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Workshop on orchid export held

A day-long workshop on "Potential of Commercial Production of Orchid for Export" organised by Hortex Foundation was held at BARC conference room in the city yesterday, says a press release.

Hortex Foundation (Horticultural Export Development Foundation) is a project of the Ministry of Agriculture for the development, promotion and marketing of exportable horticultural products.

The workshop was presided over by Abul Quasem, Managing Director of the Foundation. The members of the Bangladesh Orchid Society, Bangladesh Flower Growers and Exporters Association, researchers, extensionists, officials of NGOs and private entrepreneurs attended the workshop.

Four technical papers were presented in the workshop by M Ahsanullah, National Production Specialist, Hortex Foundation, Major (Retd) Iqbal Ali, Member, Orchid Society, M Sanaulah Mollah, Principal Scientific Officer, BARI, Joydebpur, Gazipur and Kirt Weening, International Marketing Specialist, Hortex Foundation.

All the speakers spoke on high potentials of export of Denrobium Orchid as cut-flowers from Bangladesh.

Dr Quasem said this organisation is providing technical assistance for the growers and exporters of horticultural crops to capture foreign markets. "We have already established demand of our products including French bean, okra, green chilli and baby pineapple in the international markets to some extent," he said.

During July-October 1999, more than one metric ton of tube rose cut flower were exported under the technical assistance.

GP ad campaign takes to air in Sylhet

GrameenPhone Limited air-dropped leaflets in Sylhet recently as part of its "Hello Sylhet" advertising campaign, says a press release.

Earlier on February 24, Speaker Humayun Rashid Chowdhury formally launched the GrameenPhone service in Sylhet by calling Khalid Shams, Chairman of the Board of GrameenPhone, in Dhaka at a simple ceremony at the Circuit House.

On March 9, an Air Parabaf aircraft dropped the leaflets over Sylhet town in the afternoon. This is perhaps for the first time that advertising materials were dropped from an aircraft in the country.

The GP ad campaign created a lot of curiosity among the people of Sylhet and it was the talk of the town. Earlier during the launching of GP's service in Sylhet, a huge outdoor advertising campaign was also taken up in the divisional headquarters. Posters, bunting, banners and billboards were used in the ad campaign to provide the launch a festive atmosphere.

Meanwhile, the GP-GP product, mobile-to-mobile service, has received good response in Sylhet. It has been able to meet the telecommunication needs of the people of the divisional headquarters. It has allowed them to communicate with people within and outside Sylhet.

Partex Beverage manufactures PET bottles

Partex Beverage is manufacturing PET bottles and packaging carbonated beverage in PET non-returnable bottles, says a press release.

This will be done by using the latest PET Blow Molding Machinery, imported from Germany.

PET has proven to be the safest, hygienic, convenient and unbreakable medium for packaging food and beverage.

Partex Beverage Ltd, sole agent of RC Cola International (USA), began with a mission to provide its customers with more and more value in the safest medium possible.

RC is getting closer to making this mission a reality, by introducing our present line of getting closer to this mission a reality, by introducing our present line of products (Cola, Royal Orange, Cludy Lemon & Upper Ten) in 1ltr and 1.5ltr PET non-returnable bottles. In addition to this, the company also plans to add some more refreshing flavours.

RC Cola International was the first company in the world to introduce Diet Cola for health conscious people. Partex Beverage is going to add one of the flavours to its line which is called Diet RC. It is the only zero Calorie Cola in the world.

Bank holiday

Bangladesh Bank and all scheduled banks will remain closed on March 16, 17 and 18 on the occasion of Eid-ul-Azha and birth anniversary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman, reports UNB.

Early rain brightens tea prospects

20 per cent rise in production likely

From Iqbal Siddiquee

SYLHET, Mar 14: The country's tea production, which started much ahead of the season this year because of early rain, may witness a 20 per cent increase, thanks to the favourable weather, industry sources said.

An official of the Bangladesh Tea Research Institute said after a prolonged dry spell during the beginning of the season, the much awaited rain has brought hopes for a better yield.

Normally, the tea season starts from the end of March when rain starts pouring and tea garden labourers get busy plucking leaves.

Over the last few years, production suffered due to unprecedented dry spells. The plucking could not start even in April last year due to inclement weather and absence of rain.

The dry spells during 1980 to 1996 badly hit the new plantations on about 5,000 hectares of land.

But the Sylhet region experienced rain even in late January this year and as a result most of tea gardens were ready for plucking leaves from late February.

