Bismillahhir Rahmanir Rahim

Mr. Speaker,

I feel extremely honoured to have the opportunity to place before this august house the budget for the fiscal year 2003-04 and supplementary budget for the fiscal year 2002-03. This is a great honour for me for two reasons. First, since the assumption of office on 10th October, 2001 the present government, under the able and dynamic leadership of Hon'ble Prime Minister Begum Khaleda Zia, in a very short period of time, has been able to restore macroeconomic stability and discipline in all spheres of the economy, thereby establishing a solid foundation for a bright economic future for the country. The second reason is a personal one. With this budget presentation, as the Finance Minister of the country, I am having a rare privilege of presenting the national budget for the ninth time.

Mr. Speaker,

2. At this moment of pride, I recall with profound respect our former great President Shaheed Ziaur Rahman, the man who made the proclamation of Independence of Bangladesh. He was a valiant freedom fighter and a visionary architect of multiparty democracy and Bangladeshi nationalism. Till the day of his martyrdom at the hands of cowardly conspirators, this great leader worked relentlessly for building a happy, prosperous, democratic and poverty free Bangladesh. He initiated many innovative programmes for the economic upliftment of the people. He inspired the people to change their lot and to establish their fundamental democratic rights. Following his great ideals and principles, we are also firmly committed to materialise the dream of the people of Bangladesh. Against all odds and conspiracies, our great leader Begum Khaleda Zia by dint of her outstanding leadership has demonstrated the same commitment through her policies and actions and has earned the overwhelming confidence of the people. We believe that the budget for the next year will be a further demonstration of our commitment.

Mr. Speaker,

3. Since the assumption of office, the present government has been confronting numerous domestic and international adverse situations. Global economic recession accompanied by international tensions have also adversely affected our economy. In the domestic front, this government has inherited from the past Awami League government a fragile and unstable economy. The wide-ranging reforms initiated by the BNP government in early nineties have not been sustained by the past Awami League regime. As a result, the pace of economic upturn and poverty reduction slowed down. Macroeconomic stability was threatened and an anarchy was created in the management of the economy. A recent World Bank report corroborates such a state of affair. The report states, "Much of the sustained economic progress made during the 1990s can be attributed to the wide-ranging reforms introduced in the early 90s by the BNP government to remove the plethora of controls on economic activities and establish the private sector as the engine of growth.... Under growing political pressure, however, the pace of reforms began slowing towards the middle

of the 1990s.... Most observers believe that economic growth and poverty reduction could accelerate if the country were to undertake significant structural reforms in the areas of governance, state owned enterprises, financial sector and infrastructure."

Mr. Speaker,

During FY 2001-02 we were successful in restoring macroeconomic stability by 4. reforming the budget framed by the past Awami League government and policies pursued by them in the management of the economy. Despite global political tensions and economic recession, we could sustain the pace of economic growth. The challenge in the current fiscal year has been to consolidate the success achieved in the past year and to further accelerate the pace of economic growth, develop a sustainable medium term strategy for economic prosperity and poverty reduction and to initiate appropriate programmes for implementation of that strategy. I believe that the government has been successful in responding to these challenges. Our success in this regard has been acclaimed both at home and abroad. On the performance of the present government in the management of the economy, the recently concluded Bangladesh Development Forum at Dhaka in a press release commented, "Participants of the Bangladesh Development Forum commended Bangladesh's recent progress in achieving macroeconomic stability, reviving important reforms and preparing a sound poverty reduction strategy. There was broad agreement that reforms introduced during the past eighteen months had resulted in a strong economy and had established a solid foundation for accelerating growth and poverty reduction".

5. The Managing Director of IMF in a recent letter has also made the following observation on our performance, "The Government is to be commended on its efforts since taking office toward stabilizing the economic situation, establishing sound fiscal and monetary policies and reviving structural reforms.... IMF will do all it can to support Bangladesh's effort to move on to a path of higher sustainable growth with faster poverty reduction."

Mr. Speaker,

6. I would like to reiterate our belief that reform is indispensable for poverty reduction, human development, employment generation and for overall economic progress of the country. We demonstrated our commitment to reforms during the past BNP rule. The country could achieve much faster progress if the reform process initiated by us were sustained by the past Awami League government. Needless to say, it is very difficult to reestablish a reform process once its continuity is disrupted. After receiving a massive mandate through a free and fair election the present government under the bold leadership of Prime Minister Begum Khaleda Zia has, through strong determination and overwhelming support of the people, succeeded in reestablishing the reform process to ensure a better future for the nation.

Development and Poverty Reduction Strategy

Mr. Speaker,

7. We have prepared a three-year 'Economic Growth, Poverty Reduction and Social Development Strategy' through extensive consultations with the representatives of different professional bodies and representatives of people from all strata of the society. At our own initiative, we have prepared this strategy to attain the development goals determined according to our own needs and priorities. This strategy clearly indicates an action plan to achieve the desired goals and reflects the hopes and aspirations of our people. We have prepared the three-year strategy in the light of UN Millennium Development Goals and the election pledges of BNP. In order to implement this strategy a three-year rolling investment programme is being finalised. The major objectives of Millennium Development Goals are:

1) Reduction of the number of the world's poor by half by 2015;

2) Providing at least primary education to all the children;

3) Elimination of gender discrimination in all educational facilities at primary and secondary levels;

4) Reduction of infant mortality, maternal mortality and malnutrition by 65 percent, 75 percent and 50 percent respectively.

8. The strategy we have adopted to achieve our cherished goals are:

1) Generation of employment opportunities for the poor by pursuing a pro-poor economic growth;

2) Providing access of the poor to education, health, nutrition, and vocational training facilities;

3) Ensuring woman's advancement and reducing gender gap;

4) Ensuring economic and social security for the poor through targeted programmes;

5) Establishing good and participatory governance.

Mr. Speaker,

9. In order to implement the above strategy we have developed a medium term macroeconomic framework. The framework envisages macroeconomic stability with increase in growth rate to 6.5 percent in FY 2005-06 from 5.5 percent in FY 2003-04 keeping the rate of inflation below 4 percent. To attain a higher GDP growth rate the current Public Expenditure/GDP ratio of 14.5 percent will be raised to 16.4 percent in FY 2005-06. In order to move towards greater self reliance Tax/GDP ratio will be raised to 12 percent in FY 2005-06 from current level of 10.4 percent. It may be mentioned here that during the past Awami League regime the budget deficit exceeded 6 percent of GDP creating macroeconomic

instability. The fundamental policy of this government is to promote faster economic growth along with sustaining macroeconomic stability. So the fiscal deficit will be contained at a sustainable level. Resource allocation for programmes directly and indirectly contributing to poverty alleviation will be augmented for rapid reduction of poverty and creation of large scale employment opportunities. An enabling environment will be created for private sector investment so that in economic growth and employment generation private sector can play a leading role. This medium term strategy will commence from FY 2003-04. The budget for FY 2003-04 has been framed as part of this strategy.

Mr. Speaker,

10. Our development partners have been playing an important role in our economic upliftment, human resource development, technology transfer and in poverty reduction. I am glad to inform this august house that our development partners have pledged their enhanced support in implementing our three-year strategy prepared at our own initiative. At the recently held Bangladesh Development Forum at Dhaka, it has been observed, "The Government's poverty reduction strategy was a sound basis for enhanced future cooperation between the Government and the Development Partners". We are determined to implement our development programme with our own resources. However, additional assistance from our development partners will be helpful for implementation of an extended development programme aimed at achieving faster economic growth.

Recent Economic Trends

Mr. Speaker,

11. I would now like to throw some light on the fundamentals of the economy for FY 2002-03. Last year our GDP growth rate was 4.4 percent, in the current year growth will go up by almost one percent reaching 5.3 percent. Agriculture will have a growth of 4 percent and industry 6.6 percent. Government has been pursuing a sound monetary policy to keep inflation stable, boost private investment and to enhance the net external resources of Bangladesh Bank. The budget deficit for the current fiscal year will remain within 4.2 percent of GDP.

12. Thanks to Government's prudent fiscal, monetary and economic policies, the export after a negative growth in the last year has grown by 4.4 percent up to March 2003. The foreign exchange remittance up to April this year has registered a rise of 24 percent. This has resulted in a surplus in external trade balance amounting to US\$ 660 million in the current account and an overall balance of US\$ 80 million. In contrast, in the last fiscal year of Awami League regime the current account had a deficit of US\$ 860 million. Due to pragmatic economic policies pursued by the present government, the foreign exchange reserve in the month of May, 2003 rose to over US\$ 2 billion as compared to only US\$ 1

billion when we took over.

Mr. Speaker,

13. As part of our economic liberalization policy, we made foreign exchange regime largely flexible during the previous tenure of BNP Government. To make the external sector more dynamic, we have introduced market based exchange rate management system from May 31, 2003. It may be mentioned here that India, Pakistan and Sri Lanka have been following this system for the last few years. I am glad to inform this house that after introduction of market based exchange rate system the value of taka has remained stable. This clearly proves that our macroeconomic fundamentals are sound and balanced.

Revised Budget of FY 2002-03

14. I will now discuss the revised budget for FY 2002-03 and the proposed budget for FY 2003-04. The estimated revenue receipt for FY 2002-03 was Taka 33084 crore. The revised revenue receipt estimate for FY 2002-03 has been lowered to Taka 31120 crore due to some shortfall in non-tax revenue receipts although the NBR revenue during this year is expected to exceed its target. The revenue expenditure for FY 2002-03 was estimated at Taka 23972 crore. In the revised budget this estimate has been refixed at Taka 25307 crore. The increase of expenditure on account of domestic interest payment, payment of arrears, enhanced allocation for repairs and maintenance, education, VGF and some other relief operations and inclusion of quite a few development projects involving expenditure of recurrent nature in the non-development budget resulted in this increased expenditure. A number of expenditures like stipends for students, research and development expenditure of recurrent nature etc. currently included in the development budget will be transferred to the revenue budget in future.

Mr. Speaker,

15. Our Government believes in financial discipline and responsible fiscal management. We consider it immoral to burden the future government with huge financial liabilities through improper and irresponsible financial management practices. Unfortunately, the previous Government demonstrated their irresponsibility by non-payment of huge arrears on account of electricity, telephone, land development tax, water and municipal tax of different agencies of the Government. Besides, a large amount of arrears on account of Government's advertisements in different newspapers, supply of animal feed and fodder in Government farms, prisoners' diet and pay of teachers of several universities, remained unpaid. In order to restore financial discipline we had to allocate an amount of Taka 400 crore in the revised budget to pay off these cumulative arrears.

Mr. Speaker,

16. The revised budget for FY 2002-03 and the next year's proposed budget have been formulated taking into account the recommendations of the Public Expenditure Review Commission and Revenue Reforms Commission set up by this Government for enhancing effectiveness of public expenditure and strengthening revenue mobilisation efforts. A midterm review of the budget was conducted for the first time by the present Government and the results have been reflected in the revised budget of FY 2002-03. Also based on the review, quite a large number of projects were pruned which were either less important or not linked to poverty reduction. This resulted in reduction of ADP size to Taka 17,100 crore in the revised budget.

Proposed Budget for FY 2003-04

Mr. Speaker,

17. In the budget for FY 2003-04, revenue receipt has been estimated at Taka 36171 crore. In the next fiscal 16.2 percent growth in revenue receipt has been estimated. In the revenue budget for FY 2003-04, expenditure has been estimated at Taka 28969 crore which is 14.5 percent higher than the revised revenue expenditure of the current year. The rise in revenue expenditure in next fiscal year is attributable to a) enhanced allocation for repair and maintenance of government infrastructure, education, health and social safety net programmes like old-age allowance, allowance for widow and deserted women; b) provisioning for dearness allowance for government employees; c) building up of funds for micro-credit amounting to about Taka 400 crore and d) transfer of certain projects having recurrent nature of expenditure from development to non-development budget. These programmes account for 7 percent increase in revenue expenditure out of a total 14.5 percent increase.

Mr. Speaker,

18. I would like to propose an allocation of Taka 20300 crore for the Annual Development Programme (ADP). Consistent with the Government's Three-Year National Strategy for Economic Growth, Poverty Reduction and Social Development, this ADP for 2003-04, has been prepared to create employment opportunities and to reduce poverty. No unapproved project has been included in the ADP for 2003-04. But the unapproved projects now under process, if found consistent with the Strategy will be included in the ADP after approval. A provision for sector-wise block allocation has been made for these projects in the ADP for 2003-04. 49 percent of the ADP of FY 2003-04 will be financed from own resources while 51 percent from external sources. The total proposed allocation of expenditure for the next fiscal year is Taka 51980 crore which includes revenue expenditure, ADP, non-ADP development expenditure, net capital expenditure and net food outlay. This allocation is 18.4 percent higher than the revised budget for the current year. A major part of the proposed development budget and more than one-third of the allocation in the nondevelopment budget for FY 2003-04 will be spent on programmes directly and indirectly linked to poverty reduction. It is expected that the budget deficit will be contained within 4.8 percent of GDP.

Human Resource Development

Education

Mr. Speaker,

19. We consider the pursuit of education as the fundamental basis for human resource development. In terms of budgetary allocation, education, therefore, has been given the greatest priority. For FY 2003-04, I propose an allocation of Taka 6740 crore in revenue and development budget combined for this sector which is Taka 236 crore more than the revised budget allocation for the current fiscal year. Education will receive highest allocation amounting to about 14 percent of the total budget.

Mr. Speaker,

20. In the year 1993, we first introduced nation-wide free and compulsory primary education programme. The same year marked the commencement of "food for education" programme which was acclaimed both at home and abroad. During the last Awami League regime politicisation engulfed the education sector too, the result of which was large-scale irregularity in the distribution of food in the "food for education" programme. In order to stop this irregularity, we have put in place a nation-wide stipend programme for primary education by mobilising our own resource. In the current fiscal year, about Taka 600 crore would be spent and about 52 lakh families would be directly benefited from this programme. The Millennium Development Goals (MDG) stipulate ensuring universal primary education by 2015. This stipend programme will continue as long as needed to achieve this goal. The decision of the Government to allow mothers to draw stipend reflects once again the Government towards empowerment of women.

Mr. Speaker,

21. In the beginning of the nineties, we decided to ensure recruitment of women teachers to at least 60 percent posts of teachers in the primary school. As a result, female primary school teachers had doubled to 38 percent. In order to reduce the shortage of teachers in government primary schools, recently 2306 head teachers and 15500 assistant teachers have been recruited under the revenue budget. In addition, another 5500 assistant teachers have been recruited under development budget. The newly created 4017 posts of assistant teachers meant for primary schools having 2 and 3 teachers will be filled up soon.

22. Due to corruption and politicisation, the last government miserably failed to reachout text books to the students. After cleaning up all the irregularities, we have ensured supply of textbooks to the students in time. On January 1, 2003, the beginning of the school year, the Hon'ble Prime Minster formally handed over books to the primary school students.

23. We have received tremendous support from our development partners towards our

commitment in the development of primary education in the country. The Government is going to take up a programme approach-based action plan over a 6-year period to improve the quality of primary education. Eleven development partners will provide US\$ 619 million to support this programme. The Government will match this support with an equivalent Taka amount of US\$ 1246 million.

Mr. Speaker,

24. During the last Awami League regime, private schools, madrasahs and colleges were enlisted under the Monthly Payment Order (MPO) scheme purely on political considerations. The MPO-list includes many educational institutions, from which not even a single student could gualify in public examinations. In a study it was revealed that the pass rate was nil in various public examinations including Secondary and Higher Secondary examinations of a total of 1394 MPO-listed educational institutions. The Government's annual expenditure for these 1394 institutions was over Taka 68 crore (Taka 680 million). This is a classic example of misuse of taxpayers' money. In order to put an end to this unfortunate situation, the Government has attached greatest importance in establishing good governance and improvement in the standard of education in the country. The present Government earned considerable success in preventing unfair means in examinations. Reforms will continue in developing curriculum and greater number of teachers will be recruited. A National Education Commission has been set up to formulate an appropriate education policy. Steps have been taken to promote employment-generating education and enhance its quality by establishing an Education Training Authority and a separate Curriculum Development Institute. Education administration system will be decentralised and greater autonomy will be given to vocational and technical educational institutions. In order to expand education in science and technology, three new universities of science and technology are being established. To popularise the use of IT in educational institutions, the Government has taken steps to supply computers to all educational institutions in phases.

