

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 1.78%	▲ 1.83%	\$1,761.17	\$75.43	▼ 0.13%	▼ 0.07%	▲ 1.33%	▲ 0.50%	BUY TK 83.95	98.84	115.38	12.76
6,150.48	10,695.22	(per ounce)	(per barrel)	52,482.71	28,791.53	3,130.46	3,591.20	SELL TK 84.95	102.64	119.18	13.41

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Star BUSINESS

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NEW BUDGET PASSED

Calls for more action on new poor, healthcare fall on deaf ears

REJAUL KARIM BYRON and REEYAT ULLAH MIRDHA

Lawmakers yesterday passed a Tk 603,681 crore budget for the fiscal year 2021-22 without addressing concerns raised by economists and other stakeholders on protecting life and livelihoods and keeping the wheel of the economy moving amid the resurgence of Covid-19.

This is the second year the national budget has been framed amid the pandemic, and adequate measures were required to bring back normalcy to life and the economy, which has been battered by the pandemic.

Yet, the government, which framed a 12 per cent higher budget than the revised ones in the just-concluded fiscal year, did not pay adequate heed to the reality despite discussions and calls from various sections of the



society throughout June.

Economists say the government did not give adequate allocation to health and education and address the problem of new poor and employment generation, although it tried to woo investment by cutting the corporate tax and giving financial support to spur domestic industrialisation.

The allocation in the budget was given on the assumption that the economy is on the recovery path from the second wave of Covid-19. In reality, the virus is surging, and the economic vulnerabilities are haunting the economy.

The allocation for the health sector has been fixed at Tk 32,731 crore, which is only 12 per cent higher than the revised budget of the previous fiscal. Officials said the government had kept a fund of Tk 10,000 crore, and the money could

be spent for any emergency.

While speaking in the parliament on Tuesday, Prime Minister Sheikh Hasina welcomed the criticism about the budgetary measures. This is good, she said.

She said the government had taken a broader plan in the budget to save the economy from the fallout of Covid-19.

The government has unveiled stimulus packages amounting to Tk 128,441 crore, of which 71.5 per cent has been disbursed as of May.

Some 6.5 crore people and 1.6 lakh companies and institutions have directly benefited from the stimulus fund, the prime minister said.

"This budget has been given to overcome the economic fallout of Covid-19 strongly and to protect the lives and livelihood properly from the global pandemic."

Sheikh Hasina also said the government had already found ways to reduce poverty and develop women by analysing the Revenue, Capital, Gender and Poverty (RCGP) model.

The government has allocated Tk 342,106 crore, which is 57 per cent of the total budget, for poverty reduction, and Tk 197,524 crore, or 32.7 per cent, to support women.

READ MORE ON B3



Faster payment clearance for food, grocery delivery

BB issues directives

AKM ZAMIR UDDIN

The Bangladesh Bank yesterday said banks would clear the payment for products and services to e-commerce shops after clients get the delivery.

Online shops will have to hand detailed information about clients to banks to receive the price of the products and services after they make the delivery, according to a notice of the Bangladesh Bank.

The move came after many clients alleged that they did not get the products and services from some online shops despite making payments in advance.

The Bangladesh Bank has recently

carried out an inspection into Evaly, one of the country's largest online shops, and unearthed that the firm has failed to supply products within the deadline.

The BB, however, said banks would settle transactions immediately for two categories of e-commerce firms.

One of them is online shops that sell food and grocery items, run ride-sharing, allow payment of education fees and utility bills. Banks will process the transactions within five days.

The second category will include the firms that sell products and services through e-commerce platforms to clients.

READ MORE ON B3

Major headway in cybersecurity

Bangladesh jumps 25 notches in global index

Global Cybersecurity Index: regional ranking

COUNTRY	RANK
India	4
Bangladesh	11
Pakistan	14
Sri Lanka	15
Myanmar	18

SOURCE: IITU

STAR BUSINESS REPORT

Bangladesh has jumped 25 places to be ranked 53rd in a Global Cybersecurity Index 2020, according to a United Nations report.

The index was published by International Telecommunication Union (ITU), a specialised agency of the UN, yesterday to measure the commitment of its member states to cybersecurity and aiming to promote awareness.

Earlier, Bangladesh was ranked 78th in the IUT's previous edition.

The index shows the overall improvement and strengthening of all five pillars of the cybersecurity

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INTRODUCING NEW HOTLINE NUMBER 16704

Patent waiver for 5 more years

Exemption under TRIPS agreement extended for 13 years for LDCs

PORIMOL PALMA

Bangladesh will continue enjoying the patent waiver for five more years after the transition period for the TRIPS agreement was extended by 13 years for the least-developed countries (LDCs).

It came after the members of the World Trade Organisation (WTO) agreed to extend until July 1, 2034 the deadline for the LDCs to protect intellectual property under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

Members reached a consensus on the 13-year extension of the current transition period, which was set to expire on July 1, 2021, at a formal meeting of the TRIPS Council on June 29.

The council adopted a proposal by consensus after a long and intense negotiation in Geneva.

"This is the longest extension, and it will remain in force till July 1, 2034," said Md Mustafizur Rahman, ambassador of Bangladesh's Permanent Mission to the UN in Geneva.

Earlier, there were extensions for seven and eight years. The negotiation was not smooth at all, he said.

The developed countries, particularly the US and the European Union, were not agreeable to such a long transition period, he said in a statement yesterday.

"Bangladesh played a leading role in this negotiation on behalf of the LDCs. Bangladesh is inclined to secure a long transition period for the LDCs so that it doesn't need to sit for negotiation frequently."

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Banks shut for 4 days

Will operate on a limited scale once reopen



Clients will be able to conduct their banking activities between 10:00am and 1:30pm each day once the banks reopen.

STAR BUSINESS REPORT

Bangladesh Bank yesterday said banks would remain closed for four days from today due to a bank holiday, weekends and lockdown.

In addition, clients will be able to conduct their banking activities between 10:00am and 1:30pm each day once the banks reopen.

This means banks will remain open to provide services from July 5 to July 7 with limited banking hours during the seven-day strict lockdown.

The central bank said the country's lenders would remain closed today due to a bank holiday. Bankers usually enjoy leave for two days, which are considered as bank holidays, per year on July 1 and January 1.

READ MORE ON B3

Mobile phone validation begins

MAHMUDUL HASAN

The telecom regulator has started running a process to verify the validity of mobile phones from today to curb illegal mobile phone inflow and boost local mobile manufacturing and revenue collection.

Bangladesh Telecommunication Regulatory Commission (BTRC) will launch the National Equipment Identity Register (NEIR) on a trial basis for three months, enabling it to disconnect unregistered phones from the network.

According to the BTRC, the mobile phones that customers are using now will have been automatically registered by yesterday.

