

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY	
0.82%	0.71%	\$1,483.38	\$66.15	41,642.66	Flat	0.05%	0.14%	83.95	92.20	108.59	0.75	
4,394.44	8,113.75	(per ounce)	(per barrel)			3,214.00	2,962.75	BUY TK	84.95	96.00	112.39	0.79

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Star BUSINESS

DHAKA TUESDAY DECEMBER 24, 2019, POUISH 9, 1426 BS starbusiness@thedailystar.net

Employees see red as BASIC slashes salaries

STAR BUSINESS REPORT

In a sensational move, BASIC Bank has slashed the salary of its employees for chronic losses, setting a precedent in Bangladesh's banking sector of linking performance to remuneration.

The decision was taken by the state bank's board on Sunday as part of its austerity measures and immediately issued a notice to inform the employees that their salary would be fixed as per the structure followed by other public banks.

"The bank has been facing losses for the last seven years. Against the backdrop, the lender is unable to bear additional salary and allowance," read the notice.

Subsequently, more than two hundred of its aggrieved employees staged



demonstration at the bank's head office in the capital, demanding reinstatement of the previous salary structure. They also confined its Managing Director Md Rafiqul Alam at his office all day.

The bank has been following a special wage structure since its inception in 1989 that provided better pay package to its employees than other state-run lenders, said an official of the bank.

Besides, the bank also revised the salary structure in February 2013 to increase the wages once again.

"No bank in the history of Bangladesh has slashed its employees' salary," said a former managing director of a state-run bank who recently retired after 37 years in service.

Since the bank is in crisis, the salary cut is fair, said Khondkar Ibrahim Khaled, a former deputy governor of the Bangladesh Bank.

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STAR BUSINESS REPORT

The national standards body has cancelled licences for six food items and a skincare product marketed by nine companies in the last three months because of their substandard quality.

The food items belong to different categories, namely salt, soybean oil, turmeric powder, vermicelli, ghee, and chanachur (a salty and spicy crisp snack), according to a corrected statement of the Bangladesh Standards and Testing Institution (BSTI).

"Consumers are requested to refrain from buying the products," the state-run agency said.

Md Reazul Haque, deputy director for certification marks at the BSTI, said: "Sales and distribution of the products will be prohibited until the companies take fresh licences for these products."

Earlier in the day, the BSTI had issued a press release, where it said it had revoked the licences

"Sales and distribution of the products will be prohibited until the companies take fresh licences for these products," says a BSTI official

SUBSTANDARD PRODUCTS

BSTI scraps licences of nine brands

BRANDS THAT LOST LICENCES

FIRM	PRODUCT	BRAND
AK Khan Food & Beverage	Soybean oil	Safe
Ifad Salt & Chemical	Iodised salt	Ifad
JK Food Products	Lachchha vermicili	Madina
Reven Food Company	Lachchha vermicili	Reven
Khazana Mithai	Lachchha vermicili, ghee, chanachur	Khazana
New Chattola	Ghee	Arabian Special
Promi Agro Food	Turmeric powder	Promi
Modern Cosmetics and Herbal Industries	Skincare	Modern
GM Chemical Works	Skincare	GM

of seven products of 13 firms.

In the corrected statement, it dropped four names, saying the companies were included in the first press release mistakenly and they have already had the required licences.

"We will issue licences after the companies address the problems and improve the quality," Haque said.

The BSTI scrapped the licences after testing the products in its lab. The samples were collected from the market, the press release said.

Haque said the BSTI cancelled the certification marks licences for the products in the 'last two to three months'.

But it made the information public yesterday as it thought that it would be good to do so if the number of licences revoked was higher, he said, adding that the agency is certain that these products are now out of market.

He said the BSTI would not wait for the number to increase next time. "If we find two cases, we will issue notices for the two."

Advance income tax cut for import of cement raw materials

JAGARAN CHAKMA

The tax administrator has made the advance income tax (AIT) on the imports of cement raw materials non-adjustable and cut it by two percentage points to 3 percent for the sake of the local manufacturers.

