STOCKS		COMMODITIES		ASIAN MARKETS			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 0.55%	▼ 0.66%	▲ $1,241.70 (per ounce)	▲ $49.29 (per barrel)	▼ 0.73%	▼ 1.32%	▼ 0.08%	▼ 0.45%
5,399.66	10,124.00			30,434.79	19,553.86	3,221.66	3,090.40

CURRENCIES — STANDARD CHARTERED BANK

	USD	EUR	GBP	JPY
BUY TK	80.00	88.04	102.72	0.70
SELL TK	81.50	91.64	106.32	0.74

Star BUSINESS

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Supermarket chains move to e-commerce

MUHAMMAD ZAHIDUL ISLAM

Supermarket chains are stepping into the e-commerce bandwagon, to meet the growing demand for convenience in shopping for perishables and other consumer goods.

On April 18 leading supermarket chain Meena Bazar launched its online platform, meenaclick.com, while Shwapno and Agora are gearing up to roll out their e-stores. All the products that are available in the brick-and-mortar stores will be available on the e-store as well.

However, the brands' grocery delivery will be limited to Dhaka and Chittagong for now.

Meena Bazar has been working on meenaclick.com for a few years now to provide the best shopping experience for customers, said Maruf Nafiz, the in-charge of the online platform.

"We already got a huge response and buyers are enjoying our 'convenient delivery' system where they can choose the time they want their ordered products to be delivered."

Meena Bazaar, which currently has 17 stores across the country, is receiving 20-25 online orders on average in a day, which may reach 30 during holidays.

"We are working to become the preferred destination for online grocery shopping in Bangladesh," he said, adding that customers from outside the country can also order for products to be delivered locally.

Meena Bazaar offers free delivery for orders over Tk 800. And for orders below Tk 800 there is a service charge of Tk 80.

Alongside cash-on-delivery, the chain is offering card payment facility, equipping its delivery staff with point-of-sale machines. In future, the chain plans to take the grocery delivery service to other big cities like Sylhet and Khulna, Nafiz added.

Shwapno is all set to roll out its e-commerce platform in the next three to four months, said Ayaz Aziz, who is responsible for designing the channel.

"We will enter this segment soon, but we are not rushing the process," he said, adding that Shwapno is currently the e-commerce platform. Agora, the country's first supermarket chain, is yet to join the e-commerce bandwagon.

"We know that online sales are booming and we are in the planning stages of developing a platform," said Sami Mohammad Saleh, head of marketing at Agora.

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STAR/FILE

A kid helps his father in shopping at a super store in the capital.

Proceeds from tobacco surcharge remain unused

SOHEL PARVEZ

The health development surcharge collected on all tobacco products has remained unused, although nearly three years have passed since the government levied it.

The government imposed a 1 percent surcharge on all domestically produced and imported tobacco products from fiscal 2014-15, with the proceeds to be used for 'treatment and rehabilitation of tobacco disease-stricken people'.

Since then, revenue officials have collected more than Tk 600 crore as surcharge, mainly from cigarette manufacturers, according to the National Board of Revenue.

However, delays in framing the Health Development Surcharge Management Policy are holding up the use of the funds to curb the consumption of tobacco and tobacco products and strengthen the control of non-communicable diseases.

Recently, the health and family welfare ministry has prepared a final draft of the policy, according to officials.

The policy will be placed to the cabinet for approval, said Roxana Quader, additional secretary to the health ministry.

Officials said the health ministry does not have access to the money to use for campaigns to control tobacco and curb the spread of non-communicable diseases.

Initially after imposition of the surcharge, the health ministry had approached the finance ministry for access to the funds.

But the finance ministry suggested formulation of a policy to ensure proper and planned use of the money.

Based on the recommendation, the National Tobacco Control Cell under the health and family welfare ministry prepared a draft policy early last year and finalised the documents based on consultation with various stakeholders, including other ministries and agencies, officials said.

A senior official of the health ministry said they could not finalise the draft policy because of delays in getting opinions and recommendations from all stakeholders.

"We could have used the money to control tobacco usage had we gotten the budget earlier," he said.

The NBR collected Tk 193 crore as health development surcharge from cigarette manufacturers in the first ten months of the current fiscal year.

In fiscal 2015-16, the sum was Tk 207 crore and in fiscal 2014-15 Tk 205 crore, according data from the revenue authority.

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Form trust fund to achieve SDGs: analysts

STAR BUSINESS REPORT

The government should form a trust fund to achieve the Sustainable Development Goals (SDGs) and reduce dependency on foreign aid, said speakers at a conference yesterday.

Debapriya Bhattacharya, distinguished fellow of the Centre for Policy Dialogue (CPD), proposed that the government allocate Tk 100 crore in the upcoming budget for the trust fund.

He spoke at a discussion on the 'Role of Private Development Organisations of Bangladesh in SDG Achievement at Bangabandhu International Conference Centre, Dhaka; it was jointly organised by NGO Affairs Bureau and Citizen's Platform for SDGs, Bangladesh.

Bhattacharya said the fund will be spent by private development organisations for SDGs on a partnership basis.

Only NGOs can take the marginalised population forward, he added. He suggested the government conduct a survey over the number of NGOs that are working across the country as there is no statistic on it.

There is no research on the contribution of the NGOs to the country's economy, he said.

QaziKholiquzzaman Ahmad, chairman of Palli Karma-Sahayak Foundation (PKSF), said the SDGs cannot be achieved without development of the marginalised people, including the physically or mentally challenged, the haor people, and transgender.

PKSF already formed a fund of Tk 500 crore which is playing a role in SDGs achievement, but more funds are needed, he said.