From today, the registration will be completed through

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BFIU seeks account info of 11 e-shops

THE E-COMMERCE MERCHANTS	
Alesha Mart	Dhamaka Shop
Sirajganj Shop	Aladiner Prodig
Boom Boom	Adyan Mart
Needs	Qcoom
Eorange.shop	Dalal Plus
Bajaj Collection	

STAR BUSINESS REPORT

Bangladesh Financial Intelligence Unit (BFIU) has sought bank account details of 11 e-commerce merchants after some of them allegedly failed to deliver goods to clients as per the deadline.

The merchants are Alesha Mart, Dhamaka Shop, Sirajganj Shop, Aladiner Prodig, Boom Boom, Adyan Mart, Needs, Qcoom.com, Eorange.shop, Dalal Plus, and Bajaj Collection.

The BFIU, a financial intelligence agency of the country, sent two separate letters between June 23 and June 29 to all banks, asking them to provide detailed account information of the online shopping platforms.

Lenders have been asked to send the information within five working days.

A good number of banks have recently cancelled card transactions with some e-commerce platforms after clients lodged complaints against the merchants.

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RMG workers suffer as lockdown halts public transport

MOHAMMAD SUMAN, Ctg

Thousands of garment workers are going through immense sufferings and slapped with higher expenses as public transport has come to a halt because of the countrywide lockdown.

The movement of all forms of public transport, except rickshaws, was banned for three days from Monday as the government went into a limited lockdown to tame the raging coronavirus.

But garment factories in the port city were open. However, most of the owners did not arrange transport facilities for the workers although they were supposed to do so. Workers alleged that owners did not provide any vehicles for them, although transport support was available for officers and management staff.

Hundreds of office-goers, including garment workers, waited at the Tigerpass road for as long as four hours to find a vehicle to go to their offices and factories, mainly in the Chattogram Economic Processing Zone (CEPZ).

A similar situation was seen at the bus stand in Muradpur, Bahaddarhat, New Bridge area, GEC Intersection, Lalkhan Bazar, and Agrabad area.

"It is a hilarious decision to stop public transport while keeping factories open. The workers are suffering. Either factories should be closed, or the public transport should be open," said Amena Khatun, a garment factory worker.

She waited from 6:00 am to 10:00 am and found no transport. "I don't know when I will be able to go to the factory," she added.

Mohammad Arifuzzaman, a worker of Youth Jeans Ltd, said he had been going to the factory by rickshaws for the last two days. It cost him Tk 400-500 a day.

READ MORE ON B3



Hundreds of garment workers protest the suspension of public transport because of the lockdown at the Tiger Pass area in the port city yesterday. They also blocked the streets to stop vehicles from plying.

PHOTO: RAJIB RAIHAN

Mostafa Metal to be second SME on bourse

STAR BUSINESS REPORT

Mostafa Metal Industries is all set to become the second company to be listed on the SME platform as the Bangladesh Securities and Exchange Commission (BSEC) gave the go-ahead during a commission meeting yesterday.

The Mostafa will raise a fund of Tk 11 crore through its qualified investors offer (QIO) for eligible investors. The BSEC allowed Nicalco Alloys, the first company on the SME platform, to go public last April.

Shares of the Mostafa will be issued at a face value of Tk 10. With its QIO proceeds, the company will repay bank loans and meet its working capital demand.

As per its financial report for the year that ended on December 31, 2020, the Mostafa's earnings per share was Tk 0.76.

The company will not be allowed to give any stock dividend for the next three years once it starts trade on the new platform.

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Dhaka Bank Chairman Abdul Hai Sarker virtually presided over its 26th annual general meeting in Dhaka recently. The bank declared 6 per cent cash and 6 per cent stock dividends for 2020. Vice Chairman Abdullah Al Hossain, Founder Mirza Abbas Uddin Ahmed, ex-chairman ATM Hayatuzzaman Khan and Managing Director and CEO Emranul Haq were also present.



Southeast Bank Chairman Alamgir Kabir virtually presided over its 26th annual general meeting yesterday. The bank approved 10 per cent cash dividend for 2020. Directors Md Akkur Rahman, Raiyan Kabir and M Maniruz Zaman Khan, independent directors Syed Sajedul Karim, Quazi Mesbahuddin Ahmed and Mohammad Delwar Husain, Adviser Zakir Ahmed Khan and Managing Director M Kamal Hossain joined the meeting.

Deal inked for \$6.69m rice bran oil plant in Ishwardi EPZ

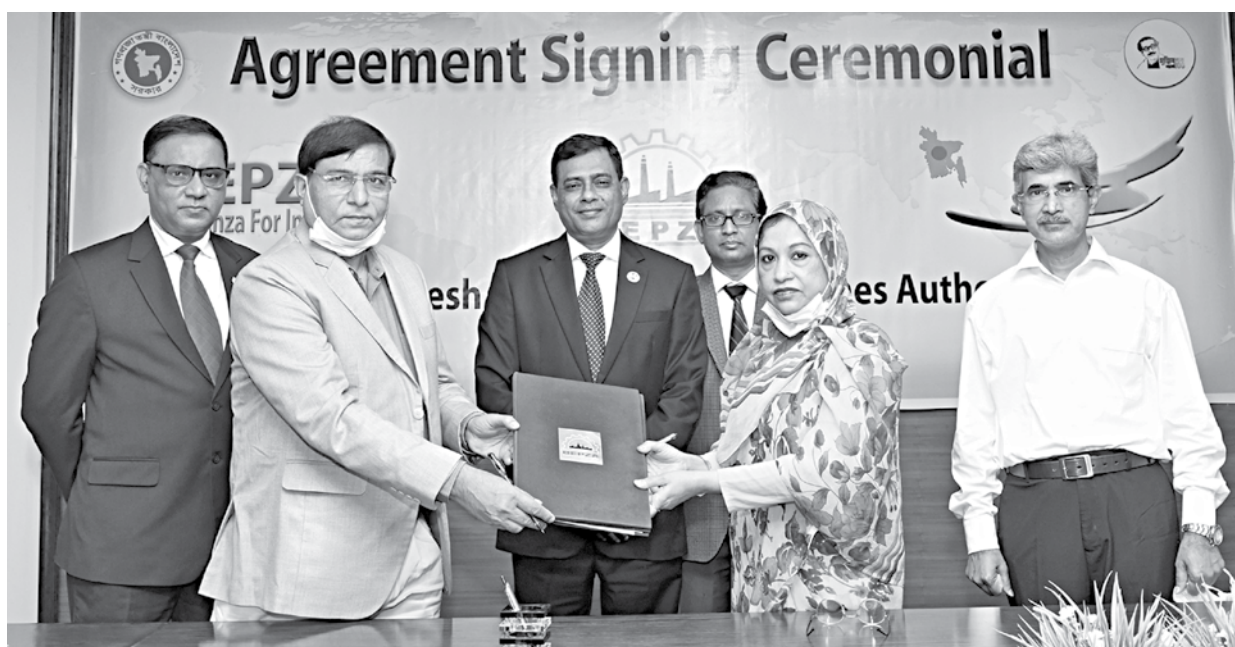
STAR BUSINESS DESK

Bangladesh Export Processing Zones Authority (Bepza) recently signed an agreement with SPS Agrotech for the establishment of a rice bran oil manufacturing industry at Ishwardi Export Processing Zone (IEPZ).

