

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
▲ 0.54%	▲ 0.62%	\$1,825.15	\$73.75	▲ 0.48%	▼ 1.15%	▼ 0.42%	▲ 1.02%	BUY TK	83.95	98.26	115.26	12.75
6,307.35	10,990.35	(per ounce)	(per barrel)	53,158.85	28,279.09	3,139.98	3,564.59	SELL TK	84.95	102.06	119.06	13.41

Star BUSINESS

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Tourism gets a shot in the arm

BB announces Tk 1,000cr stimulus for hotels, theme parks



SHEIKH NASIR

A boatman awaits the arrival of tourists at the picturesque Shada Pathor in Sylhet's Companiganj upazila as associated income generating activities have come to a standstill. The photo was taken recently.

AKM ZAMIR UDDIN

Bangladesh Bank yesterday declared a new stimulus package worth Tk 1,000 crore for hotels, motels and theme parks suffering from the ongoing business slowdown amid the coronavirus pandemic.

Owners of hotels and theme

parks having trade licences will be able to get loans from the scheme in the form of working capital at a 4 per cent interest rate.

Banks, however, will enjoy an 8 per cent interest rate as the government will provide the remaining 4 per cent as subsidy, according to a central bank notice.

The loans will have to be used

to provide salaries of employees.

The repayment tenure is a maximum of one year, said officials of the central bank.

The fund will be treated as a refinance scheme as the central bank will provide 50 per cent of every loan from the package.

Businesses of the sector which had earlier taken loans from other

stimulus schemes of the BB will not be allowed to avail loans under this new scheme.

Excluding the latest one, the government has so far declared 23 stimulus packages worth Tk 128,440 crore.

Of the funds, the BB has set a target to disburse around Tk 97,000 crore from banking

sources.

Owners of hotels and theme parks will have to take loans from banks with which they already maintain accounts to run business, said the central bank.

The BB's latest offer comes in line with a finance ministry decision, said the central bank officials.

The country's hotels and theme parks had been facing a severe crisis since March last year, when the deadly virus arrived on the shores of the country, said Saif Ahmed, president of the Bangladesh Hotel and Guest House Owners Association.

The businesses have been dealt another blow due to the recent hike in infections.

"We have been compelled to close hotels and theme parks for the majority of the ongoing pandemic," he said.

Many hotels have been going through a crisis regarding paying salaries to employees, he said.

Against this backdrop, the association has been repeatedly requesting the government to roll out a dedicated stimulus package.

"We made the request to the government last year soon after the pandemic hit the country," Ahmed said.

"This package will beyond a doubt help us survive," he said, adding that some 300 hotels and motels were members of the organisation.

GOODS FROM INDIA Imports via freight trains surge

TUHIN SHUBHRA ADHIKARY

Transportation of goods from India to Bangladesh via freight trains doubled in the last fiscal year as the route is cost-effective and saves time.

Bangladesh Railway (BR) transported 36.93 lakh tonnes of goods from the neighbouring country in 2020-21, up 126 per cent from 16.34 lakh tonnes a year ago, data from the BR showed.

The railway's income from the cross-border trade also set a record in the year.

The state-run transport agency clocked 120 per cent growth in earnings at Tk 167.74 crore in FY21, which was Tk 76.59 crore in the preceding fiscal year.

"This is the highest income for the BR from the transportation of goods from India in a single year," Shafiqur Rahman, director for traffic of the BR, told The Daily Star yesterday.

The movement of goods by trains from India is cost-effective than carrying them by trucks. In addition, carrying goods via trains takes less time than trucks, making it popular.

Besides, freight trains often bring goods from the far-flung Indian provinces, which are almost inaccessible for trucks. Transportation of bulk amount of goods is also not possible through trucks, business people and BR officials said.

The BR operates 130 to 140 freight trains every month to bring goods from India through four interchange stations, namely Benapole, Darshana, Rohanpur and Birol.

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Toy seller wins Tk 1 lakh in VAT lottery

AKANDA MUHAMMAD JAHID

Imam Uddin, the owner of a plastic toy store in the Mitford area of Dhaka, was awarded Tk 1 lakh in exchange for eating a breakfast worth about Tk 85, including VAT, at a restaurant in the capital.

Although this story may seem unrealistic, especially considering the ongoing coronavirus crisis, it is in fact, the truth.

Imam opens his shop very early every morning even though very few customers pay a visit these days thanks to Covid-19.

