BB relaxes rules on import of capital machinery

STAR BUSINESS REPORT

The Bangladesh Bank (BB) has relaxed rules on imports of capital machinery by industries under buyer's credit in order to facilitate long-term investment.

Earlier, industries could import capital machinery under a 360-day usance term.

Now banks can allow industrial importers to bring in capital machinery on usance term for up to three years under supplier's or buyer's credit, the BB said in a notification yesterday.

Buyer's credit is a short-term loan provided by an overseas commercial lender to finance the purchase of capital goods and services by an importer.

"We have relaxed the rules of capital machinery import for the benefit of small and medium firms," said a senior official of the central bank.

The banking regulator's decision comes after a recent meeting of the "scrutiny committee on foreign loan/supplier's credit" chaired by the BB governor.

To stimulate long-term investment, it has been decided that revised usance tenure shall also be applicable to capital machinery imports by industrial enterprises operating in export processing zones (EPZs), private EPZs, economic zones and hi-tech parks and other areas designated as specialised zones by the government, the BB said in the notification.

Janata Bank files Tk 1,964cr default loan case against S Alam Group

STAFF CORRESPONDENT, Ctq

Janata Bank filed a case against the industrial conglomerate S Alam Group with the Chattogram Money Loan Court on Sunday over defaulted loans amounting to Tk 1,964 crore.

Chattogram Money Loan Court Magistrate Mujahidur Rahman issued an embargo on the transfer of about 7.43 crore shares of First Security Islami Bank and Al-Arafah Islami Bank controlled by the conglomerate, confirmed Rezaul Karim, bench assistant of the court.

He said this is the first time a defaulted loan case has been filed

against the group by a bank.

Karim said 10 people, including
Mohammed Saiful Alam, the chairman of the group, and his wife Farzana Parveen, were accused in the case of defaulting on the loan, which was taken by Global Trading Corporation, a sister concern of S Alam Group.

According to Janata Bank and the Bangladesh Bank, the group has received Tk 8,216 crore in total loans directives.

from one of the bank's branches, which represents 90 percent of the branch's entire loan portfolio.

Bank officials said this is the first time that any bank has filed a loan recovery case against S Alam Group as the conglomerate had weaponised its political ties for business gains during the past Awami League

Shafiqul Islam Chowdhury, the legal adviser for Janata Bank, told The Daily Star, "The court imposed an embargo on the transfer of shares of the two banks owned by Saiful Alam Masud and his brother Abdus Samad Labu. The court also ordered the Anti-Corruption Commission (ACC) to investigate whether the loan approval process was properly complied with.

Court documents state that Global Trading Corporation first obtained a loan of Tk 650 crore from the Chattogram corporate branch of Janata Bank, which is situated in Sadharan Bima Bhaban, in violation of Bangladesh Bank's

SS Steel's profit surges 50% in Q1

STAR BUSINESS REPORT

SS Steel Ltd, a prominent steel manufacturer in the country, saw its profit rise in the first quarter of the current financial year, as well as its cash collection from customers.

Profit of the company went up 50 percent year-on-year to Tk 98.58 lakh in the period of July-September this year.

The positive performance rallied its shares 6.67 percent to Tk 9.6 at the Dhaka Stock Exchange (DSE) yesterday.

The company's consolidated earnings per share (EPS) rose to Tk 0.03 for the July-September period, up from Tk 0.02 in the same quarter last year, according to a disclosure on the DSE website.

The company's consolidated net operating cash flow per share jumped significantly to Tk 3.51, compared to a negative Tk 0.17 a year earlier. The steel producer attributed this

improvement to higher customer collections, streamlined receivables management reduced inventory levels.

SS Steel credited effective cost controls and reduced prepayments for bolstering operating cash flows, highlighting improved liquidity and operational efficiency during the quarter.

Islami Bank gets nod to issue Tk 500cr bond

STAR BUSINESS REPORT

Islami Bank Bangladesh has received consent from the Bangladesh Securities and Exchange Commission (BSEC) to issue its fifth Mudaraba redeemable non-convertible subordinated bond worth Tk 500 crore.

A redeemable non-convertible subordinated bond is a financial instrument that banks use to raise capital.

This approval follows an earlier announcement made on September 19, 2024, revising the bond issuance to Tk 500 crore.

The bond issuance aims to augment Tier 2 capital and strengthen the bank's capital base, according to a disclosure of the Shariah-based lender on the website of Dhaka Stock Exchange (DSE) yesterday.

It will comprise 10,000 units, each valued at



10	COMMODITIES AS OF FRIDAY			
7 TOP SAOIL	Gold 📤	Oil 🔻		
	\$2,649.87 (per ounce)	\$68.16 (per barrel)		
	((100 100 100)		

Cost of seven mega projects Remittance

on-investment estimates are vital for project justification, yet the calculations for these mega projects often lacked the required rigour.

