E-COMMERCE SCAM

Commerce ministry should support conned customers: Kamal

Star Business Report

The commerce ministry will have to take the primary responsibility to support the customers who were conned by some rogue e-commerce firms, said Finance Minister AHM Mustafa Kamal yesterday.

He made the comments when asked whether the government would bear the responsibility to return money to the customers who had been deceived by some e-commerce firms in recent times.

Kamal said, "When these types of firms are set up, they obtain the clearance from concerned agencies. In this case, the clearance came from the commerce ministry."

"They [the commerce ministry] have to take the responsibility primarily. At the same time, other agencies involved should take the responsibility collectively," he told reporters after a meeting of the cabinet committee on public purchase.

Some e-commerce firms are facing legal actions for their contentious business model as they took payments from customers in advance but delayed the delivery of products for weeks or months on the back of unprecedented discounts.

The gap between their assets and liabilities has widened to the point where they might not be able to supply the products to online shoppers. Many e-commerce firms also owe to sellers.

According to Kamal, the ordinary people were deceived by this group of firms in various forms on numerous occasions.

"It had been done manually in the past. Now it is carried out digitally.

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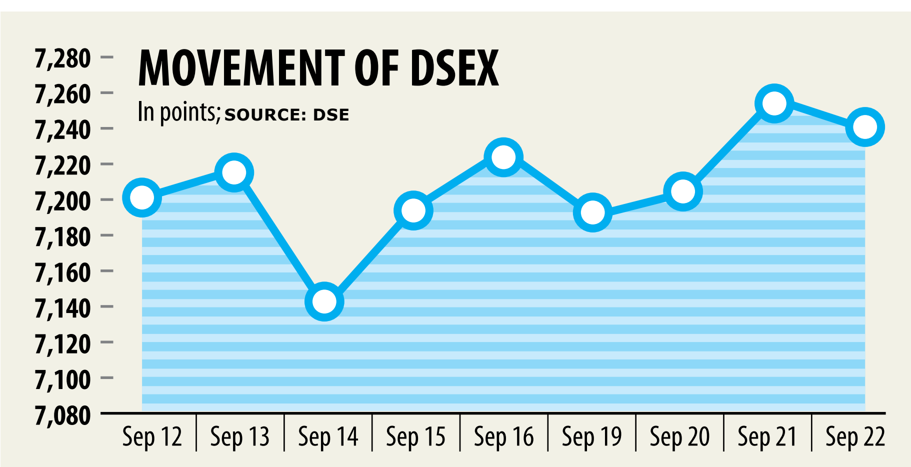

Stocks down after two-day rise

Star Business Report

The Dhaka stock index dropped yesterday just after touching its highest-ever levels in the preceding two days.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), fell 16 points, or 0.23 per cent, to 7,241.

Due to a profit-booking tendency among investors, the index suffered yesterday, said a stock broker.

People were optimistic, so it rose in the first hour of trading. However, some profit-seeking people became active at the end of the day, he said.

As people were ready to buy stocks, the index was saved from falling further, he added.

Turnover, an important indicator of the premier bourse of the country, rose 12 per cent to Tk 2,150 crore, which was Tk 1,910 crore a day earlier.

All the large-cap sectors posted negative performances.

Fuel and power experienced the highest loss of 0.58 per cent followed by telecommunication (0.45 per cent), banking (0.44 per cent) and non-bank financial institutions (0.41 per cent).

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Imitation jewellery makes a comeback in Jhenidah

Imitation or "city gold" jewellery makers in Moheshpur upazila of Khulna's Jhenaidah district are recovering from the pandemic-induced economic downturn as factories have reopened following prolonged closures due to recurring lockdowns.

PHOTO: AZIBOR RAHMAN

Azibor Rahman, Jhenidah

DISTRICTS IN FOCUS

Around 10,000 families in Moheshpur upazila of Khulna's Jhenaidah district are seeing better days as the local imitation or "city gold" jewellery industry has bounced back from a prolonged period of economic uncertainty due to the ongoing Covid-19 pandemic.

The district's first factory making such products, called Milon City Gold, was established in Moheshpur back in 2004 and since then, its owner Rashedunnabi Milon has enjoyed much success.

The renowned factory directly employed about 600 workers between 2005 to 2017 and as these workers gradually gained experience in metalworking, they went on to set up their own factories across the region.

There are now 23 imitation jewellery factories in Moheshpur that produce earrings, necklaces, bangles, rings, bracelets and others.

Aminur Rahman, the owner of Amin City Gold Factory, said Moheshpur town was thriving thanks to the local imitation jewellery industry.

"We were passing happy days but the pandemic brought a swift end to this as production at all the factories nosedived due to the recurring lockdowns and other measures imposed to curb the spread of Covid-19," he added.

