

TRI-NATION PIPELINE
Dhaka still in
the dark about
Delhi talks

UNB, Dhaka

Bangladesh is yet to know the outcome of the bilateral meeting between India and Myanmar, held early this month, on the proposed tri-nation gas pipeline project, Advisor to the Energy Ministry Mahmudur Rahman yesterday said. He said: "We don't know what was the outcome of the bilateral

Kader Siddiqui
withdraws
support to
Oikya Mancha

STAFF CORRESPONDENT

Krishak Sramik Janata League (KSJL) chief Kader Siddiqui MP yesterday announced withdrawal of support from the Jatiya Oikya Mancha accusing Dr Kamal Hossain, initiator of the platform, of involving in

Polls violence may harm economy

IMF warns govt

REJAUL KARIM BYRON

Political confrontations in the run-up to the next general election may hinder the government's reform programmes, scaling up inflation and adversely affecting the country's growth, apprehends International Monetary Fund (IMF). In a yearly review report released early this week the IMF observes, "The medium-term prospect also hinges on the authorities' commitment to ensure that reforms do not falter in a politically difficult environment." The IMF board on June 29 discussed and finalised the Article 4 review of Bangladesh's overall economic state and progress made in the reform programmes.

The other downside risks to the country's economic outlook for the next four fiscal years, the report says, are the unfolding post-MFA (Multi-Fibre Agreement) shock,

higher-than-expected imports for flood-related reconstruction and a further surge in international oil prices.

The report projects, if reforms are continued with, the GDP growth rate may rise from the current 6 percent to 6.5 percent over the next four fiscal years. On the other hand, if the reform programmes falter, the rate may slide to 5 percent over the same time.

Inflation situation also depends on the continuation of reforms. If reforms are continued, inflation may go down from the last fiscal year's 6.5 percent to 4 percent by FY 2008-09 and, if not, it may rise to as high as 6.8 percent this fiscal year and remain over 6 percent until FY09.

In the fiscal sector, the IMF observes, failure to pursue a vigorous reform agenda in tax administration will cause revenue-to-GDP ratio to decline somewhat over the

next four fiscal years, leading to a higher overall budget deficit and squeezing the expenditures for poverty reduction.

Other likely negative impacts of the slowed down reforms include a decline in donor support, a languishing export growth, and trade and current account deficits. As a result, the foreign exchange reserve by FY09 will dip so low that it will be unable to cover even two months' import costs, exposing the country to a heightened risk from external shocks.

The IMF also predicts that if the overall fiscal deficit rises and external financing declines, it will put pressure on domestic financing of the budget, inducing inflation and forcing the banking system to curtail lending to the private sector.



Students and guardians coming for collecting admission forms for class xi wait anxiously on the premises of Viqarunnisa Noon School and College yesterday.



A mobile court staff seizes containers from a fake mineral water factory at Mohakhali in the capital yesterday as the drive against producers and sellers of adulterated food items continued.

Fake mineral
water factory
sealed off

Edible oil trader fined

STAFF CORRESPONDENT

A mobile court yesterday collected Tk one lakh in fines for the sale of unapproved edible oil and the court also sealed a mineral water factory in Mohakhali.

Another team of the Dhaka City Corporation (DCC) yesterday raided four fast food shops and a Chinese restaurant and collected Tk 15,400

US rejects idea
of targeting
religious sites

UNB, Dhaka

Denouncing one of its lawmaker's view as an "anathema to American ideology", the United States "unequivocally" rejected the idea of targeting Makkah or any other civilian or religious site by anyone.

50 Taliban killed in Afghan fighting

REUTERS, AFP, Kandahar

US and Afghan forces have killed up to 50 Taliban fighters in attacks in the central province of Uruzgan, the provincial governor said yesterday.

A major Taliban ammunition depot was destroyed during the fighting late on Monday in Deh Rawud district of Uruzgan and 25 Taliban guerrillas were captured, Uruzgan's Governor Jan Mohammad Khan told Reuters.

"We have suffered some losses too, but I do not know how many," he said. "Between 40 and 50 Taliban men died in the fighting and bombing."

The raid, confirmed by US and Taliban sources, took place in the Deh Rawud district of Uruzgan, the province where one US soldier was killed Monday in heavy fighting that also left an Afghan serviceman and 11 insurgents dead.

In Monday's fighting 15 to 30 insurgents had fired on a US-Afghan military patrol with guns, mortars and rocket-propelled grenades, the US military said. Three American soldiers and an Afghan soldier were

wounded. Striking back overnight, US troops and Afghan soldiers and police launched a three-pronged raid on a major Taliban base "which was supplying weapons and men for Helmand, Zabul and Uruzgan (provinces)," said Khan.

"We found a big number of weapons, even heavy weapons," he said. The three southern provinces form part of a swathe of southern Afghanistan where Taliban insurgents have stepped up raids on US and Afghan government targets in recent months. Hundreds of people have been killed.

Taliban spokesman Mullah Abdul Latif Hakimi admitted the raid was a blow for the militia, who have been waging a guerrilla campaign since they were ousted from Kabul by US-led forces in the wake of the September 11, 2001 attacks.

