



Fish traders at Beel Dakatia in Khulna's Fultola upazila use baskets and bowls to carry different species of fish, purchased from wholesalers very early in the morning, for sale at retail in nearby villages. The photo was taken recently.

PHOTO: HABIBUR RAHMAN

Tapan Chowdhury becomes CDBL's new chairman

STAR BUSINESS DESK



Renowned industrialist Tapan Chowdhury was selected as the chairman of Central Depository Bangladesh Limited (CDBL).

The election took place in a meeting of the board of directors of the CDBL on Thursday.

Chowdhury is also the managing director of Square Pharmaceuticals.

Meanwhile, Rupali Haque Chowdhury, managing director of Berger Paints Bangladesh, has joined the CDBL board after being nominated by the Bangladesh Association of Publicly Listed Companies.

Earlier, Sheikh Kabir Hossain and AKM Nurul Fazal Bulbul, chairman and vice-chairman of the CDBL respectively, resigned from the CDBL board after the fall of the Sheikh Hasina-led Awami League government in the face of a mass uprising on August 5.

Oil climbs over 2%

REUTERS, Houston

US light crude oil gained more than 2 percent a barrel on Friday after comments by US Federal Reserve Chair Jerome Powell indicated the central bank was preparing to cut interest rates.

Brent crude futures settled up by \$1.80, or 2.33 percent, at \$79.02 a barrel. US West Texas Intermediate (WTI) crude futures finished up \$1.82, or 2.49 percent, at \$74.83.

"The pivot by the Federal Reserve is real," said Phil Flynn, senior analyst at Price Futures Group. "It's impacting all commodities."

This week, both benchmarks hit their lowest since early January, after the US government sharply lowered its estimate of jobs employers added this year through March, raising fears of a possible recession. On Friday, Powell endorsed easing the Fed's policies, saying further cooling in the job market would be unwelcome. He also expressed confidence inflation was within reach of the US central bank's 2 percent target.

"The upside risks to inflation have diminished. And the downside risks to employment have increased," Powell said in a highly anticipated speech to the Kansas City Fed's annual economic conference in Jackson Hole, Wyoming. "The time has come for policy to adjust. The direction of travel is clear, and the timing and pace of rate cuts will depend on incoming data, the evolving outlook, and the balance of risks."

The US dollar index softened to about 101.45 ahead of the speech. A cheaper greenback typically lifts demand for dollar-denominated oil from investors holding other currencies.

Bring back Islami Bank's misappropriated funds

Says a customers' forum of Shariah-based banks

STAR BUSINESS REPORT

Customers of Shariah-based banks yesterday urged the authorities concerned to bring back funds of Islami Bank Bangladesh which have allegedly been misappropriated by S Alam Group and ensure legal steps against the group's owner Mohammed Saiful Alam and those who abetted him.

The customers, arriving from different parts of the country and under the banner of "Shariah-Based Islamic Banking Customer Forum", made the demand by organising a conference at the Hotel Purbani International in Dhaka.

The demands come against the backdrop of the Bangladesh Bank dissolving the Islami Bank Bangladesh board on August 22.

Documents show S Alam Group owns as much as 82 percent stakes in Islami Bank but the conglomerate maintains it has

32 percent stakes. The central bank took over S Alam's shares against its liabilities and the shares would be returned if the conglomerate repays the amount it owes to the Shariah-based bank.

Between 2017 and June this year, the Chattogram-based conglomerate and its associates' companies took Tk 74,900 crore, which is 47 percent of Islami Bank's total outstanding loans as of March.

Documents pieced together by The Daily Star show that most of the loans were taken by bypassing banking rules and regulations.

Nearly 10 crore people of the country are directly and indirectly associated with Islamic banking and about 80 lakh expatriates from the Middle East send remittances to the country through Islamic banks, said speakers at yesterday's conference.

But over the years, the remittance inflow has decreased significantly, they

alleged.

The small and medium enterprise sector and economy have been severely affected by the misappropriation of a huge amount of funds of Islami Bank Bangladesh, said Mohammad Abdul Majeed, former secretary and chairman of the National Board of Revenue (NBR).

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The speakers proposed appointing Islami Bank Bangladesh customers as its directors alongside those who were there prior to the group taking on its stakes.

They also demanded reinstatement of

officials sacked by S Alam and termination of employment of around 10,000 people employed by S Alam.

Some customers also urged rescheduling their loans for 10 years, citing that they have suffered financially.

In the event, the customers also announced formation of a 15-member committee to run the forum.

Abdul Haque, former director of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and a businessperson in the automobile sector of the country, was made the convener of the forum.

This forum will work to "bring back the lost glory and accountability of Islamic banks", monitor their activities and protect the interests of customers.

Economist Prof Abu Ahmed was the chief guest at the event.

S Alam is apparently on the run. He did not receive calls yesterday.

Floods cripple key transport highway

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According to port data, 1,929 TEUs of import and export containers were discharged on Friday, 3,590 TEUs were discharged on Thursday and 4,130 TEUs on Wednesday.

Suzan said the forwarding agencies handle around 3,500 containers for import and roughly the same number for export daily.

Md Omar Faruk, secretary to Chattogram Port Authority (CPA), said, "Import-export cargo movement at the port has slowed down due to flood water on the highways and rail lines."

"Delivery of import goods and shipment of export goods are being disrupted across the country. However, goods are being transported to Chattogram district and Cox's Bazar areas," he said.

