

It meet of tax commissions held

Saifur hopes assesseees will
be spared harassment

The first joint meeting of the Tax Settlement Commission and Turnover Tax Commission was held here at the NEC Bhaban yesterday with Finance Minister M Saifur Rahman in the chair, an official handout said, reports BSS.

The Tax Settlement Commission consisting of a full time chairman, two full time members and ten part time members was constituted through the Finance Act 1994 by amending income tax ordinance 1984 for speedy disposal of income tax cases.

The commission's main task is to evolve a generally ac-

ceptable system for quick and final disposal of cases and tax collection in the case of all tax payers other than limited companies having paid up capital above Tk 50 lakh.

An order of the commission in any case or any point shall be final and conclusive and binding on the assessee as well as the government.

The commission will pass its order within six months from the date of receipt of application and communicate its order to the applicant within thirty days from the date of passing the order.

Speaking on the occasion the Finance Minister said the Tax Settlement and Turnover Tax Commissions were constituted to save the assesseees from unnecessary harassment as well as it will also help the government by saving time and quick recovery of tax revenue.

He said the existing long and cumbersome appeal and settlement procedure is useless in the present day context. He hoped that broadness of mind in the over all perspective will prevail and cases would be quickly resolved by both the commission's with commonsense, vision and wisdom.

The Tax Turnover Commission was also constituted through the Finance Act 1994 mainly to determine the turnover tax on annual basis instead of fixing it at the rate of 2 per cent in the turnover in cases where amount of turnover is Tk 15 lakh or less and which have been already brought under the turnover tax net by the department.

It will also consider and decide the appeal petitions which may be referred to the commission, the handout said. Chairman of NBR Akbar Ali Khan, Chairman of the Tax Settlement Commission Mesbahuddin Ahmed and Chairman of the Turnover Tax Commission Syed Mansurul Haq also spoke on the occasion.

Pak rupee
weakens

KARACHI, Pakistan, Dec 27: The Pakistani rupee closed 0.02 rupee down to 31.80 rupees to the dollar compared its open at 31.78 rupees in the kerb market, dealers said, reports Reuters.



The 11th annual general meeting of Tamijuddin Textile Mills Ltd. was held at Hotel Sheraton in the city yesterday. The directors of the company are seen in the picture.

Tamijuddin Textile announces
no change in yearly dividends

Tamijuddin Textile Mills Ltd., a leading textile spinning mill, announced no change in yearly dividends for its shareholders at its 11th Annual General Meeting yesterday.

With a paid-up capital of Tk 143.47m, dividends remained at 10% (Tk 10/- per share of Tk 100/-) although net profit increased by 86%, from Tk 8.84 million in 1993-94 to Tk 16.45 million in 1994-95. This huge increase in profit gave shareholders a massive EPS (Earning Per Share) growth of 86%.

When questioned at the meeting, held at a local hotel, the Directors replied that they hoped to increase dividends in the future but at present were allocating profits to Reserve funds.

According to the 1993-94 annual report of the company, due to international price increases in raw cotton and decreased availability in the overseas market, local cotton had to be procured which was not available in time and was of poorer quality. As a consequence the production of yarn was 7.2% less than the previous year in terms of volume. Sales also decreased by 0.36%.

But due to cost reduction in production, profits increased considerably.

In the coming fiscal year although price increases are expected to remain the same, increased availability of raw cotton, is foreseen, a director of the company said in response to a question.

Future plans include the in-

stallation of new electronic yarn-cleaning machinery, engaging internationally renowned productivity consultants and importing a new gas generating set to off-set the problem of power-cuts at the plant, the report said.

The Company's share price for the year in review varied from Tk 120 to Tk 218.

Corporate Profile

Tamijuddin Textile Mills Ltd

Chairman and MD: Al-haj Abdul Kader Mia
Head Office: 195, Motijheel C/A, Dhaka
Factory: BSCIC Industrial Estate, Konabari, Gazipur
Banker: Janata Bank
Auditors: M/s Ahmed Zakar & Co. 47, Dilkusha C/A, Dhaka

Sector: Textiles
Main Business Activity: Manufacture of yarn and Textile spinning
Share holding pattern: Sponsors 64.42%, Institutional investors 24.50%, General public 11.08%

Key Data:

	1993-94	1992-93
No of shares issued	1,434,730	1,434,730
Paid-up capital/Tk (m)	143.73	143.73
Gross profit/Tk (m)	45.62	44.13
Net profit/Tk (m)	16.45	8.84
Reserves/Tk (m)	11.63	8.84
Dividend	10%	10%
EPS	11.50	6.18
EPS growth	86%	

