

Cold, foggy weather disrupts communications

STAFF CORRESPONDENT

Cold and foggy weather conditions caused serious disruptions to road, air and river transport networks in many parts of the country yesterday.

Over a thousand vehicles were stranded on both sides of the Paturia-Daulatdia and Mawa-Kawrakandi ferry routes.

Approximately 10 flights were delayed for between one and seven hours at Zia International Airport.

In Manikganj three passenger ferries were forced to anchor for around five hours while other ferries waited at Paturia-Daulatdia ghats.

Manager of Commerce at the Bangladesh Inland Water Transport Authority (BIWTA) Ashraf Ullah Khan told the Daily Star that the services were disrupted from 3:45am until 8:30am yesterday.

Nearly 5000 vehicles, including trucks carrying cargo, were queuing at Paturia and Daulatdia ghat at 8:30am.

Seven ferries travelling along the Mawa-Kawrakandi route were stalled due to fog from 7:00am until 11:00am, whilst 200 vehicles waited on either side of the ferry ghats.

In Gaibandha it has been so foggy that the sun has not

been visible for the last three days.

Even though it is peak season, the biting cold has forced farmers to stop planting seedlings in the boro crops.

Country boat services to and from Balashi ghat were suspended due to the foggy conditions in the morning and evening and travel along the highway and other connecting roads was disrupted.

Yesterday's lowest temperature was recorded in Iswardi, where it was 6.3 degrees Celsius.

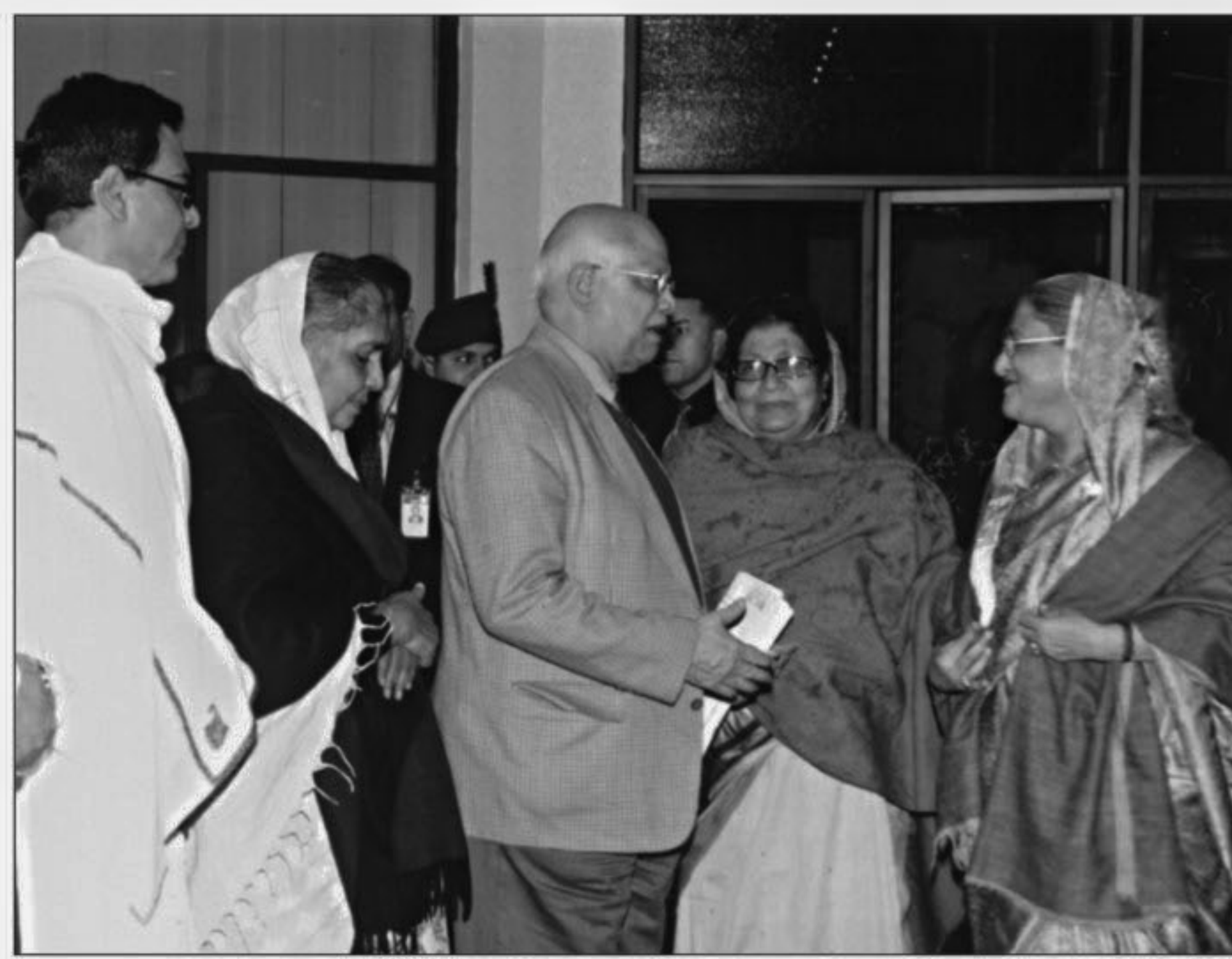
In Dhaka it was 9.6 degrees.

