

Incepta brings vaccine for cervical cancer

STAR BUSINESS REPORT

Incepta Vaccine Ltd, the country's first vaccine manufacturing company, has launched cervical cancer vaccine Papilovax in Bangladesh.

Papilovax vaccine protects against cervical cancer by preventing the HPV virus responsible for cervical cancer, Incepta said in a statement yesterday.

Cervical cancer is the second leading cause of female cancer deaths in Bangladesh. The main cause of death in this cancer is ignorance and years of neglect, according to the statement.

Every year more than 10,000 women die of cervical cancer in the country and more than 5 crore women are at risk of it.

By giving this vaccine to all healthy women from 9 to 45 years, Bangladesh will go a long way in eradicating cervical cancer. This vaccine will help meet the long-standing demand in the country.

Papilovax is also marketed in modern pre-filled syringes. It should be noted here that the full dose in pre-filled syringes is manufactured in aseptic environment and marketed at controlled temperature in fully sterile packaging.

COMPLAINTS AND SETTLEMENT

(As of June 13, 2022)

27,417 complaints were lodged against 43 e-commerce sites

12,792 have been settled so far

Settlement rate 47%, last year 86%

Highest **10,747** complaints against Evaly, settlement rate 41%

5,815 new complaints against Evaly last year, only 353 settled

5,867 against E-orange, only 33 settled

554 against Dhamaka Shopping, only 81 settled

SOURCE: **DNCRP**



E-COMMERCE SCAMS

Year passes, few get redress

MAHMUDUL HASAN and SUKANTA HALDER

Over a year has passed since government agencies cracked down on several e-commerce platforms for not providing refunds or delivering products of thousands of customers after luring them with hefty discounts.

Only a few got to avail redress.

The scope of getting redress is narrowing as some of the accused have fled the country, some are in jail, some out on bail and the rest still at large.

Only 47 per cent of complaints filed by e-commerce customers with the Directorate of National Consumer Rights Protection (DNCRP) were settled as of June this year, down from 86 per cent in the same period last year.

Meaning that the number of customers who are getting remedy is shrinking.

Customers so far filed about 27,417 complaints against the e-commerce platforms and 12,792 of those have been settled and the remaining 14,625 remained unsettled as of June.

However, one year earlier, the number of complaints was 13,317 and about 86 per cent of the complaints were resolved.

The highest number of complaints were against Evaly.

About 84 per cent of the 10,747 complaints filed against Evaly were settled last year as of June. But the settlement rate plunged to 41 per cent as of June this year.

About 5,815 new complaints were filed against Evaly in the last one year but only 353 were resolved during this period.

The probability of getting back money for Evaly's customers is particularly low as it has a huge amount of liabilities to customers and merchants but only has limited amount of assets.

For example, a sum of Tk 25 crore of Evaly is now stuck in escrow accounts of different payment gateways and goods worth Tk 25 crore are in two of Evaly's warehouses, according to a court-instituted board.

Justice AHM Shamsuddin Chowdhury Manik, who leads the board, recently said this amount was a "drop in the ocean" when compared to the claims made against the company.

E-orange took second place on the list of companies with the highest complaints as 5,867 were filed against it. Only 33 or 0.56 per cent were settled by the DNCRP.

E-orange founder Sonia Mehjabin and several of its officials have been in jail since their arrest on August 16 last year on charge of embezzling Tk 1,100 crore of

customers.

Around a year has passed since Arif Anwari, a freelancer who made advance payments of about Tk 9 lakh to E-orange for motorcycles and other products, filed a complaint with the DNCRP. But his complaints haven't been resolved.

An official of Criminal Investigation Department (CID) said the department had recently concluded that E-orange officials laundered over Tk 230 crore abroad.

Of 554 complaints against Dhamaka Shopping, only 81 or 14 per cent have been resolved so far.

A CID official said over Tk 100 crore of customers and merchant money was laundered by the Dhamaka officials and its managing director, SMD Jashimuddin Chisty, has fled to the US.

