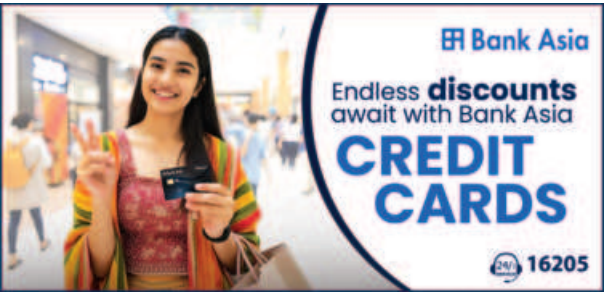


star

BUSINESS



BTRC to hold 700 MHz spectrum auction this year

Aims to expand 4G, roll out 5G networks

MAHMUDUL HASAN

The telecom regulator aims to auction spectrum in the 700 MHz band this year to support the expansion of 4G and roll out 5G networks in the country.

To ensure a smooth process, the Bangladesh Telecommunication Regulatory Commission (BTRC) has formed a committee to draft auction guidelines, set the base price for the spectrum, and engage with mobile operators.

The 700 MHz band (703-748/758-803 MHz) is crucial for mobile broadband expansion, especially in rural areas.

Many large and densely populated countries have already allocated this band for mobile services, and most nations are now adopting it.

Given the growing demand for mobile connectivity, Bangladesh needs to allocate this spectrum to improve network coverage and service quality.

Once the guidelines are approved, the BTRC will hold discussions with mobile operators and move forward with the auction.

The BTRC aims to complete the auction in 2025, allowing mobile operators to enhance network coverage and service quality.

This initiative aligns Bangladesh with global trends in spectrum allocation, ensuring better mobile for users across the country, according to BTRC's documents.

Although the 700 MHz band has 45 MHz of allocable spectrum, 12 MHz (6+6 MHz) was previously assigned to an ISP named Alwayson Network Bangladesh Internet.

However, the allocation was later revoked. This led to a legal dispute, with the case still pending in court.

As such, 20 MHz of the spectrum cannot be auctioned until the case is resolved.

READ MORE ON B3

STOCKS		
	DSEX ▼	CASPI ▼
	0.21%	0.42%
	5,192.44	14,482.07

COMMODITIES		
	Gold ▲	Oil ▲
	\$2,945.52	\$72.40
	(per ounce)	(per barrel)

ASIAN MARKETS			
	MUMBAI	TOKYO	SINGAPORE
	▼ 0.12%	▼ 0.27%	▲ 0.22%
	75,873.15	39,164.61	3,934.04
			▲ 0.81%
			3,351.54

Unable to return deposits, 8 banks leave BPC dry

BPC's deposits stuck in eight banks	
First Security Islami Bank Tk 701.09cr	Union Bank Tk 206.50cr
BangladeshCommerceBank Tk 20.62cr	ICBIslamiBank Tk 128.60cr
Global Islami Bank Tk 195.72cr	SBAC Bank Tk 206.22cr
Social Islami Bank Tk 11.48cr	Islami Bank Tk 207cr
WHY BANKS FAIL TO PAY Liquidity crisis	

THE FAILURE CAUSES	
Delay in BPC dev projects	
Financial strain to the corporation	

MD NAZRUL ISLAM

The Bangladesh Petroleum Corporation (BPC) says it cannot encash deposits worth nearly Tk 1,700 crore held with eight private banks, which the government agency blames for causing delays to its development projects and disrupting regular operations.

Following the political changeover in August last year, which led to major shake-ups in bank boards, the BPC sent multiple letters to the commercial lenders over the past four months seeking encashment of the deposits.

But, the banks have neither responded to the letters nor returned the funds deposited with their branches in Chattogram.

The banks holding the corporation's deposits are: First Security Islami Bank (FSIB)



PLC, Bangladesh Commerce Bank, Global Islami Bank, Social Islami Bank, Union Bank, ICB Islami Bank, South Bangla Agriculture and Commerce Bank and Islami Bank Bangladesh.

Contacted by The Daily Star, some of the banks cited ongoing cash crunches for their failure in returning BPC's funds.

After the political changeover, seven of these eight banks had their boards reconstituted amid allegations of loan irregularities, mismanagement and being controlled by the Chattogram-based conglomerate S Alam Group.

