

# Star BUSINESS

## Importers hit by dollar crisis get 8 years to repay loans

STAR BUSINESS REPORT

Businessmen involved in import-dependent industries that have suffered losses due to the depreciation of the local currency against the US dollar will get up to eight years to repay their loans.

Only importers who brought over goods on condition of delayed loan repayments and suffered losses will get this opportunity, according to a central bank notification issued yesterday.

The loans will be repaid on a monthly or quarterly basis with a one-year grace period after calculating losses separately, as per the circular.

The central bank said that the value of the taka against foreign currencies, especially against the US dollar, has decreased significantly due to the long-term impacts of the Covid-19 pandemic, the Russia-Ukraine war, and the global economic recession.

**Only importers who brought goods on condition of delayed loan repayments and suffered losses will get this opportunity**

So, local manufacturing industries have faced exchange rate losses while importing raw materials. As a result, forced loans are being created, and a working capital deficit is being observed alongside a reduction in the production capacity of these institutions, the central bank said.

The central bank issued the directive to maintain the production capacity of import-dependent industries, including the steel and cement sectors as well as local industries whose sales prices are determined by the government.

In line with the instructions, many food importers will get this benefit as the prices of various products, including oil and sugar, are determined by the government.

The Bangladesh Bank also said that the total amount of exchange rate-related losses would be determined by the relevant bank in the case of letters of credit opened from January to December 2022.

The central bank also announced the method to be used to determine the total amount of unexpected exchange rate-related losses.

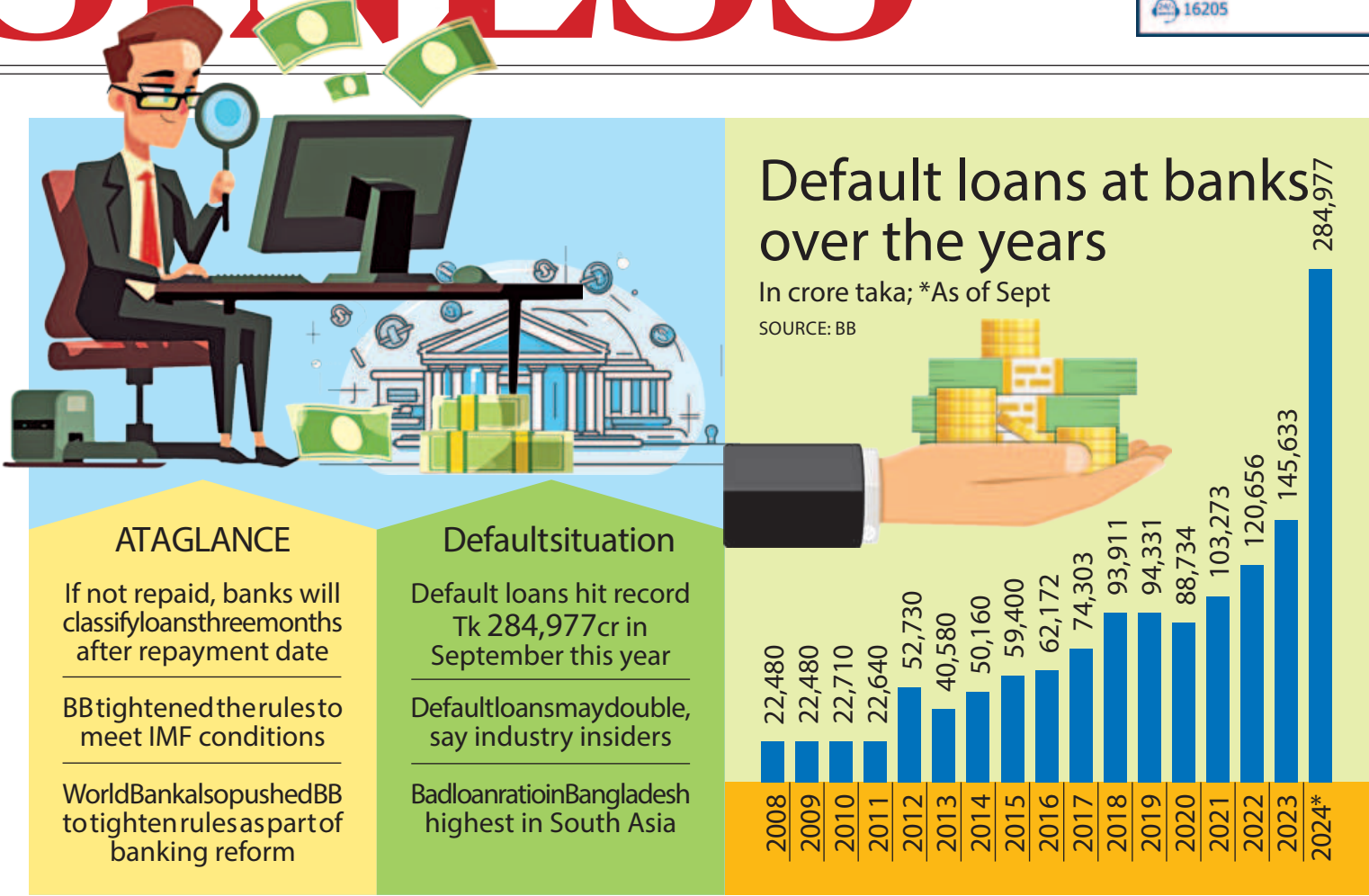
The amount equivalent to the loss can be transferred as a separate term loan outside

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| STOCKS |                   |                    |
|--------|-------------------|--------------------|
|        | DSEX ▲            | CASPI ▲            |
|        | 1.06%<br>5,197.93 | 0.95%<br>14,469.49 |

| COMMODITIES |                           |                         |
|-------------|---------------------------|-------------------------|
|             | Gold ▲                    | Oil ▲                   |
|             | \$2,648.36<br>(per ounce) | \$69.03<br>(per barrel) |

| ASIAN MARKETS |                      |                      |                     |                     |
|---------------|----------------------|----------------------|---------------------|---------------------|
|               | MUMBAI               | TOKYO                | SINGAPORE           | SHANGHAI            |
|               | ▲ 0.29%<br>80,234.08 | ▼ 0.80%<br>38,134.97 | ▼ 0.12%<br>3,708.09 | ▲ 1.53%<br>3,309.78 |



## BB tightens loan classification rules to meet IMF conditions

Bankers fear this may double default loans next year

STAR BUSINESS REPORT

Payment failure for three months or 90 days after the due date will now lead to classification of loans regardless of type, according to new rules announced by the central bank yesterday, aligning with international best practices prescribed by the International Monetary Fund (IMF).

The new rules will be effective from April next year, replacing current different non-performing loan (NPL) labelling tenures for different types of bank loans.

This stokes fears about a surge in toxic loans within the banking sector, which stood at a record Tk 284,977 crore at the end of September this year.

While approving the ongoing \$4.7 billion loan package for Bangladesh in January last year, multilateral lender IMF set several targets, including reworking loan classification rules.

The Bangladesh Bank (BB) issued a detailed circular yesterday regarding the loan classification.

As per the new rules, a loan will be classified as substandard when the overdue tenure is three to six months. It will be classified as doubtful when the overdue tenure is six to 12 months.