25. To ensure empowerment of women, the Government is pledge-bound to promote education for girls by providing free education and extending the stipend programme up to Class XII, a facility that was introduced by the previous BNP government. Financial assistance is being provided to the girls for purchase of books and to pay examination fees to appear in public examinations. At the sincere initiative of the Hon'ble Prime Minster Begum Khaleda Zia, Asian University for Women is being established in Bangladesh.

26. In order to provide pension benefits to the teachers and employees of the MPOlisted educational institutions, the BNP Government during its previous tenure decided to build up a 100-crore Taka fund and as a first step channelled Taka 29 crore to finance it. But the previous Awami League Government did not allocate any money to this fund. To raise the fund to Taka 100 crore, I propose to allocate Taka 40 crore in the current year's revised budget and the rest in the budget for the next year.

Health

27. The present Government's aim is to build up a healthy population force and bring

Budget Speech 2003-04

them in the mainstream of economic activities to accelerate the momentum of poverty alleviation. The Government is committed to implement a comprehensive programme with increased budgetary allocation in health sector in order to improve different health indices such as fertility rate, infant and maternal mortality rates,

life-expectancy and controlling tuberculosis, AIDS and other contagious diseases.

The five-year Health and Population Sector Programme (HPSP) taken up by the 28. previous government ends on June 30 this year. The programme could not achieve its desired results because of inherent weaknesses both in design and in its execution. Therefore, appropriate changes in the programme were found necessary. On this basis, the HPSP was reviewed and after extensive consultation with the recipients and providers of health services, development partners and others concerned, a three-year Health, Nutrition and Population Sector Programme (HNPSP) has been formulated. The Government is continuing consultation with the development partners to ensure their support and participation in the programme. The implementation of this programme will commence from July 1, 2003. The problems of National Nutrition Project taken up by the previous government with Taka 641 crore outlay to address malnutrition, have been sorted out and the project has been put on track. Measures have been taken to fill up the vacant posts in the health sector in phases. Already 527 doctors have been appointed. Another 1733 doctors will be recruited soon. Besides, filling up of posts of 1500 nurses, 3000 health assistants and 632 medical technologists is in process.

29. We have already increased substantially the number of beds in different categories of hospitals and supplied medical appliances including 173 ambulances for the benefit of the patients. Meanwhile, construction work of the new Ziaur Rahman Medical College with an adjunct 500-bed hospital has started. Initiative has been taken for constructing a second unit of Dhaka Medical College and Hospital with 600 beds. I propose to increase the grants-in-aid to the listed private sector hospitals to 55 cores in FY 2003-04. In the health sector, I propose in both revenue and development budget a total allocation of Taka 2797 crore in the revised budget for FY 2002-03 and Taka 2922 for the FY 2003-04.

Agriculture, Rural Development and Poverty Reduction

Agriculture

Mr. Speaker,

30. Considering the importance of agriculture in overall economic growth and poverty reduction, the Government has recognised agriculture as a priority sector. For the purpose of ensuring food security for all, the Government, alongside its efforts to increase food production, is undertaking a programme to encourage crop diversification, help establish agro-based industries, and eventually shift farming from subsistence to commercial

Budget Speech 2003-04

level. In this context, I would like to mention that the Barind Authority has been implementing integrated programmes for development of the Barind areas in the northern part of the country since 1992. The development momentum created by our Government in the Barind area was greatly impeded by the decision of the past Awami League regime to merge all the projects of the Barind Authority under one umbrella. We have restarted the process of integrated development including irrigation of Barind area. In the revised budget, covering both revenue and development, I propose an allocation of Taka 757 crore and in the budget for FY 2003-04, an allocation of Taka 935 crore for this sector.

31. In the last budget of the previous government, that is for FY 2001-02, allocation for agricultural subsidy was only Taka 100 crore. After we took over power, allocation for agricultural subsidy was raised to Taka 200 crore. With an aim to expand subsidy programme in agriculture, I am proposing a further increase in the allocation raising it to Taka 300 crore in the next fiscal. In addition, I propose to provide a fund amounting to Taka 50 crore in the next fiscal to help develop agro-based industries.

32. To ensure optimum and appropriate use of water resources, the Government has formulated a National Water Management Plan based on balanced and well-coordinated policy objectives.

Fisheries and Livestock

Mr. Speaker,

33. We have seen the beginning of a silent revolution in Fisheries and Livestock sector as a result of steps taken by the previous BNP Government. The innumerable poultry farms, dairy farms, beef and goat fattening farms, fish farms and hatcheries that we see in Bangladesh now are the direct results of our efforts made in the past. In this context, I would like to mention that during our previous administration there was substantial increase in production of milk and import of powder milk was significantly reduced. We shall continue to provide similar type of support to milk production in future. We will continuously strive for the development of fisheries and livestock and other non-farm sub-sectors.

Social Security

Mr. Speaker,

34. We are promise-bound to spare no efforts to ameliorate the sufferings of the disadvantaged section of the society. On assumption of power by the present Government, at the behest of the Hon'ble Prime Minister, different programmes under social safety net including old-age allowance were substantially expanded. This desire of the Hon'ble Prime Minister reflects her special sympathy towards the elderly, poor, and helpless citizens of the country. During the previous Awami League regime monthly allowance under Old-age Allowance Programme for the elderly poor people was Taka 100 per person and the number of beneficiaries was only 4 lakh 15 thousand. Since assumption of power, we have enhanced

the old-age allowance to Taka 125 and the beneficiaries were increased to 5 lakh. From next fiscal year, I propose that each recipient will receive Taka 150 per month and the number of beneficiaries be doubled to 10 lakh. As a result of expansion of the Old-age Allowance, the total expenditure on this account in FY 2003-2004 will be Taka 180 crore, registering a net increase of Taka 105 crore over that of the current FY 2002-03.

35. During the past regime under the programme of Widowed and Deserted Women Allowance Scheme, monthly allowance per head was Taka 100 and the number of recipients was about 2 lakh 8 thousand. After we came to power, like the old-age allowance, we have increased the monthly allowance under this scheme from Taka 100 to Taka 125 and increased the number of beneficiaries to 2 lakh 70 thousand. Under this programme, I propose to increase the monthly allowance from Taka 125 to Taka 150 and to raise the number of recipients to 5 lakh. In the

FY 2003-04, an additional amount of Taka 50 crore will be required and the total allocation will stand at Taka 90 crore. Currently, Widowed and Deserted Women Allowance Scheme is managed by the Ministry of Social Welfare. Since the scheme is directly linked to women welfare, the Government has decided to place it under the management of Ministry of Women and Children Affairs.

36. To mitigate the sufferings of the acid-burnt victims and to provide assistance to the persons and families made destitute by sudden natural disasters, the Government established "Fund for Acid-burnt Women and Rehabilitation of Physically Handicapped" and "Fund for Mitigation of Risks from Natural Disasters" respectively. In FY 2002-03, these two funds had an allocation of Taka 15 crore and Taka 25 crore respectively. In the next FY 2003-04, I propose to allocate an additional amount of Taka 25 crore for the "Fund for Acid-burnt Women and Rehabilitation of Physically Handicapped" and Taka 50 crore for the "Fund for Mitigation of Risks from Natural Disasters".

Rural Development

Mr. Speaker,

37. In the current FY 2002-03, 8 lakh 7 thousand metric tons of food grains worth Taka 1100 crore have been allocated for rural infrastructure development programme (FFW) and rural infrastructure maintenance programme (TR), VGF and VGD. To achieve the intended use of food grains and to prevent waste in food supported programmes, the Government has introduced the system of partial monetisation of the programme. The monetisation of FFW for rural infrastructure development programmes will be further expanded in phases. Allocation for these programmes will continue to increase in future.

Mr. Speaker,

38. The present government continues to make tireless efforts to improve the lot of the rural people. Poverty reduction occupies the central theme of the budget for FY 2003-04. Special emphasis has been given to growth in farm and non-farm activities, development of rural infrastructure and generation of self employment opportunities in rural areas. In FY

Budget Speech 2003-04

2003-04, I propose a combined allocation of Taka

4353 crore in both revenue and development budget for the Ministry of Local Government, Rural Development and Cooperatives, which is Taka 720 crore higher than the revised budget of this fiscal. The Government intends to involve the youth in the national development efforts and, through appropriate training, convert them into productive human resource and encourage them to engage in self-employment activities by providing micro credit. The Government has started a housing scheme (*Abashon*) from FY 2002-03, for the landless, homeless and destitute in the rural areas with access to basic health and education. Through the implementation of the project under the overall supervision of the Prime Minister's Office, an estimated 65,000 landless and homeless families will be accommodated and would get support for self employment. The project will cost Taka 447 crore.

Micro Credit Programme

Mr. Speaker,

39. In addition to on-going micro credit programme, I propose a total allocation of Taka 345 crore for new micro-credit programmes. This is for the first time; the Government will be directly injecting substantial resources from Revenue Budget for micro-credit. Out of this amount, Taka 200 crore will be allocated to Rural Development and Co-operatives Division, Taka 30 crore to the Ministry of Fisheries and Livestock, Taka 25 crore for Ministry for Youth and Sports, Taka 25 crore to Ministry of Liberation Affairs and Taka 15 crore to Ministry for Women and Children Affairs. Through these programmes micro-credit will be provided to

unemployed young men and women, small farmers, poor freedom fighters and destitute women after giving them appropriate training. In addition, to generate dynamism in the micro-credit activities of smaller NGOs,

I propose an allocation of Taka 50 crore as an initial contribution of the Government for a proposed Micro-credit Foundation. We welcome NGO participation in poverty reduction. The Government will always be supportive of the extremely important role that the NGOs are playing.

Women Development

Mr. Speaker,

40. We want to ensure that women are actively involved in the mainstream of development activities and developmental benefits reach them equally. Various programmes supporting women empowerment including expansion of VGD programme, micro credit programmes, women entrepreneurship development programme, working women's hostel and child day care centre projects have been taken up. Steps have been taken to further expand and strengthen these programmes and to take up new programmes aimed at empowerment of women. To involve women in production-oriented activities, a training scheme has been undertaken at a vocational training centre at Dhaka. Besides, a project has been taken up to set up five women vocational training centres.

Physical Infrastructure

Energy

Mr. Speaker,

41. Seventy percent of the total commercial demand for energy is met by natural gas. According to the latest data the proven reserve of natural gas in Bangladesh is about 16 TCF. Besides, assuming 50 percent possibility, unconfirmed reserve of gas would amount to 42 TCF. The Government will adopt pragmatic measures to ensure the best use of natural gas based on the actual reserve and taking into account the interest of the country and the people. The Government has adopted a range of reform programmes to accelerate longterm development of energy and gas sector in a competitive environment, encourage private investment, and protect consumers' interest and the environment. As part of the reform process, the National Energy Regulatory Commission Act, 2003 has been enacted by the Parliament.

Power:

Mr. Speaker,

42. The Government considers power as one of the most priority sectors. The Government is, therefore, endeavouring to reach power to the doorstep of the people by way of enhancing power generation capacity, reforming the existing power generation and transmission system and by installing transmission and distribution lines. As power generation, transmission and distribution is capital-intensive, steps have been taken to encourage private sector investment in tandem with public sector investment and also through joint venture. Currently, a number of power generation projects are at different stages of implementation aimed at generating additional 1420 MW electricity under the public sector. Among these projects, Siddhirganj 210 MW Thermal Power station (First Unit) will commence production from August this year. On April 23, the Hon'ble Prime Minister formally inaugurated extraction of coal from Boropukuria Coal Mine. A major part of the extraction from the coal mine will go for power generation. Construction of a 250 MW power plant at Boropukuria has already started. In the ADP for 2003-04, I propose an allocation of Taka 4067 crore for the energy and power sector which is Taka 1218 crore higher than the original allocation of FY 2002-03 and 20 percent of total development outlay.

Roads

Mr. Speaker,

43. The communication sector is of immense importance for socio-economic development of the country. Since independence, hundreds of kilometres of national,

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Budget Speech 2003-04
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regional highways and feeder roads have been built throughout the country. At this stage we need to give greater emphasis on repair and maintenance of roads and highways, bridges and culverts already built, rather than constructing new roads and highways. We have taken up an initiative to create a Road Fund to ensure all-time maintenance of roads/highways and bridges and culverts. Steps have been taken to construct roads on the basis of BOT and encourage private sector participation in repair and maintenance work.

44. The Government has already taken steps to build a bridge over the river Padma. A Japanese technical team will commence a detailed feasibility study of the bridge in the current year. Mukhtarpur Bridge on Dhaka-Munshiganj road, a second Sitalakhya Bridge and a third Buriganga Bridge will be constructed to mitigate traffic jam in the Dhaka Metropolitan area. In order to establish a quick communication system between the Chittagong Metropolitan city and the southern part of the country, a third Karnafuli Bridge will be constructed over the river Karnafuli. I propose a combined allocation of Taka 3189 crore under both revenue and development budget for FY2003-04 for the improvement of road communication throughout the country.

Railway

Mr. Speaker,

45. Although the Bangladesh Railway network spreads throughout the country, there was no remarkable investment in this sector in recent years. As a result, in all spheres of this sector such as locomotives, wagon and railway track, there is evidence of decadence. The Railway continues to play an important role in transporting passengers and goods. Measures are being taken to revamp the railways by procuring new coaches, rebuilding railway tracks and repairing railway stations. The Government is actively considering to develop Bangladesh Railway as a corporate body. Corporatisation will bring in dynamism and attract private sector in the activities of the Bangladesh Railway. In the near future, Bangladesh Railway will evolve as a self-reliant and an efficient commercial entity. The long-awaited Rajshahi-Dhaka and Khulna-Dhaka train service over the Jamuna Bridge will begin this month. This will materialise a long-cherished dream of the people belonging to northern and south-western part of the country. I, therefore, propose a combined allocation of Taka 1370 crore for Railway under both revenue and development budget.

Water and Air Transport

Mr. Speaker,

46. The inland water transport system is also extremely important in internal communication. It currently transports about 30 percent of total tonnage of goods and 13 percent of passengers. Measures will be taken to increase investment in river transport to mitigate various problems in water transport system including enhancing navigability of waterways. The present Government has also taken up measures to improve the air transportation system of the country. Due to earnest endeavour of the Government, three foreign airlines are already operating from the Chittagong Shah Amanat Airport.

Telecommunication

Mr. Speaker,

47 The present Government has taken various programmes to modernise and revamp telecommunication system of the country. Bangladesh Telecommunication Regulatory Commission has been set up and is working independently to make this sector more competitive and attract foreign and national investment in this sector. To meet the enhanced demands of telephones in large cities including Dhaka, two projects are in the process of implementation to provide 5 lakh land telephone connection and 10 lakh mobile phones connection. The internet service of BTTB has meanwhile, been extended to all districts and all Upzilas will have BTTB internet connectivity in stages. I propose an allocation of Taka 1195 crore in FY 2003-04 in both revenue and development budget for this sector.

Information Technology

Mr. Speaker,

48. The present Government attaches particular importance to information technology. In the meantime, a National Information and Communication Policy has been formulated. The Government is giving due priority to computer education. The Government aims to set up 128 full-fledged computer labs in one school and in one college in all 64 districts and a work programme has been taken up to implement an

IT-oriented curricula. Work is in progress for setting up a hi-tech park covering 265 acres of land at Kaliakor.

