

eign currency deposits (\$22 billion). India has an external debt of \$98 billion. The options under consideration include prepayment of high cost commercial loans from the foreign currency reserves or borrowing against the foreign currency deposits.

No rollback: FM

FINANCE minister Yashwant Sinha categorically told industry that there would be no rollback of dividend tax. He said any rollback in this area would erode all Budget credibility as the real challenges would raise their head only now after the din had died down.

India unhappy with Pak visit

INDIA HAS reiterated its unhappiness with US President Bill Clinton's decision to visit Pakistan while Islamabad was quick to reinforce the argument that the visit would indeed signal US support to the military regime. The decision had clearly dismayed India because it demolished at one stroke the carefully-built Indian strategy for isolating the military regime in Pakistan in the international community.

WORLD

NATION

TU Act to be amended

IN A move aimed at removing labour market rigidity and increasing the comfort level of industrial establishments, the Union Cabinet has decided to amend the 1926 Trade Union Act for reducing the number of unions and increasing the number of persons required to register a union from a mere seven to 10 per cent of the labour force.

Naveen sworn in

BJD-BJP alliance leader Naveen Patnaik was sworn in as the 21st chief minister of Orissa. Governor MM Rajendran administered the oath of secrecy and office to Mr Patnaik and 24 ministers in a crowded ceremony at Raj Bhawan. Mr Patnaik took charge of the state on the 80th anniversary of his father late Biju Patnaik.

RSS order withdrawn

YIELDING TO intense pressure from the allies of Mr Vajpayee as well as the Opposition and signalling an end to the eight day long stand off in Parliament, the Gujarat government withdrew its controversial order allowing government employees to participate in RSS activities. Predictably, the Opposition, especially the Congress, was ecstatic about the development and dubbed it as a victory for secular forces.

Govt options to cut debt

THE GOVERNMENT is considering various options to reduce the external debt burden, backed by comfortable foreign currency reserves (\$34 billion) and burgeoning for-

Clinton to visit Pak

AFTER agonising over the issue for weeks, the White House has decided that President Bill Clinton will stop over in Islamabad for a few hours and will confer with military leader Gen Pervez Musharraf, senior diplomatic sources said.

Cherie to claim damages

CHERIE BLAIR, wife of British Prime Minister Tony Blair, is claiming about 15,000 pounds damages after publication of extracts from her former nanny's accounts of her time with the family. Her high court claim is against The Mail on Sunday, nanny Rosalind Mark and literary agent Jonathan Harris, an official spokesman said.

Harrods plans legal action

HARRODS department store owner Mohamed-al-Fayed began legal action to try to stop a newspaper from publishing further extracts from a book about his son Dodi-alFayed and Diana. The book was written by Trevor Rees-Jones a bodyguard for Dodi and Diana in the days before their deaths in a Paris car crash in 1997.

Russia ready for Nato

ACTING Russian President Vladimir Putin stunned Moscow's political elite by suggesting in a BBC interview that Russia is ready to join the western military alliance NATO under the right circumstances. We believe we can talk about more profound integration with NATO, but only if Russia is regarded as an equal partner, Putin told BBC interviewer David Frost.



U.S. lowers flag over canal

PANAMA CITY: The U.S. lowered its flag over the Panama Canal late on Thursday in a ceremony brought forward one day at the request of the U.S. embassy (picture shows a U.S. soldier handing over the lowered flag to a Panamanian soldier). The U.S. asked to move forward the flag-lowering, originally scheduled for midday on Friday to preempt possible disruption of the ceremony by demonstrations, an official at the Panamanian Foreign Relations Ministry said. The



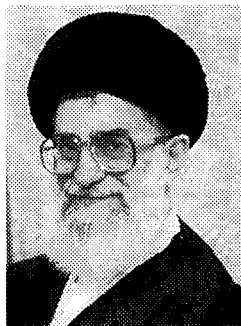
flag-lowering took place hours after the change of timing was announced. In a brief ceremony attended by the President, Mireya Moscoso, the stars-and-stripes was lowered and carried by two U.S. soldiers over to where the U.S. ambassador, Mr Siom Ferro, was watching the ceremony. Two members of Panama's presidential police raised in its place a large Panamanian flag. The change over of sovereignty is legally in force from midday on Friday. Officials said Mireya Moscoso will again raise the Panamanian flag in a ceremony later, after which a 21-gun salute and ships' sirens will sound out across strip of water linking the Atlantic and Pacific oceans. — AFP

