



M Latif Hasan

## Standard Bank gets new DMD

STAR BUSINESS DESK

Standard Bank Limited has recently witnessed the appointment of a new deputy managing director and chief business officer.

The appointee, M Latif Hasan, was previously serving Eastern Bank Limited as head of credit risk management, said a press release.

In his 27 years of professional banking career, he also worked for Citibank NA Bangladesh and Prime Bank Limited.

Hasan was also a member of the BASEL II Core Implementation Team and the Tax Reform Committee.

He obtained a masters' degree from the University of Dhaka.

## Fuel shortages remain in southeast England

REUTERS, London

Gas stations in London and southeast England continue to suffer a lack of fuel although the situation has improved in northern England and Scotland, the Petrol Retailers Association (PRA) said on Saturday.

Britain will from Monday deploy military tanker drivers to deliver fuel after a chaotic week of shortages that has resulted in panic buying and some drivers hoarding petrol in water bottles.

The chairman of the PRA told Sky News his organisation's survey showed that only 16 per cent of more than 1,000 sites checked on Saturday had no fuel, an improvement on the 27 per cent reported to be dry on

Friday, but local bottlenecks remained.

"It is much better in the north and Scotland, and London and the south east really remain the critical area going forward into next week," PRA Chairman Brian Madderson said.

The survey also showed that 68 per cent of sites now had both petrol and diesel available to buy.

With an acute shortage of truck drivers straining supply chains to breaking point, the government said on Friday that 200 military tanker personnel will complete their training over the weekend and start deliveries on Monday.

Members of the military were pictured at Buncefield Oil Depot at Hemel Hempstead, north of London, on Saturday.



Vehicles queue to refill at a BP fuel station in London, Britain on October 2.

## Panel sits tomorrow for e-commerce business policy

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"Apart from the BB investigation, we from the commerce ministry have also been making inquiries with owners, senior officials and other persons concerned of nine errant e-commerce companies to know more about them," Rahman told The Daily Star over the phone.

He said the ministry found some serious acts of fraudulence by the errant e-commerce companies and in some cases, victims' money was stuck in the payment gateway.

Moreover, Bangladesh Competition Commission and the Directorate of National Consumer Rights Protection have also been conducting investigations against the errant e-commerce companies as allegations have been raised against them, he said.

"We are not taking any legal actions against the errant e-commerce companies now although the commerce ministry is finding some big loopholes. We are waiting for the investigation reports of Bangladesh Bank," Rahman said.

The central bank's investigation report is expected to be provided to the commerce ministry by the end of this month, he said.

The commerce ministry has recently been working closely with other ministries and departments of the government to identify and recommend punishments for the errant e-commerce businesses.

Legally the commerce ministry cannot conduct audits on any private company but if the law allows, the ministry will initiate third party audits, said a national committee on e-commerce companies recently.

Last month the BB suggested that the commerce ministry appoint such auditors for the errant e-commerce companies.

It also said cases should be filed by merchants and customers who fell victim.

The Bangladesh Bank report found a big gap in the liability and assets of Evaly.

It said Evaly cheated customers by taking payments in advance and not delivering goods afterwards.

The commerce ministry last month said shutting down any company may not be the best option as many e-commerce companies have been performing fine and there have been no complaints against them following the formulation of a standard operating procedure (SOP) in July this year.

But if there is any violation of the SOP, there is no legal guarantee over the protection of the interests of customers as the SOP is only a guideline for the operation of e-commerce businesses.

One year ago the commerce ministry conducted a preliminary investigation and sent letters to seven organisations including Anti-Corruption Commission (ACC), the Directorate of National Consumer Rights Protection, Bangladesh Competition Commission, Bangladesh Bank and the Ministry of Home Affairs asking to take steps against some errant e-commerce companies.

The commerce ministry has already asked the ACC and home affairs ministry to investigate whether any money laundering took place through some e-commerce companies.

The ACC and home affairs ministry is currently running an investigation on Evaly in this regard.

## Brac Bank employs transgender people

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Tashnuva Anan Shishir, a talented model and actress, began her journey as the network's news anchor on March 8, marking International Women's Day.

"Brac Bank believes that race, religion, sexual orientation, gender identity or physical challenges should not be a barrier for any individual to achieve their potential," said Selim RF Hussain, managing director and chief executive officer of Brac Bank.

"We believe this step will raise awareness on the need to assimilate transgender communities into the mainstream," he added.

Brac Bank took this initiative in response to its inner calling to be a responsible corporate citizen.

This is because someone needs to take the first step towards dispelling social stigma and ensuring social justice as every human deserves.

"I also thank the country's educational institutions that provide learning opportunities for transgender and physically challenged people," Hussain said.

The CEO and managing director went

on to say that as an organisation based on values, Brac Bank believes in "leaving no one behind and respects the importance of distinctive life journeys that extend beyond the paradigms of gender".

