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AT A GLANCE

Smartphone penetration to reach 50pc in coming months
GP market leader in terms of number of smartphone users



Robi: Around 62pc of its 54.07m subscribers use smartphones



Banglalink: Around 50pc of its 38.70m customers have smart device



GP: About 42pc of its 83.87m subscribers use smartphones

REASONS BEHIND HIGH PENETRATION



Pandemic fuelled purchase of digital device



Use of internet increased during pandemic



Operators added 1.8cr new customers in last two years



Tax benefits for local manufacturing brought down price



4G rollout ensured better experience

LOCAL MANUFACTURING

SOURCE: BTRC



About 11 lakh smartphones made per month

LOAN WAIVERS

Rules relaxed for influential borrowers

STAR BUSINESS REPORT

Bangladesh Bank yesterday said that private banks would be able to waive the interest of borrowers whose funds have been transferred to the lenders' income segment, relaxing its previous stance in order to facilitate influential defaulters. However, state banks will not get the same facility, according to a notice from the central bank. In a circular dated April 21, Bangladesh Bank said that no bank could waive the interest that had already been transferred to their income segment.



A central bank official said they had been forced to revise the previous notice because of the immense pressure from some influential borrowers. The revision of the circular is completely illogical as the banks pay taxes based on their income.

"The decision will have an adverse impact on the banks' income," he said, adding that corporate governance in the banking sector will worsen as well.

Asked why the central bank has not allowed state banks to waive the interest on funds transferred to the income segment, he said the finance ministry had issued a directive in this regard in 2006.

Banks are usually transferred interest on loans even if borrowers do not pay instalments if they think that there is a strong possibility that the borrowers will make good on their payments.

But in some cases, the borrowers failed to repay the loan. In such a situation, the banks do not return the interest from the income segment to the interest under the unrealized segment.

READ MORE ON B3

Smartphone penetration fast approaching 50pc

MAHMUDUL HASAN

Smartphone penetration in Bangladesh is fast approaching 50 per cent as the coronavirus pandemic has accelerated the adoption of digital technologies to work, study and find entertainment using smart devices. Pre-virus, 38 per cent of mobile phone customers in the country had a smart device. Currently, it stands at 48 per cent.

"We have made an impressive stride in boosting the smartphone penetration since the fiscal year of 2017-2018 when we provided tax benefits to local manufacturing of smartphones," Mustafa Jabbar, telecom minister, told The Daily Star.

"Thanks to the local manufacturing, the price of smartphones has come down significantly, helping more people purchase a smart device."

Presently, there is about 58 per cent tax on smartphone imports, whereas the tax on the locally assembled and manufactured handsets is around 15 per cent.

Since FY18, 14 plants have been set up in Bangladesh,

creating jobs for around 16,000 people, and another four are in the pipeline.

The number of locally manufactured handsets was 2.6 crore in the last fiscal year, with smartphones accounting for 42 per cent.

Another major factor, according to industry people, for the increase in the smartphone penetration has been the pandemic.

From March 2020 to March 2022, mobile network operators added 1.8 crore new internet users, taking the total number of subscribers to 11.39 crore.

Before the outbreak of the health crisis, about half of the customers of Robi Axiata, the first operator in Bangladesh to have launched 4G, had smartphones. It moved past 60 per cent in March this year.

With 54.07 million customers, Robi Axiata is the second-largest mobile phone operator in the country.

Around 50 per cent of Banglalink's 38.70 million subscribers have smart devices at the present, while 42 per cent of Grameenphone's 83.87 million users use smartphones.

"Definitely, it's good news that smartphone penetration has increased," said

Mohammed Shahedul Alam, chief corporate and regulatory officer at Robi Axiata, which operates under the brand names of Robi and Airtel.

One of the main reasons for Robi's leading position when it comes to smartphone penetration, says Alam, was its preparation to roll out 4G in

countries.

"Due to the higher prices of 4G devices, this service is yet to reach within the purchasing power of many."

Smartphone penetration among Banglalink's users has also been increasing for the last two to three years.

"But it's not enough since a

should be introduced, said Rahman.

In a statement, Grameenphone says with the guidance and support of the Bangladesh Telecommunication Regulatory Commission, it has been working with device partners for many years to narrow the digital divide by introducing affordable smartphones.

"We have the highest number of smartphone users as of April in our network. We have already expanded our 4G network across Bangladesh. In order to ensure the maximum benefits of 4G and expedite digital inclusion, more industry collaboration is required."

However, the current pace of smartphone penetration could face a setback as the sales growth of smart devices slowed in the first quarter of 2022.

Device manufacturers sold 2.85 million smartphones in the January-March quarter, up by only 20,000 devices compared to the same quarter a year ago.

"The sales of smartphones witnessed a significant growth even during the pandemic. But 2022 has been frustrating so far," said Mohammad Mesbah Uddin, chief marketing officer

READ MORE ON B3



2018: just a day after receiving the licence, it introduced the service in 64 districts.

Robi's 4G subscribers are growing fast.

In March 2020, Robi had 39 per cent of its customers with 4G-enabled devices. This went up to 47 per cent in March last year and 55 per cent in March this year.

Alam said although the number of 4G subscribers has gone up in Bangladesh, it is still lower than in many other

vast number of customers still doesn't own a smartphone," said Taimur Rahman, chief corporate and regulatory affairs officer of Banglalink.

Both Alam and Rahman called for cutting the tariffs on 4G infrastructure products, special incentives for 4G devices, and launching the service in rural areas to popularise it.