Just a couple months after opening his business last year, the government had imposed a nationwide lockdown between March 23 and May 30 in a bid to curb the spread of the deadly virus.

As a result, Imam was forced to completely shut down his store for the duration. Seeing as his family had a very hard time back then, he now comes to the shop early each morning without eating breakfast to ensure that no potential shopper finds a shuttered shop.

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Govt's bank borrowing plunges

Sales of savings certificates overshoot target

AKM ZAMIR UDDIN

The government's borrowing from the banking system declined sharply in the just-concluded fiscal year as it took on a staggering amount of debt through the sales of savings certificates and bonds.

The government managed to borrow Tk 26,078 crore from banks in fiscal 2020-21, down 64 per cent year-on-year, according to data from the Bangladesh Bank.

The revised target on loans from the banking system was Tk 79,749 crore.

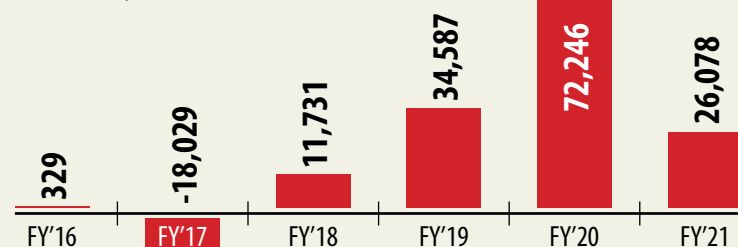
But the government was forced to borrow less from the banks as many savers flocked to savings certificates and bonds due to the decline in the interest rate on deposit products offered by commercial banks.

The government is giving interest ranging from 11.04 per cent to 11.76 per cent to savers. Banks offer a 3-5 per cent interest rate on the fixed deposit products.

In FY2021, the government had planned to take loans by selling savings instruments amounting to Tk 30,302 crore. The net investment in the tools surged to Tk 37,386 crore between July and May.

GOVT BORROWING FROM BANKS

In crore taka; SOURCE: BB



Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, said that the government would have to bear a higher interest spending for borrowing massively through the sales of savings instruments.

The government would have been able to avoid the high-cost fund had it taken loans from banks using treasury bills (T-bills) and bonds.

The interest rate on T-bills and bonds ranged between 2.50 per cent and 8.50 per cent throughout the last fiscal year.

The low implementation rate of

the annual development programme (ADP) also played a role in the fall of bank borrowing.

The development spending stood at Tk 122,231 crore in the July to May period, accounting for 58 per cent of the overall allocation.

The public borrowing from banks would have increased to some extent if the government had implemented the ADP as expected, said Mansur, also a former official of the International Monetary Fund.

The government has set a bank borrowing target of Tk 76,452 crore in FY22.

GP profit drops in Jan-Jun

STAR BUSINESS REPORT

Grameenphone's profit declined 3 per cent year-on-year to Tk 1,741 crore in January-June as it paid higher tax and amortisation resulting from spectrum purchase, the company said yesterday.

The largest mobile phone operator bought spectrum worth \$378.75 million in March in an auction arranged by the Bangladesh Telecommunication Regulatory Commission to improve its services.

The carrier said its revenue grew 2 per cent year-on-year to Tk 7,058 crore in the first half of 2021 from Tk 6,923 crore a year ago.

The company, however, posted higher revenue and profit in the second quarter of 2021. It acquired 13 lakh new subscribers in the April-June period.

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UPCOMING LOCKDOWN No decision yet if RMG units will remain open

STAR BUSINESS REPORT

A decision is yet to be reached on whether garment factories would be allowed to be kept running during an upcoming 14-day lockdown beginning July 23.

Briefing journalists after a meeting with the cabinet secretary at Bangladesh Secretariat yesterday, BGMEA President Faruque Hassan said they would sit again tomorrow, with them pressing in favour of keeping open.

Hassan has been reiterating the demand over the last three days, saying they otherwise apprehend a massive losses as July and August were an important period for the shipment of goods and booking work orders for next summer.

The chief of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) said many international retailers and brands have been frequently asking local suppliers about the fate of production and shipment of goods during the lockdown.

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TAX UP TO TK 5 LAKH

Use automated chalan or e-transfer

SOHEL PARVEZ

From the current fiscal year, taxpayers will be required to pay taxes of up to Tk 5 lakh through automated chalans or electronic transfers.

