a hapless Russian goalkeeper Ruslan Nigmatullin looks on at Yokohama International Stadium yesterday.

## INSIDE TODAY

Article 4  
First war between the nuclear rivals: Awaiting only a spark!  
Column: Perspectives  
M Abdul Hafiz

Business 6 & 7

Computer prices shoot up 20pc on budget proposal  
S'pore faces challenge to loosen grip on economy

	Sun Rises	Sun Sets
June 10		6-46 pm
June 11	5-10 am	

### Prayer Timings

June 10		
	Azan	Jamaat
Fajr	4-15	4-45
Zohr	12-45	1-15
Asr	5-00	5-15
Maghrib	6-49	6-54
Esha	8-15	8-45

Source: Islamic Foundation

## 'Budget to boost housing sector'

MONJUR MAHMUD

Real estate and housing companies are hoping for a healthy environment in the sector in coming days due to withdrawal of VAT and reduction of registration fee for apartments in the proposed budget.

But the construction cost would go up by at least 10 per cent because of tax increase on building materials, they said.

Tariff on brick has been increased by 50 per cent for which price of brick may go up by 15 per cent. Customs duty on cement clinker import has been increased to 22.5 per cent from 15 per cent and 30 per cent duty has been imposed on fly ash. Besides, supplementary duty on GI pipe has been increased to 30 per cent from 7.5 per cent.

However, the 2.5 per cent supplementary duty on cement import has been withdrawn.

According to some owners of brick fields, price of brick may be refixed at Tk 3.75 per piece from Tk 3.25 now. "Brick price will go up by at least 15 per cent," said one of them. Cement manufacturers said price of a 50kg cement bag will go up by at least Tk 10 because of the duty hike. "The country has a limestone mine but due to high extraction cost, it is not commercially viable and the only basic cement company -- Chatak Mill -- imports limestone," said Md Azizur Rahman, an official of Bangladesh Cement Manufacturers Association (BCMA). "So the argument behind such duty increase is not viable and the measure also does not aim at encouraging use of local raw material," he said.

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## Turks in tatters

REUTERS, Incheon

If World Cup matches lasted 85 minutes Turkey would be odds-on to reach the second round with four points in the bag and a game against China to come.

But the last five minutes in their first two games have proved very costly and, instead, they have just a single point and are hoping Brazil can do them a favour by beating Costa Rica in their final group game on Thursday in Suwon.

Sloppy defending yesterday allowed Costa Rican substitute Winston Parks to earn his country a precious point with a close-range goal in the 86th minute of the group C game, cancelling out Emre Belozoglu's 56th minute opener.

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## Japan jinx over

REUTERS, Yokohama

Junichi Inamoto is the hero of Japan, scoring the winner as the co-hosts beat Russia 1-0 yesterday after a storming second half to record their first ever victory in a World Cup finals.

The midfielder, who scored in Japan's opening 2-2 draw with Belgium, fired high into the net from close range after 51 minutes to send the 66,000 crowd at Yokohama's huge International Stadium into raptures.

The deserved victory -- midfielder Hidetoshi Nakata also hit the bar with a pleydriver -- lifted Philippe Troussier's side to the top of group H and kept them on course to reach the second round for the first time.

Troussier thought his side deserved their victory and said he was now confident of progressing in the tournament. "It was an extraordinary match

against a very good team who came to win," he said. "We saw a great Japanese team and as far as the match was concerned, our victory

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# DHL Spec Report

# Grameen Match Report