Micro-loans for device purchase in collaboration between operators and banks

Eskayef first to make insulin cartridges in Bangladesh



STAR BUSINESS REPORT

Eskayef Pharmaceuticals, one of the country's top pharmaceutical companies, has set up Bangladesh's first manufacturing facility to produce insulin cartridges, a positive development for the millions of local diabetic patients.

The state-of-the-art production plant was inaugurated yesterday aiming to start supplying the insulin penfills by the third quarter of next year following successful trials and approval from the Directorate General of Drug Administration (DGDA).

Eskayef Pharmaceuticals has set up the plant in its Tongi production site with technical cooperation from Novo Nordisk, the world's biggest insulin maker.

People with diabetes use insulin pens to inject insulin, a vital hormone for people who have the disease. They contain a cartridge filled with insulin which can be replaced once finished. Due to its handy characteristics, the use of insulin pens is gaining popularity.

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From left, Lars Arnoldsen, corporate vice-president of Novo Nordisk A/S; Rajarshi Dey Sarkar, vice-president and general manager of Novo Nordisk Bangladesh; AK Azad Khan, a national professor and president of the Diabetic Association of Bangladesh; Major General Mohammad Yousuf, director general of the Directorate General of Drug Administration; Zaraif Ayaat Hossain, assistant general manager of Transcom Ltd; Simeen Rahman, group chief executive officer of Transcom Ltd; and Winnie Estrup Petersen, ambassador of Denmark to Bangladesh, attend the inauguration of a penfill manufacturing facility for Novo Nordisk insulins in Tongi of Gazipur yesterday. The facility of Eskayef Pharmaceuticals Ltd is expected to go into production by 2023.

PHOTO: STAR

C'nawabganj, Rajshahi both to use Fazli mango GI tag

STAR BUSINESS REPORT

Chapainawabganj and Rajshahi yesterday secured their names as producing regions of Fazli mango meaning that the northern districts will be able to use its Geographical Indication (GI) tag, which will enable growers to brand the popular mango variety better at home and abroad.

Both the mango producing zones will share the GI tag to brand Fazli, which is expected to arrive in the market in mid-June month, according to a senior official of the Department of Patent, Design & Trademarks (DPDT).

"The decision is that both the districts will be able to share the Fazli mango GI tag," said the official seeking to remain unnamed.

The development came after a hearing yesterday at the DPDT following a petition filed

READ MORE ON B3

India's inflation fight will hurt growth

Economists say

REUTERS, New Delhi

India's export duty hikes and tax cuts will likely hurt economic growth and raise the chances of the fiscal deficit widening, but do little to bring down retail prices within the central bank's tolerance level, economists and industry officials said.

Over the past month, India's fiscal and monetary policy have U-turned from being growth-focused to honing in on inflation - with the central bank raising the key interest rate by 40 basis points, and the government cutting taxes on fuel and disincentivising exports. "The measures announced mark a tacit admission by the government that both fiscal and monetary policies are set to be deployed to bring inflation down," said Sonal Varma, an analyst at Nomura.

Still, despite government intervention, India may end up with retail inflation at least 100 basis points above its 6% tolerance level, as key food prices are likely to be on the rise, economists at banks like HSBC and Nomura said.

The moves could hurt growth and the fiscal deficit could widen by 40-50 basis points, they said, despite the central bank governor saying India was likely to achieve its fiscal deficit target at 6.4 per cent of GDP.

Higher borrowing costs due to rate hikes and measures such as export taxes which could slow capital spending will hurt growth prospects, said Suvodeep Rakshit of Kotak Economic Research.

"The recent setback to growth and uncertainty on consumer demand is likely to push the revival in the private investment cycle further away," Rakshit said.

He kept his inflation projection unchanged at 7.2 per cent for 2022/23.



Milk from cows reared in individual homesteads being sold in plastic bottles for Tk 60 to Tk 70 per litre at Madhappasha area in Barishal's Babuganj upazila. Every day as much as 15 maunds (each maund equals around 37 kilogrammes) to 20 maunds of milk are sold here. The photo was taken recently.

PHOTO: TITU DAS

Samsung Group commits \$356b in investments

AFP, Seoul

South Korean conglomerate Samsung Group on Tuesday unveiled a massive 450 trillion won (\$356 billion) investment blueprint for the next five years aimed at making it a frontrunner in a wide range of sectors from semiconductors to biologics.

The new figure is an increase of more than a third over its investments spent over the past five years.

The tech giant is South Korea's largest chaebol - the family-run conglomerates that dominate the economy - and its overall turnover is equivalent to a fifth of the national gross domestic product.

Samsung Electronics, its flagship subsidiary, is the world's biggest smartphone maker.

The investment plan would bring "long-term growth in strategic businesses and help strengthen the global industrial ecosystem of crucial technology", Samsung said in a statement.

The 80,000 new jobs would be created "primarily in core businesses including semiconductors and biopharmaceuticals"

through 2026.

It also noted the investment would "bring forward the mass production of chips based on the 3-nanometer process", the latest technology to further shrink the size of semiconductors and boost computing power.

It will also invest heavily in biopharmaceuticals with its affiliates Samsung Biologics and Samsung Bioepis.

The new plan represents a 36 per cent increase in investment over its total investments over the past five years.

Of the 450 trillion won Samsung plans to spend over the next five years, it will commit 360 trillion won to South Korea.

The announcement comes after US President Joe Biden toured Samsung Electronics' massive Pyeongtaek semiconductor factory on Friday, underscoring the South Korean giant's role in securing global supply chains of microchips.

South Korea and the United States need to work to "keep our supply chains resilient, reliable and secure," Biden said, calling semiconductors manufactured

there as "a wonder of innovation" and crucial to the global economy.

