

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.29%	▲ 0.62%	\$1,801.34	\$74.10	▲ 0.26%	▲ 0.58%	▼ 0.07%	▼ 0.68%	BUY TK 83.95	97.75	114.50	12.73
6,424.21	11,216.85	(per ounce)	(per barrel)	52,975.80	27,548.00	3,157.05	3,550.40	SELL TK 84.95	101.55	118.30	13.39

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BUSINESS

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Hefty incentives for state bank employees

BB recommendation ignored

AKM ZAMIR UDDIN

Four state-owned commercial banks (SCBs) have disbursed a huge amount of incentive bonus among their employees despite their weak financial health, ignoring the central bank's recommendation.

In a letter on June 20, the Bangladesh Bank requested the finance ministry to prevent the SCBs – Sonali, Janata, Agrani and Rupali – from paying incentives given their poor financial health and a lack of corporate governance.

But the Financial Institutions Division (FID) of the ministry did not take any initiative to deter the banks from disbursing the bonus based on the business performance of 2020.

Sonali provided four incentive bonuses to its employees, while Agrani gave away

KEY POINTS

- » Finance ministry ignores BB recommendations
- » Sonali Bank faces capital shortfall of Tk 3,064cr
- » Provision shortfall at Agrani and Rupali stands at Tk 1,319cr and Tk 822cr respectively
- » Janata incurs net loss of Tk 5,054cr
- » BB has long been raising objections against state banks' incentives



RAJIB RAIHAN

Containers loaded with imported goods pile up at the Chattogram port as delivery and other activities came to a standstill during the Eid holidays. Release of containers did not pick up in the last two days as well, prompting the authorities to sound alarm about congestion. The photo was taken yesterday.

Stimulus going to unproductive sectors

BB calls for strict monitoring

STAR BUSINESS REPORT

Bangladesh Bank yesterday directed the country's lenders to increase monitoring on how loans from the stimulus packages were being used as it found some cheap funds being channelled into unproductive sectors.

In some cases, borrowers are also adjusting other credits with the loans received under a stimulus package, the central bank said, adding that some lenders were also lingering on disbursing approved loans.

Senior officials of Bangladesh Bank said they found some stimulus funds were even being used in real estate and the stock market as economic activities remained sluggish in the face of recurring waves of Covid-19.

The DSEX, the benchmark index of Dhaka Stock Exchange, hit a new high yesterday.

"The core objective of the stimulus package will be affected unless the directives to implement the incentive packages are properly followed and it is in no way desirable," said the central bank.

READ MORE ON B3

BB questions three non-banks' fierce SMS marketing

AKM ZAMIR UDDIN

Bangladesh Bank yesterday sent show-cause letters to three non-bank financial institutions (NBFIs) over their aggressive attitude in mobilising deposits, which was a breach of rules.

The three are LankaBangla Finance, Prime Finance and Investment, and First Finance.

They have been persistently sending SMS (short message service) to clients' mobile phones for long in an attempt to mobilise deposits with offers of high interest rates ignoring a central bank notice.

The June 2018 notice asked all NBFIs to refrain from mobilising deposits by sending SMS with offers of high interest rates.

"This has created an awkward situation for clients," said the notice. Bangladesh Bank sought an explanation in seven working days on why punitive measures should not be taken against the three.

Failure to provide a satisfactory answer will result in a penalty, said BB officials. Lanka Bangla rolled out a deposit product called "Quick Shonchoy" which now offers excessive interest, so much so that clients would be able to get threefold the amount deposited at the NBFI.

The scheme has a maturity period of 54 months.

Contacted, Khurshed Alam, head of retail business at LankaBangla Finance, said they had not violated the central bank rules as they had not mentioned interest rates in the SMS.

"We just mentioned when the product will reach maturity," he said.

First Finance now offers a 9.50 per cent interest rate against their fixed deposit scheme, according to a central bank report.

Prime Finance and Investment is providing Tk 1,022 in interest per month against deposits of Tk 1 lakh.

All of them are sending SMS to clients, describing features of different deposit products, including the three schemes.

READ MORE ON B3

Container delivery hits rock bottom

Fresh congestion looms over Ctg port

DWAIPAYAN BARUA, Chattogram

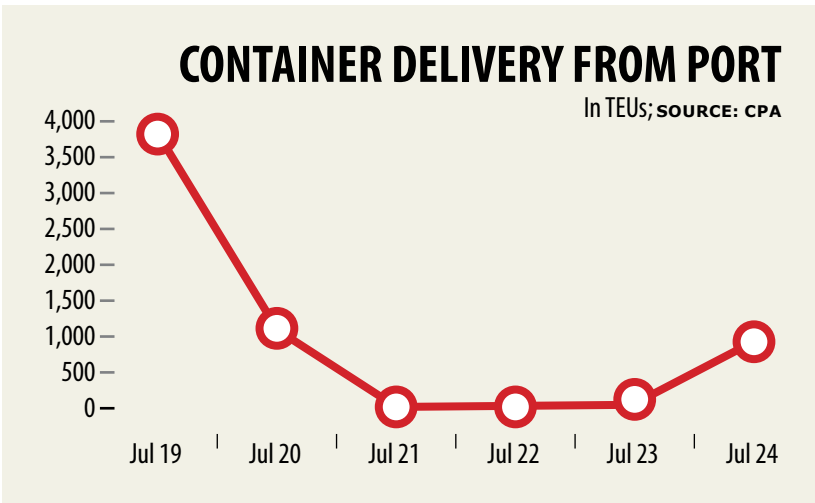
Import containers are piling up at an alarming rate at Chattogram port due to the worst delivery during the Eid holidays and the subsequent poor release of goods for the fresh lockdown, which could cause congestion anew.

Importers say they cannot receive imported goods as their factories are shut because of the strict lockdown, which began on July 23.

Under the circumstances, the chairman of the Chittagong Port Authority (CPA) requested the shipping secretary on Saturday to take necessary steps to convince the National Board of Revenue (NBR) to allow shifting of all types of import load containers to the 19 private inland container depots (ICDs) and arranging delivery from there for at least the next two months.

The chairman expressed concerns that if the delivery did not pick up, the port's operational activities would come to a halt within two or three days.

The shipping ministry and the NBR moved fast. The NBR yesterday permitted to move the containers to



the ICDs to unstuff goods and deliver them from there.

The permission will be effective till August 31, subject to the scanning of all containers before transferring them from the port. The physical examination of the containers carrying commercial items has to be carried out as well.