Bepza Member (Finance & Investment Promotion-Additional Charge) Nafisa Banu and SPS Agrotech Managing Director Chitta Majumder signed the agreement at Bepza Complex, Dhaka, said a press release.

The company will invest \$6.69 million and create employment opportunities for 337 Bangladeshi nationals to annually produce 150,000 metric tonnes of rice bran oil.

The deal is in tune with Prime Minister Sheikh Hasina's recent call to enrich the country's export basket by establishing food and agro processing industries.



Officials of Bangladesh Export Processing Zones Authority and SPS Agrotech are seen during an agreement signing ceremony at Bepza Complex, Dhaka recently.

Electric car sales surge as Europe's climate targets bite

REUTERS, Brussels

One in every nine new cars sold in Europe last year was an electric or plug-in hybrid vehicle, with low-emission car sales surging even as the COVID-19 pandemic knocked overall vehicle sales, the European Environment Agency said on Tuesday.

The uptick in electric car sales caused a 12% drop in average CO2 emissions of new cars sold in Europe last year, compared with in 2019, reversing a trend that had seen such emissions increase for three consecutive years.

It was the biggest annual drop in such emissions since the EU introduced its car CO2 standards in 2010.

Of the 11.6 million new cars registered in the EU, Iceland, Norway and Britain last year, 11% were fully electric or plug-in hybrid electric vehicles, according to the provisional data. Those vehicles tripled their share of new car sales, from 3.5% in 2019.

Tougher CO2 targets for carmakers came into force last year, pushing carmakers to curb their fleet-wide emissions by selling more low-emission vehicles, buy credits from other carmakers that overachieved their targets, or face fines.

US mortgage applications decrease by most in nearly five months

REUTERS

US applications for home mortgages decreased by the most in almost five months driven by sharp declines in refinancing activity and purchase applications.

The Mortgage Bankers Association (MBA) said on Wednesday its seasonally adjusted market index fell 6.9 per cent in the week ending June 25 from a week earlier, the largest drop since early February.

This reflected an 8.2 per cent decrease in applications for refinancing existing loans and a 4.8 per cent drop in applications to purchase a home. The average contract interest rate for traditional 30-year mortgages increased to 3.20 per cent last week from 3.18 per cent the prior week.

"Purchase applications for conventional loans declined last week to the lowest level since last May," Mike Fratantoni, MBA's Senior Vice President and Chief Economist, said in a statement.

"The average loan size for total purchase applications increased, indicating that first-time homebuyers, who typically get smaller loans, are likely getting squeezed out of the market due to the lack of entry-level homes for sale."

Both new and existing home sales have fallen sharply this year due to a shortage of houses on the market.



A "For Sale" sign is posted outside a residential home in the Queen Anne neighborhood of Seattle, Washington, US on May 14.

Thailand's booming auto exports help plug tourism hole

REUTERS

As tourism-reliant Thailand struggles with a collapse in foreign visitors, the country's auto sector is picking up some of the slack with the value of car exports tipped to surge to a record this year as the global economy reopens.

As tourism-reliant Thailand struggles with a collapse in foreign visitors, the country's auto sector is picking up some of the slack with the value of car exports tipped to surge to a record this year as the global economy reopens.

The Southeast Asian nation is Asia's second-most popular tourist destination but its famous beaches, street markets and pagodas have been starved of business over the past year due to pandemic restrictions that have crippled global travel.

While the Bank of Thailand has downgraded its projections for this year's economic growth due to the hit to consumption and tourism, it last week raised its 2021 export growth forecast to an 11-year high of 17.1 per cent, up from the 10.0 per cent rise forecast in March.

Much of that is thanks to exports of cars, parts and accessories, Thailand's biggest shipment, which surged 170 per cent year-on-year in May, the fastest pace in more than eight years, customs data showed.

"Exports are now a main engine driving the economy," Commerce Minister Jurin Laksanawisit told reporters this month. "We have to admit that our tourism still can't get going."

Thailand is Asia's fourth-largest auto assembly and export hub for some of the world's largest carmakers such as Toyota and Honda. The industry accounts for about 10 per cent of Thailand's GDP and manufacturing jobs.

The sector has been able to shake off the disruptive impact of Covid-19 much faster than the tourism industry.

Auto parts maker AAPICO Hitech, which has 4,500 workers, is running at full capacity 24 hours a day, company president

Yeap Swee Chuan told Reuters, a stark contrast to last year's factory slump when the pandemic hit.

"Last year was not good at all, but this year should be sunshine," he said, targeting sales growth of 20 per cent and much higher profits this year.

"So far we haven't seen much impact from whatever situation in Thailand as the export market is still strong, and the local market, the demand seems to be still there up to this moment."

Thailand's latest and biggest coronavirus outbreak so far, which started in April, has slowed domestic activity, dealing a deeper blow to the country's already fragile economic recovery.

But the fallout on auto car sales has been limited, while the auto sector boom has been driven by overseas demand.

The Federation of Thai Industries (FTI) said the country's exports of completely built cars could reach 800,000 to 850,000 units this year, beating its target of 750,000 and versus about 736,000 in 2020.

Surapong Paisitpattanapong, a spokesperson for FTI's automotive industry division, expects overall car shipments to reach a record 1 trillion baht (\$31.4 billion) this year versus 786 billion baht in 2019 before the pandemic hit.

Thailand's auto exports hit \$12.4 billion in January-May, more than half the \$21.4 billion shipped for all of 2020, according to the Commerce Ministry.

In contrast, only half a million foreign tourists are expected this year, the National Economic and Social Development Council forecast, compared with a record of nearly 40 million in 2019.

Market leader Toyota Motor Thailand forecast an 18 per cent rise in the company's completely built car exports to 254,000 units this year due to increased demand in Asia and Oceania.

So far, issues around the global supply of microchips have not yet disrupted Thai auto production significantly, although FTI warns it remains a risk.



Employees work at an assembly line in the Toyota manufacturing plant located in Chachoengsao province, east of Bangkok.

United Airlines unveils huge jet order in push for growth

REUTERS

United Airlines unveiled its largest-ever order for Boeing and Airbus jets on Tuesday, lining up 270 planes in a push for post-pandemic growth with bigger jets for domestic flying.

