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DSE suspends 2 members, fines them Tk 20000 each

By Shamsur Rahman
In an unprecedented move, the Dhaka Stock Exchange (DSE) yesterday suspended two of its members and fined them Tk 20,000 each for 'unethically' using a broker's 'workstation' from the office of a listed company -- Olympic Industries. DSE would also issue a notice to the company asking it to explain how they got access to that computer network. The council at an emergency meeting yesterday reviewed the issue and suspended MS Shafrinaz Begum and Company and Hemayetuddin Ahmed and imposed a penalty of Tk 20,000 on both of them for unethically See Page 12 Col 8

US forces converge in the Gulf Attack on Iraq imminent

WASHINGTON, Nov 12: Mustering for a possible attack on Iraq, US forces began to converge in the Gulf today as Saddam Hussein defied demands that he submit to UN arms inspections, reports Reuters. President Bill Clinton said he was ready to use force to compel Baghdad to stop obstructing the operation to find and destroy its nuclear, chemical or biological weapons. Prime Minister Tony Blair of Britain, Washington's staunch ally, warned today that Saddam's time was running out. The next step is action if he is not prepared to come back into compliance with his word," he said. "He has carried on fabricating evidence, telling lies about his programme, attempting to prevent the inspectors doing their work... we cannot allow such a situation to happen." Arab nations and UN Security Council member Russia said they opposed any use of force but diplomats predicted a military strike could be unleashed as early as next week. Council members late on Wednesday backed an appeal by Secretary General Kofi Annan for Iraq to reverse its decision to block weapons inspectors. Annan was to return to New York today after interrupting a trip to North Africa and was expected to brief the Security Council. An Iraqi official said a diplomatic solution was possible if Annan negotiated directly with Baghdad. "This chance could be achieved only if somebody moves, if some diplomacy moves," Iraq's ambassador to the United Nations, Nizar Hamdoun, told BBC radio. See Page 12 Col 7

Land boundary accord signed with Myanmar

Bangladesh and Myanmar signed a long-awaited land boundary agreement in Yangon yesterday, according to a message received in the city yesterday, report agencies. Azad and his Myanmar counterpart U Ohn Gyaw signed the agreement on behalf of the respective governments at the Myanmar Foreign Ministry. Azad flew into Yangon from Tokyo on Wednesday on the final leg of his three nation Asian tour. Bangladesh has a 197-mile border with Myanmar, formerly Burma. The agreement was the outcome of years of negotiations between the survey departments of the two countries. The signing of the treaty was followed by official talks between the two foreign ministers. The talks covered the entire See Page 12 Col 1

Cantt house was given to Khaleda illegally: Nasim

By Staff Correspondent
The minister did not specify what measures the government would take if the BNP chairperson does not vacate the House. But he reminded her of his duties in such cases. "It is our responsibility, as an elected government, to recover public property from illegal occupiers." The minister spoke after the BNP members staged a walkout protesting the Speaker's decision to allow the minister to make a statement on the Private Members' Day, Thursday. Earlier, when Speaker Humayun Rashid Chowdhury called Mohammad Nasim to make the statement, Chief Whip of the Opposition Khandaker Delwar protested on a point of order. Quoting rule 25 of the JS Rules of Procedure that says 'On Thursday, Private Members' Business shall have precedence', Delwar said a minister cannot be allowed to make a statement on the Private Members' Day. But the Speaker turned down his contention arguing that the rule says about 'precedence of the private members. It did not say that a minister cannot make a statement on the Private Members' day.' Disappointed by the ruling, the BNP members staged walkout. However, before asking the Leader of the Opposition to vacate the cantonment residence, Nasim provided the House with a list of privileges given to the See Page 12 Col 1

Bangabandhu murder Arrested businessman remanded

By Staff Correspondent
A businessman, Syed Moazzem Hossain, who was arrested on Wednesday for alleged links with the killers of Bangabandhu in and outside the country, was produced before the Chief Metropolitan Magistrate's court yesterday. The court placed him on two days' remand, rejecting a bail prayer, court sources said. Moazzem was arrested by Special Branch Police from the office of a business firm at Motijheel in the city, police said. The OC of Motijheel thana told The Daily Star last night that Syed Moazzem Hossain was arrested on charges of his links with the killers of Bangabandhu in and outside the country. He was also disrupting post flood rehabilitation pro- See Page 12 Col 2



THE RETURN OF JAMS: Are they trying to make up for the 60 hours of inactivity? Not really. This has been the regular picture for many years now on roads around the city's Saidabad bus terminal. — Star photo by Sk Enamul Haq