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on December 27, (Figures in Taka)

Currency	Selling	Buying
	TT & OD	TT & OD
US Dollar	40.3775	40.1000
GBP	62.5653	61.1682
DM	25.8028	25.8219
FFranc	7.4773	7.4829
C Dollar	29.1607	29.1824
S Franc	30.5707	30.5934
Jap Yen	0.4082	0.4085
HS	1.2949	1.3046
Pak Rupee	1.3186	1.3285
Iranian Rial	0.0232	0.0234

A) T.T. (DOC) US Dollar Spot Buying Tk 40.0557
B) Usance Rate:
60 Days 39.7497
90 Days 39.4656
120 Days 38.8976
180 Days 38.3295

C) US Dollar sight bill 3 months forward purchase: Tk 40.0115
D) US Dollar sight bill 3 months forward sale: Tk 40.6075

Currency	Selling	Buying
	TT & OD	TT & OD
S Riyal	10.7668	10.6316
UAE Dirham	10.9945	10.8562
Kuwait Dinar	134.6365	132.7397
D Guilders	22.9561	22.6640
S Krona	5.3027	5.3749
Malaysian Ringgit	15.7860	15.5835
Singapore Dollar	27.5859	27.2240

Use of modern tech in indirect tax admin in dev economy

by Dr Rafiqul Islam

The 'stigmatized' image of the indirect tax collecting agencies can be improved through quick clearance, speedy service, quick retrieval of data for reporting/report generation having immediate control over information which will make the field level administration transparent to the headquarters and other agencies. The old (or obsolete) system of data processing makes the reporting system time consuming and sometimes the information become obsolete when reported upon.

Quick and timely reporting increases the efficiency image of any organisation. As there is no going back in time motion so there is no saying 'no' to technology. In a modern quick interacting world we cannot live in an island of our own, because we have to interact, do business with our neighbors who are advance in technology. Technology creates an added advantage, adds an edge over competitiveness which is global. The global village concept imposes on us a need to embrace the technology which is possessed and used by others.

The traditional role of customs has been transformed from a revenue earning organisation to a trade facilitation organisation. Customs and VAT administration interact with organisations like trade, commerce, industry in the private sector and with other government agencies with trade and revenue statistics.

Indirect Tax administration of Bangladesh regularly shares data with the Bureau of Statistics, Ministry of Finance, Ministry of Commerce, The Tariff Commission, Bangladesh Bank and other offices. There are two options before us, one is to initiate the change and take the lead in computerization, the second option could be to wait for other organisations computerization and follow them. But it seems that we should immediately start changing our organisation's structure with the help of available technological equipments and innovate better procedures different from the existing traditional ones.

The technology is there, the willingness to change is not inadequate either. We know that reforms do not come automatically, the organisation's psyche and attitude should be reform oriented, otherwise the announcement of reforms or changes will sound hollow and will not bring the intended changes necessitated by time.

Organisational changes can be well designed through proper research and develop-

ment initiative.

Christopher Freeman in his book, *The Economics of Industrial Innovation* (MIT Press, Cambridge, Massachusetts, 1982, P-225) states that R & D is a term covering three activities: Basic Research, Applied Research and Experimental Development. The third category, i.e., experimental development is a systematic work, drawing on existing knowledge gained from research and/or practical experience that is directed to creating new process, systems and services, or to improving substantially those already installed. The process of development of information technology is similar to installing new process/system dealing in information to improve the existing one. While discussing the role of technological policy Freeman specifies three sets of technology policies, which in brief are:

Policies which aim directly at encouraging firms to take up radical innovations.

A second set of policies aim at improving the diffusion of existing (new and radical) innovations.

A third set of policies aims at improving the import and the internal diffusion of foreign technology. It is a policy that in the first instance has to convince local businessmen and managers, as well as government officials, that foreign technology in certain areas and at certain times might be more desirable or simply better than domestic technology. Post-War Japan is a good example of success in this area. Perhaps the most important group in MITI is that which monitors world-wide technological developments and advises on possible future trends and their implementations for Japanese industry and management.

Simon Kuznets made an inescapable conclusion regarding process change that the direct contribution of man-hours and capital accumulation would hardly account for more than a tenth of the rate of growth in per capita product, and probably less. The large remainder must be assigned to an increase in efficiency in the productive resources arise in output per unit of input, due either to the (1) improved quality of the resources, or (2) to the effects of changing arrangements, or (3) to the impact of technological change, or to all three. This conclusion is in agreement with the findings of studies for the United States and Norway.

