



**Sohail Alim
Mastercard
gets new
director**

STAR BUSINESS DESK
Mastercard yesterday witnessed the appointment of its new director, account management, Bangladesh. The appointee, Sohail Alim will be responsible for supporting customer relationships and will work on the company's key priorities in the country, including managing partnerships with banks and fintechs, a press release said. He will report to Syed Mohammad Kamal, country manager of Mastercard in Bangladesh. Sohail was previously serving Standard Chartered Bank Bangladesh (SCBB) as head of credit cards. With a career spanning nearly 19 years with SCBB across retail, distribution and client servicing, Sohail is a dynamic and diversified professional with numerous accomplishments. He obtained his graduation degree in Management Information System from AIUB.

**Sonali Bank tops
govt performance
scoring**

STAFF CORRESPONDENT
State-owned Sonali Bank Limited secured top position among all government banks in implementing an annual performance agreement 2020-21 signed with the finance ministry's Financial Institutions Division. The lender scored 93.6 out of 100, said a press release. Managing Director Md Ataur Rahman Prodhhan attributed the success to implementation of the government's stimulus packages alongside rendering of digital banking services amidst lockdowns. The Financial Institutions Division signed the agreement with 17 financial organisations to ensure development in rendering services to the people.

**Daraz relaunches
dMart campaign**

STAR BUSINESS REPORT

E-commerce platform Daraz Bangladesh relaunched its dMart campaign yesterday to give customers a special opportunity to conveniently grab their daily essentials. The relaunch campaign will be live till September 27 with amazing discounts and other deals on offer, according to a press release from Daraz. This campaign will consist of a wide range of household essentials like groceries, baby care, and beauty products and the customers can now utilize this special opportunity conveniently without leaving their homes, it said. Daraz has revamped its online supermarket channel based on extensive research on customers' purchase behavior.

Equipped with a Dynamic Channel homepage, Daraz allows customers to browse available products according to their current location or previously saved delivery address. Customers can also select the location from the "City Selector" on the dMart homepage. Syed Mostahidul Hoq, managing director of Daraz Bangladesh, said the company is continuously innovating new business solutions and features on the mobile app to make it easier and for customers to shop online. "The relaunch of dMart with its new basket building features will enable people from across the country to purchase their monthly essentials online. We aim to become a part of our customers' everyday lives," he added.



Md Hsan-uz Zaman, managing director of Midland Bank Limited, recently inaugurated Automated Challan System for its customers at the bank's head office in Gulshan enabling e-passport fee, income tax, value-added tax, duty fee, surcharge and various government fees through online from home or office. Md Zahid Hossain, deputy managing director, and Md Ridwanul Haque, head of retail distribution, were present.

**US Democrats unveil plans
to suspend debt limit**

AFP, Washington

Democratic congressional leaders on Monday unveiled plans to suspend the nation's borrowing limit, following a White House warning of "economic catastrophe" unless that ceiling is raised. The legislation also would fund the government through the end of the year after the current budget lapses on September 30. But the fate of the plan is unclear since Republicans have vowed to withhold support for raising the debt ceiling, which is needed to fund spending already approved by lawmakers, including the massive rescue packages rolled out during the Covid-19 pandemic. "The American people expect our Republican colleagues to live up to their responsibilities and make good

on the debts they proudly helped incur," Democratic Senate Majority Leader Chuck Schumer and House Speaker Nancy Pelosi said in a joint statement. They warned that "a reckless Republican-forced default could plunge the country into a recession." "Democrats have the majority in both houses of Congress, but the slim margin in the Senate means they will need some Republican support to push it through, since a single Senator can block any legislation that has less than 60 votes. The measure would suspend the debt limit through December 2022 -- after the midterm congressional elections. It also would keep the government running through the end of the year while legislators continue to debate two massive spending bills -- an eight-year,

\$1.2 trillion infrastructure package and a 10-year, \$3.5 trillion package with a host of social programs, largely paid for by rolling back tax cuts. Schumer and Pelosi said the measure unveiled Monday would avoid "an unnecessary government shutdown," and called it "must-pass legislation." "It will also include funds for disaster relief and Afghan evacuee resettlement, with the White House asking for \$20 billion for hurricane and wildfire aid and \$6 billion for tens of thousands of Afghan refugees. "We look forward to passing this crucial legislation with bipartisan support through both chambers and sending to the president's desk in the coming weeks," they said. But Republican Senate leader Mitch McConnell once again said Democrats should go it alone.