Worst traffic jams throughout the day

By Special Correspondent
Massive jams on the city roads brought traffic to a gridlock, as people rushed out yesterday after three days of the opposition-called hartal. The day being the last working day of the week, more people and traffic crowded the roads. Pedestrians had to walk on the roads at some places as pavements saw their illegal occupiers — vendors — back. Thousands of autorickshaws, buses and trucks emitting black smoke added to the city dwellers' woes. In some areas including Kataban, Paltan and Shantinagar, piles of construction materials on the roads and pavements contributed to the traffic jams. The situation forced the shoppers to park their vehicles on every available space including no-parking zones in many areas. A resident of Jatrabari who went to Banani in the morning and Dhanmondi in the evening, said the situation did not change at all throughout the day. Traffic police failed to control the flow of vehicles. Even BDR personnel aiding traffic police on the road between New Market and Asad Gate found the situation virtually beyond control. Banks, kitchen markets and educational institutions saw the maximum rush of people, resulting in the chaotic situation on the roads. Even trucks forbidden to ply the city streets during office hours were seen delivering materials to construction sites in Dhanmondi area to make up for the lost time. People living in the old parts of the city also found the going tough negotiating a maze of rickshaws and motor vehicles. Alleyways also saw jams as many people used those, avoiding the main roads. But they also suffered as nothing moved for hours.

Treasury Bench members stage walkout!

By Staff Correspondent
In an unprecedented move yesterday, most of the Treasury Bench members in the Jatiya Sangsad left the House, apparently to retort to their Opposition colleagues who earlier staged a walkout protesting a minister's statement on the private members' day. Housing and Works Minister Mohammad Nasim made the statement, criticising Opposition leader Khaleda Zia for enjoying 'illegal benefits' including a house at the Dhaka Cantonment and calling her to vacate it. Speaker Humayun Rashid Chowdhury had to adjourn the House due to lack of quorum after the ruling Awami League lawmakers left in a body. In all, there were only 35 members — 22 of BNP, nine of AL and four of Jatiya Party — present when the Speaker adjourned the House at 9:05 pm amid shouts by the opposition BNP members. Before the adjournment, the Speaker also suspended the business for five minutes and rang the bell after AL lawmaker ASM Feroz brought to the notice of the Chair that there was lack of quorum. But the required quorum of 65 members was not See Page 12 Col 7

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Industries, cos groan under tax burden

By Inam Ahmed
The new Finance Act has sharply increased the tax liabilities of industries as well as leasing companies with retrospective effect, which is likely to make many of them sick, according to sources in the industries. The Act, supported by an SRO, issued on August 20, has drastically reduced the depreciation rate for capital machinery and plant to 18 per cent from the existing 55 per cent for the first year of acquisition. To make things worse, this has been made with retrospective effect. As a result, companies will not only have to pay taxes many times higher than before but also count taxes for the past year for which many listed companies have already closed their books and distributed dividends. One multinational company now has to pay additional Tk 1.30 crore taxes for the year for which books have been closed. A leasing company is facing Tk six crore additional burden and a pharmaceutical company finds its balance sheets turned upset by the new measures. It now has to cut its working capital and pay for the extra taxes. The result will be same for all companies investing in capital machinery, industry sources said. The situation has raised such a grave concern among investors that the Foreign Investors Chamber of Industry and Commerce (FICCI) has commented, "Investment by existing foreign investors will surely decline. It will inhibit future-foreign investment. A sudden increase in tax is not conducive to a real friendly foreign investment regime." It said foreign investors need a 'stable and predictable policy' so that their headquarters can make advance projections. FICCI has sent its views to NBR for revision of the SRO. "We set up our companies on some parameters. We also make advanced planning on these same parameters like tax liabilities, income etc. We even make ten years' cash flow analysis in advance. Now, when there is a big jerk in any of the parameters, the company goes into a topsy turvy," said the chief executive of a multinational company. The situation has raised

Death by firing squad Petition to revise part of verdict likely

By SC Correspondent
The government is likely to file a petition on Sunday for revision of the portion of the judgement in the Bangabandhu Murder Case relating to the mode of execution of death sentence for the convicts. Execution of death sentence by firing squad goes beyond the provision of the Code of Criminal Procedure (CrPC), some legal experts observed. An alternative mode of execution suggested by the judge was by hanging, the conventional procedure. "When any person is sentenced to death, the sentence shall direct that he be hanged by the neck till he is dead," says Section 368 (1) of the CrPC. The petition will be filed with High Court under sections 435(1) along with 439 of the CrPC. A draft petition has already been prepared by Special Public Prosecutor Serajul Huq in consultation with Attorney General Mahmudul Islam, sources said. Kazi Golam Rasul, District and Sessions Judge, Dhaka, ordered that the 15 found guilty in the Bangabandhu Murder Case be executed in an open firing squad. The order passed on November 8 last also said, if execution of the death sentence by firing squad is not possible, it can be done by hanging. Of the 19 chargesheeted accused in the Bangabandhu Murder Case, 15 were convicted and four were acquitted. Among the convicts, four have been put in the condemned cell at Dhaka Central Jail. They See Page 12 Col 7

Arrested SB police officials remanded

By Staff Correspondent
The CMM's Court yesterday placed on a two-day police remand two Special Branch police officials who were arrested on Wednesday on charge of disclosing official secrets. The arrested were identified as Assistant Superintendent of Police Mukhlesur Rahman and Sub-Inspector Atikuzzaman. They were earlier suspended. A number of senior police officials told The Daily Star last night that it was probably the very first case of arresting two police officials under Official Secrecy Act. The Court rejected the bail petitions moved on behalf of the arrested persons, court sources said. Earlier, a case was filed with Ramna thana in this regard Wednesday.

