

star BUSINESS



TOP 10 BANKS

(In terms of resignation and lay-off)

Period: Apr 1, 2020 to Sep 15, 2021

SOURCE: BB

| BANKS | RESIGNED | TERMINATED |
|--------|----------|------------|
| Brac | 1,023 | 56 |
| City | 718 | 160 |
| Pubali | 54 | 377 |
| IFIC | 420 | 5 |
| DBBL | 241 | 130 |
| NRBC | 256 | 9 |
| Prime | 223 | 26 |
| ONE | 236 | 6 |
| Islami | 134 | 36 |
| UCB | 142 | 14 |

TOTAL JOB LOSS

Terminated: **1,292**

Resigned: **5,875**

Total workforce in private banks:
122,912 (As of Jun 2021)

BB FINDINGS



Banks threatened to terminate employees who would not resign willingly



Those who declined to resign faced termination



Many banks set excessive deposit targets for bankers



Lenders fired employees who failed to hit the target



Banks mentioned that the employees had resigned willingly. But the reality is different as banks had forced them to resign in most of the cases

Says BB probe report

WHAT BANKERS SAY



Some banks started to reappoint retrenched employees



Many officials resigned to join other lenders or govt jobs



Lenders did not force any employees to quit



Resignation and job cuts are not an unusual phenomenon



No banks cut jobs to ensure operating profit



6pc private bankers lose jobs during pandemic

AKM ZAMIR UDDIN

A staggering 7,167 bankers lost jobs between April 2020 and September last year as private commercial banks desperately tried to cut operational costs amid a business slowdown brought on by the coronavirus pandemic.

The employees, who were either fired or forced to resign, represented nearly 6 per cent of the total workforce of 122,912 in the banking sector of Bangladesh as of June last year.

Fifty-one private banks informed the Bangladesh Bank that they had sacked 1,292 employees while another 5,875 resigned.

They made the disclosure about the job cuts after the BB instructed them to inform it the number of employees who left banks during the period.

The central bank found that private lenders had not followed due diligence properly while cutting jobs.

"Banks mentioned that the employees had resigned willingly. But, the reality is different as banks had forced them to resign in most of the cases," according to a central

bank probe report seen by The Daily Star.

The Daily Star talked to five retrenched employees who claim that their employers had not given any specific reason for their removal.

One banker faced termination in June 2020, a time when the pandemic was at its peak in Bangladesh and millions of people were

job. The bank did not mention any reason."

Another former banker said his employer told him that it would terminate him if he did not leave.

"There is no scope to enjoy service benefits or manage another job in a bank if I faced termination. So, I resigned."

The banker informed the central bank about his

retrenched employees. It carried out probes into a number of banks last year.

In many cases, banks created an unpleasant situation for the employees so that they left on their own, the BB probe reports said.

Some banks even did not issue any explanation or show-cause letter before firing the employees. Banks had threatened that the employees who would not resign would face lay-off.

Many banks set difficult targets such as mobilising a higher amount of deposits for the employees during the pandemic when the economy faced a slowdown. The employers sacked the staff members on the excuse of failing to achieve the targets, the probe reports said.

Many banks claimed that the officials had left as they had better opportunities in other banks or other sectors, said a BB official.

"But, the claim is mostly baseless as the entire job market faced stagnation during the peak of the pandemic and the recruitment process came to a halt."

Analysts say banks could have avoided the large job cuts as their operating profit bounced back strongly last year.

The operating profit of 22 banks analysed by The Daily Star showed that all of the lenders except one posted higher profit in 2021 compared to a year ago.

WHAT BANKS SAY

Among 51 lenders, Brac Bank was on the top in terms of the number of officials who resigned. Some 1,023 employees of the bank quit and 56 others were laid off.

Selim RF Hussain, managing director of the bank, says that the lender terminates employees working in the sales team from time to time.

"Those who are unable to fulfil their specific targets face termination. Many employees also leave the bank willingly after failing to hit the targets," he said.

The number of officials resigned and terminated is lower than the pre-pandemic era, Hussain said, adding that Brac Bank did not cut any job to give a boost to its operating profit.

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rendered jobless due to the strict lockdown measures.

He said, "I achieved tremendous success during my career. As a result, I was made an executive vice-president when I was 43. But, the bank did not consider my achievements while terminating me."

"I don't know why I lost my

predicament in order to get back his job.

The BB took into account his application and instructed the bank to reinstate him.

"But, the bank is yet to comply with the BB order," he said.