"Our work focuses on creating equitable processes and policies that allow us to create enough space for everyone to thrive," he said.

This approach is ushering in a new era of creating inclusive societies where no one is judged based on gender or any other physical attribute rather than their talent and potential.

"So, we believe that many organisations should emulate this example and create equal opportunities for everyone," Hussain added.

Brac Bank has been one of the country's fastest growing finance institutes since its inception in 2001. The bank particularly focuses on arranging finance for the small and medium enterprise (SME) segment.

With 187 branches, 374 automated teller machines, 461 SME unit offices, 541 agent banking outlets and a diverse workforce of more than 8,000 people, Brac Bank serves customers across the corporate, retail, and individual segments.

## Remittance sinks to 16-month low

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Reserves stood at \$46.21 billion in September, up 18 per cent from a year ago.

Trade-based money laundering might have increased along with the activation of the hundi cartel, bringing a negative effect for remittance, said Syed Mahbubur Rahman, managing director of Mutual Trust Bank.

"Imports have increased in recent months. On top of that, the global hundi outlets might have opened once again," he said, adding that manpower export should be increased to ensure sustainable growth in remittances.

Emranul Huq, managing director of Dhaka Bank, said that many expatriates had returned due to economic hardship.

"They are now facing problems in going back," he said, adding that sending workers abroad was yet to gain momentum.

"So, remittance flow has continued sliding in the last couple of months."

A central banker says the foreign currency reserves might decline in the coming days if remittance kept falling.

Remittance posted 36 per cent year-on-year growth last fiscal year, the sharpest in 30 years. Expatriates sent home \$24.78 billion in 2020-21 compared to \$18.2 billion a year ago.

## Opec meets on output increase as oil prices rally

REUTERS, London

OPEC and its allies meet on Monday to debate how much oil to release into the red hot market, where supply disruptions and recovering demand from the coronavirus pandemic have pushed oil above \$80 per barrel.

The oil price rally to a three-year high is exacerbated by an even bigger increase in gas prices, which have spiked 300 per cent and have come to trade close to an equivalent of \$200 per barrel due to supply shortages and low production of other fuels.

The Organization of the Petroleum Exporting Countries and allies led by Russia, known as OPEC+, agreed in July to boost output by 400,000 barrels per day every month until at least April 2022 to phase out 5.8 million bpd of existing cuts.

Four OPEC+ sources told Reuters last week producers were considering adding more than that deal envisaged, but none gave details on how much more, or when supply would increase.

The nearest month any increase could occur is November since OPEC+'s last meeting decided the October volumes.

## BSEC to sue board of Shurwid Industries

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So, the decision was taken to file a case against the then board of directors, it added.

The commission also approved an initial public offering of BD Thai Food & Beverage Limited to raise Tk 15 crore in funds from the stock market.

The company will issue 1.5 crore ordinary shares and the IPO proceeds will be utilised to purchase machineries, construct a building and develop land.

Its five years' weighted average earnings per share was Tk 0.63. The company's paid-up capital is Tk 66.5 crore.

Until the company's earnings per share goes over Tk 1, its directors and sponsors will not be allowed to get any dividend, said the BSEC.

The food and beverage maker is allowed to issue 15 per cent shares to its employees but their shares would not be allowed to be sold in the first two years.

The BSEC also allowed Union Bank Limited and Union Insurance Company Limited to issue 15 per cent shares for its employees.

These will also be locked for two years, the BSEC added. Union Insurance Company Limited got the nod to raise Tk 19.6 crore in funds through an IPO.

Union Bank Limited got its IPO approval last month. The lender would raise Tk 428 crore, the largest amount by any bank in Bangladesh, by issuing 42.80 crore ordinary shares at a face value of Tk 10.

## Form special committee to solve Evaly crisis

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Their demands also include the release of Evaly chairman and CEO, monitor and guide Rassel while allowing him to do business and giving the company's CEO more time to deliver the products customers ordered.

On September 16 this year, the Rapid Action Battalion arrested Evaly's chairman and CEO hours after customers filed a case against the couple and some unidentified persons for embezzling money.

On September 28, the e-Cab temporarily suspended the membership of four e-commerce platforms: Evaly, Dhamaka Shopping, Siraiganj Shop and Glitter's RST World.

## Bid to boost trade with Mexico

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The two organisations will also exchange information on various publications and business prospects, including various magazines and directories.

Besides, the FBCCI and COMCE will provide technical skills training and technology transfer among their members.

At present, the average annual trade volume between Mexico and Bangladesh stands at more than \$400 million but as a result of the various activities undertaken under this MoU, this amount is expected to increase to \$1 billion.



ABUL KHAIR STEEL

Md Masud Alam, deputy general manager of Abul Khair Steel Limited, handed over prizes among participants of a conference for masons styled "Electric Arc Furnace Refined Earthquake Resistant Steel" at Sobhanighat area of Sylhet recently.