However, the industry has since started to recover from the pandemic-induced downturn thanks to the lifting of these restrictions, according to industry insiders.

> *The pandemic destroyed our plans but now we are progressing again since the lockdowns have ended," said Shahidul Islam, owner of a factory.*

Shahidul Islam, the owner of another factory in the upazila, told The Daily Star that he has been working in the industry for 12 years.

"This pandemic destroyed our plans and growth trajectory but now we are progressing again since the lockdowns have ended," he said.

Shima Khatun, a resident of Naudaga village under the municipality, said she worked at Milon City Gold for seven years.

Khatun would make imitation earrings at home and sell them to the factory for about Tk 6,000 per month during the pre-pandemic era but after the coronavirus began its rampage across the country, her income dropped to around Tk 3,500 per month.

Now though, her earnings have bounced back.

Similarly, housewife Rima Khatun of the same village said profits were poor amid the pandemic due to increased raw material costs but since the restrictions have since been called off, her business was recovering.

Shariul Islam, the owner of Etyadi store at Jalilpur bazar which sells raw materials for imitation jewellery, said prices had increased to a great extent due to the lockdown but were now on a downward trend.

Rashedunnabi Milon, also secretary to the local imitation jewellery makers' association, said it was a very profitable business up till the pandemic began in March 2020, when he reduced the number of workers at his factory to 200 due to decreased demand.

Business had fallen by about 70 per cent compared to pre-pandemic levels as raw material prices had soared due to increased importing costs from India and China.

"Now our business is progressing day by day as lockdowns have been called off. At present, the business is operating at 70 per cent of previous levels," Milon added.

GLOBAL BUSINESS

ADB cuts Asia growth forecast on slow vaccine rollout

AFP, Manila

The Asian Development Bank warned of "lasting scars" from the coronavirus pandemic as it cut its 2021 growth forecast for developing Asia on slow vaccination rates, surging infections and crippling lockdowns.

A shortage of doses, which has hampered efforts to inoculate the vast region stretching from the Cook Islands in the Pacific to Kazakhstan in Central Asia, could worsen as evidence of waning vaccine protection increases demand for booster shots, the lender said Wednesday.

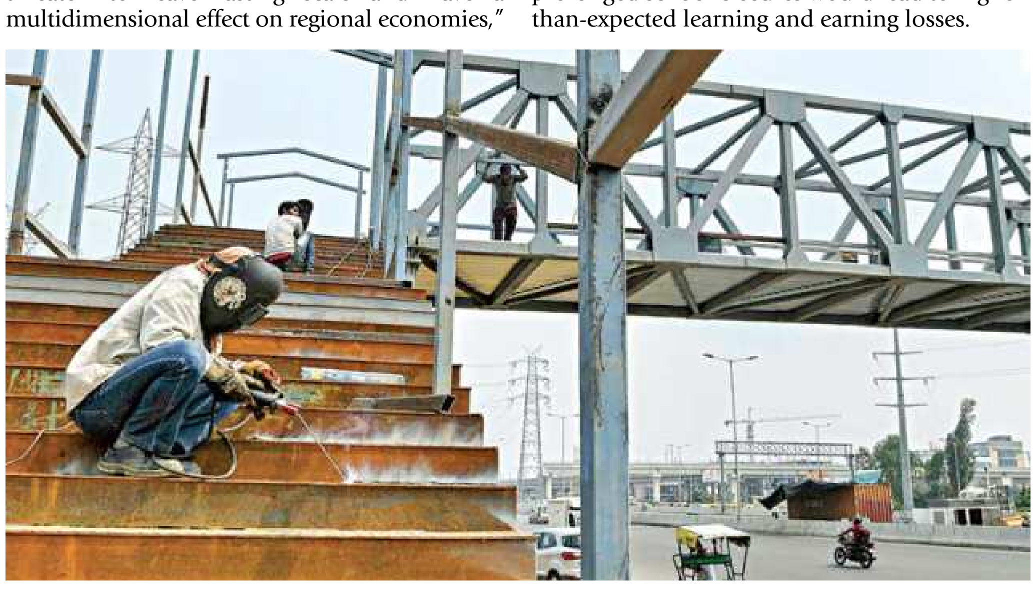
The Philippines-based ADB forecast growth of 7.1 per cent -- compared with its previous prediction in April of 7.3 per cent and a slight contraction in 2020 -- but said the recovery "remains fragile".

Vaccination rates have been uneven across the region, where less than a third of the population was fully protected against Covid-19 at the end of August, the lender said in an update of its flagship Asian Development Outlook.

That compared with more than 50 per cent coverage in the United States and nearly 60 per cent in the European Union.