Pak. serial killer surrenders

ISLAMABAD: The Pakistani serial killer who confessed to have sodomised and killed 100 children dramatically surrendered in a newspaper office late on Thursday after the police failed to nab him despite launching a month-long countrywide hunt for him. Javed Iqbal, believed to be in his late 30's, showed up at the Lahore office of *Jung* and the news dailies and after giving an interview to them, asked to be handed over to the authorities even as the police was holding a press conference announcing the arrest of two of his accomplices and claiming that very soon they would nab him. The surrender came as another embarrassment for the police which was under immense pressure from the public after the macabre killings came to light last month through Iqbal's hand-written confessions saying he had killed 100 children and then destroyed their bodies in acid-filled drums. — PTI

Call for Israel's destruction

TEHERAN: Iran's supreme leader, Ayatollah Ali Khamenei (in picture), on Friday categorically rejected any peace or compromise with arch-enemy Israel and called for the destruction of the Jewish state. Khamenei said there was "only one solution" to the West Asia conflict and that was the "dissolution" of the state of Israel and the declaration of a Palestinian state. "Peace has no meaning as long as an enemy occupies the homeland of millions of Palestinians," he said during weekly prayers at Teheran University to mark a day of anti-Israel protests known as "world Jerusalem day". "There is only one solution and that is the dissolution of the Israeli regime and the declaration of a state for the Palestinian people," he said. Khamenei also denounced the Palestinian leader, Mr. Yasser Arafat, for pursuing peace talks with the Israelis. — AFP



World braces for China's odd gift

LONDON: In what appears to be a diplomatic gaffe of epic proportions, China said on Thursday it would present pieces of paving stone from Tiananmen Square, site of the 1989 massacre, to 170 world leaders, including Queen Elizabeth and the U.S. President, MP Bill Clinton. The official *Beijing Evening News*, citing the Xinhua state news agency, said 4-inch-wide slabs from the square where hundreds of students died are to be presented to the heads

of state of all countries with which China has diplomatic relations by the Chinese Association for the Study of National History. Foreign Ministries around the world immediately sought to confirm the reports. Some said that, if true, it would be a diplomatic nightmare as it would be next to impossible to accept such a gift. British, French, German, American, South African and Indian officials all said that neither their capitals nor their Beijing embassies had been informed of their Millennium presents. — ©Telegraph Group Limited, London, 1999

Pak hand confirmed

THE GOVERNMENT on Thursday announced the arrest of four accomplices of the Pakistani hijackers in Mumbai, unearthing evidence of what the home minister called the "neck deep involvement" of Islamabad. The police also recovered photographs of the five hijackers from the arrested men.

Delhi train blast

IN ALL 22 people were hurt when a bomb exploded in a train at the Old Delhi railway station on Thursday evening. Two persons were arrested and the hand of Kashmiri militants cannot be ruled out.

Tibetan lama flees to India

IN A MAJOR embarrassment to the Chinese government, the 17th Karmapa Lama Ugyen Trinley Dorje, head of one of the four sects of Buddhism, has apparently fled into India with a band of monks, trekking from Tibet. The 14 year old lama had been promoted by the Chinese establishment as a counter to the Dalai Lama.

Gujarat lifts RSS ban

THE GUJARAT government lifted a 14 year old ban on government employees joining the Rashtriya Swayamsevak Sangh. This does not apply to IAS, IPS and Forest Service officers, as the all India service rules still ban that.

WORLD

Masood tirade in Pak

MASOOD Azhar, surfacing in Karachi after Pak authorities denied he was in the country, vowed to "liberate" Kashmir from India. "They are preparing for their next assault" he said, referring to the five hijackers who he said have returned to India.

US tells Pak to try Masood

THE US on Friday joined hands with India in stepping up pressure on Pakistan to prosecute militant leader Maulana Masood Azhar. The State Department spokesman said that the US would hold Pakistan responsible for Masood's activities. Earlier in the week, it was revealed that a Pakistan embassy official in Nepal was running a counterfeit Indian currency racket.

Hillary moves out

HILLARY Clinton moved into her new house on the outskirts of New York at Chappaqua (the Clintons' first private house in 17 years) over the weekend. She will stay there as part of the run-up to the elections to the Senate from the state.

Michael Douglas to wed

MICHAEL Douglas finally proposed to Welsh actress Catherine Zeta-Jones over the millennium weekend. The couple -- who have a 25 year age gap (she is 30) plan to marry in her village in Wales. She will, however, sign a pre-nuptial agreement -- Douglas had to pay \$77 million to his first wife Diandra when they divorced.