The Boeing-dominated order for 200 Boeing 737 MAX and 70 Airbus A321neo jets, worth over \$30 billion at list prices, will boost United's domestic capacity by almost 30 per cent, allowing it to better compete for both premium

and low-cost travel.

It builds momentum for planemakers seeking to turn the page on the Covid-19 travel slump, at least in the United States, and signals a strong bet on a recovery in business travel.

Chief Executive Scott Kirby said it would "accelerate our business to meet a resurgence in air travel." America's third-largest airline by revenue will replace most of its regional jets and undertake a sweeping cabin overhaul with more premium seats.

"With a number of startups commencing operations or with plans to, United is putting the US travel industry on notice," said Peter McNally, analyst at research firm Third Bridge.

The order, confirming a detailed breakdown reported by Reuters on Monday, includes 50 Boeing 737 MAX 8 and 150 MAX 10, accelerating a recovery in the wake of a two-year MAX safety crisis in which market sources called a partial coup for Boeing.

It especially marks a breakthrough for the 230-seat MAX 10, the largest variant which has begun flight tests but until now has struggled to contain runaway sales of the competing A321neo. But Boeing's victory over Airbus in the number of units sold was tempered by Europe's continued grip on a strategically vital segment for single-aisle missions that need the most range.

That allowed Airbus to secure a quarter of the deal in a high-margin niche where Boeing faces a gap in its portfolio, forcing it to ponder a new jet to replace the longer-range 757.

Boeing appears to be calculating that the United deal will demonstrate that the MAX 10 fits the bill for some three-quarters of missions while it weighs options for a larger new model, analysts said, amid thin post-pandemic demand.

Airbus, meanwhile, continues to pitch the A321neo as a "premium" product.

"This is a great time to acquire capacity cheaply - the aircraft market remains depressed - and this will offer lasting structural cost improvement," said Carlos Ozores, vice-president at aviation consultancy ICF.

After initial gains, Boeing shares ended down 1.8 per cent, resuming losses triggered by delays in certifying the larger 777X. United and Airbus both eased 0.6 per cent.



A United Airlines passenger jet takes off with New York City as a backdrop, at Newark Liberty International Airport, New Jersey, US.

Evaly launches campaign following ministry protocols

STAR BUSINESS DESK

Online marketplace Evaly has launched a new T10 campaign with offers and services catering to customers following the standard operating procedure formulated by the Ministry of Commerce.

The campaign will run each Friday at 10:10pm, said a press release.

Customers will be able to pay only 10 per cent of the given price of any product or service in advance and the rest will be paid in cash on delivery method.

And the delivery of the product will be completed in 10 days.

"Customers' trust and confidence in us is the driving force behind our journey," said Managing Director and CEO Mohammad Rassel.

Mostafa Metal to be second SME on bourse

FROM PAGE B1

Investors, who have investments of at least Tk 1 crore, will be considered eligible, according to the BSEC's decision.

The commission meeting also approved IFIC Bank's subordinated bond involving Tk 500 crore.

This is an unsecured, floating rate and non-convertible bond with a minimum coupon rate of 7.5 per cent and highest ceiling of 10.50 per cent.

The bond would be issued to banks, financial institutions, mutual funds, insurance companies and autonomous enterprises.

The face-value of each bond is Tk 1 crore. With the bond proceeds, the lender will strengthen its capital base as per Tier-2.

In the meeting, the BSEC also decided to license Sandhani Asset Management to operate as an asset management company.

Indian rupee posts biggest fall in 15 months

REUTERS

The Indian rupee posted its biggest monthly drop since the onset of the pandemic in the country in March last year, pressured by high global crude oil prices and concerns over the US Federal Reserve hinting at unwinding its massive stimulus.

Traders said month-end demand for dollars from oil importers was one of the main factors driving the unit lower, while weak local equities also hurt sentiment.

The partially convertible rupee ended at 74.3250/3350 per dollar, from 74.22 on Tuesday. The rupee dropped 2.4 per cent in June, its biggest fall since last March when it fell 4.6 per cent.

Over the quarter, the unit lost 1.7 per cent, its worst quarterly fall since January-March 2020 when it tumbled 5.8 per cent.

"Brent crude is at its highest level in two years and is the key risk for the rupee... A move above \$80 per barrel could stoke concerns over inflation and current account deficit," IFA Global Research said in a note.

Brent crude was trading up 0.7 per cent at \$75.28 a barrel by 1025 GMT and is set to record its seventh monthly gain in eight.

India imports over two-thirds of its oil requirements and rising oil prices could add to inflationary concerns and further complicate policy making for the central bank which has vowed to keeping monetary policy accommodative to support the pandemic-hit economy.

"We expect Indian markets to be partly de-risked owing to the high foreign reserves stock as well as improved adequacy, just as the

discussion on timing of the US taper tantrums gains traction," DBS Bank economists said in a note.

The rupee, however, has seen a depreciating bias in recent weeks, after the Fed sounded more hawkish than anticipated earlier this month.

The US dollar was seen heading for its biggest monthly rise since March supported by traders'

trepidation ahead of unpredictable US labour data and concern over the spread of the Delta coronavirus variant.

India's \$600 billion in reserves should help it fight market volatility from any US monetary tightening, but analysts warn a slowing economy and an expanding fiscal deficit still make it particularly vulnerable to capital flight.



An India Rupee note is seen in this illustration photo.

REUTERS/FILE

Major headway in cybersecurity

FROM PAGE B1

agenda—legal measures, technical measures, organisational measures, capacity development measures, and cooperation measures. In the index, which was based on last year's data, Bangladesh scored 81.27 out of 100 points.

Neighbouring country India took a big leap in the index of 37 places to rank 10th. Bangladesh ranks 11th in the index for the Asia-Pacific region.

The US was ranked on the first spot, followed by the UK sharing the second spot with Saudi Arabia, Estonia was ranked third, South Korea, Singapore and Spain ranked fourth and Russia, United Arab Emirates and the Malaysia shared the fifth spot.

"Several countries are outliers among least developed countries, such as Bangladesh, Benin, Rwanda, and Tanzania, which have demonstrated strong cybersecurity commitments," said the report.

"Notably, these countries all reported having national cybersecurity industries, a key feature of capacity development measures," it said.

"Our law and the effective responses from our law enforcement agencies contribute to this big leap in the GCI index," Mustafa Jabbar, posts, telecommunication and information technology minister, told The Daily Star.

Faster payment clearance

FROM PAGE B1

They will get the fund from banks within a maximum of seven days. In the latest notice, the BB said clients would settle transactions through banks when they place an order. But banks will not transfer the funds until the e-commerce merchants make a claim.