**Transport strike affects
export, import**

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Stoppage of harassment by police through stopping vehicles at any place in the name of checking documents and setting up of adequate terminals and restrooms for the goods-carrying vehicles on both sides of the highways are some of other demands. Talking to The Daily Star, Secretary General of the owners' association Chowdhury Jafar Ahmad said the government in 2019 raised the annual advance income tax without any discussion with stakeholders. It was from a previous rate of Tk 12,500 to Tk 16,000 against a truck or covered van and from Tk 19,000 to Tk 24,000 for a prime-mover, he said. "We refused to pay the additional amount in the last two years but this year the owners are being asked to pay the full tax, including the previous years' arrears," he said. Usually, 4,000 to 6,000 trucks and covered vans as well as 2,500 container-carrying prime movers enter the port a day for taking delivery of goods and containers. No vehicle entered into the port since 6:00am yesterday, said CPA Secretary Md Omar Faruk adding that delivery of bulk cargo and goods-laden containers almost remained suspended. He, however, claimed that loading and unloading of containers from the vessels were ongoing on a limited scale. But the berth operators said loading and unloading activities also came to a halt as prime-movers engaged in carrying the unloaded containers from the hook point to different yards did not operate. Saif Powertech handles container movement at seven jetties under Chittagong Container Terminal (CCT) and New Mooring Container terminal (NCT). Tanveer Hussain, chief operating officer (COO) of Saif Powertech, said three container vessels, MV Conship Cox, MV Sahare and MV Peral River Bridge, berthed at three jetties of NCT yesterday morning.

But not a single import-laden container could be unloaded from these vessels yesterday, he said. On an average day, 1,000 TEUs (twenty foot equivalent units) of import containers are usually unloaded from a vessel. Transport of import and export containers between the port and 18 private ICDs was also suspended. Bangladesh Inland Container Depots Association (BICDA) Secretary Md Ruhul Amin Sikder said no import and export-laden containers could be transported between the port and ICDs yesterday as the drivers and helpers of prime movers abstained from work. Usually, 1,500 TEUs of export-laden containers and 700 TEUs of import-laden and empty containers are transported between the port and the ICDs. Scheduled departure of a Colombo-bound vessel named MV AS Sicilia berthed at CCT jetty No 3 may have to be cancelled as around 929 TEUs of export-laden containers bound for this ship could not be transported to the port from the ICDs yesterday. Mohammad Hatem, first vice-president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said exporters who have their own transport facility were able to carry goods from factories to the ports and vice-versa. Home Minister Asaduzzaman Khan in a meeting on Monday night gave assurances of an amicable solution through discussions. However, only 20 per cent of factories have their own transportation facilities to carry goods. So, \$80 million worth of garment export was affected due to the strike in a day. Mokbul Ahmed, president of Bangladesh Covered-Van, Truck, Prime Mover Goods Transportation Owners Association, said apart from the higher licence renewal fee, collection of tolls at different points in and outside of Dhaka was a major challenge for the drivers.



Md Shahab Uddin, minister for environment, forest and climate change, Begum Habibun Nahar, deputy minister, SM Nurul Alam Rezvi, chairman of Walton Hi-Tech Industries Limited, and Md Ashraf Uddin, director general of the Department of Environment (DoE), attended a seminar organised jointly by the DoE and Walton Hi-Tech Industries Limited at Walton Corporate Office in the capital recently marking the International Day for the Preservation of the Ozone Layer, observed on September 16.

Ministry vetting 12 proposals

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The BJMC will remain as a monitoring body to oversee whether investors were complying with the terms and conditions. It will also lay off 90 per cent of its 2,900 staff and officials and maintain a small workforce only to monitor compliance issues. According to the lease terms and conditions, the main objective of operating state-owned jute mills under private management was to continue contributing to the economy through the production, diversification and export of jute goods. It was to resume, as soon as possible, the productive utilisation of mill structures and facilities and create new employment alongside that for retrenched workers. According to a fiscal 2018-19 assessment, the value of assets of the mills amounted to Tk 25,352.46 crore, with the highest being of those in the Chattogram region. Fixed assets were valued at Tk 14,329.97 crore. Excluding accumulated depreciation, it was Tk 12,262.62 crore, mostly of those in the Dhaka region.

This includes permanent resources such as land, buildings and other establishments, equipment, furniture, transport and motor vehicles. The conditions assert that the government would retain ownership of the mill premises. The payment for the lease would need to be made as rent on a monthly basis. The first nine months will be provided as a grace period for mobilisation of resources. The rent would be increased by 10 per cent after every five years. A total of 24 months' rent will have to be deposited as security before signing of the contract, refundable without interest on completion of the tenure. The BJMC boss declined to disclose the rent amount and names of investors of the 12 proposals. The BJMC sources said the initiative also sought relief from the burden of losses. The latest data available was of fiscal 2018-19, when losses of the mills amounted to Tk 573.56 crore. In the previous fiscal year, it was Tk 498.16 crore.

**UK regulator to tackle
'misleading green claims'**

AFP, London

Businesses falsely claiming environmental credentials could face sanctions, the UK's Competition and Markets Authority regulator said on Monday, due to concerns over "misleading green claims". The CMA said it was conducting a full review into the issue from early next year, and warned businesses they had until then to comply with the law. "We're concerned that too many businesses are falsely taking credit for being green, while genuinely eco-friendly firms don't get the recognition they deserve," CMA chief executive Andrea Coscelli said.

