

NORTHERN MYANMAR Clashes break out near military regional command

AFP, Yangon

Clashes broke out near a regional military command in northern Myanmar yesterday, residents and local media said, in what appeared to be a widening offensive against junta troops.

Gunfire has rocked the northern Shan state town of Lashio, home to the military's northeastern command, since late Tuesday, one resident told AFP.

"Since last night we have been hearing shooting targeting the regional military command... we dare not to go outside," they said, requesting anonymity.

Fighting was happening outside the town, another resident told an AFP correspondent, who heard one explosion down the phone.

She said the military had closed all roads into Lashio but that some shops in the town were still open.

Videos uploaded to social media showed a wooden building destroyed and partly in flames, and local media reported six civilians had been killed in shelling.



Parimita Ghosh delicately picking some collard greens from a waterbody near her home in Beel Pabla area of Khulna's Dumuria upazila yesterday. The swelling of small waterbodies during the monsoon triggers the growth of various semi-aquatic plants, including different kinds of spinach and edible greens. From morning to noon, Parimita collects these, bundles them up and then sets off to the local market in the afternoon to sell them. Through this, she earns Tk 250-300 per day.

PHOTO: HABIBUR RAHMAN

What's the harm if India given transit?

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Noting that Bangladesh brings fuel from India's Assam to the Parbatipur depot through a pipeline, the leader of the House said this enabled Bangladesh to purchase fuel at a cheap rate.

Hasina, also the Awami League president, said the government has a plan to bring fuel to Natore through a pipeline.

She described how the interest of the country was neglected during the rules of military dictators Ziaur Rahman and HM Ershad, and also during the tenure of Khaleda Zia's government.

The PM said Zia had opened Bangladeshi market for Indian goods. She said Zia and Ershad did nothing to resolve the enclave and Tin Bigha Corridor issues with India.

She said Khaleda forgot to raise the Ganges water-sharing issue during her visit to India in 1990s.

Hasina said she objected to selling gas to India ahead of the 2001 general election, but Khaleda agreed to it.

"As a result, my party Awami League could not win a large number of seats despite securing larger percentage of votes.

"We couldn't form the government because of my unwillingness to sell gas. So, who sells the country? Khaleda Zia, HM Ershad and Ziaur Rahman did it. Awami League doesn't do it."

The premier sought cooperation from the MPs so the national budget for 2024-25 fiscal and the Annual Development Programme are properly implemented.

Talking about the Ashrayan project, she said a total of 8,68 lakh landless and homeless families have been rehabilitated. The total number of beneficiaries is more than 43.39 lakh, she added.

This year, the budget session of the 12th parliament began on June 5. The session was prorogued yesterday evening after 19 sittings.

Finance Minister AH Mahmood Ali placed the Tk 7.97 lakh crore proposed national budget for 2024-25 fiscal in parliament on June 6. The Finance Bill 2024 was passed on June 29 and the national budget on June 30.

A total of 228 MPs took part in the discussion on the proposed budget.

ACC sues

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amount of legal sources, including savings and loans, and excluding family and other expenses from income from various sectors during the service, is found to be Tk 69 lakh.

"In this case, he could not show any legitimate and acceptable sources of income for the additional Tk 41.46 lakh," it said.

On the other hand, although Shahana is a homemaker, there is evidence of non-income assets of Tk 1.58 crore in her name.

According to the statement of the case in which she was accused, "In the wealth statement submitted to the ACC, Shahana showed her movable and immovable properties are worth Tk 1.99 crore. However, the total legal and acceptable income, including net savings and other legal receipts, and excluding family and other expenses from the income mentioned in the name of Shahana Parvin, is Tk 41.2 lakh.

"It was found that the accused Shahana Parvin possessed movable and immovable assets worth Tk 1.58 crore inconsistent with her known sources of income."

The ACC said Shahana bought her properties with her husband's ill-gotten money, which is why she is the main accused in the case filed over abetting the acquiring of illegal wealth.