In the meantime, banks will carry out investigations on a random basis to determine whether e-commerce merchants deliver the products and services to clients.

The lenders will release funds to the merchants once they become convinced that clients have received the products. The same instructions will be applicable for mobile financial service providers and payment system operators.

Banks will serve show-cause notices on e-commerce merchants if they claim funds without delivering products. In such a situation, the online shops will have to reply in 10 days. Banks will suspend the financial transactions with the merchants if they fail to come up with a satisfactory answer and report the cases to the central bank. Such e-commerce platforms will be blacklisted and will not get any settlement facility from banks.

Patent waiver for 5 more years

FROM PAGE B1

Now, Bangladesh will now need to invest in research and development and build capacity as it would face patent restrictions once it moves out of the group of the LDCs in 2026. Dhaka is currently working on another proposal concerning the LDC graduation in the General Council of the WTO.

"As Bangladesh will graduate from the LDC in 2026, it will not be able to utilise the TRIPS waiver after 2026.

But this will be hugely beneficial for the LDCs," said Shanchita Haque, deputy permanent representative to the UN in Geneva.

Bangladesh has been a leader of the LDC for many years, and the LDCs want Bangladesh to lead in the negotiation. "This is also a diplomatic victory for Bangladesh," she told this correspondent.

Prof Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, said the TRIPS waiver helped Bangladesh and other LDCs to get rid of the copyright violations. "It is great that we will get a waiver under the TRIPS at least for five more years."

"This is the time for us to develop our rules and regulations and human resources and fix the institutions to enforce the TRIPS after 2026

when we graduate out of the LDCs," he said.

Bangladesh is negotiating at the WTO to retain trade benefits, including duty-free privileges for 12 years after the LDC graduation, he said.

"If we get it, it will be great. If we don't get it, we will face more challenges in the global market. Therefore, we need to prepare ourselves so that we can sustain in the competitive global market."

Bangladesh has been availing waivers under the TRIPS for more than three decades. The pharmaceutical industry has flourished.

The country manufactures about 1,300 medicines but has only 30 active pharmaceutical ingredients (API). The rest of the APIs are imported, said Md Sayedur Rahman, a professor of pharmacology at the Bangabandhu Sheikh Mujib Medical University.

"Bangladesh's industries have been taking advantage of the waiver, but they have not made adequate investments in research and development, which is a need of the day."

"We will be in trouble if we don't have our own APIs after 2026. The industries that have benefited from the TRIPS waiver must go for massive investment now."

RMG workers suffer as lockdown halts public transport

FROM PAGE B1

"Our salary is low. It is not possible to go to the factory by rickshaws every day." Finding no vehicles, angry workers blocked roads for an hour from 9:00 at the Tigerpass, demanding the resumption of the public transport service.

The situation returned to normalcy after the police managed buses and sent them to their workplaces.

Nezam Uddin, officer-in-charge of Kotwali Police Station, said, "Workers blocked the roads as there was no public transport. Later, we arranged a bus for them."

Rezaul Islam, a director of Youth Jeans Ltd, said the company's two factories in the CEPZ employed about 2,000. Most of them lived within walking distance.

The workers who reside in distant places had to take buses

and come to the factories on their own. Now bus drivers did not want to operate as they faced harassment by the administration on the road, he said.

"Vehicles will be provided for the workers as soon as possible."

Yesterday, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) sat with owners to discuss how to keep factories running in compliance with health protocols and arrange vehicles for the workers, said MA Salam, a director of the association.

"I hope it will be resolved very soon."

He said about 60 per cent of the workers lived within walking distance of the factories, and they preferred to walking to factories instead of riding a bus.

Most factories have their own transport system, but it might not

be possible for them to ensure the facility for 100 per cent of the workers, he said.

"Initiatives are being taken to provide transportation to those who live far away from the factories," said the former vice-president of the BGMEA.

As there were fewer rickshaws on the roads, pullers were charging more than three times the regular fare, several executives and workers said.

Most of the officials and executives had to reach their offices on rickshaws and ride-sharing bikes. But there were not enough rickshaws and bikes available, forcing some of them to walk to their offices and factories. There are about 500 active garment factories in the port city, employing 5.5 lakh to 6 lakh workers, according to Salam.

Mobile phone validation begins

FROM PAGE B1

connecting the IMEI of the mobile phone with the customer's national identity card number and SIM number.

The new mobile phones that will be connected to the network from today will be initially activated on the network and subsequently the validity of the phone will be verified through NEIR.

If valid, the mobile phone will be automatically registered and active on the network. "It will boost revenue collection of the government," Shyam Sunder Sikder, chairman of the commission, told The Daily Star.

"If the illegal sets cannot operate in the country's network, the inflow of such phones will be stopped. And after launching the NEIR, the government will get revenue from each of the devices," he said. Sikder said many miscreants conduct criminal activities with the help of illegal and untraceable phones and the move would also curb crimes.

Besides, recovering lost and stolen phones will also be easier, since, whenever the device gets turned on and connected with the network, it can be traced with the NEIR, he said.

The BTRC said the customer would be informed about the mobile phones which are not valid through text message or SMS.

It will then be connected to the network for three months during the test period. Then further action will be taken as per the decision of the government.

In February last year, the BTRC floated tenders to introduce and operate a system called the National Equipment Identity Registrar (NEIR) to verify whether mobile phones were legal or not. Later, the commission signed an agreement

with Synesis IT to avail the technological solution.

The BTRC official said before buying a mobile phone from July 1, one must verify the validity of the mobile phone and save the receipt.

To check whether it is valid or not, one has to go to the message option of the mobile phone and write KYD (space) and enter the 15 digit IMEI number and then send it to 16002. The sender will find out about the validity on the return text message.

If the phone was bought legally or as a gift from abroad, according to the BTRC, it will be automatically activated on the network. After that, a text message will be sent to the user asking to register by submitting information or documents online within 10 days. Upon completion of registration, the mobile phone will be considered valid.

According to the existing baggage rules, a person can bring a maximum of two duty-free and six more mobile phone sets with duty from abroad.

The users will now be able to check the current status of the phones they are using dialing *16161 from mobile phones.

The government now imposes 57 per cent tax on imported smartphones and 32 per cent on basic and feature phones. For locally assembled or manufactured phones, tax is 18 per cent on smartphones and 13 per cent on feature phones.

According to industry insiders, about 25 percent of smartphones in the country are imported illegally due to which the government lost revenue of about Tk 1,200 crore. According to the BTRC, the total number of mobile phone subscribers reached 17.5 crore at the end of May.

BFIU seeks account info of 11 e-shops

FROM PAGE B1

Many customers alleged that they did not get their products in time from the merchants despite making payments in advance.

In some cases, the merchants failed to deliver products despite spending several months more than the promised deadline. Against the backdrop, the BFIU has taken the initiative to verify the transaction records of the e-commerce merchants.

