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# **Taxing knowledge**

## NBR slaps heavy tax, PSI on news magazines, making them stale when in market

#### M ANWARUL HAQ

Reading foreign newsmagazines appears tantamount to committing a crime

At least officials of the National Board of Revenue and the Ministry of Finance give you the impression following the slapping of heavy taxes and making a pre-shipment inspection (PSI) mandatory for imported newsmagazines and periodicals

Thousands of readers of foreign magazines like Time, Newsweek, The Economist, Shananda, to name a few -- which have become a common diet of world events for them -- run the risk of being deprived.

Five leading importers of foreign magazines and journals declined to collect last week's consignment of foreign magazines as they will be forced to pay customs duty and taxes of nearly 30 per cent on the retail value of the

periodicals. This is a cost which customers will be very reluctant to bear. According to importers, the cost includes a 7.5 per cent customs duty on C&F/CIF values of imported magazines and journals. They are also required to pay an Advance Income Tax (AIT) of three per

cent and Infrastructure Development Surcharge (IDSC) of 3.5 per cent. In another unreasonable move, the authorities have decided to slap all the taxes and surcharges on thousands of subscribers of different maga-

zines who have already paid their yearly, two yearly or other lengths of subscription charges for foreign magazines. "How can the importers raise the additional surcharge after the contract

between subscribers and suppliers have already been made?" said the marketing manager of International Book Agencies, one of the oldest magazine importers in the country.

The most surprising requirement imposed by the government is all imported magazines and journals will be subjected to pre-shipment inspection (PSI). In case the magazines are imported without PSI a 15 per cent fine will be imposed. Besides, PSI or no PSI there is an additional one SEE PAGE 11 COL 4

## Jute purchase cartel milked millions from AJM

FAISAL PARAG, Narayanganj

A vicious corrupt cartel at the Adamjee Jute Mills operated round the purchase of jute that ultimately rendered the world's largest jute mill pauper

The AJM had 34 purchase centres throughout the country. But the mill never issued purchase orders when the price of jute was lower at around Tk 300 to Tk 400 per maund. The tradition was to go for procurement when jute prices were at their peaks at around Tk 700 to Tk 800 per maund.

It is further alleged that some relatives of the mill officials, sometimes the purchase officers themselves, bought jute at a lower price from farmers and later, sold the

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The area of the now liquidated Adamjee Jute Mills looks deserted yesterday after it closed down on Sunday, resulting in layoffs of thousands of workers.

**Savings schemes** 

## Hasina likely Scuffle at SC Bar over to seek bail in graft case today

#### STAFF CORRESPONDENT

Leader of the Opposition in the Jatiya Sangsad and Awami League (AL) President Sheikh Hasina is likely to seek bail in a graft case today from the Metropolitan Sessions Judge's Court, Dhaka, court and AL sources said.

Earlier, two other accused in the case -- Abul Hasan Chowdhury, former state minister for foreign affairs, and Dr SA Samad, former principal secretary to the then prime minister Sheikh Hasina, were granted bails on June 24 by the same court.

On June 18. Officer of the Bureau of Anti-corruption Abdullah Al-Zahid submitted the chargesheet to the Chief Metropolitan Magistrate's

## Registration of 34 travel

#### STAFF CORRESPONDENT

Two groups of Supreme Court lawyers loyal to the main opposition Awami League (AL) and the ruling BNP-led four-party alliance scuffled with each other for an hour in the Supreme Court Bar Association auditorium yesterday.

judge appointment

The bone of contention was the appointment of new judges and non-confirmation of three judges

Sources said the government is likely to appoint seven new judges soon and accordingly, Law Minister Moudud Ahmed held a meeting with the chief justice vesterdav

The AL-leaning lawyers want the government to confirm the services of the three judges before it goes for that fresh appointments. These three judges, who were appointed by the previous Awami League government, were refused confirmation in mid-May despite the chief justice's recommendation.

The BNP-leaning lawyers, on the other hand, are lobbying are trying to make sure that the new judges are picked from them

However, squabbles are there among the BNP-

eaning lawyers as two ministers are out to promote their junior associates. Yesterday's scuffle began at 4:20pm when the

BNP-leaning lawyers opposed a requisition meeting of the Supreme Court Bar Association. Lawyers loyal to the AL convened this requisition Saturday meeting while those tilted towards the BNP opposed it.