Other low temperatures

were recorded in Chuwadanga 6.4, Jessore 6.7, Rajshahi 7, Srimangal 7.6, and Tangail 7.9 Bogra 8, Khulna 9.5, Mongla 9.8, Satkhira 9.2, Barisal 9, Bhola 9.4, Comilla 9, Chandpur 9, Hatiya 9, Mongla 9.4 and Faridpur 9.3.

A severe cold wave has swept over Iswardi, Jessore and Chowdhanga, whilst a moderate cold wave is being felt in Rajshahi, Srimangal, Bogra, Comilla, Chandpur, Feni, Hatiya, Sayedpur, Dinajpur and Bhola.

The Met Office predicts that current conditions will continue for the next two to three days.



Deputy leader of parliament, cabinet colleagues and high civil and military officials receive Prime Minister Sheikh Hasina at Zia International Airport in the city as she returned home yesterday ending her four-day official visit to India. PHOTO: PID

Hasina's visit brings hope for Tripura

PTI, Agartala

Bangladesh Prime Minister Sheikh Hasina's visit to New Delhi has infused fresh hopes of development of landlocked Tripura which borders India's eastern neighbour, said Chief Minister Manik Sarkar on Tuesday night.

"The discussions concerning the issues of Tripura took place between the prime ministers of the two countries in our presence which was very positive and has brought a new message for development of the state," said Sarkar, who attended the dinner hosted by the Indian prime minister in honour of Hasina on Monday.

The chief minister said it was likely that Tripura would get the opportunity of using Chittagong seaport and Ashuganj river port.

Opportunity to reschedule loans

STAFF CORRESPONDENT

Businessmen who were offered the grant or imprisoned during the previous caretaker government but are now cleared of charges can reschedule their loans from financial institutions up to June 30.

The Bangladesh Bank said this in a circular on Tuesday.

It also asked businessmen to submit documents regarding their charges, imprisonment and legal actions during the rescheduling of loans.

Earlier, the central bank also gave similar opportunity to the businessmen who took loans from commercial banks.

SC asks govt to provide details of Bakir's treatment

STAFF CORRESPONDENT

The Supreme Court (SC) yesterday asked the government to inform the court by January 27 what measures the government had taken for the treatment of Sonali Bank Collective Bargaining Agent (CBA) leader BM Bakir Hossain before his death.

Detained Bakir Hossain, who was sentenced to 13 years in a corruption case, died at Apollo Hospitals in the city on January 7.

A four-member bench of the Appellate Division headed by Chief Justice Md Tafazzul Islam yesterday passed the order after hearing an application that sought a directive from the apex court to the government to hold an inquiry into the death of Bakir.

The apex court also fixed January 27 as the date for issuing an order on this matter.

Attorney General Mahbubey Alam told the court that the government had taken Bakir Hossain to Dhaka Medical College Hospital, Bangabandhu Sheikh Mujib Medical University, Millennium Hospital at Lalmita and the Apollo Hospitals one after another for his proper treatment.

