

INSPECTION OF LIFTS PUST postpones Turkey tour by 6-member team

OUR CORRESPONDENT, *Pabna*

The Pabna University of Science and Technology (PUST) yesterday postponed a trip for Turkey, set to be taken by a six-member team to inspect lifts under an official procurement project.

The PUST public relations department posted a statement on its official Facebook page about halting the trip in the face of widespread criticism and also informed the matter to journalists over the phone.

“The university authority has postponed the visit of the university delegation to Turkey as per the direction of the president, also the chancellor of the university.” Faruk Hossain Chowdhury, deputy director (DD) of the public relations department, stated in a Facebook post around 3:00pm.

Faruksaidallactivitiesurrounding the Turkey trip have been put off, and that they would complete the relevant paperwork when offices reopen after the weekend.

Earlier, the PUST authority formed a six-member delegation headed by pro-VC Mostafa Kamal Khan to go on a 10-day visit to Turkey on June 6 for a “pre-shipment inspection” of lifts to be purchased by the university.

On May 31, The Daily Star published an article titled “Off to Turkey to see lifts!” that was followed by widespread criticism across the country.

Anjan Chowdhury Pintu, PUST regent board member, told journalists yesterday that there were many lifts of the same company being used in Bangladesh, so there was no need to go to Turkey to inspect them, and that the planned inspection visit was an absolute misuse of public money.

The university undertook a Tk 520 crore development project under which five highrise academic and administrative buildings have been constructed; 25 lifts are needed for these buildings.

Hossain Construction Pvt Ltd, based in Dhaka, built them and the firm has also been awarded the job of installing 25 lifts.

“The lifts were supposed to be shipped to PUST after getting approval from the pre-shipment delegation team,” a source in the university said.

Asked about the next step of procurement of the lifts and their shipment, Faruk Hossain said the higher authority would take the decision on the matter.



Aran, a local resident, stands inside the shop he rents, which was destroyed by recent shelling in the course of Russia-Ukraine conflict, in Makiivka (Makeyevka) outside Donetsk yesterday.

PHOTO: REUTERS

Ukraine repels new Russian air barrage Moscow contends with cross-border attacks

REUTERS, *Kyiv*

Ukraine fended off 36 Russian air attacks in and around the capital overnight while pro-Kyiv Russian fighters said they were battling Russian forces for a second day inside Russia, trading blame with Moscow for the deaths of two civilians.

Russia has launched about 20 waves of attacks on Kyiv since the beginning of May, a surge in strikes that the government says appears aimed at derailing Ukraine's preparations for a major counter-offensive to try to end Russia's invasion.

A child was one of two people injured by falling debris in a region outside the Ukrainian capital as air defences shot down what the air force said yesterday were 15 Russian cruise missiles and 21 drones.

“The occupiers are not stopping their attempts to terrorise the Ukrainian capital with strike drones and missiles,” it said.

Russian officials reported cross-border shelling from several areas of northern Ukraine yesterday in the latest sign that Kyiv is starting to push back beyond its borders after more than 15 months of all-out Russian assault.

The governor of Russia's Belgorod region said two people had been killed and

two others injured when Ukrainian forces shelled a road in the town of Maslova Pristan near the Ukrainian border.

“Fragments of the shells hit passing cars. Two women were travelling in one of them. They died from their injuries on the spot,” governor Vyacheslav Gladkov said.

Russia said on Thursday it had repelled a second attempted incursion into the Belgorod region in just over a week by what it casts as pro-Ukrainian militants. Ukraine denies involvement.

The Freedom of Russia Legion blamed Russia for the shelling on Telegram, while posting images of what it said was one of its tanks in the nearby Russian village of Novaya Tavolzhanka and soldiers taking cover behind a wall during a gunfight.

Putin told his Security Council yesterday that “ill-wishers” were increasingly trying to destabilise Russia. “We must do everything we can to make sure that under no circumstances will they be allowed to do this,” Putin said.