The BPC's investments with the banks, amounting to Tk 1,677.23 crore, are in the form of fixed deposits receipts (FDRs) and short-notice deposits. This means interest is also payable on these investments.

"We are trying to liquidate the deposits we have in various banks. Our balance in these banks could exceed several thousand crores of taka," Md Amin Ul Ahsan, chairman of the BPC, told The Daily Star.

The BPC sent letters for encashment in October and November last year.

"The BPC carries out various activities using the interest or profit earned from bank deposits. Many development projects are being delayed due to the non-availability of funds," said Ahsan.

READ MORE ON B3

HSBC posts \$25b profit after tax in 2024

STAR BUSINESS REPORT

HSBC Holdings' profit after tax rose 1.8 percent to about \$25 billion in 2024, compared with the previous year, as the bank navigated portfolio reshaping, cost management and targeted investments under Group CEO Georges Elhedery.

Profit before tax rose by \$2 billion to \$32.3 billion, according to a statement published by HSBC yesterday.

On a constant currency basis, profit before tax excluding notable items increased by \$1.4 billion to \$34.1 billion, driven by revenue growth in wealth and personal banking and global banking and markets.

Elhedery said HSBC's performance in 2024 has provided "firm financial foundations upon which to build for the future" as the bank focuses on "delivering sustainable strategic growth and the best outcomes for our customers."



The London-headquartered lender also announced a share buy-back of up to \$2 billion to be completed by the time it announced this year's first-quarter results.

HSBC generates most of its revenue in Asia and has spent several years pivoting to the region, vowing to develop its wealth business and target fast-growing markets.

Shortly after Elhedery became the CEO, the lender said it would simplify its structure and split into four parts: Hong Kong, UK, "corporate and institutional banking" plus "international wealth and premier banking".

The bank will also streamline its geographical set-up by bringing together its Asia-Pacific and Middle East regions, while uniting its European and US operations, news agency AFP reports.

HSBC expects to incur \$1.8 billion in expenses by the end of next year related to an overhaul initiated by its new CEO to cut long-term costs and boost profits

READ MORE ON B3

Eastern Bank PLC.

আপনার বাড়ি অথবা গাড়ির স্বপ্ন পূরণে

ইসলামিক হোম ফাইন্যান্স এবং ইসলামিক অটো ফাইন্যান্স

البنكية الإسلامية EBL Islamic Banking

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Prime Bank

The braille text is for illustration purpose only

Eastern Bank installs ATMs at all 16 metro rail stations

STAR BUSINESS DESK

Eastern Bank PLC (EBL) has expanded its EBL365 ATM network to Dhaka metro rail stations, enhancing banking convenience for daily commuters.

With ATMs now available at 16 metro rail stations, passengers can easily access essential financial services.

Ali Reza Iftekhar, managing director and CEO of the bank, and Mohammad Abdur Rouf, managing director of Dhaka Mass Transit Company Limited (DMTCL), jointly inaugurated the EBL365 ATM line at Mirpur 11 metro station in the capital yesterday, said a press release.

Speaking at the event, Iftekhar emphasised EBL's dedication to enhancing customer banking experiences.

"With the launch of our ATM services, we are making banking more accessible and seamless for daily metro commuters.

This initiative is a testament to our commitment to digital innovation and customer convenience," he said. This initiative aligns with EBL's vision of strengthening Bangladesh's digital banking ecosystem.

"With these ATMs, commuters will enjoy easy access to cash withdrawals and essential banking services while on the move, making travel more convenient than ever," he added.



Mohammad Abdur Rouf, managing director of Dhaka Mass Transit Company Limited, and Ali Reza Iftekhar, managing director and CEO of Eastern Bank PLC, jointly inaugurate the EBL365 ATM line at the Mirpur 11 metro station in the capital yesterday.

PHOTO: EASTERN BANK

StanChart celebrates 120 years of operations in Bangladesh

STAR BUSINESS DESK

Standard Chartered Bank recently marked an important milestone, celebrating 120 years of operations in Bangladesh.

Bill Winters, visiting group chief executive of Standard Chartered PLC, attended the celebrations in the capital, according to a press release.

Bill's visit to Bangladesh, one of the bank's key markets in Asia, highlighted Standard Chartered's long-standing commitment to the country's economic growth and its role as a partner in the nation's sustainable development.