Among other controversial e-commerce platforms, the rate of complaints being resolved stands at 1.39 per cent for Alesha Mart, 2.11 per cent for Qcoom.com, 7.69 per cent for Dalal Plus and 24 per cent for Adyan Mart as of June 13 this year.

Asked about the fall in the rate of complaints being resolved, AHM Shafiquzzaman, director general at the DNCRP, said to resolve complaints, the directorate calls the officials of the companies for a hearing.

But offices of many of such e-commerce platforms have shut down and there is no trace of their officials, he said.

"The maximum number of complaints are against Evaly. There is no one to refund its money," he added.

He said about 300 complaints against Alesha Mart and Qcoom.com would be resolved within this month.

Hafizur Rahman, additional secretary to the commerce ministry, said about 20,299 customers of Qcoom.com, Alesha Mart, BoomBoom, Anandabazar and others received Tk 182.24 crore as of June 16 from Tk 394 crore stuck at payment gateways.

According to industry people, the amount refunded is very small compared to the total amount embezzled from customers.

"It's just the tip of the iceberg. Our estimate is that the liability of only Evaly is over Tk 2,000 crore and none of Evaly's customers got their money back," AKM Fahim Mashroor, a former president of the Bangladesh Association of Software and Information Services, told The Daily Star.

Over 4 lakh customers and merchants haven't got any of their Tk 4,000 crore to Tk 5,000 crore back yet, said Mashroor, also chief executive officer of bdjobs.com and ajkerdeal.com.

GP profit rises 8pc

STAR BUSINESS REPORT

Listed telecom company Grameenphone logged 8 per cent rise in profits in the April to June period of 2022 riding on higher revenue earnings.

The top telecom company booked profits of Tk 920 crore in the recently ended quarter, up from Tk 850 crore in the same period previous year.

Its half-yearly (January-June, 2022) profits, however, dropped 0.63 per cent to Tk 1,730 crore, according to the company's audited financial report.

The board of directors of the company announced 125 per cent cash dividend for its shareholders.

Despite the dividend announcement, the share price of Grameenphone dropped 0.10 per cent to Tk 289.5 on the Dhaka Stock Exchange yesterday.

The price fall of Grameenphone's shares started last month when the Bangladesh Telecommunication Regulatory Commission imposed a ban on sales of the mobile phone operator's SIMs because of its failure to ensure quality service.

Peyala Cafe opens outlet in Banani

STAR BUSINESS REPORT

Peyala Café has recently opened its flagship store in Dhaka's Banani-II, according to a statement released by MGH Restaurants Private Limited, a venture of MGH Group which runs the food and beverage brand Peyala Café.

"Peyala Cafe is excited to connect with the Banani neighbourhood and offer its Masala-routed crowd favourite cuisines of Thai, Indian, Mexican and of course Bangladeshi origins in the form of Wraps or Salad Bowls to be paired with the customer's choice of condiments," said Arsalan Ahmed, manager at MGH Restaurants Private Limited.

"We are simply delighted to be a part of one of the most exciting neighbourhoods in the country and create an environment for guests to walk in and enjoy our newly launched Burgers or just chill with a cup of Cha and socialise."

Alongside Banani-II, Peyala Café is currently operating on Gulshan Avenue and Karwan Bazar.

Amazon takes on Britain's Tesco with price match scheme

REUTERS, London

Amazon, seeking an edge amid a deteriorating cost of living crisis, will match UK grocery market leader Tesco's prices on hundreds of products, it said on Monday.

The new scheme from Amazon Fresh, which delivers groceries to Amazon Prime members, will match its prices to Tesco Clubcard deals on everyday items, including meat and fish.

"We know that our customers are looking for ways to save on their weekly grocery shopping," Russell Jones, Amazon Fresh director said.

Facing the toughest economic conditions in decades, Britain's food retailers are monitoring each other's' prices more than ever.

Withdraw export threshold

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In response, the EU delegation and association leaders said they would follow the government's roadmap in applying labour laws, which are going to be reformed in consultation with the EU.