The governors of the Bryansk, Kursk, Smolensk and Kaluga regions all reported shelling or drone attacks, with some buildings damaged and energy infrastructure targeted, although no fires at oil facilities or injuries were reported.

Spike in boats smuggling meth out of Myanmar Says UN report

AFP, *Bangkok*

Asian drug trafficking networks are increasingly using sea routes to smuggle methamphetamines out of Myanmar and ramping up ketamine production as they seek to expand their business, the UN said yesterday.

Meth from coup-hit Myanmar's northeastern Shan state – the regional epicentre for the drug's production – is being smuggled by boats to avoid tighter patrols on land routes through China and Thailand, the UN Office on Drugs and Crime (UNODC) said in an annual report.

The border region between Myanmar, Laos and Thailand has long been a hotbed of illegal drug production and trafficking, particularly of meth and opium.

Increased drug patrols in China's southwestern Yunnan province and along Thailand's border with Myanmar led to a drop in meth seizures by Chinese and Thai authorities in 2022 as drug traffickers turned to alternative maritime routes.

Bangladesh, Vietnam open univs sign pact

A CORRESPONDENT, *Gazipur*

Bangladesh Open University (BOU) and Ho Chi Minh City Open University (HCMCOU), Vietnam, signed a memorandum of understanding (MoU) for cooperation in teaching and research, exchange of academic programs, and study opportunities.

The MoU will also cover research in fields of mutual interest, exploring potential research and program collaborations, faculty exchange, developing training programs, and joint seminars between the two universities.

BOU Vice-Chancellor Prof Dr Syed Humayun Akhter and HCMCOU President Prof Dr Nguyen Minh Ha signed the agreement on Monday.

Speaking about the prospects, Dr Akhter said, “Many Bangladeshi students are now studying in Vietnam. The signing of the MOU will increase the educational and research cooperation between the two universities, which will elevate the friendly bilateral ties a step further.”

College student beaten to death

STAFF CORRESPONDENT, *Ctg*

A college student was beaten to death allegedly over a family feud in Patiya upazila, Chattogram early yesterday.

Shahedul Islam, 19, was a student at Patiya Government College.

The incident took place when some 10 to 12 miscreants ambushed him at Bathuya Bridge area in Chhanahara union and beat him to death on the spot at around 12:10am, said Priton Sarkar, officer-in-charge of Patiya Police Station.

“We have primarily come to know that the victim was attacked over a longstanding family feud in the area. We are investigating the incident to know more details.”

Baby Akter, the deceased's mother, filed a case with Patiya police against seven named and some 27 unknown suspects in connection with the incident.

BGB seized goods worth Tk 282.33cr in May

UNB, *Dhaka*

Border Guard Bangladesh (BGB) seized various types of smuggled goods and arms and ammunition worth Tk 282.33 crore during raids in the country's border areas and other places in May.

The seized items include 20.569kg gold, 88.694kg silver, 1,51,645 cosmetic items, 2,766 imitation jewellery, 21,481 saris, 1,275 three-piece/shirt pieces/sheets/blankets, 3,911 readymade garments, 1,924 cubic feet of wood, 6,066kg tea leaves, 1,65,893cft of stone, 10 trucks/covered vans, 11 pickups, 5 private cars, 25 easy bikes, and 116 motorcycles, said a BGB press release yesterday.

The seized weapons include eight pistols, eight magazines, seven guns of all kinds, 100 kg of sulfur, four explosive sticks, seven detonators and 40 rounds of bullets.

Legal action has been taken against 220 smugglers for their involvement in various types of drug trafficking and other smuggling, and 31 Bangladeshi nationals, four Indian nationals and 28 Myanmar nationals for illegally crossing the border.

Worrying but under control

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absolutely imported as commodity prices, including those of oil and gas, have gone up globally,” said Rouf.

Kamal said he has not framed the new budget on the basis of the advice given by the IMF.