The central bank has received at least 328 applications from the

BANGABANDHU SHILPA NAGAR

McDonald Steel first to begin production

JAGARAN CHAKMA

Bangladesh's largest industrial enclave, Bangabandhu Sheikh Mujib Shilpa Nagar, in Mirsarai, Chattogram, finally witnessed the start of operations of its maiden factory last week.

McDonald Steel Building Products started the trial operation of its manufacturing plant at the shilpa nagar on January 25.

Another seven industrial units including that of Asian Paints Bangladesh and Nippon & McDonald Steel Industries will start running one after another by December this year, Abdullah Al Mahmud Faruk, the shilpa nagar's project director, told The Daily Star.

But that hinges on the pandemic situation getting better, he said.

Nippon & McDonald Steel Industries, a joint venture of Japan's Nippon Steel Corporation and Bangladesh's McDonald Steel Building Products, have engaged Japanese expert to start testing out their machinery.

Initially, the two companies have agreed to invest \$59.19 million, or nearly Tk 500 crore, in phases to establish the plant.

The two factories of McDonald will collectively create employment for about 2,500 people.

In case of Asian Paints Bangladesh, it is their second manufacturing unit which is expected to go into operation within one or two months, according to sources at Bangladesh Economic Zones Authority (Beza).

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The office of Bangladesh Economic Zones Authority in Bangabandhu Sheikh Mujib Shilpa Nagar in Mirsarai, Chattogram, where the first factory's operations started on January 25. The photo was taken on Saturday.

PHOTO: RAJIB RAIHAN

Private credit growth up for 7th straight month

AKM ZAMIR UDDIN

Private sector credit growth in Bangladesh accelerated to 10.68 per cent in December rising for the seventh consecutive month as the economy rebounds from the coronavirus pandemic.

Analysts call the double-digit growth a good sign for the economy as the upward trend came in the face of the third wave of infections.

The credit growth, which had faced sluggishness right after the coronavirus arrived on the shores of Bangladesh in March 2020 as demand plunged, stood at 10.11 per cent in November.

The growth stood at 8.29 per cent in April and 7.55 per cent in May. The credit expansion has been rising since then, data from the Bangladesh Bank showed.

Md Arfan Ali, managing director of Bank Asia, says that export earnings are on the increase, which has given a boost to the import financing.

"The post import financing has played a positive role in pushing up the credit growth."

He says people are now less fearful about the virus compared to the previous waves, keeping the economy vibrant. Businesses are now taking up loans to set up new industrial units.

Ali hopes that the central bank may achieve its credit growth target this fiscal year.

The BB has set a private sector credit growth target of 14.8 per cent for the current fiscal year

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Alesha Mart sued for unfair discounts

SUKANTA HALDER and MD ABU TALHA SARKER

The Bangladesh Competition Commission (BCC) yesterday filed a case against Alesha Mart, an e-commerce company, for creating uneven competition in the market by offering unfair discounts.



The case was lodged under the Competition Act, 2012, which states that no business enterprise can abuse its dominant position.

The commission had filed a complaint against the e-commerce firm on its own in November.

According to the lawsuit, Alesha Mart sold Bajaj Pulsar brand motorcycles that have 150 cubic capacity engines at a price that was 35 per cent lower than the market value in June 2021.

Alesha Mart destabilised both the online and offline motorcycle market in Bangladesh through the discounted price, which is illegal and contrary to the law, the commission said in its lawsuit.

It was told that SK Traders, listed as the bike's authorised seller on Alesha Mart, had offered the model at a lower price on the e-commerce platform. However, no such company was found, it added.

A senior BCC official told The Daily Star that the commission filed the complaint only after

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| | STOCKS | |
|--|-------------------|--------------------|
| | DSEX ▼ | CSCX ▼ |
| | 0.93% 6,926.29 | 0.92% 12,194.19 |

| | COMMODITIES | |
|--|---------------------------|-------------------------|
| | Gold ▲ | Oil ▼ |
| | \$1,793.12 (per ounce) | \$87.20 (per barrel) |

| | CURRENCIES | | | |
|---------|--------------|-------|--------|-------|
| | USD | EUR | GBP | CNY |
| | BUY TK 85.05 | 94.25 | 113.21 | 13.11 |
| SELL TK | 86.05 | 98.05 | 117.01 | 13.79 |

| | ASIAN MARKETS | | | |
|--|----------------------|----------------------|--------------------|---------------------|
| | MUMBAI | TOKYO | SINGAPORE | SHANGHAI |
| | ▲ 1.42% 58,014.17 | ▲ 1.07% 27,001.98 | ▲ 0.1% 3,249.59 | ▼ 0.90% 3,301.44 |