Bakir was arrested on July 9 in 2007 on corruption charges.

Dhaka, Delhi to exchange visits of writers, scholars

OUR CORRESPONDENT, New Delhi

India and Bangladesh will exchange the visits of writers, scholars, academicians and journalists in the field of art, culture, literature and performing arts under the Cultural Exchange Programme agreement signed during Prime Minister Sheikh Hasina's India visit.

India will invite Bangladesh to participate in the Triennial India Art Exhibition and Bangladesh will invite India to participate in the Asian Art Biennial on reciprocal basis, as per details of the agreement released officially in New Delhi yesterday.

Indira Gandhi National Centre for the Arts (IGNCA) and its counterpart academic institutions or museums of Bangladesh will exchange one scholar each to identify areas of collaborations.

Both sides will exchange experts' works and students in the field of theatre and library personnel on reciprocal basis between the National Library of India and the libraries and institutions of Bangladesh.

The countries will exchange reading materials, including books and microfilms, between the National Library of India and the department of Public Library in Bangladesh.

They will hold handicraft exhibitions on reciprocal basis with 3-4 craftsmen doing live demonstration.

India will send two officials of the

Archaeological Survey of India (ASI) to Bangladesh for a study-cum-lecture tour and in return will receive two officers of the Bangladesh Department of Archaeology and Museums for a similar purpose.

ASI will also help Bangladesh in carrying out archaeological surveys.

Sahitya Academy of India will publish an anthology of poetry from Bangladesh and Bangladesh may bring out an anthology of Indian poetry.

The two countries will exchange children's paintings, dolls, books and works of creative arts. India will invite Bangladeshi children to participate in the Shankar's International Children's Competition.

Both sides will exchange rare publications, which are not otherwise available in open market to enrich the libraries of both the countries and one senior science centre/ museum professional for two weeks each.

On mass media front, the two sides will exchange programmes through their respective radio and TV channels and provide facilities for visiting radio and TV persons.

They also agreed to exchange two journalists each engaged in dissemination of government information.

Both sides will participate in the other country's International Film Festival for documentary, short and animation films and organise Film Weeks in the other country.

Hasina may visit Jyoti Basu later

OUR CORRESPONDENT, New Delhi

Prime Minister Sheikh Hasina here yesterday voiced concern over the condition of ailing Marxist patriarch Jyoti Basu undergoing treatment in Kolkata and plans to visit him sometimes later.

"We are worried over the condition of Jyoti Basu who is a highly respected leader. I wanted to visit him but could not this time", Hasina told a press conference while replying to a question from an Indian journalist.

After the press conference, Bangladesh Foreign Minister Dipu Moni said Hasina was keen to see Basu and would go to Kolkata for that.

The 95-year-old communist veteran was admitted to a hospital on January 1 this year.

Free books only for instts having govt approval

STAFF CORRESPONDENT

The government would distribute free textbooks to the educational institutions which have approval from any tier of the government, said National Curriculum and Textbook Board Chairman (NCTB) Mostafa Kamal Uddin yesterday.

"All the educational institutions which have approval from local government to central government will get free textbooks. No books are going to be printed for sale," he said.

The chairman's comment came after a meeting of the advisory committee for printing and distribution activities of school textbooks for free at primary and secondary levels at NCTB meeting room in the city.

This implies that the edu-

cational institutions which used to buy books in the previous years will not get free textbooks. Kindergartens are among the institutions used to buy textbooks from the market. But this year the government did not print any books for sale.

"How would we know about those institutions if they do not have any attachment with any tier of the government and run the academic activities with few students renting two rooms in a house," he said.

Mostofa, however, said the students who are yet to receive the books will get the books within a week.

"We have some books of English version in our stock and will distribute the books shortly," he said, adding, "Everyone will get the books."

PM offers fateha at Ajmeer

BSS, Ajmeer

Prime Minister Sheikh Hasina offered fateha at Darbar Sharif of great Muslim Saint Hazrat Khwaza Syed Mohammad Moinuddin Chishti (RA) here yesterday.