“The IMF has given an overall prescription. We will accept only those portions of its prescription that we need to accept. The rest we will implement on our own.”

He said the IMF regularly looks into whether the balance sheets of member countries are okay.

“The practice is good for the countries. Often, we have a lot to learn from them. Sometimes, we become successful after working in line with their advice. We can be successful this time as well.”

The budget has kept corporate tax rates unchanged for 2023-24.

“We have reduced corporate tax rates gradually. If needed, we will cut it further.”

Abu Hena Md Rahmatul Muneem,

chairman of National Board of Revenue, said if the corporate tax rate is cut further, revenue generation would fall.

Bangladesh has one of the lowest tax-to-GDP ratios in the world.

Kamal said the number of middle-income people in Bangladesh is high but many of them don't pay taxes.

“If they pay taxes then those who pay taxes regularly and at higher amounts will see their tax burden go down.”

“Now, the time has come to pay taxes. The IMF and the World Bank have set conditions that taxes have to be paid by the people whose income is taxable,” he said.

He stressed that he would be able to implement the budget as he did in the last five years. “I can clearly say that whatever commitments I made in the previous budget, I have delivered them,” he said.

The NBR chairman said taxpayer identification number (TIN) is mandatory for importers, exporters, trade licence holders, commission

agents, gun holders and property and car buyers in city corporation areas and some other groups, not for the poor.

“For these groups of people, becoming a partner in the national development by depositing Tk 2,000 in minimum tax to the state coffer every year should be a matter of pride. They should not see it as a burden,” he said.

Kamal defended the 9 percent ceiling on loans, saying that otherwise the economy would not have recovered so fast from the severe disruptions caused by the coronavirus pandemic.

Rouf said the revenue expenditure of the government would not push up inflation since a major portion of it would be spent on making interest payments and clearing subsidy arrears.

“The government will not cut the annual development programme,” he said, adding that the reserves will gradually go up in the coming months.

In responding to questions related to higher consumer prices, Commerce Minister Tipu Munshi said Bangladesh is now in a better position given the global situation.

Agriculture Minister Muhammad Abdur Razzaque said: “We always aim for winning elections, so we always look to meet the demand of the poor. The new budget has been placed keeping their demand in mind.”

Education Minister Dipu Moni said the budget always places priority on women.

Local Government, Rural Development and Cooperatives Minister Md Tazul Islam said the unemployment rate is 3.2 percent in Bangladesh while it is 2.59 percent in the US, the largest economy in the world.

“This shows that we are doing comparatively better,” he said.

State Minister for Planning Prof Shamsul Alam said women's participation in the labour force is going up gradually.

government for long to form a banking commission to address the lack of corporate governance in the sector,” he said.

Defaulted loans in the banking sector stood at Tk 21,000 crore in 2009 when the government came to power, but the amount has now reached Tk 131,000 crore, he added.

“Doesn't anybody have to worry about this?” he said.

Khondaker Golam Moazzem, a research director of the CPD, said the weakest side of the budget is that no effective measure was taken to tackle the inflationary pressure.

The government is focusing on collecting indirect tax rather than direct tax, which is why rich people and big businesses are the beneficiaries of the policy, he said.

Budget lacks tools to contain inflation

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This represents a hike of only 7.34 percent, which is way lower than the average rate of increase of 15.65 percent between FY10 and FY23.

The overall macroeconomic assumptions made for the upcoming fiscal year are far from reality, which is why the budgetary targets are likely to be missed by a substantial margin, Fahmida said.

“On the whole, the budget for FY24 failed to fully acknowledge the ongoing macroeconomic challenges and, therefore, offered inadequate remedial measures,” she said.

Achieving other targets relating to GDP growth, export, import, remittance and foreign exchange reserves may be difficult as well given the current reality, she added.

For instance, the government set an export growth target of 12 percent for FY24 against the 5.4 percent growth achieved in the period between July and April of this fiscal year.