During his visit, Bill engaged with business leaders, regulators, policymakers, and key civil society stakeholders to discuss the evolving financial landscape and the

role of Standard Chartered in supporting Bangladesh's ongoing progress.

He reiterated the bank's objective to further drive the country's growth potential by leveraging its international network and global expertise.

Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, said, "Standard Chartered is proud to have been a partner in Bangladesh's progress for 120 years."

"Bill's presence to mark this monumental milestone reaffirms Standard Chartered's commitment to Bangladesh – both locally and globally."

"As we embark on our next chapter in Bangladesh, we look to the future to build on our past, leveraging our unique global network, digital expertise, and sustainability initiatives to support the country's aspirations," he added.



Salehuddin Ahmed, adviser to the finance ministry, Bill Winters, group chief executive of Standard Chartered PLC, and Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, pose for photographs during a celebration in the capital recently.

PHOTO: STANDARD CHARTERED BANGLADESH

Walton's Digital Campaign Season-22 kicks off with millionaire offer

STAR BUSINESS DESK

Walton has launched "Digital Campaign Season-22" with millionaire benefits for customers in celebration of the upcoming Eid festivals.

Customers are offered Tk 10 lakh on the purchase of a Walton brand fridge, air conditioner (AC), washing machine, or BLDC fan from any Walton Plaza or distributor outlet across the country, according to a press release.

In addition, substantial cashback offers, amounting to crores of taka, are also available to customers. These benefits will be valid from February 20 until Eid-ul-Azha this year. The benefits were unveiled during the launch event of 'Walton Digital Campaign Season-22', held at Walton's corporate office in the capital yesterday.

Bidya Sinha Saha Mim, film actress and brand ambassador of the campaign, unveiled the logo for "Digital Campaign Season-22" during the event.



Bidya Sinha Saha Mim, film actress and brand ambassador of Walton, poses for photographs with senior officials of Walton Group at the launch of "Digital Campaign Season-22" at Walton's corporate office in the capital yesterday.

PHOTO: WALTON

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (FEB 19, 2025)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 72-Tk 84	1.30 ↑	15.56 ↑
Coarse rice (kg)	Tk 50-Tk 55	-4.55 ↓	7.14 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-10.53 ↓
Lentil (kg)	Tk 105-Tk 110	0	0
Soybean (litre)	Tk 185-Tk 190	11.94 ↑	19.05 ↑
Potato (kg)	Tk 20-Tk 30	-28.57 ↓	-10.71 ↓
Onion (kg)	Tk 40-Tk 50	-21.74 ↓	-59.09 ↓
Egg (4 pcs)	Tk 40-Tk 45	-10.53 ↓	-8.60 ↓
SOURCE: TCB			



PHOTO: MUTUAL TRUST BANK

Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank PLC, and Saweera (Max) Rachawong, investment manager of Norfund, sign a \$25 million term loan agreement at the Sheraton Dhaka in Banani recently. Håkon Arald Gulbrandsen, Norwegian ambassador to Bangladesh, was present. Story on B4

Shahab Uddin Khan made new president of BIMOA

STAR BUSINESS DESK

Shahab Uddin Khan, chairman and managing director of Zeeshan Group, has been elected as the president of the Bangladesh Ink Manufacturers and Owners' Association (BIMOA) for a two-year term (2025-2026).

The election took place during the association's annual general meeting (AGM), which was recently held at the Gulshan Club in the capital. Sunil Kumar Chhabra of Sakata Inx Bangladesh Pvt Ltd was elected as senior vice-president, while Imran Hossain of Crown Ink Industries Ltd was elected as vice-president of BIMOA.

The newly appointed committee includes Zakir Hossain of Toyo Ink & Chemicals Ltd, Hasnayan



MA Momen, the outgoing president of the Bangladesh Ink Manufacturers and Owners' Association, presents a bouquet to Shahab Uddin Khan, the newly elected president, at the Gulshan Club in the capital recently.

PHOTO: BIMOA

Mutakabbir of Yeasmin Products, Abdul Karim of Unichem Polymer Lab & Industrial Company, Sagar Khondaker of Fuji Ink Industries Ltd, Farid Ahmed Sikder of Shikder Industry, Sujit Nandy of Textone Inks & Adhesive Technologies Pvt Ltd, and Atiq-Uz-Zaman of Nisan Paint & Inks Ltd.