Repairs and Maintenance

Mr. Speaker,

49. Consistent and proper maintenance of public infrastructure like hospitals, educational institutions, government buildings, roads and highways, bridges etc. built with colossal expenditure is imperative for their proper upkeep and durability. But during the past regime, maintenance of infrastructure has been largely neglected which resulted in huge damage to these infrastructures and reduced their durability. Notwithstanding resource constraints, we have substantially increased the allocation for repair and maintenance of infrastructure. In the budget of FY 2003-04, I propose an allocation of Taka 1557 crore for

repair and maintenance of infrastructure which is 48 percent higher than the original allocation of the current fiscal year. In future, we will continue to attach priority to infrastructure maintenance with increased allocation.

Environment

Mr. Speaker,

50. There is no alternative to environmental balance for a decent and healthy living for us and our posterity. An elaborate afforestation programme has been taken up with an aim to bring 20 percent of land area under the proposed programme. To avoid environmental degradation, the Government has banned the production, marketing and use of polythene shopping bags. The Government has also banned from Dhaka City from January 1, 2003 plying of two-stroke engine propelled vehicles, responsible for air pollution. These measures of the Government were lauded both nationally and internationally. For the expansion of a more eco-friendly use of energy, steps have been taken to establish adequate number of CNG stations. Environment Courts have been established for the first time in the country to ensure speedy disposal of cases relating to offence leading to environmental degradation.

Foreign Trade

Mr. Speaker,

51. To generate greater dynamism in export, the Government has declared a new 5year Export Policy (2002-2007). In order to reduce excessive dependence on a limited number of export products, the new export policy lays emphasis on diversification of exports by exploring possibility of increased export of ICT software products, agriculture and agrobased products, light engineering (including auto parts and bicycles), leather products and high-end RMG. To encourage entrepreneurs in these sectors various incentives have been provided. In order to revamp our export trade, we reorganised economic and commercial wings of some of our embassies and opened up new trade units in our missions at Sydney, Paris, Berlin and Los Angeles.

52. A World Bank-supported study has been carried out to assess the impact of phaseout of MFA from 2005 on our garment sector. The recommendations of the study will be implemented in phases. To protect the RMG industry, the Government has taken up a number of measures. I trust these steps will enable the industry to sustain its position in the global trade in garments.

Mr. Speaker,

53. The contribution of expatriate Bangladeshi community in earning foreign exchange for the country is extremely important. The Government have set up Bangladeshi Banks, opened up exchange houses and provided a range of incentives so that they can send their hard-earned foreign exchange to the country without hassle. As a result, last year foreign exchange remitted by Bangladeshis stood at US\$ 250 crore, which was 33 percent higher than that of 2000-01. We expect remittance to cross US\$ 300 crore this year. The Government has taken up various steps for the welfare of expatriate Bangladeshis. These include establishing housing complex for expatriate Bangladeshis and creating infrastructure facilities for IT training for persons seeking employment abroad. Besides, measures have been taken to recruit labourers for employment overseas, to assist the recruits in having easy and hassle-free travel and to build a hostel complex at Dhaka for safe transit of the expatriate Bangladeshis.

Public Administration, Security and Law and Order

Mr. Speaker,

54. Our armed forces continue to remain ever-vigilant in protecting independence, sovereignty and security of the country. Besides defending the country from any possible external attack, they are extending immense services to the nation by joining hands with civil administration in times of natural disasters, national elections and in maintaining law and order within the country. Our armed forces have also earned considerable reputation in international peace keeping missions. The present government is committed to develop Bangladesh armed forces into a modern fighting force. For this purpose, I propose an allocation of

Taka 3995 crore in FY 2003-04. After deducting an estimated receipt of Taka 457 crore from the UN on account of their service and use of military equipment, the net outlay for the armed forces would stand at Taka 3538 crore.

Mr. Speaker,

55. The present Government attaches top most priority to the improvement of law and order and building a society free from terrorism. For overall improvement of law and order situation, a three-month long combined *Operation Clean Heart* was launched in October 2002 jointly by the armed forces, police, BDR and Ansars. The Operation was widely acclaimed and it reinforced the confidence of the people in the Hon'ble Prime Minister's unflinching commitment to maintain law and order in the country. Rapid Trial Tribunal has been established for quick dispensation of cases relating to murder, rape, possession and use of drugs, illegal arms and explosives. In addition, monitoring cells have been established at national and district levels to review the progress of serious and sensational cases which demand immediate justice. Quick disposal of some cases leading to rigorous punishment of culprits involved in gruesome murders reflected Government's seriousness in establishing the rule of law and bolstered confidence of the people in the Government.

Mr. Speaker,

56. Steps have been taken to make police force more effective in maintaining internal law and order. To encourage the police force to discharge its duties resolutely, the Government despite resource constraints has already increased different allowances for the policemen. In addition, the number of persons enjoying family ration has been substantially increased. This year an armed battalion has been raised and 5813 new posts have been created. Steps have been taken to arm police with modern weapons and to provide them with appropriate training. To attain greater mobility the police force will be provided with increased number of vehicles. The accommodation problems of the police force are also being resolved. In FY 2002-03, two new battalions of Bangladesh Rifles have been raised. In FY 2003-04, I propose an allocation of Taka 1791 crore, up by Taka 122 crore compared to current year's original budget for Ministry of Home Affairs. Besides, I also propose to increase Government contribution to the monthly pay of Union Council Dafadars and Mahalladars from Taka 350 and Taka 500 to Taka 500 and Taka 700 respectively.

Mr. Speaker,

57. The present Four-Party Alliance government has taken measures to bring in reforms in century-old judicial system. To avoid the delay in settlement of cases using the traditional method of dispensation of justice, initiatives have been taken to settle cases through alternative methods of dispute resolution on pilot basis in the Family Courts. The same system will be introduced in phases in family, commercial and civil suits and to that end necessary amendments will be made in relevant laws. The process of separating the judiciary from the executive is progressing.

A Public Prosecution Service will be constituted soon to bring in efficiency, neutrality and accountability in the prosecution of criminal cases on behalf of the state. A project titled "Legal and Judicial Capacity Building" is under implementation at a cost of Taka 230 crore to enhance the infrastructure facilities and to introduce IT in court management.

Mr. Speaker,

58. For the attainment of the cherished goal of poverty reduction and good governance, we have strengthened our efforts to put in place a modern system of administration responsive to the demands of the people through reforms in the existing administrative system. We have already implemented quite a few recommendations of the Public Administration Reforms Commission and action is underway to implement the rest. We shall take measures to refix on a rational basis the pay and allowances of the Government employees. However, due to resource constraints,

I propose to grant, for the time being 10 percent dearness allowance for all government employees from July 1, 2003. For this purpose an allocation of Taka 700 crore has been made in the next year's budget

Nationalised Sector

Mr. Speaker,

59. The present government has taken bold steps to reduce losses of State Owned Enterprises (SOEs). As a result, already, overall losses have been reduced by 17 percent and losses of manufacturing SOEs have been reduced by 41 percent and it is expected that loss in this sector would be further reduced to 0.4 percent of GDP from 1 percent in FY 1999-2000. The legitimate claims of the employees of SOEs which were privatized or closed down have been paid on time from government's budgetary resources. Adequate provision has also been made in the proposed budget for payment of claims of employees of SOEs which are likely to be privatized or closed in future.

Mr. Speaker,

The Expenditure Review Commission in their recent interim report has highlighted 60. the issues of accumulated loss, mismanagement, financial crisis and overstaffing of nationalised sector. The report indicates that out of 330 industrial units of Bangladesh Jute Mills Corporation, Bangladesh Steel and Engineering Corporation, Bangladesh Textile Mills Corporation, Bangladesh Chemical Industries Corporation and Bangladesh Forest Industries Corporation, 223 units have been closed or privatized. But the manpower of the headquarters of these corporations has not been reduced proportionately. The capital of these corporations has been completely exhausted due to continuous losses incurred by them over the years. To overcome the acute shortage of working capital their bank borrowing has risen alarmingly. This has caused financial crisis in the nationalized banks as well. The total loan of these corporations rose to Taka 10500 crore. Due to increase in borrowing and huge accumulated loss the financial structures of these corporations have collapsed. The Commission has recommended rapid and drastic reduction of loss making operations of nationalized sector. In view of the prevailing situation the Commission has recommended abolition of sector-wise corporations and their replacement by a central agency. The Commission has also mentioned in their report that many municipalities have been created without following the conditions laid down for creation of new municipalities. They have recommended not to create new municipalities without proper justification and fulfillment of necessary conditions. The Commission further recommended for reduction of

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Budget Speech 2003-04
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financial dependence of municipalities on government by raising their own resources. The government will take appropriate steps after due examination and review of these recommendations.

Financial Sector and Private Investment

Mr. Speaker,

61. In this age of globalization it is necessary to create enabling financial climate for domestic as well as foreign private investment. With this end in view, the government has undertaken far-reaching reform initiatives in the financial sector. Necessary amendments to Bangladesh Bank Order, 1972, Bangladesh Banks (Nationalization) Order, 1972 and Banking Companies Act, 1991 have already been made. These will bring about more transparency and efficiency in the banking sector, both private and nationalized. A project has been undertaken to enhance the technical and professional capacity of Bangladesh Bank.

Mr. Speaker,

62. The Government has formed a high powered committee to look into the problems of loan defaults. On the basis of certain specific principles recommended by that committee, some defaulted loans have already been written off or rescheduled. In order to further amend and consolidate the existing law for enforcing recovery of defaulted loan by banks and financial institutions, Money Loan Court Act, 2003 has been enacted by repealing the previous Money Loan Court Act 1990. Prudential Guidelines have been framed by Bangladesh Bank for better operation of commercial banks and financial institutions to prevent further loan defaults. For preventing illegal and irregular financial transactions 'Money Laundering Prevention Act' has been enacted and in order to make this Act effective few task forces have been formed. All these reforms in the financial sector are expected to result in gradual downward movement of interest rate and reduction in investment cost. We believe that substantial allocation in the proposed budget for infrastructure development together with the financial sector reforms will boost both local and foreign private investment in the industrial sector.

63. The investors lost confidence in the capital market due to the share scam in 1996 during Awami League regime. The ongoing institutional reforms initiated by this government have established transparency in share transactions and restored the confidence of the investors in the share market. Successful implementation of on-going reforms in the financial sector will have a very positive impact on the capital market as well.

Good Governance

Mr. Speaker,

Poverty Reduction and Social Development strategy", it is essential to establish good governance, improve law and order and remove corruption at all levels. This is a conviction shared by all of us: the people, the government and the development partners. In this respect the government has made its intention clear through initiating different programmes and we have made good progress in almost all areas. In her inaugural speech at the recently held Development Forum at Dhaka, our Prime Minister mentioned, "We have made much progress during the last nineteen months.... A number of development and governance problems are yet to be addressed. We have, therefore, to accomplish much more in the days ahead". The reforms needed in these areas have been outlined in our medium term strategy and we will implement them in phases.

65. The government has already decided to constitute an independent Anti-corruption Commission. Necessary legislation for this purpose is in the process of finalization. Reforms have been initiated in all important areas to ensure good governance. But the Government's efforts alone in this regard are not enough. We hope all political parties, NGOs, professionals and people's representatives at all levels, irrespective of political opinion, will come forward to join the Government's efforts to establish good governance, improve law and order and remove corruption.

People's Participation in Development

Mr. Speaker,

66. I believe that three-year development strategy, prepared by us after extensive consultations, has reflected the hopes and aspirations of our people. While preparing the budget for FY 2003-04, which forms part of the three-year strategy, I have made extensive consultations with my cabinet colleagues, members of the parliament, politicians, journalists, trade bodies, eminent economists, representatives of NGOs and different professionals. I have accommodated as far as possible their valuable suggestions in the proposed budget and I hope to give due consideration to their important recommendations in future as well. I thank all of them for their valuable suggestions in the formulation of this budget. I specially thank the Hon'ble Prime Minister for her valuable guidance in preparing the budget for FY 2003-04.

Mr. Speaker,

67. Before I conclude the first part of my presentation, I would like to inform this august house that it is our sacred pledge to provide food, clothing, shelter, education, health and employment to all citizens of Bangladesh. Our aim is to establish a political, economic and social system which would enable us to fulfill this pledge and uplift the image of Bangladesh in the comity of nations. This needs vision and appropriate reforms. We have fulfilled this need through developing a medium term strategy. The budget for next fiscal year is prepared within the context of that strategy.

Mr. Speaker,

68. I firmly believe that the inherent potential of our beloved country, if properly utilized, can bring for all of us a very bright future. The heroic people of Bangladesh have demonstrated their extraordinary valour and courage in the war of liberation, in fighting natural calamities and in their relentless war against poverty. Their resolute will and their ceaseless efforts to improve their lot are valuable assets for the country. I urge upon all of you, to come forward in a united way to utilize these assets. Let us build a Bangladesh free from hunger, fear, social and economic repression.



SECOND PART FISCAL MEASURES

Mr. Speaker, Sir,

I have already mentioned in the first part of my budget speech that I am presenting this national budget for the ninth occassion before this august parliament. Compared to the previous year, the present global situation has assumed all together a changed scenario. No sooner has the global economy started recovering from the debacle of the 11th September, it has been beset with an environment of animosity resulted from an undesirable war; killings here and there, frequent terrorist activities and unstable, hectic ambience all that vitiating atmosphere throughout the world today. As a result, economies of developing countries like ours are also getting influenced by those external events. This condition has been further aggravated by continuous recession in some strong economies of the developed world. The killer disease SARS has cropped up simultaneously, and in the opinion of experts, this disease has already started to affect the world economy adversely. In this perspective of the global disturbances, the task of preparing national budget of a country like ours has become more a complex exercise and a comparatively difficult process. We are left to depend more and more on our internal resources in the face of shrinking foreign assistance. In the circumstances, the measures that were adopted in the current budget can be treated as timely and meaningful. In this regard, I would like to quote some remarks as published in the Periodic Economic Update of the World Bank dated June, 2002 :

"The FY 03 budget aims to further broaden the revenue base to consolidate gains in fiscal sustainability. It also takes laudable steps towards a more liberal trade regime."

In another part of this report, it has further been stated as such :

"The revenue - GDP ratio is assumed to increase by 1.1 percent of GDP to 10.8 percent in FY03, reflecting a projected 20 percent growth in total revenues. The government has announced several tax and non-tax revenue measures, including strengthening of collection effort which will make a significant contribution to revenue growth ; but achieving the target will require concerted effort from the beginning of the fiscal year."

These remarks of the World Bank as quoted here proves how rational were the steps we adopted through various revenue measures while framing the current budget.

Mr. Speaker, Sir,

02. Major reforms were introduced in the budget of the current fiscal year so that momentum could be achieved in boosting up productive activities of the whole economy for attaining the desired growth. It was also aimed at inproving collection of revenue. All-out efforts have been taken to go ahead with these reforms in the proposed budget of the next financial year. And in some cases, proposals have been put forward to make some adjustments in these reforms to improve upon the existing structure.

Mr. Speaker, Sir,

03. We have been successful in bringing back order in many sector of the economy due to the bold steps that we have under taken from time to time. Some quarters, including some opposition political parties, tried to uphold the view that the target fixed for collection of revenue in the budget of the current fiscal year (2002-2003) was highly ambitious. Due to our efficient management of revenue collection we achieved great success. Insha Allah, in continuation of

the process we pursued, we shall be able to meet the target as setforth. It is worth mentioning here that different international bodies including the World Bank (WB), the Asian Development Bank (ADB), and the International Monetary Fund (IMF) have made some observation about our revenue administration. In this regard, the Asian Development Bank has made the following comment in its December, 2002 issue of Quarterly Economic Update

"Due to vigorous revenue mobilization effort, revenue collection during first six months of FY 2003 recorded an increase of 22.6% over the corresponding period of FY 2002 and exceeded the target set for the period by 1.8%. In the face of stagnancy in imports and a moderate pick up in domestic economic activity, the continuous surge in revenue collection since September, 2002 has raised optimism of exceeding the ambitious target for revenue collection set for FY 2003."