**E-commerce firms warned for
anti-competitive practices**

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Evaly Managing Director and CEO Mohammad Rassel and its Chairman Shamima Nasrin were arrested last week on charges of embezzling customers' money. BCC Chairperson Islam acknowledged that the anti-competitive activities of e-commerce platforms have come to the commission's notice a bit late. "We will soon start collecting information on e-commerce companies' business models and discounts campaigns. If the market is competitive, then everyone involved with the business will benefit while business will expand," said Islam. At the event, the BCC cited two provisions, 15 and 16, of the competition act 2012 and warned of legal action for violations. Companies fixing abnormal purchase or sales prices will face legal action. The law provides the scope for action against firms that impose, directly or indirectly, unfair or discriminatory conditions related to purchase and sale of goods and services or fix predatory prices to drive out competitors. "We have been recommended to refrain from giving any offer that hurts competitive environment," Mesbah ul Aziz, head of regulatory affairs, Daraz Bangladesh, told The Daily Star after the meeting. Abdul Wahed Tamal, secretary general of the e-CAB, urged the government to appoint an instructor at the central e-commerce cell at the Ministry of Commerce. "We also demanded increasing manpower in the cell," he said.

**Govt cuts interest rates
of savings tools**

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For an investment over Tk 30 lakh, the interest rate has been fixed at 9 per cent. The rate for the three-month profit-based savings certificate is 11.04 per cent. But, again, if the investment is higher than Tk 15 lakh, the rate will slip to 10 per cent, and a savings of Tk 30 lakh will fetch 9 per cent. The interest rate of the five-year pensioners' savings certificate is 11.76 per cent. Now, it will be 10.75 per cent for an investment of more than Tk 15 lakh and 9.75 per cent for more than Tk 30 lakh. "Bringing down the interest rate on the savings certificate was not a right decision as our social security system is weak," said Zaid Bakht, a former research director of the Bangladesh Institute of Development Studies. The decision will hurt savers, low-income groups, and the middle-class, he said. In Bangladesh, many people depend on the income from the interest, especially post-retirement. Some people assume that banks will not get enough deposits if the savings certificate rate is higher. "But this is not true. When the interest rate on savings certificates was even higher, banks did not face any problem in attracting funds," said Bakht, also the chairman of Agrani Bank. The rate cut will help the government bring down its interest rate expenses. But Bakht believes the interest expenses could be cut by eliminating the misuse of the investment tools. The interest rate cut will put more pressure on the savers, whose incomes have already been squeezed because of the lower rates on bank deposits. Since April 1 last year, banks have been giving the highest 6 per cent interest on deposits after the central bank capped the rates on loans and deposits. In fact, the weighted average rate on deposits stood at 4.13 per cent in June,

down from 5.06 per cent a year ago, data from the Bangladesh Bank showed. As a result, depositors are facing a negative return on savings given the inflation rate of 5.64 per cent in June. The country's top-selling family savings certificate provides an 11.52 per cent interest rate. If the investment goes past Tk 15 lakh, the rate will be 10.50 per cent, and it is 9.50 per cent for the amount over Tk 30 lakh, according to the circular of the IRD. The rate of the postal savings bank scheme has been slashed to 10.30 per cent from 11.28 per cent for the fund amounting to Tk 15 lakh. It is 9.30 per cent if the sum crosses Tk 30 lakh. A senior official of the finance ministry said it took the decision as people were rushing towards the savings certificates for higher returns instead of keeping the funds in banks. In the fiscal year of 2020-21, savings certificates worth Tk 112,188 crore were sold, up 67 per cent year-on-year. Net sales of the savings certificates were Tk 41,959 crore and its growth was 190 per cent year-on-year, according to the data of the Directorate of National Savings. This increased the government's expenditure on interest payments. The government has set aside Tk 62,000 crore for 2021-22 to pay interest on domestic borrowings, up from Tk 58,253 crore in the previous budget. Yesterday, the government also cut the interest rate on wage earners development bonds. The interest rate for the new investment in wage-earner development bonds will be 11 per cent from 12 per cent if the investment amount surpasses Tk 15 lakh. If the amount crosses Tk 30 lakh, the return will be 10 per cent, and in the case of investment over Tk 50 lakh, the yield will be 9 per cent, the IRD said. The rate on the bonds such as the US Dollar Premium Bond and the US Dollar Investment Bond has been kept unchanged.

SBAC Bank chair steps down

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"If the process is completed before the month, I'm ready to resign earlier," Hossain said in the letter. The board will discuss the issue in a meeting on September 26, said a top official of the bank, preferring anonymity. "We will decide whether the resignation letter will be accepted or not." Hossain couldn't be reached for comments. He has been serving the board as its chief since the inception of the bank in 2013. Hossain is facing probes over irregularities. On March 11, the Bangladesh Financial Intelligence Unit asked banks to freeze the

accounts of Hossain, his wife Begum Sufia Amjad and their daughter Miss Tajori for 30 days. The agency also sought the details of the accounts. Earlier on January 7, the Anti-Corruption Commission banned them from travelling abroad. It urged the Special Branch of police to impose the ban. The ban was slapped as part of the commission's investigation into loan-related irregularities perpetrated by Hossain. Hossain holds a 3.21 per cent share in the bank. Shares of SBAC Bank, which went public in August, closed 2.38 per cent higher at Tk 21.50 on the Dhaka Stock Exchange yesterday.