Currently, 38 types of import-laden containers are allowed to directly

transfer to the ICDs for unloading and making deliveries.

The release of imported items from the port usually slows during Eid holidays, but this year it has reached a record low level: not a single container could be delivered to the consignees in the 48 hours from the morning of Eid day, which fell on Wednesday, to Friday morning.

READ MORE ON B3



ANISUR RAHMAN

"Where is the assistance?" Some 100 to 150 men take their chances waiting at Shonir Akhra in the capital yesterday in hopes of builders turning up offering jobs as construction labourers. The government has asked people to stay indoors but for many daily-wage earners this is not an option. Taking the Eid holiday into consideration, these people have been out of work for some 8 to 10 days.

Stocks continue to reach new heights

STAR BUSINESS REPORT

Stocks closed higher yesterday following a five-day break for Eid-ul-Azha as trading resumed amid the government-imposed coronavirus containment measures.

This marked the sixth consecutive day of a market rally at the Dhaka Stock Exchange (DSE) that has driven the prime index of the country's premier bourse to new heights.

The DSEX, the benchmark index of the DSE, rose 19 points, or 0.29 per cent, to 6,424.21 yesterday even though the prices of most listed stocks had declined.

Last week, the DSEX crossed an all-time high since its inception in 2013.

At the DSE, 116 stocks advanced, 237 declined and 22 remained unchanged.

"The market was powered by institutional investors who bought fundamental stocks and so, the index rose," said a top stock broker, adding that general investors were in selling mood.

British American Tobacco Bangladesh contributed the most followed by Beacon Pharmaceuticals, Beximco Pharmaceuticals, Heidelberg Cement, GPH Ispat, LafargeHolcim Bangladesh and MI Cement, according to data from Amarstock.com.

"Since people are still in a holiday mood, their participation was not up to normal levels but it is rising now," the broker said.

Turnover, another important indicator of the market, rose 7 per cent to Tk 1,354 crore while it was around Tk 2,000 crore one week before Eid.

The DS-30, another DSE index which represents blue-chip stocks, rose 14 points, or 0.60 per cent, to reach a record-high of 2,336 yesterday.

Fu-Wang Ceramics topped the gainers' list, rising 9.95 per cent, followed by GPH Ispat, Meghna Cement, Aramit Cement, and Baraka Patenga Power.

READ MORE ON B3

Berger to launch fire retardant products

STAR BUSINESS REPORT

Berger Paints has signed an agreement with Promat Fire and Insulation Private Ltd, a leading fire protective coating supplier, in order to launch fire retardant painting solutions in Bangladesh.

As such, the listed multinational paint maker can now import, produce and distribute fire intumescent products in the country.

"People of Bangladesh have a lack of awareness and protective tools to prevent fires at the workplace," said Mohsin Habib Chowdhury, senior general manager for sales and marketing at Berger Paints Bangladesh.

"Since Promat is the global leader in supplying fire retardant products, we made a deal with them to bring their internationally certified goods," he added.

Chowdhury went on to say that these products are an industrial requirement.

READ MORE ON B3



Syed Abdul Momen Brac Bank gets new DMD

STAR BUSINESS DESK

Brac Bank has recently witnessed the appointment of a new deputy managing director.

The appointee, Syed Abdul Momen, has served as head of the small and medium enterprises (SME) banking division, says a press release.

Joining in 2005, he worked in the technology division for two years before moving to Brac Afghanistan Bank for two years.

Upon returning in 2009, he joined as head of SME Collection Project.

He became head of Small Business in July 2010 and got the responsibility of the entire SME Banking Division in 2017.

Momen started his banking career in 1999 with the then ANZ Grindlays Bank which was later acquired by Standard Chartered Bank in 2000.

He obtained a BSC degree in computer communications and IT from Middlesex University.

"In the last few years, Momen has taken our SME business to new heights - doubling the lending portfolio, improving the portfolio quality, and growing the deposit book," said Managing Director and CEO Selim RF Hussain.

Singer launches 'HygieneShield' appliances

STAR BUSINESS DESK

Singer Bangladesh has recently introduced a "Beko HygieneShield" series of home appliances.

The home appliances and consumer electronics maker in a press release said the series refrigerator kills 99.9 per cent of bacteria and viruses using ultraviolet technology.

The washing machine disinfects over 99 per cent of any type of fabric using a heater and blower instead of water, enabling keeping the temperature as high as required.

Moreover, the air purifier removes 99.97 per cent of viruses and bacteria. The efficacy levels are said to have been certified by Dublin-based biomedical research organisation airmid healthgroup.

Similarly, the dishwasher uses high temperatures to generate steam and sanitise dishes, a function certified by Rhine-Waal University of Applied Sciences in Germany.

The products are available at select Singer Mega and SINGER Plus Shops and www.singerbd.com.

"We are expecting that these 'Hygiene Products' are going to minimise the risk of getting infected with Covid-19," said CEO MHM Fairoz.



COMMERCIAL BANK OF CEYLON

The Commercial Bank of Ceylon has extended support to Sajida Foundation to strengthen medical facilities at a 250-bed General Hospital in Jessore where the foundation is providing consultation, examination, ICU, HDU as well as medicinal support for people infected with Covid-19. The bank CEO Najith Meewanage and COO Kapila Liyanage, and Sajida Foundation CEO Zahida Fizza Kabir also attended the ceremony marking the initiative.

LafargeHolcim unveils new bag for premium cement

STAR BUSINESS DESK

LafargeHolcim Bangladesh has recently unveiled a new look of its premium cement brand "Holcim Strong Structure", now available in all markets.

During a virtual launching, CEO Rajesh Surana said, "The new look of the bag is really attractive and reflects our stronger brand image and product differentiation."

"LafargeHolcim Bangladesh always emphasises on innovation and customer satisfaction... We are committed to provide best product for our customers to build their dream homes," he said in a press release.

StanChart, Brac to turn returnee migrants into entrepreneurs

STAR BUSINESS DESK

Standard Chartered Bangladesh and Brac have announced launching an initiative to ensure economic self-reliance for migrant workers having to return home amidst the pandemic through skills training and entrepreneurship development.

The two-year project titled "Covid-19 recovery: Entrepreneurship Training and Gainful Employment for Returnee Migrants Affected by Covid-19 in Bangladesh" will be financed by The Standard Chartered Foundation, says a press release.