Contacted, Abu Hena Mohd Razee Hassan, head of the BFIU, said it was not possible to make any comment to this end given the sensitivity of the matter.

The central bank has recently carried out an inspection on Evaly, one of the largest online shopping platforms in the country, where it discovered that the merchant failed to supply the required products as per the committed time.

The BFIU, however, has not sought the account information of Evaly at this time as the merchant has already been brought under the central bank's monitoring, an official of the intelligence agency said.

In addition, the bank accounts of Shamima Nasrin, chairman of Evaly, and Md Rassel, managing director, were frozen in August last year. As of March 14, Evaly, which has assets worth Tk 65.2 crore, had failed to deliver goods worth Tk 213.9 crore to clients as per the deadlines.

Besides, the online shopping platform owed about Tk 189.9 crore to merchants from whom it bought products.

The BB report recommended that the authority concerned should take necessary steps immediately so that no e-commerce merchant jeopardises their own existence by creating excess liability.

Against the backdrop, the BFIU has started monitoring online shopping platforms. Last week, the commerce ministry said transactions would be settled after clients receive their products and services from the e-commerce platforms.

Calls for more action on new poor, healthcare fall on deaf ears

FROM PAGE B1

Education Minister Dipu Moni yesterday said 92 per cent of students participated in an online assignment, thanks to the strengthening of digital classes across the country.

However, citing findings of various surveys, Selim Raihan, executive director of the South Asian Network on Economic Modeling, (Sanem) said only 20 per cent of students ranging from schools to universities were able to attend online classes.

The remaining 80 per cent could not attend the online classes because of a lack of smartphones and inadequate internet facility, he said.

Health Minister Zahid Maleque said the health services division got an allocation of Tk 12,000 crore in the budget. Of the sum, 85 per cent was expected to be spent in the outgoing fiscal year.

But a report from the Implementation, Monitoring and Evaluation Division said the health services division managed to spend only 31 per cent of its allocation under the annual development programme in the first 11 months of FY21.

Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, said issues such as health, employment and the fall of an additional 20 per cent of the population into poverty due to the economic slowdown did not get proper attention in the budget.

"The government's assumption is that

the economy is on the recovery path. Actually, it is not. The second wave of Covid-19 is still going on, and there are so many vulnerabilities in the economy," he said.

So, the government should have re-prioritised the issues in the budget, he said, adding that allocation of direct financial support was needed to address poverty, income losses and new poor.

The allocation in the social safety net was, in fact, reduced to 1.9 per cent from 2.1 per cent of the GDP if a few components are excluded.

For instance, 29.5 per cent of the Tk 107,614-crore social safety net allocation for FY22 provides pensions to 7.5 lakh government employees and honorarium to freedom fighters' families, people who are not facing destitution.

"Even at the final stage of the passage of the budget, adequate measures for the new poor are missing," said SANEM's Raihan.

Raihan echoed Rahman. "Actually, the government did not take adequate budgetary measures for the social safety net, new poor and education," Prof Raihan said.

It also did not take measures to support the cottage, micro, small and medium enterprises, which are bearing the brunt of the economic slowdown. He recommended the government conduct a survey to find out poor students and give them money to buy smartphones.

Stocks soar as trading will go on

FROM PAGE B4

However, payment of 25 per cent tax on the amount within 30 days of the investment is required to enjoy the amnesty.

Moreover, investors will have to pay a penalty of 5 per cent tax on the amount of the 25 per cent tax deducted to whiten the money. Turnover, another important indicator of the market, rose 22.5 per cent to Tk 1,407 crore yesterday.

At the DSE, 307 stocks advanced, 41 declined and 23 remained unchanged.

Northern Insurance topped the gainers, rising 10 per cent, followed by Sonali Life Insurance, United Insurance, Paper Processing & Packaging, and S Alam Cold

Rolled Steels.

Stock of Square Pharmaceuticals traded the most with Tk 87 crore followed by Beximco Ltd, Keya Cosmetics, Delta Life Insurance, and Sandhani Insurance.

Monno Fabrics shed the most, falling 9.73 per cent, followed by Bangladesh Monospool Paper Manufacturing, Usmania Glass, Genex Infosys, and Fine Foods.

The port city bourse also rose yesterday as the CASPI, the general index of the Chittagong Stock Exchange, went up 342 points, or 1.96 per cent, to 17,816.

Among 316 traded stocks, 257 advanced, 42 dropped, and 17 remained unchanged.

Banks shut for 4 days

FROM PAGE B1

Branches of all banks will remain closed on Friday and Saturday as well due to public holidays.

Meanwhile, the central bank asked the country's lenders not to open their branches on Sunday given the recent spread of the coronavirus pandemic, a Bangladesh Bank official said.

Clients were allowed to settle financial transactions till 3:30pm before today, but clients will now have to settle transactions within 1:30pm on working days amid the recent restrictions on public movement declared by the government.

The central bank took these decisions soon after the government imposed a set of measures to contain the recent surge of coronavirus

infections.

Bangladesh Bank may extend the limited banking hours after July 7 in line with the government decision.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said the limited banking hours amid strict restrictions on movement would create difficulties to run their businesses.

"But we have to follow the government instructions to contain the deadly flu," he added.

The restrictions will help tackle the infection, which will subsequently boost businesses, Hassan said.

The central bank also instructed banks to keep a limited number of their branches open during the week-long period. Essential

departments of banks' head office and authorised dealer branches, which are dedicated to running foreign exchange businesses, will have to be opened with a limited number of employees.

Every bank will be allowed to open one branch in district towns.

State-owned banks can open one branch outside district towns while two branches of private banks can be opened in the same report. Besides, banks will have to run internet banking round the clock so that clients can settle their transactions from home.

In addition, banks have to keep adequate cash in their respective automated teller machines so that customers can withdraw funds in case of any emergency requirement.

Stocks soar as trading will go on amid lockdown

STAR BUSINESS REPORT

Stocks soared by more than 100 points yesterday riding on hopes that trading would continue amid the current countrywide lockdown.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 107 points, or 1.78 per cent, to 6,150.48.

Following an unprecedented climb in Covid-19 infections, the government recently announced a week-long strict lockdown from today.

After Bangladesh Bank decided that banking activities would continue on a limited scale during this period, the stock market regulator informed that the country's bourses would operate under similar conditions.

Before these decisions were made known, the Bangladesh Securities and Exchange Commission said the stock market would stay open during the lockdown if banks did too. As such, trading will now go on as usual until 1:00pm each day.

"There are two main reasons behind the rise of the index: one is hope for trading to remain open and second is allowing the use of undisclosed income in the stock market," said a top asset manager preferring anonymity.

The market had been in a falling trend for the past few days due to fears that it would be shut down during the strict lockdown.