S Alam Group's rejoinder and our reply

FROM PAGE 1
THE REJOINDER

1. It has come to our notice that a renowned newspaper namely The Daily Star has published a news report in its online version on 30.06.2024 at 4:25 PM and subsequently published in its print version on 01.07.2024 with the headline "Two S Alam firms evaded Tk 3,500 crore in VAT, says NBR". In the said News Report, it has been falsely stated that S. Alam Vegetable Oil Limited and S. Alam Edible Oil Limited have unpaid Value Added Tax, and consequent penalty worth over Tk. 7,000 crore which they allegedly evaded through various means in three years between 2019-20 to 2021-2022. The said news report made further false allegation that during the period from 2019 to 2022, these two companies evaded Tk. 3,538 crore in VAT for which these two companies have been imposed penalty of Tk. 3,531 Crore. In the said news report, it has falsely been alleged that these two companies evaded revenue by showing lower value of raw material purchase in VAT Return than that reported in their annual reports during the three financial years. In the said news report, further false allegation has been made that the said two companies evaded VAT by deducting less amount of VAT at source. It is further falsely alleged that despite selling edible oil to different purchasers, the said two companies did not pay VAT on those sale transactions. In the said news report it is further falsely alleged that in order to evade VAT, soybean and palm oil were sold after producing the items with the ingredients procured from local sources or collected by any other means. It is further alleged that Tk. 8100.39 core worth of raw materials have been procured locally against which the company failed to submit any VAT challan or Bill of Entry.

2. All the above allegations are absolutely false, frivolous, baseless and the said report has been published with ulterior motive. Both the companies submitted reply to the VAT authority on 27.12.2023 and thereafter submitted an explanation to their reply on 18.03.2024. In the explanation dated 18.03.2024, both the companies produced a clear picture that firstly the said two companies deducted VAT at source in accordance with law and no VAT was evaded which is supported by the evidence produced before the Commissioner of VAT.

3. Secondly, Tk. 10,320 Crore and Tk 9,207 Crore were shown in the respective audit report as sale which were actually received as advance money by issuing DO letters in favour of the intending purchasers for future sales which ultimately did not take place and the amounts so received by the aforesaid two companies were ultimately returned to the buyers through their respective bank accounts. The context of advance sale is a common practice in the local market of edible oil and is recognized business practice all over the country. The return of the amount of those advance sales are well documented.

4. Thirdly, the raw materials for production of edible oil are not available in the local market and those have to be imported by way of L/C. All these explanations were sufficiently placed before the Commissioner of VAT with relevant documents. However, the Commissioner of VAT deliberately avoided from reflecting the same in his determination order. However, in the said news report as

well as in the order passed by the VAT Commissioner on 09.06.2024, this explanation of the two companies have willfully been suppressed only to scandalize the said two companies. During the proceeding before the VAT Commissionerate, these two companies requested to allow them opportunity of personal hearing as well as for producing their detailed evidence in supporting their explanation.

5. Lastly, on 04.06.2024 both the companies filed applications before the Commissioner of VAT for fixing the date of hearing on 10.07.2024 or any day thereafter. However, the VAT Commissionerate passed an order on 09.06.2024 without affording these two companies the opportunity of hearing which is a clear violation of section 73 read with 85 of the VAT and Supplementary Act, 2012 as well as of principles of natural justice. Interestingly, the Commissioner in his orders both dated 09.06.2024 totally suppressed the fact of filing of application by these companies on 04.06.2024 only to justify his order.

6. These two companies never evaded any amount of VAT whatsoever and we are confident that if we are given a proper opportunity to produce our explanation along with the supporting documents, we will be able to establish the fact that no VAT has ever been evaded. These two companies challenged the said orders of the VAT Commissioner by filing two writ petitions before the Hon'ble High Court Division of the Supreme Court of Bangladesh on 30.06.2024. The Hon'ble High Court Division vide order dated 01.07.2024 was pleased to issue Rule Nisi in the said two Writ Petitions. We already informed the newspaper authority about the pendency of the said two Writ Petitions at 02:00 PM on 30.06.2024. However, the Daily Star published the said news report on their online edition at 4:25 P.M on 30.06.2024 and subsequently published in print version on 01.07.2024 totally concealing the fact that the said order passed by the Commissioner of VAT was already sub-judice before the Hon'ble High Court Division. This amounts to frustration of administration of justice and therefore, is a serious contempt of the Hon'ble High Court Division.