So, if a taxpayer is accustomed to paying taxes through pay orders or cheques, they may have to switch to automated chalans, according to a new rule introduced by the National Board of Revenue (NBR).

Various taxmen and officials of Finance Division said the government issued this rule in order to plug up scopes of using fake pay orders or treasury chalans, thereby ensuring that the money goes directly to the state coffers.

This move will help solve the longstanding problem of discrepancies arising in tax collection data reported by the NBR and the Office of the Controller General of Accounts (CGA).

Besides, the facility to pay taxes through



automated chalans or electronic transfers will be helpful for taxpayers, they added.

"Taxpayers will be able to use the automated chalan services through mobile apps, debit or credit cards, and through mobile financial services," said a senior official of the Finance Division.

However, if anyone wants to pay their tax over a bank counter, they can

also do that, he added.

There are 35 banks in the country which have already joined the government's efforts to introduce automated chalans that allow taxpayers to deposit taxes, government fees and other payments through digital means.

"We expect the remaining banks to join us as well," he said.

This decision will reduce the hassles of the taxpayers, according to Jasim Uddin Rasel, a tax consultant.

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Second jetty opens for Matarbari power plant

DWAIPAYAN BARIUA, Chattogram

A cargo vessel yesterday became the first to berth at the second jetty being constructed for unloading coal for the under-construction coal-based power plant at Matarbari in Moheshkhali upazila of Cox's Bazar.

The Panama-flagged MV Horizon-9 sailed from Singapore with 185 tonnes of machinery for the power plant, arriving at the outer anchorage at around 1:30am before eventually being berthed at 10:30am.

So from now on, the plant's authorities will be able to allow two vessels to berth at the same time.

With this, as of yesterday a total of 18 vessels have been berthed at the two jetties in last six-and-a-half months.

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COLLECTED

The MV Horizon-9 is seen nestled at the second jetty of the Matarbari power plant yesterday. The vessel, carrying 185 tonnes of machinery for the plant, was first to berth at the partially completed jetty.

ECB's Visco wants easy policy to support recovery, markets



European Central Bank Governing Council member Ignazio Visco gestures as he speaks during an interview with Reuters, in Rome, Italy on May 31.

REUTERS, Frankfurt

The European Central Bank should keep its policy ultra-easy to support the economic recovery in the euro area and insulate its financial markets from higher interest rates in the United States, ECB policymaker Ignazio Visco said on Thursday.

The ECB will review its policy path next week and align it with its new strategy, which says inflation should be allowed to edge above 2 per cent for some time when interest rates are near their trough as they are now.

With price growth seen well below that level for years to come, Visco said the ECB had to keep borrowing costs low despite some temporary rebounds in inflation.

"Financial conditions are to remain favourable even if we have signs of some price increases that are above the target that the central banks have set," Visco, Italy's central bank governor, said in an interview

with Bloomberg TV.

The ECB is on course to buy 1.85 trillion euros (\$2.19 trillion) worth of bonds under a pandemic-fighting programme due to run at least until March 2022.

With the economy now recovering after last year's virus-induced shock, some of the more conservative policymakers on the ECB's governing council have called for reducing the pace of those purchases.

But Visco warned about the risks of a third wave of coronavirus infections and of a "market shock" coming from across Atlantic, where bond yields have risen along with inflation expectations.

"We have to avoid tapering before the time comes," Visco said. "I don't expect monetary policy to be tightened for a long period." The ECB has also pledged to keep rates at record lows until inflation heads back to its goal, and to keep buying bonds under its regular Asset Purchase Programme for as long as necessary.

When Erdogan's Turkish economic miracle began failing

REUTERS, Istanbul

Five years after President Tayyip Erdogan saw off a coup, his chances of extending his rule into a third decade may depend on whether he can reverse an economic decline that has seen Turks' prosperity, equality and employment fall since 2013.

Erdogan faces elections in 2023 - the Turkish Republic's centenary. Polls suggest his support has slipped following a currency crisis, a sharp recession and the coronavirus pandemic in the last three years.

Some show the ruling coalition trailing an informal opposition alliance, even as Erdogan's AK Party (AKP) remains popular, with a strong base among rural and working class conservatives.

This year, economic growth has shot back up after Turkey was one of only a few countries to avoid a contraction in 2020.

But the damage of recent years has included a return to inflation of 20 per cent or more on food and other basic goods.

"If you look at President Erdogan's polling ratings together with a difficult economic backdrop, it's quite hard to really imagine the conditions over the next 12 months for them to think an election looks favourable," said Douglas Winslow, Fitch Ratings' director of European sovereigns.