When the overdue tenure is 12 months and above, loans will be classified as bad and loss.

Currently, a loan is classified as substandard when the overdue tenure is three

to nine months. It turns doubtful when the overdue tenure is nine to 12 months.

Under the new rules, the overdue tenure for bad and loss category remains the same as now – which is 12 months and above.

The cottage, micro, small and medium enterprises (CMSME) currently enjoy different loan classification tenures, which have been revoked under the new rules.



CMSME loans are classified as substandard when the overdue tenure is six to 18 months. Those turn doubtful when the overdue tenure is 18 to 30 months. When the overdue tenure is 30 months and above, those loans are labelled as bad and loss.

In the new rules, there is no change in provisioning against loans.

Banks now have to keep 1 to 5 percent as a provision against general category loans. This

provisioning rises to 20 percent against substandard loans, 50 percent against doubtful loans and 100 percent against bad loans.

In the notification, the central bank said a strong financial sector is necessary to support the growing economy in Bangladesh.

According to the BB, timely steps are necessary to reduce the rate of classified loans for financial stability. The government and the Bangladesh Bank have taken various initiatives to reform the banking sector.

As part of those steps, the BB said the instructions have been issued in light of international best practices.

The loan classification and provisioning policy was first introduced in 1989 under the financial sector reform programme in Bangladesh.

Later, various changes were made to the policy to align it with international best practices and methods. Two major changes were brought in 1998 and 2006.

However, the latest major revision of the loan policy was made in 2012, central bank officials said.

Loans disbursed through irregularities to Awami League-affiliated businesses turned sour at an alarming pace after the ouster of the Sheikh Hasina-led government on August 5.

Between July and September, bad loans soared 34.8 percent or by a staggering Tk 73,586 crore, according to BB data.

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Eastern Bank PLC.

**উইমেন'স লোন**

নারীর স্বল্প পুরণের যাত্রা আরো স্বাচ্ছন্দ্যময় করতে "ইবিএল উইমেন'স লোন"।

**সুবিধাসমূহ:**

- > সর্বোচ্চ ২০ লক্ষ টাকা পর্যন্ত জামানতবিহীন লোন
- > সর্বোচ্চ ৬০ মাস পর্যন্ত মাসিক কিস্তিতে পরিশোধযোগ্য
- > যে কোন মুহুর্তে আংশিক বা সম্পূর্ণ লোন পরিশোধের সুযোগ
- > আকর্ষণীয় ইন্টারেস্ট রেট

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## BB introduces longer-term bills to fight inflation

STAR BUSINESS REPORT

The Bangladesh Bank has decided to introduce two more bills which would have tenures much longer than those of the three bills currently available in an effort to mop up excess liquidity from the money market and rein in runaway inflation.

The 90-day "Bangladesh Bank (BB) Bill" and 180-day BB Bill are aimed at enforcing the tight monetary policy by

**The bills are aimed at enforcing the tight monetary policy by curbing excess demand in the economy**

curbing excess demand in the economy alongside consumer prices.

The existing 7-day BB Bill, 14-day BB Bill and 30-day BB Bill were reintroduced through auctions since August 2021 after a three-year suspension.

"We are going to hold auctions of longer tenure bills for better implementation of the monetary policy," said a senior BB official.

The central bank yesterday withdrew Tk 452 crore from the money market by auctioning the BB bills. The cut-off yield or the minimum price was 11.10 percent, according to the BB.

The BB official said the banking regulator would use the BB bills by analysing the market situation. "We will hold auctions for the longer tenure BB bills depending on the market situation," the official added.

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## Exports to EU may fall 20%

Study assesses combined impact of LDC graduation and EU-Vietnam FTA

STAR BUSINESS REPORT

Bangladesh's overall exports to the European Union (EU) may fall by as much as 20 percent due to the combined impacts of the nation's graduation from least developed country (LDC) status and the EU-Vietnam Free Trade Agreement (EVFTA), according to a study.

Mohammad Abdur Razzaque, chairman of Research and Policy Integration for Development (RAPID), presented the study, conducted jointly by the think-tank and German political foundation Friedrich-Ebert-Stiftung, at a seminar in Dhaka yesterday.

"Bangladesh's apparel exports to the EU are projected to decline by 1.8 percent and leather and leather products by 6.5 percent due to trade diversion caused by the EVFTA," Razzaque said.

By 2023, Vietnam's exports to the EU more than doubled Bangladesh's, despite both countries having similar shipments in 2002, he added.

"Vietnam has made significant investments in its garment industry's backward linkages while Bangladesh has yet to implement visible policies, thereby failing to fully capitalise on the opportunity."

The EVFTA, which came into effect in 2020, grants Vietnam significant trade advantages, including zero-duty access to the EU market, replacing its earlier standard Generalised Scheme of Preferences (GSP).

In addition to tariff eliminations, the EVFTA addresses non-tariff barriers, opening the market for services and investment,

| EU-Vietnam FTA: implications for Bangladesh (Vietnam entered into FTA with EU in 2020) |                                  |  |
|--|----------------------------------|--|
| Exports to EU may fall 20.3% after LDC graduation                                      | Apparel exports may decline 1.8% | Leather and leather product exports may drop 6.5%    |
| VIETNAM'S BENEFITS   |                                  |  |
| Getting higher duty benefits   | Exports to EU could increase 47% | Its backward linkage industries are getting stronger |
| SOURCE: STUDY BY RAPID   |                                  |  |

and aligns Vietnam with the EU's labour and environmental standards, collectively strengthening its competitiveness and investment appeal.

Currently, Bangladesh's exports enjoy duty-free access to the EU under the "Everything but Arms (EBA)" programme. This, alongside relaxed rules of origin, has been instrumental in expanding the country's apparel exports to the EU.

But the benefit is only extended to LDCs, meaning Bangladesh may lose the privilege after graduation.

At the same time, while Bangladesh has been lagging in policy implementation, Vietnam has effectively streamlined its business environment and opened up trade

and investment, taking timely and strategic policy actions, the study said.

"If Bangladesh wants to remain competitive, especially as global trade rules evolve, it must prioritise investments in backward integration and infrastructure development," Razzaque said.

He added that Bangladesh relies heavily on apparel exports while Vietnam's export basket is more diversified.

Razzaque also said Bangladesh and Vietnam are filling the void of China's declining market share in the global apparel market at a similar pace.

"Bangladesh has captured China's market share in the EU while Vietnam has done so in the US."

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# LankaBangla Finance signs MoU with Tropical Homes

STAR BUSINESS DESK

LankaBangla Finance PLC signed a memorandum of understanding (MoU) with Tropical Homes Limited, a real estate developer in Bangladesh.

Khurshed Alam, senior executive vice-president of the non-bank financial institution, and M Hoque Faishal, director of sales, marketing, CRD and CSD of the developer, penned the MoU at the Planners Tower in the capital's Banglamotor, said a press release.

This strategic partnership aims to provide housing solutions for customers across all income groups, including those seeking luxury residences as well as middle and lower-income housing options.

Under this agreement, LankaBangla Finance will offer interested buyers of the developer facilities for home and mortgage loans with flexible terms and competitive interest rates. Humaira Azam, managing director of LankaBangla Finance, attended the signing ceremony.