7. We strongly deny and object to the said false, frivolous, baseless and motivated news report published in The Daily Star. We reserve our right to take appropriate legal action against the said false news report.

OUR RESPONSE

Firstly, the content of our news report was based on findings of an audit by the field office of NBR's Customs, Excise & VAT Commissionerate, Chattogram, and a subsequent review by a five-member committee headed by an additional commissioner, Chattogram VAT Commissionerate. The Daily Star simply reported on the VAT Commissionerate's findings that the said two companies have unpaid VAT and consequent penalty worth Tk 7,000 crore.

So the claim in the second paragraph of the rejoinder that "all the above allegations are absolutely false, frivolous, baseless and the said report has been published with ulterior motive" is totally untrue. The Daily Star published the story in public interest, and with no other motive whatsoever.

The VAT demand adjudication order by the VAT Commissionerate came in June 2024, about eight

months after the field office submitted its audit report in October 2023. During the audit and review process, the two S Alam firms were given the opportunity to explain the discrepancies in sales and purchase data they presented in their audited annual financial reports and in their VAT returns. This mismatch between two sets of data, presented by the two companies themselves to the authorities, were discovered by the government's VAT wing, and not by The Daily Star.

In its own admission to the VAT authorities, the two companies said that they "presented inflated values in their audited financial reports to avail bank loans," to which the NBR review committee said that "if this is true, they have clearly committed a criminal offence." The review report further said that the related bank has also "acted very unprofessionally" if it sanctioned loans based on an "imaginary and untrue" financial statement.

We reported these findings and observations of the revenue collector, and not a single word more.

As is our practice in line with internationally accepted standards, we approached their parent company on June 27, 2024, three days before we went online and four days before we ran the report in our print version. Between our first contact and the publication, we have spoken to S Alam Group Executive Director (Finance) Subrata Kumar Bhowmik and the Group's legal counsel Md Mustafizur Rahman multiple times over the phone and exchanged eight text messages via WhatsApp. Md Mustafizur Rahman also sat with The Daily Star at its office on June 29, 2024, to offer their explanations. The meeting lasted about 80 minutes.

In fact, much of the explanations offered in paragraph 3, 4 and 5 of this rejoinder have been included in our story, quoting Mustafizur. We even sent a draft of his comments before publication, asking him to see if it reflected the company's version, and he said by phone "it's okay" and did not suggest any changes, deletion or addition.

To be clear, we dedicated 442 words for the Group to clarify their position in our story. This is only from our telephonic and face-to-face conversations with the Group representatives. If we count the 347 words that we also have incorporated in our story from the NBR's VAT wing report as their explanation on the VAT evasion allegation, we have dedicated 789 words for the Group in our 2830-word story.

About two hours before we were ready to go online, S Alam Group sent a notice asking us not to publish the story since they have filed writ petitions against the orders of the VAT Tribunal. Since we did not comment upon or discuss the merits of the writ petition, we went ahead with our publication which reports on the findings of the NBR field office as provided in its orders.

The Daily Star never engages in "motivated" reporting as the last paragraph of the rejoinder falsely claims. We repeat, we publish stories in public interest, and a story on allegations of VAT evasion worth Tk 3,538 crore and consequent penalty amounting to another Tk 3,531 crore have huge public interest.

The rejoinder does not dispute any facts or present any proof to counter the content of our story. We stand by our report.

Dhaka to seek \$20b

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with imports by Bangladesh accounting for almost the entire sum.

A team of Chinese Exim Bank yesterday met with officials of the Economic Relations Division, the finance ministry wing that negotiates foreign loans, to discuss the terms and conditions for the loan, The Daily Star has learnt from officials informed with the proceedings.