The event brought together members and the board of directors to discuss challenges facing the industry and relevant regulatory matters.

Both the outgoing and incoming boards of BIMOA were honoured with bouquets and crests in recognition of their outstanding performance and contributions to the association.

UK annual inflation jumps more than expected

AFP, London

Britain's annual inflation rate rose more than expected last month, official data showed Wednesday, adding pressure to the Labour government which is also facing sluggish economic growth.

The Consumer Prices Index jumped to 3.0 percent in January, up from 2.5 percent in December, according to the Office for National Statistics (ONS).

The reading is a blow to Prime Minister Keir Starmer's centre-left government as it tries to tackle the dual pressures of rising prices and slow economic growth.

"The rise was driven by air fares not falling as much as we usually see at this time of the year," noted Grant Fitzner, chief ONS economist.

"After falling this time last year, the cost of food and non-alcoholic

drinks increased, particularly meat, bread and cereals," he added.

New taxes on private schools announced in the government's maiden budget led to an increase in tuition fees at the beginning of the year which also contributed to rising prices.

The figure pushes inflation away from the Bank of England's two percent target, but remains broadly in line with the central bank's forecasts for the year, analysts said.

"While it's not going to set off a cacophony of alarm bells at the Bank of England, it's not going to make them any more enthusiastic about rate cuts in the immediate future either," Sarah Coles, head of personal finance at Hargreaves Lansdown.

"Getting more money in people's pockets is my number one mission," finance minister Rachel Reeves said in response to Wednesday's figures.

"That's why we're going further

and faster to deliver economic growth," she added.

The central bank in February slashed its forecast for UK economic growth and warned that inflation would rise more than expected this year, blaming global risks amid US tariff threats and deteriorating business confidence in the UK.

It also lowered its key rate by a quarter point to 4.5 percent in February, the third cut in six months.

However, BoE governor Andrew Bailey has cautioned that the central bank would take a "gradual and careful" approach to reducing rates further.

A day earlier, new figures had showed an acceleration in UK wage growth. "Should the spike in inflation peak at a level above expectations, or if the increase is too prolonged, then the Bank could find itself with a nasty headache," said Richard Carter, an analyst at Quilter Cheviot.

Including margin loans

FROM PAGE B4

Even if existing negative equity holders are not included in the CIB reports, the process should incorporate future margin loan balances.

By any means, the stock market must avoid further damage from margin loans, similar to the aftermath of the market crash in 2010 and 2011, which was caused by excessive negative equity.

Negative equity refers to an asset whose value has fallen below its outstanding debt.

This occurs when stock investors borrow from brokerage houses or merchant banks to buy stocks, and the stock price drops massively, causing the total investment value to fall below the investor's debit balance.

When the market crash began in

2010, the BSEC deterred stock market intermediaries from executing forced sales, even as share prices continued to fall. As a result, negative equity accumulated to over Tk 15,000 crore at the time.

Later, stockbrokers and merchant bankers had to absorb the negative equity as investors completely avoided meeting with brokerage houses.

Even now, negative equity amounts to over Tk 6,000 crore, burdening several stockbrokers and merchant banks.

If brokers had been able to execute forced sales, investors might have incurred losses, but would not have been left empty handed. Moreover, institutions could have protected themselves from financial distress.

The writer is a senior staff reporter of The Daily Star.

Ctg port overrun by Dhaka-bound containers

Railway operations running at half of requirement for over a month

DWAIPAYAN BARUA, Ctg

The Chattogram port has been facing acute congestion caused by a pileup of import-laden containers, particularly ones bound for the Kamalapur inland container depot (ICD) in Dhaka.

This issue has been caused by slow railway transport due to a shortage of locomotives.

For over a month, authorities have been running only one or two pairs of freight trains between the port and the Dhaka ICD per day.

But port authorities say at least four pairs of trains need to make the trip daily to clear containers arriving at the dedicated Chattogram Goods Port Yard (CGPY).

An increase in the import of goods ahead of Ramadan, which starts next month, only caused the pressure to intensify.

Around 70 percent of the goods arriving at the port belong to importers based in Dhaka and its surrounding areas. Of those, around 3 percent are transported by railways while the rest are moved over road and river routes.

