TUHIN & PARTNERS

e-Newsletter

Volume No 1 | Issue No 3 | JUNE 2025

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Bangladesh's Green Shift: Ensuring Workers' Rights in a Just Transition

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Bangladesh is at a critical crossroads as it embarks on the path toward a low-carbon economy. This transition, often referred to as a "Just Transition," is about more than adopting green technology; it must balance environmental goals with social justice and worker protection. With climate change presenting increasingly severe challenges, including rising sea levels, floods, and cyclones, the need for an inclusive approach has never been more urgent.

Bangladesh has made notable progress in renewable energy over the past two decades, yet the sector remains underdeveloped. Renewable sources currently account for only 4.5% of the total installed power capacity of 22,215 MW, with solar energy making up the lion's share. The government has set ambitious targets to increase this share to 15% by 2030 and 100% by 2050. Achieving these goals, however, requires accelerated investment in infrastructure and supportive policies. Despite these plans, reliance on fossil fuels like imported LNG continues to undermine environmental and public health efforts.

The Ready-Made Garment (RMG) and tannery sectors, which form the backbone of Bangladesh's economy, must integrate renewable energy into their operations to stay globally competitive. However, this transition must not come at the expense of workers. Small and subcontracted factories, which often lack the resources to adopt green technologies, are particularly at risk of being left behind. Financial incentives, subsidies, and infrastructure development are necessary to ensure a fair and equitable shift. A key aspect of a Just Transition is the development of green skills. Workers need training in energy-efficient production methods, digital tools, and sustainable practices to meet the demands of a changing industrial landscape. The International Labour Organization (ILO) emphasizes that equipping young workers with these skills can boost productivity and create new job opportunities. Without such efforts, job losses and economic instability could exacerbate existing inequalities.

Corporate responsibility is also essential in this process. Companies like H&M, in collaboration with local partners, have started investing in solar energy to power their manufacturing facilities. These private-sector efforts are encouraging, but they must be supported by robust government regulations to ensure fair wages, safe working conditions, and respect for union rights. Without enforceable measures, corporate transitions may prioritise profit over worker welfare, leaving employees vulnerable to exploitation. Labour protections must align with international standards to safeguard workers' rights during this transition. Social security systems, such as unemployment benefits, workplace injury compensation, and healthcare support, can act as safety nets. Special attention must be given to marginalised groups, including women, youth, and persons with disabilities, to ensure they benefit equally from the green economy.

Finally, inclusive governance is key to success. Meaningful dialogue between policymakers, employers, and labour representatives can ensure transparency, accountability, and fair outcomes. Strengthening labour protections, enforcing ethical corporate practices, and guaranteeing worker representation are crucial steps toward a sustainable and equitable future.

Bangladesh has the potential to lead in sustainable industrial transformation, provided its transition strategy centres on workers. A people-first approach can ensure that this green shift uplifts all segments of society, rather than leaving anyone behind.

Source: Ai created

Legal Challenges in Enforcing Corporate Social Responsibility (CSR) in Bangladesh

Introduction

Corporate Social Responsibility (CSR) is a concept that promotes the idea of businesses being accountable not only to shareholders but also to society at large. It encompasses a broad range of practices aimed at ensuring ethical conduct, environmental sustainability, and community development. In Bangladesh, CSR has gained momentum, particularly in sectors like the ready-made garments (RMG) industry and banking, where societal expectations for responsible corporate behavior have risen sharply in recent years. Despite this growing interest, the enforcement of CSR initiatives remains fraught with legal challenges, including weak regulatory frameworks, a lack of monitoring mechanisms, and corporate resistance to compliance. These challenges not only hinder the effective implementation of CSR but also affect the broader goal of sustainable development in the country. Understanding these issues is crucial for creating a conducive environment for CSR practices to flourish. This article explores these challenges, analyzes relevant provisions, and suggests pathways for overcoming them[1].