Government of the People's Republic of Bangladesh National Board of Revenue Dhaka

Subject: Regarding Deduction of Value Added Tax at Origin for Suppliers.

You are certainly aware that supplier [service code 5037.00] has been brought within the purview of Value Added Tax through Finance Act 1997. Individuals or establishments who or which supply VAT-chargeable products to different government, semi-government, autonomous bodies, non-governmental organisation (NGO), bank, insurance or limited companies against quotation or tender will be regarded as "supplier". Provision has been made for realising, deduction and deposit of Value Added Tax at the origin from the service-recipient while receiving such service. The authority deducting or realising at the origin will deposit the VAT realised through a Treasury Chalan in "Value Added Tax on indigenous products and services No 1/1133/0000/0311 head". But in some cases it can also be deposited through book transfer. As the lessened base rate has been fixed while fixing VAT for supplier, the rate of net VAT is 3% (three per cent). The authority of realising at origin will realise it from the given cost of tender or bill against the service and deposit it in the government treasury. If, in spite of the compulsion for deduction at the origin or realisation, any establishment or individual fails to do that then he who has paid the cost of service or commission shall be made to pay that tax with an additional 2 per cent of tax in such way as he was a service renderer under VAT Act. You may contact any nearby Value Added Tax office or following telephone numbers for further information in this regard.

- First Secretary (VAT), National Board of Revenue, Dhaka. Phone: 9337693.
- Second Secretary (VAT), National Board of Revenue, Dhaka. Phone: 406416, 405198.

DFF-23534-8/11/98 National Board of Revenue Dhaka G-2516



ZEROING IN ON DHANMONDI LAKE: Several residential buildings stand tall devouring part of the lake, once of the beauty of the neighbourhood. It has now narrowed down to fifty feet near Road 32 bridge. — Star photo

Dhanmondi Lake Govt surrenders to encroachers?

By Morshed Ali Khan
The government is planning to allocate 'at least some' of the Dhanmondi lakeside lands to the residents who illegally occupied those over the years, Rajuk sources said. The move comes after the government failed to recover the lands encroached upon by influential residents in the area. The residents ignored repeated government warnings and appeals to vacate the encroached upon lands. Some even refused to cooperate with the field surveyors of the Public Works Department. In a letter dated November 5 the Works Ministry asked relevant officials of Rajuk, PWD and the Department of Architecture to find out which illegally occupied lands could be allocated without disturbing the on-going lake development project and affecting the environment and beauty of the area. In a fresh survey conducted in May this year, the PWD identified forty illegal occupiers of public land in Dhanmondi lake and its adjacent areas. The survey report, officially termed as 'confidential', said that the total amount of land encroached upon in the area was 97.58 or about (two acres) the official value of which was put at Tk 3,90,32,000. Officials concerned said, once the committee gives green signal, the government will allocate the land at an official price which is much lesser than the market price. The report, a copy of which was obtained by The Daily Star, said that out of the 40 illegal occupiers, thirteen have already constructed buildings on the public lands while 27 have extended their boundary walls. Engineers, architects and others involved in the on-going Dhanmondi Lake Development Project said due to the encroachment they were not able to implement several components of the project. Architect Ehsan Khan of Vitti Sthapati Brando Ltd, the project consultants, when contacted said they gave a report to the Dhaka City Corporation (DCC) on the difficulties they were facing due to the encroachment. "In many parts of the lake we have no access at all to implement the project components. It is very sad that the residents fail to understand that they would greatly benefit from the facilities we are building", Ehsan said. "When one resident encroaches upon the lakeside land, others in the neighbourhood is deprived of the development", he added. Meanwhile, sources in the See Page 12 Col 3

ANNOUNCEMENT
The Daily Star will organise a public dialogue on:
"26 Years of Our Constitution and Bangladesh Today"
on Saturday, 14th November '98 (3-6 pm) at the British Council Auditorium.
The main speakers will be Dr Kamal Hossain, Barrister Ishtiaq Ahmed, Suranjit Sen Gupta MP, Barrister Amirul Islam and Dr. M Zahir.
The discussion will focus on our present day situation compared to the fundamental rights, basic freedoms and social and economic commitment as enshrined in our Constitution.
All are invited to attend.