The CGPY has space to store up to 876 TEUs (twenty-foot equivalent units) of Dhaka ICD-bound import-laden containers.

However, as of yesterday, it had



For over a month, authorities have been running only one or two pairs of freight trains between the port and the Dhaka ICD per day.

PHOTO: STAR/FILE

exceeded more than twice the capacity, with 1,818 TEUs being crammed inside, raising concerns among the port authority as well as importers.

Bangladesh Freight Forwarders Association Vice-President Khairul Alam Suzan said containers unloaded from vessels 15 days ago were yet to be loaded onto Dhaka-bound trains.

Sources at the port informed that at least 500 TEUs of Dhaka-bound containers were on board several vessels

waiting to berth at the port.

Port users and officials said at least four trains are required to run daily and take away at least 200 TEUs of containers from the CGPY to Dhaka in order for the yard to function smoothly.

Data collected from the port shows that the railway made only 28 trips in the first 15 days of this month, taking 1,167 TEUs of containers to Dhaka.

From January 1 to January 31, a total of 68 trips were made, bringing 2,698 TEUs

from the port to Dhaka.

Abdul Malek, chief master of the railway at the CGPY, said they need at least 4 to 5 locomotives to run daily whereas they are currently getting only one or two.

With the introduction of several train services on different routes, including the Chattogram-Cox's Bazar route, several locomotives have become otherwise engaged, causing a scarcity, he added.

To find a solution, the Chittagong Port Authority (CPA) sat in an urgent meeting with officials of Bangladesh Railway and Chattogram Custom House on Tuesday.

CPA Secretary Md Omar Faruk said they urged the railway authorities at the meeting to run at least three trains every day in order to carry a significant volume of containers to Dhaka.

To clear the backlog, he said the Chattogram Custom House was requested to give approval to take delivery of these Dhaka-bound containers either from the port yard or from the Pangaon Inland Container Terminal in Keraniganj.

The authorities of both institutions assured that they would take steps accordingly, Faruk said, adding that they were preparing to send letters to the two in this regard yesterday.

Usually, imported cargo is allowed to be delivered to the recipients from the destination point as mentioned in the import documents.

Revenue sharing requirement for ITC operators hiked to 3%

MAHMUDUL HASAN

The Bangladesh Telecommunication Regulatory Commission (BTRC) has amended the licensing guidelines for international terrestrial cable (ITC) operators, raising the gross revenue sharing requirement from 1 percent to 3 percent.

Under the revised terms, ITC licensees must now pay 3 percent of their annual audited gross revenue on a quarterly basis, with payments due within the first 10 days of the following quarter.

The total amount will be reconciled annually based on audited financial statements.

If an underpayment is identified, the balance must be cleared within 90 days of the financial year end. In the case of overpayment, licensees can adjust the excess amount against future quarterly payments. The BTRC retains the authority to revise the revenue-sharing percentage at any time, and all ITC operators are required to comply with such changes.

This move comes as ITC operators enjoy one of the lowest revenue-sharing rates with the regulator compared to other players in the internet ecosystem.

BTRC Chairman Major General (Retired) Md Emdad ul Bari said the revenue-sharing rate was increased to bring balance to the market as submarine cable companies are required to provide 3 percent in revenue sharing. He added that ITC operators have been enjoying undue benefits.

Md Arif Al Islam, CEO of Summit Communications, the largest ITC operator, said they would comply with the government's decision.

Wealthy nations owe Bangladesh \$5.8tn in climate debt

ActionAid says in its 'Who Owes Who?' report

STAR BUSINESS REPORT

Bangladesh, a country grappling with an increasing external debt burden, is owed a staggering \$5.8 trillion in climate debt by rich, high-polluting nations, according to a report by ActionAid released this month.

The report, titled "Who Owes Who?", highlights the urgent need for debt cancellation and global financial justice.

Based on historic and projected atmospheric appropriation using low-range estimates since 1992, wealthy nations owe Bangladesh \$5.8 trillion in climate debt, the report said.

It also underscored the stark imbalance between the debts that low- and lower-middle-income countries owe and the obligations that high-income countries continue to evade.

The report said that as we enter 2025, 54 countries are in a debt crisis and are being forced to cut spending on basic public services and climate action in order to pay external debts.

Bangladesh, whose external public sector debt stood at \$84.44 billion as of September 2024, made debt repayments totalling \$4.77 billion to its creditors in 2023.