Key Discussion

Analysis

1. Weak Legal Framework- Bangladesh lacks specific and enforceable legislation dedicated to CSR. While the Companies Act, 1994, mentions corporate accountability, it does not mandate CSR activities. This creates a significant gap, as businesses are not legally obligated to contribute to societal welfare. Developed countries like India, on the other hand, have made CSR mandatory under Section 135 of the Companies Act, 2013. This absence of a similar provision in Bangladesh limits the scope of CSR enforcement[2].
2. Lack of Monitoring Mechanisms- Even where voluntary CSR initiatives exist, there is limited monitoring of their implementation. Regulatory bodies such as the Bangladesh Securities and Exchange Commission (BSEC) and the Ministry of Commerce lack the resources and capacity to oversee CSR compliance effectively. As a result, many companies either do not implement CSR activities or merely engage in tokenism to enhance their corporate image[3].
3. Corporate Resistance- Many corporations perceive CSR as a financial burden rather than a strategic investment. This is compounded by the absence of tax incentives or other benefits that could motivate businesses to voluntarily adopt CSR practices. For instance, countries like Indonesia offer tax relief to companies that invest in CSR initiatives, but Bangladesh's tax regime does not provide such incentives[4].

Source: LinkedIn

Relevant Provisions

1. Labour Act, 2006- While not directly addressing CSR, the Labour Act imposes obligations on employers to ensure worker welfare and safety, which aligns with the broader principles of CSR. However, enforcement remains a challenge due to limited inspections and penalties[5].
2. National CSR Policy- The Draft National CSR Policy of Bangladesh, introduced in 2018, aims to institutionalize CSR practices. However, it remains at the policy stage and lacks legal binding force. Without legislative backing, its effectiveness remains questionable.

Concluding Remarks

Enforcing CSR in Bangladesh requires a multifaceted approach, including legislative reforms, robust monitoring mechanisms, and incentives for compliance. Policymakers should consider introducing mandatory CSR obligations and ensuring their enforcement through regulatory oversight. Equally important is building the capacity of regulatory bodies such as the Bangladesh Securities and Exchange Commission to oversee CSR implementation effectively. Additionally, offering tax incentives or subsidies could motivate corporations to embrace CSR practices voluntarily. Corporations, on their part, must shift their perception of CSR from being a financial burden to recognizing it as a long-term investment that enhances brand value and stakeholder trust. A collaborative approach involving the government, private sector, and civil society is essential to foster a culture of responsibility and accountability in the corporate world. Addressing these challenges can pave the way for meaningful CSR practices that benefit both businesses and society[6].

Source: LinkedIn

1. IntechOpen, 'Journals' https://www.intechopen.com/journals accessed 28 May 2025.
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A Critical Analysis of the National Board of Revenue Ordinance, 2025

Introduction

The Revenue Policy and Revenue Management Ordinance, 2025, represents a transformative shift in the governance of tax administration in Bangladesh. Promulgated on May 12, 2025, the ordinance aims to dismantle the long-standing centralised model of the National Board of Revenue (NBR) and replace it with two specialised entities: the Revenue Policy Division (RPD) and the Revenue Management Division (RMD). This reform is designed to address critical inefficiencies in tax policy-making and enforcement, aligning the nation with global standards seen in developed economies like the United Kingdom and Australia.

The ordinance comes at a time when Bangladesh is grappling with fiscal challenges, including a widening budget deficit, increased demand for public expenditure, and sluggish revenue growth. These economic pressures have highlighted the need for a tax administration that is both dynamic and responsive. While the ordinance presents a bold vision for the future, it has sparked intense debate among policymakers, revenue officials, and the public. The absence of stakeholder consultations and the perceived legal ambiguities in its provisions have raised significant concerns about its implementation.

This critical analysis explores the ordinance's key provisions, evaluates its potential benefits and challenges, and offers recommendations to ensure that the reform meets its objectives of enhancing efficiency, transparency, and fairness in tax administration[1].

Key Provisions and Structural Changes

The ordinance introduces a bifurcation of responsibilities in tax administration. The RPD is tasked with formulating tax policies, setting rates, and managing international tax treaties. The RMD, on the other hand, focuses on the enforcement of tax laws, conducting audits, and ensuring compliance across income tax, VAT, and customs. This separation aims to reduce conflicts of interest between policy-making and execution, fostering efficiency and accountability.