The World Bank, in its January 2003 issue of Periodic Economic Update, has expressed similar opinion which runs as follows :

"This encouraging performance has been due to, among others, significant improvement in tax administration as well as growth in tax base due to economic recovery and some of the policy measures introduced in the FY03 Budget."

The remarks as quoted above by these two coveted international organizations can be treated as neutral and positive and hence deserve our appreciation.

Mr. Speaker, Sir,

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In order to bring transparency in income tax administration, discretionary 04. power of the assessing officers has been curtailed drastically, income of the NGOs from commercial activities have been brought under the tax net, and salary income of the government officials have been made taxable, and submission of statement with regard to the life-style has been made compulsory for taxpayers. Issuance of TIN in one working day has been ensured. All agricultural activities were given tax exemption up to 2005 to encourage agricultural productivity in the country. In the next year's budget a proposal has been made to extend this facility up to June 2006. Besides, special tax exemptions were provided for preservation of environment, for helping agrobased industry and medium and small industries. Tax facilities has been provided in the current budget for information technology also in order to ensure our effective participation in the globalization process. The highest rate of duty has been restructured from 37.5 percent to 32.5 percent and the second highest duty rate has been brought down from 25% to 22.5%, respectively. The rates of supplementary duty have also been restricted by limiting them in five slabs from thirty one slabs. Moreover supplementary duty has been withdrawn from hundreds of importables. Import license fee at 2.5 percent has been withdrawn from all types of imports. Many changes have been brought in Value Added Tax structure. Nine truncated base of VAT were brought down to three only. Evasion of tax has been monitored by appointing audit firms to accomplish the task of auditing. To achieve improvement in the modus operandi of tax administration continuous efforts were made. Taking into account all these measure we can hope to achieve the revenue targets by the end of June of this financial year, Insha Allah.

05. The democratic Alliance Government believes in participatory approach to any reform measures. Upholding this principle and belief we have had several round of discussion with the FBCCI, the apex business body, as well as with various other business organizations, professional groups, renowned economists, educationists, Revenue Reform Commission, Journalists, senior citizen of the civic society representing different social strata. Discussion with many respected members of the parliament was held more than once on various aspects of the national budget. Different aspects of the budget have been discussed with the secretaries, and discussion on the budget took place in the cabinet meeting also. We tried to include in this year's budget most of the valuable suggestions received in course of such discussion.

Mr. Speaker, Sir,

06. I have already mentioned in the beginning of my speech that the flow of foreign aid is shrinking day by day in the present situation the world over, and, as such, we have to give more emphasis on internal revenue mobilization, the main sources thereof being Custom Duty, VAT and Income tax. Custom duty at the import stage is still the largest source of internal revenue. But adherence to WTO principles may lead to shrinkage of revenue from this source in the near future. So, our dependence on Income tax and VAT is increasing day by day. That is why more emphasis has been laid on expansion of Income tax and VAT net in the budget.

Mr. Speaker, Sir,

07. I am now placing important proposals relating to direct and indirect taxes before this august parliament .

DIRECT TAX INCOME TAX

Mr. Speaker, Sir,

08. For us income tax is the main source of direct taxes. The present democratic government has undertaken various reforms in tax administration. In the last budget significant changes were brought about in the tax laws to increase transparency and dynamism in tax administration, to reduce discretionary powers of tax officials, to expand tax base and to facilitate investment. The tax payers have started reaping the benefit of those measures. In this year's budget I am proposing measures which would consolidate and carry forward the measures taken last year. I am now placing before our august Parliament the major proposals with regard to income tax.

Mr. Speaker, Sir,

09. At present, the tax exemption limit for individual tax payers is Tk. 75,000/-. Considering the cost of living, I propose to raise this threshold from Tk. 75,000/- to Tk. 90,000/-. This will reduce the tax burden of individual tax payers, particularly of the lower income group. The schedule of tax rate for individual tax payers is placed at Annexure- "A".

Mr. Speaker, Sir,

10. The role of capital market in industrialisation of the country is very important. That is why it is very important to create momentum that will infuse new life to the capital market. Increasing the gap between tax rates of listed and non-listed companies is likely to encourage more companies to get listed with stock exchange. I, therefore, propose to recast the corporate tax rates in the following manner :

Tax rate for listed companies to remain unchanged at --- 30%

Tax rate for non-listed companies to be fixed at ------ 37.5%

Tax rate for banks, insurance and financial institutions to be fixed at ------ 45%

However, if a listed company fails to declare at least 10% dividend or fails to distribute the declared dividend within the time limit specified by the Securities and Exchange Commission, it will pay tax at the rate of 37.5%.

Mr. Speaker, Sir,

11. The present government has earmarked agriculture as the priority sector. The government has already taken various steps for the expansion of this sector. In the last budget income of agro-processing industries was allowed tax exemption upto June 30, 2005. Income from poultry, dairy, pisciculture, horticulture etc. is also exempted from tax upto June 30, 2005. In order to provide further encouragement to entrepreneurs in these areas, I propose to extend these exemptions upto June 30, 2006. I hope, this will boost economic activities in rural areas, generate employment opportunities and above all contribute significantly to economic growth.

Mr. Speaker, Sir,

12. The importance of readymade garments is immense in our export trade. For a long time the government has been extending various assistance to this sector. It may be mentioned that when I was in charge of the Ministry of Commerce I had given many facilities for development of the garments industry. During the tenure of the last B.N.P. government, as the then Finance Minister in 1993-94 fiscal year, I provided 25% cash subsidy for the export oriented garments industry. The facilities provided during that time greatly contributed to expansion of exports in this field in the following years. But, in view of the changed situation in the international arena some of the exporters are already facing difficulty. By the year 2005, the facility of export quota will be withdrawn. It is feared that as a result of this withdrawal our exporters in this sector may face tougher competition than before. In view of the seriousness of the matter, I propose to reduce the corporate rate of income tax for readymade garments industries from 30% to 10% only for the period upto June 30, 2006.

Mr. Speaker, Sir,

13. A sizeable number industrial enterprises have been set up in the textile sector in our country. New entrepreneurs are coming forward in different levels of the textile sector including spinning, weaving of fabrics, dyeing, printing and finishing. Efforts are being taken to quickly build up a backward linkage in textiles in order to assist the garments sector to expand and to stabilise its position in the export market. The government has already taken up various programmes for continuous development of the textile industry. The existing income tax rates for enterprises in this sector are 30% and 35%. Considering all aspects of this potential sector and in conformity with the facilities already extended to this sector, I propose to reduce the tax rate for the textile sector and fix it at 20% for the period upto June 30, 2006.

Mr. Speaker, Sir,

14. Due to wrong policies of the previous government our capital market had suffered a great set back in 1996. We have not yet fully recovered from that shock. The present government is making various efforts to revitalise the capital market and to make it more dynamic. As a part of these efforts I propose that investment in purchase of shares of a listed company during the period from 1st July, 2003 to 30th June, 2005 be accepted without explanation by the taxes department. However, if the shares are sold or transferred within two years of purchase, this facility will not be allowed.

Mr. Speaker, Sir,

15. According to the existing tax laws, share holders are to pay tax on the dividend they receive. I think they would feel more encouraged to invest in the capital market if dividend is made tax-free in the hands of the share holders. I, therefore, propose to make dividend tax-free in the hands of the recipient. Simultaneously, I propose to impose dividend distribution tax at the rate of 10% on the companies declaring dividend.

Mr. Speaker, Sir,

16. The system of self-assessment is now available for individual tax payers. In the year 1999 the system was amended in such a manner that it paved the way for gross abuse of the system. Some tax payers took advantage of this situation. They submitted self-assessment returns showing income at an amount much less than their real income and totally inconsistent with their style of living. The present government took various steps in the last budget to make the self-assessment system realistic and to reduce scope of tax evasion. In continuation to those measures I am suggesting a few more changes to this system. I propose that businessmen and professionals will pay a minimum tax of Tk. 12,000/- and directors of companies will pay a minimum tax of Tk. 30,000/- in order to make their returns acceptable under the self-assessment scheme. Otherwise their returns will be assessed following normal assessment procedures.

17. Expansion of tax base is absolutely necessary for increasing tax collection. The present democratic government wishes to increase revenue earnings by expanding the tax base instead of putting new tax burden on the tax payers. Provisions for compulsory submission of tax returns in certain cases already exist in our tax laws. In addition to those, I propose to make submission of tax returns compulsory in the following cases :

- (a) in case of every business establishment having a trade license issued by a city corporation, municipality or union council and having a bank account;
- (b) in case of all professionals including doctors, dentists, lawyers, chartered accountants, cost and management accountants, engineers and architects who have received practising license from recognised professional bodies;
- (c) in case of all members of chambers of commerce and industries and trade associations;
- (d) in case of every person contesting in the elections to National Assembly, City-corporation, Pourashava or Union Council;
- (e) Anybody contesting in a tender floated by a government organisation, semi-government or autonomous organisation or a local authority for supply of goods or execution of contract;

Persons for whom submission of income tax return is made compulsory will have to submit their tax returns within the time specified under section 75 of the Income Tax Ordinance. In case of failure to submit return in time, appropriate action will be taken as per law.

18. Since last January taxes department is conducting a nation wide survey under the supervision of National Board of Revenue to expand the tax base and increase the number of taxpayers. Such large scale survey work was not undertaken before. As a result of this survey eighty thousand new tax payers have already been identified. This number is expected to rise upto one lakh by the end of this month. The survey will be going on as a continuous process and during the fiscal year 2003-2004, I hope, it will be possible to identify another few lakhs of new taxpayers through this survey.

Mr. Speaker, Sir,

19. Effective monitoring of 'deduction of tax at source' is very important. Therefore, for the purpose of monitoring and auditing 'deduction of tax at source' by the income tax department I propose to give the National Board of Revenue necessary legal powers.

Mr. Speaker, Sir,

20. Some commercial enterprises and industries of the country are enjoying tax exemption for an indefinite period. Profit making business enterprises run by some welfare organisations and welfare trusts are also enjoying these exemptions. But other enterprises engaged in similar business activity and producing similar goods are paying taxes normally. Consequently, there is an unequal competition between the enterprises which pay tax and those which do not. This is inconsistent with an equitable tax policy and competitive market mechanism. I, therefore, propose to withdraw the tax exemption given to all these commercially run enterprises.

21. The facility of making provision for bad and doubtful debts was allowed to banks in the year 1990-91. Following the latest amendments made in 1997, banks are allowed to make provision for bad and doubtful debts at the rate of 3% of the total outstanding loans. But there is no reason to let this provision continue indefinitely. In fact, this provision should be withdrawn gradually. As the first step in this direction, I propose to reduce this rate from 3% to 2%.

Mr. Speaker, Sir,

22. In order to encourage establishment of industries our tax laws provide for tax holiday. According to existing provisions, an industrial undertaking having any financial or commercial transaction with an associate enterprise is not considered eligible for tax holiday. This provision was introduced with a view to checking evasion of tax through internal transfer pricing between sister concerns. But it is felt that in some cases there are genuine needs for commercial and financial transactions to take place between associate enterprises. I, therefore, propose to withdraw this restrictive provision in case of normal commercial or financial transactions between associate enterprises. I also propose that if any enterprise indulges in abnormal transactions to take place with an associate enterprise with the intention of evading tax, the concerned enterprise will be considered ineligible for tax holiday.

Mr. Speaker, Sir,

23. In a developing country like ours collection of direct tax, particularly income tax is a difficult task. At times, correct application of tax laws becomes a complicated and time consuming affair. The knowledge and experience of audit firms, cost and management accountant firms, law firms, engineering firms and survey and valuation firms can effectively supplement the efforts of income tax officials in collection of revenue. I, therefore, propose to give

National Board of Revenue necessary legal authority to employ these professional firms through outsourcing and use them for any job that the Board may deem fit and proper.

Mr. Speaker, Sir,

24. At present pension income of residents is tax exempt. But pension income of non-residents is not tax free. According to existing laws anybody staying outside the country for more than 182 days in a year becomes a non-resident. It is not reasonable that the pension income of a person should be made taxable just because he stays outside the country for more than 182 days. In order to remove this anomaly, I propose to make pension income of a person tax free regardless of whether he is a resident or a non-resident.

Mr. Speaker, Sir,

25. Along with legal reforms, the government has also taken initiatives to increase efficiency in tax administration and to enhance the working capacity of the taxes department. To this end, the Reforms in Revenue Administration (RIRA) project is already underway. Through this project, steps are being taken to thoroughly reorganize the Large Taxpayer Unit (LTU) and to modernize the taxes department. Besides, a plan has been drawn up to establish a Central Intelligence, Monitoring and Audit Cell at the National Board of Revenue. This cell will gather significant data relating to taxes and analyse them. It will also establish a regular exchange of information among income tax, customs and VAT. I hope, the measures proposed in this budget will be helpful in expanding the tax base, increasing efficiency of the taxes department and checking tax evasion to a large extent which will eventually help us in achieving the revenue target.

INDIRECT TAX IMPORT DUTY

Mr. Speaker, Sir,

26. In the current 2002-2003 year budget and during post budget period whatever measure that were adopted reflected the government's declared policy to protect interest of the common people. Of particular importance is the fact that there has been extensive reduction of duties and taxes on daily necessities like rice, lentils, vegetable oil, etc. I wish to cite example of the extent of tax incidence on import which are applicable to some of the items of daily necessities :

- (i) Rice features on top of list among the food items in comparison to the other food cereals. During the last regime tax incidence on rice was 43%. The present government had reduced the same to 7.5%;
- Pulses is one of the important food item for the poor mass upon which the tax incidence during the last regime was 13%. We have brought it down to 7.5%;
- (iii) The requirement of the lion share of edible oil need of the common people is met by imported soya bean oil and plam oil. The tax incidence on crude soya-bean and palm oil during 2001-2002 was 40.25%. The present democratic government had reduced the tax incidence to 23.63%. At the same time in order to halt the upward trend of price of edible oil except Advanced Income Tax all other taxes were completely withdrawn from the imported oil seeds (like mustard seed, sunflower seed & rape seed). Important to mention

that the total tax incidence on the said oil seed previously was 13%. Due to the above mentioned action which was taken oil seeds worth Tk. 246/- crore were imported. While using imported oil seeds edible oil is manufactured on the one hand oil cake is extracted on the other which in the process supplement as poultry, fish and dairy feed.

- (iv) Despite these measures due to the continuation of price hike of edible oil the tax incidence on refined soya bean oil had to be reduced from 66.13% to 23.63% in order to maintain unhindered supply of the same in the market;
- (v) Keeping harmony with the above measures I propose to reduce tax incidence on the following two daily nessecities:
 - (a) As the customs duty rate on refined soya been oil and refined palm oil used to be the same I propose to reduce the custom duty on refined palm oil and set the tax incidence at 23.63%. This will remove the existing tax anomaly between the refined soya bean and refined palm oil. This measure will ensure abundent supply of edible oil in the market.
 - (b) I also propose to reduce the tax incidence on wheat to only7.5% withdrawing advance income tax and IDSC on the items.

Mr. Speaker, Sir,

27. During the time of previous government at import stage customs duty, supplementary duty, value added tax, advance income tax, infrastructure development surcharge, licence fee etc. was applicable. Our present government in the last budget had withdrawn completely the 2.5% licence fee. I had

declared at that time that the same trend in future will continue. Following the same spirit I propose to withdraw AIT in the next budget completely on 175 importables keeping in mind to withdraw AIT in stages in future.

Mr. Speaker, Sir,

28. Infrastructure development is very important towards achieving growth. Due to increase in expenditure to develop the infrastructure there is a mounting pressure on internal resources to meet such expenditure. As a result expenditure on account of infrastructure development in the budget is increasing enormously. Considering this I propose to increase the existing IDSC rate by only 0.5%

29. While announcing the budget for 2002-2003, I declared that during 2003-2004 financial year attempt will be made to restructure import duty rate at 10%, 20% & 30%. According to that announcement if the lowest rate of custom duty of 7.5% is raised to 10% then a total of Tk. 250 crore approximately could be collected as additional revenue in the coming year. Instead of attaching importance to revenue collection I am proposing to continue with the lowest rate of customs duty at 7.5% this year considering the need for protecting local industry.