Hasina, who flown from New Delhi's Palam Airport by a helicopter, was received by the divisional commissioner and senior officials of the Rajasthan government.

On the way to Dargah Sharif, people from all walks of life stood beside the road and greeted the Bangladesh leader.

Chief Khadem of the shrine received Sheikh Hasina on the Dargah premises.

The PM and members of her delegation offered fateha there.

Hasina placed a gilap on the mazar of the great saint. The chief khadem presented Hasina with a gilap, which she also covered around the tomb.

Later, Hasina returned to Jaipur.

Shafique unhappy over officials' performance

STAFF CORRESPONDENT

Law Minister Shafique Ahmed yesterday expressed annoyance to his ministry officials for their sluggishness in performing their duties to complete the development activities under different projects.

He warned the officials, saying that the government will not tolerate any negligence and irregularity while discharging duties.

The ministry sources said tension has been prevailing among the officials, since the government in a gazette notification on December 23 last year divided the ministry into two divisions -- law and justice division, and legislative and parliamentary affairs division -- with their tasks rearranged.

Shafique directed the officials concerned to submit their reports within seven days to his office on the problems in implementing the projects for construction of buildings for courts and sub-registrar



Selim Al-Deen's anniversary of death today

BSS, Savar

Today is the second death anniversary of Acharya Selim Al-Deen, an eminent playwright of the country. On the occasion, Department of Drama and Dramatics of Jahangirnagar University has chalked out an elaborate daylong programme.

The programme includes rally, placing wreath at the grave of Selim Al-Deen, inauguration of "Acharya Selim Al-Deen Seminar Library" at the department, photo exhibition, seminar on Selim Al-Deen and cultural programme.

A drama titled 'Prachya' written by Prof Dr Selim Al-Deen and directed by Dr Hasan Yusuf will also be staged at 7:00pm today at Muktamanch on the campus.

Abul Qasem METRO DESK

Today is the 19th death anniversary of Abul Qasem, founder president of Institute of Chartered Accountants of Bangladesh (ICAB), says a press release.

A former president of Dhaka Chamber of Commerce and Industries (DCCI), Qasem was also the founder of A Qasem & Co.

He was also a member of the Dhaka University senate, the finance committee and the governing body of Viqarunnisa Noon School and College.

ZIA ORPHANAGE CASE Khaleda's petition sent to HC bench

STAFF CORRESPONDENT

The chief justice yesterday sent the petitions of BNP Chairperson Khaleda Zia and her son Tarique Rahman seeking stay of the proceedings against them in Zia Orphanage Trust embezzlement case to a High Court bench for hearing.

Petitioners' lawyer Barrister Mahbubuddin Khokon told The Daily Star yesterday that Chief Justice Md Tafazzul Islam sent the petitions to the bench of Justice Md Abdul Wahhab Miah and Justice Md Abdur Razzaque.

On January 6, an HC bench of Justice Syed Muhammad Dastagir Husain and Justice Md Rais Uddin had sent the petitions to the chief justice for a decision, as Attorney General Mahbubey Alam told the bench the same day that this bench has no jurisdiction to hear these petitions.

On January 10, a Dhaka court fixed January 27 as the date for the hearing on charge framing against Khaleda Zia, Tarique Rahman and four others in connection with this case.

WEATHER

Temperature may rise

UNB, Dhaka

Weather may remain mainly dry with partly cloudy sky over the country having chances of light rain or drizzle at one or two places over Dhaka and Rajshahi divisions and the Jessore and Kushtia regions in the next 12 hours till 6:00pm today.

Prevailing severe cold wave over Ishwardi, Jessore and Chuadanga and moderate cold wave over Srimangal, Rajshahi and Bogra regions and mild cold wave over Dhaka division, rest of the Khulna division and the regions of Comilla, Chandpur, Feni, Hatiya, Syedpur, Dinajpur, Barisal and Bhola may continue, Met Office said.

It also said moderate to thick fog may occur over the country during the period. "Night temperature may rise slightly over the country."

The sun sets in the capital at 5:32pm today and rises at 6:43am tomorrow.

Country's highest temperature 25.0 degrees Celsius was recorded yesterday at Cox's Bazar and lowest 6.3 degrees Celsius at Ishwardi.