A notable provision in Section 4(4) of the ordinance permits the appointment of government officials from various professional cadres, including economics, business administration, and law, to lead these divisions. While this provision aims to diversify expertise, it has raised concerns about sidelining revenue cadre officials with years of specialized experience in tax administration. Critics argue that such appointments could undermine the technical proficiency required for effective tax governance[2].

Pros of the Ordinance

1. Modernization and Global Alignment:

By separating policy formulation and enforcement, the ordinance aligns Bangladesh's tax administration with international best practices. This structure has been successfully implemented in countries like Australia and the United Kingdom, where it has led to more coherent policies and efficient enforcement mechanisms[3].

2. Transparency and Accountability:

The clear delineation of responsibilities between the RPD and RMD reduces bureaucratic overlap, potentially enhancing transparency and reducing opportunities for corruption within the tax system[4].

3. Potential for Increased Revenue Collection:

A focused approach to enforcement and compliance could lead to better tax collection outcomes, reducing evasion and increasing revenue. This is particularly crucial for Bangladesh's economic stability amidst growing fiscal deficits[5].

Cons and Criticisms

1. Lack of Stakeholder Consultation:

The ordinance was enacted without adequate input from key stakeholders, including NBR officials, tax practitioners, and industry representatives. This lack of engagement has resulted in widespread protests and operational disruptions, undermining the legitimacy of the reform.

2. Risk of Politicization:

Allowing non-revenue cadre officials to head the RPD and RMD increases the risk of politicization, potentially compromising the neutrality and technical expertise of these divisions. Revenue officials with years of experience may feel demoralized, further impacting the system's efficiency[6].

3. Operational Disruptions:

The sudden structural changes have disrupted tax collection activities. Several taxpayers and businesses have reported delays and confusion, jeopardizing revenue targets and economic stability[7].

Concluding Remarks

The Revenue Policy and Revenue Management Ordinance, 2025, is a landmark initiative aimed at modernizing Bangladesh's tax administration and addressing longstanding structural inefficiencies. By introducing a dual-entity model, the ordinance seeks to foster specialization, transparency, and accountability in tax policy formulation and enforcement. Its alignment with international best practices underscores the government's commitment to positioning Bangladesh as a competitive player in the global economy.

However, the path to successful implementation is fraught with challenges. The ordinance's effectiveness will depend on addressing the criticisms related to stakeholder exclusion, operational disruptions, and the risk of politicization. Equally important is the need to build institutional capacity, clarify legal ambiguities, and foster a culture of inclusivity within the revenue system.

Moving forward, the government should prioritize:

- Stakeholder Engagement: Involving tax officials, businesses, and civil society in refining the ordinance to ensure it meets practical needs.
- Capacity Building: Providing training and resources to revenue officials to adapt to the new structure and enhance compliance mechanisms.
- Monitoring and Feedback Mechanisms: Establishing a transparent system for monitoring the ordinance's impact and incorporating feedback for continuous improvement.

By adopting a holistic approach, the government can transform this reform into a cornerstone of Bangladesh's economic development, ensuring that it not only meets revenue targets but also promotes equity and trust among taxpayers[8].

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Anjuman Ara Begam Vs. Bangladesh and Ors.

Writ Petition No. 1259 of 2024
Subject Matter: Legality of the Ministry's executive order.
Court: High Court Division, Supreme Court of Bangladesh
Judgment Date: 09.03.2025
Presiding Judges: J.B.M. Hassan and Md. Toufiq Inam.

Summary:
This case addressed the legality and procedural fairness of the administrative action taken by the Ministry of Education and its subordinate Directorate in suspending the Monthly Pay Order (MPO) benefits of Anjuman Ara Begum, a long-serving Librarian at Amlahar Degree College. The petitioner challenged the Ministry's decision to withhold her MPO without a proper show-cause process, alleging a baseless accusation of possessing a fake certificate from the National University. The judgment explores questions of natural justice, maintainability of writ petitions in the presence of an alternative remedy, and the vested rights of employees under the MPO scheme.