Tanveer Reza, vice-chairman of the developer, Sheikh Rabiul Haque, managing director, Md Nurul Huda, deputy managing director, and Anayet Hossain, head of home loan of the bank, along with other senior officials from both the organisations, were also present.



Humaira Azam, managing director of LankaBangla Finance, and M Hoque Faishal, director of sales, marketing, CRD and CSD at Tropical Homes, pose for photographs after signing a memorandum of understanding at the latter's head office in the capital's Banglamotor recently.

PHOTO: LANKABANGLA FINANCE



Md Altaf Hossain Bhuyan, deputy managing director of SBAC Bank, poses for photographs with the participants of a workshop on prevention of money laundering and combating financing of terrorism at the bank's training institute in the capital recently.

PHOTO: SBAC BANK

## ONE Bank holds money laundering prevention training in Noakhali

STAR BUSINESS DESK

ONE Bank PLC recently arranged a daylong training on "Prevention of Money Laundering and Combating Financing of Terrorism" for executives and officers of branches and sub-branches of Noakhali zone at Noa Convention Centre in the district.

Monzurul Alam Chowdhury, additional managing director and chief anti-money laundering compliance officer (CAMLCO) of the bank,

inaugurated the programme as the chief guest, the bank said in a press release.

The main objectives of the training were to create awareness among the participants, enhance their understanding and motivate them to do their duties complying with laws and regulations.

Khandaker Liakat Ali, executive vice-president and deputy CAMLCO of the bank, along with high officials, attended the programme.

## SBAC Bank organises money laundering prevention workshop

STAR BUSINESS DESK

SBAC Bank PLC recently organised a training workshop on preventing money laundering and combating terror financing at the bank's training institute in the capital.

Md Altaf Hossain Bhuyan, deputy managing director of the bank, attended the workshop as the chief guest, the bank said in a press release.

AKM Fazlur Rahman, principal of the training institute, chaired the

workshop, where Syed Golam Shahajarul Alam, additional director of the bank, and Mehedi Hasan, deputy director of Bangladesh Financial Intelligence Unit (BFIU), were present as guest speakers.

Md Masoodur Rahman, chief anti-money laundering compliance officer (CAMLCO) of the bank, and Md Mujibur Rahman, DCAMLCO and head of the AML and CFT division, along with other officials of the division, head office and branches of the bank, were also present.



Monzurul Alam Chowdhury, additional managing director and CAMLCO of ONE Bank, attends a training programme on "Prevention of Money Laundering and Combating Financing of Terrorism" at the Noa Convention Centre in Noakhali recently.

PHOTO: ONE BANK



Hassan O Rashid, chief executive officer of Prime Bank PLC, and Franca Vossen, CRO and management board member of FMO, an entrepreneurial development bank based in the Hague, exchange signed documents for activation of second tranche of \$50 million term-loan facility at the former's head office in Dhaka recently. Prime Bank will lend the fund to small and medium enterprise, agriculture, women, youth and green projects. Alessio Crestani, senior investment officer of FMO, along with senior officials of Prime Bank, was also present.

PHOTO: PRIME BANK

## Eastern Bank partners with Bida to launch daycare centre

STAR BUSINESS DESK

Eastern Bank PLC (EBL) and the Bangladesh Investment Development Authority (Bida) have jointly opened a daycare centre at the Bangladesh Economic Zones Authority (Beza) office in Dhaka.

Chowdhury Ashik Mahmud Bin Harun, executive chairman of the Bida, and Ali Reza Iftikhar, managing director and CEO of the bank, jointly inaugurated the Bida Daycare Centre, said a press release. It is an initiative aimed at enhancing the work-life balance of working mothers of the Bida and the Bangladesh Economic Zones Authority, and the National Skills Development Authority Bangladesh (NSDAB).

Khandoker Azizul Islam, secretary to the Bida, and Ahmed Shaheen, additional managing director of the bank, Riad Mahmud Chowdhury, deputy managing director and head of corporate banking, among others, were also present.



Chowdhury Ashik Mahmud Bin Harun, executive chairman of the Bangladesh Investment Development Authority (Bida), cuts a ribbon to inaugurate a daycare centre jointly set up by Bida and Eastern Bank at the Beza office in Dhaka recently.

PHOTO: EASTERN BANK

## US consumers see greater optimism in November

AFP, Washington

US consumer confidence improved in November, according to survey data released Tuesday, boosted by greater optimism surrounding the labor market.

The Conference Board's consumer confidence index rose to 111.7 this month, up from 109.6 in October, marking an increase for a second straight month.

"November's increase was mainly driven by more positive consumer assessments of the present situation, particularly regarding the labor market," said Dana Peterson, chief economist at The Conference Board.

Consumers were "substantially more optimistic" about job availability in the future, which reached its highest level in around three years, she added.

"Consumers' expectations about future business conditions were unchanged and they were slightly less positive about future income," she said in a statement.

The improvement in November also came amid higher confidence for younger consumers under the age of 35, the survey found.

Meanwhile, a smaller proportion of consumers expected a recession in the next 12 months — reaching the lowest level since July 2022 when the question was first included in the survey.

The expectations index, reflecting consumers' short-term outlook for income, business and labor market conditions, picked up 0.4 points to 92.3, above the threshold of 80 signaling a recession ahead.

But Robert Frick, corporate economist with the Navy Federal Credit Union, cautioned that despite improved sentiment about the job market, "the numbers don't bear that out."


"Job openings continue to trend down and the 'quits rate' shows workers tending to stick with their current employers," he warned in a statement.

Pantheon Macroeconomics chief US economist Samuel Tombs added in a note that the increase in consumer confidence overall "likely was driven by euphoria among Republicans."

"The index also jumped in late 2016, when Mr. Trump was elected for the first time," he said, referring to President-elect Donald Trump's victory at the polls this month.

| PRICES OF KEY ESSENTIALS IN DHAKA CITY |                      |                            |                          |
|--|----------------------|----------------------------|--------------------------|
|  | PRICE (NOV 27, 2024) | % CHANGES FROM A MONTH AGO | % CHANGE FROM A YEAR AGO |
| Fine rice (kg)                         | Tk 68-Tk 80          | 2.78 ↑                     | 8.03 ↑                   |
| Coarse rice (kg)                       | Tk 50-Tk 55          | -1.87 ↓                    | 2.94 ↑                   |
| Loose flour (kg)                       | Tk 40-Tk 45          | 0                          | -10.53 ↓                 |
| Lentil (kg)                            | Tk 105-Tk 110        | 0                          | 0                        |
| Soybean (litre)                        | Tk 165-Tk 168        | 5.71 ↑                     | 9.18 ↑                   |
| Potato (kg)                            | Tk 75-Tk 80          | 34.78 ↑                    | 78.16 ↑                  |
| Onion (kg)                             | Tk 115-Tk 130        | -12.50 ↓                   | 11.36 ↑                  |
| Egg (4 pcs)                            | Tk 45-Tk 50          | -5.00 ↓                    | 18.75 ↑                  |

SOURCE: TCB



### ZILA PARISHAD LAXMIPUR

[www.zp.lakshmipur.gov.bd](http://www.zp.lakshmipur.gov.bd)

**Memo No- 449**

**Date: 27.11.2024**

**e-Tender Notice**

**Invitation for Tender No: 01/2024-2025**

E-Tender is invited in the National e-GP System portal (<http://www.eprocure.gov.bd>) for 16 (Sixteen) groups given below:

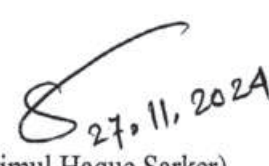
| Tender ID   | Last Selling Date & Time     | Closing Date & Time          |
|---|------------------------------|------------------------------|
| 1041750, 1041751, 1041752, 1041753, 1041754, 1041756, 1041728, 1041731, 1041738, 1041740, 1041741, 1041742, 1041743, 1041745, 1041746, 1041747, | 17-December-2024<br>12:00 pm | 17-December-2024<br>16:15 pm |

This is an online Tender, where only e- Tender will be accepted in the National e-GP portal and no offline/ hard copies will be accepted.