The World Bank estimates more than 1.5 million Turks fell below the poverty line last year.

And a Gini index of income and wealth distribution shows inequality has risen since 2011 and accelerated since 2013, wiping out big gains made in 2006-2010,



A man shops at a fish market at Karakoy district in Istanbul, Turkey on January 8.

during Erdogan's first decade in charge.

Modern Turkey's longest-serving leader, Erdogan's infant AKP won power in 2002 following the worst slump since the 1970s on a promise to break with the mismanagement and recessions that had long frustrated Turks anxious for a better life.

Then-prime minister Erdogan leveraged the economic rebound and a diplomatic pivot to the West to bring about a decade of prosperity.

Poverty and unemployment plunged. Inflation that was in triple digits a decade earlier touched 5%,

boosting the Turkish lira's appeal for locals and foreigners.

Erdogan seemed untouchable.

Things started changing in 2013, when unprecedented anti-government protests swept Turkey and emerging markets globally saw a painful financial exodus as larger economies gained steam.

A Reuters analysis shows that year marked a turning point for per capita GDP, unemployment and other measures of economic well-being.

The year 2013 was also the high water mark for foreign investment, according to official bond holdings statistics and Turkey Data Monitor.

The value of the lira has since plunged, sapping Turks' global purchasing power.

Erdogan shocked many when his government quashed the 2013 protests that began in Istanbul's Gezi Park.

The crackdown "crystallized the AKP as the new establishment and showed the popular tide was turning against them," said Ates Altinordu, assistant professor of sociology at Sabanci University.

The attempted coup of July 15, 2016 then prompted a harsh state of emergency that analysts say drove Turks' economic well-being further south.

UK-listed cybersecurity firm Avast in merger talks with NortonLifeLock

REUTERS, London

London-listed cybersecurity firm Avast is in advanced talks with US rival NortonLifeLock Inc about a merger that would create a clear leader in consumer security software.

Both companies confirmed the talks late on Wednesday, with Avast saying an offer would be in cash and shares, although it added there was no certainty a deal will be agreed.

Avast, which was founded and based in Prague, Czech Republic, is a pioneer of "freemium" software, whereby basic applications are free and subscribers pay for premium features.

Its Avast and AVG branded desktop and mobile software had more than 435 million active users at the end of 2020, of which 16.5 million are paying.



The logo of Avast Software company is seen at its headquarters in Prague, Czech Republic.

The shift to home working during Covid-19 spurred demand for its desktop products like antivirus software, and it recorded 7.1 per cent organic growth in adjusted billings to \$922 million last year.

Shares in Avast, which listed in London in 2018, were trading up 13 per cent at 570 pence at 0856 GMT, giving the company a market capitalisation of 5.87 billion pounds (\$8.11 billion), according to Refinitiv data.

The company's founders, Pavel Baudis and Eduard Kucera, own a combined 35 per cent.

The Wall Street Journal, which first reported the talks, said a deal could value Avast at more than \$8 billion.

Analysts at Berenberg, however, said "nothing short of a \$10 billion valuation is fair to Avast's shareholders".

Fed's Powell keeps to script on jobs recovery

REUTERS, Washington

Federal Reserve Chair Jerome Powell on Wednesday pledged "powerful support" to complete the US economic recovery from the coronavirus pandemic, but faced sharp questions from Republican lawmakers concerned about recent spikes in inflation.

In testimony to the US House of Representatives Financial Services Committee, Powell said he is confident recent price hikes are associated with the country's post-pandemic reopening and will fade, and that the Fed should stay focused on getting as many people back to work as possible.

Any move to reduce support for the economy, by first slowing the US central bank's \$120 billion in monthly bond purchases, is "still a way off," Powell said, with 7.5 million jobs still missing from before the pandemic.

"The high inflation readings are for a small group of goods and services directly tied to the reopening," Powell testified, language that indicated he saw no need

to rush the shift towards post-pandemic policy.

The Fed at this point expects to continue its bondbuying until there is "substantial further progress" on jobs, with interest rates pinned near zero likely until at least 2023.

But the back and forth from lawmakers showed how central recent price increases have become in the broader public and political debate around the Fed, with Democrats urging Powell not to nip off the recovery with tighter policy and Republicans worried about a too-slow response.