The meeting was convened a few days ago by Bar Association's Assistant Secretary Ashraful Kamal. As the AL-leaning lawyers went ahead with the

meeting, the BNP-leaning lawyers resisted them using force, sources said.

No-one was seriously injured, however, although the incident dealt a severe blow to the image of the Bar Association and vitiated the atmosphere. The two feuding factions also damaged tables, chairs and other office furniture

The requisition meeting began at 4:20pm with Bar President Ozaer Faruk in the chair. About 100 lawyers belonging to both the BNP and the AL camps were present at the venue. Starting the meeting, the Bar president raised ques

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## 4 arrested for killing of expatriate

## STAFF CORRESPONDENT

Airport police vesterday arrested

who died after muggers threw him out of the taxicab he was riding in on

Expatriate Abdul Hye, 33, hired a

taxicab from near the Habib

Canteen at the Zia International

Airport (ZIA) to travel to his village

home at Begumganj Saturday

morning. As soon as the car

reached Natunbazar in the city's

Gulshan area, the driver and the

muggers threw him out of the car,

the Dhaka Medical College Hospital

(DMCH) where he died in the early

hours of Sunday. Mohammad Hashem, brother of the victim, filed

a case with the Airport Police

Fatally injured Hye was rushed to

injuring him critically.

Station.

#### STAR REPORT four people for their alleged involvement in the killing of an expatriate

In the face of pressure from the World Bank and the International Monetary Fund (IMF), the government has discontinued four high-yielding savings instruments from vesterday

scuttled

Savers used to get as high as 15.75 per cent interest from these instruments. Immediately after taking office the government slashed interest rates ranging between two and 1.28 per cent of different savings instruments on October 30 last year.

The discontinued saving certificates are eight-year defense certificate, five-year family savings, six monthly profit giving certificate of five-year term and three-year collateral saving certificate. Of them, the first three were very lucrative to savers.

Although the discontinuation of the instruments would hit the small savers most, the decision was on the cards as the selling of the certificates increased phenomenally in the last few years. While the total selling of savings instruments was Tk 1,320 crore in 1991-92, it was recorded as high as Tk 7,182 crore till April this

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year. The banks, insurance companies and private companies were the major buyers of the certificates. As a result, the government's interest payment obligation also increased manifold.

The Internal Resource Division of the Ministry of Finance issued a circular on Saturday conveying the decision to discontinue the savings instruments.

"The discontinuation would not be effective for those who had bought certificates before July 1. The investors will get return as per earlier rates, but they will not be allowed to renew certificates after expiry of term," said an official of the National Savings Directorate (NSD).

The World Bank and the IMF on various occasions pointed out that the interest rates on different saving instruments were very high and asked the government to either reduce the rates or to close the schemes.

The government offered 11 types of savings certificates to borrow fund from the public. But now, only seven categories of certificates are available

The interest rates of the eight-year defense certifi cate

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## Purge in admin, BNP soon Sayeed Khokan shown arrested to be made home minister

MK Anwar likely

## agencies cancelled

#### BSS, Dhaka

Ministry of Civil Aviation and Tourism has cancelled registration of 34 travel agencies on charge of disobeying directives of the ministry and nonrenewal of license within the stipulated time.

The ministry issued directives in conformity with article 10 (1-B) of Bangladesh Travel Agencies (Registration and Control) Rules, an official handout said last night.

The blacklisted travel agencies have been asked to return back their original copy of the registration and all renewals to the deputy secretary (Tourism) and registration authority within 15 days of issuance of this order it said

Legal actions will follow if any teenagers look on appreciatively. travel agency fails to comply with this directive, it added.