"This is something extraordinary," said a leading tea planter, "Besides, the attack of Red Blast disease is also very negligible."

The source further said the tea planters this year are optimistic after last year's production deficit of 12 million kg. This meant a 22 per cent production shortfall, said an official of the Bangladesh Tea Research Institute at Srimangal.

The tea researchers now see every possibility of exceeding the production target this year if it rains on an average 75 millimetre a month till the end of April or May.

Safwan Chowdhury, a leading tea planter and Managing Director of M Ahmed Tea & Lands Company Limited, told The Daily Star that tea prospect

was better this year after a long gap.

The source further said that the severe drought-like situation last year hit 58 lakh nursery plants, while matured plants on about 2500 hectares, immature plants on 500 hectares and old plants on 700 hectares also suffered badly.

The multinational companies managed limited artificial irrigation, but the locally-owned tea gardens failed to take any measure.

Two multinational companies — James Finlay and Duncan Brothers had 22 per cent production shortfall while the National Tea Company (NTC) had 19 per cent drop, the source added. During 1999, the production of locally-owned tea estates was 35 per cent less than that of the previous year.

Besides, large-scale felling of shade-trees in the tea estates also led to the dip in tea production, the source added.

IRRI sees bright rice production prospect in Bangladesh

Bangladesh has a bright prospect of increased rice production, said Ronald P Cantrell, Director General of Manila-based International Rice Research Institute (IRRI), reports UNB.

"The country has good scientists, research institutes and political commitment, but it needs more money for research," he told newsmen at IRRI's Dhaka office yesterday before leaving for Manila ending a six-day visit to Bangladesh.

Cantrell, who arrived here Thursday to get acquainted with the rice growing condition in Bangladesh, exchanged views with Prime Minister Sheikh Hasina and officials concerned.

The IRRI Director General said Bangladesh is a unique country for wide variety of rice. The country needs technology for each variety of rice.

He said Bangladesh's research system is inadequate and IRRI doesn't have the necessary funds for carrying out research.

Cantrell, however, lauded the research work done by local scientists and said they should be provided with more resources.

He said the country had been successful in the past and it now requires more attention to meet the growing demand. He suggested that Bangladesh go for selected variety of rice.

ITS workshop on PSI held

A workshop on "Pre-shipment Inspection Procedure" (PSI) was held at a city hotel on Monday, says a press release.

Organised by Intertek Testing Services (ITS), the workshop was attended by some 100 officials from various commercial banks and other financial institutions.

The purpose of the workshop was to familiarise the concerned officials with the procedural aspects of the PSI programme.

ITS, the world's largest product and commodities certification and testing services, has been appointed by the NBR to issue CRF for imports from 45 countries including China and European states falling in Zone 'A'.

Speaking on the occasion, Abul Quasem, Member (Customs) of the National Board of Revenue, said that the success of the newly-introduced mandatory PSI programme would depend on efficient handling of import and other relevant documents by the commercial banks.

Expeditions and quick clearance of imports is one of the major objectives behind introduction of the PSI system, he added.

Quasem sought cooperation of all concerned to check evasion of tax through under invoicing and "technical smuggling" and thereby help raise the government's revenue earnings.

He said the NBR officials would be available for giving any clarification on procedural aspects and gave the assurance that lacunas in this regard would be removed in consultation with all concerned.

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(From right to left) M Zulfikar Hussain, Manager, HR and Corporate Affairs, Nestle Bangladesh Ltd, Ramakanta Bhattacharjee, Business Head, Aptech Bangladesh, Zeeshan Rahman Khan, Vice President of Architecture, ESchoolnet.com, Rezwan Bin Farouq, Executive Director of Axiom Technologies Ltd, TIM Nurul Kabir, Managing Director, TechnoVista Ltd, and Abdullah H Kafi, President, Bangladesh Computer Society, are seen at Career Seminar for the Software Engineers of the 21st Century organised by Aptech Computer Division at BIAM in the city on Sunday.

— Aptech photo

First Bangladeshi portal web site launched

Star Business Report

People all over the world will be able to buy products made by remote indigent people of the country through the first Bangladeshi portal web site, Bangla2000.com, which was formally launched yesterday.

"With the introduction of on-line services, Bangla2000.com will change the shape of trading for Bangladeshi goods," said Salimullah Rawnak, President and Chief Technological Officer of the web site.