## Japan to compile big extra budget after polls: ruling party leader

REUTERS, Tokyo

Japan will compile a large extra budget immediately after a looming general election to ease the economic blow of the pandemic and boost long-term growth in key areas, a ruling party heavyweight said on Sunday.

"What must be tackled at first is vaccinations. This is the strongest of coronavirus measures," Akira Amari, newly appointed secretary-general of the Liberal Democratic Party (LDP), told public broadcaster NHK's

political debate programme.

Japan should boost its vaccination rate from the current 60 per cent to 70 per cent to 80 per cent, levels seen as easing anxiety among the public, Amari said.

"We have responded with various measures by tapping emergency budget reserves."

"Now that the reserves are drying up, we will compile a considerably large extra budget immediately after the election."

Given dire public finances, Japan's

incoming prime minister, Fumio Kishida, may have little choice but to sell more government bonds to fund a pandemic-relief package that he said would be worth hundreds of billions of dollars.

Amari, a former economy minister seen as a key ally of Japan's longest-serving premier, Shinzo Abe, said the supplementary budget would focus on the environment, digital and infrastructure.

He said the government may consider extending job subsidies.

## Nigeria gets \$400m in World Bank financing for Covid-19

REUTERS, Lagos

Nigeria received approval for \$400 million in funding from the World Bank on Friday to purchase and deploy Covid-19 vaccines, the bank said in a statement.

The World Bank's board of directors approved funding, provided through the International Development Association, which it said would enable Africa's most populous country to buy Covid-19 vaccines for 40 million people, about 18 per cent of the population, and to support the deployment of vaccines to 110 million people.

In a statement, the bank said the money

would allow the government to vaccinate 51 per cent of the population within two years and "avoid the dire consequences of another lockdown that has left an economic toll in its wake where the country continues to suffer" struggles with.

The government said last month that about 20 per cent of workers in Nigeria had lost their jobs as a result of Covid-19.

Nigeria has delivered some five million doses of vaccine to its 200 million citizens, and is in the process of deploying millions of additional doses of Moderna and AstraZeneca injections received through the COVAX scheme aimed at providing vaccines to developing countries.



REUTERS

Women queue for food parcels during distribution by volunteers of the Lagos food bank initiative in a community in Oworoshoki, Lagos, Nigeria on July 10.

## Is higher inflation knocking at the door?

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Prices in the G20 group of major economies will grow faster than pre-pandemic for at least two years, the leading global agency has forecast.

In the US, the cost of goods and services rose sharply in August and left the rate of inflation at a 30-year high, according to financial data portal MarketWatch.

Eurozone inflation hit its highest level in 13 years in September as the bloc battles surging energy costs.

In Bangladesh, petroleum and gas prices are administered. So, a lot lies on whether the government will increase prices of the two energy products.

And any price increase is likely to stoke inflationary expectations and adversely affect prices.

If not, the pressure on the public exchequer will mount for subsidising additional cost for oil and gas. The soaring import may also put pressure on the balance of payments.

"Overall, macroeconomic stability is under pressure. A macro-stability risk is rising," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

"Already there is a pressure on the exchange rate, and the cost of import will rise if the Bangladesh Bank allows major exchange rate depreciation and that could be inflationary."

Since the beginning of the current fiscal year, the value of the US dollar increased.

On July 5, the exchange rate was Tk 84.80 per USD. Three months down the line, the value has risen to Tk 85.5. Bangladesh Bank showed.

Atiur Rahman, a former governor of the BB, said Bangladesh had always been vulnerable to import-induced inflation.

"The exchange rate has to be kept stable. Otherwise, increased import cost will fuel inflation," he said, adding that the imports of luxury items should be discouraged.

In August, overall inflation rose 18 basis points to 5.54 per cent owing to the rise in demand and the abnormal hike in transport cost following the reopening of the economy from the coronavirus-induced lockdowns, according to the Bangladesh Bureau of Statistics.

Non-food inflation was the main driver while food inflation also contributed to the spike. Fahmida Khatun, executive director of the Centre for Policy Dialogue, says the economies around the world are trying to return to normalcy.

"As demand is higher than supply, a backlog is there," she added. "As we are dependent on import for a number of commodities, there will be pressure of import-led inflation."

In fiscal year 2020-21, imports surged 20 per cent year-on-year to \$65.59 billion. In July, overall imports grew 22 per cent \$5.14 billion, BB data showed.

Fahmida Khatun thinks a lot will depend on domestic agricultural production, particularly rice and the government's procurement and distribution of food grains.

"Smooth supply chain will be important too to contain prices spikes."

Selim Raihan, executive director of the South Asian Network on Economic Modeling, says import demand will increase as the economy has regained pace. "And the pressure on the exchange rate will increase."

"Despite the recovery in economic activities, the incomes of many people are yet to return to the pre-pandemic levels. So, the increased prices will affect them."