Import growth target has been set at 8 percent for FY24, though the country logged a negative growth rate of 12.3 percent during the first 10 months of this fiscal year.

The government has also set a GDP growth target of 7.5 percent for FY24 in contrast to 6.03 percent for this fiscal year.

The projections for these indicators appear to be overambitious when compared to the latest available figures, the CPD said.

Mustafizur Rahman, a distinguished fellow of the CPD, said when the government had unveiled

the current budget in June last year, the crises in the local and global economies were already visible.

Despite the challenges, the government had set ambitious GDP growth and inflation targets, he said.

“But the projections were weak and ultimately put an adverse impact on the implementation of the current fiscal year's budget,” Rahman said.

The mobilisation of internal savings should be increased, he said adding that the NBR will have to increase tax collection by 40 percent in the next fiscal year.

If tax collection target is not achieved, other areas such as deficit financing, development budget and bank borrowing will be impacted, Rahman said.

“We have been urging the

Minimum tax of Tk 2,000

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These services include obtaining or renewing trade licenses, borrowing over Tk 5 lakh from financial institutions, opening a postal savings account of over Tk 5 lakh, and purchasing a savings certificate of over Tk 5 lakh.

People who open and continue using bank accounts of any sort with a credit balance of more than Tk 10 lakh will also need to pay the minimum tax.

“Such a move will be a burden to low-income TIN holders,” Fahmida said.

She went on to say the government should scrap the provision as it would “hamper the main spirit” of increasing

the tax-free income limit.

The minimum net wealth exemption limit has been increased to Tk 4 crore from Tk 3 crore, leaving a number of affluent people out of the surcharge net. While the government is moving to end the zero-tax regime for poor people, it is giving exemptions to rich people.

“Such anomalies are not acceptable for a justified tax policy,” Fahmida added.

Prof Mustafizur Rahman, a distinguished fellow of the CPD, Khondaker Golam Moazzem, research director, and Towfiqul Islam Khan, a senior research fellow, also spoke at the event.

Bank borrowing may pose

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increase but it should be ‘significantly increased’ in the proposed budget for the next fiscal year.

“The chamber is concerned that the increase in supplementary duty rates on imported goods may impact the rise in the cost of living. Poor and lower-income groups faced harsh realities because of high commodity prices.”

Inflation stood at 9.24 percent in April, so the 6 percent inflation target for next fiscal year ‘could be difficult to achieve’.

On the economy, the chamber said underdeveloped communication systems and infrastructure, inequitable distribution of utilities and bureaucratic complexity remain major impediments to economic growth.

Also, the weak revenue collection system and implementation of the annual development programme are causes for concern, it said.

“Given the high import trend and the fallout from the Russia-Ukraine war, we need to take prudent measures in foreign exchange spending to ensure macroeconomic stability.”

On tax issues, the MCCI welcomed the increase in tax-free income limit for individuals.

But it demanded the withdrawal of the proposal to collect a minimum

tax of Tk 2,000 for availing services even though the person's income stands below the tax-free ceiling.

“This may have a negative impact on income tax payers. The chamber feels that this rate will hamper the process of transformation of small and medium enterprises into an institutional sector.”

The MCCI also demanded the withdrawal of the minimum turnover tax for corporates as only profits can be taxed and not revenue or any other fund.

The proposal to increase tax for the transfer of flats and immovable properties may adversely affect individuals and companies, the 129-year-old trade body said.

Meanwhile, the Foreign Investors' Chamber of Commerce & Industry said there is no new incentive for the development of local industries.

The introduction of an environment surcharge for owning multiple cars is a ‘nice initiative’ for protecting the environment. But, corporates should be excluded as they need multiple vehicles for operation.

“The proposed budget aimed for a GDP growth of 7.5 percent and an inflation rate of 6 percent for the upcoming fiscal year. FICCI believes the proposed targets are challenging. However, if achieved, it will bring in momentum in the economy.”