

Star BUSINESS

Islami Bank rejects cheque seeking to withdraw Tk 548cr

MD MEHEDI HASAN

Islami Bank Bangladesh yesterday rejected a cheque of a little-known company seeking to withdraw Tk 548 crore.

An official of the Shariah-based bank, requesting anonymity, said their Khatunganj corporate branch in Chattogram received the cheque issued by Top Ten Trading Company.

The contact number which the company kept with the bank was found switched off yesterday.

The attempt to withdraw such a large amount amidst the countrywide turmoil raised suspicions, he said, adding, "We have rejected the bid to withdraw the money kept with us as deposits against loans."

The official also alleged that Md Akiz Uddin, deputy managing director (DMD) of Islami Bank, and his associates were behind the fund withdrawal attempt.

Md Akiz Uddin did not receive calls from this newspaper yesterday. He has not come to work since Sheikh Hasina resigned from the post of prime minister and fled the country on Monday in the face of spiralling protests.

Another DMD, Miftah Uddin, has also been absent.

Md Akiz Uddin was the personal secretary of Mohammed Saiful Alam, chairman of Chattogram-based S Alam Group, which holds a majority stake in the bank.

The group has been in the public discourse in recent times for its alleged excessive borrowing from the banking system in violation of rules.

On Tuesday, Islami Bank's Agrabad corporate branch in Chattogram rejected another cheque of a company with alleged links with S Alam Group seeking to withdraw Tk 325 crore.

The Daily Star tried to reach Islami Bank's Managing Director Mohammed Monirul Molla over the phone for comment but he did not receive calls.

A group of officials and staff of the bank staged demonstrations on Tuesday alleging that they were deprived of official benefits and promotions over the last seven years.

They demanded investigations into the activities of top officials of S Alam Group and into their appointment of officials at the bank.

The demonstrators said the officials appointed since 2017, when the group bought the stakes, have to be sacked while those whose jobs were illegally terminated have to be reinstated.

A source of Islami Bank told The Daily Star that Muhammad Qaisar Ali, additional managing director of the bank, was forced to resign yesterday.

Afterwards, he left with the help of army officials, as per the source.



Employees are engaged in their work inside a garment factory at the BSCIC Hosiery Industrial Estate in Fatullah of Narayanganj. Although many factories reopened around the country yesterday, businesses continue to be apprehensive following arson attacks at production units in many areas.

PHOTO: SAURAV HOSSAIN SIAM

Businesses worried about law and order situation

STAR BUSINESS REPORT

Top businessmen and leaders of different business and trade bodies yesterday demanded the immediate restoration of law and order to ensure safety at their production units.

Numerous factories have been targeted by arson attacks in the past three days after Sheikh Hasina handed in her resignation from the position of prime minister on August 5 in the face of a mass uprising.

Business leaders urged the army chief to form an interim government soon and said immediate steps should be taken to restore law and order, protect the lives of workers, and ensure safety at industrial units.

They added that production in mills and factories is being hampered since they cannot transport goods from the port to factories.

Garment and textile mills were supposed to reopen yesterday, but many had to shut down and many others could not even reopen, particularly in Ashulia, where unidentified outsiders were preventing them from operating their units.

Across Ashulia, all garment units remained shuttered.

The International Chamber of Commerce, Bangladesh (ICC-B) called a press conference at the Platinum Grand Hotel in Dhaka, outlining fears of unrest and vandalism.

At the event, Tapan Chowdhury, managing director of Square Pharmaceuticals, said the biggest concern is the safety of workers and owners.

At the same time, international retailers and brands are asking for quick delivery of goods and have sought updates several times.

AK Azad, chairman and chief executive officer of Ha-Meem Group, said a group of businessmen met the president and army chief on August 6 to be briefed about the situation.

He said the businesses told the president and army chief that the main target at present is to improve the law and order

situation, reopen factories, ensure safety and reactivate the police.

It will take two to three days for the chief of the interim government to be sworn in. By this time, shipments will face a challenge, Azad added.

"They will also face problems regarding payment to workers. Many factories may even be unable to pay workers on time," he lamented.

Many mills and factories of Ha-Meem and Beximco as well as the head office of Square Group were vandalised and looted alongside others, he added.

Businessmen have sought protection

in factory vandalism. Instead, he blamed unidentified miscreants.

ICC-B President Mahbubur Rahman said if steps are not taken immediately to restore law and order, the garment sector may lose work orders to competitor countries.

The reputation of Bangladesh as an exporting country is important now, he stressed.

A Matin Chowdhury, former president of the Bangladesh Textile Mills Association, said all textile and garment mills and factories have been severely affected over the last five months and the latest chaos has only deepened their woes.

Some international companies have cut back on work orders from big garment groups by 30 percent, seeking to de-risk their businesses.

MA Jabbar, managing director of DBL Group, said buyers were now inquiring more often about their shipments as their confidence has been dented by the spate of unrest.

Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh, said restoration of law and order is imperative alongside rebuilding the country's image.

"Reforms can be carried out gradually. The priority is restoration of law and order," he said.

Md Amin Helaly, senior vice-president of the Federation of Bangladesh Chambers of Commerce and Industry, said it was a critical time.

The current situation needs to improve for the economy's sake as the private sector accounts for around 85 percent of economic activities, he said.

Anwar-ul Alam Chowdhury Parvez, a former president of the Bangladesh Garment Manufacturers and Exporters Association, said the garment sector and remittances are the main sources of US dollars so these sectors should run smoothly.

In a statement issued yesterday, the MCCI expressed deep concern over the deteriorating law and order situation. The chamber said it knew through media reports that police have been abstaining from their duties.