Until last fiscal year, cement manufacturers paid 5 percent AIT for raw material imports and the amount was adjustable based on the final tally of their income.

They pay the AIT—which is calculated on the income but paid in advance instead of at the end of the year—during the import of raw materials.

In a circular issued on December 19, the National Board of Revenue

(NBR) made AIT and source tax non-adjustable from the current fiscal year considering them as the minimum tax.

Manufacturers say the cement sector has fallen into a deep trouble for the "non-adjustable" clause related to 5 percent AIT and 3 percent source tax.

The source tax is paid during local sales of a product.

Md Alamgir Kabir, president of the Bangladesh Cement Manufacturers Association (BCMA), welcomed the tax cut, saying the government has finally been able to realise the problem of the sector to some extent.

However, he demanded complete withdrawal of the clause, saying 3 percent non-adjustable AIT is not

realistic for the sector.

"The imposition of non-adjustable minimum AIT before finalisation of profit and losses in a business goes against the tax laws in the world as well as in Bangladesh."

The entrepreneur alleged that the factories based inside the economic zones would get an edge in the local market for being exempted from paying the AIT and the source tax.

Kabir demanded the government consider the issue to create a level-playing field for all factories.

Cement-makers imported raw materials such as clinker, fly ash, iron slag, lime stone, and gypsum worth \$1.35 billion last year.

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Customer data to be stored locally: Jabbar

STAR BUSINESS REPORT

The government will ensure that global digital companies store within Bangladesh data which have been provided and generated within the country's borders, said Mustafa Jabbar, posts, telecommunications and information technology minister, yesterday.

Singapore is already doing so through the enactment of a data security act and Bangladesh will do the same, he said.

"When the new law comes into effect, they [global digital companies] will have to preserve local customers' data in local data centres," said Jabbar.

He said customer data were a high value product for digital companies and it needs to be secured.

Most social media platforms currently do not maintain any customer data protection system for the Bangladesh market and take local users' data outside, which will be forbidden under the new law, he said.

Jabbar was addressing a seminar styled "Digital Bangladesh Digital Security" organised by the Department of Telecommunications at Bangabandhu International Conference Center.

Stating that the government also needs to consider strengthening the Digital Security Act enacted in 2018, he said, "In the current act, the highest penalty is only Tk 1 crore which is not enough for the digital crimes."

"To bring control over the global digital companies we need to increase the penalty to billions of dollars."

DSEX sinks below 4,400 points

STAR BUSINESS REPORT

Dhaka stocks after some three and a half years again went below 4,400 points yesterday, triggering panic among investors.

The Dhaka Stock Exchange's (DSE) benchmark index -- the DSEX -- dropped 36.51 points, or 0.82 percent, to close the day at 4,394.44.

Market insiders said foreign investors were selling a lot of shares and it had the biggest impact on the market. Local investors are also in panic for which the index has been falling continuously.

The top contributor to the index's fall was British American Tobacco Bangladesh (BATB), which alone ate away 3 points.

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মার্কেটাইল ব্যাংকের ১৮৫তম শাখার

শুভ উদ্বোধন

২৪ ডিসেম্বর ২০১৯, মঙ্গলবার

১৮৫তম শাখা

রহিমানপুর শাখা

শাহজালাল শপিং কমপ্লেক্স

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সম্পত্তাই আমাদের শক্তি



British American Tobacco Bangladesh (BATB) wins 'Gold Award' under Manufacturing Category for Corporate Governance Excellence for the year 2018. BATB Chairman Golam Main Uddin and Head of Public Affairs & Company Secretary Md. Azizur Rahman have received the award in a ceremony recently, organized by the Institute of Chartered Secretaries of Bangladesh (ICSB) in the capital. It is important to note that ICSB has been recognizing BAT Bangladesh every year for corporate governance excellence in the manufacturing category.