For instance, the report says that despite a 26.5 percent cost escalation for the Karnaphuli tunnel between the DPP (2015) and RDPP (2022), financial analyses, including the benefit-cost ratio and internal rate of

return, remained unchanged. Cost-benefit analyses for longterm projects were flawed, with costs calculated at constant prices and benefits at nominal prices, disregarding time lags in benefit

generation. Such practices demand thorough and reform for better

accountability. Higher costs for substandard quality

The report found construction costs in Bangladesh are significantly higher compared to neighbouring countries, yet construction quality remains substandard.

than in India and 2.15 times higher than in Pakistan.

Projects like the Dhaka-Sylhet Highway and Dhaka-Mawa-Bhanga Highway illustrated exorbitant costs, attributed to high land acquisition expenses, imported equipment, and challenging floodplain environments. However, these factors alone fail to

justify the discrepancies. The Dhaka-Chattogram Highway Project underscores systemic issues, including inadequate feasibility stage of project implementation.

studies, flawed designs, substandard materials, inaccurate traffic forecasts, and frequent project director changes, leading to cost overruns and delays.

An uneven playing field for contractors

Tenders were reportedly designed to favour specific companies, enabling collusive practices. A TIB review of 48 projects found misappropriation of over TK 50,000 crore.

Land acquisition costs, influenced by insider trading, rose significantly, exemplified by Dohazari-Cox's Bazar Rail Track and Karnaphuli Tunnel projects.

'Evaluate rigorously'

To address these issues, the white paper recommends several corrective

One key recommendation is the need for more rigorous evaluations of the financial viability of projects, including cost-benefit analyses and sensitivity tests to assess the impact of cost escalations.

The report also called for reforms For instance, the per-kilometre to the procurement system to cost of a four-lane urban arterial road encourage more competitive bidding in Bangladesh is 4.4 times higher and reduce the risk of corruption. Strengthening the capacity of the IMED and other monitoring agencies is also essential to ensuring that projects are completed on time, within budget, and with the expected returns.

The report concludes with a call for a comprehensive review of the current approach to mega projects. It stresses the need for greater transparency, improved governance, and stronger accountability mechanisms at every

rises 14% in November

FROM PAGE B1

highest \$360 million in remittance, Agrani Bank \$288 million, Janata Bank \$264 million, Rupali Bank \$153 million, BRAC Bank \$187 million and Sonali Bank \$117 million, the BB data showed.

Mustafa K Mujeri, executive director of the Institute for Inclusive Finance and Development, recently told this newspaper that the continuous rise in remittance inflow was good news for the country.

However, he said the forex earnings were not enough considering the country's foreign payment obligations.

Remittance inflow and export earnings will have to increase further to mitigate the ongoing pressure on foreign exchange reserves, he said.

The economist recommended that the government focus on exporting skilled manpower to increase remittance earnings.

He also said authorities should find new markets and take initiatives to tackle hundi, an illegal and informal remittance instrument.

The country's foreign exchange reserves stood at \$18.73 billion as of November 27, down from \$19.51 billion on the same day last year, BB data showed.

US 'Black Friday' online

AFP, Washington

American consumers spent a record \$10.8 billion online during "Black Friday" promotions, with many using artificial intelligence tools to find the best deals, Adobe Analytics

higher than on Black Friday in 2023, it said. The biggest sales during the day-after-Thanksgiving annual promotions were for toys, jewelry, household appliances, skin- and hair-care products, clothes and electronic devices.

Passing the \$10 billion mark was an important step for electronic shopping traditionally has been in brick-and-mortar stores, according to Adobe Digital Insights analyst Vivek Pandya.

The high spending totals were the result not of price inflation but of rising demand, Adobe said, adding that electronic sales had seen prices decline for 26 straight months down 2.9 percent in October from the same month in 2023.

Al appeared to play a significant role. Traffic on sites that use artificial intelligence to help guide consumers was up a huge 1,800 percent from last year's Black Friday, Adobe said.

Gold price rises

REUTERS

Gold prices gained on Friday, boosted by a drop in dollar and persistent geopolitical tensions, but bullion was still set for its worst monthly loss since September last year after a postelection sell-off driven by Donald Trump's win.

Spot gold climbed 0.5 percent to \$2,652.71 per ounce, as of 01:40 p.m. ET (1840 GMT), but was set for a weekly fall of over 2 percent after a sharp decline earlier this week. US gold futures settled 0.6 percent higher at \$2,681.