Highest and lowest temperature and humidity recorded in some major cities and towns yesterday were:

City/Town	Temperature in Celsius		Humidity in percentage	
	Max	Min	Morning	Evening
Dhaka	18.8	9.6	97	73
Chittagong	22.6	11.6	92	54
Rajshahi	16.7	7.0	95	83
Khulna	22.0	9.5	88	66
Barisal	22.4	9.0	99	73
Sylhet	23.5	12.2	88	82
Cox's Bazar	25.0	14.0	69	66

Paper importers taxed heavily

FROM PAGE 1

chair of the association as he claimed to be in the letter to the Customs commissioner.

Mustafa Kamal Mohiuddin, president of Bangladesh Development Company and an executive of a Bashundhara Group company, was simply a convener of one of BPMA sub-committees. Minutes of a BPMA meeting held in January 2009 also show that the phone number given in the letter was not an official telephone number.

This inappropriate business influence over Customs' revenue collection started in June last year when Bangladesh importer Sanjana Printers beat the Bashundhara company Shahjalal Newspaper Paper Mill in an open tender for supplying paper for the printing of covers of national textbooks for schools. Following its win, Sanjana Printers arranged to buy the paper from large Indian manufacturer Khanna Paper Mills.

As is a common practice in Bangladesh for all taxable items to be imported, an independent pre-shipment inspection (PSI) was undertaken to determine the actual price for the book-cover paper and ensure that Sanjana Printers was not trying to evade tax. The assessment followed a procedure laid down by the World Trade Organisation and comprised a detailed analysis of raw materials and other costs necessary to manufacture the paper.

International company SGS performed the inspection of the import through the Benapole land port.

On September 15, SGS sent a "clean report of findings" to Bangladesh Customs, which concluded that the importer's claim of paying \$410 per tonne of paper was correct. SGS only added \$5 to reflect insurance and freight costs. This valuation of \$415 per tonne would have required Sanjana Printers to pay Tk 1.42 crore in tax.

However, three days later, Mustafa Kamal Mohiuddin, signing himself as the BPMA chairman, wrote to Customs Commissioner Abdul Mannan, alleging that "corrupt" importers were falsifying about what they paid for importing paper "depriving the government of a huge amount of revenue". He also alleged that the importers were smuggling out a "huge amount of under-invoiced foreign currency through Hundi".

The BPMA letter argued that similar paper imported through Chittagong was priced at \$1,000.

The Daily Star has found that the letter was sent without the agreement of any of the principal members of the BPMA although they do agree

with the allegations.

Md Selimuddin, financial adviser of TK Group, the biggest paper manufacturer in Bangladesh, told The Daily Star that they did not know that this letter was being sent. Capital Group, the third largest manufacturer, also confirmed that it had not been informed about the letter.

The Benapole Customs Assessment Committee assumed that this was a genuine letter from BPMA and decided to act upon it. It requested SGS to reconsider its assessment of the price of the imported paper.

SGS then undertook a complete review of its assessment, looking again at the manufacturing cost data. Three days later, SGS wrote to the Customs commissioner confirming that Sanjana Printers' pricing was done correctly. SGS explained that Khanna Paper Mills was a large scale manufacturer plant using cheap recycled waste as a raw material and this was the reason why paper imported from India was cheaper than that of Indonesia. It added that crude price comparison between two countries is a "complete violation" of the principles of import valuation.

However, although the Customs had no actual evidence that Sanjana Printers was under-invoicing, it rejected the advice of SGS. It informed the importer that the tax would be assessed on the basis of a payment of \$700 per tonne of paper to the Indian manufacturer instead of \$415. Such a valuation would require the importer to pay close to an additional Tk 1 crore in tax, almost doubling its liability. Sanjana Printers was incensed.

In normal circumstances, Sanjana Printers would have had little choice but to pay. But since the book-cover paper was urgently required for the production of school textbooks, the importer had some leverage and decided it would be less to pay the additional levied tax. It hoped that the National Curriculum and Textbook Board (NCTB) would pressure Customs to reduce the valuation.

