



Budget to get 26pc bigger

Challenge lies in finding sources of revenue; govt relies on VAT

REJAUL KARIM BYRON and REAZ AHMAD

When Finance Minister AMA Muhith presents the budget in parliament tomorrow, he will likely gloat about it -- Tk four lakh crore in size -- which is 26 percent bigger than the one for the outgoing fiscal year.

Not that presenting a big budget is of great significance for Muhith; he has been doing it for the past few years. In fact, it is under his tutelage that the budget has risen from below Tk one lakh crore in 2009 to Tk four lakh crore this time around.

But the stark challenge that the most seasoned chief financial officer of the state would have to face this year is sourcing the huge additional revenue to foot the budget expenditures. And he is banking on expanding the scope of VAT, an indirect form of taxation that has direct bearings on the life and livelihood of every consumer.

Traders, businesspeople and the public are equally worried about the fallout of imposing a 15 percent flat value added tax (VAT) for all.

The government, however, seems confident with its newfound philosophy of

PROPOSED BUDGET FY2018

- Total budget Tk 4,00,266
- Total revenue Tk 2,88,066
- NBR revenue Tk 2,48,000
- Budget deficit (in percentage of GDP) 5.04
- GDP growth target 7.4

garnering more revenues from the middleclass and from the wealthier section of the society, to provide food benefit and safety net cushion to the poorer section.

"In 2001, I retired from my active life a most frustrated man... Now I am very happy. All dreams have come true," Muhith told reporters on Saturday.

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Cyclone Mora battered houses in Samitypara of Cox's Bazar. The storm lashed the district with a wind speed of up to 128 kph early yesterday, damaging houses, uprooting trees and disrupting communication. The photo was taken yesterday morning.

PHOTO: ANURUP KANTI DAS

7 die as Cyclone Mora crosses coastal area

Adequate precautions helped avert heavy casualties; thousands of thatched houses damaged, trees uprooted

STAR REPORT

Owing largely to preparedness, adequate precautionary measures, and a weaker than expected storm, cyclone Mora had not had the devastating impact people apprehended.

Yet, the damage was considerable. It killed seven people in Cox's Bazar, Rangamati and Bandarban after it made landfall and weakened yesterday morning. Mora flattened and damaged thousands of thatched houses, uprooted trees and caused breaches in embankments flooding many villages in Chittagong region.

As Mora was forming in the Bay earlier this month, it caused excessive rainfall in Sri Lanka triggering landslides that claimed dozens of lives. The floods there have so far killed 180 people.

Cox's Bazar Deputy Commissioner Ali Hossain said due to their preparedness, precautionary measures and no storm surges, the loss of life was lower than they had feared. Around 20,000 homes had been damaged in his district.

Yesterday, Bangladesh experienced thunderstorms and rain due to Mora,

which crossed into India around 2:00pm.

Operation of flights and water transports resumed around noon when the Met office lowered their highest danger signal, "10", which it had issued for maritime ports in Chittagong and Cox's Bazar.

It requested cautionary signal "3", which means water transports could operate near the shores.

The people who had taken refuge in storm shelters had been asked to return to their homes.

"The danger is over as the cyclone has crossed Bangladesh territory. We requested all to go back home from cyclone shelters," Shamsuddin Ahmed, director of the Bangladesh Department of Meteorology, told The Daily Star around 2:00pm yesterday.

Dhaka experienced daylong drizzles as the Met office had forecast and the heat wave that had been sweeping over the country subsided.

WORST HIT
Mora made landfall near Kutubdia of Cox's Bazar around 6:00am. It had wind gusts up to 128kph.

Our correspondent reports that the wind had picked up after 3:00am and had died down around afternoon. The rain became moderate from heavy.

In Cox's Bazar town, the storm was at its strongest around 9:00am.

Two people died in Chakaria upazila, one was hit by a tree while the other got buried under a collapsed house. Additional Deputy Commissioner Kazi Abdur Rahman of the district identified them as Rahmat Ullah, 50, and Sayera Khatun, 60.

Ten-year-old Sahina Akhter died when a tree fell on her in Islamabad union of Cox's Bazar sadar, said Upazila Nirbahi Officer Nazrul Islam.