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EU calls for urgent release of union leaders

STAR BUSINESS REPORT

The Sustainability Compact partners yesterday urged the government to immediately review the cases filed against union leaders for their alleged involvement in labour unrest at Ashulia in December last year for continuation of trade privileges to the EU.

At present, Bangladesh enjoys duty-free access for its shipments to the European Union.

After the Rana Plaza building collapse, Bangladesh signed the International Labour Organisation-brokered Sustainability Compact with the EU committing to responsible business behaviour, strengthening workplace safety and improving the labour right in 2013.

Later, the US and Canada joined the Sustainability Compact.

The Compact partners made the demand at the third round of Sustainability Compact meetings, held at the capital's Radisson Blu Water Garden hotel.

"We note with concern the events at the end of last year in Ashulia in which labour leaders were arrested and hundreds of workers were dismissed from their jobs," said Mark Linscott, an assistant United States Trade Representative.

"We call on the factory owners to reinstate those workers who were terminated as agreed in the tripartite MoU," he added.

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Rising NPL threatens banking sector: analysts

STAR BUSINESS REPORT

The growing nonperforming loans have become a major threat for the banking industry as many lenders, particularly those owned by the government, are facing huge capital shortfall because of bad debt, analysts said yesterday.

"The banking sector would be in great trouble if we fail to address the concern," said Toufic Ahmad Choudhury, director-general of the Bangladesh Institute of Bank Management (BIBM), at a workshop at his office in Dhaka.

He urged the bankers to concentrate more on loan recovery.

The comments came at the workshop on treasury operations of banks organised by the BIBM.

The NPL stood at 8.93 percent in 2013 and soared to 9.23 percent in a space of three years. It went up to 10.53 percent in the first quarter of 2017.

Speakers said the large loan restructuring policy of the central bank has fuelled the NPL.

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N Rajashekaran

Citi gets new country officer

STAR BUSINESS DESK

N Rajashekaran has recently been appointed as the new country officer of Citi for Bangladesh.

Rajashekaran succeeds Rashed Maqsood who has served the bank for 22 years, the New York-based bank said in a statement yesterday.

Rajashekaran is a 32-year banking veteran and has previously worked as country business manager for Citi's global consumer banking business in China, Thailand and India and as the chief risk officer for Citibank Korea.

"I would like to thank Rashed for his contribution to building a client-centric business that is reflective of our global business strategy in Bangladesh during his over six-year tenure as the Citi country officer," said James Morrow, sub-cluster head for Bangladesh and Sri Lanka.

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Ignite investments for faster growth

MCCI in its quarterly economic review urges govt to address capital flight

STAR BUSINESS DESK

Bangladesh should focus more on raising the level of investment in the country to attain the status of a middle-income country by 2021, a leading chamber said yesterday.

"Appropriate measures should be taken to remove the problems relating to capital flight in order to boost up investment and the country's growth prospects."

Most of the public sector banks are now suffering from huge capital shortfalls due to rising default loans, the Metropolitan Chamber of Commerce and Industry, Dhaka said in its quarterly review of the economy for January-March this fiscal year.

"A thorough reform of the banking sector should be initiated in order to improve the capital base of public sector banks, mitigating the capital shortfall caused by mounting default loans."

"It is a great riddle that when investment in the country as a proportion of GDP has been falling for several years, some economists are complaining that huge amounts of capital leave the country every year."

The trade body said others major impediments to growth of the economy are inadequate infrastructure, lack of investor confidence in the economy that discourages making fresh investments, and shortage of power and energy.

Though below potential, Bangladesh's economy is progressing well, it said.

Garments exports increased by 2.39 percent year-on-year to $20.929 billion in July-March period of the current fiscal year.

"This growth is too low for achieving the target of earning $50 billion by 2021. In order to achieve that goal, the industry needs to attain a growth of more than 12 percent," MCCI said.

Apparel shipment went down due to various factors – a fall of the euro against the US dollar, Brexit issues, the US elections, and a decline in consumption in the West, the chamber said.

"People in the West now spend more on smart gadgets than on clothing. These are the major reasons behind the fall in consumption of clothing items worldwide."

Remittance accounted for about 30 percent of current account receipts in fiscal 2015, more than offsetting the trade deficit, it said.

"Experts fear a further shrinkage of remittance in the coming days. Overall development activities in the Gulf Cooperation Council (GCC) countries are gradually shrinking because of lower prices of fuel oils on the global market as well as the declining exchange value of the US dollar."

A consequent fall of the labour demand in the GCC economies, the source of about 55 percent of all remittance, may lead to further declines in remittance inflows, according to MCCI.

"The slow growth of remittance inflows is indeed puzzling when a huge number of people have taken overseas jobs in the recent years."

According to the Bureau of Manpower, Employment and Training, some 749,249 workers went abroad in 2016 compared to 555,881 in the previous year.

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Grassroot committees to help implement new VAT laws

STAR BUSINESS REPORT

The government is going to form committees at divisional and district levels to help implement the new VAT law from July this year.

The Internal Resources Division of the finance ministry has issued a notice on formation of the committees to be headed by divisional commissioners.

Similar committees will also be formed at district level, to be chaired by deputy commissioners, to help implement the law.

The committees will work to create awareness among businesses and common people about the benefit of the new law, said a senior official of the IRD. The move clears uncertainty regarding implementation of the VAT and Supplementary Duty Act 2012 from July 1.

The IRD notice said the committees will work alongside the officials of the VAT department of the National Board of Revenue.

The 18-member committees will include deputy inspectors general of police, chief executive officers of city corporations, deputy commissioners, representatives of businesses chambers and income tax commissioners.

The committees will also inform the NBR if they come across any problem in the implementation of the law.

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