The country on the Bay of Bengal, one of the most vulnerable to climate change, has to divert its

resources towards debt repayment rather than essential public services, while wealthier nations fail to meet their own financial obligations relating to climate justice and reparations.

In 2024, Bangladesh spent 16.9 percent of its national revenue on external debt repayments, while only 3.08 percent was allocated to health and 11.73 percent to education.

Based on historic and projected atmospheric appropriation using low-range estimates since 1992, wealthy nations owe Bangladesh \$5.8 trillion in climate debt, the report said

"Bangladesh needs debt cancellation and freedom from colonial debt structures to address both the debt crisis and climate change," ActionAid Bangladesh Country Director Farah Kabir said.

The new report highlights the debt burden of low- and lower-middle-income countries versus the financial obligations of rich nations regarding climate damages, compensations, and unmet commitments, she added.

The Global South, which broadly represents countries mostly in Latin America, Asia, Africa, and Oceania, must secure debt cancellation and push for the establishment of a new UN Framework Convention on debt this year.

She emphasised the impact of the climate crisis, especially on women and girls.

"We have seen time and again how women are at the forefront of the climate crisis. The failure by the rich polluting countries to pay their climate debt is standing in the way of mitigation and adaptation."

The ActionAid report said that lower-income countries collectively paid \$138 billion just to service their debts last year, sacrificing health, education, people's rights, and sustainable national development to satisfy wealthy creditors.

It said that, based on the most systematic studies, the climate debt that rich polluting countries owe low- and lower-middle-income countries is \$107 trillion.

This is more than 70 times greater than the total external debt of \$1.45 trillion that these countries collectively owe.

The report urges global leaders to unite in demanding debt cancellation as part of payment of the climate debt and other reparations owed by high-income countries.

BTRC to hold 700 MHz spectrum auction

FROM PAGE B1

can be allocated without any legal restrictions, according to the BTRC's documents.

The telecom regulator has set the price at Tk 263 crore per MHz, but mobile operators are unhappy with that decision so further negotiations are anticipated in this regard.

To conduct the auction, BTRC has formed a committee comprising key officials from the commission and the telecom division.

"Ideally, mobile operators should be consulted during the process of setting the base price and drafting the auction guidelines, rather than after everything has been finalised,"

said a spectrum policy expert, wishing to remain anonymous.

"Otherwise, the consultation becomes a mere formality, with little room for meaningful input."

On January 30, GSMA, a global organisation representing mobile network operators, sent a letter to the BTRC about the 700 MHz auction.

In the letter, GSMA said, as per the spectrum roadmap released by the BTRC in October last year, 2x45 MHz in this band is planned to be available in 2025.

"However, we understand BTRC's current plan is to auction only 2x25 MHz. This raises concerns about artificial scarcity," it said.

"This limited supply of spectrum for auction is likely to drive spectrum prices higher and restrict operators' ability to acquire sufficient spectrum."

With only 2x25 MHz, the assignments are likely to be fragmented and sub-optimal (e.g., 10 MHz or 5 MHz) for achieving the desired productivity and efficiency for 4G or 5G, it said.

Considering that there are three operators in Bangladesh, the investment in this band may not deliver the anticipated benefits, without at least 10-15 MHz per operator for optimal network performance, it added.

to encash the BPC's FDRs, but we are paying profit amounts regularly," said Rezaul Karim, manager of Union Bank's Khatunganj branch.

He also claimed that they are maintaining continuous communication with the BPC and all other depositors.

"We are unable to release the funds due to a liquidity crisis. The relevant BPC officials have been informed verbally," said Md Mainuddin, operations manager of Global Islami Bank's Agrabad branch.

"Furthermore, we are waiting for approval from the Bangladesh Bank to release the profit amount to the BPC," he added.

Islami Bank holds Tk 207 crore of the corporation.

Although the Shariah-based lender cannot encash the entire amount right now, it has been meeting the state-run entity's financial needs by opening letters of credit for the import of fuel oil and lubricants and subsequently adjusting the balance.

BPC Chairman Ahsan said, "Some banks are paying us the interest or profit, whatever you call it. You are aware of the current situation of the banks. We are also trying our best to recover the funds."

"We are in regular communication with the banks," he added.