According to the Ministry of Expatriates' Welfare and Overseas Employment, over four lakh migrants returned within a span of a year due to the ongoing pandemic.

A recent Brac survey suggests half could not

find gainful employment.

Establishing three Reintegration Support Centres, the project would provide emergency arrival assistance, counselling and entrepreneurship training followed by financial assistance to start new businesses.

The project will identify and trace beneficiaries through several sources, including the airport, community members, hotlines and other referrals.

Preference will be given to vulnerable demographics, particularly women and youths aged between 18 and 35 years, from Dhaka, Chattogram and Cumilla districts.

"The return of migrant workers could be seen as a challenge for our economy, but it is also an opportunity," said Standard Chartered Bangladesh CEO Naser Ezaz Bijoy.

Skills and knowledge gained in overseas careers will be channelled towards entrepreneurship and gainful employment opportunities, he said.

It will "also create more opportunities for the broader community, multiplying the recovery momentum at the root-levels", he said.

"...all actors, government and non-government need to work together to support returnee migrants for their economic and social reintegration back into our society," said Brac Executive Director Asif Saleh.

"We have to do more work with fewer resources - there comes partnership.

The main focus is...entrepreneurship skills development and other support services for small-scale businesses that will change and improve the local economy," he said.

IEB, Max Group offer 1,000 oxygen cylinders for free

STAR BUSINESS DESK

The Institution of Engineers, Bangladesh (IEB) and Max Group have recently undertaken an initiative to provide 1,000 oxygen-filled cylinders for free to those in dire need in the wake of an alarming surge of Covid-19 cases.

The company will provide the around Tk 3 crore required for the initiative, which was made public at the IEB's Ramna headquarters, says a press release.

Applauding the duo, chief guest Mahbubul Alam Hanif, joint general secretary of the Awami League, said he has appealed to industrialists and businesspeople to come forward.

There will be no crisis of oxygen or any other medical equipment in the country if companies extend such assistance, said Md Murad Hassan, state minister for information and broadcasting.

Max Group Chairman Ghulam Mohammed Alomgir said he was moved by recent scenes of financially solvent people in India frantically trying to secure an oxygen cylinder.

Unilever introduces two policies for employees' welfare

STAR BUSINESS DESK

Unilever Bangladesh has introduced two more policies as part to build equitable workplaces for employees.

Of the two, the Caregiver Service policy enables employees to avail a helping hand on-demand at a discounted cost to take care of their children, elders and ailing family members.

The other is on interchangeable public holidays, says a press release.

The fast moving consumer goods company's philosophy is to build a diverse and inclusive workplace that respects the dignity and worth of every employee so that they can proudly bring their full self to work.

"We are striving towards a workplace that will carry a profound sense of belonging that ensures everyone is treated fairly, has equal access to resources, and has equal opportunities," said CEO Zaved Akhtar.

Earlier this year two policies, namely "Prevention on Sexual Harassment" and "Support Survivors of Abuse", were introduced to protect employees from any form of harassment or bullying, whether individual or collective.

US Treasury Secretary Yellen warns Congress on debt limit

REUTERS, Washington

US Treasury Secretary Janet Yellen urged lawmakers on Friday to increase or suspend the nation's debt limit as soon as possible and warned that if Congress does not act by August 2 the Treasury Department would need to take "extraordinary measures" to prevent a US default.

In a letter to House of Representatives Speaker Nancy Pelosi, Yellen said that October 1, the first day of the next fiscal year, could be a critical date for the US ability to pay its obligations without debt limit legislation due to large federal outlays scheduled for then.

In the letter, also sent to other congressional leaders from both parties, Yellen said US debt would be at the statutory limit on Aug 1, when a two-year suspension is set to expire.

A partisan fight over raising the debt ceiling erupted in Congress

this week. Republicans have seized upon the debt limit issue to attack Democrats for pushing legislation that they say has led to inflation and escalating public debt.

"Today, Treasury is announcing that it will suspend the sale of State and Local Government Series (SLGS) securities at 12:00 p.m. on July 30, 2021," Yellen wrote.

The suspension of such sales to state and local municipal bond issuers will continue until the debt ceiling is suspended or raised, Yellen said. "If Congress has not acted to suspend or increase the debt limit by Monday, August 2, 2021, Treasury will need to start taking certain additional extraordinary measures in order to prevent the United States from defaulting on its obligations," Yellen added.

A failure to work out differences among lawmakers over whether government spending cuts should accompany an increase in the



JANET YELLEN
US TREASURY SECRETARY

statutory debt limit, currently set at \$28.5 trillion, could lead to a federal government shutdown - as has happened three times in the past decade - or even a debt default.

White House Press Secretary Jen Psaki told reporters President Joe Biden's administration is

not setting a new deadline for congressional action, but Yellen was offering a sense of the timeline for needed action.

"We certainly expect Congress to act in a bipartisan manner, as they did three times under the prior administration, to raise the

debt limit," Psaki said.

Yellen's letter said it was unclear how long the Treasury measures would last, citing heightened uncertainty about forecasting payments and revenues due to the Covid-19 pandemic.

Yellen said there are scenarios under which Treasury's cash and extraordinary measures to continue borrowing could be exhausted soon after Congress fully returns from its summer recess in mid-September.

"For example, on October 1 alone, cash and extraordinary measures are expected to decrease by about \$150 billion due to large mandatory payments, including a Department of Defense-related retirement and healthcare investment," Yellen said. Yellen told Reuters in an interview last week that the Treasury is on track to end July with a \$450 billion cash balance, compared to \$1.12 trillion at the end of March.

Uber driver independence a bumpy road

AFP, San Francisco

Uber driver Mae Cee scoffs at the notion, touted by the global ride-share service, that she and her peers are self-employed contractors -- and that most of them are happy with the arrangement.

In California, labor legislation endorsed by voters last November in a referendum, known as Proposition 22, effectively overturned a state law requiring Uber, Lyft and other app-based, on-demand delivery services to reclassify their drivers and provide employee benefits.

That legislation, heavily backed by the companies themselves with \$200 million in campaign spending, may have officially resolved the status of so-called "gig workers."

"But many of them are still bitter and angry, and say they have all the inconveniences of being independent, and none of the advantages. They also accuse Uber of rolling out benefits while Prop 22 was being debated -- and then retracting them. "No way I'm an independent contractor -- not even close, it's such a joke," said Cee, an activist in a Rideshare Drivers United group.