The EU has been pressuring the government to amend the labour law and bring Export Processing Zones (EPZ) under uniform regulations in order to enjoy the EU trade benefit under the new GSP scheme.

BGMEA and BKMEA leaders highlighted the progress made in workplace safety as well as the industry's gradual adoption of green manufacturing practices to protect the environment.

MA Razzaque, research director of the Policy Research Institute of Bangladesh, said the specified EU "safeguards" would exclude the country's clothing exports from any tariff preferences.

"The proposed GSP has removed the import share criterion, which stipulated that a country's share in EU GSP covered imports in 2019 can't be more than 7.4 per cent," he added.

So, if the proposed rules remain

unchanged, the average tariff on apparel exports from Bangladesh to the EU will rise from the currently zero to an average of 12 per cent, according to Razzaque.

The new proposals will be finalised when adopted by the European Parliament and the European Commission, the executive branch of the EU, potentially in the last quarter of 2022.

"So, Bangladesh needs to negotiate further with the EU to change the current draft of the GSP regulation because if this draft is passed, local garment items will have very less chance of enjoying the zero-duty benefit," Razzaque said.

Commerce Minister Tipu Munshi on different occasions also requested the EU to remove the threshold from proposed GSP scheme.

Mohammad Hatem, executive president of the BKMEA, said the EU delegation promised they would remove the threshold from the proposed GSP as the scope exists until it is passed in parliament.

Hatem then informed that the EU delegation said Bangladesh could go for signing a free trade agreement

with the EU in the future.

The six member EU trade committee led by Heidi Hautala is scheduled to hold discussions with secretaries of the commerce, labour and foreign ministries to assess the country's labour and human rights and the workplace safety issues at a meeting to be held at the Foreign Service Academy in Dhaka, said Abdur Rahim Khan, additional secretary to the commerce ministry.

In March this year, another EU delegation also expressed concerns over the delay in amendments to the labour law as the EU wants uniform labour laws for workers both inside and outside of EPZs.

The EPZ labour law was supposed to be amended by December last year.

"The vetting of the draft of the amendable labour law is almost completed and very soon it will be sent to the parliament for making it as a law," Khan said.

Bangladesh's garment exports to the EU, the largest apparel importer in the world, increased by 33.87 per cent to \$21.04 billion in FY21-22 from \$15.99 billion in FY20-21, EPB data showed.

Rolls-Royce

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"The company is a listed joint venture but no details of the foreign investor is mentioned in documents. Therefore, the company's licence has been suspended. The bond licence will available if these issues are resolved," he added.

Sharif Zahir, managing director of Z&Z Intimates, said, "Initially there were four owners but later all the shares were transferred to two. As a result, the signatures of the two who left were not required."

He claimed that he was not aware about any licence suspension until Sunday. He said he could not inform of the reason for the suspension until the letter was received.

"We are being harassed by customs officials without any valid reason. Recently our company was accused of tax evasion of Tk 24 crore for importing a vehicle. However, we imported the car with Bepza's permission under duty-free facility," he claimed.

Russia's block on Ukraine grain could starve thousands: EU

AFP, Brussels

Russia's blockade of Ukrainian ports threatens grain supplies to tens of thousands of people vulnerable to starvation and must end, EU foreign policy chief Josep Borrell warned Monday.

"It's an issue of life and death for many human beings. And the question is that Russia has to de-block and allow Ukrainian grain to be exported," Borrell told reporters. Russian and Ukrainian negotiators will meet UN and Turkish diplomats in Istanbul on Wednesday to discuss a possible agreement to end the months-long blockade of Ukraine's ports.

President Vladimir Putin's Russia invaded Ukraine in February and its forces have captured some Black Sea ports and bombarded others, including the key grain exporting outlet in the city of Odessa.

Ukraine has also mined the approaches to some of its ports to protect them from Russian assault.

But Ukraine's farms are a major source of grain for the world market, in particular in the Middle East and Africa, where food supplies are critically tight.

"The most worrisome thing is the lack of food in many countries around the world, and there is not food because Russia is blocking the

export of Ukrainian grain," Borrell said.

