Ishwardi Benarasi Palli gears up for Eid festival

AHMED HUMAYUN KABIR TOPU, *Pabna*

ISHWARDI Benarasi Palli, one of the largest Benarasi producing areas, is buzzing with workers who are now concentrating on decorating saris with 'Karchupi shilpa', the local name for the art of designing clothes with beads and sequins.

More than 400-500 handicraft factories at Fateh Mohammedpur village in Ishwardi upazila are busy with karchupi work ahead of the Eid-ul-Fitr festival.

Women from every house of the village embellish the saris with all kinds of sequins like iridescent, hologram, satin, opaque and metal sequins, along with beads in all shapes, sizes and colours.

The art of Karchupi has taken root in the village Fateh Mohammedpur in 2000, after the gradual decline of traditional local weaves in the face of fast changing fashion fads.

Earlier, the village was famous for Benarasi, Katan and such other luxurious local cloths, well-known for their beautiful gold and silver thread brocade weaving.

A large number of Benarasi workers left for greener pastures, mostly in Dhaka's Mirpur, or other places all over the country.

Most of the remaining Benarasi artisans of Ishwardi upazila are now engaged in Karchupi work, as such saris have become popular, leading to the development of the industry.

"At least 200-300 saris are made every day in Fateh Mohammedpur," said Badal, a factory owner. The demand for the saris increases during the Eid season, he added.

"There are 40 workers in my Karchupi factory. Before Ramadan we used to get 25 to 30 orders a week, which has now increased to more than 50."

"The demand for Karchupi saris increases because they are better in quality than the Indian ones," said Badal.

The workers said they embellish silk, georgette, tissue and other types of saris with beads, sequins and faux stones. At least five to 10 days are needed for each sari, depending on the complexity and extent of design.

Depending on the design, a Karchupi sari can cost up to Tk 700 to Tk 7,000.

Md Jabed, owner of Jabed & Brothers, said Karchupi saris from Ishwardi Benarasi Palli are marketed all over the country.

"We are supplying these saris across the country. We sell the saris for Tk 800-Tk 8,000 a piece depending on their design and decoration. These saris are later retailed at Tk 1,500 to Tk 15,000 a piece," said Jabed.

"As we don't have ironing machines, we send our saris to Mirpur Benarasi Palli, and that increases our costs by 200 per sari," he said.

"We demand that the government help us in installing an ironing machine in Ishwardi Benerasi Palli."

AHMED HUMAYUN KABIR TOPU

A boy works on a sari at Ishwardi Benarashi Palli recently.

Labour leaders demand early payment for workers

STAR BUSINESS REPORT

BANGLADESH Trade Union Centre (BTUC), a platform for industrial workers, yesterday urged all factory owners to clear off their payroll before the 2oth of Ramadan.

"All privately-owned factory owners will have to pay off the monthly salaries, overtimes and festive bonuses by August 13," BTUC President Sahidullah Choudhury said, while threatening labour unrest if payment did not arrive in time.

Deferral of payment during festivals is a common occurrence as garment owners fear workers leaving the organisation upon receiving full pay.

"Inflation is eating into the workers' earnings. The government must look into this issue at the earliest to prevent further unrest," said Dr Wazedul Islam Khan, general secretary of BTUC.

He urged the government to make available cheaper victuals and arrest the spiralling house rents for the half a million workers, along with increasing the 'dearness allowance' by 30 percent given the higher price of essentials.

Garment exports last year, at $19 billion, accounted for 80 percent of total national exports.

The sector is a mainstay of the country's economy, comprising of 4,500 factories employing 40 percent of the country's industrial workforce.

In 2010, following months of unrest the government and factory owners jointly decided to increase the minimum wage by 80 percent to $37 per month.

The sector which relies on cheap labour to compete on the global stage is again facing calls from BTUC for a rise in minimum wage.

India considers price controls for patented drugs

REUTERS, *Mumbai*

INDIA is planning to rein in prices of expensive patented drugs to make medicines affordable to its predominantly poor population, a top government official said on Friday.

The move is almost certain to draw the ire of global drugmakers like Pfizer, GlaxoSmithKline and Merck, which spend billions of dollars researching new treatments and are hoping for huge growth for branded medicines in emerging economies such as India.

"A committee has already finalised a proposal and we will put it out in the public domain in a month or so," Dilsher Singh Kalha, secretary of the Department of Pharmaceuticals at the Ministry of Chemicals and Fertilisers, told reporters on the sidelines of an industry conference.

"There could be reference pricing system (for patented drugs) or maybe fixed-pricing, but a final decision has not been taken," Kalha said.

The step would be the latest by India to make medicines more affordable after it announced earlier this month it would implement a $5.4 billion plan to provide free generic medicines to its people.

Currently, patented drugs are free of price controls, but there are restrictions on the prices of 348 so-called "essential" drugs. Patented drugs are mostly imported by multinational drugmakers and used to treat diseases like cancer and heart ailments.

The medicines are beyond the reach of most of India's 1.2 billion people, 40 percent of whom live below the poverty line of $1.25 a day. For example, Nexavar, a cancer drug developed by Germany's Bayer, costs 280,000 rupees per monthly dose.

Early this year, Bayer lost a landmark drug ruling in India and was forced to grant a compulsory licence for Nexavar to Natco Pharma, a local generics maker, which sells it for 8,880 rupees, a price later undercut by Cipla.

Internationally, a system of reference pricing for medicines exists across developed markets such as the United States and Europe as well as in emerging markets.