The latest version of the Fed's own Beige Book collection of anecdotal reports about the economy called out "broad-based" price increases, and said that "the majority" of the Fed's business contacts "expected further increases in input costs and selling prices in the coming months."

Missouri Republican Ann Wagner noted that Powell at a prior hearing in February said that coming price increases would be "temporary."



Md Tajul Islam, managing director (current charge) of Social Islami Bank, inaugurated two new sub-branches at Fakirapool and Khilgaon in Dhaka yesterday. Deputy managing directors Abu Naser Chowdhury, Md Sirajul Hoque and Md Shamsul Hoque also attended the programme.



SM Abu Mohsin, chairman of National Credit and Commerce Bank, virtually inaugurated its 123rd branch at Nasirabad, Chattogram yesterday. Managing Director and CEO Mohammad Mamdudur Rashid, Vice-Chairman Md Abul Bashar and Director Md Abdul Awal were also present.



SM Parvez Tamal, chairman of NRB Commercial (NRBC) Bank, virtually inaugurated five sub-branches at Sathkira, Sherpur in Bogura, Chhatmohar in Pabna, Saturia in Manikganj and Sreepur in Ashulia recently. AM Saidur Rahman, director and chairman of its risk management committee, and Golam Awlia, managing director and CEO, were present.

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
প্রধান প্রকৌশলী (পূর্ব) এর কার্যালয়
বাংলাদেশ রেলওয়ে
সিআরবি, চট্টগ্রাম

সংবাদ বিজ্ঞপ্তি

চট্টগ্রামের সিআরবি এলাকায় ৫০০ শয্যা বিশিষ্ট হাসপাতাল এবং ১০০ আসন বিশিষ্ট মেডিকেল কলেজ নির্মাণ নিয়ে প্রকাশিত সংবাদের ওপর রেলওয়ের মন্তব্য

গত ২৭.০৪.২০১৭ তারিখ Cabinet Committee on Economic Affairs (CCEA) কর্তৃক অনুমোদনের পরিপ্রেক্ষিতে পাবলিক প্রাইভেট পার্টনারশীপ (পিপিপি) এর আওতায় বাংলাদেশ রেলওয়ের সাথে ইউনাইটেড এন্টারপ্রাইজ লিঃ এর সাথে ৫০০ শয্যা বিশিষ্ট হাসপাতাল এবং ১০০ আসন বিশিষ্ট মেডিকেল কলেজ নির্মাণের জন্য ১৮.০৩.২০২০ইং তারিখ চুক্তি সম্পাদিত হয়।

চুক্তিপত্র মোতাবেক ইউনাইটেড এন্টারপ্রাইজ লিঃ সম্পূর্ণ নিজস্ব অর্থায়নে হাসপাতালটি নির্মাণ করবে এবং ৫০ (পঞ্চাশ) বছর পর সম্পূর্ণ হাসপাতাল রেলওয়ের নিকট হস্তান্তর করবে যা তখন সম্পূর্ণরূপে রেলওয়ে হাসপাতাল হিসেবে গণ্য হবে। উক্ত হাসপাতালে রেলওয়ের কর্মকর্তা/কর্মচারীরা বিশেষ সুবিধায় চিকিৎসা সেবা গ্রহণ করতে পারবে। এছাড়া চট্টগ্রামবাসীর চিকিৎসা সেবার মান আরও একধাপ এগিয়ে যাবে ফলে উন্নত চিকিৎসা সেবার জন্য বিদেশ গমনের প্রবণতা হ্রাস পাবে।

হাসপাতালটি নির্মাণের জন্য সিআরবি রেলওয়ের নিজস্ব হাসপাতালের পার্শ্বে গোয়ালপাড়া এলাকাকে নির্ধারণ করা হয়েছে। সর্বমোট ৬.০০ একর জায়গার উপর হাসপাতালটি নির্মাণ করা হবে। প্রকল্পের জন্য নির্ধারিত স্থানে বর্তমানে রেলওয়ের কর্মকর্তা/কর্মচারীদের অতিপুরাতন ও জরাজীর্ণ বাসাবাড়ী বিদ্যমান। উক্ত স্থানে বসবাসরত কর্মচারী/কর্মকর্তাদের ইতিমধ্যে অন্যত্র বাসা বরাদ্দ প্রদান করা হয়েছে আরও যারা আছে তাদেরকে পর্যায়ক্রমে অন্যত্র বাসা বরাদ্দ প্রদান করা হবে। কিন্তু সেখানে শতবর্ষী কোন গাছ বিদ্যমান নাই। উক্ত স্থানে বিদ্যমান গাছ এবং ভূমিরূপ এর অবয়ব ঠিক রেখেই হাসপাতালটি নির্মাণ করা হবে।