To submit e-Tender, registration in the National e-GP System portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender Documents from the National e-GP System portal have to be deposited online through any registered Bank branches from **01 December, 2024, 12:00 am to 17 December, 2024, 12:00 pm**

Details document will be Collected from the under singed office during office Time.

Further information and guide lines are available in the National e-GP System portal and from e-GP help desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd))



(Md. Nazimul Haque Sarker)  
Assistant Engineer (In Charge)  
Zila Parishad, Laxmipur.  
Phone No: 02334441720  
E-mail: [ceozplakshmipur@gmail.com](mailto:ceozplakshmipur@gmail.com)

GD-1064



## IFC to invest \$50m in City Bank to help SMEs grow

STAR BUSINESS DESK

The International Finance Corporation (IFC), a member of the World Bank Group, will invest \$50 million in City Bank PLC to help small and medium enterprises (SMEs) in Bangladesh grow businesses, create jobs, and boost economic recovery.

The international financial institution signed an agreement with City Bank at the latter's head office in the capital recently, the bank said in a press release.

Allen Forelemu, IFC regional industry director of the financial institutions group for Asia and the Pacific, and Mashrur Arefin, managing director and CEO of City Bank, penned the deal.

"Small businesses are essential to Bangladesh's economy. By supporting them, we aim to improve access to finance and promote inclusive growth," Forelemu said.

"We are grateful for IFC's support. This investment will help small businesses overcome challenges and play a bigger role in Bangladesh's future," said Arefin expressing his appreciation.



Allen Forelemu, regional industry director of financial institutions group for Asia and the Pacific at the International Finance Corporation, and Mashrur Arefin, managing director and CEO of City Bank, shake hands and exchange signed documents of an agreement at the latter's head office in the capital recently.

PHOTO: CITY BANK

## Provide venture capital, private equity to startups, SMEs

Speakers say at DCCI discussion

STAR BUSINESS REPORT

Bangladesh's future depends on creating a knowledge-driven economy, and new businesses require a supportive environment to succeed alongside funding, which can come in the form of venture capital and private equity, said speakers at a discussion recently.

Venture capital is a type of financing for promising startups in exchange for ownership stakes. Private equity is also a type of investment involving purchasing an interest in a mature company that is not publicly traded on a stock exchange.

Obstacles in the process of appropriate asset valuation and a dearth of relevant service providers hinder access to finance, they said.

For instance, tech companies are having

trouble with the valuation audit process since their assets are in the intellectual form, they added.

The situation is complicated by the fact that the financing industry lays special emphasis on safe investment and revenue return, the speakers said.

For prospective small and medium enterprises and startups, venture capital and private equity may be the most suitable alternative source of financing outside of banks, they said.

"Businesses developing intellectual property should not concentrate on valuing physical assets because banks rely on this information to secure their loans," said Ashraf Ahmed, president of the Dhaka Chamber of Commerce and Industry (DCCI).

"As business owners, we should

concentrate on conquering our own obstacles while adhering to current legal restrictions, both as growth investors and as financiers of innovation," he said.

Ahmed was addressing a discussion on "Connecting Innovative SMEs and Startups with Private Equity & Venture Capital Firms for Bridging Financing Gap" organised by the DCCI on its premises.

It is necessary to make venture capital and private equity more widely known to small businesses in Bangladesh since the demand exists while innovation was coming about, he said.

The industry requires a supportive legislative environment in order to expand, said Mohammad Abdul Momen, a former director of the University of Dhaka's Institute of Business Administration.

## Extend tenure of Tk 200cr stock fund

BSEC urges BB

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) has sought a five-year tenure extension of the Tk 200 crore fund that any bank can take as loan from Bangladesh Bank to invest in the capital market.

Moreover, the commission wants the loan amount to be increased to Tk 300 crore.

The BSEC made the demands for the special fund that the central bank started extending in 2020 for a five-year period in order to increase liquidity supply in the stock market.

BSEC Chairman Khondoker Rashed Maqsood placed the demand in a meeting with BB Governor Ahsan H Mansur at the central bank yesterday as the existing tenure of such loans will end in February 2026.

However, banks were and still are allowed to invest 25 percent of their capital in the stock market in addition to this special fund.

Banks were initially slow in taking loans from this special facility, but later many stepped in.

Some banks bought Beximco's green Sukuk Al Istisna by using the fund as the central bank allowed them to invest in it by issuing a circular in 2021, when people were reluctant to subscribe to the bond with their own funds.

In yesterday's meeting, Maqsood also stressed the need for taking supportive steps by the Bangladesh Bank for the listing of good companies in the stock market.

Mohammad Rezaul Karim, spokesperson of the BSEC, said the discussion between the two regulators was fruitful. He also informed that the commission chairman had urged the central bank to make it mandatory for companies to get listed for taking term-loans of a certain amount.

## Autos, food: What are the risks from Trump's tariff threat?

AFP, Washington

Fresh US tariffs on Canada and Mexico could raise costs of automobiles and building materials, analysts said Tuesday, after President-elect Donald Trump threatened to erect new trade barriers.

Similarly, further tariff hikes on China could add to consumer prices, as the United States is still reliant on the world's second biggest economy for goods like electronics and batteries.

What products face risks from Trump's tariff pledges?

US-Canada trade ties are significant, with a highly integrated energy and automotive market, the Congressional Research Service (CRS) noted in July.

Nearly 80 percent of Canada's 2023 goods exports were US-bound, while about half its goods imports came from the United States.

Canada has been the biggest supplier of US energy imports including crude oil, natural gas and electricity, the CRS added.

Economist Ryan Sweet of Oxford Economics warned that a 25 percent tariff on Canadian goods could hit imported fuels, risking higher energy costs.

"The 2026 midterms are not that far off, and voters don't forget inflation," he told AFP.

The United States imports construction materials from Canada,



Shoppers walk with their purchases at Plaza Las Americas Mall near the US-Mexico border in San Ysidro, California on November 26. The United States is Mexico's most critical trading partner, taking in 80 percent of its exports.

PHOTO: AFP

too, he added, and tariffs could drive up housing costs.