I am also proposing to maintain the existing 'zero' rate of custom duty on agriculture, fisheries, poultry, dairy, life saving drugs and allied instrument/equipment. The existing duty rate on intermediate goods and semi finished goods will as far as possible be maintained.

However according to the earlier commitment I am proposing to lower the highest rate of customs duty from 32.5% to 30%. Revenue loss on this account will be Tk. 210 crore approximately. Our neighbours following the trade liberalisation policy of under WTO have meanwhile lowered their highest rates of custom duty to 25%. In near future Bangladesh will have to follow suit and further reduce the highest duty rate.

Mr. Speaker, Sir,

30. Earlier in my speech it was mentioned that the previous government had imposed supplementary duty having thirty one slabs (ranging from 2.5% to 270%) on hundreds of items. This was totally restructured during the present financial year at only 5 rates (10%, 20%, 30%, 50%, 60%) by the present government. Continuing with the same trend of reform I am further proposing to restructure the rates at 15%, 25%, 40%, 50% and 75%. This will go to help protect local industry and to help curb import of luxury and comparatively unnecessary importables.

31. During the current budget period as necessity emerged from time to time duty rates on few importables were reduced and in some cases it was rationalised by imposing regulatory duty. With some adjustment I am proposing to continue the same duty rate on those items (Annex-B).

Mr. Speaker, Sir,

32. The present government has laid stress upon attaining growth in agricultural sector and at the same time has been extending extensive assistance to fisheries, poultry, dairy, horticulture and in the like fields. The existing customs duty on agricultural equipment, irrigation pump, fertilizer, poultry equipment including few other item is zero. But fish 'pona', breeding animal, poultry parent stock, seeds and on certain types of fertilizer AIT & IDSC together being 6.5% is applicable at import stage. In order to give support to such agriculture related sector, I am proposing to withdraw this AIT & IDSC

completely besides maintaining the existing 'zero' customs duty. As a result it is hoped growth potential will be augmented in these agriculture related sectors.

33. Clean and safe water is an important pre-requisite towards keeping good health. Thus I propose to lower the custom duty on water filter (domestic type) like industrial water treatment plant from 22.5% to 7.5%. This measure, it is hoped will partly go to meet the demand for safe drinking water at a fair price.

34. At present custom duty on various types of pumps which is leviable is 0%, 7.5%, 15% and 22.5%. Because of prevalence of more than one rate, scope of misdeclearation has been created. Considering this aspect I am proposing to fix customs duty rate at 7.5% on all types of pump except in certain cases (irrigation pumps & hand pumps). In case of irrigation pump the existing 'zero' rate will continue.

Mr. Speaker, Sir,

35. The duties & tax rate on raw materials which are used in various local industries I seems to be reasonable. If the existing duty rate on the basic raw materials used in industries like linseed oil, tung oil, dolomite, blended powder/flux, grinding ball and nickel coated copper wire (a raw material of spectacle frame) is reduced somewhat this will help grow such industries. As such I propose to lower the existing rates of custom duty on the above goods to the next lower stage. I propose further to withdraw the existing 20% supplementary duty on aluminum or iron base cap for filament lamp, (Annex-'C') in the interest of the relevant industries.

Mr. Speaker, Sir,

36. Good quality copper wire & aluminum wire is being manufactured in Bangladesh. At the same time the glass bottle and jar manufacturers are capable

of meeting the local needs. If some assistance is given to them then expansion in these industries may occur. Therefore I propose to increase the existing customs duty on these items to a slab higher than the existing one (Annex-'C').

Mr. Speaker, Sir,

37. Sugar has a wider demmand as an essential consumer goods as it is also used extensively in food, beverage and pharmaceutical industry. With the present leviable duty of 32.5% the total incidence of taxes is 89.35% on import of sugar. Despite prevalence of such high duty rates the sugar manufactured locally is losing market and not in a position to compete with the imported sugar. To give necessary protection to local sugar industry I propose to impose 40% supplementary instead of existing 20%.

38. At the moment particle board, plywood and carpet of international quality is being manufactured within the country along with assembling of refrigerator and colour television. In order to discourage import of these items in CBU condition I propose to impose 15% supplementary duty on these goods. At the same time I also propose to increase the existing rate of supplementary duty on glass sheet from 30% to 40% and impose 40% supplementary duty on glass mirror at import stage (Annex-"C").

Mr. Speaker, Sir,

39. In many of the cities and villages in the country expansion of gas connection has not been made possible even though gas supply has reached only a few urban areas. The Ministry of Oil Gas and Mineral Resources has informed that due to higher costs of supply of raw materials used in supply of LP Gas it has not been possible to supply LP Gas at a low price. Considering this aspect I am proposing to withdraw Value Added Tax at import stage on import of gas

cylinder, regulator, valve & hose pipe. At the same time a reduction of customs duty from 32.5% to 15% on hose pipe used with gas cylinder is also proposed. This measure it is hoped will help bring down the price of LP gas to acceptable level. I also propose to reduce the existing rates of supplementary duty on petroleum oil from 30% & 20% to 25% & 15% respectively. However reduction of highest customs duty rate by 2.5% along with reduced supplementary duty as proposed the tax incidence in this case will come down by 11%.

40. In a modern city the services rendered by Taxi Cab network is of immense benefit. The previous government had withdrawn the the concessional rate of duty on import of reconditioned taxi cabs. As a result only new vehicle imported as taxi cab was enjoying this duty facility so long. I am proposing to extend the concessionary duty rate facility on fulfillment of all prevailing condition to three years old reconditioned vehicle. However as there is no supplementary duty on taxi cab I propose to increase customs duty to 15% from 7.5%. This concessional duty rate facility will extend to both reconditioned and new vehicles which are above 1300 cc only.

Mr. Speaker, Sir,

41. There is ample production of mango, jackfruit, banana, papaya, berries, lichies, pineapple, melon and guava in our country. Even then various types of fruits are imported spending a huge foreign exchange. I therefore propose to increase supplementary duty from 30% to 40% on import of various types of fruits. In the same manner I propose to impose 25% supplementary duty on import of spices like cardamom, 'daruchini', cloves, 'jeera', black pepper which are consumed by comparatively the well to do class.

42. The Ministry of Forest and Environment has informed that use of CFC-12 gas in refrigerator and air conditioner is very harmful to environment. At the

moment there is 15% customs duty. It is not perhaps appropriate to have such low rate customs duty on product, which is harmful to environment. Considering this I propose to impose 22.5% customs duty on this item and at the same time also propose reduction of customs duty to 7.5% from 15% on environment friendly HFC-134a gas.

Mr. Speaker, Sir,

43. In the current budget specific duty was introduced on mobile phone which has resulted in payment of duties and taxes at a lower rate on mobile set which are of higher value. In order to redress this situation I propose to impose specific duty at Tk. 3,000/- for a mobile set upto value of Tk. 10,000/- (CIF value) and Tk. 4,000/- for those which are above Tk. 10,000/- (CIF value).

44. Successful bypass surgery including treatment of heart disease are now available within the country. In order to reduce the expenditure on account of treatment of these diseases, I propose to withdraw all existing duties and taxes on angiographic catheter wire, sheath, guide catheter wire, balloons, stents In the same manner I also propose to withdraw all duties and taxes which are leviable upon a large number of equipment and machinery used in medical treatment like kidney dialyses machine, oxygen therapy, incubator, invalid chair watches for blind, artificial joints, hearing aids, heart valve pacemaker and the like goods. However the lowest rate of duty 7.5% on various types of medical equipment will continue.

Mr. Speaker, Sir,

45. In the current financial year in order to make new motor vehicle available comparatively at a resonable price the tax incidence on new vehicle was lowered remarkably. Since I have proposed to lower highest rate of customs duty by 2.5% and restructure supplementary duty rate in this case I therefore propose to impose supplementary duty on verious types of motor vehicles at the following rates:

Description of motor vehicle	Proposed rate
	supplementary
	duty
a) Cylinder Capacity up to 1649 C.C.	15%
b) Cylinder Capacity from 1650 to 3000	40%
C.C.	
c) Cylinder Capacity above 3000 C.C.	75%

Mr. Speaker, Sir,

46. During the last financial year in order to develop and speed up the growth of textile sector quite a few steps were undertaken which has positively led this sector to become competitive gradually. In order to maintain the same level of assistance given by the government this year I propose to reduce customs duty on quite a number of textile raw materials and finishing agents (Annex-"C"). Despite possibility of reduction in revenue collection due to this measure it is hoped that the textile enterprenure will be able to reap benefit out of this measure.

Mr. Speaker, Sir,

47. With a view to prevent misuse of bonded warehouse facilities and evasion of taxes, I placed certain specific proposals in this august parliament last time. The Revenue Reforms Commission, in their interim report, has also presented following recommendation in this regard :

"...The best way to secure the revenue is to obtain a bank guarantee ensuring realization of import taxes. Many countries do it. The same may be introduced. Under this scheme all bonders other then garments exporters will furnish an unconditional bank guarantee covering the duty and taxes of the entire quantity of the goods each time duty free clearance is effected. ..."

In compliance with the proposals of the last year's budget and on the recommendations of the Revenue Reforms Commission a number of effective steps have already been taken in this regard. Now, I propose certain steps to be taken in the forthcoming fiscal year :-

- Many industries have already been set up in the country which manufacture raw-materials for export-oriented industries. To protect the interest of those types of industries, policy may be undertaken to stop, as far as possible, import of raw-materials under bond which are being produced in the country;
- (ii) Bonded warehouse facilities may be kept restricted for some particular industrial sectors including hundred percent exportoriented industries;
- (iii) Yearly import-entitlement may be given in order to prevent misuse of facilities through irregular sale in the open market;
- (iv) The bonding-period of warehoused goods may be made determined;
- (v) Keeping in view of the objectives cited above, I propose to amend the provisions of section-13 & section-98 of the Customs Act, 1969;
- (vi) Recently a provision has been made in case of some irregularityprone deemed-export sectors to submit bank guarantee covering the whole amount of duty & taxes applicable to the imported raw materials at the customs clearance stage. This provision is going to take effect from 1st July, 2003. Pointing at the recent global

economic recession, many entrepreneurs of those sectors have meanwhile appealed for relaxation of this provision. In totality considering the recommendations of the Revenue Commission I propose that for the time being a new provision may be introduced under which irregularity-prone deemed export sectors shall submit bank guarantee covering only 25% (one fourth) of the duty & taxes applicable at import stage.

48. Our entrepreneurs in order to market their goods in the local market often request for tariff protection against imported competing goods. In this regard many foreign entrepreneurs including those from the neighbouring countries take effective action to impose antidumping duty (AD) and countervailing duty (CVD) on foreign goods. Our entrepreneurs will have to initiate appropriate action to impose AD and CVD with the help of Bangladesh Tariff Commission. I will hope that our businessmen and the entrepreneurs henceforth will explore such avenues in order to protect their indusries.

49. In order to make the existing Customs Act, 1969 more transparent and suiting to the occasion and with a view to introducing effectiveness in custom administration I propose to bring certain amendment and changes in the said Act.

50. With a view to harmonise various relevant issues relating to the scope, definition etc I propose to amend the Privileged Persons (Baggage) Rules, 1985 by a new Privileged Persons (Customs Procedures) Rules 2003 keeping the core theme in the previous Rule intact. At the same time I propose to bring certain amendments in the Passengers (Non-Tourist) Baggage (Import) Rules 2000 to help the air passenger to clear customs formalities quickly and comfortably.

24

51. Remarkable progress has been achieved in upliftment of organizationalskill of the customs administration and also in making the export cargo assessment process faster and transparent. This has been made possible with the aid of the National Board of Revenue's ongoing Customs Administration Modernization (CAM-1) Project. ASYCUDA++ (Automated systems for Customs Data) has been implemented at Dhaka & Chittagong Custom houses and also at ICD, Kamlapur. Besides DTI (Direct Traders Inpot), in a limited scale, has been introduced at Custom House, Chittagong and at ICD, Kamlapur. Introduction of 'Close Loop' and DTI under ASYCUDA++ system has made the process of assessment and clearance of cargo faster which will play an important role in the expansion of trade, business and industry of our country.



Mr. Speaker, Sir,

52. Our lion share of duties and taxes is collected through Custom House Chittagong. We have to pay a serious attention to explore how best this huge revenue collection can be ensured. I therefore propose to create two separate custom houses there instead of the existing one and also for making provision for manpower and logistics.

53. At present through some of the land routs expansion of trade has taken place. Due to in adequate infrastruture the assessment procedure is badly affected. I propose to elevate the status of these Circle offices at Sona Masjid, Hili, Burimari, Tamabil and Teknaf to the level of Divisional Office. At the same time I also propose to increase the necessary manpower of Internal Container Depot (ICD), Dhaka, Benapol Customs House and Sylhet Commissionerate.

VALUE ADDED TAX AND SUPPLEMENTARY DUTY

Mr. Speaker, Sir,

54. BNP Government introduced the Value Added Tax or VAT system in the country in 1991 in order to maximize the mobilization of internal resources and to increase contribution of domestic resources towards funding the development programme. In the current budget Government has undertaken many steps to improve upon the existing VAT system. With this aim in view exemption of VAT was allowed on many items particularly related to Agriculture. Some of these exempted items are Power tiller and tractor used in agriculture, aerator used in pisciculture, full fat soyabean used in fish feed and animal feed, electricity used in irrigation, locally produced molasses of sugercane and sugar, and in areas like land development, purchase & sale of land and apartments etc.

Moreover, supplementary duties were exempted from all domestic products except Cigarette, Natural gas, Cosmetics, Marble slab, Tiles, Ceramic products, Bathroom fittings and Milk powder. Keeping harmony with the declared strategy now I am placing some proposals on the Value Added Tax before this august Parliament.

Mr. Speaker, Sir,

55. As you know, Agriculture sector is playing a vital role in the economic development of our country. Keeping this in mind, present government is patronizing the agriculture sector in all possible ways.

56. I believe full Exemption of VAT on locally produced and packed rice, pulses, wheat, maize, gurlic, onion, chille, ginger, corriander seed, vegetables, fresh fish and meat will help this sector to flourish. I am, therefore, proposing exemptions of VAT on all these locally produced packed items.

Mr. Speaker, Sir,

57. In order to further extend assistance to agricultural sector, I am proposing withdrawal of VAT on Gypsum di-hydrate used as fertilizer and on pesticides for killing rats in the grain field.

58. At present bulk importation of gas are enjoying VAT exemption. The enterprises bottling LP gas produced locally are paying VAT on bulk purchase. To remove the discrepancy and to create a level playing field I am proposing exemption of VAT on bulk purchase by the enterprises bottling the same.

27

59. Travel agency has a significant role in the development of the tourism industry of the country. With a view to promote tourism and to increase foreign exchange earnings, I am proposing withdrawal of VAT on this sector.

Mr. Speaker, Sir,

60. Presently VAT is leviable on all categories of advertisement published in the Newspaper. But small types of advertisements like "birthday", "chehlum", "tutor wanted" and lost notice etc. are also published in the newspaper. Considering the problems of these categories of advertiser (most of them are common people and students), I am proposing withdrawal of VAT on these types of classified advertisements published in the newspapers.

61. Local manufacture of toiletries & cosmetic like Shampoo and Skincare Cream are facing uneven competition with the importers of the same as they are paying supplementary duty at the rate of 20% advalorem. I therefore, propose reduction of supplementary duty on Shampoo and Skincare cream products from 20% to 10%.