সিআরবি শীর্ষ তলা এলাকা ও সাতরাস্তার মোড়ে শতবর্ষী গাছ বিদ্যমান কিন্তু উক্ত স্থানটি প্রকল্পের জন্য নির্ধারিত জায়গা নয় বিধায় শতবর্ষী গাছসমূহে বিনাশের কোন সম্ভাবনায় নেই। শীর্ষ তলা ও সাতরাস্তার মোড় এলাকায় রেলওয়ে কর্তৃক আরও সৌন্দর্যমন্ডিত করা হয়েছে যার দরুন এখন শীর্ষ তলায় বাংলা বর্ষবরণ অনুষ্ঠানসহ নানাবিধ সাংস্কৃতিক অনুষ্ঠান হয়ে থাকে এবং গাছপাছাচিত আচ্ছাদিত নয়নাভিরাম এই উন্মুক্ত পরিসরটি সকাল বিকাল মানুষের শরীর চর্চার অন্যতম স্থান হয়ে উঠেছে। গোয়ালপাড়াতে হাসপাতাল নির্মাণ করা হলে সিআরবি এলাকায় নয়নাভিরাম প্রাকৃতিক পরিবেশ ও শীর্ষ তলায় বাংলা বর্ষবরণ অনুষ্ঠানে সহ নানাবিধ সাংস্কৃতিক অনুষ্ঠানে কোনরূপ প্রতিবন্ধকতা/বিঘ্নতা ঘটবে না।

মোঃ আহসান জাবির
অতিঃ প্রধান প্রকৌশলী (সেতু) (পূর্ব)
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Healthy company culture begets employee motivation

GroupM Bangladesh Managing Director Morshed Alam shares his thoughts at The Daily Star's The Chief Executive Show powered by Marico



DWOHA CHOWDHURY

In 2015, a Harvard Business Review article by Lindsay McGregor and Neel Doshi explained the connection between company culture and employee motivation. It cites that global business leaders believe that a strong organisational culture is critical to success.

Morshed Alam, managing director of GroupM Bangladesh, the local operations of the media investment company based in New York, also thinks so. He specifies three reasons behind the critical importance of company culture.

First, it gives the employees a complete clarification of the purpose of their contribution. Then comes the growth potential in an organisation. And finally, it ensures playfulness at the workplace.

"To build a good culture in all GroupM agencies, we work as a family member but act as professionals while dealing with clients," Alam said.

He believes that there must be a control culture in the organisation, but colleagues should never consider it imposed.

"It was obvious for us as there had been some controls in our family. But the Generation Z does not like to be controlled," said Alam, referring to the segment of the population who were born between 1997 and 2015.

The control culture must be inbuilt so that it becomes enjoyable, and everyone embraces

it as a learning, he said.

Besides ensuring good company culture, GroupM also focuses on corporate branding to attract more talents.

It brands itself through fairs on university campuses and does direct recruitment. It also welcomes interns, and most of the time, it recruits the best among the group.

The generation, which is beginning their corporate career now, is controlled by society in many ways. But it was not similar for Alam when he was a kid.

"We enjoyed freedom though there were a few rules. It's like whenever it rained, we went to the field to play football. But we're not allowing our child to do that. In that aspect, we were very fortunate," he said.

Alam started his career with Asiatic 3sixty in the late 1990s after completing his MBA. He began in the client service department, which later launched media operations.

The board wanted him in the new media department. At that time, all departments except the client service were considered a thankless job.

"But our chairman Aly Zaker persuaded me, saying: it's your responsibility to make the thankless job a thankful one."

Over the years, the initial four-member media team has evolved under Alam's leadership, and the media relations have changed for good by initiating direct client interaction.

In 2001, Mindshare, an agency of GroupM, entered Bangladesh under a joint venture with Asiatic 3sixty, named Mindshare Bangladesh.

Alam was involved in the venture, and as of 2010, he worked under three Indian general managers. That year, he was given the helm of Mindshare Bangladesh.

In 2013, he became the executive director of GroupM Bangladesh and managing director in 2017.



Morshed Alam

"The whole thing evolved slowly. I always did my job unconditionally, but it was in my mind that if there were local management after Indians, it should be me," Alam said.