Gold has dropped 3 percent so far this month, its worst monthly slide since September 2023, as "Trump euphoria" lifted the dollar earlier this month and stalled gold's rally, triggering a post-election sell-off.

Date. 27-11-2024

GDP growth overstated

Average growth rose to 5.2 percent in the 1990s with lower volatility. Subsequently, growth travelled on a stable path until 2009.

to 6.7 percent from FY14 and further to 7.3 percent during FY19 with declining volatility.

Growth slowed since the pandemic,

loses its clothes when the data is discounted for statistical aberration. The conclusion that growth was slowing four to five years before the pandemic is then inescapable."

Bangladesh's economic growth declined to below 5 percent from FY13, according to the paper.

"All the cheerleading was based on a disingenuous numbers game which switched growth to patches of two linear paths subsequent to 2010 until the pandemic in 2020."

The panel, comprising mostly of economists, said there was undoubtedly growth, certainly in excess of population growth.

"But official data on the quantity A point of inflexion occurred and recent direction of growth around 2010, taking average growth misses the economy's sleepwalk into a downward sloping growth path, not to speak of the quality problems associated with the quantity actually

The panel cited a study by The "The fastest growing refrain World Bank in 2022 on 149 countries ranging from 1970 to 2019 that ran a time series regression analysis incorporating nightlight intensity as an alternative measure of economic activity.

The study found that the period FY13-FY19 was an outlier.

"The deviation of officially reported from predicted growth was, on average, 3.5 percentage points higher than in previous periods."

The panel said the difference between predicted and actual

values was one percentage point for agriculture and 1.7 percentage points for services.

Manufacturing stood out with a difference exceeding 7 percentage points out of the 10.6 percent average reported growth during the period of the seventh Five-Year Plan, it added.

The white paper team said the growth figures were not attributable only to just data or methods.

It cited discussions with officials of the National Accounts Wing of the Bangladesh Bureau of Statistics and added that fearing wrath from above, they chose to err consistently on the higher than the previous year's side.

"The checks and balances that the BBS had through technical committees completely broke down from 2015 onwards," it said.

"The linear rise was orchestrated political bosses who had a strong incentive and a mindset to manipulate GDP growth estimates for domestic and external propaganda."

spending hits record \$10.8b commerce, given that Black Friday

announced Saturday.

Total sales were 10.2 percent

BANGLADESH RURAL ELECTRIFICATION BOARD

Memo No. 27.12.2947.188.07.002.24-281

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

e-Tenders are invited in the National e-GP System Portal (http://www.eprocure.gov.bd) for new/up-gradation line under Gopalgoni, Faridpur, Raibari Madaripur & Shariatpur PBS. Tender submission deadlines are mentioned below. Tender document purchasing price & Tender Science and Particles and Particles are mentioned below. be in the form of Bank Draft/Pay Order in favor of Project Director, Modernization & Capacity Enhancement of BREB Network (Dhaka-Mymensingh Division), BREB, Dhaka from any scheduled Bank of Bangladesh (except the Banks debarred by BREB).