Mr. Speaker, Sir,

62. In the present budget minimum VAT leviable on small shops of the city corporation areas are fixed at Tk. 4200, and outside the city corporation areas Tk 3000. To reduce the burden on the small shops located outside the city corporation and the district town areas, I propose to fix it at Tk. 2000 only. But large traders including importers, dealers, distributors commission agents, MS products and Cement traders will continue to pay VAT on the basis of their actual sales.

63. At present VAT is payable on furniture at the rate of net 4.5% at factory level. Again, at the time of selling of the same from the show room and sales

centres another net 4.5% VAT is payable. In order to lessen the burden, I am proposing to reduce VAT from net 4.5% to net 1.5% at the show room & sales centre level. This will help domestic furniture industry to flourish. At the same time I propose to reduce net VAT on ready made garments sales center from net 2.25% to net 1.5%.

Mr. Speaker, Sir,

64. VAT is leviable on Decorators, Caterers and Sweetmeat shop within the metropolitan and the district town areas since its inception. But the same traders outside these areas are exempted. As such, I am proposing withdrawal of this exemption to remove this anomaly.

65. Withdrawing exemption partially on tailoring shop, I am proposing to impose VAT on only air-conditioned tailoring shops. I further propose to withdraw VAT exemption on money exchange business and on use of credit card.

66. Cottage industry is exempted from payment of VAT from the very beginning. On the other hand, enterprises producing the same products are paying VAT and facing uneven competition in the market. To remove this uneven competition, I am proposing to withdraw cottage industry benefit from medicine, biscuits, logens, laundry soap and mineral water.

Mr. Speaker, Sir,

67. There is enough potential to realize huge amount of VAT from the locally produced soft drinks, soap, detergent powder and mineral water. But due to evasion of duty by some unscrupulous manufacturers of those items, govt. is being deprived of huge amount of revenue. On the other hand the enterprises,

that are paying VAT properly are facing uneven competition. To encourage honest and sincere taxpayers, to prevent evasion and remove uneven competition, I propose to introduce VAT Stamp (like cigarette banderole & stamp) on these items from October 2003.

Mr. Speaker, Sir,

68. Handmade cigarette or (bidi) is a major source of local revenue. But this item is still within the purview of the Excise law. In order to streamline and ensure proper collection of revenue from this sector I am proposing to bring it under VAT net. But present banderole system and the tax incidence on a packet of 25 sticks will remain unchanged.

69. At present the leaseholder and the procurement provider are subject to payment of VAT. Keeping in view of the same principle, I am proposing to impose VAT on all items sold in auction by the government, semi-government and autonomous body, Bank, Insurance and other limited companies at the rate of net 1.5% of the auction value.

Mr. Speaker, Sir,

70. You are aware that we have been reducing the rate of customs duties and other taxes every year at the import stage due to changed circumstances. The importance of VAT is increasing as an important source of internal revenue. In the mean time, the network of VAT has been expanded all over the country. But with the present organizational structure, we are facing difficulty in managing VAT Administration.

71. To improve upon this situation, I am proposing to establish two new VAT Commissionerates at Dhaka, one new VAT Commissionerates at Chittagong, 16

new Divisional Offices and 52 new Circle Offices all over the country and increase required number of manpower and logistics with effect from January 2004.

Mr. Speaker, Sir,

72. VAT is an account and audit based transparent taxation system. So with a view to strengthen the activities of the Directorate of Inspection I am proposing to rename it as Directorate of VAT: Audit, Intelligence and Inspection and to increase required number of manpower.

Mr. Speaker, Sir,

73. Since there is no time limit in the VAT law to issue VAT registration certificate after submission of the application, in some cases the issuance of such certificate is inordinately delayed. Complaints of such delay is not very uncommon, so, for the purpose of quick issuance of VAT registration certificate, I am proposing to make provision in the law to issue the registration certificate within two working days. Inquiry and other related works may be done afterwards. Moreover, considering the demand of different organizations, I am proposing to make required amendments in VAT rules, so that in near future in place of manual up keeping of Registers and documents, the same can be done through computers.

74. I am proposing to make necessary amendments in the VAT Act and Rules to make it simple and at the same time effective.

Mr. Speaker, Sir,

I would now place some proposals on Other Taxes and Fees :

75. Travel Tax : A sizeable portion of direct tax is usually collected from travel tax. It has been provided in the law that every airlines will collect air travel tax from passengers at the time of selling tickets and will deposit the same to the national exchequer within a stipulated time. But it is experienced that some airlines are not depositing collected tax on different pleas for moths together.

In order to streamline the irregularities in this case, I propose necessary amendments in Travel Tax Act, 2003.

76. Television Fees : License fee on television has to be paid on yearly basis as per the existing rules. But the owner of TV sets does not pay fee on yearly basis regularly. Some times they are in the habit of paying such fees only at the time of purchasing such sets. As a result, government is being deprived of its due revenue. To improve upon this situation, I propose that the purchaser of TV sets henceforth shall pay TV license fee for three years at a time while purchasing TV. This will help them getting rid of difficulties in paying such fees every year.

Along with this, I propose to withdraw fee on all kinds of radio sets since these are commonly used by low income group.

77. Motor Vehicle Registration Fee: Motor vehicle taxes and fees are imposed on different kinds of vehicle to provide funds for maintenance of roads, bridges etc. and in this regard registration fees are also collected for the same purpose. Experience shows that collection of registration fee is not up to the mark and in most cases, evasion takes place. In the circumstances, I propose that legal provisions be made for collection of registration fee at import stage for all kinds of motor cycle, three-wheeler and motor vehicle to streamline revenue earnings from this source.

Mr. Speaker, Sir,

78. So far I have deliberated on the main tax proposals for 2003-2004 financial year. Now I intend to present in brief the salient features of the revenue targets. In the current budget the total revenue target to be achieved by NBR was fixed at TK. 23,750 crore and the main sources of revenue are Customs Duty, Income Tax, VAT and Other Taxes. For the coming financial year 2003-2004, the target fixed for NBR revenue is estimated at TK. 27,750 crore. The growth we have envisaged in revenue collection in 2003-2004 financial year will be around 16.84% over the current year. Break up in detail of revenue target is placed at Annexure-"D".

Mr. Speaker, Sir,

It is the firm commitment of our government to realize the dream of our 79. Great leader Shaheed President Ziaur Rahman to build a happy and prosperous Bangladesh. To attain this goal we shall have to strengthen the hands of our Hon'ble Prime Minister Begum Khaleda Zia. A major part of the duration of our government spent so far was utilized to reorganize, streamline and rebuild the devastated economy left behind by the past government. Under the bold and farsighted leadership of our Honourable Prime Minister, the reforms that were undertaken by this alliance government have so far given us the desired result. All the measures we have taken so far has already started to yield encouraging results toward the welfare of our people. The co-chairman of recently concluded Bangladesh Development Forum and the Vice President of South Asia region of the World Bank Ms. Mieko Nishimizu was in full praise of our Hon'ble Prime Minister Begum Khaleda Zia, for adopting various reforms to improve the living conditions of our people. She also praised Hon'ble Prime Minister for her sincere commitment and dedication to quicken the pace of development stating "Under the leadership of the Honourable Prime Minister, a silent revolution is taking place in the development efforts of Bangladesh."

Mr. Speaker, Sir,

80. We have to be a hard task master to carry forward further the development programmes. That road is not so rosy. Mobilization of internal and external resources, appropriate allocation of the same and proper utilization of these resources if can not be ensured, the pace of development will come to a halt. As a result, we shall not be able to reach the desired destination on time. Specially in every sphere of our national life, establishment of good-governance has become all the more necessary. To that end we shall have to go for more reform based programme.

Mr. Speaker, Sir,

81. While placing the current year budget I referred to many important issues. The economic gains and welfare considerations were given utmost priority in my dealings with the subject of economic development of our country. I gave lot of emphasis on our united efforts to foster and cajole economic growth of the country. I want to repeat the same this time also and stress upon the point that if we want to survive as a successful nation we shall have to go ahead with well planned programme in all sphere of our national life. In order to implement the development programmes, which will be taken up for the welfare of the country and our people, co-operation and concerted efforts of all irrespective of party and politics must be ensured. Our main goal is to redress the sufferings of the down-trodden people in our society by eradicating poverty within the shortest possible time. At the same time to fulfil the basic needs of our people we are to act with devotion and sincerity. In our national life we shall have to harbour the habit of sacrifice and if we can inculcate this habit, small selfish considerations

can not influence us. And then the country, more truly, the interest of the people of our country, will get priority in all our thoughts and endeavors. Let us resolve to perform this hard task of nation building working unitedly to achieve a happy and prosperous Bangladesh. Let Almighty Allah help us in our mission.

> Allah Hafez Bangladesh Zindabad.



Sl	Proposed Slab	Propose
no.		rate
1.	On first Tk. 90,000/- of total	Nil.
	income	
2.	On next Tk. 1,50,000/- of total	10%
	income	
3.	On next Tk. 1,50,000/- of total	15%
	income	
4.	On next Tk. 2,50,000/- of total	20%
	income	
5.	On the balance of total income	25%

Income tax rate for individual tax payers



S1.	Description of	Custor	ms	Sup	ple.	Regul	ID
Ν	Goods	Duty		du	ıty	atory	SC
0.		Bud	Pres	Bud	Pres	Duty	
		get	ent	get	ent		
(1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
)							
01	Crude soyabean oil	22.5	7.5%				0%
		%					
02	Crude palm oil	22.5	7.5%				0%
		%					
03	Passenger Vehicle	32.5	22.5				
	Having a seating 🥢	%	%) - 1			
	capacity from 10 to	VX			Xa		
	15 seats 💋 👌					X	
04	Minibus	32.5	22.5	YL	1		
		%	%	V/			
05	CKD Passenger	15%	7.5%		/	2	
	Vehicle		1				
06	Bus	15%	7.5%			12/1	
	2	1=				¥//	
07	CKD Refrigerator	22.5	15%		Falls		
	& Freezer	%					
08	Perforated	32.5	15%				
	Stainless Steel	%					
	Blades Strip						
09	Electric generating	7.5%	0%				
	sets						
10	Granite,			0%	20%		
	Travertine,						
	Alabaster &						
	Marble Stone						
11	Fluorescent, Hot			50%	30%		
	Cathod (Tube						
	Light)						

Summery of revision of revenue measures taken since July, 2002 :

Sl.	Description of	Custo	ms	Sup	ple.	Regul	ID
Ν	Goods	Duty		du	ıty	atory	SC
0.		Bud	Pres	Bud	Pres	Duty	
		get	ent	get	ent		
(1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
)							
12	Reconditioned			0%	10%		
	Motor Car :						
	Cylinder Capacity						
	1350 to 1649						
13	Cinnamon			50%	0%		
14	Cloves			30%	0%		
. 15	Cardamoms			50%	0%		
•	~		1				
16	Seeds of Cumin	1×	A	50%	0%		
17	Turmaric		N	10%	0%		
. 18	Fibre Board of		V	0%	10%		
10	Wood or Other			070	10/0		
•	Ligneous Mateirals			C	/	18411	
19	Emery Cloth			0%	20%	NZ/	
				070	2070	\$//	
20	Desogestrel	7.5%	0%		200	2///	
	ethinyloestradiol	Lel		1	P	/	
	and lynestrenal						
	(Contraceptive						
	Raw Materials)						
21	Mustard Seeds,	7.5%	0%				0%
	Sunflower Seeds,						
	Rape or colza						
	seeds						
22	Polypropylene	22.5 %	15%				
. 23	Refined soya bean	32.5	7.5%				0%
	oil	<u>%</u>	,,0				570
. 24	Rice	22.5	7.5%				0%
		<u></u> :c %					- , ,

Sl.	Description of	Custo	ms	Sup	ple.	Regul	ID
Ν	Goods	Duty		-	ity	atory	SC
0.		Bud	Pres	Bud	Pres	Duty	
		get	ent	get	ent	5	
(1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
)							
25	Refined sunflower	32.5	7.5%				0%
	oil	%					
26	Refined corn oil	32.5	7.5%				0%
		%					
27	Lubricating oil						0%
28	Propane, Butane						0%
	-						
29	Lentils						0%
				C			
30	Maize (Corn)	_	201	1 - 14	_		0%
	Starch	VX			Xd		
31	Vat Dyes, Reactive	2			-	No.	0%
	Dyes, Pigments &		VL	VL	1		
	Brightening Agent		7	K/	1		
32	Dobbies, jacquards				/	2	0%
	and Shuttles						
	(Textile Spares)					\$2/1	
33.	Polyester Yarn 🔪 🗧	AF				5%	
34.	Biscuits, Waffles &	- all			- AB	30%	
	Wafers						
35.	Soap Noodles		1			5%	
36.	Cotton Shirt, T-					30%	
	Shirt, Trouser, Bed						
	Linen						
37.	C.I Sheet					10%	
38.	Carbon Rod					10%	
39.	Bicycle (not					30%	
	motorised)						
40.	Toys & Dolls					30%	
41	Color & B/W					10%	
	Television (CBU)						
42	Zinc Callot					7.5%	
I		I		r			

S1.	Description of	Custo	ms	Supple.		Regul	ID
Ν	Goods	Duty		du	ıty	atory	SC
0.		Bud	Pres	Bud	Pres	Duty	
		get	ent	get	ent		
(1	(2)	(3)	(4)	(5)	(6)	(7)	(8)
)							
43	Pre-Fabricated					7.5%	
	Building						
44	Slag Sand from the					15%	
	manufactured of						
	Iron or Steel						
45	Fly Ash					7.5%	



Annexure-"C"

Summery of Proposals in respect of Customs in respect of Customs Duty for Fy 2003-2004 :

Sl.	Description of	Cus	toms	Supplement		Rev	enue
No.	Goods	Duty	(CD)	ary Duty		Effect	
				(SD)		(Crore	
							K.)
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Ruhi, katla,			20	40%	0.60	
	mrigel, pangash,			%			
	karp and alike						
2.	Milk in powder			20	25%	1.43	
	form, in retail			%			
	packing 🥢	N	5	Å	X	1 no	
3.	Milk in powder	8 .		10	15%	19.1	
	form, in bulk			%	1	1	
4.	Butter & Oth <mark>e</mark> r			20	25%	0.77	
	Fats			%			
5.	Cheese and Curd			20	25%	0.03	
	12	15		%		7,12	//
6.	Dates (excluding			30	40%	4.90	/
	wrapped /	E.		%		5//	
	Canned)						
7.	Fresh and Dried			30	40%	7.94	
	mango, oranges,			%			
	lemons, grapes,						
	apples and other						
	(excluding						
	wrapped /						
	Canned)						
8.	Cinnamon,			0%	25%	45.6	
	cardamoms,					1	
	cloves & pepper						
9.	Refined pulm oil	32.5	7.5%	-	-		0.02
		%					
10.	Refined coconut			20	25%	1.25	
	oil & Other			%			

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods		(CD)	ary Duty		Effect	
1.00.	0000	Duty	(CD)	2	Duty D)	(Crore	
				(5	(D)	Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
11.	Linseed oil,	32.5	22.5	-	-		0.03
	Tung oil	%	%				0.00
12.	Sugar (raw-			20	40%	230.	
	sugar)			%		83	
13.	Raw sugar	22.5	30%	0%	40%	0.45	
	(Containing	%					
	added flavouring						
	or colouring						
	mater and other)		1	X			
14.	Glucose and		X	10	15%	0.13	
	Glucose syrup 🥢	D		%	X	/ no	
15.	Chocolate &	8 .		30	40%	3.25	
	Candi			%	1	N.	
16.	Tapioca, Sag <mark>o</mark>	22.5	15%		1-	28	0 .72
		%	1				
17.	Sweet biscuit <mark>s</mark> , 😽		7	30	75%	2.32	
	waffles & wafers	4		%		2.24	//
18.	Jam, fruit jellies,	EA F	~	20	40%	0.80	
	marmalades,	El.		%	200	5//	
		14					
	orange juice,			9			
	apple juice &						
	similar goods						
19.	Soya sauce,			20	40%	1.75	
	tomato cachup &			%			
	similar goods						