Alam did not stop there. Instead, he diversified the business. Under his leadership, the 34-member Mindshare team of 2010 has now a workforce of 160.

"We always try to do things through a steady process. We proved that in a service business if you deliver quality work without making any compromise, you will grow," he said.

He has also focused on creating leaders. "I thought that I should not only lead, but I should also create leaders so that I can focus more on the business. Now, four such leaders in GroupM are leading teams that are larger than those managed by the previous general managers."

"The leaders are capable of replacing me and running this whole organisation," he said.



Alam also pushes his colleagues to do beyond their KPIs (Key Performance Indicators) so that they can reach the next heights.

In the growing process, the leader has a distinct role to play—the dissemination of knowledge to the next level.

GroupM organises regular interactive sessions with the people of three media agencies under its operation to disseminate knowledge.

The company also arranges regional and global interactive webinars that are more focused.

Moreover, Alam has created a second layer of leadership in the organisation. Twelve to 13 youngsters are working in the layer, and the interaction with them is allowing the seniors to learn about the generation.

"Dissemination of knowledge is a regular phenomenon in our job." The life of a corporate leader is challenging.

But for the agency business, every challenge is tougher.

"Retaining business is tough than winning a new one. We work round the clock every time we go for a new pitch. But as we work as a team and we have our own culture, we don't feel that challenging," Alam said.

Amidst the challenging times, finding inner peace is hard. But Alam has found his way to deal with the trying times in his work.

"I feel inner peace while I get to do social awareness campaigns for the organisations like Brac or WaterAid."

He formed the Bangladesh Media Forum in 2016 to develop the industry. He is also prioritising corporate social responsibility activities.

In a media agency like GroupM, a collaborative approach is vital, he said.

"Though we are formally a media agency, we call ourselves investment specialists because we manage our clients' investment in different media," he said, adding that the company acts carefully to create a win-win situation for both clients and media organisations.

In a recent interview, Christian Juhl, global CEO of GroupM, said that the organisation would look like a software company rather than a media agency.

Alam also believes that change is the only constant, and that's what a leader does in an organisation regularly.

"The managers manage regular businesses while I focus on the future and diversification, embracing the changes happening around the world."

The coronavirus pandemic has accelerated digitalisation around the globe. And Alam is well aware of it.

"Transformation is now a popular word worldwide. And if we don't embrace digitalisation, we will become obsolete, and we'll not be able to survive."

GLOBAL BUSINESS

India's ban on Mastercard to hit banks' card operations, income

REUTERS, New Delhi

India's move to ban Mastercard for breaching data storage rules has destabilized the country's financial sector as it will disrupt bank card offerings and affect revenues, payments and banking industry executives said to Reuters.

Wednesday's central bank order follows similar action in April against American Express, but Mastercard is a much bigger player in the Indian market, where many lenders offer cards using the American company's payment network.

A Reuters analysis of online card listings from 11 domestic and foreign banks in India showed that Mastercard made up about one-third of the roughly 100 debit cards on offer, and more than 75 credit card variants used its network.

From July 22, the Reserve Bank of India (RBI) said, re-issuance of these cards will cease because Mastercard failed to comply with 2018 rules requiring foreign card networks to store Indian payment data locally, for "unhindered surveillance access".

While existing customers will not be affected, the business impact will be significant as banks must sign new business deals with competing networks such as Visa, a process that can take months



REUTERS/FILE

A security guard sits inside an ATM counter as a notice hangs on an ATM machine in Chandigarh, India.

and involve weeks of technology integration, back-end, five banking and payments managers said.

A banking executive said the switch to Visa could take up to five months. And with American Express and Mastercard banned, Visa is gaining an unprecedented advantage in negotiations in a credit card market it already dominates.

"This will mean a temporary disruption for the banks, many hectic negotiations and a loss of business in the short term," said

one of the sources, a senior Indian banker.

The 2018 RBI rules were passed despite aggressive lobbying from US companies seeking to dilute them. Mastercard said it was "disappointed" with the decision and would work to resolve the issues.

"This is consistent with our significant and continued investments in our customers and partners in India to advance the government's vision in digital

India," Mastercard said in a statement Thursday.

The move is a major setback for Mastercard, which counts India as a key market. In 2019, Mastercard said it was 'bullish on India', announcing \$ 1 billion (approx. Rs. 7,450 crore) of investment over the next five years, after investing \$ 1 billion (approx. Rs. 7,450 crores) from 2014 to 2019.

