



A view of a Katimon mango orchard in the northern district of Rajshahi. Farmers in the district, a major mango producing region, are increasingly showing interest to grow this variety of the fruit as it can be cultivated throughout the year.

PHOTO: ANWAR ALI

Katimon mango cultivation growing in Rajshahi

Higher value, potential for year-round production encouraging farmers

ANWAR ALI, Rajshahi

Rafiqul Islam, a resident of Rajshahi's Durgapur upazila, is breaking the mould when it comes to mango farming as he cultivates a non-traditional variety of the fruit called Katimon that grows year-round.

And although most mango orchards make good tourist spots during the summer months, Islam's orchard on the bank of his leased pond is unlikely to attract anyone as the trees are no more than six feet tall.

However, this is no cause for concern as despite being smaller in stature, these mango trees earn him far more money compared to traditional ones.

"One has little chance of incurring losses cultivating Katimon mangoes," said Islam, an agricultural entrepreneur.

He only harvests the fruit at the end of August, when the traditional mango season usually comes to an end. As a result, he faces no competition.

By taking advantage of the off-season sales, Katimon mangoes bring him three times higher profit compared to traditional varieties.

"I harvest the fruit only when it is not the mango season as they rule the market amid a lack of competitors," added Islam, who farms alongside his job as a journalist.

Most traditional varieties do not sell for more than Tk 2,000 per maund (about 37 kilogrammes), but the starting price for



Rafiqul Islam

Katimon mangoes is Tk 7,000 per maund. Traders in the Baneshwar retail market say Katimon mangoes are selling for as much as Tk 11,000 per maund.

Local entrepreneurs brought the Katimon variety to Bangladesh from Thailand about six years ago and it quickly acclimatised to the local climate.

Since then, entrepreneurs in Rajshahi and its neighbouring districts have been increasingly turning to Katimon cultivation with about 250 farmers now growing the fruit.

The Department of Agricultural Extension (DAE) recorded that Katimon mangoes were cultivated on 700 hectares of land across the country in 2021-22.

Of the total acreage, 523 hectares come from four districts in the Rajshahi region: Rajshahi, Naogaon, Chapainawabganj

and Natore.

The fruit is also being cultivated in the Dinajpur, Rangpur and Thakurgaon districts.

DAE officials in Rajshahi expect Katimon cultivation to rise by 200 hectares in the current fiscal year.

"The cultivation of Katimon is becoming popular as it guarantees profit," said Soror Uddin, a noted mango researcher.

Many growers have also raised nurseries alongside their orchards for selling Katimon saplings amid the increasing demand, he said.

Another benefit of Katimon mangoes is that it can be stored for longer than other varieties.

However, the Katimon variety still does not account for 1 per cent of the country's annual mango production of 12.22 lakh tonnes.

The total area of land being used to cultivate mango currently stands at about 95,243 hectares with the average production rate of Katimon mangoes being 7.37 tonnes per hectare.

Mozdar Hossain, deputy director of the Rajshahi DAE, argues against Katimon cultivation.

"The additional management costs for year-round production can make this variety commercially unviable," he said, suggesting farmers grow BARI-11 mangoes instead.

During a recent visit to Maria village

in Durgapur upazila, this correspondent visited an orchard that Islam had raised on the banks of one of his ponds, which he previously used for aquaculture for about a decade.

After fish farming, Islam tried his hand at cultivating bananas. But after hearing about Katimon mangoes, he did not hesitate to invest in the fruit.

The Katimon trees were planted in rows of three alongside two rows of banana trees, and unlike traditional mango orchards, the trees were rarely higher than six feet.

And despite being barely a year old, some of them were already adorned with mangoes while others were either in the flowering or budding stage.

"I raised this orchard three years ago by bringing saplings from Dinajpur," Islam said.

The agricultural entrepreneur developed mango orchards on the banks of at least 14 ponds on 200 bighas of leased land.

Last year, he harvested mangoes worth Tk 3 lakh. He expects a higher yield this year.

"I have not been able to make a profit yet as I have set a long-term plan for quality mangoes by growing better trees. But anyone can earn a profit from the first year," he said.

"You can't miss making profits after the successful cultivation of Katimon mangoes."

DIGITAL DARE

Digital economy or high tax revenue?

MAHTAB UDDIN AHMED

An irony of most third-world countries is that honest taxpayers pay more tax and need to be more compliant than those who tend to dodge the system. Not only that, often honest taxpayers even end up getting fined for non-compliance!

While I was the finance director in a leading multinational company, we figured out that the company inadvertently under-paid on perquisites by a few crores. When the matter was brought to the attention of the regional office, the payment was sanctioned as being compliant.

I met the tax commissioner in person and informed him of the incidence. For obvious reasons, he was surprised and at the same time, pleased with our honesty, and henceforth, agreed to accept the payment.

But all hell broke loose when we finally made the payment! Concerns were raised from the lower levels of the tax office on how to show it in their books and a nightmare unfolded as we tried to manage those concerns!

Bangladesh is well on its journey to a digital economy. Taxation and regulations play a pivotal role in reaping the benefits of a digital economy.