Bangla2000.com will provide a one-point access to the vast resources of the Internet.

he said. The portal web sites provide the platform for exchanging information and commodities for people. Rawnak said. "One can get information about virtually everything, receive news updates and get any product or service through the web site," he said.

The site was launched by a group of enthusiastic young computer professional of the country.

Describing various aspects of the site, Rawnak said it will help reduce surfing through a

whole bunch of web sites to get to the desired location. The site is customised to meet the need of Bangladesh people.

Commerce Minister Abdul Jalil, who attended the function as the chief guest, said the use of Internet and e-commerce is increasing day by day for its wide and enriched features.

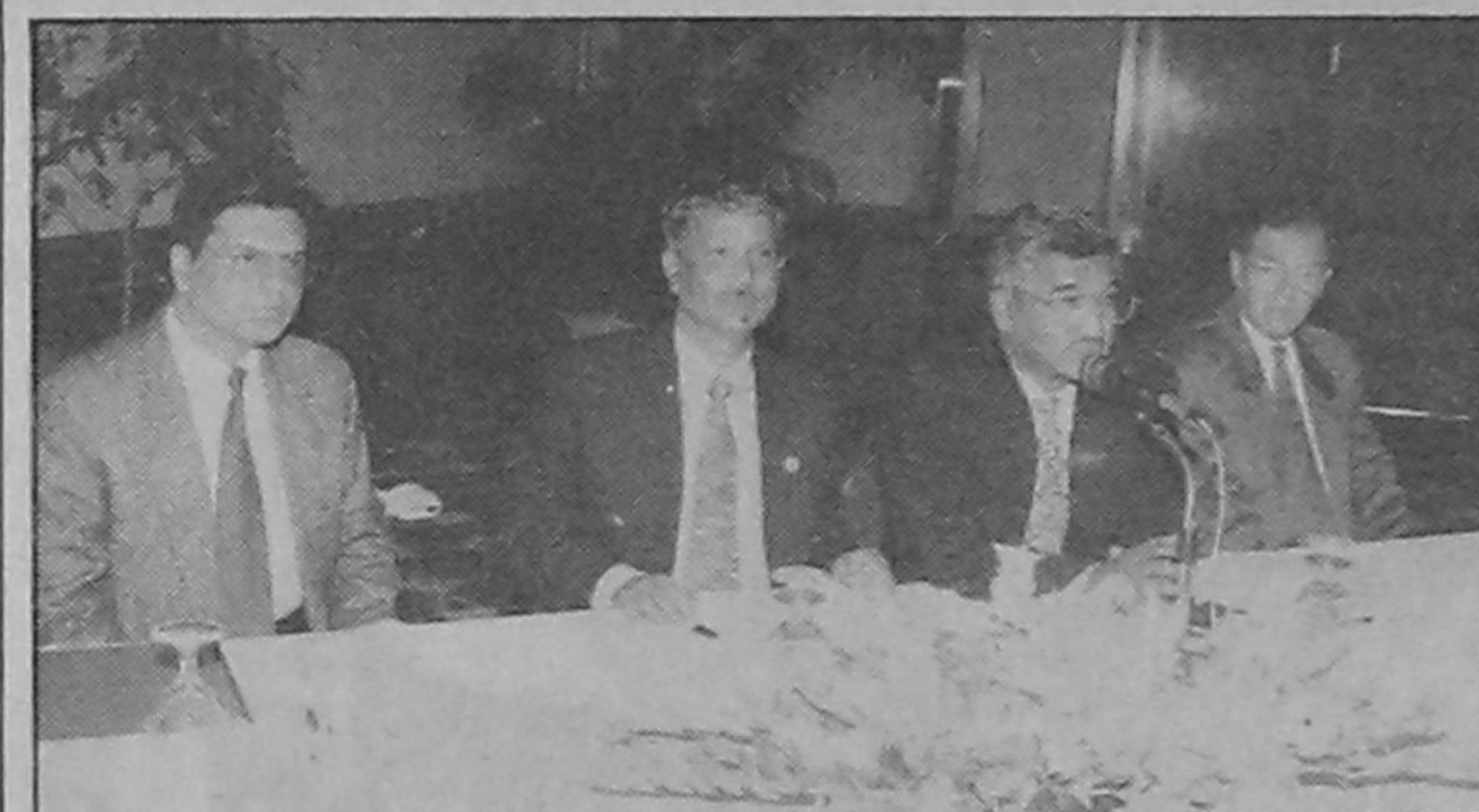
Describing the importance of e-commerce, the minister said the contribution of Internet to trade and commerce is enormous. He said the volume of consumer trading through e-commerce came to some US \$4 billion last Christmas in USA alone.