Borrell spoke as he arrived at a meeting in Brussels of EU foreign ministers to discuss closing loopholes in their sanctions regime to punish Russia for the invasion.

He said that Ukraine's European allies would do what they can to help Kyiv export its grain through overland routes and across the Danube river, but warned that the ports were key.

"So, I hope -- and I think I have a hope -- that this week it will be possible to reach an agreement to de-block this and other Ukrainian ports," he said, referring to Odessa.

Loan defaulters get a big break

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Habitual defaulters will not be allowed to enjoy any policy support from the relaxed rules, according to the BB.

Fahmida Khatun, executive director of the Centre for Policy Dialogue, said the new instructions would not bring any good for the banking sector, rather it would deal a blow to credit discipline in lenders.

The government has set a high GDP growth and low inflation target, thinking that volatility in the global market will end in the quickest possible time, she said.

But the central bank extended the repayment tenure up to eight years when both the coronavirus pandemic and the ongoing war might not last long, she said.

"We are now struggling to survive from the existing default culture. The latest relaxation will intensify NPLs in the long run," Khatun said.

The NPLs totalled Tk 113,441 crore in March this year, just behind the highest-ever of Tk 116,288 crore recorded in September 2019.

Default loans increased 9.84 per cent in March from that three months ago when it stood at Tk 103,274 crore.

Although the BB in its circular stated that the policy would not be applicable for habitual defaulters, the central bank earlier failed to stick with such commitments, she said.

In addition, the central bank had earlier relaxed many policies to give support to influential borrowers in many cases, Khatun said.

Anis A Khan, a former chairman of the Association of Bankers, Bangladesh, said banks would face difficulties in recovering their funds as the repayment tenure of the rescheduled loans were much higher than what was previously.

Many good borrowers may feel discouraged to pay back their loans due to the relaxed policy for loan rescheduling, he said.

He feared that some borrowers might divert their funds to unproductive zones, violating their commitment to invest those in sectors mentioned in their respective credit proposals.

The borrowers will get a long time to repay their loans even after rescheduling their defaulted loans, which might encourage the thought that they will get a hefty time to repay the funds, Khan said.

Banks usually mobilise short-term deposits from clients, which is why a large amount of their funds will be stuck due to the relaxed policy, he said.

Against the backdrop, lenders may face an asset-liability mismanagement, Khan said.

For this reason, new entrepreneurs may be deprived of loans from lenders, he said.

Salehuddin Ahmed, a former governor of the central bank, said many countries were now facing several crises due to the ongoing war and pandemic but none had relaxed their credit and rescheduling policies. Habitual borrowers may take advantage of this relaxation, he said.

Such relaxed policies should have been taken only for the small and medium enterprise and agriculture sectors, Ahmed said.

Uninsured losses

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institutional and human capacities to design and implement disaster risk transfer mechanisms are the main reasons for low insurance penetration.

Inclusive insurance, which aims at the excluded or underserved market rather than just the poor, can be used as a risk mitigation tool to this end, Sheykh said.

For this, it is necessary to work on developing insurance schemes that fit the peoples' purposes. So, the schemes and products should be simple and easily understandable, according to the paper.

She went on to say that formal insurance companies are mostly focused on high to middle income people. However, some microfinance institutions like brac, Grameen Bank, and Proshika are piloting relevant insurance products on approval of the IDRA and Microcredit Regulatory

Authority.

Sheikh Mohammad Salim Ullah, secretary of the FID, said there is an increasing need for decision makers to be involved in developing insurance products.

"They also need to understand how climate change risks could affect their investments and how to mitigate those risks through proper planning, incentive structures and financial instruments," he added.

Van Nguyen, deputy resident representative of UNDP Bangladesh, said he is resolute that under the leadership of the FID, finance ministry and IDRA as regulatory authorities, strong representation of the insurance industry and relevant stakeholders, the country diagnostic will provide a clear direction for creating an enabling environment for mainstreaming inclusive insurance and risk financing in the country.