Drivers for companies such as Uber and Lyft use their own cars and chose their own work schedules in what the companies describe as cherished independence.

But how work days turn out is orchestrated by a sophisticated computer algorithm that artfully nudges drivers to accept as many fares as possible -- including less profitable routes.

Some drivers see the situation as basically having a software version of a

manager, making them tantamount to employees -- without the security such an arrangement would give them.

Prop 22 does guarantee some support such as pay topping the minimum wage and supplemented health care coverage -- but it designates drivers as self-employed, meaning they do not have the right to some regular employee benefits such as collective bargaining.

Uber says a recent survey found 82 percent of drivers are "happy" that Proposition 22 is in place. But Nathan, a driver in San Diego who asked that his last name not be used to protect his privacy, said he felt some of the company's promises

went unfulfilled.

"We had more independence, more freedom... we had more ability to control how much money we made," he said. "Uber was finally working towards making drivers happy."

"Transparency and price control are two things that Nathan wanted from Uber, and he thought he was getting those things."

But within three months of Prop 22 passing, the company did away with an option to dictate fare prices using a "multiplier" during periods of high demand, he lamented.

Drivers still have the option of picking which rides they want to provide, but say

that the amount of information they get to see before deciding which fares to accept has dwindled.

For example, Uber only starts sharing aspiring riders' destinations after a driver has blindly accepted five out of 10 trips.

An Uber spokesperson told AFP that about a third of drivers were refusing more than 80 percent of fares before the tweaks, which were made to improve the reliability of the service. "With the recovery from the pandemic, we wanted to make sure that passengers have a car when they need it and that all drivers have more trips on average," the spokesperson said.

Critics argue that calculations regarding how much drivers earn hourly do not take into account time ride-share or delivery drivers spend waiting around.

They also contend that most drivers will not be eligible for the touted contributions to health insurance coverage.

Meanwhile, Uber has been offering incentives to get drivers back on the road as rider demand picks up after being stalled by the coronavirus crisis.

Drivers may still be wary of Covid-19, and could be getting financial help from government aid to the unemployed. And, as with the rest of the job market, the pandemic may have prompted some to shift gears on careers.

"People did training, or they found other jobs," Cee said. "The pandemic helped us realize we were hooked, trapped in an abusive relationship with Uber. "The Rideshare Drivers United group seeks to mobilize members against the Proposition 22 model, which Uber hopes to spread beyond California.



AFP

A rideshare driver demonstrates in Los Angeles against Proposition 22, which effectively overturned a state law requiring Uber, Lyft and other app-based, on-demand delivery services to reclassify their drivers and provide employee benefits.

US stock markets hit new highs, Treasury yields up

REUTERS, New York

All three major US stock indexes closed at record highs on Friday after a rocky week in which investors fretted over the Delta coronavirus variant and cheered an economic recovery, while US Treasury yields rose before a Federal Reserve meeting next week.

Megacap tech stocks and positive corporate earnings helped drive main US indexes up again.

Yields on US Treasuries were also up, as was the dollar, with investors eyeing next week's Federal Reserve meeting for hints on the US economic recovery from the Covid-19 pandemic and when the central bank will pull back support for the economy.

"It's certainly been a really strong run. For now it looks justified based on the strong earnings results. We got interest rate stability, which was helpful. As the economic recovery continues, as long as people are continuing to get out there despite the Delta variant, we think stocks can go higher," said Jeff Buchbinder, equity strategist for LPL Financial. "We think the ride will get bumpier in the second half, but we think the bull market continues."

The Dow Jones Industrial Average rose 238.2 points, or 0.68 per cent, to close the week at 35,061.55, while the S&P 500 gained 44.31 points, or 1.01 per cent, to 4,411.79. The Nasdaq Composite added 152.39 points, or 1.04 per cent, to close at 14,836.99.

The greenback on Friday booked a second week of gains after a volatile few days as risk appetite waxed and waned.

The dollar index, which measures the greenback against a basket of six major currencies, was slightly higher on the day at 92.894. That was off a 3-1/2-month high of 93.194 hit on Wednesday.

For the week, it was up 0.1 per cent, after rising 0.6 per cent previously. The yield on 10-year Treasury notes hovered around 1.3 per cent, or almost 17 basis points higher than a five-month low set on Tuesday, but was still at the low end of a recent range.

Cross-border trade resumes after Eid holidays

OUR CORRESPONDENT, *Dinajpur*

Cross-border trade through the Hili and Radhikapur land ports in Dinajpur and Sonahat land port in Kurigram resumed yesterday, marking the end of Eid-ul-Azha celebrations.

However, trade through the Banglabandha land port in Panchagarh will resume from Friday.

All import and export activities through Hili Land Port were halted for six days during the Eid holiday, which began on July 19 as decided by traders from both India and Bangladesh, according to Harun Ur Rashid, president of the port's Importers and Exporters Group.

Sarkar Rakib Ahmed, president of the Clearing and Forwarding Agents Association of Sonahat land port, said that the port had remained closed for five days to celebrate the religious festival.

"Trade through the port resumed on Sunday," he added.

Kudrat-e-Khuda Milon, secretary of the Clearing and Forwarding Agents Association of Banglabandha Land Port, said the port went into a ten-day holiday on July 19 that will end on Thursday.

"Trade will start from Friday," Milon added.

However, immigration services at all these ports remain open.

UK will be exposed to paying pandemic cost risks for decades

REUTERS, *London*

The British government will be exposed to financial risks from its 372-billion-pound pandemic spending for decades, according to lawmakers' reports on Sunday that also said more than 2 billion pounds had been spent on unusable protective equipment.

In two reports on the response by Prime Minister Boris Johnson's government to the Covid-19 pandemic, parliament's Public Accounts Committee (PAC) said lessons needed to be learned before a promised public inquiry due to be held in 2022.

"With eye-watering sums of money spent on Covid measures so far the government needs to be clear, now, how this will be managed going forward, and over what period of time," Meg Hillier, the PAC chair, said.

"The ongoing risk to the taxpayer will run for 20 years on things like arts and culture recovery loans, let alone the other new risks that



REUTERS/FILE

A woman stands inside an almost deserted underground train, amid the coronavirus disease outbreak, in London, Britain on January 5.

UK financial watchdog warns consumers over CoinBurp crypto launch

REUTERS, *London*

Crypto broker CoinBurp has no authorisation for a planned launch of its \$BURP token and initial exchange offering on Monday, July 26, Britain's Financial Conduct Authority (FCA) said on Sunday in the latest crack down on crypto trading.