Lee Jae-yong, the firm's vice-chairman and the de facto leader of the wider Samsung conglomerate, escorted Biden and newly sworn-in South Korean President Yoon Suk-yeol inside the assembly line, and introduced the two to an audience in English.

It was Lee's highest-profile public appearance since his release on parole in August.

He had served more than half of a two-and-a-half-year sentence for bribery, embezzlement and other offences in connection with a corruption scandal that brought down ex-South Korean president Park Geun-hye.

Samsung employs about 20,000 people in the United States and work is under way to build a new semiconductor plant in Texas, scheduled to open in 2024.

The vast majority of the world's most advanced microchips are made by just two companies - Samsung and Taiwan's TSMC - both of which are running at full capacity to alleviate a global shortage.

Nagad offers healthcare discounts

STAR BUSINESS DESK

Nagad is offering discounts of varying durations throughout the year on routine healthcare payments at several hospitals, mental health centres and dental care over the use of its app or merchant account through USSD *167#.

Discounts of up to Tk 2,350 are available with United Hospital till May 31 while discount of Tk 600 is available on purchase of a Tk 1,000 health card from Sakib 75 Health Care, said a press release.

At the Zaynax Health and Dhaka City Physiotherapy Hospital, a 20 per cent discount can be availed multiple times till July 15.

Discounts of up to 15 per cent and 5 per cent respectively are available at LifeSpring and Bangladesh Psychiatric Care till December 31 and August 31 respectively.

One Bank, National Housing Authority sign agreement

STAR BUSINESS DESK

One Bank recently signed a memorandum of understanding (MoU) with National Housing Authority for digitalisation of payment collection and operational management of Bostibashi Bharabhitik 533 Abashik Flat Project at Section-II, Mirpur in Dhaka.

Flat tenants under this project will be able to pay their monthly rent digitally using the bank's OK Wallet, online platforms and branches.

Mohammad Ullah, secretary to the authority, and Monzur Mofiz, managing director of the bank, signed the deal at Grihayan Bhaban in Dhaka, said a press release.

Md Delwar Haidar, chairman of the authority, Md Shahjahan Ali, member (admin and finance) and additional secretary, Md Maynul Hoque Anshary, member (land and asset management) and additional secretary, and Quazi Wasif Ahmad, member (engineering and co-ordination) & additional chief engineer, were present.

7UP TVC features Shakib, Fido Dido

STAR BUSINESS DESK

A new television commercial of lemon and lime flavoured non-caffeinated soft drink 7UP was released on Monday as a part of a "Think Fresh" summer campaign featuring brand ambassador Shakib Al Hasan.

It portrays Shakib making his way through a situation in life taking inspiration from 7UP's mascot Fido Dido and motivates youngsters to be calm and tackle every tough situation with composure and wit, said a press release.

Feasible options for cross-border power

FROM PAGE B4 agreement that allows the Indian authority to sign the framework of bilateral agreements between the government of India and the governments of the respective neighbouring countries. In other words, Bangladesh and Nepal need to sign bilateral agreements for cross-border electricity trade with India.

Bangladesh's options for cross-border energy trade

Bangladesh has an installed generation capacity of 25,556 MW from where about 13,079 MW of electricity has been generated. According to the April 30 report of the Bangladesh Power Development Board (BPDB), there is an unutilised capacity of 12,477 MW, which is as high as 48.8 per cent of the total installed capacity.

The amount of excess capacity usually rises further during the winter season, which amounted to be 52.8 per cent in November 2021. Apparently, such an excess reserve margin in generation capacity is likely to be a source for cross-border energy trade. It is important to note here that Bangladesh's plan to export electricity should not be based on its excess reserve margin, which is causing huge fiscal and budgetary pressure on the economy.

Maintaining more than 48 per cent of excess capacity requires paying capacity payment to the private sector. Although

the average retail price of electricity is Tk 6.81 per kilowatt-hour, the generation cost of some independent power producers and quick rental power plants after paying the capacity payment reached as high as Tk 300 (\$3.45) and Tk 600 (\$6.95) per unit, respectively.

Because of the administered price of electricity, such high generation costs have been accommodated by allocating subsidies from the public exchequer. Since FY2017, the government has allocated a subsidy of Tk 32,000 crore to mainly meet the capacity payment.

According to the data of September 2021, because of subsidising the electricity generation, the retail electricity price for commercial use in Bangladesh is Tk 8.99 (\$0.104) while in Nepal, it was 9.010 Nepalese rupee (\$0.074). Thus, Bangladesh's retail price is higher than that of Nepal.

Without the subsidy, Bangladesh may not offer a competitive price to Nepal. The point is: Will BPDB export electricity to Nepal or any other country at the subsidised price taking the burden of huge fiscal burden?

At present, more than 90 per cent of total electricity is generated by using domestic natural gas (52 per cent), imported liquefied natural gas or LNG (13 per cent), petroleum (36 per cent) and coal (3 per cent). The use of renewable energy is minimal - only 3

per cent.

With the depletion of domestic natural gas, the dependency on imported fossil fuels, both LNG and petroleum, is increasing. The government has spent \$5.4 billion to import crude petroleum, petroleum products, coal and LNG in 2021, while the import cost of energy was \$2.8 billion in FY2016.

The import bill for the purchase of energy would rise much higher in the ongoing fiscal year since the energy prices higher. Such a huge import bill has created huge pressure on the exchequer and the pressure would intensify in the coming years unless the energy mix is restructured by using more renewable energy. Hence, Bangladesh should not facilitate fossil fuel-based electricity for cross-border trading.