Mastercard also has research and technology centers in India, where its workforce of 4,000 is second only to the United States, after increasing by 29 in 2013.

The use of credit and debit cards by Indians has increased as digital payments have spread. As of May, according to RBI data, there were over 62 million credit cards and about 902 million debit cards, which together accounted for transactions worth \$ 40.4 billion (about 3 01 Rs 120 crores).

The delays in transitioning to Visa are also affecting bank fees and other income they generate through their card business, the sources said.

In a research note on the RBI decision, Macquarie noted as a "primary concern" the risk that banks could suffer because credit cards were a profitable product with a so-called after-tax return on corporate assets, about 5 to 6 per cent.

China's economic recovery loses some steam

REUTERS, Beijing

China's economy grew slightly more slowly than expected in the second quarter, weighed down by higher raw material costs and new Covid-19 outbreaks, as expectations build that policymakers may have to do more to support the recovery.

Gross domestic product (GDP) expanded 7.9 per cent in the April-June quarter from a year earlier, official data showed on Thursday, missing expectations for a rise of 8.1 per cent in a Reuters poll of economists.

Growth slowed significantly from a record 18.3 per cent expansion in the January-March period, when the year-on-year growth rate was heavily skewed by the Covid-induced slump in the first quarter of 2020.

Retail sales and industrial output grew more slowly in June, the latter dragged by a sharp fall in motor vehicle production, while NBS data also showed a cooling in China's housing market, a key engine of growth.

But June activity data still beat expectations, providing some relief to investors concerned about a slowdown after the central bank announced policy easing last week.

"The numbers were marginally below our expectation and the market's expectation (but) I think the momentum is fairly strong," said UOB economist Woei Chen Ho in Singapore.

"Our greater concern is the uneven recovery that we've seen so far and for China the recovery in domestic consumption is very important...retail sales this month was fairly strong and that may allay some concerns."

While the world's second-largest economy has rebounded strongly from the Covid-19 crisis, buoyed by solid export demand and policy support, data releases in recent months have suggested some loss in momentum.

Higher raw material costs, supply shortages and pollution controls are weighing on industrial activity, while small Covid-19 outbreaks have kept a lid on consumer spending.

Investors are watching to see if the central bank is shifting to an easier policy stance after the People's Bank of China (PBOC) announced last week it would cut the amount of cash that banks must hold as reserves, just as some other central banks begin or start thinking about exiting pandemic-era stimulus.

Average second quarter growth in 2020 and 2021 was 5.5 per cent, up slightly from a 5 per cent average for the first quarter, according to the National Bureau of Statistics.

On a quarterly basis, GDP expanded 1.3 per cent in the April-June period, the NBS said, just beating expectations for a 1.2 per cent rise in the Reuters poll. The NBS revised down growth in the first quarter from the fourth quarter last year to 0.4 per cent.

The PBOC move, which released about 1 trillion yuan (\$154.64 billion) in long-term liquidity to bolster the recovery, comes even as policymakers have sought to normalise policy after the economy's strong rebound from the coronavirus crisis to contain financial risks.

It highlights the challenges policymakers will face in rolling back pandemic-era stimulus as the coronavirus continues to flare-up around the world.

ECB inches closer to digital euro



AFP/FILE

The headquarters of the European Central Bank (ECB) in Frankfurt am Main, western Germany.

AFP, Frankfurt

The European Central Bank inched closer to a "digital euro" on Wednesday with the formal launch of a pilot project, but questions remain about potential pitfalls and benefits for eurozone citizens.

The move comes as the coronavirus pandemic has hastened a shift away from cash, and as central bankers around the world nervously track the rise of private cryptocurrencies like bitcoin.

Here's a look at what a digital euro would mean for the 19-nation club.

A digital euro, sometimes dubbed "e-euro", would be an electronic version of euro notes and coins. It would for the first time

allow individuals and companies to have deposits directly with the ECB.

This could be safer than with commercial banks, which can go bust. The ECB has promised that any future digital euro would be "a fast, easy and secure way" to make payments. The service would be free and payments could be made by card or smartphone app.

This would allow the Frankfurt-based institution to challenge the dominance of foreign payment card companies like Mastercard and Visa in the euro area.

A digital euro would "complement cash, not replace it", the ECB said. The ECB is still studying which technology is best suited to develop the digital currency.



REUTERS

People walk at the Beijing's central business district on March 5.