CoinBurp said last week it had raised \$6 million to build a platform for buying and selling non-fungible tokens (NFTs), digital assets that are attracting interest from some investors but also scrutiny from regulators worried about the risks.

"The firm does not yet hold full FCA

registration under the money laundering, terrorist financing and transfer of funds (information on the payer) regulations ... but has submitted an application for the FCA for registration," the FCA said in a statement.

Although CoinBurp is listed on the FCA's temporary registration register, this does not allow any firm to claim to be registered or authorised by the FCA, the watchdog said.

"Whilst firms with this status can continue to trade, such firms and their personnel have not yet been assessed as fit and proper, and we have not yet determined their application for the purposes of the money laundering

regulations," the FCA said.

CoinBurp, which could not be immediately reached for comment, says on its website that "\$BURP is coming! Be the first to know when we launch our very own utility and governance token."

"Building this product means that CoinBurp - as a regulated broker - will have NFTs listed on the market and can be made available for investors in large and small quantities," it said in a press statement on Friday.

The FCA statement is the latest in the watchdog's warnings to consumers they could lose all money in crypto assets.

Hefty incentives for state bank employees

FROM PAGE B1

This was not the first time the BB has attempted to stop the financially weak state banks from doling out incentive bonuses.

On several occasions in recent years, the central bank said, in its annual inspection reports, the state banks should not give out any incentive bonus.

June's recommendation from the BB came as the four banks faced either a shortage of required provisioning or capital.

For instance, Sonali Bank faced a capital shortfall of Tk 3,064 crore last year. It did not face any provision shortfall last year and logged a net profit of Tk 338 crore.

But it should have avoided paying the incentive given the large capital shortfall, a BB official said.

The provisioning shortfall at Agrani stood at Tk 1,319 crore and Rupali Bank at Tk 822 crore.

A provision shortfall occurs when a financial obligation exceeds the amount of cash available. It can be temporary, arising out of a unique set of circumstances, or persistent, indicating poor financial management practices.

Janata Bank witnessed a net loss amounting to Tk 5,054 crore last year when its capital shortfall surged to Tk 5,475 crore.

The central bank enacted a guideline on incentive bonuses for state-run banks in 2014, and it was subsequently sent to the finance ministry.

According to the guideline,

employees are entitled to an incentive bonus based on the net profit posted.

It also said that banks would be permitted to disburse incentives if they could manage a net profit after keeping required provisioning against the classified loans and other assets.

Default loans at Sonali, Janata, Agrani and Rupali collectively stood at Tk 34,175 crore last year, accounting for 49 per cent of the total non-performing loans in the banking sector.

Depending on the gravity of sour assets, the provisioning ranges from 0.50 per cent to 100 per cent.

The four banks would have faced a net loss worth Tk 18,500 crore in 2019 had their provisioning shortfall been considered. They collectively disbursed Tk 437 crore in the form of incentives in the year. The figure for 2020 was not immediately available.

The central bank letter said that any commercial bank would conduct its operations to clock profit, and the incentive bonus was important to encourage employees such that they feel cheered to do their job efficiently.

But, it is not expected from those that incur a loss, the BB official said.

Md Ashadul Islam, senior secretary of the FID, declined to comment over the mobile phone.

Md Abdus Salam Azad, managing director of Janata Bank, said that an adverse impact would be created among the employees if the tradition

departments across government must quickly learn to manage."

The PAC highlighted an estimated loss of 26 billion pounds through fraud and repayment default from loans handed to businesses to help cope with the pandemic as an example of the ongoing financial risk.

In a second report, the committee said there had also been "unacceptably high" levels of wasteful spending, with 2.1 billion items of unsuitable personal protective equipment (PPE) purchased, equating to more than 2 billion pounds of public money.

The government said only 0.84 per cent of all PPE had been found to be unusable, and it had plans to repurpose that which could not be used in the health service.

"There are robust processes in place to ensure that government spending always provides value for money for the taxpayer," a Department of Health spokesperson said.

China's Tencent ordered to give up exclusive music rights

AFP, *Beijing*

Chinese tech giant Tencent must relinquish its exclusive music label rights, the market regulator said Saturday, after finding that the firm had violated antitrust laws.

The ruling is the latest in a crackdown on China's tech sector after years of runaway growth, as Beijing frets over the companies' growing influence as well as the security of troves of sensitive consumer data.

Tencent acquired a majority stake in rival China Music Group in 2016, effectively controlling more than 80 percent of exclusively held music streaming rights in the domestic market, the State Administration for Market Regulation said in a statement.

This gave the firm's music arm the ability to urge labels to "reach more exclusive copyright agreements, or require better trading conditions compared to (Tencent's) competitors," the regulator said, calling the case an

"illegal concentration of business operators." Tencent's music arm was also fined 500,000 yuan (\$77,144), SAMR said.

Chinese music streaming firms have in recent years fought to snatch up exclusive rights to play labels' tracks in the country after regulators tightened rules against piracy.

The biggest players in China's tech sector -- after years of growth thanks to lax regulation -- are now facing increased scrutiny.

Stimulus going to unproductive sectors

FROM PAGE B1

In order to provide businesses much needed liquidity support to combat the havoc created by Covid-induced losses, the government began to offer low-cost loan support since the end of March last year, when the pandemic first hit the country.

Until now, the government has rolled out 23 stimulus packages involving Tk 128,440 crore, which is 4.6 per cent of Bangladesh's gross domestic product. Of the sum, the central bank has set a target to inject around Tk 97,000 crore.

Bangladesh Bank had earlier directed banks not to allow the adjustment of any credit of the borrowers through the use of loans granted from stimulus packages.

It also reminded bankers of a suggestion to form a special cell to monitor proper implementation of stimulus schemes. In yesterday's directive, Bangladesh Bank also asked lenders to release loans sanctioned in a timely manner.

It also asked lenders to engage internal audit divisions in ensuring that money was not going to unproductive sectors.

BB questions 3 non-banks' fierce SMS marketing

FROM PAGE B1

All of them are sending SMS to clients, describing features of different deposit products, including the three schemes.

The central bank officials said the interest rate on deposits has recently declined to a large extent as the country's banking sector was now flooded with excess liquidity. But the NBFIs are still offering high interest rates, said the officials.