It has already been established globally that digital penetration like mobile use penetration, bank app penetration, and mobile financial service penetration drive GDP faster. Digital penetration also significantly improves transparency in economic activity. In the process, non-taxpayers can also be brought into the tax net. In the process, a larger group of people enjoys the benefit of the digital economy.

In Bangladesh, the digital industry (mobile, fixed, internet service providers, and payments) is highly taxed by comparison to global best practices. A conducive regulatory environment, especially the tax framework, is essential to accelerating a country's digital transformation and maximising the benefits of connectivity. This is particularly relevant to Bangladesh as it is now facing the challenges of penetrating the low-income groups to connect the unconnected.

As per the Eighth Five-Year Plan, the ICT Division plans a "revision of tax, VAT and surcharge to reduce internet price" during the financial year of 2022, which would greatly contribute to the agenda: Universal affordable access to internet broadband connectivity.

Now, let's look at the reality.

Data and voice consumers pay more than 31 per cent directly to the NBR in the form of 15 per cent VAT, 15 per cent supplementary duty, and 1 per cent surcharge. The TCMO (tool measuring the affordability of mobile services) for Bangladesh is estimated to be over 35 per cent. It is 14 per cent for South Asia and 13 per cent for Asia, according to the GSMA.

Despite the government incentive for local production of mobile devices, the affordability of mobile phones remains out of reach for many. Such high consumer taxes are keeping digital usage at the lowest.

Tax revenue is meant to be collected to serve the people. Here, the government may consider directly passing the benefits to the users, which will have a direct impact on the GDP.

Let's look at the taxes charged by the Bangladesh Telecommunication Regulatory Commission (BTRC) at the company level: revenue sharing is 6.5 per cent and about 10 per cent in the form of spectrum fees, spectrum amortisation and license fee.

The National Board of Revenue (NBR) has imposed Tk 200 tax on each SIM card and a 2 per cent as a minimum turnover tax.

If the consumer and the company component is added, the total tax impact will be approximately a whopping 60 per cent. Payment to the ecosystem players may range from 10 per cent to 17 per cent.

In my conversations with senior NBR officials, it came out that they are forced to impose more taxes on the big and honest taxpayers for two key reasons: first, it is easier to collect tax from them; and second, it is impossible to meet the incremental revenue target imposed without charging these groups.

There is surely a logic in the argument. Hence, the matter needs to be dealt with at the policy level of the government.

The government may consider minimising the consumer tax burden by removing the 15 per cent supplementary duty and 1 per cent surcharge, withdrawing the SIM tax to support penetration, and offering a lucrative incentive to mobile network operators, MFS providers, ISPs, banks, and e-commerce players. It may be in the form of tax rate reduction or any other forms deemed appropriate by the authorities.

For taxation purposes, all the digital ecosystem players are to be treated as a priority sector like the power sector.

To drive revenue collection, setting a minimum data price based on true costing in collaboration with an organisation like the International Telecommunication Union may be considered. It will be a win-win for all the parties concerned and will obviously increase significant revenue collection for the BTRC and the NBR.

Bangladesh is a land of opportunity and accelerating its digital growth is key to its digital transformation. The government's achievements in digital space are undoubtedly impressive. Now the time has come to piece together all the commendable works, including aligning the tax policy, to achieve the goal of a digital economy.

If the tax regime is not conducive, we may end up doing a lot of things like hi-tech parks, economic zones and digital labs without seeing the result. It is a collective effort and we all know what needs to be done, but lack sincerity in doing it.

The author is a telecom and management expert.

Stocks' rally continues

STAR BUSINESS REPORT

Dhaka and Chattogram stock exchanges continued their rally yesterday, helped by investors' persisting buying appetite as they expect strong earnings for the companies whose financial year ended in June.

The DSEX, the benchmark index of the Dhaka Stock Exchange, rose for the sixth straight session as it jumped 51 points, or 0.79 per cent, to close at 6,508.

The DSES, the shariah based index, climbed 0.75 per cent to move past the 1,400 point mark on the day and finally ended at 1,409. The DS30, the blue-chip index, surged nearly 1 per cent to 2,305.

Turnover, one of the important indicators of the market, slipped 5.8 per cent to Tk 1,889 crore.

Gainers outnumbered losers with 172 securities advancing, 131 issues retreating, and 78 scrips remaining unchanged on the premier bourse in Bangladesh.

"Active presence of the bargain hunters in the June-ended stocks helped the benchmark," said International Leasing Securities Ltd (ILSL), a brokerage house, in its daily market review.

All the sectors achieved price appreciation: jute stocks were up 7.2 per cent, services advanced 4.8 per cent, and ceramic added 3.4 per cent.

The travel sector lost 0.7 per cent and the life insurance sector was down 0.1 per cent, according to ILSL.

Investors' activity was mostly centred on pharmaceuticals, which accounted for 14.8 per cent of the day's turnover, and textile, representing 13.5 per cent.

JMI Hospital Requisite Manufacturing Ltd topped the gainers' list, rising 10 per cent.

READ MORE ON B2



A worker checks machinery at a factory in Higashiosaka, Japan. Global factory activity slumped in August as the Russia-Ukraine war and China's zero Covid-19 curbs continued to hurt businesses.

PHOTO: REUTERS/FILE