Abdul Hakim Sawdagar, 55, of Nottunghona village in Pekua upazila of Cox's Bazar died when gusty winds caused him to hit a wall. He was on his way to a cyclone shelter when his head hit the wall late Monday night.

Mariam Begum, 55, died of heart attack at a cyclone shelter in Cox's Bazar Sadar, said Ruhul Amin, divisional commissioner of Chittagong.

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JU VANDALISM CASE 12 female students talk of 'ordeal' in custody

RASHIDUL HASAN and MUNTAKIM SAAD

In eight hours since 12:30am on Sunday, male police members of Dhamrai Police Station "counted" at least 15 times to ensure whether there were 12 female students of Jahangirnagar University in the lock-up, which is tantamount to harassment, several students alleged.

"We were taken to the lock-up of the police station [Dhamrai] from the university campus around 12:30am, and several policemen appeared before the lock-up to count us till 8:00am," Maliha Mostafa Suchana, a student of finance and banking department of JU, told The Daily Star yesterday.

Suchana was among the 12 female students who were arrested for protesting the tragic death of their two

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SIX FAST-TRACK PROJECTS



PADMA BRIDGE

- Total cost Tk 28,793 crore
- Tk 12,273 crore (42.26%) spent till Feb 17
- FY18 allocation Tk 5,524 crore



METRO RAIL

- Total cost Tk 21,985 crore
- Tk 703 crore (3.19%) spent till Feb 17
- FY18 allocation Tk 3,426 crore



PADMA RAIL LINK

- Total cost Tk 34,988 crore
- Tk 566 crore (1.61%) spent till Feb 17
- FY18 allocation Tk 7,609 crore



DOHAZARI-COX'S BAZAR RAIL LINE

- Total cost Tk 18,304 crore
- Tk 822 crore (9.21%) spent till Feb 17
- FY18 allocation Tk 1,561 crore



MATARBARI COAL-FIRED POWER PLANT

- Total cost Tk 35,984 crore
- Tk 830 crore (2.30%) spent till Feb 17
- FY18 allocation Tk 2,400 crore



ROOPPUR NUCLEAR POWER PLANT

- Total cost Tk 118,179 crore
- Tk 5,538 crore spent till Feb 17
- FY18 allocation Tk 10,274 crore

Move to speed up fast-track projects

Tk 30,614cr to be allocated in next budget for 6 projects

REAZ AHMAD and REJAUL KARIM BYRON

A fifth of the forthcoming fiscal year's total development budget has been earmarked for six fast-track projects to make their progress visible before the next general elections.

Of Tk 153,331 crore Annual Development Programme (ADP) outlay slated for the financial year 2017-18, a hefty Tk 30,614 crore is set aside for the six projects -- Padma Bridge, Padma Rail Link, Metro Rail, Dohazari-Cox's Bazar-Gundum Rail Project, Matarbari Coal-fired Power Plant and Rooppur Nuclear Power Plant.

The move comes at a time when many of the government's 10 fast-track projects are registering slow progress.

For instance, the six projects, which are going to get a good pie of the ADP cake in 2017-18, also did receive an allocation of Tk 15,986 crore in the outgoing fiscal, but the government could spend only Tk 4,547 crore or 28.44 percent of that allocation in the first eight months of 2016-17.

Yet, the finance ministry sources said the government was moving ahead with its plan to allocate a large chunk of ADP outlay in such big projects with an aim to making

some visible progress in a few of these, which would give political advantages to the ruling Awami League ahead of the next polls billed for later next year.

In June last year for the first time the government placed a separate budget document titled "Big Projects in Infrastructure Change: New Dimension for Growth Path" in which the 10 fast track projects were included.

In the current fiscal year big allocations were given to the fast track projects so that people get the benefits soon. However, amidst a slow progress, most of the allocations made to the ministries concerned were slashed in the revised budget.

There are uncertainties as to whether many of the projects can be completed as per schedule.

PADMA BRIDGE
Of the projects, the Padma Bridge is the most talked about one and the government has a plan to make the bridge operational by December 2018.

Till February this year, 42.26 percent of the total cost has been spent. In the current FY, the original allocation was Tk 6,026

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