The Fact of the Case:
Anjuman Ara Begum had been serving as a Librarian (Lecturer) at Amlahar Degree College since 2004. She was enlisted under the MPO scheme in 2005. She had been receiving government salary benefits uninterrupted until July 2023, when her MPO was suddenly halted by the Ministry of Education based on an allegation that she had submitted a fake certificate from the National University. However, she had never submitted any such certificate, as her appointment was based on a diploma from the University of Chittagong. A show cause notice was issued by the Directorate of Secondary and Higher Education on July 9, 2023. The petitioner responded to the notice through her College Principal, clarifying that she never submitted such a certificate from the National University. Instead, her appointment was based on a Diploma certificate in Library and Information Science issued by the University of Chittagong, Bangladesh. Despite her clarification, she was listed among 678 teachers and staff accused of possessing fake certificates. As a result, she filed a writ petition challenging the legality of the stoppage of her MPO benefits.

Issues:
- Whether the writ petition was maintainable.
- Whether the failure to provide an opportunity to respond to the show cause notice amounts to a violation of the principles of natural justice.
- Whether the stoppage of the Monthly Pay Order (MPO) of the petitioner is unlawful and without legal authority.

Relevant Provisions:
- Article 102, Constitution of Bangladesh: Empowers the High Court Division to issue writs in cases where legal rights are violated by executive actions taken without lawful authority.
- Clause 19, School-College Manpower Structure and MPO Guideline, 2010 (Revised-2013): Outlines the review process available to teachers and staff affected by adverse decisions regarding MPO benefits.

Relevant Principle:
- The principle of natural justice (audi alteram partem): The principle mandates that an affected party must be given a fair opportunity to explain their position before an adverse action is taken.

Judgment:
The writ petition is maintainable, as the petitioner is left without an effective legal avenue to challenge the action. This court possesses the jurisdiction to intervene when an administrative action is executed in an arbitrary, non-transparent, and unjust manner, depriving a person of their legal rights without the provision of due process and fairness.
The court found that the principle of natural justice, audi alteram partem, was violated. The fundamental principle of natural justice, audi alteram partem, has been violated. He court found that the principle of natural justice, audi alteram partem, was violated since the petitioner's Monthly Pay Order (MPO) benefits were stopped without giving her a prior opportunity to respond.
The court held that the stoppage of MPO was unlawful and ordered the authorities to reinstate the petitioner's MPO benefits and pay her arrears from July 2023 within 60 days. The allegation of a fake certificate was found to be baseless, as her appointment was based on a valid Diploma certificate in Library and Information Science issued by the University of Chittagong, Bangladesh, not the National University.

Significance of the Judgment
This judgment reaffirms the importance of natural justice and procedural fairness in administrative actions, particularly when those actions affect a person's vested rights. It clarifies that the mere existence of a review forum is not sufficient to oust the jurisdiction of the High Court under Article 102 of the Constitution, particularly when no formal order is provided. The court can intervene where an administrative action is taken in an arbitrary, non-transparent, and unfair manner. It also emphasises that individuals who have consistently received government benefits over a long period cannot be arbitrarily deprived of such benefits without due process.

Concluding Remarks:
The final decision upheld constitutional safeguards against arbitrary executive action. It highlights the judiciary's role in ensuring fairness and accountability in public administration. The Court's insistence on formal reasoning, transparency, and the right to be heard strengthens the protection of service-related rights of non-government teachers under the MPO scheme. This decision will serve as a reference point for similar disputes involving administrative errors, wrongful deprivation of entitlements, and the applicability of alternative remedies under specialised guidelines.

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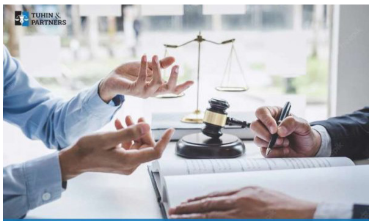

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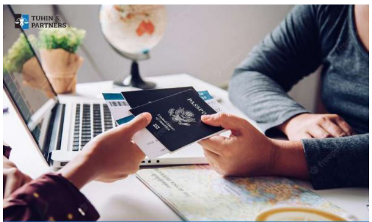

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