The ADB warned that delayed vaccine rollouts and the emergence of new variants were among the biggest risks to the outlook -- and could have long-term damaging consequences. "Income losses caused by the pandemic in particular threaten to leave lasting scars and have a multidimensional effect on regional economies," the ADB said.

Progress on reducing poverty in developing Asia had been set back "at least two years", and prolonged school closures would lead to higher-than-expected learning and earning losses.



Workers build a bridge in Ghaziabad, India. The Asian Development Bank has cut its growth forecast for developing Asia.

AFP/FILE

German auto giants place their bets on hydrogen cars

Reuters, Munich

Battery power may be the frontrunner to become the car technology of the future, but don't rule out the underdog hydrogen.

That's the view of some major automakers, including BMW and Audi, which are developing hydrogen fuel-cell passenger vehicle prototypes alongside their fleets of battery cars as part of preparations to abandon fossil fuels.

They are hedging their bets, calculating that a change in political winds could shift the balance towards hydrogen in an industry shaped by early-mover Tesla's decision to take the battery-powered road to clean cars.

Global auto hub Germany is in sharp focus. It is already betting billions on hydrogen fuel in sectors like steel and chemicals to meet climate targets, and closely-fought elections this month could see the Greens enter the coalition government and further push the technology.

BMW is hydrogen's biggest proponent among Germany's carmakers, charting a path to a mass-market model around 2030. The company also has one eye on shifting hydrogen policies in Europe and in China, the world's largest car market.

The Munich-based premium player has developed a hydrogen prototype car based on its X5 SUV, in a project already partly funded by the German government.

Jrgen Guldner, the BMW vice president who heads up the hydrogen fuel-cell car programme, told Reuters the carmaker would build a test fleet of close to 100 cars in 2022.

"Whether this (technology) is driven by politics or demand, we will be ready with a product," he said, adding that his team is already working to develop the next generation vehicles.

"We're on the verge of getting there and we're really convinced we'll see a breakthrough in this decade," he said.

VW's premium Audi brand told Reuters it had assembled a team of more than 100 mechanics and engineers who were researching hydrogen fuel cells on behalf of the whole Volkswagen group, and had built a few prototype cars.

Hydrogen is viewed as a sure bet by the world's biggest truckmakers, such as Daimler AG unit Daimler Truck, Volvo Trucks and Hyundai, because batteries are too heavy for long-distance commercial vehicles.

REUTERS

A BMW iX5 Hydrogen is seen during Munich Auto Show in Germany on September 8.

Taliban expand economic team

Reuters

Afghanistan's Taliban government bolstered its economic team on Tuesday, naming a commerce minister and two deputies as the group tries to revive a financial system in shock from the abrupt end to billions of dollars in foreign aid.

Nooruddin Azizi, a businessman from Panjshir province north of Kabul, was named as acting minister of commerce and industry and would start work immediately, Taliban spokesman Zabihullah Mujahid told a news conference.

Azizi joins the acting finance minister and minister for economic affairs, both of whom were announced previously, in a team facing a daunting task.

Exacerbated by a drought that threatens to leave millions of people hungry, the economic crisis is among the biggest challenges facing the Taliban 20 years after they were driven from power by a US-led campaign in the wake of the September 11 attacks.

"We are working day and night on this and on making sure that the economic issue is resolved as soon as possible," Mujahid told reporters.

He did not give concrete proposals as to how this could be achieved, but did promise that government workers who have been unpaid since at least July would start receiving salaries soon. Underlining the economic pressures building on Afghanistan's new government, prices for staples like flour, fuel and rice have risen and long queues are still forming outside banks as they strictly ration withdrawals.

Some humanitarian aid has started to arrive and limited trade has returned across land borders with Pakistan, but a severe cash shortage is crippling day-to-day economic activity and decades of war have left much infrastructure in tatters.

Foreign aid payments, which accounted for 40 per cent of Afghanistan's gross domestic product, have all but stopped as the West considers how to deal with a group that, until August, led a deadly insurgency against the US-backed government.

IMF execs meet over charges boss changed data to favour China

AFP, Washington

The International Monetary Fund's board of directors met Tuesday over charges that its director, Kristalina Georgieva, pressured staff in 2017 when she was the World Bank CEO to change data in a key ranking report to paint China in a more positive light.

The board did not announce any immediate decision and said it would meet again "soon. "

"The IMF's Executive Board met today for an initial briefing from the Ethics Committee on the matter related to Managing Director Kristalina Georgieva's alleged role in the World Bank's Doing Business 2018 as described in the Investigation's Report," the IMF said in a statement.

It added that the board "emphasized the importance it attached to conducting a thorough, objective, and timely review and agreed to meet again soon for a further discussion.

"The board had already met with Georgieva, who denies the charges, last Thursday and Friday, immediately after the investigation was made public.