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BUSINESS

The acute container backlog at the Chattogram port has started to ease, albeit at a snail's pace, thanks to daily deliveries and transfers over the past week

Story on B4



Islami Bank's Tk 8,279cr stuck with four lenders, one NBFi

STAR BUSINESS REPORT

Already struggling on providing a huge amount of loans to S Alam Group, Islami Bank Bangladesh is now in uncertainty over getting back Tk 8,279 crore it had provided as liquidity support to four banks and one non-bank financial institution (NBFi).

The four banks are First Security Islami Bank, Union Bank, Social Islami Bank and Global Islami Bank, and the NBFi is Aviva Finance. Alongside Islami Bank, these were also under the control of the Chattogram-based conglomerate.

Islami Bank, the largest bank in terms of deposits, used to provide funds to the five entities whenever they suffered liquidity shortages, according to industry people.

Of the liquidity support, Tk 3,043 crore was provided to First Security Islami Bank, Tk 2,982 crore to Union Bank, Tk 1,017 crore to Social Islami Bank, Tk 547 crore to Global Islami Bank and Tk 690 crore to Aviva Finance.

Islami Bank's total loans amounted to over Tk 1.74 lakh crore at the end of June, according to the bank's records. Its deposits stood at Tk 153,456 crore as of last December.

Documents showed that between 2017 and June this year, the Chattogram-based conglomerate and its

Where Islami Bank's Tk 8,000cr is stuck

BANKS	Tk in crore
First Security Islami Bank	3,043
Union Bank	2,982
Social Islami Bank	1,017
Global Islami Bank	547
Aviva Finance	690

SOURCE: ISLAMI BANK

associated companies took Tk 74,900 crore, which is 47 percent of Islami's total outstanding loans as of March.

However, after a meeting with Bangladesh Bank Governor Ahsan H Mansur yesterday, Islami Bank's new Chairman Md Obayed Ullah Al Masud told journalists that S Alam Group has taken more than half of the total loans disbursed by Islami Bank Bangladesh.

S Alam Group's control over Islami Bank ended on August 22 after seven years as Bangladesh Bank reconstituted its board alongside those of the aforementioned five entities.

The development came about after the Sheikh Hasina-led Awami League government was ousted on August 5 by a mass uprising.

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Unrest continues to weigh on industrial belt

Situation normal in Gazipur, pharma tensions also ease



Workers from a factory stage a demonstration blocking off the Nabinagar-Chandra highway at Palashbari area in Ashulia, around 23 kilometres north of capital Dhaka, yesterday demanding resumption of different employment benefits. The army and police later dispersed the protesters. The photo was taken around 11:30am.

PHOTO: AKLAKUR RAHMAN AKASH

STAR BUSINESS REPORT

After four days of closure, apparel production resumed in the Ashulia and Gazipur industrial belts yesterday morning amid tight security.

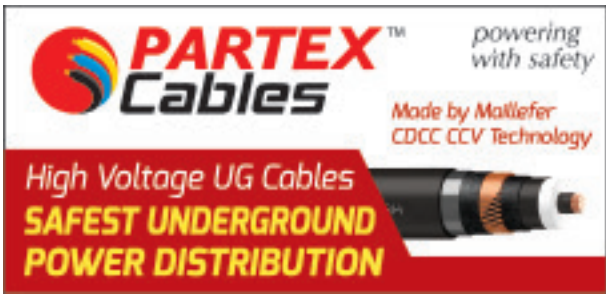
Although production remained unaffected in Gazipur, operations were halted in the afternoon in Ashulia as violence and vandalism erupted, leaving at least 37 people injured, including workers, police and pedestrians.

According to workers, unidentified miscreants attacked around 100 production units in Ashulia despite the heavy presence of security personnel, forcing thousands of workers to flee.

Meanwhile, in a separate development, drug-makers, reached an agreement with agitating workers yesterday and announced plans to resume pharmaceutical manufacturing soon.

"Despite our commitment to

resuming production, we were unable to continue as planned after lunch due to the workers' violent and destructive behaviour at the factories in the Ashulia industrial belt," said Khandoker Rafiqul Islam, president of the Bangladesh Garment Manufacturers and Exporters



Association (BGMEA).