Feasible options for Bangladesh's cross-border energy trade

Bangladesh's future scope for regional electricity trade needs a major overhauling in its energy mix in order to achieve its target (40 per cent of the total power by renewable energy by 2041). It needs to significantly reduce its excess capacity and keep the installed capacity with a modest reserve margin.

Without phasing out the excess installed capacity of fossil fuel-based power plants, it is difficult to promote renewable energy-based power generation. Most of the quick rental power plants are supposed

to be closed down by 2024 and should not be extended beyond that.

Alternatively, Bangladesh will have to depend on the neighbouring countries to meet the target of 40 per cent of renewable energy through the import of renewable energy from India, Nepal and Bhutan.

It would be quite unfortunate if Bangladesh needs to import cheap renewable energy from neighbouring countries and export the electricity generated from expensive fossil fuels by bearing the burden of the capacity payment and the huge import bill. Bangladesh should prioritise developing a domestic base of renewable energy, cutting reliance on regional countries.

Exploring feasible options through the proposed master plan

Bangladesh's new power and energy policy, the Integrated Power and Energy System Master Plan, should promote developing a domestic base of energy, primarily focusing on renewable energy. Besides, the new plan should not put over-emphasis on cross-border trade of electricity.

Bangladesh has the little luxury to export electricity at subsidised prices. And there is no logic to keep these power plants alive with the argument of exporting electricity.

The author is research director of the Centre for Policy Dialogue

Sri Lanka hikes fuel

FROM PAGE B4 Diesel prices have increased 230 per cent and petrol has gone up 137 per cent in the past six months.

Both are in short supply and motorists have to queue, sometimes for days, to fill up.

An acute foreign exchange shortage has also led to widespread scarcity of food and medicines, with the public suffering lengthy electricity blackouts and high inflation.

Bus and taxi fares have risen by up to 50 per cent sparking price increases in almost all goods and services, officials said.

Wijesekera said the government was seeking a \$500 million loan from India to purchase fuel, in addition to two credit lines worth \$700 million already provided by New Delhi.

The census office reported Monday that the country's overall inflation last month was a staggering 33.8 per cent year on year, with food inflation at an even higher 45.1 per cent.

However, an economist at Johns Hopkins University, Steve Hanke, who tracks prices in the world's trouble spots, said Sri Lanka's inflation was even higher than officially reported.

"Using high-frequency data and the purchasing power parity technique, I accurately measure inflation at 122 per cent year on year," Hanke said, referring to March inflation, which was officially 21.5 per cent.



Mohammed Haider Ali Miah, managing director of EXIM Bank, received a certificate of appreciation from Fazole Kabir, governor of Bangladesh Bank, on the central bank premises in Dhaka recently for achieving a loan disbursement target of the government's special refinance scheme under a Covid-19 stimulus package. AKM Sajedur Rahman Khan, deputy governor of the BB, and Md Awlad Hossain Chowdhury, executive director, were present.

PHOTO: EXIM BANK



Mohammad Abu Jafar, additional managing director of Dhaka Bank, and Biplob Kumar Roy, chief executive officer of TVS Auto Bangladesh, exchanged signed documents of an agreement at the bank's head office on a distributor financing programme. Enranul Huq, managing director of the bank, and AKM Shahnawaj and Md Mostaque Ahmed, deputy managing directors, were present.

PHOTO: DHAKA BANK



Waliul Islam, chairman of SMC Enterprise, recently inaugurated its Annual Sales Conference for 2021 at the Pan Pacific Sonargaon Dhaka. The event awarded the top 12 performers for their significant contribution in achieving the sales target. Ali Reza Khan, managing director of SMC, and Abdul Haque, managing director of SMC Enterprise, were present.

PHOTO: SMC ENTERPRISE

Yanmar wants to make combined harvesters in Bangladesh

STAR BUSINESS REPORT

Japanese agricultural machinery manufacturer Yanmar has expressed interest to set up a factory in Bangladesh to manufacture combine harvesters for reaping paddy.

Yanmar is willing to set up the plant in a joint venture with ACI Motors in Bangladesh.

A delegation led by Sogo Det, international business head of Yanmar, came up with the proposal in a tripartite meeting with a team from ACI Motors and Agriculture Minister Muhammad Abdur Razzaque at Bangladesh Secretariat yesterday.

Yanmar and ACI have decided to set up the plant as the combined harvesters of Yanmar have high demand in Bangladesh, the ministry said in a statement.

Sogo Det said they have an initial plan to go into production locally from early 2024.

In the meeting, Razzaque said the shortage of agricultural workers was intensifying day by day in the country.

"Labourers are not available during the harvesting period. Besides, the production cost in traditional methods is much higher and time consuming too," he said.

Therefore, the government is working on mechanisation of agriculture on a priority basis and machinery is being supplied to farmers at 50 per cent subsidy across the country and 70 per cent subsidy in haor and coastal areas, said the minister.

Welcoming the initiative of Yanmar, Razzaque said, "We are emphasising manufacturing and assembling agriculture machinery locally. So, we will give all-out support to Yanmar in setting up a factory in Bangladesh."



Bananas have long been sold at wholesale by farmers at this spot by the Dhaka-Rangpur highway in Gobindaganj upazila of Gaibandha, eventually reaching markets around the country. Currently each bunch, that is all the bananas that grow on a true stem, sells for around Tk 300 to Tk 400. The photo was taken recently.

PHOTO: MOSTAFA SHABUJ

Stocks drop again amid taka's slide

STAR BUSINESS REPORT

The stock market index took another nosedive yesterday after Bangladesh Bank devalued the local currency against US dollars, raising concerns among foreign investors of a further depreciation.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), dropped 50 points, or 0.79 per cent, to end the trading session at 6,211.