### Article

An epitaph for Adamjee Column: Straight from the heart Afsan Chowdhury

#### Business

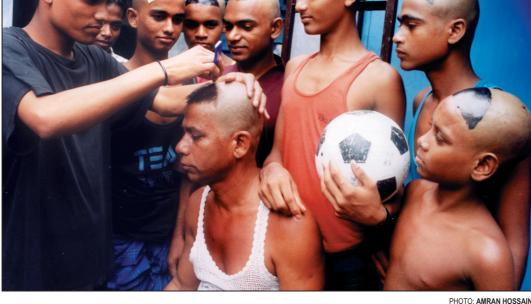
LDC products get free access to Norway

US financial world faces 'perfect storm of failure'

## Focus

Wall Street and auditing reform Chaklader Mahboob-ul-Alam Letter from Europe

	Sun Rises		Sun Sets
July 2			6-50 pm
July 3	5-15 am		
Prayer Timings			
July 2			
		Azan	Jamaat
Fajr		4-15	4-45
Fajr Zohr		4-15 12-45	4-45 1-15
Zohr		12-45	1-15
Zohr Asr		12-45 5-00	1-15 5-15



A barber styles the hair of a middle-aged man in Brazilian superstar Ronaldo-hairdo in the city yesterday, while

## in regular case

COURT CORRESPONDENT

Sayeed Khokon, Awami League leader and son of former Dhaka mavor Mohammad Hanif, arrested on Saturday by detectives under the Section 54 of the Criminal Procedure Code (PrPC), was shown arrested in a regular case yesterday. The case was of a fire incident on

April 30 at the telephone exchange at Chawkbazar in the city. The investigation officer (IO) of

the case submitted a petition to show him arrested in the case filed with the Lalbagh Police Station. Police also prayed for a seven-day remand for interrogation.

After hearing, the Court of Metropolitan Magistrate Kazi Meraj Hassain granted the petition and scheduled July 13 for hearing on the remand prayer

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#### SPECIAL CORRESPONDENT

Prime Minister Khaleda Zia is set to launch a purge in the administration and the ruling BNP she heads to revamp both, highly placed sources said.

As a first step, some key ministries such as the home are going to be cleansed. Both the home minister and his deputy are on the firing line, the sources added. The changes are likely within the next few days as the performance of the ministers and some of the officials are being evaluated. A number of retired bureaucrats are being brought out of the cold to be given charges of important ministries, sources said.

Industries Minister MK Anwar, a senior BNP leader, is likely to take charge of the home Ministry reportedly on condition that a retired civil servant, who had held important positions in the home ministry, be brought in as its secretary.

BNP Standing Committee member KM Obaidur Rahman also is likely to be inducted in the cabinet.

SEE PAGE 11 COL 8 | tionally

STAFF CORRESPONDENT

tomorrow

Results of this year's SSC (Secondary School Certificate) examinations under all education boards will be published on July 3 at 4:00pm, according to a press release yesterday.

SSC results

The results of SSC under Secondary and Higher Secondary Education Boards, Dakhil under Bangladesh Madrassah Board and SSC (Vocational) under Bangladesh Technical Board will be published simultaneously from the respective examination centres. The results will not be published in the newspapers, said the release.

Headmasters of all schools will collect the result sheet of their students from the acting officer of the centre concerned, the press

release added. As the mathematics questions for the Dhaka Board were excep-

SEE PAGE 11 COL 2

## Flair wins over ethics

teams fell by the wayside.

skill as other, supposedly superior,

But as Germany found out

6, 7

5

Disciplined teamwork rather than

against a Ronaldo-inspired Brazil in Sunday's final, organisation and won the day.

United States, Sweden and Turkey were among sides who enjoyed prevailed.

"Many teams make use of discipline and organisation to minimise risks," said former Scotland manager Andy Roxburgh, now technical director of European football's governing body UEFA.

"Brazil's style is still the opposite. They take high risks, with the attitude that they will do enough in attack to win matches.'

That Brazil were to provide an better chance of winning.

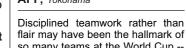
Yet through the twinkling feet of Ronaldinho, the panther-like presence of Rivaldo and the finishing of Ronaldo, Brazil bore more than a passing resemblance to their celebrated teams of yesteryear as they clinched a record fifth title.

The comeback of Ronaldo was the most heartwarming story of the tournament.

SEE PAGE 11 COL 4

successful campaigns on the back of a fierce collective spirit allied with

## AFP, Yokohama



so many teams at the World Cup -but in the end it was the individual genius of Brazil's footballers that

efficiency can sometimes only take South Korea, Denmark, the you so far. The instinctive creative football that has been Brazil's legacy

artistic edge came as a surprise. Their coach Luiz Felipe Scolari had said before the tournament that he would make his team play 'ugly football' if he thought it gave them a