Saiful Islam, executive member of Chaktai Khatunganj Warehouses Samiti, told The Daily Star, "Our sales dropped by at least 60 to 70 percent due to there being no buyers as the highway was flooded for the last two days."

"Most of our customers are not interested in coming to the market to buy goods," he said.

Traders at the century-old business hub said it houses about 4,000 businesses and more than 5,000 warehouses.

Mahbubul Alam, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), said, "About 70-80 percent of the country's import and export goods are transported using the Chattogram highway."

"As a result, the benefits will not be available if this road is not fully opened," he said.

"Essential commodities can not be taken to wholesale markets across the country, including Dhaka and Chattogram, due to the current situation.

If this continues, the market system for daily necessities will collapse," he added.

The owners of the readymade garment (RMG) industry expressed similar concerns.

Syed M Tanvir, managing director of Pacific Jeans, one of the leading garment exporters, said imported raw materials and export-oriented goods are transported over the Dhaka-Chattogram highway alongside railways.

"It will adversely affect the industry as well as the economy if this continues for a long time," he said.

He said they would fail to meet the schedule of the master vessels, which would lead to delays in the product reaching the designated ports of buyers.

But exporters may miss deadlines in the coming days as they are unable to release imported raw materials, he said.

Chowdhury Zafar Ahmed, general secretary of Bangladesh Covered Van-Truck-Prime Mover Goods Transport Owners Association, said there is no possibility to operate vehicles until Sunday evening as the highway would not be ready to support heavy vehicles.

Faruque Hassan, former president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said this natural disaster would affect the supply chain for at least the next two months.



Traders and importers said vehicles that had already left before the onrush of flood water are currently stuck in roads, resulting in severe traffic jam stretching about 40 kilometres.

PHOTO: RAJIB RAIHAN

According to him, vehicles can operate on the highway if the water is blocked on both sides using geo bags in emergencies but it is not possible to repair the damage instantly.

However, he said buyers would accept the slight delay in shipment as exporters already informed them of the disruption.

"We already suffered a lot in July due to political turmoil," he said.

He said they have requested buyers to extend lead times by around 15 days by explaining the situation.

Hasan expected that buyers would extend the lead time due to the situation. "But they will not cover the losses," he added.

Govt cancels MoU with S Alam

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Prime Minister's Office was expected by 2022.

However, this never materialised.

With the government moving slowly to implement the joint venture, S Alam and Co convinced the MoI to sign the MoU for modernising the mills, the BSFC officials alleged.

According to the MoU, sugarcane production would have been boosted through the training of farmers in the use of different technology.

Alongside that, modern sugarcane processing plants, 6 MW agrovoltaic solar power plants, by-product processing plants and packaging factories would have been constructed.

Furthermore, cold storage and agricultural product processing industries would have been developed.

Mintoo's bank accounts

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The tax detective office issued the order at that time based on a recommendation of a panel formed during the then army-backed caretaker government, said a senior official of the NBR.

In the same month of 2007, the CIC also froze the bank accounts of BNP Chairperson Begum Khaleda Zia.

Last week, the NBR removed the bar on transactions in Khaleda's accounts following an application from her lawyer.

"But Mintoo himself applied to us to unfreeze his accounts," said a senior official of the NBR.

The NBR in its letter in August 2007 ordered banks to block withdrawal or transfers of money from all active and dormant accounts owned individually or jointly by Mintoo.

At that time, the CIC also blocked the withdrawal or transfer of funds from vaults, lockers, savings certificates and other savings

The concern voiced by the BSFC officials aligns with numerous allegations against Mohammad Saiful Alam, head of S Alam and Co, which are going around in the aftermath of Sheikh Hasina's resignation as prime minister on August 5.

The Bangladesh Securities and Exchange Commission (BSEC) on Tuesday barred S Alam, his family members and the companies they own from transferring or selling their shares in six banks.

Meanwhile the Anti-Corruption Commission (ACC) decided to resume its investigation into S Alam in connection with money laundering.

An investigation by The Daily Star found that S Alam had built a US \$1 billion empire in Singapore. On August 4, 2023, a report was published by the same daily highlighting the allegations.

Nine days later, the ACC launched an investigation in line with instructions from the High Court to find out if S Alam had taken money out of the country without approval from the central bank.

However, the Appellate Division of the Supreme Court scrapped the suo moto rule that had ordered the investigation in February this year. It added that the ACC could take legal steps of its own accord.

As such, the ACC decided to resume its investigations on August 22.

The ACC sources said all relevant records regarding the allegations will be collected, including how much money he borrowed from banks, what assets he might have acquired illegally, and in which sectors the money was invested.

S Alam is apparently on the run. He did not receive calls yesterday.

Floods damage nearly a fifth of croplands

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floods and steps that need to be taken afterwards.

This includes strengthening ongoing agricultural incentives and rehabilitation programmes and ensuring adequate resources and supply of Aman paddy seeds of suitable varieties.

The construction of emergency seedbeds and early production of winter vegetables should be started at places that are relatively at a higher elevation, alongside shifting of fertilisers to safe places, it said.

The field officials will send a proposal to the ministry after determining the damage and provide cooperation accordingly, said Mohammad Zakir Hossain, senior information officer of the ministry of agriculture.

BGMEA elects new president

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Rafiqul Islam is the managing director of Designtex Knitwear Ltd and served as the senior vice-president for the previous board.

Syed Nazrul Islam is the new first vice-president while Abdullah Hil Rakib has been selected as the new senior vice-president.

The development came nearly three weeks after a student-led mass uprising ousted Sheikh Hasina's government.