He said that hundreds of thousands of workers had poured out of the factories in the afternoon, overwhelming the efforts of the Bangladesh Army, Bangladesh Police, Rapid Action Battalion (RAB) and Border Guard Bangladesh (BGB) to

maintain order.

The injured at Narsinghpur area on the Baipail-Abdullahpur road were taken to the Ashulia Women and Children Hospital in Savar.

Mirazul Islam, a duty doctor at the Ashulia Women and Children Hospital, confirmed that at least 30 people had received treatment, with some being admitted for further care.

According to injured workers there, they gathered outside their factories when they were suddenly attacked by hundreds of unidentified individuals armed with sticks.

According to our correspondent, in the Narsinghpur area, a group of individuals armed with sticks was seen near the premises of the export-oriented garment manufacturer Sharmin Group, apparently protecting the factory.

Requesting anonymity, a worker of that group, said, "I took position on the premises to protect my factory from attack by outsiders."

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Govt to form task force to recover money taken abroad illegally

STAR BUSINESS REPORT

The interim government will form a task force to recover money illegally taken out of Bangladesh, said Finance and Commerce Adviser Dr Salehuddin Ahmed yesterday.

He made the comment while speaking to journalists after a meeting with a delegation of buying houses at his Bangladesh Secretariat office.

Earlier, Bangladesh Bank and other related authorities had informed of planning to take initiatives to bring back such money.

"We are speaking to the World Bank, the United States and the United Kingdom to bring back laundered money," Bangladesh Bank Governor Ahsan H Mansur said in a recent interview with The Daily Star.



Dr Salehuddin Ahmed

Money from Bangladesh had also been illegally taken to Dubai and Singapore, he added.

When asked whether reforms have started to materialise since he took office, Salehuddin said, "Of course, there have been visible changes as many things are evident.

"Action has been taken against default loans, banks with issues are being reorganised, and the liquidity problem was addressed by the (central bank) governor," he said.

Following Mansur's appointment as governor on August 14, Bangladesh Bank reconstituted the boards of a number of banks.

They include Islami Bank Bangladesh, Social Islami Bank, Global Islami Bank, Union Bank, National Bank, First Security Islami Bank, Bangladesh Commerce Bank, Al Arafah Islami Bank, United Commercial Bank, Exim Bank and IFIC Bank.

Most of these lenders were controlled by S Alam Group, a Chattogram-based conglomerate.

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BB eases imports of raw materials

STAR BUSINESS REPORT

The Bangladesh Bank (BB) yesterday eased the process of importing raw materials and capital machinery in order to improve the business situation and ensure the supply of essential consumer goods to the local market.

A circular issued by the central bank said that the decision was made as the foreign exchange reserves had improved.

From now on, banks can set the margin level when opening letters of credit (LCs) against imported goods based on bank-client relationships.

However, importers will still have to pay 100 percent to open letters of credit for several luxury goods and import substitutes.

In 2022, the BB had asked banks to take up to 100 percent of the payment in advance from businesses when opening LCs for luxury and non-essential items in an effort to keep forex reserves stable.

These included motor cars (sedans, SUVs, and MPVs), electrical and electronics, home appliances, gold and jewellery, valuable assets and pearls, ready-made garments, leather goods, jute products, toiletries,

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Foreign banks lead the way in female representation

SUKANTA HALDER

Nine foreign commercial banks in Bangladesh boast 27.73 percent female representation in their workforce, the highest in the sector, according to a report.

Altogether, the nine banks employ 1,007 females.

Although private commercial banks have the highest number of female officers and employees, standing at 23,162, they account for just 16.37 percent of the total workforce.

The data was revealed last week in the central bank's Gender Equality Report of Banks and Financial Institutions, which is published every six months.

State-owned commercial banks followed with 8,241 female employees, representing 16.76 percent of total staff, the report shows.

In total, 34,368 women were employed in 61 scheduled banks in Bangladesh from January to June this year, which is a 3.04 percent increase compared to the previous six months.

Overall, women account for 13.58 percent of all members of the boards of all banks in Bangladesh

Of total female employees, private commercial banks employ the most, 67.39 percent, followed by state-owned commercial banks at 23.98 percent, according to the report.