Last year, \$2.5 billion in goods crossed the US-Canada border daily, said Dennis Darby of industry group Canadian Manufacturers & Exporters.

Imposing tariffs "would also hurt US manufacturers," he added.

The United States is Mexico's most critical trading partner, taking in 80 percent of its exports, the CRS noted.

In 2023, Mexico outpaced China for the first time in two decades to be America's leading source of imports, government data showed. US goods

imports from Mexico stood at \$484.5 billion.

A 25 percent tariff would weigh on the auto sector, worth tens of billions in Mexico's US exports, alongside medical instruments and devices.

Vehicle costs could rise about 10 percent, estimates Gary Hufbauer, nonresident senior fellow at the Peterson Institute for International Economics.

A significant portion of North America trade happens between the United States, Mexico and Canada with products crossing borders multiple times.

## BB introduces longer-term bills

FROM PAGE B1

With inflation remaining at over 9 percent since March 2023, the BB has been maintaining a contractionary monetary policy for the past two years to contain demand-induced price spikes.

The central bank has hiked the key policy rate to 10 percent to make borrowing costlier for the 11th consecutive time since May 2022.

Bangladesh's annual average

inflation rose to 10.05 percent in October due to rising prices.

Overall inflation hit a three-month high of 10.87 percent in October, driven by soaring food prices, especially for rice and vegetables.

Another BB official said the central bank plans to withdraw excess liquidity from the banking sector through the BB bills and provide funds to the crisis-hit banks. Six banks are facing a severe liquidity crisis and related difficulties in China and Vietnam, along with a rising unwillingness among their workers to regard RMG professions as prestigious, could result in a movement of orders from these nations to Bangladesh.

He also mentioned challenges

struggling to repay depositors.

The banking regulator already provided a hefty amount in liquidity support to those lenders, the official added.

However, a treasury chief of a private bank said if liquidity support was provided to the Shariah-based banks by mopping excess liquidity, it may not contribute to controlling inflation as money would return to the market through those banks.

facing Bangladesh, including the labour unrest, energy deficit and turmoil in the banking sector.

Among others, Policy Exchange Bangladesh Chairman M Masrur Reaz and Economic Relations Division Secretary Md Shahriar Kader Siddiky spoke at the event.

tightened, this number will jump," said Amin, the chairman of Global Islami Bank.

A World Bank (WB) team is now in talks with the central bank to support banking sector reforms. They urged the BB to implement the international standard loan classification rules immediately.

## Importers hit by dollar crisis

FROM PAGE B1

working capital credit limit based on bank-customer relationships after analysing the customer's credit risk.

It will be repayable in equal instalments – monthly or quarterly – for a maximum period of eight years with a maximum break of one year.

The central bank added that the single customer credit limit cannot

be exceeded in any way and no defaulter will get this facility.

To avail of this opportunity, customers must apply to their respective banks by March 31.

In addition, the bank must confirm whether the customer actually suffered losses due to movement in the foreign exchange rate. The relevant documents must

be properly preserved for verification by the inspection department of the Bangladesh Bank. Over the past couple of years, the exchange rate has increased to Tk 120-125 per US dollar from Tk 105-107 in January last year.

Owing to the increase in the dollar prices, the working capital of import-oriented industries has decreased, according to industry insiders.