Despite repeated attempts, Md Ahsan Kabir Khan, managing director of Prime Finance and Investment, and Mohammed Mosharaf Hossain, managing director of First Finance, could not be reached over the phone.

Stocks continue to reach new heights

FROM PAGE B1

Stocks of SAIF Powertec traded the most with Tk 68 crore followed by British American Tobacco Bangladesh, Beximco Limited, BD Finance, and Fu-Wang Ceramics.

Familytex BD shed the most, falling 9.43 per cent, followed by Tung Hai Knitting, RN Spinning Mills, C&A Textiles, and Fareast Finance.

The port city bourse also rose yesterday as the CASPI, the general index of the Chittagong Stock Exchange, advanced 130 points, or 0.55 per cent, to 18,673.

Among 305 traded stocks, 105 advanced, 178 dropped, and 22 remained unchanged.

Container delivery hits rock bottom

FROM PAGE B1

On Saturday and Sunday, 933 TEUs (twenty-foot equivalent units) of import containers were released, way lower than 3,500 TEUs delivered on a normal day.

As the port authorities kept open loading and unloading during the Eid holidays except for a few hours on Wednesdays, the port yards are now choking with containers received from the vessels.

Before the Eid holiday began on July 20, the number of containers lying at the port was 37,819 TEUs against the port's capacity of 49,018 TEUs. As of yesterday morning, it rose to 43,574 TEUs.

The scenario is most alarming for the yards dedicated to storing import load containers.

As of yesterday, 40,741 TEUs of import containers were lying at the port, exceeding the capacity of 39,518 TEUs.

Before Eid-ul-Azha, the CPA sent letters to various stakeholders, including business associations such as the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the Bangladesh

Knitwear Manufacturers and Exporters Association, the Federation of Bangladesh Chambers of Commerce and Industry, and shipping agents, urging them to continue receiving imports immediately after Eid day.

Since the letter made little impact, the CPA, on Saturday, again wrote to the BGMEA, the Chittagong Chamber of Commerce and Industry, the Bangladesh Fresh Fruit Importers Association, the Chattogram Fruit Traders Association, the Chattogram Customs Clearing and Forwarding Association and others to take the delivery during the weekend.

It also warned them of imposing a penalty on the store rent if the delivery does not speed up.

A major portion of the goods is mainly the raw materials used by garment factories.

Contacted, BGMEA First Vice-president Syed Nazrul Islam said though the port, customs and banks remained open, the importers were failing to have the goods released since factories had been shut due to the lockdown.

"Officials of our commercial sections and C&F agents need to

Berger to launch fire retardant products

FROM PAGE B1

In the wake of a deadly fire incident at the Hashem Foods factory in Narayanganj on July 8, fire prevention has become a major concern for local industries.

"These products can help hold up a steel structure for around two hours during a fire, allowing fire services enough time to extinguish it," he said.

Berger Paints will become equipped with the means to locally produce these products through a technology transfer while other goods that have less demand will be imported.

The company plans to roll out its new line of fire retardant products from next January as some preparations are

needed before production can begin.

"We will also work to raise fire safety awareness as people are not aware enough about fire protective solutions," said Chowdhury, adding that they will work with the government in a bid to provide these products at competitive prices.

The listed paint maker disclosed this information through the Dhaka Stock Exchange website yesterday.

As per the agreement, Berger Paints will be an importer and distributor of Promat's products in Bangladesh. Jensen & Nicholson (Bangladesh), a wholly owned subsidiary of Berger Paints, shall be the exclusive indenting agent of Promat in the country, the disclosure said.

come to process the delivery activities. But it is not possible because of the lockdown."

CPA Chairman M Shahjahan, however, told The Daily Star yesterday, "If we can shift a good number of import load containers to the ICDs, and the goods can be delivered from there, it will free up space in the port yards."

A total of 53,864 TEUs containers, including import load, export load and empty containers, were at the private ICDs yesterday against their combined capacity of 78,700 TEUs.

Bangladesh Inland Container Depots Association Secretary Ruhul Amin Sikder said the ICDs were already burdened with a backlog of 12,993 TEUs of export-laden containers.

"These containers need to be cleared to a large extent. Otherwise, it would be difficult for the ICDs to act in line with the NBR order."

"We have already advised the ICDs to engage their best logistics to shift containers from the port, and the transfer will commence in the evening," he said in the afternoon yesterday.

On the same day, the company disclosed its financial information for the year that ended on March 31, 2021.

It also declared 375 per cent cash dividends for the year, when the company's earnings per share rose 11 per cent to Tk 58 compared to the previous fiscal year.

However, the share price of Berger Paints dropped 5 per cent to Tk 1,780 yesterday.

Its net revenue rose to Tk 1,667 crore in FY2020-21 while it was Tk 1,621 crore a year earlier.

During the same period, the company logged profits of Tk 254 crore while it was Tk 229 crore the previous year.

AstraZeneca scours supply chain for more vaccine doses for Thailand, SE Asia

REUTERS, *Bangkok*

AstraZeneca Plc is "scouring" its global supply chain to try and boost Covid-19 vaccine supplies to Thailand and Southeast Asia, its representative for the country said on Saturday, amidst speculations of local production shortfalls.

The comments come after leaked letters showed last week that the drugmaker had offered to supply 5-6 million vaccine doses a month to Thailand, contradicting assertions by Thai officials that the government is owed 10 million a month and 61 million doses by end-2021.

AstraZeneca is "scouring the 20+ supply chains in our worldwide manufacturing network to find additional vaccines for Southeast Asia, including Thailand", James Teague, managing director of AstraZeneca Thailand, said in a statement. "We are hopeful of importing additional doses in the months ahead," he added.

The drugmaker had previously said vaccine doses for Thailand and Southeast Asia would come from a plant of its Thai partner Siam Bioscience, owned by Thailand's king and a first-time vaccine maker.

Profits at India's Reliance fall on Covid impact

AFP, *Mumbai*

Profits at Indian conglomerate Reliance Industries dropped sharply between April and June this year, the company said Friday, as Asia's third-largest economy battled a vicious second wave of Covid-19.

The oil-to-telecoms giant, which is owned by Asia's richest man Mukesh Ambani, reported a consolidated net profit of 122.73 billion rupees (\$1.65 billion) in the quarter ending June 30, a 7.25 per cent fall compared to the same period last year.

