



Off-season watermelons are mostly grown in south-western districts such as Jashore and Magura. But farmers in Tangail have also started cultivating various types of watermelons as they bring higher prices. The photo was taken recently.

PHOTO: MIRZA SHAKIL

TCB to sell rice to family cardholders

STAR BUSINESS REPORT

For the first time, the Trading Corporation of Bangladesh (TCB) will sell rice at subsidised rates along with oil, sugar and lentils to one crore family cardholders from the next month, Commerce Minister Tipu Munshi said yesterday.

Each of the cardholders will be able to buy five kilogrammes of rice, the minister said while inaugurating the sale of TCB products for the cardholders across the country for June in Dhaka's Tejgaon area.

The TCB usually distributes oil, sugar, lentil, gram and dates during Ramadan at affordable prices to one crore families.

"It has been decided to give five kgs of rice at subsidised rate against each card from the next month," Munshi said.

Besides, the price of soybean oil has been reduced by Tk 10 per litre due to the reduction in the price in the international market, he said, adding that the move would also benefit the TCB cardholders.

Munshi said, due to the global situation, the price of essential goods in the country has increased. Still, efforts are underway to control prices in local market, he said.

Under the month-long activity, the three commodities will be sold through 6,700 designated dealers across the country, including 1,100 in Dhaka.

The family cardholders have to go to the designated distributors' stores to purchase their desired products.

Growers beam with joy as off-season watermelons fetch higher prices

MIRZA SHAKIL, Tangail

Growers in Tangail have big smiles on their face as their off-season watermelons are fetching higher prices since demand has been good owing to the sweltering heat.

Buoyed by the success in recent years, more local farmers are now interested in cultivating various types of watermelons, which have started to hit the local market.

Due to the scorching heat, the demand for the fruit has gone up, providing much-needed relief to growers who had feared losses at the time of runaway inflation.

Nargis Akter, a sub-assistant agriculture officer at the Department of Agricultural Extension (DAE) in Tangail, told The Daily Star that though the soil in the district is not suitable for watermelon cultivation, some farmers are growing the fruit on an experiment basis under private initiatives.

"We are giving necessary advice to the farmers who are interested in growing the fruit."

Shakil Ahmed Shuvo, a young agriculture entrepreneur in Gomjani village under the district's Delduar upazila, has successfully been cultivating watermelons on a trial basis for the last two years.

He has grown watermelons



on his three bighas of land this year at a cost of Tk 1.5 lakh. He started cultivating the fruit in April and began harvesting it in June. He has already sold watermelons worth Tk 1.25 lakh.

"I hope I will be able to sell the rest of the fruit at Tk 1.50 lakh," said Shuvo, a graduate in soil science from the Bangladesh Agricultural University.

Sharif Hossain, a customer in Bhurbhuria village, said he went to Shuvo's orchard and bought some watermelons.

"The fruits are juicy and sweet."

Delduar Upazila Agriculture Officer Shoaib Ahmed said watermelons grown by Shuvo are being sold from the field at Tk 60 to Tk 70 per kilogramme because of higher demand.

Ahmed said that a modern polynet house will be provided to him under a project along with various assistance from the upazila agriculture office in order to encourage the young entrepreneur.

Using the assistance, he will be able to cultivate high-value crops, including melons, tomatoes and capsicums, he said.

Alamgir Hossain, a

farmer in Kuragacha village of Madhupur upazila, has cultivated watermelon on one bigha of land. He grew the fruit on the advice of the local agriculture department.

"Yields have been good. Harvesting from my field will begin in the next few days," he said.

Tapas Kumar Saha, a sub-assistant agriculture officer of Madhupur, said local farmers are getting interested in cultivating the fruit as the price is high.

Shakura Nammi, additional agriculture officer in the upazila, said that they have experimentally cultivated off-season watermelons on two bighas of land and the yield has been good.

"There are various summer fruits such as mangoes, berries, jackfruits and litchis in the market right now. We want to plant watermelons on a trial basis to see the level of yield we get."

Off-season watermelons are mostly grown in south-western districts such as Jashore and Magura.

The production of watermelons in the regular season of 2021-22 was 550,000 tonnes, an increase of 58.95 per cent compared to 2020-21 when output stood at 346,000 tonnes.

How will new tax law impact individual taxpayers?

JASIM UDDIN RASEL

The proposed Income Tax Act includes 43 service receivers to submit proof of tax filing and if the taxable income does not exceed the tax-free threshold, they have to pay a minimum tax of Tk 2,000.