However, the market had managed to break its eight-day losing streak on Monday, when the DSEX rose 118 points.

"General investors are panicked as they think the currency devaluation will continue and foreign investors will continue to sell shares as a result," a stockbroker said.

The taka has depreciated against American greenback amid a decreased supply of the foreign currency.

The latest devaluation comes as

the Bangladesh Bank depreciated the inter-bank exchange rate by Tk 0.4 to Tk 87.9 per USD. This is the sixth time the local currency has been devalued this year.

"Although the participation of foreign investors in our stock market is comparatively low, general investors are panicked," he said, adding that until the fear of further devaluation disappears, foreign investors will continue to sell shares.

"Once the fear is gone, then they will invest further so general investors should not be panicked."

Investors are also concerned about a possible intervention in the interest rate as it may also impact the market. The banking sector has maintained a 9 per cent lending rate and 6 per cent deposit rate since April 1 of 2020.

"If the interest rate is raised, then the money supply will be contracted and it will impact the market negatively," he added.

At the DSE, 55 stocks advanced,

278 declined and 43 remained unchanged.

The market reverted to a losing trend despite supportive measures, International Leasing Securities said in its daily market review.

The investors were active in purchasing some stocks at lucrative prices in the morning session, however, the market observed volatility throughout the day.

"The last hour sale pressure from some investors lowered the broad index," it added.

Investor activity was mostly concentrated on pharmaceuticals and chemicals (15 per cent), miscellaneous (12.3 per cent), and bank (11.1 per cent).

Silco Pharmaceuticals topped the gainers with a rise of 6.8 per cent while Silva Pharmaceuticals, Delta Life Insurance, Central Pharmaceuticals, and Golden Harvest Agro Industries also witnessed appreciation.

Sonali Paper & Board Mills shed the most, dropping 27 per cent.

"General investors are panicked as they think the currency devaluation will continue and foreign investors will continue to sell shares. Although participation of foreign investors in our market is low, investors are worried."

A stockbroker said

Electric car sales soar

AFP, Paris

Sales of electric cars accelerated last year but the availability of critical raw materials such as lithium risked slowing the sector's growth, a report warned Monday.

At 6.6 million last year, electric vehicles sales more than doubled and they now account for one in 10 new cars sold, according to the International Energy Agency's annual report on the

sector. China alone accounted for half of those sales.

Electric vehicle sales continue to soar, rising by 75 per cent in the first quarter of this year compared to the same period last year.

Public subsidies to lower the cost to consumers have been a major factor in the adoption of electric vehicles, and they doubled last year to nearly 30 billion euros (\$32 billion) last year.

Eskayef first to make insulin

FROM PAGE B1

Addressing the inauguration at the plant, AK Azad, national professor and president of the Diabetic Association of Bangladesh, said, "In case of insulin production, Eskayef is a pioneer in the country. So, we [the Diabetic Association of Bangladesh] should have more collaborations."

Termining access to insulin a human right for diabetic patients, he hoped that Eskayef would provide insulin to the millions of diabetic patients in need at an affordable cost.

Major General Muhammad Yousuf, director-general of the DGDA, appreciated the collaboration and emphasised the role of the DGDA in ensuring compliance in the pharmaceutical sector.

Winnie Estrup Petersen, ambassador of Denmark to Bangladesh, praised the initiative of Eskayef and Novo Nordisk, highlighted the commitment of Denmark towards Bangladesh and put focus on sustainability and green transformation as well.

Simeen Rahman, Group CEO of Transcom Ltd, which owns Eskayef Pharmaceuticals, said her company's unwavering commitment has enabled Eskayef to manufacture 30 million insulin vials over the years that have served diabetic patients in

Bangladesh. "This inauguration today is not just a milestone for Novo Nordisk and Eskayef. I believe it is a great step taken together by the two organisations, which treasure the same core values and a belief in Bangladesh."

She also mentioned that Eskayef was committed to driving international quality.

In his presentation, Rajarshi Dey Sarkar, vice president and general manager of Novo Nordisk Bangladesh, said around five million diabetic patients in Bangladesh use insulin produced by their company, which meets half the country's demand.

Since 2012, Eskayef has been producing Novo Nordisk's insulin vials in its plant.

Bangladesh has about 13 million adults living with diabetes and the number is estimated to be around 22 million by 2045, according to the International Diabetes Federation.

Smartphone penetration

FROM PAGE B1

of Fair Electronics, Samsung's local assembly partner.

"People might be tightening their belts due to the economic uncertainty caused by the ongoing Russia-Ukraine war."

C'nawabganj, Rajshahi

FROM PAGE B1

by a group of farmers of Chapainawabganj challenging the GI certificate that Rajshahi got from DPDT under the industries ministry early October in 2021.

The Chapainawabganj Krishi Association submitted a petition claiming that the fruit belongs to Chapainawabganj and opposed the GI tag for Rajshahi.

After the hearing, the DPDT registrar, Zanendra Nath Sarker, came to the conclusion that both districts have been producing the famous mango even before the British era on the basis of the documents furnished by the Chapainawabganj Krishi Association and the Rajshahi Fruit Research

Centre.

"We will discuss about the present scenario among the officials of the association. Then we will pass a formal comment," said Munjer Alam, secretary of the Chapainawabganj Krishi Association.

"After hearing both the parties, the DPDT delivered its primary verdict.

The full verdict will be published Sunday," said Alim Uddin, principal scientific officer of the Rajshahi Fruit Research Centre.

"If we don't accept the verdict, then we have chances to go the court for further hearing. But we are yet to decide whether we will go to the court or not."