"Man", said Benjamin Franklin, "is a tool making an-

imal". Franklin might have substituted "the" for a "a", man is man precisely because he makes tools. When science and technology assimilation came together, tremendous qualitative changes did occur. In the past there have been times when technological innovation swept all or part of the world with extra-ordinary force; for example, the wind-mill in medieval Europe, the firearm in 16th century, and electric communication in the 19th century - computers in the past decade have swept in all areas of science and technology, and influenced the life of mankind of today's world. We are dealing with a very small area of technology in information or information Technology which might make our working environment cozy.

The fact that the developing countries want to import technology from the developed countries and the fact that the developed countries export their technology in their own self-interest would seem to provide a congenial base for collaboration. Many problems have become obvious, several of which have to do with differing conceptions of technology's role. Two important principles have emerged: first, that the technology of the developed nations is not automatically ideal, or even always suitable, for the developing nations, and second, that the under developing nations need not necessarily pass through the same succession of stages that the vanguard of developed nations has undergone.

Use of computers, development of Information Technology (IT) and entering into the age of Electronic Data Interchange (EDI) are different stages of the similar process where handling of data/information by only manual method has become impossible (because it is inaccurate and risky) for the decision makers. Accuracy in information can definitely be achieved through the use of computers. The indirect tax administration has to embrace this technology as an inevitable happening. One area for immediate concern is the 'valuation problem' in custom and value-added tax. The present practice being manual is highly risky - it has even proved to be fatal in some cases. In order to have a uniform data-base we must quickly switch over to a customs and vat data-base which will be national and reduce or eliminate the scope of being wrong in value judgement. This will also eliminate

the present practice of arbitrarily fixing the value which satisfies neither the clients nor the administrators. Readily available information will help us to take quick decisions as well. Information sharing will become easy, the private sectors can not only share NBR data in future, they can even contribute in updating the same. Mutual co-operation will replace mutual distrust with the help of technology. NBR has developed a computer-based 'Customs Information System' (CIS) which has a historical data-base from 1991. This data-base is being used for budget analysis, revenue projection and related decision making issues. On the VAT administration work is underway to generate programmes for VAT registration monitoring, creating VAT profiles, etc. NBR plans for data sharing between direct and indirect tax administrations to enhance tax compliance-collection.

We all know that the rich countries of today are those that exploited the industrial revolution in the 19th century; the rich countries of the future will be those that exploit the information revolution to their own best advantage in the 21st century. Hence the importance of information technology.

Customs plays a pivotal role in the economic life of any country. If, in playing that role, Customs do not embrace the modern methods, then the economy of the country as a whole will suffer.

The application of all these added responsibilities has led inevitably to an increase in the complexity in Customs regulations. Tariff books and procedure manuals are becoming significantly more detailed. Officials who in the past applied a fairly simplified tariff schedule specifying Customs duties on a limited range of goods are now faced with the increased complexities of tariffs based on the Harmonized System. It is becoming increasingly difficult in some countries for Customs officers to be aware of all the existing regulations affecting importations.

This has led to a lack of uniformity in the application of the law. It provides increased opportunities for circumvention of Customs law and produces an ideal environment for the spread of practices such as irregular payments.

Increased volume of world trade

The volume of world trade has increased dramatically in recent decades and this has obvious consequences for Customs authorities which are faced with additional work in the clearance of goods. Not only has the volume of goods traded increased substantially but the range of goods has also increased. Customs officials who were accustomed to dealing with a narrow range of traditionally traded goods now find themselves confronted with a much wider range from a diversity of sources and subject to different tariff regimes. The consequent delays in the clearance of goods have meant

the congestion of perhaps already inadequate and overburdened ports and airports. Volume of world trade will increase further with the establishment of World Trade Organisation from 1st January, 1995.

Modern means of transport

The significant increase in the use of air transport for the carriage of goods has had its impact on Customs. Goods can be transported from one side of the world to the other overnight. There is little point in going to the considerable expense of transporting goods by air however if those same goods must wait perhaps a week or even longer before clearance by Customs. The advent of containerization has also had its impact. More rapid Customs clearance of consignments is required if the benefits of modern transportation techniques are not to be lost.