| ত্রিশাল পৌরসভা কার্যালয়   |                                |                                     |           |       |   |
|--|--------------------------------|-------------------------------------|-----------|-------|---|
| ত্রিশাল, ময়মনসিংহ   |                                |                                     |           |       |   |
| স্থাপিত-১৯৯৮ খ্রিঃ।  |                                |                                     |           |       |   |
| তারিখঃ ২৭.১১-২০২৪ খ্রিঃ  |                                |                                     |           |       |   |
| পুনঃ নিয়োগ বিজ্ঞপ্তি  |                                |                                     |           |       |   |
| গণপ্রজাতন্ত্রী বাংলাদেশ সরকার স্থানীয় সরকার পল্লী উন্নয়ন ও সমবায় মন্ত্রণালয়, স্থানীয় সরকার বিভাগ, পৌর-১ শাখার স্মারক নং- ৪৬.০০.০০০০.০৮৩.১১.০১১.২৩-১০৪০ তারিখ: ০৪-০৭-২০২৩ খ্রিঃ তারিখ পত্রের ছাড়পত্র মূল্যে ত্রিশাল পৌরসভার নিম্নবর্ণিত শূন্য পদ সমূহে অস্থায়ী ভিত্তিতে কর্মচারী নিয়োগের নিমিত্তে বার্ষিক শর্তাবলী বাতিলকৃত বাংলাদেশের প্রকৃত স্থায়ী নাগরিকদের নিকট হইতে সাদা কাগজে স্ব-হস্তে লিখিত দরখাস্ত আদায়ন করা যাইতেছে।  |                                |                                     |           |       |   |
| ক্রম নং  | পদের নাম                       | বেতন স্কেল (জাতীয় বেতন স্কেল-২০২৫) | পদ সংখ্যা | বয়স  | শিক্ষাগত যোগ্যতা  |
| ১  | নিম্নমান সহকারী কাম মুদ্রাকরিক | ৯৩০০-২২৪৯০/-<br>গ্রেড-১৬তম          | ০১        | ১৮-৩২ | উচ্চ মাধ্যমিক সার্টিফিকেট পরীক্ষা পাশ অথবা সমমানের শিক্ষাগত যোগ্যতাসহ কম্পিউটারে বাংলায় ৩০ এবং ইংরেজীতে (৪০ মিনিটে) শব্দের গতি থাকতে হবে। পৌরসভায় কর্মরত ৪র্থ শ্রেণির কর্মচারীদের ক্ষেত্রে বয়সসীমা শিথিলযোগ্য। তবে এ পদের জন্য নির্ধারিত শিক্ষাগত যোগ্যতা থাকতে হবে। |
| ২  | সহকারী লাইসেন্স পরিদর্শক       | ৯৩০০-২২৪৯০/-<br>গ্রেড-১৬তম          | ০১        | ১৮-৩২ | বীকৃত বোর্ড হতে উচ্চ মাধ্যমিক সার্টিফিকেট পাশ অথবা সমমানের শিক্ষাগত যোগ্যতা।  |
| ৩  | সহকারী কবর আদায়কারী           | ৯৭০০-২৩৪৯০/-<br>গ্রেড-১৫তম          | ০১        | ১৮-৩২ | বীকৃত বিশ্ববিদ্যালয় হতে স্নাতক ডিগ্রী।   |
| ৪  | স্যানিটারি ইন্সপেক্টর          | ১১০০০-২৬৪৯০<br>গ্রেড-১৩তম           | ০১        | ১৮-৩২ | এইচ.এস.সি সহ মেডিকেল টেকনোলজিতে স্যানিটারি ইন্সপেক্টরশীপ। তবে ৩ বৎসরের কোর্স সম্পন্ন প্রার্থী পাওয়া না গেলে ১ বৎসর বা সমমানের কোর্স সম্পন্ন প্রার্থীকে নিয়োগ করা হবে। এ ক্ষেত্রে বেতনক্রম বিধিমোতাবেক নির্ধারণ করা হবে।   |
| ৫  | টিকাদানকারী (পুরুষ)            | ৯০০০-২১৮০০/-<br>গ্রেড-১৭তম          | ০১        | ১৮-৩২ | বীকৃত শিক্ষা বোর্ড হতে মাধ্যমিক পাশ হতে হবে। টিকাদান কালে প্রশিক্ষণ প্রাপ্ত প্রার্থীকে অগ্রাধিকার দেওয়া হবে।   |
| ৬  | টিকাদানকারী (মহিলা)            | ৯০০০-২১৮০০/-<br>গ্রেড-১৭তম          | ০১        | ১৮-৩২ | বীকৃত শিক্ষা বোর্ড হতে মাধ্যমিক পাশ হতে হবে। টিকাদান কাজে প্রশিক্ষণ প্রাপ্ত প্রার্থীকে অগ্রাধিকার দেওয়া হবে।   |
| ৭  | সুপারভাইজার                    | ৯৩০০-২২৪৯০/-<br>গ্রেড-১৬তম          | ০১        | ১৮-৩২ | বীকৃত বোর্ড হতে এইচ.এস.সি পাশ। সফলভাবে কাজে বাস্তব অভিজ্ঞতা থাকতে হবে।  |
| ৮  | সার্ভেয়ার                     | ৯৭০০-২৩৪৯০/-<br>গ্রেড-১৫তম          | ০১        | ১৮-৩২ | বীকৃত প্রতিষ্ঠান হতে সার্ভেয়ারশীপ/ওভারশীপ/সমমানের শিক্ষাগত যোগ্যতা থাকতে হবে। বাস্তব অভিজ্ঞতা সম্পন্ন প্রার্থীকে অগ্রাধিকার দেওয়া হবে।  |
| ৯  | ট্রাক/ট্রিলার চালক             | ৯৭০০-২৩৪৯০/-<br>গ্রেড-১৫তম          | ০১        | ১৮-৩২ | ৮ম শ্রেণী পাশসহ যানবাহন চালকের বৈধ লাইসেন্স এবং সফলভাবে কাজে বাস্তব অভিজ্ঞতা থাকতে হবে।   |
| ১০   | পাম্প চালক                     | ৯৩০০-২২৪৯০/-<br>গ্রেড-১৬তম          | ০২        | ১৮-৩২ | ৮ম শ্রেণী পাশ। সফলভাবে কাজে ২ বৎসরের বাস্তব অভিজ্ঞতা থাকতে হবে। সার্টিফিকেটধারীগণকে অগ্রাধিকার দেওয়া হবে।  |
| ১১   | জীপ চালক                       | ৯৩০০-২২৪৯০/-<br>গ্রেড-১৬তম          | ০১        | ১৮-৩২ | ১০ম শ্রেণী পাশ হতে হবে। ভারীমানবাহন চালনায় বৈধ লাইসেন্সধারী এবং ২ বৎসরের বাস্তব অভিজ্ঞতা থাকতে হবে।  |
| শর্তাবলী :-  |                                |                                     |           |       |   |
| ১। প্রার্থীকে অবশ্যই জন্মসূচী বাংলাদেশের নাগরিক হতে হবে।   |                                |                                     |           |       |   |
| ২। দরখাস্তে প্রার্থীর পূর্ণ নাম, পিতার নাম, মাতার নাম, স্থায়ী ঠিকানা, বর্তমান ঠিকানা, জাতীয়তা, ধর্ম, জন্ম তারিখ, বয়স, শিক্ষাগত যোগ্যতা ও অভিজ্ঞতা ইত্যাদি উল্লেখ করতে হবে। দরখাস্তের সাথে প্রার্থীর শিক্ষাগত যোগ্যতার সার্টিফিকেট এর সত্যায়িত ফটোকপি এবং প্রশাসক/চেয়ারম্যান, পৌরসভা/ইউনিয়ন পরিষদ, কর্তৃক প্রদত্ত নাগরিকত্ব সনদ পত্র ও প্রথম শ্রেণির গেজেটেড কর্মকর্তা কর্তৃক প্রদত্ত চারিত্রিক সনদ পত্রের মূলকপি, সদ্য তোলা পাসপোর্ট সাইজের সত্যায়িত ০৩ (তিন) কপি ছবি এবং প্রশাসক ত্রিশাল পৌরসভার অনুকূলে ৫০০/- (পাঁচশত) টাকার পোস্টাল অর্ডার/পে-অর্ডার/ব্যাংক ড্রাফট (অফেরৎযোগ্য) সংযোজন করতে হবে। |                                |                                     |           |       |   |
| ৩। অফিস চলাকালীন সময়ে আগামী ১৫-১২-২০২৪ খ্রিঃ তারিখের মধ্যে প্রশাসক ত্রিশাল পৌরসভা বারার আবেদন পত্র ডাকযোগ্য/সারাসরি দাখিল করতে হবে।   |                                |                                     |           |       |   |
| ৪। প্রার্থীর বয়স ৩০-০৬-২০২৩ খ্রিঃ তারিখে ১৮-৩২ বছর হতে হবে। জন্মপ্রশাসন মন্ত্রণালয়, বিধি-১১ শাখার ২২-০৯-২০২২খ্রিঃ তারিখের স্মারক নং- ০৫.০০.০০০০.১৭০.১১.০১৭.২০-১৪৯ এর প্রশাসনিক অফিস আদেশ অনুসরণ করা হবে।   |                                |                                     |           |       |   |
| ৫। নিয়োগের ক্ষেত্রে সরকার কর্তৃক জারীকৃত সর্বশেষ নীতিমালা ও পদ্ধতি যথাযথ ভাবে অনুসরণ করা হবে।   |                                |                                     |           |       |   |
| ৬। কোটা সম্পর্কিত প্রচলিত সর্বশেষ জুলাই ২০২৪ এর প্রজ্ঞাপন (বাংলাদেশ গেজেট) অনুসরণ করা হবে।   |                                |                                     |           |       |   |
| ৭। পূর্বে যারা আবেদন করেছেন তাদের আবেদন করার প্রয়োজন নেই।   |                                |                                     |           |       |   |
| ৮। অসম্পূর্ণ কিংবা বিলম্বে প্রাপ্ত দরখাস্ত প্রত্যাখ্যাত হবে না।  |                                |                                     |           |       |   |
| ৯। কর্তৃপক্ষ যে কোন শর্ত পরিবর্তন, সংযোজন করতে পারবেন। কর্তৃপক্ষ কোন কারণ দর্শানো ব্যতিরেকে এই বিজ্ঞপ্তির যে কোন অংশ/সম্পূর্ণ বিজ্ঞপ্তির সংশোধন অথবা বাতিল কিংবা গ্রহণের ক্ষমতা সংরক্ষণ করেন।  |                                |                                     |           |       |   |
| ১০। লিখিত ও মৌখিক পরীক্ষায় অংশ গ্রহণের জন্য প্রার্থীকে কোন প্রকার টিএ/ডিএ দেওয়া হবে না। মৌখিক পরীক্ষার সময় প্রার্থীদের অবশ্যই সকল সনদপত্রের মূলকপি দাখিল করতে হবে। লিখিত ও মৌখিক পরীক্ষার তারিখ ইন্টারভিউ কার্ড ইস্যুর মাধ্যমে জানানো হবে।  |                                |                                     |           |       |   |
| ১১। চাকুরীর বিষয়ে কোন প্রকার প্রত্যক্ষ/পরোক্ষ তদবির/সুপারিশ প্রার্থীর অযোগ্যতা বলে গণ্য হবে।  |                                |                                     |           |       |   |
| ১২। আবেদন পত্রে ফেরৎযোগ্য খামে স্পষ্টাক্ষরে লিখিত আবেদনকারীর বর্তমান ঠিকানা উল্লেখ পূর্বক ৯.৫" X ৪.৫" নামের উপর ১০ টাকা মূল্যের ডাকটিকিট সংযুক্ত করতে হবে।   |                                |                                     |           |       |   |
| ১৩। খামের উপর পদের নাম স্পষ্টাক্ষরে লিখতে হবে।   |                                |                                     |           |       |   |
| GD-1066  |                                |                                     |           |       |   |
| প্রশাসক<br>ত্রিশাল পৌরসভা, ময়মনসিংহ।  |                                |                                     |           |       |   |