Besides, since some people prefer to keep cash in hand during crisis situations,

they may opt to sell their shares.

But big and institutional investors are not worried about the financial impact this time since most economic activities will remain active during the lockdown.

"So, they are not on a selling spree," he added.

The asset manager went on to say that the government's decision regarding undisclosed income will not provide any real investment.

"We are not hopeful about seeing any considerable investments from undisclosed income due to the high tax imposed on it for the upcoming fiscal year," said Sayedur Rahman, president of the Bangladesh Merchant Bankers Association.

Even when the tax on undisclosed income was 10 per cent in the previous fiscal year, investment was not much higher.

"So, imposing a tax of around 30 per cent this time will ultimately discourage the people looking to whiten their money," he said. "Still though, something is better than nothing, as at least the scope remains," added Rahman, also managing director of EBL Securities.

As per the Finance Act 2021 passed in parliament on Tuesday, no one will question the source of one's income or funds when making any investment in securities.

To avail this benefit, the holders of undisclosed income will have to make the investment anytime between July 1 this year and June 30, 2022.

READ MORE ON B3

Mymensingh offers bright prospects for more cotton

DISTRICTS IN FOCUS

MD AMINUL ISLAM, Mymensingh

Mymensingh division bears bright prospects of growing more cotton, with 2,000 hectares of land targeted to be cultivated this season which was 1,800 hectares last year, said officials of Cotton Development Board (CDB) in Mymensingh.

Now some 3,500 farmers are involved in cotton production in Mymensingh, Tangail, Jamalpur and Sherpur under the division.

Cotton is grown in hilly regions of Mymensingh and char areas, said CDB Executive Director Alhaj Uddin Ahammed.

"There is also prospect of cotton cultivation through intercropping," he said.

Dr Shefali Rani Mozumder, chief cotton development officer of the CDB's Mymensingh zonal office, termed cotton an important cash crop benefitting farmers with good prices.

A farmer can produce 110 maunds to 112 maunds (one maund equals around 37 kilograms) of cotton per hectare of land cultivating some six hybrid varieties. Every maund is now sold for Tk 2,700.

The plant can be turned into fuel and fodder while edible oil is produced from its seeds, said the official.

Bangladesh meets 99 per cent of its requirement for the raw material for textiles and garments industry through imports as its domestic production is very low.

Traders, importers and millers import 80 lakh bales of cotton, spending \$3 billion a year.

Locally, cotton acreage and production is increasing gradually to meet a part of the domestic requirement.

Production of cotton fibre declined marginally year-on-year to 1.76 lakh bales in fiscal 2020-21 from 1.78 lakh tonnes, shows the CDB data.

Generally farmers are less interested on expanding cotton cultivation as it requires six months to grow, with the starting in July.



Cotton acreage as well as production in Bangladesh is increasing gradually to meet a part of the domestic requirement.

PHOTO: STAR/FILE

Omar Ali, a cotton farmer at Kamaria village in Muktagacha of Mymensingh, said he has been cultivating cotton for four years on one acre of land and he gained a good production and a desired profit as well.

"Last year I cultivated cotton on two bighas of land and attained a production of 13 maunds of cotton and sold the produce at Tk 2,500 per maund," he said.

Alam Mia of the same locality said he cultivated cotton on one bigha of land and got a good profit last year. Alam, who is preparing two bighas of land this year, said last year he earned Tk 18,000 cultivating winter vegetables on the cotton fields.

The farmers if there was no rainfall during November and December, there would hopefully be a good production.

They also said cotton cultivation was safer than cultivating banana as the latter was prone to virus attacks while the cultivation cost was also lower than that of many others

crops and profits reasonable.

They said they were being encouraged to grow more cotton through necessary suggestion from field-level officials when needed.

Along with technological support, a one-day training is being provided on seed production to farmers selected through 17 sub-stations in the region, said Mozumder.

Farmers who are under demonstration plots are also being provided free support, such as seed, fertilizer and insecticide.

Md Rezaul Karim, cotton unit officer, Gabtoli unit in Muktagacha, said the number of farmers was increasing every year. Now there are 160 farmers under the unit.

Talking to The Daily Star, Dr Alhaj Uddin Ahammed, executive director of the CDB, said they had already developed a variety with a short growth duration named "CDB Mutant Tula-1". It was certified by the ministry concerned this year, he said.

This short duration variety will

go to the farmers' level this season and 24 hectares will be cultivated with this variety.

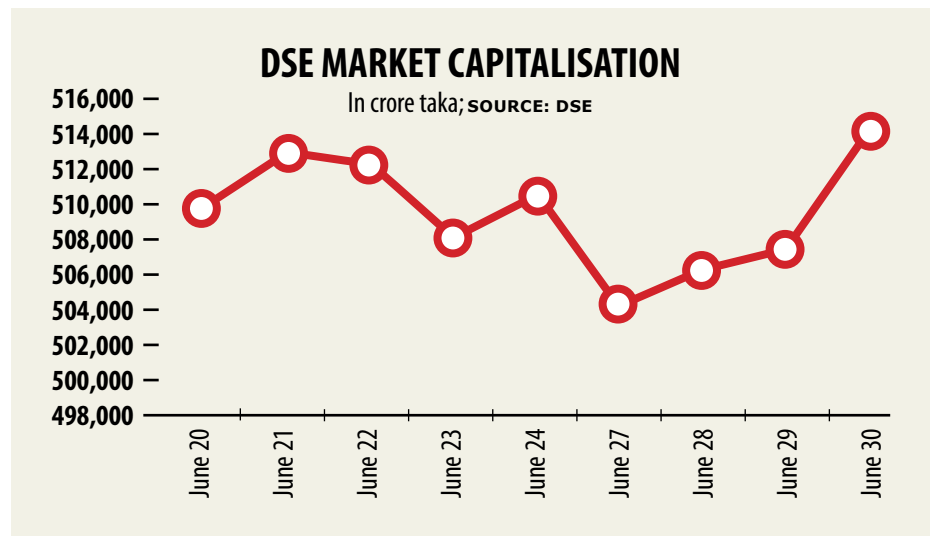
The variety will take 135 days to 150 days to be ready for harvest and the production will be four tonnes to six tonnes per hectare, said the official.

"To attract the farmers, we are also suggesting cultivating crops of a two-month duration and winter vegetables at the early stage of cotton cultivation," said the executive director.

The price of cotton is also on the increase every year and surely the farmers will be benefited, the official said.

Preferring not to be named, an official said the quality of local seeds was good and the farmers should be encouraged to take up these seeds, which were very low in price in comparison to imported ones.

A local variety seed sells for Tk 25 per kg while a local hybrid variety Tk 500. The imported hybrid varieties sell for Tk 2,500.



