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BUSINESS


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Farmers have started growing Boro seedlings on seed-beds across the country. The seedlings will be planted on rice fields after nearly 20 days, when farmers will begin cultivating the country's largest crop, which accounts for more than 50 per cent of the total rice production. The photo was taken from Bogura's Shajahanpur upazila yesterday.

PHOTO: MOSTAFA SHABUI

Evaly asked for list of clients, money stuck in gateways

STAR BUSINESS REPORT

The commerce ministry recently issued a letter to Evaly, seeking the exact number of its aggrieved customers and merchants as well as the amount of money stuck-up in payment gateways in order to facilitate refunds.

In the letter sent to Evaly Chairman Shamima Nasrin last Thursday, the company's management were asked to provide a response by December 11, according to Mohammad Syed Ali, deputy secretary of the commerce ministry.

"We want to start the repayment of money owed to customers of Evaly," Ali said.

However, the ministry does not have a complete list of the affected customers on hand, making it difficult to issue refunds.

Moreover, the ministry needs to know how much money is stuck up in the payment gateways before being able to return the funds, he added.

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STAR BUSINESS REPORT

The country's top economists yesterday unanimously suggested the Bangladesh Bank take visible actions against irregularities at Islami Bank Bangladesh Limited (IBBL), scamsters and willful loan defaulters to restore confidence in the banking sector.

They also raised the issue of allegations of loan and ownership concentration of some banks to a certain business group, namely S Alam Group, and urged the central bank to take measures to discipline the financial sector.

Economists placed recommendations at a closed-door meeting at the Bangladesh Bank.

The central bank convened the meeting with economists at the Bangladesh Institute of Development Studies (BIDS), the Policy Research Institute of Bangladesh (PRI), and the South Asian Network on Economic Modeling (Sanem) at its headquarters.

BB Governor Abdur Rouf Talukder and top officials were present.

Bangladesh's financial sector

is currently going through one of the toughest challenges in its history with people's confidence hitting the lowest ebb for the unabated loans scams, the liquidity crisis and the volatility in the foreign exchange market.

"It is high time to restore confidence. This is the best time

A High Court bench on December 4 directed the authorities to probe the alleged loan scams in Islami Bank Bangladesh Ltd (IBBL), Social Islami Bank Ltd (SIBL) and First Security Islami Bank.

The bench asked S Alam Group to come up with explanations



to bring back credibility in the banking sector," said Ahsan H Mansur, executive director of the PRI, after the meeting.

"The central bank has to act immediately to find out if there are any irregularities at Islami Bank," he said, suggesting the BB consider restructuring the board and hold the bank's management responsible.

on the reports that it took Tk 30,000 crore from IBBL and to place relevant documents in this regard before the court.

At yesterday's meeting, the economists also wanted the BB to raise the lending rate cap from the present 9 per cent with a view to fighting inflation and coming out from the multiple exchange rates of the US dollar to address

BANKING SCAMS

Economists call for visible actions

Islami Bank's loan scams were not unknown to policymakers

Says PRI Executive Director Ahsan H Mansur

GOLAM MORTOZA

Information about S Alam Group has bought a bank with money from another lender and taken controlling stakes in other banks is surfacing now, but people in the banking sector and involved in economic policy-making knew about the developments, said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

The noted economist made the comments while speaking to The Daily Star yesterday about the influential group's borrowing from several banks.

"So much borrowing by one group and the ownership of several banks by the group is a matter of concern for the country's banking sector and the economy."

A High Court bench on December 4 directed the authorities to probe the alleged loan scams in Islami Bank Bangladesh Ltd (IBBL), Social Islami Bank Ltd (SIBL) and First Security Islami Bank.

Mohammed Saiful Alam, chairman of S Alam Group, is the chairman of First Security Islami Bank while people linked with the influential businessman currently control IBBL and SIBL.

The Anti Corruption Commission (ACC), the Bangladesh Bank, the Bangladesh Financial Intelligence Unit (BFIU), and the Criminal Investigation Department of Police were asked to submit probe reports to the court by April 5.

The bench asked S Alam Group to come up with explanations on the reports that it took Tk 30,000 crore from IBBL and to place relevant documents in this regard before the court.

And Mansur said before the Covid-19 pandemic hit the country, a monetary policy meeting was going on with 15 to 20 participants, including Bangladesh Bank's governor.

In the meeting, he said that S Alam Group took loans of about Tk 80,000 crore in its own name and under different names.