## China may hit peak coal consumption in 2025

Report says

AFP, Beijing

China's coal consumption could peak by 2025 as the world's top consumer of the fossil fuel ramps up its push for clean energy, a report published on Wednesday said.

The country -- the largest greenhouse gas emitter -- remains heavily reliant on coal despite installing renewable energy capacity at record speed.

But while coal remains king in China's energy mix, there are signs the world's second-biggest economy may be weaning itself off the fossil fuel.

Coal power permits fell 83 percent in the first half of this year, and no new coal-based steelmaking projects were approved in the same period.

And 52 percent of experts surveyed for a report by think tanks Centre for Research on Energy and Clean Air (CREA), based in Finland, and the International

**The country -- the largest greenhouse gas emitter -- remains heavily reliant on coal despite installing renewable energy capacity at record speed**

Society for Energy Transition Studies (ISETS), based in Australia, expect China's coal consumption to peak next year.

The percentage of experts surveyed this year who believe that China's coal consumption has already hit its maximum have also more than doubled this year from last year.

"Achieving carbon neutrality in a rapidly growing economy like China is no easy feat, but the country's substantial efforts are starting to bear fruit," ISETS' president Xunpeng Shi said.

Significantly more experts also think that carbon dioxide emissions in the country have already peaked or will top out by 2025, according to the study.

Experts have become increasingly optimistic that China will be able to wean itself of polluting greenhouse gases in recent years, with breakneck installation helping Beijing hit its wind and solar energy capacity targets six years ahead of schedule.

Despite this, there is still "little clarity on China's emissions pathway," Lauri Myllyvirta, lead analyst at CREA said.



Women are planting seed potatoes at a field in Nashipur village under Dinajpur sadar upazila. Potato cultivation has expanded this year as farmers are getting better prices for the popular vegetable thanks to high inflation in the country.

PHOTO: KONGKON KARMAKER

# Potato cultivation expands as prices rise

SUKANTA HALDER, KONGKON KARMAKER and MOSTAFA SHABUI

Potato cultivation has increased across Bangladesh as farmers have been getting higher prices year-round amid elevated inflation in the country.

About 4.65 lakh hectares of land were brought under potato cultivation this season compared to 4.50 lakh hectares last year, according to data of the Department of Agricultural Extension (DAE).

Shariful Islam, a potato farmer of Sherpur upazila in Bogura, said he made a profit of around Tk 2 lakh by selling the potatoes he grew on 10 bighas of leased land last season.

As such, he has leased 20 bighas for growing potato this season in hopes of securing similar returns.

Farid Uddin, deputy assistant agricultural officer of the Bogura DAE, said potato cultivation in the district has expanded to 55,500 hectares this season while the total acreage was 55,260 hectares last season.

The planting season for potatoes runs from October to November while harvesting activities are carried out in February and April.

Low and middle-income people have been bearing the brunt of the persisting inflationary pressure, which has hovered above 9 percent since March 2023.

The inflation rate swelled to a three-month high of 10.87 percent in October this year driven by soaring food prices, particularly for rice and vegetables, shows data of the Bangladesh Bureau of Statistics.

Showkat Osman, director of the DAE's crops wing, said potato cultivation has naturally increased this year as farmers are getting higher prices for the crop.

Potatoes were selling for as much as Tk 80 per kilogramme (kg) in Dhaka yesterday while the price was Tk 75 just a week ago. On a monthly basis, the price of potato rose by about 33 percent since October.

Similarly, prices of the tuber grew by 78 percent year-on-year, as per data of

the state-run Trading Corporation of Bangladesh.

**WHY ARE POTATOES SO EXPENSIVE?**

Cold storage owners said that although stocks of potato from last season are nearly at an end, there should be no shortage of supply as fresh harvests of the crop have already arrived at markets.

Besides, the National Board of Revenue reduced the import duty on potato to 15 percent from 25 percent and also lifted the 3 percent regulatory duty on September 5 to encourage imports of the tuber.



However, potato imports have not reached the desired level despite the duty reduction, so it had little effect on the domestic prices, they added.

Furthermore, they informed that the prices are still increasing due to the lack of market supervision.

Traders said the production of many vegetables was disrupted by heavy rains and floods early this year.

As such, the subsequent delay in farmers delivering fresh harvests to the market has forced traders to increase the price of potatoes kept in cold storage, they added.

The traders also said that while it is

normal for potato prices to be slightly higher at the start of each season, they are much higher than usual at present even though new stocks are expected to arrive by December.

Meanwhile, there have been allegations that potatoes are being hoarded at cold storages to artificially raise their prices and thereby secure more profit.

Mohammad Robiul Faisal, deputy commissioner of Rangpur, acknowledged that the hoarding has inflated prices, and his office has been working to control the market.

Shahidul Islam Shahid, vice-president of the Hili Importers and Exporters Group, said the price of imported potato jumped after India created complications for exporting the crop to Bangladesh.

He informed that imports of potato through Hili land port have remained suspended since Monday.

Bangladesh produced 1.9 crore tonnes of potato last season and is estimated to produce 1.13 crore tonnes this season, the DAE data shows.

According to the Bangladesh Cold Storage Association, potatoes were stored in about 360 cold storages last season and most of the stocks have been sold.

As per the latest estimates, approximately 300,000 tonnes of potato are remaining in 122 cold storages.

Mostofa Azad Chowdhury Babu, president of the Bangladesh Cold Storage Association, said stockists have increased the potato prices due to the gap between demand and supply.

Last season, there was a shortage of 15 to 20 lakh tonnes of potato, he added.

According to the DAE, the annual demand for potatoes stands at around 90 lakh tonnes. Against this backdrop, Babu said the production should be facilitated in various ways.

"For example, the government could buy potatoes the same way it buys rice this season. Otherwise, it will not be possible to control prices," Chowdhury said.