"Our main and most important base in Uruzgan was totally destroyed by a US bombardment last night," he said although he

BRAC BOMB Galib, 18 others relieved of charge

OUR CORRESPONDENT, Gaibandha

A Gaibandha court yesterday relieved 19 persons, including Asadullah Al Galib, chief of Ahab, and his three associates of the charges stemming from the Mohimaganj Brac office bomb blast case.

Out of a total of 21 persons in this case, two charge-sheeted accused are still under trial on charges in the bomb blast incident. Galib and his associates could not be released as they are shown as the main accused in a Takier bazar bomb blast incident under Plashbari Upazila.

Galib was taken from Naogaon prison to Gaibandha jail on July 25 amid tight security. He was produced before Gaibandha court yesterday at

11:30am and was stayed in the dock for 20 minutes, where he looked shattered. Supporters and activists of Ahab surrounded the court compound, hoping to see their leader.

The persons released from the charge are: Asadullah Al Galib, Chief of Ahab; Abdus Salam Salafi, Principal of Al-Salafi Dakhil Madrasha; Nurul Islam of Gangni Degree College and SM Azizullah, Organising Secretary of Ahab, as well as 15 other inhabitants of Gaibandha district.

On February 10, two high-powered bombs blasted at the Mohimaganj BRAC office, injuring three persons. The front part of the office was damaged in the first blast.

Gobindaganj Thana police filed a

Power supply restored in Ctg

STAFF CORRESPONDENT, Ctg

Power supply returned to normal in the port city yesterday afternoon, after four days of severe outage resulted from technical faults in two transformers at Khulshi substation.

The engineers of Power Development Board (PDB) were able to repair the second transformer at 6:20am yesterday and restored power supply at around 4:45pm.

PDB Chief Engineer of Chittagong Region Quazi Bashiruddin Ahmed, however, claimed that they restored power supply in most areas at around 2:30pm.

An unprecedented power crisis hit the city after two transformers at Khulshi substation tripped at 2:00pm on Saturday.

The PDB engineers repaired one of the transformers about 10 hours after the accident to restore supply on a limited scale. More than 60 percent areas of the city was affected by the outage.

Drop charges against 5 Kushtia journos

Asks int'l journalist body, seeks SC intervention

STAFF CORRESPONDENT

The International Federation of Journalists (IFJ), the global organisation representing over 5,00,000 journalists worldwide, on Monday called for the Supreme Court of Bangladesh to resist political pressure, after five journalists critical of the ruling BNP were implicated in extortion.

The journalists from Kushtia surrendered to the Court on July 23 and were granted interim bail by Justice Abdur Rashid and Justice M Fazlur Rahman of the High Court Division of the Supreme Court after they pleaded innocent to the charges and argued the case was politically motivated.

The journalists are Gazi Mahbub

Rahman, editor of local daily Aker Alo, and Acting Editor Jamaluddin Haideri; Tariqul Huq Tariq, correspondent of daily Prothom Alo, Shamsul Alam, correspondent of Aker Kagoj, and Hassan Zahid, staff correspondent of Manabzamin.

The journalists told The Daily Star that they have taken refuge in the capital, leaving their working place for more than one week, fearing assaults.

"The IFJ stands in solidarity with the five Bangladeshi journalists and demands the criminal charges against them be immediately dropped," said IFJ President Christopher Warren.

"This case must not be used as a political tool to punish journalists

Illegal structures demolished to ease DND waterlogging

STAFF CORRESPONDENT

Authorities yesterday started drive to demolish illegal structures from the drainage canals in Dhaka-Narayanganj-Demra (DND) area to ease flow of logged water there.

SEE PAGE 15 COL 1

Sacked Nepal PM Deuba jailed for graft

AFP, Kathmandu

Nepal's anti-graft commission yesterday sentenced former prime minister Sher Bahadur Deuba to two years in prison for corruption over a road contract, officials said.

Deuba, who said he would challenge the verdict, was sacked as

Outlaws threaten to kill Khulna journalist

STAFF CORRESPONDENT, Khulna

Munshi Abu Tayeb, Khulna bureau chief of Dainik Lokshamaj published from Jessore town, has been threatened with death by militants of outlawed Jihadi Party.

They also threatened to blow up the Khulna bureau office of the daily

Prayer Timing		
July 27		
	Azan	Jamaat
Fair	4-20	4-55
Zohr	12-45	1-15
Asr	5-00	5-15
Maghrib	6-50	6-55
Esha	8-15	8-45

Source: Islamic Foundation



The road adjacent to the north side of Baitul Mokarram mosque remains half occupied from 3:00pm to 6:00pm yesterday as All Party Madrasa Chhatra Oikya held a rally there demanding a separate "Arabic Islamic university".

Dollar price hits Tk 66.7

STAFF CORRESPONDENT

The price of US dollar for import continues to increase, rising by Tk .20 in a day to hit Tk 66.70 yesterday. In the inter-bank foreign exchange market too, taka is consistently losing against the greenback. Here the dollar price climbed to Tk 64.95 yesterday, increasing by Tk .05 from Monday.

The unrestrained hike will see many import-dependent essentials including rice and flour getting dearer, further pushing up the inflation, bankers said.

Till May in the last fiscal year, 33 lakh metric tons of rice and flour was imported and still more is in the import pipeline by both the government and the private sector.

Bangladesh also has to meet its demand for fertiliser and raw materials to a great extent by import. The current dollar price hike will make