Even though its quarterly revenues jumped by 58 percent year-on-year to 1.44 trillion rupees, aided by its flagship oil and gas businesses, its retail arm took a hit as a spike in infections prompted shop closures.

"Covid-related restrictions on store operations during the quarter impacted our retail business operations and profitability. This is a temporary phenomenon," Ambani said in a statement.

"I am happy that our company has delivered robust growth despite facing a highly challenging operating environment caused by the second wave of the Covid pandemic," he added.

Work together to disseminate knowledge

Shohoz Founder and Managing Director Maliha M Quadir shares her thoughts at The Daily Star's The Chief Executive Show powered by Marico

DWOHA CHOWDHURY

"If you have knowledge, let others light their candles in it."

Like 19th-century American journalist Margaret Fuller, Maliha M Quadir, founder and managing director of Shohoz, the fastest-growing start-up in Bangladesh, believes in disseminating knowledge.

She believes that working together is the best way to disseminate knowledge, and the free flow of ideas, debates, and discussions within the organisation is vital for things to get learnt.

"I like horizontal structures so that there aren't many layers. Too many layers don't let you talk to the people at the bottom," said the ICT entrepreneur.

She explains that bringing youths to the meeting was also important, and it was her learning from multinational investment bank Morgan Stanley, where she started her career.

"In Morgan Stanley, seniors used to bring us to meetings with the CEO and the CFO. Listening to them was a great way to learn," Maliha said, adding that she also takes the opportunity of monthly town hall meetings to encourage young colleagues.

She also believes in sharing her dream with her colleagues at Shohoz, which was launched in 2014.

The Shohoz Super App serves as a single portal connecting local people to local businesses providing a wide range of products and services like food, tickets, rides, truck rentals and healthcare.

"I'm not the best in showing them the big picture of what we're building, but I try. Motivation comes through this," said Maliha, adding that a good corporate environment was also crucial for motivation.

"A good environment, in my definition, is where there is a level of trust among the people which comes from transparency."

"In a start-up, we do new things, and there is an inherent amount of excitement in what we do. Besides, showing the career path is also important to motivate people."

Recognised by businessfinancing.co.uk, a business finance and research and information website, last year as one of the world's top female founders for raising the highest amount for the country's fastest-growing start-up, Maliha believes balancing creativity and control is a tricky manoeuvre.

There must be another type of control over the colleagues in a service organisation.

"Control is giving people the freedom to experiment with business ideas, try new things by taking the risk together and not to penalise for the failure of ideas," said the ICT ministry's Best Female ICT Entrepreneur Award winner.

"But if one starts taking unnecessary advantage of the freedom, it will destroy everything else surrounding it," she said, adding that service was about quality which was driven by the people working in a disciplined manner.

Maliha also has a different approach toward collaboration. In her career, she understood the reasons why people do not want to collaborate.

"The desire to prove by showing that he is the one doing everything is sheer ego. Some people even do not want to share knowledge too," she said.

Maliha said unintentional mistakes in collaboration happened when the organisation structure was more complex, and there must be a clear definition of everyone's responsibilities.

"To make the organisation's tone right, I admit my mistakes always, and that is an important culture for a start-up and any organisation."

Maliha, the recipient of The Daily



Maliha M Quadir

Star Best ICT Startup of the Year 2018 Award, said they carried out corporate branding through LinkedIn by portraying the life at Shohoz and through word-of-mouth.

"Alongside company branding, the corporate branding is also being done that is helping in attracting people as well," she said, adding that Shohoz had a plan for campus recruitment, but it was delayed due to the coronavirus pandemic.

Maliha, a Young Global Leader of 2019 of the World Economic Forum, characterises herself as always being studious and competitive.

"I just wanted to do everything perfectly," she said, adding that her dream was to study at Harvard.

After passing the higher secondary certificate exam in Bangladesh, she got admitted to Smith College in the US in 1996 for a Bachelor of Science degree in economics and computer science.

Maliha believed that a job at any

Wall Street firm could give her a better opportunity to enrol at a good business school.

She then started her career with Morgan Stanley as an intern. In 2000, she joined the Fortune 500 company as an investment banking analyst.

She got married at that time, and with the support of her husband, Maliha worked under tremendous pressure. She considers it "the best learning experience of my life."

Working at the mergers and acquisitions department of the company, Maliha learnt about the impact of strategic decisions through financial analysis of any company from the ground level.

With a recommendation from Morgan Stanley, Maliha finally achieved her dream of getting admitted to Harvard Business School for an MBA degree in 2004.

"Harvard has been a very gratifying experience and a good learning experience. I took some



"I like horizontal structures so that there aren't many layers. Too many layers don't let you talk to the people at the bottom."

of Shohoz was laid.

"Shohoz comes from a long story. Internet is making people's life easy, and I used to read a magazine named 'Real Simple'. So, from there, Shohoz was born," she said.

To Maliha, the toughest challenge as the leader of a start-up was raising funds as Bangladesh was not on the top list of investors, even though the situation has changed in the last five years.

Keeping the bigger picture in mind and making the everyday decisions while keeping the funding scenario in thoughts too is the life of the CEO of a start-up.

"And that is the toughest part of what I do," said the entrepreneur.

She also has a suggestion for budding entrepreneurs.

"While facing a challenge, you don't have to work hard. Instead, think and remove your emotions out of the way, and think objectively about what you do and have faith. These things will help overcome any challenge."

Maliha said leadership was a lonely affair as a lot rested on the leader, which cannot be shared with the team.

"The other side of leadership is to stand up to the criticism."

About challenging times, Maliha understands that finding inner peace was difficult because of the conflict with ambition.

She said inner peace was more about being confident in one's own schemes.

"Inner peace is really about being truthful, honest and fair to everyone. That gives a lot of courage."

For newcomers, Maliha suggests keeping an eye out on the future and knowing what is happening around.

Networking also helps to extend possibilities.

"If you know the future trends and if you keep a stock of where you started and what are you doing now, things become easier," she said.



GLOBAL BUSINESS

Global supply chains buckle as virus variant and disasters strike

REUTERS

A new worldwide wave of Covid-19. Natural disasters in China and Germany. A cyber-attack targeting key South African ports.

Events have conspired to drive global supply chains towards breaking point, threatening the fragile flow of raw materials, parts and consumer goods, according to companies, economists and shipping specialists, reports Reuters.

The Delta variant of the

to food and electronics.

German container line Hapag Lloyd described the situation as "extremely challenging".