The official said it is a primary verdict and the court will issue a full text early next week.

"We will issue a revised gazette giving two months to know if there is any claim from any place," said the official of the DPDT, the intellectual rights protection agency.

GI is a name or sign used on certain products to certify that they possess certain qualities because they are made as per traditional methods or enjoy a certain reputation due to their geographical origin.

This the first time the two regions will share a GI tag.

The DPDT has so far issued GI certificates for 9 products, including Jamdani, Hilsa, Dhakai Muslin, Rajshahi's Silk, Kalijira rice of Bangladesh.

However, the use of GI for branding and marketing of the products is yet to start.

becomes defaulted.

Md Serajul Islam, spokesperson and an executive director of Bangladesh Bank, said the central bank took this decision given the existing situation in the financial sector.

He declined to comment further.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, said private banks should waive the interest of the borrowers whose loans cannot be recovered under any circumstance.

He urged the banks not to waive loans rampantly though.

Rules relaxed for influential

FROM PAGE B1

to the interest under the unrealized segment.

The bank also calculates the interest of the loans that become defaulted.

As per the first Bangladesh Bank circular, banks are only allowed to waive the interest which is calculated after a loan

30 investors claim Firstlead Securities swindled Tk 10cr

STAR BUSINESS REPORT

Thirty stock investors yesterday alleged that Firstlead Securities, a stockbrokerage firm of the Chittagong Stock Exchange (CSE), has sold their shares and swindled funds of Tk 10 crore.

The investors came up with the allegation in a press briefing at the office of the Capital Market Journalists' Forum in Dhaka.

The managing director of Firstlead Securities sold all shares of the 30 stock investors who used to trade through the company's Dhaka office, said Md Ayub Khan, one of the stock investors.

"Firstlead Securities never sent any text or email to us about selling the shares."

When we asked the brokerage house about the reasons of not sending any text, it said we will soon start receiving information when any shares are sold."

"When we tried to transfer our shares to another brokerage firm, we came to know that the Bangladesh Securities and Exchange Commission (BSEC) had already suspended Firstlead's trading rights," he said in a written speech at the briefing.

The stock market regulator had decided to suspend the trading activities of Firstlead last August as it had failed to pay its customers properly.

Meanwhile, Khan alleged that Firstlead was able to sell their shares even though its trading activities were suspended for using duplicate software.

In this situation, the stock investors appealed to the authorities of the Chittagong Stock Exchange on January 20 to take steps to transfer the shares to their other beneficiary owner (BO) accounts.

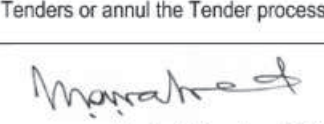
However, the CSE did not take any step to transfer the shares.

"Meanwhile, the Central Depository of Bangladesh informed us that we currently have no share in our BO accounts opened with Firstlead Securities," Khan said.

After that, the investors sought help from the stock market regulator with the request to take steps to save their lives, he added.

The other stock investors present at the press briefing were: Mohammad Ali, Mohammad Ali Chokidar, Md Shahidullah, Krishna Roy, Md Kamruzzaman, Saiful Islam and Mohammad Aynur Rahman.

Despite repeated attempts to contact Firstlead's Managing Director Muhiul Bari Muhih, The Daily Star could not reach him for comments by the time this report was filed.

Center for Environmental and Geographic Information Services (CEGIS)	
House # 6, Road # 23/C, Gulshan-1, Dhaka-1212	
Tender Ref. no 42.06.2626.101.06.001.22-1242	Date : 22 nd May, 2022
Invitation of Tender for	
(i) Supply & Installation work of ICT Infrastructure Development and (ii) Supply, Installation, Testing and Commissioning of HVAC System (VRF) of CEGIS Office Building at Plot No. F-14/E, Agargaon, Sher-E-Bangla Nagar, Dhaka.	
1	Name of Organization Center for Environmental and Geographic Information Services (CEGIS)
2	Invitation for Procurement of Works
3	Invitation Ref No. & Date 42.06.2626.101.06.001.22-1242, 22 nd May, 2022
KEY INFORMATION	
4	Procurement Method Open Tendering Method (OTM)
FUNDING INFORMATION	
5	Source of Fund CEGIS fund
PARTICULAR INFORMATION	
6	Project name CEGIS Office Building Construction Project
7	Tender Packages Name Package I: Supply & Installation work of ICT Infrastructure Development and Package II: Supply, Installation, Testing and Commissioning of HVAC System (VRF) of CEGIS Office Building at Plot No. F-14/E, Agargaon, Sher-E-Bangla Nagar
8	Last Date of Selling Tender 21 June, 2022 by 05:00 p.m.
9	Last Date & Time of receiving Tenders 22 June, 2022, by 01:00 p.m.
10	Opening Date & Time of Tenders 22 June, 2022, 03:00 p.m.
11	Name & Address of the office for Selling, receiving & opening of Tender Documents Center for Environmental and Geographic Information Services House # 6, Road # 23/C, Gulshan-1, Dhaka-1212
12	Place, date and time of Pre-tender meeting Conference Room of CEGIS office, House 6, Road 23/C, Gulshan-1, Dhaka-1212 Date: 14 June, 2022, Time: 10:30 a.m.
INFORMATION FOR TENDERER	
13	Brief Eligibility and Qualification of Tenderer Tenderers shall have experience certificates in supplying, installation & commissioning of the respective works in Government/Semi-Government/ Autonomous bodies/Private buildings by Developers. Tenderers shall also have Trade license, VAT registration and TIN numbers including Income Tax Certificates and other criteria specified in Tender Documents.
14	Brief Description of Works Supplying, installation and commissioning of relevant works as specified in the packages and respective tender documents.
15	Price of Tender Document Tk. 2000.00 (Taka Two thousand) only (non-refundable) individually for each of each package
16	Tender Security For Package I: Tk. 12.00 (twelve) lacs; and for Package II: Tk. 10.00 (ten) lacs in the form of Pay Order or Bank Draft in favor of CEGIS
17	Completion Time 3 (three) months
PROCURING ENTITY DETAILS	
18	Name, Designation and Address/Contact details of Official Inviting Tender Md. Sarfaraz Wahed, Project Director, CBCP CEGIS, House # 6, Road # 23/C, Gulshan-1, Dhaka-1212 Phone # 222282551, 222263581, E-mail: mswahed@cegisbd.com
19	Tenderers having quoted the tender price more than 10 (Ten) percent above or below the official cost estimate, the tender will be treated as non-responsive
20	The contract shall be awarded to the lowest responsive Tenderer having no arithmetical or other anomalies in the amount quoted, fulfilling the criterion mentioned in Sl. No. 13 and in the Instructions to the Tenderers (ITT) and Tender Data Sheet (TDS) of the respective Tender documents.
21	The Procuring Entity reserves the right to reject all the Tenders or annul the Tender process.
 Project Director, CBCP	