The other projects for which Dhaka will be seeking loans from China include: the Dhaka Mass Rapid Transit Development Project (Line 2), the Bhanga-Kuakata rail line, bridge over the Kocha river at Pirojpur, the renovation of Dhaka Medical College Hospital, and Maheshkhali-Matarbari Bakhrabad 3rd parallel gas transmission pipeline.

An announcement on starting negotiations for a free trade agreement may also come up during the visit as Bangladesh is eager to boost exports to China to reduce the trade gap.

Beijing wants to upgrade the relationship with Dhaka to a "comprehensive strategic cooperative partnership" from "strategic partnership" that was declared during the visit of Chinese President Xi Jinping in 2016, according to officials involved with the proceedings.

Stakeholders, however, advised putting national interests at the centre of the negotiations.

Ensure same pension

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Besides, all teachers should have better packages during their service as well as in retirement, so that the best minds are attracted to the profession, they say.

The finance ministry in a gazette in March announced a pension scheme titled Prottoy for recruits joining the autonomous, self-governing, nationalised, statutory, or such organisations, including public universities, on or after July 1.

Under the scheme, 10 percent of the monthly basic salary of an employee, up to Tk 5,000, will be deducted and given to their pension fund. The employing organisation will contribute the same amount to the fund. The government will pay the authorities managing the pension. There will be no one-time gratuity for the retiring employee.

The government will investment the money, and the proceeds will be added to the fund.

Under the existing pension system, employees do not need to contribute to their pension funds. Faculty and staff recruited before July 1 this year will be under the current pension scheme.

Finance Minister Abul Hassan Mahmood Ali announced in his budget speech on June 6 that government officials, including bureaucrats, would be under a new pension scheme, which the finance ministry later said would be named Shebok. Employees joining after July 1 next year would be under this scheme.

The government has yet to publish terms of Shebok.

University teachers, meanwhile, are concerned that their retirement benefits will be cut by Prottoy while government officials under Shebok will be better off, said Prof Muhammad Shahadat Hossain Siddiquee who teaches economics at Dhaka University.

He is also a member of a committee the protesting teachers formed to review the new pension scheme.

TEACHERS' DEMAND IS LOGICAL

It is good that the government is heading towards a system in which the employee contributes to the pension funds, said AB Mirza Azizul Islam, former adviser to a caretaker government.

The government must manage the fund carefully and meticulously so that it does not turn into a losing concern.

Retired employees should not be kept waiting for the monthly pension.

The government spending in pension and gratuities was Tk 4,395 crore in fiscal year 2009-10 – 4.3 percent of the budget. For the 2024-25 fiscal year, the government allocated Tk 36,902 crore,

Landslides kill two in Ukhiya refugee camps

STAFF CORRESPONDENT, Cox's Bazar

Two people, including a child, died in separate incidents of landslides at two Rohingya camps in Cox's Bazar's Ukhiya upazila early yesterday.

The incidents occurred at camps 8 and 11, said Shamim Hossain, officer-in-charge (OC) of Ukhiya Police Station.

The deceased were identified as Sifat Ullah, 13, belonging to the host community living in the eastern zone of Camp 8 at Balukhali's Jumerchhara, and Rohingya refugee Anwar Hossain of Block A in Camp 11, added the OC, quoting locals.

Meanwhile, a hill slide temporarily disrupted traffic movement on Marine Drive in Himchari Point since early morning. However, the road was cleared by a team of the Bangladesh Army before noon.

On June 19, ten people, including eight Rohingyas, were killed in separate landslides at the refugee camps in Ukhiya.

Incessant rains since last week have exacerbated landslide risks for Cox's Bazar residents, especially for people who are living in hilly areas.

About 1.2 million Rohingya, most of whom fled for their lives in 2017 facing atrocities by Myanmar's junta forces, live in 33 camps in Ukhiya and Teknaf in Cox's Bazar. Many of them live in hilly areas prone to landslides.