GLOBAL BUSINESS

Customers will pay more for green gas

US natural gas producers hope

REUTERS

US natural gas producers hope climate-conscious electric utilities and gas exporters will pay a premium for what they say is "greener gas" that has been certified as coming from low-emission operations or from renewable sources such as landfills.

EQT Corp, Chesapeake Energy and liquefied natural gas firms Cheniere Energy and NextDecade Corp are among the companies considering low-carbon certifications from groups such as Denver-based Project Canary.

Gas certified as "responsibly produced" and contributing less emissions could get up to 5 per cent above market prices, or up to 15-cents per thousand cubic feet (mcf), proponents say. So far, not many customers have been willing to pay the premium -- a problem for firms trying to sell lower-carbon versions of fossil fuels.

Some European buyers have shunned US shale gas and several US cities including New York and San Francisco have sought to ban new residential gas connections over environmental concerns.

In 2020, the pandemic rocked the economy and US gas prices fell to a 25-year low average of \$2.11 per mcf. Idle drillers pushed US gas output down 2 per cent, the first annual drop in four years.

While power plants consumed a record amount of gas in 2020, wind and solar have been gaining market share as preferred alternatives to dirtier coal for electric generation.

With the economy recovering, US benchmark gas prices are up over 40 per cent this year to about \$3.70 per mcf.

"When you're talking about trillions of cubic feet of global gas production, mere pennies in price movement can make all the difference between profitability and losses," said Kentaro Kawamori, chief executive of Persefoni, which develops tools to measure a company's carbon footprint.

Utilities, the biggest gas buyers, have endorsed net-zero emissions targets, "but it is not being translated into procurement departments," said Chris Kalnin, chief executive of US shale gas producer BKV Corp.

BKV aims to certify its fuel as "responsibly" produced and hopes for a commitment from electricity generators, he said. Continuous monitoring for certification can cost 1 to 2 cents per mcf, which is a hurdle along with competing measurements. Executives also noted that utility regulators who approve rate increases for gas purchases have yet to consider carbon emissions in price reviews.

Cheniere, the top US liquefied natural gas (LNG) exporter, believes cleaner gas may become a requirement for producers and exporters.

"We don't expect to pay a premium, we don't expect to collect a premium" for gas certified as greener, said Anatol Feygin, chief commercial officer at Cheniere. The company is the biggest buyer of gas in the United States for its LNG plants, accounting for about 7 per cent of US production.

Int'l tourism not seen rebounding until 2023: UN

REUTERS, Geneva

International tourism arrivals are set to stagnate this year, except in some Western markets, causing up to \$2.4 trillion in losses, a UN study said on Wednesday, adding the sector is not expected to rebound fully until 2023.

Covid-19 vaccination and certificates are key to restoring confidence in foreign tourism, which provides a lifeline for many countries, especially small island states that rely heavily on the sector to provide jobs, it said.

In 2020, international arrivals plunged by 73 per cent from pre-pandemic levels in 2019, causing estimated losses of \$2.4 trillion in tourism and related sectors, according to the report by UNCTAD and the UN's World Tourism Organization (UNWTO).

"The outlook for this year doesn't look much better," Ralf Peters of UNCTAD's trade analysis branch, told a news conference.

"The first three months were again bad, there was not much travelling happening," he said.

"There is an expectation of a certain recovery in the second half of the year, at least for North America and Europe to a certain extent," he told Reuters, crediting vaccinations.

The report sets out three scenarios for 2021, showing international tourism arrivals forecast to drop by between 63 per cent and 75 per cent from pre-pandemic levels, resulting in losses of between \$1.7 trillion and \$2.4 trillion.

"In international tourism we are at levels of 30 years ago, so basically we are in the '80s ... Many livelihoods are

really at threat," said Zoritsa Urošević, Geneva representative of the Madrid-based UNWTO.

"What we are looking at in the long run is...meeting the 2019 numbers after 2023," she said.

Sandra Carvao, chief of market intelligence at UNWTO, said that it would be a "very diverse recovery", varying by region and by country.

The European Union's digital Covid-19 certificate, due to come into force on Thursday, represents the only regional harmonisation to date, she said.

Carvao, referring to travel corridors, said: "We see for example Asia-Pacific is still one of the most closed regions in the world at this moment - most of the borders in the countries are either totally closed or with significant restrictions."



People have their pictures taken next to El Oso y el Madroño (the bear and the strawberry tree) statue, at Madrid's landmark Puerta del Sol square, Spain on June 7.

China's Didi raises \$4.4b in upsized US IPO

REUTERS, Hong Kong

Chinese ride hailing company Didi Global Inc raised \$4.4 billion in its US IPO on Tuesday, pricing it at the top of its indicated range and increasing the number of shares sold, according to two sources familiar with the matter.

Didi sold 317 million American Depository Shares (ADS), versus the planned 288 million, at \$14 apiece, the people said on condition of anonymity ahead of an official announcement.

This would give Didi a valuation of about \$73 billion on a fully diluted basis. On a non-diluted basis, it will be worth \$67.5 billion. The company is expected to debut on the New York Stock Exchange on June 30.

The increase in deal size came after the Didi investor order book was oversubscribed multiple times, one of the sources said.

Investors have been told to expect their orders to be scaled back once allocations are completed on Wednesday, according to a separate source with direct knowledge of the matter. Didi did not respond to a request for comment.

The listing, which will be the biggest US share sale by a Chinese company since Alibaba raised \$25 billion in 2014, comes amid record IPO activity this year as companies rush to capture the lucrative valuations seen in the US stock market.

Didi's IPO is more conservative than its initial aim for a valuation of up to \$100 billion, Reuters has previously reported. The size of the deal was cut during briefings with investors ahead of the IPO's launch.

This suggests increasing investor worries about China's potential anti-trust related crackdown and a more volatile IPO environment globally in 2021, said Douglas Kim, a London-based independent analyst, who writes on Smartkarma.

"But it seems like many investors like this deal, the volatile IPO environment helped to lower IPO price and valuation looks attractive," Kim told Reuters.

Didi's IPO was covered early on the first day of the book-build last week and the investor books were closed on Monday, a day ahead of schedule.

An over-allotment option, or greenshoe, exists where another 43.2 million shares can be sold to increase the deal size. Didi was co-founded in 2012 by former Alibaba employee Will Wei Cheng, who currently serves as the chief executive officer. Cheng was joined by Jean Qing Liu, a former Goldman Sachs banker and the current president of the ride-sharing company.

The company counts SoftBank, Uber Technologies Inc and Tencent as its main backers.

Didi is also known for successfully pushing Uber out of the Chinese market after the US company lost a price war and ended up selling its China operations to Didi for a stake. Liu Zhen, the head of Uber China at the time, is Didi's Liu's cousin.