Rouble firms past 57 vs dollar for first time in 4 years

REUTERS

The Russian rouble strengthened to levels not seen since March 2018 against the dollar on Tuesday, boosted by export-focused companies selling foreign currency to pay taxes and shrugging off a slight easing of capital controls.

The rouble has firmed about 30 per cent against the dollar this year despite a full-scale economic crisis in Russia, making it the world's best-performing currency.

The rouble is steered by capital controls imposed in late February to shield Russia's financial sector after Moscow's decision to send tens of thousands of troops into Ukraine prompted unprecedented Western sanctions.

At 11:00 GMT, the rouble was 2.5 per cent stronger against the dollar at 56.36, hovering around this level for the first time in more than four years.

Against the euro, the rouble gained 3 per cent to 58.24, its strongest in seven years.

"The rouble's sharp gains again owed to tomorrow's looming deadline for 600 billion roubles (\$10.43 billion) in mineral extraction tax payments and the conversion of payment for gas exports into roubles," Sberbank CIB said in a note.

"We think the local currency may have trouble prolonging its recent rally, as selling activity among exporters may begin to decline."

The currency's strength has raised concerns about the negative impact on Russia's budget revenue from exports. On Monday, Russia cut the proportion of foreign currency revenue that exporters must convert into roubles to 50 per cent from 80 per cent.

Despite the slight relaxation in capital controls, the rouble could firm to 55 against the dollar in the near term, said Dmitry Polevoy, head of investment at LockInvest.

"Current levels could be used to open long positions in foreign currencies by mid- and long-term investors," Polevoy said. The rouble may return to levels of 60-65 against the dollar in June, Sinara Investment Bank said in a note.



Workers are seen welding together two sections of the 250-kilometre fuel pipeline between Chattogram and Dhaka. Being implemented at a cost of about Tk 3,172 crore, the project is scheduled to be complete by this December. The photo was taken in Sitakunda upazila of Chattogram recently.

PHOTO: RAJIB RAIHAN

DHAKA-CTG FUEL PIPELINE

Construction 50pc complete: officials

MD NAZRUL ISLAM, Chattogram

The installation of a fuel pipeline from Chattogram to Dhaka is progressing at a brisk pace as about half of the work is already complete while the rest is expected to be complete by December, according to project officials.

The pipeline is being set up to facilitate direct shipments of fuel from Patenga in Chattogram to Narayanganj in Dhaka.

At present, fuel is transported from Chattogram to destinations across the country either by land or sea, said officials of the Bangladesh Petroleum Corporation (BPC).

In addition to the huge amount of related transport costs, fuel theft also happens every day.

Moreover, due to navigability issues in inland waterways, transporting fuel become particularly difficult during the dry season.

This disrupts the supply of fuel but if the project is implemented, the BPC could avoid these losses, they said.

The BPC officials went on to say that the project would facilitate the movement of 27-30 lakh tonnes of fuel directly from Chattogram to Dhaka each year while the capacity could be increased to 50 lakh tonnes later.

This will revolutionize the transportation of fuel, sources said, adding that with this, the long wait for safe fuel transportation will come to an end.

The BPC is implementing the project at a cost of about Tk 3,172 crore under the supervision of the 24th Engineer Construction Brigade of Bangladesh Army.

Colonel Jahangir Hossain, a project director, told The Daily Star that the project's deadline is in December.

"In the meantime, the works will be completed and the pipeline will be made suitable for transporting fuel," he said.

All the pipes required for installing the 250-kilometre (km) pipeline have already reached the country while about 80 per cent of the other necessary equipment is here as well.

"We have completed the work of laying pipes in an area of 200 km. Pipe welding has also been completed in an area of 170 km. In all, the progress of the project is 50 per cent," Hossain added.

Project officials said the BPC started a feasibility study in 2015 on building a pipeline to transport fuel directly from Chattogram to Dhaka. Engineers India Limited was then hired as a consultant and after the feasibility study, a policy decision was taken to implement the

project in 2017.

In October 2018, the Executive Committee of the National Economic Council approved the project, called "Supply of fuel oil in the pipeline from Chattogram to Dhaka", at a cost of Tk 2,861.31 crore.

However, the development project proposal was revised in several phases and the cost now stands at Tk 3,171.85 crore.

