

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

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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.

Clean electricity standard needed in infrastructure bill

Biden climate adviser says
REUTERS, Washington
A clean electricity standard, or CES, and tax credits for renewable energy are "bottom lines" needed in a second infrastructure package that could be passed this year, Gina McCarthy, the White House climate adviser, said on Wednesday. President Joe Biden, a Democrat, is pushing for a second infrastructure package that could be passed on a party line vote through budget reconciliation. The first package, a bipartisan bill in the works between Biden and lawmakers, does not include a CES, a standard that would reduce in emissions by adopting renewables like wind and solar, using nuclear energy, or finding ways to suck up and sequester greenhouse gas emissions from fossil-fuel plants. "We need to tell the utility world, our power system, where they need to go," McCarthy told a Punchbowl News event about the two-part legislation. A CES "provides a level of certainty for long-term investments that this country needs and we are going to move these pieces together." McCarthy sent a memo to Biden Cabinet officials on Tuesday, a copy of which was seen by Reuters, that said a CES that includes electricity efficiency would attract private investment to modernize the grid, cut power bills, and spur union jobs. Passing a CES could help Biden in his push to decarbonize the power grid by 2035. Analysts say the battle over the infrastructure bills could take until September or beyond, but McCarthy said she was shooting for the end of July. McCarthy also said the administration is pushing for consumer rebates for electric vehicles in the second package. A White House fact sheet released last week on the \$1.2 trillion bipartisan bill framework did not include new money for electric vehicle rebates but would spend \$15 billion to boost EV charging stations and buy electric school and transit buses. Biden had pushed for \$100 billion on EV consumer rebates. White House Press Secretary Jen Psaki told reporters on Tuesday that Biden sees climate items in the bipartisan package as a "down payment" that includes "an enormous investment" in EVs and electric buses and that he is committed to getting more in the reconciliation package.

Calls for more action fall on deaf ears

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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 the stimulus package 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 for poverty reduction and the development of women-related activities. 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, for the development of women-related activities. Education Minister Dipu Moni yesterday said 92 per cent of students participated in an online assignment because of 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, and 85 per cent was expected to be spent this year. But a report from the Implementation, Monitoring and Evaluation Division (IMED) said the health services division managed to spend only 31 per cent of its allocation under the Annual Development Programme (ADP) in the first 11 months of FY21. Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue (CPD), 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 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 (CMSMEs), which are bearing the brunt of the economic slowdown, he said. He recommended the government conduct a survey to find out poor students and give them money to buy smartphones.

Africa's top emitter seeks \$10b for shift from coal

REUTERS, Johannesburg
South African state power utility Eskom is pitching a \$10 billion plan to global lenders that would see it shut the vast majority of its coal-fired plants by 2050 and embrace renewable energy. Discussions have already started with development finance institutions like the World Bank and the African Development Bank, a senior Eskom official told Reuters. "It's a lot of money, so what we are putting on the table is to say to funders: South Africa can offer you the biggest point source of carbon emissions reduction," said Mandy Rambharos, general manager at Eskom's Just Energy Transition office.

Mobile phone validation begins

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"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 per cent 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.

Intel unit seeks account details of 11 online shops

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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.

Banks shut for 4 days

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"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 respect. 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.

Patent waiver for 5 more years

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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

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"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.

Stocks soar as trading will go on amid lockdown

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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.