Sl.	Description of	Cus	toms	Supp	lement	Rev	enile
No.	Goods		(CD)	ary Duty		Effect	
110.	00003	Duty	(CD)	2	Duty D)	(Crore	
				(5	D)	Tk.)	
		Pres	Dron	Pres	Dron	Gain	Loss
			Prop		Prop		
(1)	(2)	ent (2)	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
20.	Food preparation			350	250		2.31
	not elsewhere			%	%		
	specified or						
	included :						
	containing						
	alcohol						
	exceeding						
	alcoholic			-			
	strength 0.5% by			X			
0.1	Vol.		A	20	100/	0.50	
21.	Soft drinks	PD		30	4 <mark>0%</mark>	0.53	
	NT 11 1 11	8		%		0.00	
22.	Non-Alcoholic		N	60	<mark>75</mark> %	0.00	
	beer			%		7 1	105
23.	Beer			250	150		1.85
	TTTL: 1		7	%	%		0.1.1
24.	Whiskies, rum	h		350	250	ENG)	0.14
	and tafia, gin and			%	%		
	geneva, vodka,	All a			70	2//	
	liqueurs and						
	cordials & other			0			
	wine			20	7.50/	0.0	
25.	Cigar, Cheroots,			30	75%	00	
	Cigarillo			%		0.54	
26.	Salt			60	75%	3.56	
				%	4664	0.00	
27.	Other salt			30	40%	0.00	
	D 1	.	4 = ~ /	%			0.00
28.	Dolomite, not	22.5	15%	-	-		0.22
	calcined or	%					
	sintered						
29.	Portland cement			30	40%	2.03	
				%			

No.GoodsDuty (CD)ary Duty (SD)Effect (Crore Tk.)Pres entosedentosed(c)(c)(1)(2)(3)(4)(5)(6)(7)(8)30.Grey portland cement in bulk2025%0.14(c)31.Granulated Slag0%15%3.30& Other Slag3.30(c)(c)(c)33.Refined Tar1015%0.00(c)34.Jet fuel & other white spirit2015%0.00(c)35.Naphtha202015%0.0036.Jet fuel3025%2.73(c)37.Kerosene2015%28.838.Diesel oil, Furnace oil2015%28.839.Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin2025%0.1040.Sulphuric Acid; oleum2025%0.10(c)41.Rasist Salt157.5%0.0850.06	Sl.	Description of	Cus	toms	Supplement		Revenue	
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$		-						
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$				()				
Pres entProp osedPres entProp osedGain (+)Loss (-)(1)(2)(3)(4)(5)(6)(7)(8)30.Grey portland cement in bulk20 25% 0.14 31.Granulated Slag & Other Slag0% 15% 3.30 32.Fly Ash7.5 15% 0.1333.Refined Tar%0.1334.Jet fuel & other white spirit20 15% 0.0036.Jet fuel30 25% 2.7337.Kerosene20 15% 10.9 6 9620 15% 28.8 $38.$ Diesel oil, Furnace oil20 15% 120.1 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin20 25% 0.1041.Rasist Salt15 7.5% 20 25% 0.10 42.Isopropyl 0% 7.5% 0.85 0.06							`	
entosedentosed(+)(-)(1)(2)(3)(4)(5)(6)(7)(8)30.Grey portland cement in bulk20 25% 0.1431.Granulated Slag0%15%3.30& Other Slag0%15%3.3032.Fly Ash7.515%0.13 $33.$ Refined Tar1015%0.0034.Jet fuel & other white spirit2015%10.9 $36.$ Jet fuel3025%2.7337.Kerosene2015%120.1 $38.$ Diesel oil, Furnace oil2015%120.1 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin2025%0.1040.Sulphuric Acid; oleum2025%0.100.0641.Rasist Salt157.5%0.850.0642.Isopropyl0%7.5%0.850.85			Pres	Prop	Pres	Prop		/
(1) (2) (3) (4) (5) (6) (7) (8) 30. Grey portland cement in bulk 20 25% 0.14 9% 0.14 9% 31. Granulated Slag 0% 15% - - 3.30 & Other Slag 0% 15% - - 3.30 32. Fly Ash 7.5 15% 0.13 33. Refined Tar 10 15% 0.00 34. Jet fuel & other white spirit 9% 5 5 35. Naphtha 20 15% 0.00 36. Jet fuel 30 25% 2.73 37. Kerosene 20 15% 120.1 Furnace oil 9% 15% 0.29 getroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 15 7.5% 0.10 40. Sulphuric Acid; oleum 9% 25% 0.10 0.66 41. Rasist Salt 15 7.5% 0.85 0.46 <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>-</td> <td></td> <td></td>				-		-		
30. Grey portland cement in bulk 20 25% 0.14 31. Granulated Slag 0% 15% - - 3.30 32. Fly Ash 7.5 15% 0.13 0.00 33. Refined Tar 10 15% 0.00 34. Jet fuel & other white spirit 20 15% 0.00 35. Naphtha 20 15% 0.00 36. Jet fuel 30 25% 2.73 37. Kerosene 20 15% 120.1 Furnace oil 20 15% 28.8 8 38. Diesel oil, Furnace oil 20 15% 20.1 5 20 15% 20.1 3 39. Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 25% 0.10 40. Sulphuric Acid; oleum 20 25% 0.10 $41.$ Rasist Salt 15 7.5% 0.85	(1)	(2)	(3)	(4)	(5)	(6)		
cement in bulk % 31. Granulated Slag 0% 15% - - 3.30 32. Fly Ash 7.5 15% 0.13		Grey portland						
& Other Slag Image: Constraint of the structure struct structure structure structure structure structstructure structur					%			
32. Fly Ash 7.5 15% 0.13 33. Refined Tar 10 15% 0.00 34. Jet fuel & other white spirit 20 15% 10.9 35. Naphtha 20 15% 0.00 36. Jet fuel 30 25% 2.73 37. Kerosene 20 15% 120.1 7. Kerosene 20 15% 120.1 9 Partly refined 20 15% 0.29 9 Partly refined 20 25% 0.10 9 Other oil 20 25% 0.10 9 White spirit 20 25% 0.10 9 White spirit 20 25% 0.10 9 Uter oil 20	31.	Granulated Slag	0%	15%	-	-	3.30	
$33.$ Refined Tar $\frac{10}{\%}$ 15% 0.00 $34.$ Jet fuel & other white spirit 20 15% 10.9 $34.$ Jet fuel & other white spirit 20 15% 10.9 $35.$ Naphtha 20 15% 0.00 $36.$ Jet fuel 30 25% 2.73 $37.$ Kerosene 20 15% 28.8 $38.$ Diesel oil, Furnace oil 20 15% 120.1 5 $37.$ Kerosene 20 15% 120.1 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin $40.$ Sulphuric Acid; 20 25% 0.10 $41.$ Rasist Salt 15 7.5% 0.06 $41.$ Rasist Salt 15 7.5% 0.85		& Other Slag						
$33.$ Refined Tar $\frac{10}{\%}$ 15% 0.00 $34.$ Jet fuel & other white spirit 20 15% 10.9 $34.$ Jet fuel & other white spirit 20 15% 10.9 $35.$ Naphtha 20 15% 0.00 $36.$ Jet fuel 30 25% 2.73 $37.$ Kerosene 20 15% 28.8 $38.$ Diesel oil, Furnace oil 20 15% 120.1 5 $37.$ Kerosene 20 15% 120.1 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin $40.$ Sulphuric Acid; 20 25% 0.10 $41.$ Rasist Salt 15 7.5% 0.06 $41.$ Rasist Salt 15 7.5% 0.85	32	Fly Ash	7.5	15%			0.13	
33. Refined Tar 10 15% 0.00 34. Jet fuel & other white spirit 20 15% 10.9 35. Naphtha 20 15% 0.00 36. Jet fuel 30 25% 2.73 37. Kerosene 20 15% 28.8 38. Diesel oil, Furnace oil 20 15% 120.1 39. Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 15% 0.29 40. Sulphuric Acid; oleum 20 25% 0.10 41. Rasist Salt 15 7.5% 0.85 42. Isopropyl Alcohol 0% 0.85 0.85	5			1070			0.15	
34. Jet fuel & other white spirit 20 $15%$ 10.9 $35.$ Naphtha 20 $15%$ 0.00 $36.$ Jet fuel 30 $25%$ 2.73 $37.$ Kerosene 20 $15%$ 28.8 $38.$ Diesel oil, Furnace oil 20 $15%$ 28.8 $38.$ Diesel oil, Furnace oil 20 $15%$ 120.1 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 $15%$ 0.29 $40.$ Sulphuric Acid; oleum 20 $25%$ 0.10 $41.$ Rasist Salt 15 $7.5%$ 0.06 $42.$ Isopropyl $0%$ $7.5%$ 0.85	33.	Refined Tar			10	15%	0.00	
34. Jet fuel & other white spirit 20 15% 10.9 35. Naphtha 20 15% 0.00 36. Jet fuel 30 25% 2.73 37. Kerosene 20 15% 28.8 38. Diesel oil, Furnace oil 20 15% 28.8 39. Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 15% 0.29 40. Sulphuric Acid; oleum 20 25% 0.10 41. Rasist Salt 15 7.5% 0.85 42. Isopropyl Alcohol 0% 0.85					the second se			
white spirit $\%$ 5 35.Naphtha 20 15% 0.00 36.Jet fuel 30 25% 2.73 37.Kerosene 20 15% 28.8 $\%$ 30 25% 2.73 38.Diesel oil, 20 15% 120.1 Furnace oil $\%$ 3 39.Partly refined 20 15% 0.29 petroleum $\%$ 3 including topped $\%$ 0.29 crudes, greasen, 7 7.5% 0.10 Other oil 20 25% 0.10 excluding Heavy $\%$ 0.06 41 .Rasist Salt 15 7.5% 0.85 42.Isopropyl 0% 7.5% 0.85	34.	Jet fuel & other	//	20		15%		10.9
35. Naphtha 20 15% 0.00 36. Jet fuel 30 25% 2.73 37. Kerosene 20 15% 28.8 38. Diesel oil, Furnace oil 20 15% 120.1 39. Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 15% 0.29 40. Sulphuric Acid; oleum 20 25% 0.10 41. Rasist Salt 15 7.5% 0.85			NO			X	n N	_
36.Jet fuel30 25% 2.73 2.73 37.Kerosene20 5% 15% 8 28.8 8 38.Diesel oil, Furnace oil20 $\%$ 15% 3 120.1 3 39.Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin20 $\%$ 15% 0.29 40.Sulphuric Acid; $0eum$ 20 $\%$ 25% 0.10 0.10 $\%$ 41.Rasist Salt15 $\%$ 7.5% $\%$ 0.85 0.85	35.		8		20	15%	W/	0.00
37.Kerosene 20 $15%$ 28.8 8 $38.$ Diesel oil, Furnace oil 20 $15%$ 120.1 3 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 $15%$ 0.29 $40.$ Sulphuric Acid; $9%$ 20 $25%$ 0.10 $41.$ Rasist Salt 15 $7.5%$ 0.06 $42.$ Isopropyl Alcohol $0%$ $7.5%$ 0.85		1			%		N.	
37.Kerosene 20 $15%$ 28.8 8 $38.$ Diesel oil, Furnace oil 20 $15%$ 120.1 3 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 $15%$ 0.29 $40.$ Sulphuric Acid; oleum 20 $25%$ 0.10 $41.$ Rasist Salt 15 $7.5%$ 0.85 $42.$ Isopropyl Alcohol $0%$ $7.5%$ 0.85	36.	Jet fuel			30	25%		2.73
38.Diesel oil, Furnace oil 20 $%$ $15%$ 3 120.1 3 $39.$ Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin 20 $%$ $15%$ $%$ 0.29 $%$ $40.$ Sulphuric Acid; $%$ 20 $%$ $25%$ $%$ 0.10 $%$ $41.$ Rasist Salt 15 $%$ $7.5%$ $%$ 0.85					%			
38.Diesel oil, Furnace oil20 15% 120.1 339.Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin20 15% 0.29 40.Sulphuric Acid; $0leum$ 20 25% 0.10 41.Rasist Salt 15 7.5% 0.85 42.Isopropyl Alcohol 0% 7.5% 0.85	37.	Kerosene		7	20	15%	M	28.8
Furnace oil%339.Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin2015% %0.2940.Sulphuric Acid; $0leum2025%0.1041.Rasist Salt15\%7.5%0.0642.IsopropylAlcohol0%7.5%0.85$		12	12		%		PNA	8
39.Partly refined petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin20 $\%$ 15% $\%$ 0.2940.Sulphuric Acid; oleum20 $\%$ 20 $\%$ 25% $\%$ 0.10 $\%$ 41.Rasist Salt15 $\%$ 7.5% $\%$ 0.0642.Isopropyl Alcohol0%7.5% $\%$ 0.85	38.	Diesel oil,		\$	20	15%		120.1
petroleum including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin%%40.Sulphuric Acid; oleum20 %25%0.1041.Rasist Salt15 %7.5%0.0642.Isopropyl Alcohol0%7.5%0.85		Furnace oil	E.		%		3//	3
including topped crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin<	39.	Partly refined	12	1	20	15%		0.29
crudes, greasen, Transformer oil, Other oil excluding Heavy normal paraffin <td></td> <td>petroleum</td> <td></td> <td></td> <td>%</td> <td></td> <td></td> <td></td>		petroleum			%			
Transformer oil, Other oil excluding Heavy normal paraffinImage: constraint of the sector o		including topped						
Other oil excluding Heavy normal paraffinImage: constraint of the sector of the		crudes, greasen,						
excluding Heavy normal paraffin2025%0.1040.Sulphuric Acid; oleum2025%0.1041.Rasist Salt157.5%0.0642.Isopropyl Alcohol0%7.5%0.85		-						
normal paraffin 20 25% 0.10 40.Sulphuric Acid; oleum 20 25% 0.10 41.Rasist Salt 15 7.5% 0.06 42.Isopropyl Alcohol 0% 7.5% 0.85		Other oil						
40. Sulphuric Acid; oleum 20 25% 0.10 41. Rasist Salt 15 7.5% 0.06 42. Isopropyl 0% 7.5% 0.85 Alcohol 0% 0.85 0.85		excluding Heavy						
oleum % 41. Rasist Salt 15 7.5% 0.06 42. Isopropyl 0% 7.5% 0.85 Alcohol 0 0 0.85 0.85		normal paraffin						
41. Rasist Salt 15 % 7.5% 0.06 42. Isopropyl Alcohol 0% 7.5% 0.85	40.	-				25%	0.10	
% 6 6 6 42. Isopropyl 0% 7.5% 0.85 Alcohol 6 6 6					%			
Alcohol	41.	Rasist Salt		7.5%				0.06
	42.		0%	7.5%			0.85	
	43.	Acetic Acid	32.5	22.5	_	_		0.23

S1.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods		(CD)	ary Duty		Effect	
1.00.	000005	Duty	(CD)	(SD)		(Crore	
				(22)		Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		%	%				
44.	Soap Noodles			0%	15%	8.52	
45.	DOP			10	15%	0.08	
				%			
46.	Mixer of	7.5	15%	-	-	5.85	
	odoriferous	%					
	substance for			-			
	beverage		×	6-	X.		
47.	Beverage	22.5	15%	Ă-	X	A.	2.31
	concentrate	%		$\langle \rangle \rangle$	1	N.	
48.	Industrial	7.5	15%		11-	2.91	
	petrolium	%		E	/	N.	
	bitumen	17				ENG	
49.	Sodium	22.5	15%			15//	0.02
	Chlorates	%			J.		
50.	Sodium	15	7.5%				2.75
	Sulphides,	%					
	Sodium						
	Dithionites, Zinc						
	Sulpoxylates,						
	Sodium						
	Bicarbonate,						
	Sodium Nitrates						
	& Formic Acid						
51.	Sodium Acetate,	15	7.5%				0.23
	Citric Acid &	%					
	Beta Carotene				0.50/	1.00	
52.	Paints, Varnish			0%	25%	1.02	
	& lacquers						