"Vessel capacity is very tight, empty containers are scarce and the operational situation at certain ports and terminals is not really improving," it said. "We expect this to last probably into the fourth quarter – but it is very difficult to predict."

Bangladesh is also feeling the heat of the global container crisis.

that's why they are sending fewer products to the port."

Since this is a global problem, its solution will not be so fast, it will gradually return to normalcy, he added. "A number of cargoes have left the port before Eid and a significant number of cargoes will leave the port during the lockdown. This may improve the situation." He also said.

He further said that there is no doubt about the ongoing problem being global. However, the port also

According to Chittagong port officials, this has been partly brought on by the excess congestion in many Asian transshipment ports, especially Singapore, Port Klang in Malaysia, and Colombo in Sri Lanka. This means containers that took goods for export to foreign countries have yet to return for another shipment.

As a result, the inland container depots (ICDs) in Bangladesh are failing to transfer the products to the ports due to the acute shortage of containers. This problem has been amplified by delays in getting space on mother vessels in the transshipment ports, said port insiders.

ICD authorities said that there are no available bookings in the mother vessels for Europe and America from the three major transshipment ports due to the congestion of ships in the ports of those export destinations.

Meanwhile, the Chinese flooding is curtailing the transport of coal from mining regions such as Inner Mongolia and Shanxi, the state planner says, just as power plants need fuel to meet peak summer demand.

In Germany, road transportation of goods has slowed significantly. In the week of July 11, as the disaster unfolded, the volume of late shipments rose by 15 per cent from the week before, according to data from supply-chain tracking platform FourKites.

Nick Klein, VP for sales and marketing in the Midwest with Taiwan freight and logistics company OEC Group, said companies were scrambling to free goods stacked up in Asia and in US ports due to a confluence of crises.

"It's not going to clear up until March," Klein said. Manufacturing industries are reeling.

Automakers, for example, are again being forced to stop production because of disruptions caused by Covid-19 outbreaks. Toyota Motor Corp said this week it had to halt operations at plants in Thailand and Japan because they couldn't get parts.

US trade agency drops tariff threat against Vietnam over currency practices

REUTERS, Washington

The US Trade Representative's office on Friday said it had determined that no tariff action against Vietnam was warranted after its central bank agreed with the US Treasury not to manipulate its currency for an export advantage.

In a statement, USTR said it found that the US Treasury-State Bank of Vietnam agreement earlier this week "provides a satisfactory resolution of the matter subject to investigation and accordingly that no trade action is warranted at this time."

The State Bank of Vietnam on Monday pledged in an agreement with Treasury Secretary Janet Yellen to refrain from "competitive devaluation" of its dong currency and make its monetary and exchange rate policies more transparent. The deal follows months of US pressure on Vietnam over its currency practices and ballooning US trade surplus.

The Trump administration in its final weeks had declared Vietnam a currency manipulator and had threatened to impose punitive tariffs on imports from Vietnam over its currency practices.

The USTR determination, outlined in a federal register

notice, only pertains to its Section 301 investigation into Vietnam's currency practices.

It does not affect a separate Section 301 investigation into Vietnam's use of illegally harvested or traded timber that could lead to tariffs on furniture and other wood products imported from Vietnam.

"American workers and businesses are stronger when our partners value their currency fairly and compete on a level playing field," US Trade Representative Katherine Tai said in a statement. "Going forward, in coordination with Treasury, we will work together with Vietnam to ensure implementation, and we will continue to examine the currency practices of other major trading partners," Tai added.



REUTERS/FILE

A Vietnam dong note is seen in this illustration photo.



Men stand on a vehicle on a flooded road following heavy rainfall in Zhengzhou, Henan province, China on July 23.

REUTERS

coronavirus has devastated parts of Asia and prompted many nations to cut off land access for sailors. That has left captains unable to rotate weary crews and about 100,000 seafarers stranded at sea beyond their stints in a flashback to 2020 and the height of lockdowns.

"We're no longer on the cusp of a second crew change crisis, we're in one," Guy Platten, secretary-general of the International Chamber of Shipping, told Reuters.

"This is a perilous moment for global supply chains."

Given ships transport around 90 per cent of the world's trade, the crew crisis is disrupting the supply of everything from oil and iron ore

But experts are saying that the situation should improve soon.

Insiders said that the stagnation of many European ports ended amid the pace of the lifestyle returning to normal, which led to a decrease in the congestion in those ports.

"The goods are being delivered from the mother vessels, which have been waiting for delivery for a long time. As a result, the vessels are returning with empty containers," they also said.

Khairul Alam Suzan, vice president of Bangladesh Freight Forwarders Association (BAFFA), said: "Garments and other industries are closed in our country due to Eid holidays and lockdowns,

had the opportunity to contribute to reducing the manifestation of this problem.

"We need to make more accurate and effective plans for the port. Export volume from our country is growing significantly, industries are getting much more orders. But if the port is not modern, such problems will remain throughout the year," Suzan said.

In this case, modernization of ports, construction of the bay terminal, has become essential, he suggested.

Earlier, exports from Bangladesh have been facing unexpected delays for the last couple of months owing to the global container crisis.

Insurance recovery will be faster, stronger than in 2008

REUTERS, New York

The global insurance industry is poised to recover more quickly and forcefully from the pandemic than it did after the 2008 financial crisis, despite such obstacles as low interest rates and inflation risk, insurer Swiss Re AG's chief Americas economist said on Friday.

Unlike the prior crisis, the pandemic did not weaken insurers' overall capitalization or financial strength, which allows companies to write new coverage and increase revenue, economist Thomas Holzhau told Reuters. Writing new policies was more difficult in 2009 and 2010 when insurers were reeling from capital losses, slow economic growth and depleted incomes of companies and individuals.

In contrast, businesses and individuals

now have more money from government stimulus and support programs, and are more conscious of the need to buy protection against risks, he added.

"We see a much stronger, more resilient demand for insurance - last year, this year, and we expect for the next few years - compared with the financial crisis, when the industry was a part of the financial markets issues," he said.

Swiss Re's view aligns with other bullish signs. Global commercial insurance prices, for example, rose 18 per cent in the first quarter of 2021 from a year earlier, on average, insurance broker Marsh McLennan Cos Inc said in May. Rates have risen since late 2017.

Swiss Re said it expects annual growth for all premiums, not just commercial, to reach 3.3 per cent this year and 3.9 per cent in 2022, after falling just 1.3 per cent last year.