Staffing restrictions

The increased responsibilities of Customs authorities have been mentioned above. Assuming such additional tasks would not have presented such a great problem if it had been possible to increase staffing levels to cope with the increased workload. In the majority of countries this has not been possible. Uncertainty about general economic conditions has led many countries to adopt austerity programmes which permit little or no expansion in activities such as Customs. Such staffing restrictions have compounded the impact of the additional tasks which Customs are being asked to perform.

The Information Society

Accurate and timely information on which sound decisions can be based is a prerequisite for modern management. There is a growing demand from governments for high quality information on balance of payments trends and revenue collection trends to enable them to take well informed economic and budgetary decisions. Customs administrations are in a unique position since they are well placed to collect and compile much of this information. They must however be given the necessary tools to do the job.

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Dhaka Stock Prices

At the close of trading on December 27, 1994

Index falls

Star Report

The Dhaka Stock Exchange All Share Price Index fell significantly on Tuesday.

The index dropped to 843.19711 from 845.844, indicating a decline of 2.648 points.

The turnover in volume on the DSE rose by 39.205 per cent and the turnover in value showed a decline of 43.465 per cent.

A total of 68070 shares worth Tk 14362224.00 changed hands as against Monday's 48899 shares valued at Tk 25404130.00.

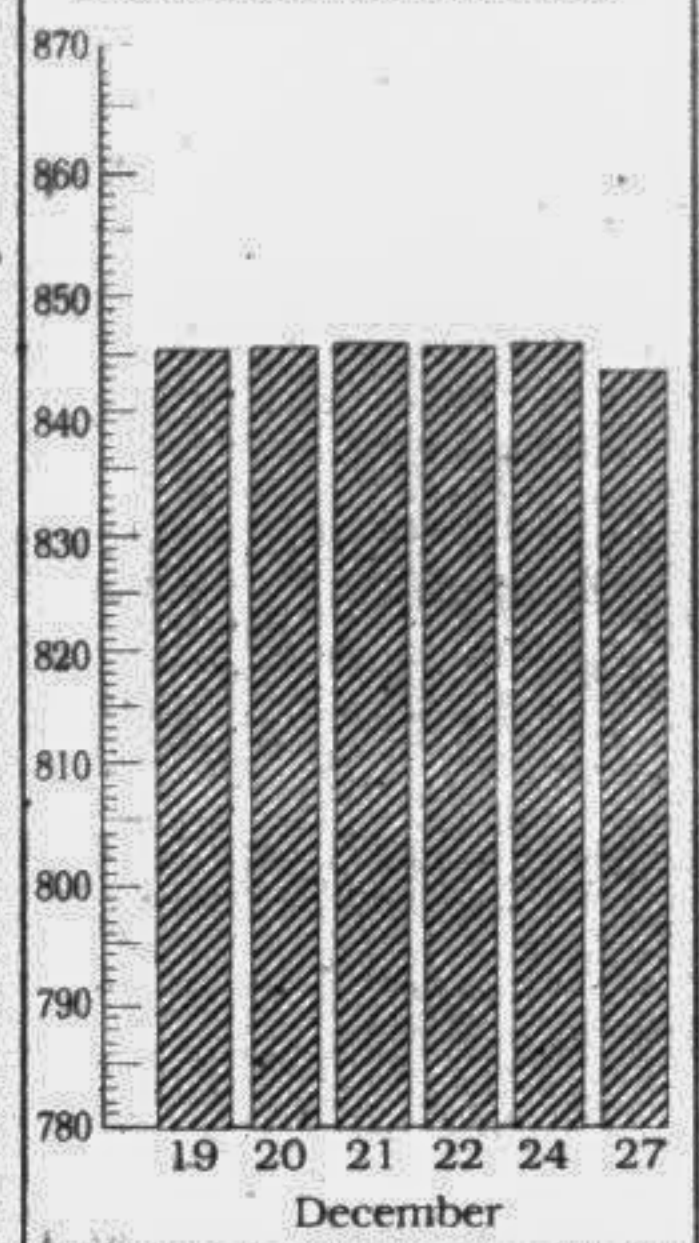
The number of issues traded rose to 67 from 56, in which 40 incurred losses, 10 gained and the share prices of 10 issues remain unchanged.

Apex Foods suffered a loss of Tk 357.69 per share, leading the losers in terms of value.

Beximco Synthetic became the top volume leader. Its 6720 shares were traded.

Other volume leaders of the day were: Beximco Knitting (4340), Beximco Ltd (3800), Eastern Housing (3120) and Janata Insurance (5020).