At least three banks seen central to Libor rigging

NEW YORK, *Reuters*

NEW details from court documents and sources close to the Libor scandal investigation suggest that groups of traders working at three major European banks were heavily involved in rigging global benchmark interest rates.

Some of those traders, including one who used to work at Barclays Plc in New York, still have senior positions on Wall Street trading desks.

Until now, most of the attention has involved traders at Barclays, which last month reached a $453 million settlement with US and UK authorities for its role in the manipulation of rates. Now, it is becoming clear that traders from at least two other banks -- UK-based Royal Bank of Scotland Group Plc and Switzerland's UBS AG -- played a central role.

Between them, the three banks employed more than a dozen traders who sought to influence rates in either dollar, euro or yen rates. Some of the traders who are being probed have worked for several banks under scrutiny, raising the possibility that the rate fixing became more ingrained as traders changed jobs.

The documents reviewed by Reuters in analyzing the traders' involvement included court filings by Canadian regulators who have been investigating potential anti-trust issues; settlement documents with Barclays filed by the US Department of Justice and the US Commodity Futures Trading Commission in Washington and by the Financial Services Authority in the UK; and a private employment lawsuit filed by a former RBS trader in Singapore's High Court.

The scandal, which began to come to light in 2008, has become a time bomb for regulators and a big focus for politicians on both sides of the Atlantic. At issue is the manipulation between at least 2005 and 2009 of rates that are used to determine the cost of trillions of dollars of borrowings, including everything from home loans to credit card rates.

One former Barclays employee under scrutiny, Reuters has learned, is Jay V Merchant, according to people familiar with the situation. Merchant, who oversaw the U.S. dollar swaps trading desk at Barclays in New York, worked for the bank from March 2006 to October 2009, according to employment records maintained by the US Financial Industry Regulatory Authority (FINRA).

Merchant currently holds a similar position at UBS, where he works out of the Swiss bank's offices in Stamford, Connecticut, according to FINRA. He did not return requests for comment.

People familiar with the investigation said authorities are looking at whether some individuals on Merchant's trading desk tried to influence the rate on Libor by communicating with other traders in London to get a higher return on certain swaps the desk was trading. His specific role is unclear.

The Department of Justice declined to comment.

Merchant's attorney, John Kenney of Hoguet Newman Regal & Kenney, did not respond to requests seeking comment.

A UBS spokeswoman said that the bank has "no reason to believe Mr. Merchant has engaged in any improper conduct at UBS." The spokeswoman, who noted that Merchant is on a two-week vacation, declined to comment on the broader investigation.

Barclays declined to comment. In a statement, an RBS spokeswoman said the bank is cooperating with the investigation.

SPREAD FROM BARCLAYS

Earlier this week, Reuters reported that federal prosecutors in Washington have begun reaching out to lawyers for some of the individuals under scrutiny as they get closer to bringing possible criminal charges.

The dollar and euro rate-rigging appears to have begun in earnest in early 2005 in the dollar market, according to the documents reviewed by Reuters. By August of that year, Barclays traders were reaching out to traders at other big global banks to manipulate their rates to make them favourable to Barclays' trading positions.

Soon, the trading had crossed to the euro rate markets, according to the settlement documents filed in the Barclays investigation. And by 2007, traders at RBS and UBS were seeking to influence the yen rate market, according to documents filed in 2011 in Singapore's High Court and in Canada's Ontario Superior Court.

Traders at Barclays are believed to have participated in manipulating the rate for the dollar and the rate for the euro known as Euribor, according to documents filed in the Barclays settlement last month.

RBS and UBS traders are a focus of the global investigation because of their alleged involvement in seeking to influence yen-denominated rates.

Two RBS traders in London, Brent Davies and Will Hall, are alleged to have agreed to help a trader at UBS, Thomas Hayes, to manipulate yen Libor, according to court documents filed by the Canadian Competition Bureau.

UBS is cooperating with Canadian and US authorities, according to people familiar with the situation.

Hayes worked at UBS from 2006 to 2009. He later moved to Citigroup where he remained until 2010, after which he left the bank. Hayes, Davies and Hall could not be reached for comment.

The documents reveal that Hayes also contacted traders at other banks in London to get them to manipulate yen rates. They include Peter O'Leary at HSBC Holdings Plc, Guillaume Adolph at Deutsche, and Paul Glands at JPMorgan. A second UBS employee sought to get a Citigroup trader, who formerly had worked at UBS, to influence rates.

None of these traders could be reached for comment.

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In addition, a former trader at RBS, Tan Chi Min, said in a wrongful termination lawsuit filed in the Singapore High Court in 2011 that he was forced out for "improperly seeking to influence" the setting of Libor. Tan, who ran a trading desk at RBS, said in the suit that improper rate-rigging was known by some at the bank and condoned.

Tan denied trying to manipulate Libor, and alleged in the 2011 court filing, and one in March this year, that about a half dozen other RBS traders openly tried to request specific rates.

Tan's attorney, N Sreenivasan, declined to comment because the court case is ongoing.

Beyond traders at the three European banks, authorities are still probing the role of others.

For example, traders at JPMorgan Chase & Co also interacted with some of the traders under scrutiny who worked for Barclays and RBS, according to a person familiar with the situation and court documents filed in Singapore.

Similarly, Deutsche Bank AG also had several employees whose trading is under scrutiny by authorities, according to people familiar with the situation and court documents filed in Canada.

JPMorgan and Deutsche Bank declined to comment.

REUTERS

A woman walks past a line of Barclays cash dispensers in central London.