HSBC posts \$25b profit

FROM PAGE B1

while navigating diverging interest rate policies and geopolitical turmoil.

Elhedery has moved to trim a layer of senior bankers, with hundreds of managers reportedly told to reapply for their jobs.

Cuts are underway in HSBC's markets division and wider layoffs at its investment bank will start as early as this week, Bloomberg News reported.

The lender said last month it would wind down parts of its investment banking operations in Europe, the United Kingdom and the Americas.

Elhedery said on Wednesday that his initiatives included "a comprehensive transformation of (HSBC) operations, modernising our infrastructure, and investing in technology such as AI, generative AI, data and analytics".

The lender considers both Britain and Hong Kong its "home markets", though the balancing act has come under pressure as relations sour between China and the West.

Elhedery's predecessor Noel Quinn in 2023 fended off a call for HSBC to spin off its Asia assets.

The board approved a fourth interim dividend of \$0.36 per

share, bringing the total for 2024 to \$0.87 per share, including a special dividend of \$0.21.

Regarding the outlook for 2025 and beyond, the bank is poised for continued profitability, targeting mid-teens return on tangible equity from 2025 to 2027.

The bank's strategic focus on leveraging its international network, enhancing digital transformation, and optimising cost efficiencies is expected to sustain its growth momentum.

"We look to the future with confidence and clarity of purpose," Elhedery said.

THE 19TH DHAKA INT'L
TEXTILE & GARMENT
MACHINERY EXHIBITION 2025

VENUE
International Convention City
Bashundhara (ICCB), Dhaka

DATE
20-23 February 2025

EXHIBITION HOURS
11:00 AM - 7:00 PM

JOINTLY ORGANISED BY

- Bangladesh Textile Mills Association (BTMA)
- Yorkers Trade & Marketing Service Co., Ltd.

THE LARGEST PLATFORM FOR SHOWCASING ADVANCED TEXTILE AND GARMENT TECHNOLOGIES AND MACHINERY.

SPECIAL FEATURES OF DTG 2025

- DTG FASHION SHOW** FUTURE. FASHION. FOREVER.
- 21-22 FEBRUARY** 5:00 PM to 7:00 PM
- EVOLUTION OF THE DTG** Began in 2004 as an expo of textile and garment machinery
- DTG 2025 - THE FUTURE OF TEXTILE INNOVATION** Will Showcase AI-Driven Machinery for Automation Aimed at Sustainability and the Circular Economy

EXTENSIVE PARTICIPATION

1,100+ global brands from **33 countries**

9 halls with **1,600 booths**

STRENGTH OF BTMA

- INDUSTRIES** 1,852 Mills
- INVESTMENT** \$22 BN
- ANNUAL PRODUCTION CAPACITIES**
- YARN:** 4.5 BILLION KGS
- FABRIC:** 9 BILLION METERS

ECONOMIC CONTRIBUTION

- 13%** of Bangladesh's GDP comes from textiles
- About **85% of export earnings** are from the textile & apparel sector

LOCAL DEMAND & IMPORT SUBSTITUTION

- 100%** of yarn demand for knit Rmg and **50%** for woven Rmg
- Produces **7.5 billion meters** of fabric annually
- Saving **\$12 billion** in import costs

BANGLADESH TEXTILE MILLS ASSOCIATION (BTMA)

Unable to return deposits

FROM PAGE B1

Of the deposits, the highest amount, Tk 701.09 crore, is with FSIB. Another Tk 206.5 crore is with Union Bank PLC, while Tk 195.72 crore is with Global Islami Bank PLC.

"Due to a liquidity crisis, we are unable to encash the FDRs at the moment," said Mosharraf Hossain, manager of the FSIB's Agrabad branch.

"The BPC is one of our major corporate clients. We are providing them with some profit amounts periodically. We have informed them about the situation in response to their letter," he claimed.

"Due to a fund crisis, we are unable

MTB signs \$25m loan deal with Norfund

STAR BUSINESS DESK

Mutual Trust Bank PLC (MTB) recently signed a \$25 million term loan facility agreement with Norfund, the Norwegian Investment Fund for developing countries, reinforcing their commitment to sustainable economic growth in Bangladesh.

Syed Mahbubur Rahman, managing director and CEO of MTB, and Sawera (Max) Rachawong, investment manager of Norfund, signed the agreement at the Sheraton Dhaka in the capital's Banani, said a press release.