Around 241.28 kms of pipes have been installed between Guptakhal area of Patenga and Godnail in Narayanganj via Feni, Cumilla, Chandpur and Munshiganj.

This pipeline, placed five feet below ground, has a diameter of 16 inches. Besides, 8.29 kms of pipeline will be constructed from Godnail in Narayanganj to Fatulla. However, the diameter of these pipelines will be 10 inches instead of 16. The pipeline will run from Patenga to Fatulla, touching the bottom of 22 rivers and canals.

There are about 10 big rivers in the construction zone and at present, the work on installing pipes under two of them is pending. There will be nine stations across the entire pipeline and a new fuel depot will be set up in Barura upazila of Cumilla.

Engineer Aminul Haque, who is acting project director on behalf of the BPC, said work on the project is progressing at a fast pace after overcoming various complications.

"It is scheduled to be complete by December this year," he said, adding that the implementation of this project will revolutionize fuel transportation in the country.



Feasible options for cross-border power trade with Nepal

KHONDAKER GOLAM MOAZZEM

On April 26, State Minister for Power, Energy and Mineral Resources Nasrul Hamid met with a Nepali delegation led by Pampha Bhusal, the energy, water resources and irrigation minister of the country.

According to a press release on the meeting, Hamid announced that Bangladesh and Nepal could consider bilateral trade of electricity where Bangladesh could export its surplus electricity to Nepal to meet its deficit in electricity and could import electricity from Nepal generated by hydroelectric projects during the summer season.

The proposal apparently indicates a good example of regional energy cooperation between Bangladesh and Nepal in partnership with India where the latter's transmission system needs to be used. However, the proposal needs further scrutiny to better understand the nature of energy cooperation between Bangladesh and Nepal and the level of partnership with India in this regard.

Nepal's options for cross-border energy trade Nepal has recently turned to be in a state of energy surplus after it has long been an energy-deficient country. According to the White Paper 2018 of Nepal, Nepal had an electricity deficit of 377 megawatts.

However, after initiating the operation of the Upper Tamakoshi Hydropower Project (456 MW) in 2021, Nepal has now a surplus power of 500MW even during the peak time. Its total generation capacity stands at 2,000 MW, of which 1,900 MW, or 95 per cent of the total, is based on hydro-power.

It would be quite unfortunate if Bangladesh needs to import cheap renewable energy from neighbouring countries and export the electricity generated from expensive fossil fuels by bearing the burden of the capacity payment and the huge import bill

Nepal has already started trading a part of its surplus electricity (39 MW out of 500 MW) with the Indian energy exchange and is now pursuing exporting a part of its surplus electricity to a third country such as Bangladesh.

The amount of surplus electricity will rise further if Nepal becomes successful in making necessary investments to reach its target of additional power generation of 5,000 MW by 2025 and 15,000 MW by 2030. Thus, the case of Nepal to explore the third country to trade its surplus electricity has a valid reason. Under such circumstances, it is not sure whether Nepal would experience a deficit in power supply in the future. If not, the possibility for Bangladesh to explore the opportunity to export its surplus electricity to Nepal would be rather low.

Partnership with India in cross-border electricity trade between Bangladesh and Nepal Being a land-locked country, Nepal's plan to export its electricity other than India requires India's close cooperation and partnership. According to the Central Electricity Regulatory Commission of India, the Indian authority is allowed to do cross-border trade where India is involved.

There is a specific provision of a tripartite agreement that allows the Indian authority

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India to restrict sugar exports

REUTERS, Mumbai

India plans to restrict sugar exports for the first time in six years to prevent a surge in domestic prices and could cap this season's exports at 8 million tonnes, government and industry sources told Reuters.

An announcement could come early next month, they said. Shares in sugar manufacturers slid on the news, with Dhampur Sugar Mills and Balrampur Chini each tumbling 5 per cent and Dwarikesh Sugar losing 6 per cent.

"Sugar output is going to be a record high, but stocks are depleting fast because of exports. Uncontrolled exports could create scarcity and local prices could spike during festive season," said a senior government official with knowledge of the matter who asked not to be identified.

Two of three sources said the government has planned a cap of 8 million while one official said the government is also exploring the option of a levy on exports to discourage overseas sales.

India's Ministry of Commerce and Industry did not immediately respond to a request for comment.

A cap of 8 million tonnes for the marketing year to end September could result in a de facto ban for exports from May as dealers say mills have already contracted to export 7 million tonnes so far.

Based on March deals for around 1 million tonnes of exports, they estimate mills could sign contracts for another 1 million tonnes in April after global white sugar prices, jumped to a 5-year high on Thursday.

Lower output in top producer Brazil and firm oil prices which encourage mills to produce more sugarcane-based ethanol have spurred global price gains. Export curbs by India, the world's No. 2 sugar exporter, would likely further lift prices.



Roadside vendors sell sugarcane stalks at a market on the eve of a Hindu festival in Bangalore, India.

PHOTO: AFP/FILE

Sri Lanka hikes fuel prices to record high

AFP, Colombo

Cash-strapped Sri Lanka sharply hiked fuel prices to a record high on Tuesday, causing further pain to the country's 22 million people in its worst crisis since independence.

The South Asian island nation has suffered months of dire shortages and anti-government protests, which turned deadly earlier in May with at least nine people killed.

Energy Minister Kanchana Wijesekera said a newly appointed "economic war cabinet" on Monday approved the new rates to stem huge losses at the state-run Ceylon Petroleum Corp.

The price of diesel, commonly used in public transport, was raised from 289 rupees (\$0.80) to 400 rupees a litre, a 38-per cent jump, while the cost of a litre of petrol was increased from 338 to 420 rupees.

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