

Nine Hindu pilgrims killed in Kashmir

India blames Pakistan for attack

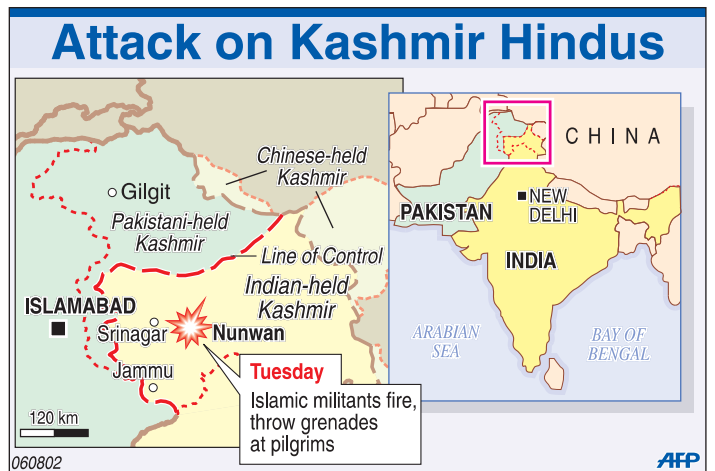
REUTERS, Srinagar

Suspected Islamic militants, hurling grenades and firing automatic weapons, killed nine Hindu pilgrims and wounded 32 in Indian Kashmir on Tuesday in fresh violence ahead of state elections next month, officials said.

The raid near Pahalgam, the base camp that is the starting point for an annual pilgrimage to a cave shrine high in the Himalayas, was the biggest in Muslim-majority Jammu and Kashmir since attackers killed 28 Hindu slum-dwellers last month.

The disputed Himalayan region where a separatist revolt has raged since 1989 is at the root of a military standoff between nuclear-armed rivals India and Pakistan.

The militants emerged from surrounding dense forest and struck at dawn, hurling grenades and firing automatic weapons at their victims who were asleep in tents. They killed



eight pilgrims and wounded 32, a Home Ministry official said.

"They came out of the forest and ran to the camp, firing as they went," a police officer told Reuters. One of the attackers was also killed, his

Also on Tuesday, a defence spokesman said two militants and an Indian army soldier died in a gunfight after guerrillas lobbed grenades at an army bunker in Handwara town, 55 miles north of Srinagar, summer capital of Jammu and Kashmir.

The militants were believed to belong to Pakistan-based Lashkar-e-Taiba, he said.

The latest bloodshed followed an announcement last week that state elections in Jammu and Kashmir were due to start in mid-September and be staggered over several weeks. The results will be known by mid-October.

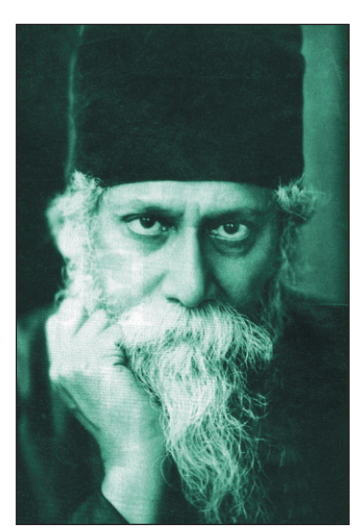
"It's very unfortunate," Junior Home Minister I.D. Swamy said. "We're waiting for further details."

Analysts had expected a rise in guerrilla activity in the run-up to the vote which India sees as a way to restore peace in the region and

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People sift through the remains of what once were their homes following a demolition drive near the the Willes Little Flower School in the city yesterday.



Tagore's death anniversary observed

STAFF CORRESPONDENT

Baaishe Shrabon -- the 22nd day of the month of Shrabon, the day on which Tagore expired -- was observed yesterday.

Admirers of Tagore fondly remembered him with songs and poems that are replete with his philosophy about life and death.

This year round, Bangla Academy, Bangladesh Shilpakala Academy, Bangladesh National Museum made special arrangements to pay homage to Kabi Guru on his 61st death anniversary.

Tagore was the first Indian poet to be awarded with the Nobel Prize for literature in November, 1913 for his translated *Gitanjali* (Song Offerings), in which Tagore tried to find inner calm and explored the themes of divine and human love. The poems were translated into

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Cynicism greets Israeli plans

AFP, Jerusalem

A security plan presented by Israel to the Palestinian Authority (PA) asking its security forces to crush armed factions in return for Israeli troop withdrawals was met with cynicism Tuesday.

The get-tough measures proposed by Israel call for Palestinian security to root out militants in the Gaza Strip, and in return Israel would pull its troops back to positions held before the 22-month-old Intifada erupted.

The plan, proposed late Monday night by Defence Minister Binyamin Ben Eliezer to Palestinian interior minister Abdel Razeq Yahya in the highest level security meeting in months is the latest version of a blueprint for easing the conflict.

But questions linger over whether Yasser Arafat has the desire or even the authority to crack down on militant groups like Hamas and its smaller counterpart Islamic Jihad.