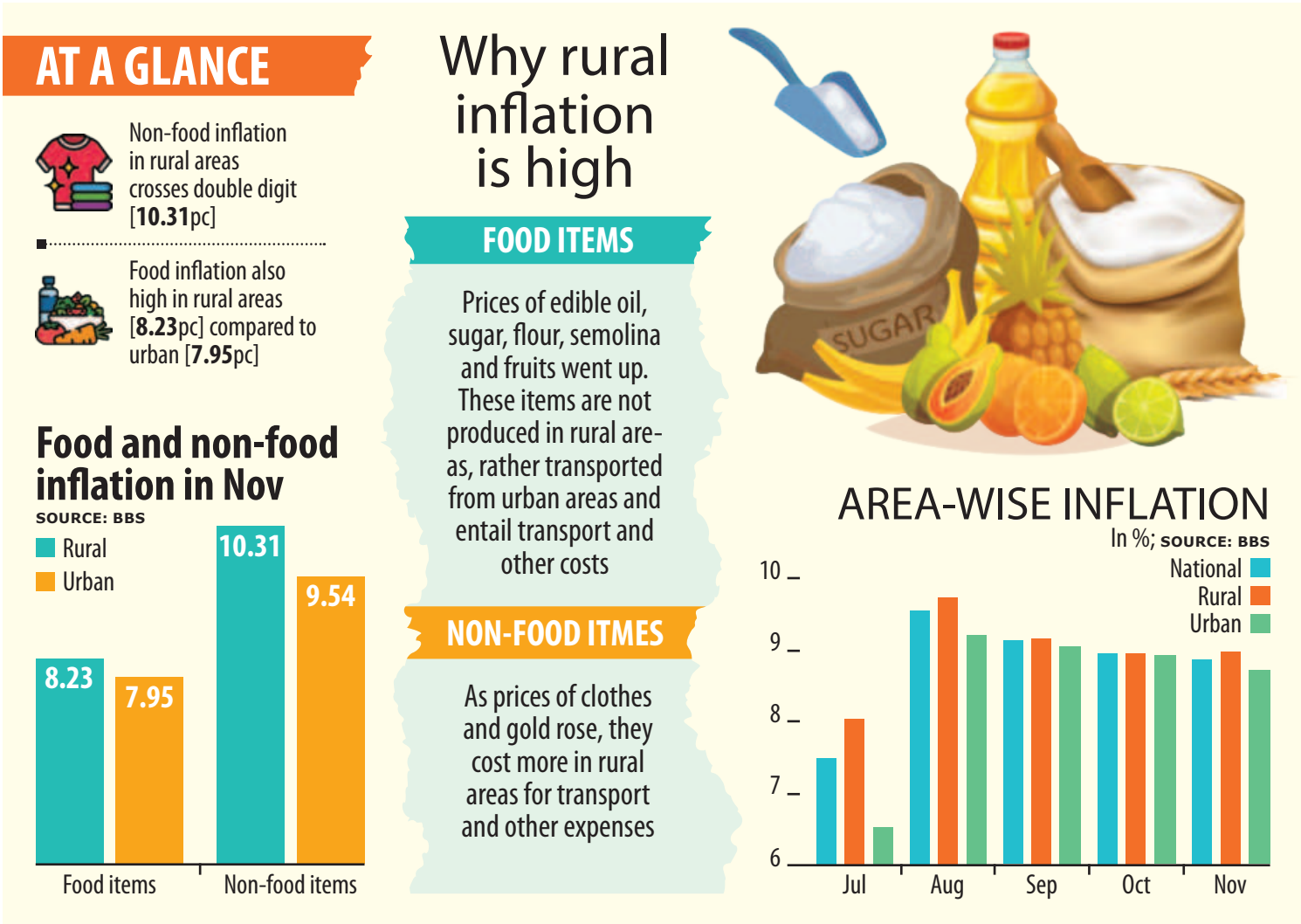
"It has ownership in so many banks. This is a

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| STOCKS | | |
|--------|----------|-----------|
| | DSEX ▼ | CASPI ▼ |
| | 0.19% | 0.41% |
| | 6,212.55 | 18,317.23 |

| COMMODITIES | | |
|-------------|-------------|--------------|
| | Gold ▼ | Oil ▲ |
| | \$1,795.33 | \$81.56 |
| | (per ounce) | (per barrel) |

| ASIAN MARKETS | | | | |
|---------------|-----------|-----------|-----------|----------|
| | MUMBAI | TOKYO | SINGAPORE | SHANGHAI |
| | ▼ 0.05% | ▲ 0.15% | ▲ 0.26% | ▲ 1.76% |
| | 62,834.60 | 27,820.40 | 3,267.54 | 3,211.81 |



Inflation falling, but not for rural people

REJAUL KARIM BYRON and DWAIPAYAN BARUA

Though inflation continued to undergo a downward trend for a third consecutive month in November, non-food inflation in rural areas entered into double digits last month for the first time in recent times.

Even after the decreases, inflation still remains near 9 per cent, which is much higher than recent trends, inflicting blows on the financially insolvent and those falling in the middle-income category.

Sharing monthly inflation data at a press briefing yesterday, Planning Minister MA Mannan said the situation people in the middle-income segment were in was not a major concern for the government for now.

On initiatives for this segment of society, he said the government was currently not in a condition to focus on them.

If the overall economy improves, they will get its benefit, he said, adding, "Our target is for the low-income people and it is for human and practical reasons or you may say for political reason since a major part of the population is still in that level."

Inflation eased down further to 8.85 per cent in November as prices of most food items remained steady last month, showed data from the Bangladesh Bureau of Statistics (BBS) yesterday.

Overall inflation was at 8.91 per cent in

October.

November was the third consecutive month consumer prices underwent a downward trend. Inflation surged to a 10-year high of 9.52 per cent in August.

Addressing the media briefing, Mannan said inflation decreased in November while the wage rate grew which was a good thing.

The decrease in the inflation rate is slight but it is highly significant in economic terms, he opined.

The minister said it was a matter of joy that inflation had decreased globally except for a few economies during the same period.

"In each of the last three months I predicted that inflation would come down and it happened," he said.

The wage rate has also gone up at the same time, said the minister, informing that the wage rate, which was 6.91 per cent in October, rose to 6.98 per cent in November.

Termining inflation going downward as good news for the economy, the minister said he believed inflation would surely come down further in December.

Mannan also mentioned that food production, including of rice and vegetables, had been satisfactory.

Stating that prices of oil and gas are coming down in the global markets, the minister said fuel prices may come down in the country too.

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