			√				
SL No	Tender ID No	Sub Package No	Description of Works	Publication Date & Time	Last selling Date & Time	Cl	ening/ osing & Time
1 1038896		MCEP/BREB/DMD-W-47-2- 11KV(N&UP)	Installation, testing & commissioning etc. all complete as required 18.367 KM 11KV New and upgradation of 11KV existing line in Faridpur PBS.	км			10:00
2	1038897	MCEP/BREB/DMD-W-47-3- 11KV(N&UP)	Installation, testing and commissioning etc. all complete as required 18.885 KM 11 KV New and upgradation of 11 KV existing line in Faridpur PBS.				39-35
3	1038898	MCEP/BREB/DMD-W-47-4- 11KV(N&UP)	Installation, testing and commissioning etc. all complete as required 17.840 KM 11 KV New and upgradation of 11KV existing line in Faridpur PBS.				10-30
4	1038899	MCEP/BREB/DMD-W-47-5- 11KV(N&UP)	Installation, testing and commissioning etc. all complete as required 18.007 KM 11 KV New and upgradation of 11KV existing line in Faridpur PBS.				10.45
5	1038900	MCEP/BREB/DMD-W-113-1- 11KV(N&UP)	Installation, testing and commissioning etc. all complete as required 19.863 KM 11 KV New and upgradation of 11KV existing line in Rajbari PBS.				11.00
6	1038901	MCEP/BREB/DMD-W-288-1- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.066 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS.				11.15
7	1038902	MCEP/BREB/DMD-W-288-2- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.101 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS.				11.30
8	1038903	MCEP/BREB/DMD-W-288-3- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.366 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS				11.45
9	1038904	MCEP/BREB/DMD-W-288-4- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.395 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS				12.00
10	1038905	MCEP/BREB/DMD-W-288-5- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 19.081 KM Line along with testing commissioning etc. all complete as required in Rajbair PBS.				12.15
11	1038906	MCEP/BREB/DMD-W-289-1- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.043 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS.				12.50
12	1838907	MCEP/BREB/DMD-W-289-2- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.530 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS.				12.45
13	1038908	MCEP/BREB/DMD-W-289-3- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.037 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS.	04.12-2024 10:00 AM	17-12-2024 4:00 PM	18-12-2024	13.00
14	1038909	MCEP/BREB/DMD-W-289-4- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 19,904 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS.	10:	17.1	18.	13.15
15	1038910	MCEP/BREB/DMD-W-289-5- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 19.441 KM Line along with testing commissioning etc. all complete as required in Rajbari PBS.				13.30
16	1038911	MCEP/BREB/DMD-W-221-4- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.746 KM Line along with testing commissioning etc. all complete as required in Gopalganj PBS.				13.45
17	1038912	MCEP/BREB/DMD-W-221-5- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 18.869 KM Line along with testing commissioning etc. all complete as required in Gopalganj PBS.				14,00
18	1038913	MCEP/BREB/DMD-W-119-4- 11KV(N&UP)	Installation, testing and commissioning etc. all complete as required 21.299 KM 11 KV New and upgradation of 11 KV existing line in Shariatpur PBS.				14.15
19	1038914	MCEP/BREB/DMD-W-304-2- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.577 KM Line along with testing commissioning etc. all complete as required in Shariatpur PBS.				14.30
20	1038915	MCEP/BREB/DMD-W-304-3- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 19.953 KM Line along with testing commissioning etc. all complete as required in Shariatpur PBS.				14.4
21	1038916	MCEP/BREB/DMD-W-304-5- (Ins, LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 18.888 KM Line along with testing commissioning etc. all complete as required in Shariatpur PBS.				15.00
22	1038917	MCEP/BREB/DMD-W-305-1- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 22.143 KM Line along with testing commissioning etc. all complete as required in Shariatpur PBS				15.15
23	1038920	MCEP/BREB/DMD-W-233-2- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.036 KM Line along with testing commissioning etc. all complete as required in Madaripur PBS.				15.36
24	1038921	MCEP/BREB/DMD-W-233-3- (Ins. LT-HT) & HT(1Ph-3Ph)	Installation of Insulated conductor, Conversion of LT to HT & HT (1Ph to 3Ph) 20.118 KM Line along with testing commissioning etc. all complete as required in Madazipur PBS.				15.4
25	1038922	MCEP/BREB/DMD-W-233-4-	Installation of Insulated conductor, Conversion of HT (1Ph to 3Ph) 20.265 KM Line along with testing commissioning etc. all complete as required in				16.00

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 submi 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 e-GP registered banks

branches. Further information and guidelines are available in the National e-GP System Portal and from e-GP helpdesk (helpdesk@eprocure.gov.bd).



বাংলাদেশ পল্লী বিদ্যুতায়ন বোর্ড BANGLADESH BURALELECTRIFICATION BOARD বাপবিবো/জন (২৪১১-৭৮) ২০২৪-২০২৫

(Md. Rabiul Islam) Superintending Engineer (C.C.) Bangladesh Rural Electrification Board Faridpur Zone, Faridpur. Telephone: 02-478802006 E-mail: serebfaridpur@gmail.com

Power and energy

"Despite the forecasts in the 2010 and 2016 Power System Master Plans (PSMP), which projected peak power demand to be 33,700 MW and 27,100 MW respectively, the government inflated the targets for 2030 and 2040 to 40,000 MW and 79,000 MW (later revised to 60,000 MW) under the "Revisiting PSMP 2016" plan.

The government justified this revision by citing ambitious economic growth and lofty expectations for the

This approach resulted in a tailored

plan by the Power Division that permitted uncontrolled expansion of generation units, facilitating corruption and improper allocation processes through the Quick Enhancement of Electricity and Energy Supply (Special Provisions) Act 2010.

Citing the peak summer demand of 17,000 MW in 2024, the report said that if 10 percent of the capacity is reserved for standby power and another 10 percent allocated for maintenance, the total required generation capacity for supplying the

remaining 80 percent is 25,500 MW. Consequently, the country has maintained nearly 5,000 MW of excess capacity, which is 20 percent more than necessary, leading to significant capacity charges that burden consumers.

With installed capacity far exceeding actual needs and the sector's heavy reliance on imported primary fuels, the entire economy is at risk, particularly as Bangladesh struggles with foreign exchange shortages necessary to finance essential imports, the report said.