NATION

Kargil panel report given in

THE KARGIL review committee set up last July to go into the events leading up to the aggression by Pakistan in the Kargil sector presented a 2000 page report to the Prime Minister on Friday. But the information will not be made public. The panel is said to have been critical of the multiplicity of agencies involved in security and intelligence and was said to have concluded that intelligence operations along the LoC were inadequate.

Samata-JD(U) merger stuck

THE MERGER of the constituents into the JD(U) failed to take place on Thursday owing to differences between Sharad Yadav and George Fernandes on seat adjustments in the Bihar polls.

18 killed in Srinagar blast

EIGHTEEN people including four security personnel were killed in a landmine blast at the crowded Subzi Mandi near Batmaloo bustand in the heart of Srinagar on Monday morning. More than 30 people were also injured in the blast. The crude bomb was hidden in a vegetable cart.

Dara's trusted lieutenants, Jagannath Munda, who was his bodyguard. Another accomplice, Trinath managed to escape.

Meira resigns from Cong

SENIOR CONGRESS leader Meira Kumar Resigned from the Congress Working Committee and the primary membership of the party in an apparent show of displeasure at being left out of the parties activities. She made her decision known to party president Sonia Gandhi in a letter.

Clinton arrives on March 20

US President Bill Clinton is coming to India on a unprecedented five-day visit which is likely to make India's valuation soar. He will arrive here on March 20, on the day of Holi, and by the time he leaves on March 25, India will have made a splash on the global media. While Mr Clinton's entourage is still being worked out it will certainly include a large business delegation.

Ustad Allah Rakha dead

TABLA WIZARD Ustad Allah Rakha, who won the heart of millions with his magic fingers over the past six decades, died in Mumbai. He was 81.

Ex-Orissa AG convicted

FORMER advocate-general of Orissa, Indrajit Ray, was convicted to three years rigorous imprisonment by a sessions court in Bhubaneswar in the sensational Anjana Mishra molestation case. Mr Ray was also fined Rs 5000 under Sections 376/511 (attempt to rape) and 354 (outraging modesty) of the Indian penal code.

WORLD

257 killed in 2 air crashes

RESCUERS pulled 74 bodies out of the sea off Ivory Coast after a Kenya Airways crash in which as many as 169 are feared to have died. The Airbus 310 en route to Nairobi via Lagos with 179 people on board came down minutes after taking off from Abidjan International Airport. In another crash, an Alaska Airlines jet carrying 88 people plummeted into the Pacific Ocean..

US fears terrorist threats

IN A remarkably sobering assessment of the threats facing the US, CIA director George Tenet told a Senate committee that growing resentment of American power plus new technologies must mean that US had become a lightning rod for the disaffected. Pakistan is now one of the breeding grounds for extremists and Saudi dissident Osama Bin Laden is still the foremost among terrorists, Tenet warned

Violence at Davos meet

POLICE USED tear gas and fired warning shots in an effort to disperse more than 1000 anti-free trade activists at a gathering of the world's political and corporate elite. in Davos. Two policemen were injured when some of the protestorsbroke windows.

NATION

Dara Singh arrested

A YEAR after the gruesome murder of Australian missionary Graham Stuart Staines, the Orissa police nabbed key suspect Dara Singh, alias Ravindra Pal Singh, from a deep forest on the Mayurbhanj-Keonjhar border. Police also arrested one of

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Abdullah happy with offer

JAMMU and Kashmir chief minister Farooq Abdullah said the offer of talks on autonomy resolution by Prime Minister Atal Bihari Vajpayee "is a positive development." The Centre has appreciated importance of discussions on this autonomy resolution passed by the Jammu & Kashmir Assembly and invited me for dialogue on the issue," Abdullah said at a rally organised by his national conference here to pay homage to 1931 martyrs here.

Khurana to float forum

VIRTUALLY sidelined by the party high command for quite sometime, senior BJP Leader and former Union minister Madan Lal Khurana announced floating of an apolitical forum to raise "important" issues he cannot bring before party fora.

Japan PM to visit India

Japanese Prime Minister Yoshiro Mori is likely to visit India and Pakistan in the latter half of August to persuade them to sign the Comprehensive Test Ban Treaty (CTBT), government sources have said. The visit, however, is not confirmed as the Japanese government is weighing the pros and cons of Mori's possible visit to the neighbouring nation as Tokyo has imposed and maintained sanctions on the two after they conducted nuclear tests in May 1998, sources added.