Not all of the service receivers from the 43 list but a few individuals shall have to bear the tax burden like mobile banking agents or mobile recharge agents receiving commission, sellers of products or services on digital platforms, and goods or service suppliers to specified persons.

Students and unemployed young people who are doing seasonal business using the Facebook platform shall now pay this minimum tax. Even an office staff irrespective of his salary shall be included in this bracket as he will receive income from a company.

And one trick included in the act: withholding tax from all the interest income has been included under minimum tax so that any tax paid on interest income can't be adjusted with the minimum tax in the following years.

Most withholding taxes are included with the minimum tax and if your normal tax is below the withholding tax, the tax already paid at source shall be considered as tax liability.

The ultimate sufferer of the minimum tax is the low and lower-middle-income earners because the withholding taxes are mostly above the normal tax and they do not get the window to absorb the full tax paid at source.

The higher income earners will see no impact due to the minimum tax and in some cases, they will enjoy the benefit of the final settlement tax like tax paid on savings certificate which is part of the minimum tax.

The higher income earners will also enjoy the tax offset benefit under the tax rebate on investment allowance. All of the people from low to high income, can enjoy this tax credit benefit. In this case also, low and middle-income earners can't enjoy the benefit because their tax liability goes down to the negative or sometimes below the minimum tax and therefore, the rebate does not give the benefit to this group of people.

In Australia, tax offset facilities are provided to the low and middle-income people and also provided to the taxpayers living in particular regions.

You may say that these facilities are also available in our country. Yes, but there is a huge basic difference.

In Australia, taxpayers irrespective of income calculate the tax liability using the slab-wise tax rates, and then the low and middle-income tax offset amount and regional tax offset amount are deducted from the tax liability. After doing that, if the tax liability is zero or negative, no tax shall be payable. There is no tax offset for taxpayers whose income is above a certain limit.

There is no minimum tax option here and if any tax is deducted at source from the taxpayer who will have to pay no tax, the deductible amount is paid directly to the taxpayer's bank account within a few days after filing the tax return.

But in Bangladesh, if your tax is zero or negative, you are required to pay minimum tax based on your location. And in some instances, if the withholding tax is more than the required minimum tax, the withholding tax is the tax liability. There is no refund or adjustment for the next years. This is the main difference.

Jasim Uddin Rasel is the author of Smart Money Hacks

China cuts interest rate to kickstart flagging economy

AFP, Beijing

China's central bank on Tuesday cut a key policy interest rate, in a surprise move to boost the country's flagging economy.

The People's Bank of China said it was lowering the seven-day reverse repo rate to 1.9 per cent from 2.0 per cent, the first such move since August last year.

The seven-day reverse repo is the short-term interest paid by the central bank on loans from commercial lenders, and a decrease in the rate is expected to increase domestic money supply and stimulate spending.

Analysts had predicted monetary easing measures in the coming weeks, but in the form of a cut to the required reserve ratio – the amount of cash banks are required to hold – rather than a rate cut, Capital Economics economist Julian Evans-Pritchard wrote in a note on Tuesday.

The cut reveals "growing concerns among policymakers about the health of China's recovery", Evans-Pritchard wrote.

Chinese authorities have announced a series of lacklustre economic indicators in recent months, pointing to a slowdown in the country's post-Covid recovery.

Consumer prices rose only 0.2 per cent on-year in May, while factory activity shrank last month for the second consecutive month.

Beijing has kept interest rates low compared with other major economies, but the near-zero inflation highlights challenges faced by policymakers as they try to stimulate growth.



Labourers fill sacks with wheat grain at a wholesale market in Jandiala village on the outskirts of Amritsar. India's wheat procurement in 2023 is set to fall by a fifth from the initial estimate as government purchases have slowed in the last few days after local prices jumped.

PHOTO: AFP/FILE

India imposes wheat stock limit to arrest price rise

REUTERS, New Delhi

India has imposed a limit on the amount of wheat stocks traders can hold in an effort to bring down prices, food secretary Sanjeev Chopra told reporters on Monday.

The world's second biggest wheat producer will also provide 1.5 million tonnes of wheat to bulk consumers such as flour millers, as part of efforts to bring down prices, which have risen 8 per cent in a month, Chopra said.

"Unscrupulous elements are hoarding wheat stocks and that's why prices are rising," he said.

India's wheat procurement in 2023 is set to fall by a fifth from the initial estimate as government purchases have slowed in the last few days after local prices jumped.

Despite lower-than-expected procurement, wheat stocks are sufficient and there is no need to import, Chopra said.