DSE All Share Price Index



December

Trading at a glance

DSE All Share Price Index 843.19711
Market capitalisation Tk 40883826.57
Turnover in volume 68070
Turnover in value Tk 14362224.00
Total issues traded 67
Issues gained 10
Issues incurred losses 40
Issues unchanged 10

Company's name Change (per share) Number of shares traded

Company's name	Change (per share)	Number of shares traded
AB Bank	0.00	20
APC	3.15 (U)	125
Islami Bank	5.00 (U)	2
National Bank	1.55 (U)	1846
Utara Bank	0.00	16
IDLC	0.00	80
United Leasing Co	3.00 (U)	120
3rd ICB M Fund	1.00 (U)	50
6th ICB M Fund	49 (U)	420
Aziz Pipes	70 (U)	20
Bengal Carbide	20 (U)	1500
Eastern Cables	2.81 (U)	520
Karim Pipe	36 (U)	234
Singer Bangladesh	18.77 (U)	95
Atlas Bangladesh	4.83 (U)	10
Bangladesh Autocare	1.39 (U)	90
B That Aluminium	1.40 (U)	44
Apex Foods	357.69 (U)	20
3rd ICB M Fund	2.84 (U)	2080
Gemini Sea Food	5.00 (U)	15
NTC	0.00	5
Dhaka Vegetable	1.00 (U)	310
Rupon Oil	8.00 (U)	170
Knitting Vegetable	4.00 (U)	750
3rd ICB M Fund	2.84 (U)	640
Jangal Biscuits	38 (U)	1780
Meghna Shrimp Culture	46 (U)	2320
Palma Oil Co	0.00	100
National Oxygen	8.00 (U)	880
Quamam Silk	0.02 (U)	2600
Saham Textile	0.00	220
Eagle Star Textile	41 (U)	1300
Tamijuddin Textile	10.50 (U)	10
Apex Spinning	5.88 (U)	880
Beximco Knitting	1.18 (U)	4340
Dynamic Textile	77 (U)	440
Mithun Corporation	4.06 (U)	1280
B Dyeing	7.76 (U)	310
Ambee Pharma	59 (U)	2100
Beximco Pharma	5.15 (U)	55
ACT Limited	15.67 (U)	90
Petro Synthetic	0.00	950
Pharmaco International	5.00 (U)	20
Reckitt and Colman	11 (U)	2250
Therapeutics	0.00	100
Kohinoor Chemical	1.06 (U)	1010
Ibn Sina Pharmaceutical	2.00 (U)	50
Beximco Infusions	7.50 (U)	310
Beximco Synthetic	3.43 (U)	6720
Libra Pharmaceuticals	0.00	40
Mila Chemical and Pharma	5.00 (U)	1780
Apex Tannery	11.54 (U)	35
GO Bal Pen Industries	75 (U)	200
Monno Ceramic Industries	0.00	10
Umanisa Glass Sheet	5.00 (U)	35
Beximco Ltd	37 (U)	3800
Chittagong Cement Clinker	17 (U)	5
Apex Footwear	89 (U)	310
Eastern Housing	87 (U)	3120
B General Insurance (Deb)	0.00 (U)	60
Eastern Insurance	3.00 (U)	420
Janata Insurance	0.00	5020
Phoenix Insurance	09 (U)	940
Beximco Fisheries (Deb)	50.00 (U)	18
Beximco Knitting (Deb)	9.85 (U)	250
BCI (Deb)	0.00	5

DSE Shares and Debentures

Company FV/ML (Tk) Closing Rate (Taka)

Company	FV/ML (Tk)	Closing Rate (Taka)
BANKS (13)		
Al-Baraka Bank	1000/1	950.00
A.B. Bank	100/5	170.00
City Bank	100/5	310.00
Eastern Bank	100/20	100.00
IDLC Ltd	100/20	550.00
U.C.B.	100/20	400.00
U.C.B.	100/5	160.00
Islami Bank	1000/1	1565.00
National Bank	100/5	113.45
U.C.B. Bank	100/5	100.00
Rupali Bank	100/10	66.00
U.C.B. Bank	100/5	85.00
Utara Bank	100/5	100.00

INVESTMENT (8)		
ICB	100/5	136.25
1st ICB M. Fund	100/5	930.00
2nd ICB M Fund	100/5	310.00
3rd ICB M. Fund	100/5	275.00
4th ICB M. Fund	100/10	355.00
5th ICB M. Fund	100/10	240.00
6th ICB M. Fund	100/10	163.12
ICB Unit Cert.		
Sale Price		