"I think one of the reasons he held back up until now is because he wasn't sure everyone would listen to that breaking point," said Mark Heller, a political analyst at the Jaffee Center for Strategic Studies, near Tel Aviv.

"I haven't yet seen any evidence that Arafat has made a decision to change course," he added.

Skepticism also dogs the Israeli government over whether it is ready to give Palestinian security forces the opportunity to operate unencumbered in the Gaza Strip.

Maid drugs employer, takes away valuables

STAFF CORRESPONDENT

A domestic help got away with cash, gold ornaments and other valuables said to be worth about Tk 10 lakh after serving intoxicated food to her employer and his family at Panibagh in the city on Monday.

Four inmates of the house -- Mominul Haq, 45, his wife Halima Begum, 38, and their daughters Rahima, 18, and Fatema, 17 -- were admitted to the Dhaka Medical College Hospital (DMCH) uncon

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Polluters out to foil clean-up bid

STAFF CORRESPONDENT

The owners and employees of the highly polluting two-stroke autorickshaws have once again planned to foil the government's recent move to ban the polluters.

Thirteen associations of two-stroke three-wheeler owners, employees and spare parts traders have decided to go for a movement, protesting the decision.

Several thousand owners and employees of two-stroke three wheelers yesterday staged a mass

hunger strike at the Central Shaheed Minar premises in the city from 9:00am to 5:00pm to press home their six-point demand under the banner of the Dhaka City Autotempo, Autorickshaw, Autotruck Malik-Sramik Oikya Parishad.

The leaders of the associations are going to have a meeting today to chalk out the future course of action to be announced from a grand rally at the outer stadium next week.

Although there was no formal announcement of strike of two-

stroke three-wheelers, the polluters mostly remained off the city streets yesterday, giving the city dwellers a whiff of fresh air.

Haji Fazlul Haq, president of the Dhaka City Auto-rickshaw Business Owners Association, yesterday told The Daily Star that thousands of employees and owners of three-wheelers would be affected if the government slaps the ban without rehabilitating them.

"If the situation goes out of control, we would not be responsible for

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Six killed in road mishap at Gazipur

BSS, Gazipur

Six people were killed and four others injured when a minibus skidded off the road half a kilometre off the Rajendrapur intersection here on Monday.

Quoting the passengers, police said the accident took place at about 12.15 pm when the driver of the Dhaka-bound minibus from Batajore lost control over the steering.

Two passengers died on the spot and four on the way to the Sadar Hospital.

One of them was identified as

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Leaks in water treatment plant

ABDUL KADER

The Saidabad Water Treatment Plant has been leaking for the last ten days and flooding the adjacent Janapath Road only after a day after its inception on July 27.

The plant experienced some technical difficulties soon after its installation and began to leak huge amount of water. The authority, however, is yet to check the system and stop litres of water from deluging the roads.

A local witness said, "Only a day after the water plant became functional, we noticed the overflow of water."

When contacted, Kazi M. Sheesh, Chief Engineer of the WASA told the Daily Star, "I was informed about the leakage on Monday and we would start the repair job by this (Tuesday) evening."

He said they had already detected a fault in the distribution pipe of Zone-1 area and it would take at least 24 hours to repair.

During the repair work, the water supply to some areas of Nababpur, Motijheel, Basabo, Mugda, Jatrabari, Shaympur and Pagla may remain suspended, he added.

A concerned official, preferring anonymity, said the Executive Engineer of Zone 1 had assured him that the problem would be solved by Tuesday night.

Jahangir Alam, Executive Engineer of the Zone-1, was not available for comments.

The plant has a treating capacity of 22.5 liters of water for the use of city dwellers.



Poet Shamsur Rahman formally launches a CD-ROM on Tagore songs as prominent Tagore song exponent Kalim Sharafi looks on in the city yesterday.

Bank services in VAT net

RAFIQ HASAN

The government has slapped a 15 per cent value-added tax (VAT) on the incomes from services of banks and financial institutions.

The National Board of Revenue (NBR) issued an order yesterday, detailing the rules of the new VAT, which came after a declaration in the current budget that all bank services would come under the VAT net.

The services by banks and financial institutions include letter of credit (LC), bank guarantee, demand draft (DD), pay order, telephonic transfer (TT) and mail transfer (MT).

All private commercial, nationalised and foreign commercial banks have to pay 15 per cent VAT on earnings in commissions they

charge clients.

Earlier, the banks had to pay VAT only for LCs. However, they do not have to pay any VAT on interests against loans and savings certificates.

Following the budget declaration, the banks have decided to reduce commissions and charges to reduce the burden on their clients.

Bank officials, however, think the banks will face a slide in profits if commissions are reduced.

Nationalised commercial banks and some others have also withdrawn commissions against transactions of remittance from expatriate Bangladeshis.

The government hopes the revenues from the sector will stand at around Tk 60 crore. Earlier, the amount of earnings from VAT on LCs was Tk 23 crore a year.