WORLD

Fiji hostage release lauded

FIT'S powerful Pacific neighbours welcomed the release of deposed Prime Minister Mahendra Chaudhry and 17 other hostages taken by rebels. But they refused to remove the threat of sanctions if Fiji does not return to democracy. "Over the past seven or eight weeks most of us have wondered whether the hostages would emerge unharmed and alive," New Zealand foreign minister Phil Goff said.

100 die in Nigeria fire

MORE than 100 charred bodies, many of the children in school uniforms, lay scattered among burned palm and rubber trees after a damaged gasoline pipeline exploded in southern Nigeria, killing villagers who were scavenging fuel with buckets and chamber pots. The death toll was expected to climb. About 100 villagers were seriously injured, 100 others were reported missing, witnesses and state television said.

US-Sino ties positive

US defence secretary William Cohen painted a bright picture of US-China relations and said the state department officials were working with Chinese officials to resolve the differences on the question of Chinese missile transfers to Pakistan. US-China relations were important to keep regional and global stability, Cohen told reporters.

Sonia raps media

FACING internal dissidence, Congress president Sonia Gandhi, charged the media with a 'deliberate focus' on the development in the party while "suppressing and ignoring" problems and weaknesses of the BJP-led government and other parties. "I think in other parties there are many, many problems and weaknesses. They are not taken up as forcefully as they ought to be," she told reporters after a meeting of the

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ment if it was not extended to the Naga-

Russia keen on pact

RUSSIA expressed its keenness to collabo- rate with India in the booming infotech and telecom sector, especially with regard to satellites, electronic components, telecom equipment, software and IT-enabled ser- vices. A.P. Mamonov, head of department of information, Russian ministry of com- munications said, "Russia has identified it and telecom sectors as one of the key areas of joint co-operation with India".

PM surgery on Oct 10

PRIME minister Atal Bihari Vajpayee would undergo a knee replacement surgery of the left knee at the Breach Candy hospital on October 10, Union minister for informa- tion technology Pramod Mahajan has said. The Prime Minister will be operated upon by the New York-based renowned orthopaedic surgeon Dr Chittaranjan Ranawat, Mahajan told reporters here.

IT raids on Bollywood

INCOME tax authorities today raided premises of several film personalities, including Salman Khan and Aishwarya Rai, in the metropolis, a senior IT official said here. A team of 150 IT officers, supported by 60 policemen, are also carrying out searches at the residences of Rani Mukherjee, Urmila Matondkar and Amritha Puri.

WORLD

Greek ferry sinks

AT least 48 people died and a desperate search was underway for 34 missing after a Greek ferry struck a rocky islet and sank off the holiday island of Paros. The coast guard said the death toll had risen to 48 as res- cuers continued searching after an all-night air and sea operation guided by flares. Survivors described a night of terror in which they were hurled into dark waters, clutching life vests and floating debris till rescuers came to them..

UK farmers plan stir

FARMERS threatened to break a 60-day truce over fuel protests on Wednesday, say- ing they would consider targeting rail net- works, motorways or ports if the govern- ment failed to act swiftly over high petrol costs. The farmers said speeches by Prime Minister Tony Blair and Chancellor of the Exchequer (Finance Minister) Gordon Brown at this week's ruling Labour Party conference had failed to address farmers' concerns and had fanned dissent.

Clinton flays Milosevic

PRESIDENT Bill Clinton said it was increas- ingly clear that Yugoslav President Slobodan Milosevic has "lost the last vestige of legiti- macy" after national elections. In a speech at Georgetown University's Law Centre, Clinton said the voting was marred by wide- spread irregularities but still "it does seem clear that the people have voted for change".

Twist to Chhota Rajan case

THIRTEEN after escaping a bid on his life, injured and pale-looking underworld don Chhota Rajan refused to identify the alleged attackers in a court here, even as he was formally charged and granted bail in a case relating to violation of immigration laws. Rajan was brought to the southern bangkok criminal court on a stretcher hooked onto glucose bottles with heavily-armed security- men forming a ring around him.

CMS oppose ceasefire

PRIME Minister Atal Bihari Vajpayee dis- cussed the insurgency situation in the northeast with chief ministers of Assam, Manipur and Arunachal Pradesh who opposed the NSCN(IM) demand to extend the ceasefire agreement to Naga-inhabited areas of these states. The meeting comes in the backdrop of NSCN(IM) threat to walk out of the three-year old ceasefire agree-

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