Factories yet to start running in full swing for a lack of security

JAGARAN CHAKMA

Factories are yet to start running in full swing for a lack of law and order since Sheikh Hasina resigned from the post of prime minister three days ago in the face of a mass uprising.

A subsequent spate of looting and vandalism, especially on establishments related to the Awami League and homes and places of worship of religious minorities, has created panic among businesses and workers.

Between July 16 and yesterday, more than 535 people have been killed in violence that had its origins in a student movement demanding reforms to a quota system in public service jobs.

"Now, law and order should be established. This should be the top priority," said a leader of a platform for businesses on condition of anonymity.

"One of the most important tasks for the nation now is to ensure that the economic activities, particularly manufacturing and service sectors, return to business as usual," said Asif Ibrahim, chairman of Chattogram Stock Exchange.

"We must give assurance to our trading partners abroad that the private sector is back in business and will fulfil all commitments to them," he said.

A senior official of a top steel manufacturer said they ran their factories on a limited scale but could not deliver any products due to security concerns.

"We will start transporting steel after normalcy returns," he said.

Kamruzzaman Kamal, marketing director at Pran-RFL Group, said both production and distribution of products were being hampered immensely due to uncertainty and a lack of security.

"We are not operating our factories fully as the workers are in panic and many were absent from work," he said.

"At the same time, our deliveries are stuck as there is no security in the absence of law enforcement agencies," he added. He said the army comes to help when they are informed of any security risk.

"But it is not sufficient," he said. "Miscreants have attacked and vandalised outlets of our distributors and owners of the rented outlets because of their involvement with a particular political party," he said.

Besides, export activities have remained suspended for over two weeks because of impediments to deliveries and shipments from ports, he added.

M Mohibuz Zaman, managing director of ACI Healthcare, said they have started running their factory partially with a small number of workers who live close to the plant.

Most workers were absent from work due to the ongoing volatility.

"However, delivery of medicine to pharmacies has been normal," he added.



STOCKS	
DSEX ▲	CASPI ▲
3.54%	3.54%
5,618.79	15,938.25

COMMODITIES	
Gold ▲	Oil ▲
\$2,395.74	\$73.55
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 1.11%	▲ 1.19%	▲ 1.6%	▲ 0.08%
79,468.01	35,089.62	3,249.72	2,869.83

ATMs out of cash as money supply disrupted

Bangladesh Bank asks lenders to halt suspicious transactions

AM JAHID

Nasir Hossain, a resident of the capital's Dhanmondi area, had to urgently buy daily necessities as he had not gone to the market for the past few days in the wake of the deadly protests that forced Sheikh Hasina to resign from her post as prime minister.

He usually does not keep a lot of cash and even many branches were running low on cash as money supply had been disrupted due to inadequate security over the last several days.

"Overall, I visited almost 10 booths but failed to withdraw a single penny. Either they had run out of money or restricted the use of ATM cards issued by other banks," he said.

Speaking to The Daily Star, multiple customers of different banks shared similar experiences. Bankers said most ATMs were out of cash and even many branches were running low on cash as money supply had been disrupted due to inadequate security over the last several days.

Security concerns gripped the country since August 6 as police observed a work abstention, citing

fears for their own safety amid reports of deadly attacks on policemen the previous night.

Bangladesh has been in turmoil since July, with over 535 fatalities in clashes involving protesting students, police and ruling party members.

Reports of violence and arson also flared on Monday night after Sheikh Hasina fled the country.

Apart from the limited presence of army personnel, the streets and important establishments in the capital were left without security.

Mohammad Ali, managing director and chief executive officer of Pubali Bank, said although there is no cash crisis in the banking sector, they have been unable to deliver money to booths and branches as security companies that transport money have halted services.

"The security agencies that carry our cash told us that they will not provide services in the current situation," he said.

Hence, banks are struggling to supply money, especially to remote branches and booths, he added.

"One of our advantages is that 95 percent of our ATM booths are connected to branches. So, if necessary, we can supply money to the booths from the branches. But we can't send



PHOTO: PALASH KHAN

An ATM booth of Pubali Bank on Kazi Nazrul Islam Avenue is shuttered. Many ATMs around the country have run out of cash as money supply has been disrupted by persisting unrest and violence. The photo was taken yesterday.

money to the booths which are not connected to branches," Ali said.

At the same time, banks operated on a limited scale across the country, closing outlets and booths in areas where the risk is greater.

Similar to the past couple of days, the presence of customers was very thin as no one went to banks unless they were facing an emergency.

In the Motijheel area, most branches operated through pocket

gates while most booths were shuttered and the doors of several banks closed, hampering overall activities, including financial transactions.

Nahid Hasan, a private job holder,

said he went to Motijheel from Farmgate yesterday to collect a bank statement from Standard Chartered Bangladesh as its branches in Karwan Bazar and Dhanmondi were closed.

"I had to enter the bank through the fire exit as the main door was shuttered," he said.

Mashrur Arefin, managing director and CEO of City Bank, said they have closed 19 out of 174 branches across the country due to security reasons.

As a pre-emptive measure, branch managers have been given the authority to operate as per their own security assessment, he said.

As a result, branch managers will be able to shut their operations without consent from the headquarters if they sense security concerns, he added.

Pubali Bank's Ali further said that the security provided by the banks with their own armed guards is insufficient given the current situation.

As a result, there is a risk of untoward incidents occurring at any time, he added.

He said money supply can be ensured if security is provided by the army, Border Guard Bangladesh or Rapid Action Battalion.