The gender ratio in the overall banking sector stood at 16.53 percent for females.

The report also mentioned positive developments in employee

Employed people in banks (Jan-Jun 2024)			
BANK	FEMALE	MALE	RATIO OF WOMEN
State-owned	8,241	40,942	16.76
Specialised	1,958	11,246	14.83
Private	23,162	118,345	16.37
Foreign	1,007	3,065	27.73
Total	34,368	173,598	16.53

SOURCE: BANGLADESH BANK

benefits for women.

The daycare centre establishment index has increased, while the travel facilities and training programme index has decreased, suggesting improved support for women's professional development and work-life balance.

However, non-bank financial institutions (NBFIs) still lag in gender equality, with only 17 percent of their employees being women.

This means that there is one female for every male working in the sector.

There were 1,130 women officers and employees in NBFIs in the January-June period, only 25 more than in the previous six months.

For NBFIs, the daycare centre establishment index remains static. However, the training programme organisation index and the women officer and employee commuting facility after certain working hours index have decreased.

Overall, women account for 13.58 percent of all members of the boards

of all banks in Bangladesh.

Foreign commercial banks lead the way here as well, with 18.52 percent of board members being female.

On the other hand, specialised commercial banks do not have a single female representative on their boards.

According to Fahmida Khatun, executive director at the Centre for Policy Dialogue, women's participation in the labour market depends on factors such as working conditions, safety, and social and cultural norms.

She said a number of women are working in the banking sector because it is comparatively more organised.

Fahmida attributed factors such as better work environments, lucrative pay, technological adoption and organisational policy to foreign banks having more female employees.

She urged banks to be more proactive in creating pathways so that more qualified women could reach senior and boardroom positions.

Govt to review deals under quick energy supply act

STAFF CORRESPONDENT

The government has decided to review the deals signed under the Quick Enhancement of Electricity and Energy Supply (Special Provision) Act 2010, commonly known as the indemnity act for the power and energy sector.

Yesterday, the Power Division under the Ministry of Power, Energy and Mineral Resources formed a five-member national committee to review the contracts.

Justice Moinul Islam Chowdhury, a retired judge of the High Court division, will lead the committee.

The other members are Zahid Hussain, former lead economist of World Bank's Dhaka office, Abdul Hasib Chowdhury, a professor at the Bangladesh University of Engineering and Technology, Ali Ashfaq, a chartered accountant, and Mushtaq Khan, a professor at the University of London, according to a gazette notification.

The notification said the committee could collect data from any source and audit any necessary documents. It can also call on any person or organisation concerned to hearings and review whether the government's interests have been protected in the agreements.

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NBR slashes import duty on onion, potato and pesticides

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has reduced taxes on the import of onions and potatoes to boost supply and curb the rising prices of these essential items.

The customs administration reduced the tariffs on onion imports to 5 percent and on potatoes to 15 percent, effective until November 30.

"The NBR expects that the prices of both items will reach more tolerable levels following the reduction in import duties," said the revenue authority in a statement yesterday.

In addition, the revenue board has reduced tariffs on pesticide imports from 25 percent to 5 percent to increase the supply of the key agri input.

Last week, the Bangladesh Trade and Tariff Commission (BTTC) urged the NBR to cut import duties on onions, potatoes, and eggs, as it will encourage imports and enhance the supply of these food staples.

The BTTC recommended the complete removal of import duties on onions and a reduction in tariffs on eggs and potatoes to 5 percent.

However, the NBR has not yet reduced import tariffs on eggs.

With the new duty reduction, importers will pay only a 5 percent customs duty on onions.

For potato, one of the most popular vegetables in the country, importers will be required to pay 15 percent, along with a 5 percent advance income tax and a 3 percent regulatory duty.

The BTTC noted in the previous letter that recent flooding in the eastern part of the country has severely impacted poultry farming in 11 districts, leading to an egg supply shortage.

Additionally, potato production has fallen by 1.2 million tonnes, contributing to the high prices of this staple vegetable.

The BTTC emphasised that substantial cuts on these essential items will help contain inflation.