Indeed, NCTB Chairman Prof Kamaluddin, Education Secretary Syed Ataur Rahman and lawmaker Mirza Azam, member of the standing committee on education ministry, all contacted the Customs and requested it to reduce the valuation.

After discussion, it was agreed that the Customs would assess the tax on the basis of \$500 per tonne. This meant that Sanjana Printers still had to pay Tk 27.5 lakh more in tax than required—effectively a 20 percent increase.

Whilst the importer agreed

to pay the money, it did so on the understanding that it would appeal against the decision.

The Customs had been valuing all similar paper imported from India at this increased level since late September.

The decrease in imports that resulted from this provided an opportunity for local manufacturers to raise the prices of their paper.

The Daily Star found that the price of paper had increased by about 20 percent a ream at New Market. A 56gsm paper, which sold at Tk 260 per ream a month ago, now costs Tk 320. The local manufacturers, however, blame the hike on the increased price of pulp on international market.

Two weeks ago, Sanjana Printers won its appeal against the Customs commissioner's decision to increase the tax. At no point in the review hearing did Customs provide any evidence that under-invoicing had taken place, nor did it repeat the allegation. Instead, the Customs tried to justify its own valuation on the basis of the level of profit it thought the importer should gain rather than the actual price paid for the goods.

In its decision, the review committee stated that nowhere the law states that the profit of the importer can be fixed at 12.5 percent as claimed by the Customs. It upheld the SGS valuation and ordered the Customs to repay the additional tax.

Talking to The Daily Star, Customs Commissioner Abdul Mannan admitted that Customs had "fixed the assessment at \$700 considering the rate of other countries and the application from BPMA". He, however, said he had not personally seen the SGS report at the time of making this assessment.

Despite the review committee's ruling, and having now seen the SGS report, he said he was still "planning to issue a show-cause notice on the PSI company asking how they could give such a low valuation".

The joint commissioner of Customs also told The Daily Star that it was planning to appeal against the review hearing's decision.

This disclosure of inappropriate influence over Customs' decisions comes just as the five-year contract between the government and four PSI companies, including SGS, are due to come to an end. The government has an option to hand over these functions next month to the Customs commissioner.

Officials of the Federation of Bangladesh Chambers of Commerce and Industry

believe the Customs must not be given this role.

The attempt by Customs to extract money from Sanjana Printers illustrates why "over 90 percent businessmen in the country want involvement of PSI companies like SGS", Abul Kashem Ahmed, first vice-president of FBCCI, told The Daily Star.

"This case reflects how Customs harasses importers on the say-so of someone or the other," said another FBCCI official, requesting anonymity.

However, the role of PSI companies continues to remain contentious. In March 2008, the government cancelled the appointment of PSI company Cotecna Inspection SA over allegations centring import of sports utility vehicles although the company continues to assert that its valuations were correct. Its appeal against the cancellation is pending with the High Court.

Mustafa Kamal Mohiuddin stood by the allegations he raised. He said there was a meeting of the BPMA where association members showed documents indicating that importers were using "manipulated invoices" based on which they had sent the complaints in writing. But he could not specify when the meeting took place.

Mohiuddin said he had informed all major paper manufacturers prior to sending out the letter, and that it was "not sent in the interest of Shahjalal or any other particular paper mill, rather in the interest of the whole paper manufacturing industry".

Rezaul Islam, executive director of Bangladesh Development Company, who had earlier spoken to The Daily Star on Mohiuddin's behalf, said, "Many Indian exporters live in Bangladesh and take payments half in cash and half through invoices." He said price of paper pulp itself is more than \$740, so it is impossible that the invoice can be less than \$1,000.

SGS contests this claim, saying it has the invoice and transaction documents that show the paper was made from much cheaper recycled waste material. Sanjana Printers specialises in using recycled waste and the cost of waste paper is less than \$200 per tonne.

Mohiuddin admitted that he is not the chair of BPMA but "was the chairman of BPMA's executive committee". This explanation conflicts with what Rezaul Islam had earlier argued—that Mohiuddin was made the BPMA chairman at the beginning of 2007 by a special order of the then chairman Ahmed Akbar Sobhan.