Describing various steps taken by the government for the development of e-commerce, the minister said: "The government has made a courageous decision to deregulate V-SAT business."

This will help the internet service providers of the country to choose their own VSATs at competitive rates, he said.

"The decision will reduce our Internet cost drastically and will let the people get integrated with the world economy."

Dr. Ronald Hicks, Resident Representative of International Monetary Fund (IMF), Dr. Chowdhury Mofijur Rahman, Head of Department of Computer Science and Engineering of BUET and Mehedi M Hassan, Chief Executive Officer of Bangla2000.com also attended the function.



Intertek Testing Services (ITS) organised a workshop on "Pre-shipment Inspection Procedure" at Hotel Sonargon on Monday. Abul Quasem, Member (Customs), National Board of Revenue, and Ian Betenson, General Manager of ITS (Bangladesh) Ltd, were present in this workshop.

— ITS photo

Opinion

Don't abolish Taxes Department's Directorate of Inspection

By M Tofazzal Hossain

Director-General of Inspection (Taxes) is an authority under the Income Tax Ordinance, 1984 (subsequently referred to as Ordinance). He is in charge of inspection activities of the Taxes Department. He is the head of the Directorate of Inspection. (Clause 25) of Section 2 of the Ordinance defines Director-General of Inspection as meaning

..... a person appointed to be a Director-General of Inspection (Taxes) under section 3, and except for the purpose of section 117, includes a person appointed for the purpose of this Ordinance to be an Additional Director-General of Inspection (Taxes), a Deputy Director-General of Inspection (Taxes), or an Assistant Director of Inspection (Taxes).

Section 6 of the Ordinance has earmarked the areas of operations of the Director-General, Clause (aa) of the Section says that he shall perform the following functions, namely:-

- carry out inspection of income tax cases;
- investigate or cause investigation to be carried out in respect of cases involving leakage of revenue or evasion of taxes;
- carry out audit of cases of cases involving income tax cases only;
- furnish annual report about the working of income tax offices dealing with revenue matters to the Board by the thirty first day of December following the end of the financial year to which it relates; and
- such other functions as may be assigned to them by the

Board.

This gentleman i.e. Director-General of Inspection is big news these days in the news media. For the last couple of months Directorate of Inspection of the Taxes Department is at the centre of a heated controversy. The storm has now gained momentum. The concerned authority it seems, is hell-bent in its decision to abolish the Directorate. Bangladesh Civil Service (Taxation) Association on the other hand, is putting stiff resistance to the abolition move and now has thrown down the gauntlet to the court of the authority by allowing it time to withdraw the abolition order within one month. Passed at an emergency special general meeting of the association held on March 4, 2000 the unanimous resolution asked the authority to rescind the abolition order, or the BCS (Taxation) Association would take recourse to movements.

All these are unfortunate events.

Inspection activities are part and parcel of tax assessment works. A large number of supervisory officers are known as inspecting authorities in the Taxes Department. Taxes Department in one form or other, is in existence in the Sub-continent for a period extending over one hundred and fifty years. All along the time span, inspecting authorities had always been functioning informally in the Taxes Department. With the passage of time and in appreciation of the necessities, formal recognition was accorded to in-

spection jobs by incorporating/inserting the legal provisions in the Statute Books. As for example, Indian Parliament by inserting clause (6) in section 2 of the Income Tax Act 1922 by Finance Act, 1953, formalised the informal functioning of the inspecting officers for many years. Likewise, Pakistan with its independence felt the need and incorporated the words "Director of Inspection" by the Finance Act, 1955 in its Income Tax Statute book. By various devolution and evolution the office is now designated as Directorate of Inspection and it is headed by a Director-General. All these exercises have been undertaken in Pakistan period in order to meet the legal and administrative requirement of the Directorate of Inspection — a branch of the then Central Board of Revenue.

Following the emergence of Bangladesh, the same need was felt by the authority. So, the Directorate of Inspection was created as a branch of the National Board of Revenue (NBR) with its independent and separate existence. Flesh and muscle were added to the Directorate by inserting clause (aa) in section 6 of the Ordinance and then substituting and finally re-substituting the clause in 1997.