## Transforming connectivity with Starlink, NGSO satellites

MUSTAFA MAHMUD HUSSAIN

Bangladesh stands on the brink of a digital revolution — a chance to reshape lives and bridge the persistent digital divide. Non-Geostationary Satellite Orbit (NGSO) networks, such as Starlink, have the potential to redefine connectivity for even the most remote corners of our nation. These satellites, renowned for their high-gigabit capacity, low-latency performance, and ability to serve hard-to-reach areas, offer more than just internet access — they offer a lifeline, a pathway to education, economic growth, and social inclusion. However, for this transformative opportunity to become a reality, we must strike a balance between fostering innovation and regulation to maintain surveillance infrastructure.

Bangladesh's Nationwide Telecommunications Transmission Networks (NTTNs) and its complex layered gateway architecture present formidable barriers to achieving truly accessible and cost-effective connectivity. Key layers, including submarine cables, ITCs, IIGs, and NTTNs, create constraints that stifle competition, inflate costs, and introduce bottlenecks that hinder market efficiency. For too long, these inefficiencies have left the nation's rural and underserved areas disconnected while costs for consumers remain unnecessarily high.

NGSO satellite networks offer a way to break free from these bottlenecks. With their ability to bypass extensive terrestrial infrastructure, NGSO solutions present a more seamless, scalable, and affordable approach to connectivity.

NGSO satellites are uniquely equipped to provide cellular backhaul services, particularly in hard-to-reach areas where existing infrastructure falls short. This capability ensures that mobile network operators and local ISPs can extend their coverage and deliver high-speed connectivity to remote populations without being encumbered by the inefficiencies of a layered gateway architecture. By supporting cellular backhaul through NGSO services, Bangladesh can enhance mobile connectivity, improve resilience during emergencies, and create new opportunities for socio-economic development in isolated regions.

The satellite communications sector is evolving rapidly, yet existing regulations often act as barriers to progress. Requiring physical gateways for every country introduces high costs, delays deployments, and discourages smaller operators from entering the market. The BTRC has the opportunity to embrace a more flexible regulatory approach — one that allows operators to leverage regional hubs, virtual gateways, or their preferred international data routes while maintaining stringent security and compliance standards. By reducing dependence on restrictive local architectures, BTRC can unlock the full potential of NGSO networks, empowering innovation and lowering costs for consumers.

Affordability is key to digital transformation. In Kenya, Starlink's low-cost models — user kits priced affordably and monthly plans starting at just \$10 — have made high-speed connectivity a reality for thousands. Bangladesh should follow suit by setting minimum cost thresholds for NGSO services and exploring rental-based models for user terminals. This approach ensures that even the most underserved communities can access the digital world, fostering economic growth and social inclusion.

Picture a single Starlink system that is shared and supports hundreds of devices in a rural Bangladeshi village provided by a local ISP — businesses thriving, families staying connected, and students excelling.

Ensuring national security and digital sovereignty is essential, but rigid regulations mandating local gateway stations risk leading to inefficiencies and duplicative infrastructure. International best practices show that robust security can be maintained through alternative mechanisms, such as data-sharing agreements, virtual gateways, and centralised data management solutions. This approach allows for compliance with security requirements without imposing excessive costs and complexity on service providers.

The time is now for Bangladesh to embrace NGSO satellite services and modernise its digital infrastructure. By adopting flexible regulations that encourage competition and innovation, we can transform connectivity for millions. This is about more than technology — it's about opening doors to better healthcare, enhanced education, stronger businesses, and resilient communities.

The author is a telecom policy analyst



## Adani Group says it lost \$55b as US charges sparked rout

AFP, New Delhi

India's Adani Group conglomerate said Wednesday it had lost almost \$55 billion in a stock market rout since US prosecutors last week accused its founder and other officials of fraud.

The November 20 bombshell indictment in New York accused billionaire industrialist founder Gautam Adani and multiple subordinates of deliberately misleading international investors as part of a bribery scheme.

It said they had "devised a scheme to offer, authorise, make and promise to make bribes payments to Indian government officials".

The firm, which denies the charges, said in a statement on Wednesday: "Since the intimation of the US DoJ (Department of Justice) indictment, the group has suffered a loss of near \$55 billion in its market capitalisation across its 11 listed companies."

Gautam Adani, 62, is suspected of having participated in the \$250 million scheme in bribes to secure lucrative government contracts.

Adani Group issued a stiff denial, describing the charges as "baseless", but it triggered a heavy sell-off of Adani stocks in Mumbai last week, with multiple trading halts.

A statement on Wednesday said Adani officials are "only charged" with securities fraud, wire fraud conspiracy and securities fraud. It denies all the charges.

It said it was "incorrect" to say that either Gautam Adani or his nephew Sagar Adani had been charged with bribery or corruption.

REUTERS, Mumbai

Corruption's long history in India explains the country's failure to live up to its growth potential. US bribery charges against tycoon Gautam Adani should therefore provoke some soul-searching among the capitalist elite. The danger, however, is that businesses learn the wrong lesson from the affair and grow warier of international capital markets rather than cleaning house.

It's hard to think of a more tangible example of graft than agreeing to pay \$265 million to government officials to secure overpriced solar power contracts, which is what US federal prosecutors accuse Adani and several others of doing. His group, led by the flagship Adani Enterprises, has called the charges "baseless" and denied them. Perhaps surprisingly, the allegations are yet to prompt a commensurate outpouring of anger in India, nor any huge rush by its 28 states and eight union territories to review their own renewable energy contracts.

That hints at limitations to Prime Minister Narendra Modi's decade-long fight against graft. His Bharatiya Janata Party swept to power in 2014 with an absolute majority. It pledged good governance after controversies over the

allocation of coal blocks and telecom spectrum dogged the previous Congress-led government.

A colourful crackdown ensued. Modi abruptly banned high-value banknotes. Television channels broadcast live footage of police jumping over walls to arrest a former finance minister, while some industrialists lost their crown-jewel assets.

Those moguls fell on hard times, causing a bad-debt crisis for banks, which prompted a reset in how tycoons and lenders operate. Naturally, Modi's political rivals were caught in the crossfire too.

The crackdown delivered results even by Western standards. India's score on the Corruption Perceptions Index compiled by Transparency International improved by



In this file photo, Indian billionaire Gautam Adani speaks during an inauguration ceremony after the Adani Group completed the purchase of Haifa Port earlier in January 2023 in Haifa Port, Israel.

PHOTO: REUTERS/FILE

## Indian businesses may learn wrong lesson from Adani

three points to 39 between 2013 and 2023, beating China's rate of improvement. The US score fell four points.

A range chart showing Corruption Perceptions Index scores for different countries

The problem for Modi and India, however, is that corruption tends to evolve rather than disappear in large and fast-growing economies. Today, the infrastructure-starved South Asian country is pouring concrete at a rapid pace, deafening and thrilling its citizens. In the financial capital, Mumbaikars go out of their way to marvel at new bridges and roads.

Many of the infrastructure admirers believe the construction wouldn't be possible without the developers lining a few pockets along the way. Modi's corruption crackdown has made it harder to dodge taxes, but many people still pay bribes for everyday services or to dodge fines.

True, the Adani accusations, detailed by the US Department of Justice in a 54-page filing, evoke a much older and less sophisticated era of swindling. The indictment alleges that the tycoon was personally involved and that his nephew, Sagar Adani, used his cellphone to track specific details of the bribes offered and promised.