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods	Duty	(CD)	ary Duty		Effect	
		5		-	SD)	(Crore	
							c .)
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
53.	Preparation for	15	7.5%				0.38
	the Treatment of	%					
	textile materials						
54.	Propellant			0%	25%	0.50	
	powders,						
	Prepared						
	explosves,						
	Fireworks,						
	signalling flares,		1	X			
	rain rockets, fog		2	$(b) \leq (b)$	K A		
	signals and other	07		Ă.	X	/ no	
	pyrotechnic			Λ		N.	
	articles				1	N.	1
55.	Matches			0%	15%	0.00	
56.	Fungicide : F <mark>o</mark> r	15	7.5%	-	-		<mark>2</mark> .43
	agricultural	%	7	4		V	
	purpose	15				7,12	/
57.	Blended	22.5	15%				0.78
	Powder/Flux	%		5	-	3//	
58.	Silicones In	15	7.5%				1.04
	Primary Form,	%		9			
	Carboxymethyl,						
	Sodium alginate						
59.	Hose Pipe	32.5	15%				0.04
		%					
60.	Self adhesive			10	15%	0.93	
	plates, sheets,			%			
	film, foil, tape,						
	strip						
61.	Ethylene			10	15%	0.80	
	polymer, Poly			%			
	(vinyl butyral) &			20			
	Other Plate,			%			
	sheet, film, Foil						
	and strip of			46			

Sl.	Description of	Cus	toms	Supp	lement	Rev	anite
No.	Goods	Duty (CD)		Supplement ary Duty		Revenue Effect	
INO.	Goous	Duty (CD)		5 5			
			(SD)		D)	(Crore Tk.)	
		D	D	D	D		/
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	plastic of						
	plastics (bb-						
	‡mjyjvi,						
	wiBb‡dvm©W						
	b‡n,						
	j [°] vwg‡b‡UW,						
	mv‡cv‡U©W)						
62.	Baths, shower -			10	25%	1.68	
	baths, sinks,			%			
	wash - basins,	1.	X				
	bidets, lavatory	100		V		1 ac	
	pans, seats and	8			· ^	18	
	covers, flushing	5		V	1	NO N	
	cisterns and		N	V	//	1	1
			11		1-2	7 N.	
	similar sanitary			E	//	N	
	ware, Tableware,	1	1				
	kitchenware of	1				SA H	/
(2)	plastics.	1.5	7.50/				0.00
63.	Surgical Gloves	15	7.5%	-	2	5///	0.22
		%					
64.	Linear	15	7.5%	0	-		0.01
	Alkylbenzenes	%					
65.	Particle Board,			0%	15%	2.91	
	Fibre Board,						
	Fly-Wood)						
66.	Fibre Board			10	15%	0.85	
				%			
67.	Wool	15	7.5%				0.01
		%					
68.	Polyester Yarn	22.5	30%			1.39	
		%				_	
69.	Polyester Yarn :	7.5	15%			1.13	
	partially oriented	%	10/0			1.15	
70.	Carpet & Floor	/0		0%	15%	0.98	
70.				070	1.570	0.70	

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods	Duty (CD)		ary Duty		Effect	
		5	(SD)		-	(Crore	
				× ×	,	Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	covering mat						
71.	Cotton, T-Shirt,			0%	40%	1.86	
	Trousers, Bib &						
	Brace, overalls,						
	breeches and						
	shorts shirt, Bed						
	Linen						
72.	Sports footwear		-	0%	15%	0.88	
	with outer soles			K			
	of rubber,						
	plastic, leather or	P				A.	
	composition	8 .		$\langle \rangle / $		N/N	
	leather and upper			V	1	SA	1
	of leather				1-	7 9	
73.	Other footwear		7	0%	25%	5.74	
74.	Granite,	1		20	40%	1.30	//
	travertine and			%			/
	alabaster &	an-				12//	
	Marble stone	1 d		3	P		
75.	Emery clothes		1	20	25%	0.66	
				%			
76.	Unglazed/Glazed			30	40%	4.55	
	ceramic flags			%			
	and paving, heart						
	or wall tiles,						
	unglazed						
	ceramic mosaic						
	cubes and the						
	like, whether or						
	not on a backing						
77.	Wared & non-			30	40%	0.82	
	wared glass			%			
78.	Glass Mirror			0%	40%	4.42	
79.	Amber glass :	7.5	15%	48		2.13	

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods	Duty (CD)			ary Duty		fect
		• • • •		(SD)		(Crore	
						Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Bottle & Jar	%					
80.	Difference type			30	40%	2.88	
	of Glassware			%			
81.	Unworked Jams,	7.5	0%				00
	Pearls, Diamond	%					
	or other precious						
	stones						
82.	Semi Finished	22.5	7.5%				0.02
	Jams, Pearls,	%	1				
	Diamond or		2		K A		
	other precious 🥢	NO		× · ·	X	n N	
	stones			Λ		N	
83.	Finished Jams,	32.5	7.5%	18/	1	Y.	00
	Pearls, Diamond	%	11		//		1
	or other precious						
	stones						11
84.	C.I.Sheet	22.5	30%			00	//
		%					
85.	Raw materials	15	7.5%			3//	0.05
	for pre-	%					
	fabricated			0			
	building : Flat						
	rolled products						
86.	Difference type			10	15%	0.50	
	of pipe & Shaft,			%			
	circular cross-						
	section						
87.	ERW pipes and			30	40%	3.01	
	stainless shafting			%			
	of iron or steel.						
88.	Iron or non aloy			10	15%	0.03	
	steel made other			%			
	welded of						
	circular cross-						
	section : Other			49			

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods	Duty (CD)		ary Duty		Effect	
				(SD)		(Crore	
						Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
89.	Bicycle Chain			20	25%	0.46	
	and parts thereof			%			
90.	M.S. Nipple	32.5	15%	-	-		
		%					
91.	Cooking			20	25%	0.22	
	appliances and			%			
	plate warmers :						
	for Gas fuel						
92.	Sanitary ware		1	30	40%	0.75	
	and parts		1	%			
	thereof, of iron	Q7		Å	X	1.00	
	or steel : Sinks	8 .		Λ		100	
	and wash basin				1	N.	
93.	Grinding balls	22.5	15%	I K	1-	7 W	0.26
	and similar	%	1				
	articles for mills		7			V	
94.	Copper wire	15	22.5			1.86	1
	4	%	%		1		/
95.	a) Nickle coated	22.5	15%	-	200	5//	0.01
	copper wire	%					
			1	9			
	b) Blanks and	15	7.5%				0.01
	Demos of Plastic	%					
96.	Sanitary ware			30	40%	0.04	
	and parts thereof		a a	%			
97.	Aluminium wire	15	22.5	-	-	0.04	
		%	%				
98.	Zinc Callot	7.5	15%	-	-	0.75	
	D	%		001	1 50 /	1.0-	
99.	Rassors			0%	15%	1.25	
100.	Padlock			0%	25%	11.4	
101		22 -	<u> </u>			5	0.11
101.	Iron & Steel	32.5	22.5				0.11

Sl.	Description of	Cus	toms	Supplement		Revenue	
No.	Goods	Duty (CD)		ary Duty		Effect	
				(SD)		(Crore	
						Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	made Stoppers,	%	%				
	Caps						
102.	Pump without	15	7.5%				0.96
	Hand pump,	%					
	Vehicle pump &	70					
	agricultural						
	pumps						
103.	Fan & Fan parts			20	25%	0.92	
			1	%			
104.	Air Conditioner		-4	30	40%	5.19	
	(CBU)	Q7		%	X		
	Air Conditioner	8.		20	25%	0.39	
	(CKD)			%	1		1
105.	Refrigerator &		7/1	0%	15%	24.8	
100	Freeser (CBU)					2	
106.	Water filter use	22.5	7.5%				0.62
	in home and	%				5.4	/
107	industry	1.5	7.50/				0.02
107.	Furniture, bases	15	7.5%	-	1	7//	0.02
	and covers for	%		-			
	sewing machines					2	
108.	and parts thereof	7.5	15%			0.60	
100.	Tape, Cock, Valve	/.3	1370			0.00	
109.	Dry cell battery	/0		30	40%	1.00	
109.	& Lead acid			30 %	-U/0	1.00	
	battery			/0			
110.	Radio cassette			10	25%	0.45	
110.	player (CBU)			10 %	15%	0.75	
111.	Pocket size radio			0%	15%	0.00	
111.	cassette player			070	1.5/0	0.00	
	(CBU)						
112.	Difference type			0%	15%	1.65	
	of two in one			0,0	2070		
L		I		I		1	

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods		(CD)	ary Duty		Effect	
			()	(SD)		(Crore	
				(~	_)		ς.)
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
113.	Colour TV	22.5	30%	0%	15%	52.2	
	(CBU)	%				3	
	B/W Television	22.5	30%	-	-	1.17	
		%					
114.	Mobile Phone :						
	a) CIF Value	Speci	3000	-	-	13.0	
	upto Tk.	fic	/-			0	
	10,000/-	duty					
		2500/	4000	X			
	b) CIF Value	- (per	/-				
	exceeding Tk. 🥢	set)		Ă.	X	1 10	
	10,000/-	R		Λ			
115.	Dicharge lamps			20	<mark>25</mark> %	0.29	8
	& parts		111	%	//	Z	
116.	Fluorescent			30	40%	2.00	
	Lamp (Tube			%		NY.	11
	light)	1				2.4	/
117.	Aluminium base	32.5	30%	20	0%		0.90
	cap lamp	%	-	%	2	5//	
118.	Winding Wire :			30	40%	0.51	
	Other		_	%			
119.	Coaxial cable			20	25%	0.53	
	and other coaxial			%			
	electric						
4.8.2	conductors				4	0.1.	
120.	Lamp carbon,			0%	15%	0.14	
	carbon rod						
121.	Three wheeler						
	Auto Ricksaw :			• •	4664		
	a) Four Stroke			30	40%	5.07	
	auto Ricksaw			%			
	with Engine/						
	Three wheeler						

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods	Duty (CD)		ary Duty		Effect	
		5 ()		(SD)		(Crore	
				<u> </u>	,	`	ς.)
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	b) CNG	15	22.5	10	15%	9.23	
	Operated Four	%	%	%			
	Stroke Auto						
	Ricksaw (CBU)/						
	Three wheeler						
	c) Four Stroke			30	40%	0.04	
	Auto Ricksaw/			%			
	Three wheeler's						
	Chassis with						
	Engine						
122.	Motor Vehicle 🥢	NO		Å	X	l no	
	(with station				1	N	
	wagon) :					N.	
	a) Cylinder		11	0%	15%	38.0	11
	Capacity upto			(Rec		0	
	1649 CC			ondit			
		1				7,12	//
				ioned			
		A.		Vehi		B//	
				cle			
				10%)			
	b) Cylinder			20	40%	22.4	
	Capacity upto			%		3	
	1650 CC to 3000						
	CC						
	c) Cylinder			60	75%	0.00	
	Capacity			%			
	exceeding 3000						
	CC						
123.	CKD Pickup	22.5	15%				0.43
		%					
124.	Two Stroke			30	40%	21.8	
	Motor Cycle			%		8	
	(CBU & CKD)						

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods	Duty (CD)		ary Duty		Effect	
		5	(SD)			5	
				,			K.)
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
125.	Four Stroke			0%	15%		
	Motor Cycle						
	(CBU & CKD)						
126.	Bicycle & Other			0%	40%	16.8	
	Cycle					7	
127.	Artificial Parts	7.5	0%				0.00
	& Other	%	1	5			
128.	Revolvers,		X	60	75%	0.08	
	Pistols &	00		%	X	1/10	
	Weapons (.22 &			Λ		N.	
	7 mm bore with			V	1	N.	
	rifles)			K	//		
129.	Parts of			20	25%	0.00	
	Revolvers or			%		N	
	Pistols & Barral	12				ENG	//
	of Shotgun &	EA =		3	1		
	other	20.		-	-	5//	
130.	Bomb, Granad,			60	75%	0.00	
	Torpedoes,			%			
	Mines, Missiles :						
	Cartoge for						
	Revating and						
	Similar goods,						
101	Parts & Other			()	750/	0.02	<u> </u>
131.	Sword,			60 0/	75%	0.02	
	Cutlasses,			%			
	Bayonets,						
	Lances & Similar Arms :						
	Others						
132.	Furniture			0%	15%	0.58	
		1 =		0/0	1.5/0	0.50	
133.	Pre Fabricated	15	7.5%				5.65
		3 7		54			

Sl.	Description of	Cus	toms	Supp	lement	Rev	enue
No.	Goods		(CD)	ary Duty		Effect	
		5 ()		(SD)		(Crore	
						Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Building	%					
134.	Toy & Dolls			0%	75%	16.1 5	
135.	Angiographic	7.5	0%				0.01
	Catheters Wire,	%					
	& Sheath, Guidy						
	Catheters Wire,		X	80			
	Baloons &	100	T			n	
	Stents	8.		Λ		X	
136.	Different types	7.5	0%	V	/	- 2	0.00
	of Dental	%	1				
	Fittings,						
	Artificical Parts						/
	& Joints	No and a second	Y			2//	
137.	A) CFC-12	15	22.5	0		0.88	
	$\mathbf{D} \mathbf{U} \mathbf{D} \mathbf{C} 124$	%	%				
	B) HFC-134a	15 %	7.5%				
138.	Raw Materials	32.5	22.5				1.02
	for Agro	%	%				
	processing						
	industry - Gum						
	base, Straw,						
	Shrink level,						
	Confactionery						

Sl.	Description of	Cus	Customs		Supplement		enue
No.	Goods	Duty	Duty (CD)		ary Duty		fect
			,		(SD)		ore
						Tk.)	
		Pres	Prop	Pres	Prop	Gain	Loss
		ent	osed	ent	osed	(+)	(-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	raper & Plastic						
	Сар						



National Board of Revenue's revised budget for fiscal year 2002-2003 and budget allocation for fiscal year 2003-2004 <u>under different heads of account</u>

(Figure in crore Taka)

C	Davarra	2002	2002	2002	$\frac{11900}{2002}$
Seri	Revenue	2002-	2002-	2002-	2003-
al	Account Head	2003	2003	2003	2004
no.		Fiscal	Fiscal	Fiscal	Fiscal
		year's	year's	year's	year's
		Original	revised	collecti	estimat
		Budget	Budget	on upto	ed
		target	target	April,	target
				2003	
(1)	(2)	(3)	(4)	(5)	(6)
1.	Import Duty	5890.00	5890.00	5454.7	7628.0
		N		5	0
2.	Value added	4375.00	4375.00	3357.4	4685.0
	tax			5	0
	(import stage)				U U
3.	Supplementary	1550.00	1550.00	1058.8	1492.0
5.	duty	1000.00	1220.00	9	0
	(import stage)				
Т	otal-Import stage	11815.00	11815.00	9871.0	13805.
1	otal-import stage	11015.00	11015.00	9	00
4.	Value added	2606.00	2606.00		4432.0
4.		3696.00	3696.00	2796.1	4432.0
	tax			0	0
-	(local stage)	2025.00	2025.00	0.500.0	2410.0
5.	Supplementary	2825.00	2825.00	2520.0	3410.0
	duty			6	0
	(local stage)				
6.	Excise Duty	310.00	310.00	285.00	348.00
	Total-local stage	6831.00	6831.00	5601.1	8190.0
				6	0
7.	Income tax	4788.00	4788.00	2990.4	5365.0
				9	0
8.	Other tax and	316.00	316.00	203.65	390.00
	duty				
	Grand total	23750.00	23750.00	18666.	27750.
				39	00
L			57	57	00

** Revenue target for fiscal year 2003-2004 is Tk. 27750.00 crore, which is 16.84% growth over the revised target (Tk. 23750.00 crore) of the previous year.