All these developments in the Inspection firmament of the Taxes Department down the memory-line of history books are well-known phenomena. Knowledgeable circles are well-aware of these parameters. National Board of Revenue, being the central policy making organisation in the taxation

world has all along been party to these developments. How then, they could now take a decision completely opposite to the currents of history? This appears misleading and a little bit confusing. It is reported that on the basis of Administrative Reform Committee report, abolition decision has been taken. We shall have to assume that sufficient information and knowledge have not found expression in this type of recommendations. We would ask the relevant authority to re-examine the said report once again before taking a hasty decision.

Let us now give a small resume of the functioning of the Inspection Directorate in India. Pakistan being our immediate neighbour, we would then make a detailed analysis of the inspection structure there and its functioning. We would conclude our discussion by making reference to our Directorate of Inspection and its relevance in the present day context of our existence.

Director of Inspection (Director-General in our parlance) in India constitutes a new category of income-tax authority introduced in 1953. Though functioning informally over the decades, this set of inspecting authority was given formal recognition by inserting clause (6) in section 2 of the Income Tax Act, 1922. Director of Inspection is appointed by the Central Government and he is subject to the control of the Board of Direct Taxes. Director of Inspection in India is competent to perform any function of any other income tax authority,

his functions being assigned to him by the Board. He has the same powers that an Income Tax Officer has in the matter of making an enquiry under the Income Tax Act, 1961.

Director of Inspection there, has some powers also under the provisions of Section 132 and 135 of the Income Tax Act, 1961.

In Pakistan, Directorate General of Inspection (Direct Taxes) is a step higher than that of the Directorate of Inspection in Bangladesh. The Directorate is autonomous of the Central Board of Revenue and unlike Bangladesh, is headed by a very senior member of the Central Board of Revenue. The Directorate has jurisdiction all over the country and performs and exercises functions and powers as clearly stipulated in the Law Book. In addition, the Directorate is under obligation to furnish an Annual Report about the working of the Income Tax Offices to the Central Board of Revenue by the thirty-first day of December, following the end of the financial year to which it relates.

Directorate General of Inspection (Direct Taxes), Pakistan has separate policy directives for Inspection and Audit. Policy Directive No. 3 of 1993 contains elaborate instructions for internal audit of Income Tax and Wealth Tax Circles. Policy Directive No. 4 of 1993 incorporates detailed directions for inspection of Income Tax and Wealth Tax Offices. These directives have provided for "Performance Evaluation

Proforma" in detail and made specific arrangement for maintaining innumerable registers required for audit and inspections.

Follow-up action to settle objections or comments made in each serialised note of the Inspection Report and to retrieve the loss of revenue if any, is taken by Director General in case of non-compliance within the stipulated period, report is made to the appropriate authority suggesting inter alia:

- disciplinary action against the defaulting officers;
- suitable measures for retrieval of revenue lost; and
- necessary steps to secure proper compliance with policy directives.

Directorate General of Inspection submits an Annual Report to the CBR. The objective of the Directorate is two-fold i.e. to retrieve the loss of revenue wherever possible and to guide the direct tax functionaries to check such loss in the pinpointed areas. The idea behind the preparation and publication of the Annual Report is to highlight the performance of the Directorate of Inspection while pointing out the weaker areas of Direct Tax Administration with a view to stopping leakage of revenue and improving over-all direct tax collections. Such Annual Report incorporates detailed discussion on Organization and Charter, Inspections and Audit and contains large number of charts and tables highlighting very many aspects of Direct Tax Administration.

Enquiry and Inspection are integral parts of Tax Proceedings. Examination of quick assets and inventory, fluctuations of assets and liabilities, abnormal treatment of transactions, fluctuations of non-business properties, damaged invoices, discrepancies in the contents of the invoices issued and those returned etc. are subjected to scrutiny and special investigations by the Inspecting authorities of the Taxes Department over the ages in very many countries of the world. And Bangladesh being a civilised and democratic country, cannot be an exception. It cannot demolish the Inspection power of the Tax Authorities. Like other countries of the Sub-continent, Bangladesh also shall have to maintain the Directorate of Inspection in its full scale and vigour. Instead of causing impoverishment to it and crating impediments on its march, efforts should be directed to strengthen the Directorate in line with similar organisations available in other civilised nations particularly, in the neighbouring countries.

We should conclude, therefore, that there exists no basis for confusion on the issue. The on-going tussle between the authority and the BCS (Taxation) Association must end for greater good of the country. Tunnel vision must vanish. Let wisdom prevail and law of reason survive.

The writer is retired Member (Taxes) of National Board of Revenue and now partner, Adil & Associates — a law firm.