Rahman expressed his gratitude to Norfund for the successful closure of this repeat transaction, emphasising its significance in strengthening financial collaboration.

The loan aims to enhance financial inclusion in the country, particularly for underserved SMEs and micro-enterprises

"This agreement reinforces our synergy with Norfund, bolsters MTB's financial position, and supports economic resilience, further solidifying our long-term partnership," he said.

Håkon Arald Gulbrandsen, the Norwegian ambassador to Bangladesh, attended the signing ceremony.

Gulbrandsen commended MTB's vision and commitment to financial inclusion, stating, "This partnership reflects the strong bilateral ties between Norway and Bangladesh."

"We believe this facility will play a vital role in fostering SME growth and promoting financial empowerment, particularly for women-led enterprises," the Norwegian ambassador added.

Sawera (Max) Rachawong said, "The loan aims to enhance financial inclusion in the country, particularly for underserved SMEs and micro-enterprises."

"This demonstrates our confidence in our partnership with MTB during this transitional period for the country and underscores our commitment to our mission and long-term vision with MTB," he added.



PHOTO: PRAN

Pran-RFL Group is showcasing a variety of products at the Dubai Gulf Food Fair to introduce new items and attract new customers.

Pran's journey in the UAE

From humble beginnings to a thriving export hub

SUKANTA HALDER from Dubai

In 2003, Pran, a leading food processor and conglomerate in Bangladesh, made its first foray into the United Arab Emirates (UAE) market.

The company purchased a second-hand car from a shop in Sharjah for 15,000 dirhams (around Tk 5 lakh) and hired one Bangladeshi employee to run its operations.

The modest business model meant the company could offer only three products: a lychee drink, chanachur, and puffed rice.

"The early days of the business were quite challenging, as Bangladeshi products had no presence in the UAE market, which was dominated by Indian and Pakistani items," Ahsan Khan Chowdhury, chairman and chief executive officer of Pran-RFL Group, told The Daily Star.

However, those days are firmly in the past. Currently, Pran has expanded its range of offerings in the UAE market to 950 items, demonstrating the brand's strong presence in the Middle East.

From small grocery stores to supermarket chains, Pran's diverse range of products has become a household name among the South Asian diaspora and beyond, with sauces, noodles, juices, spices, mustard oil, coconut water, biscuits, and puffed rice being the most in-demand items.

"Now, more than 1.5 million Bangladeshis in the UAE are our customers. When we started our business in the UAE, expatriate Bangladeshis were our initial target demographic. Once we reached them, we targeted South Asians and local consumers," Chowdhury said, adding that many Nepalis, Arabs, and Filipinos now regularly enjoy their products.

In the 2023-24 fiscal year, Pran exported products worth \$245 million to the UAE through its dealer, Emerging World Group, a Dubai-based company that markets Pran's products across the Middle East, Europe, Africa, America, and Oceania.

Emerging World Group has expanded its

workforce to 735 employees and operates a fleet of 350 vehicles, ensuring the smooth sales, marketing, and distribution of products. Chowdhury mentioned that Emerging World is working on securing a large bank loan. If approved, there are plans to establish a manufacturing unit in Dubai.

At present, most products are imported from Bangladesh, while some are sourced from contracted manufacturers in other countries, he added.

Chowdhury believes Pran's commitment to quality and affordability has played a significant role in its rapid growth.

Currently, Pran has expanded its range of offerings in the UAE market to 950 items, demonstrating the brand's strong presence in the Middle East

During visits to multiple hypermarkets and supermarkets — including Nesto, Al Madina, and Mark and Save in Dubai, Ajman, Sharjah, and Sanaiya — on Tuesday, it was seen that Pran products were prominently displayed on shelves.

Mohammad Sajjad Hossain, marketing manager of an Al Madina outlet, said they have been selling Pran products for nearly eight years and currently offer 240 items.

He added that Pran's customer base includes not just Bangladeshis but also consumers from India, Sri Lanka, Pakistan, Nepal, Bhutan, and various Middle Eastern countries.

An official at a Nesto store said they have been selling Pran products for many years and now offer 82 items. Due to customer satisfaction, sales of Pran products are increasing, he added.

COMPETITORS, PROSPECTS AND CHALLENGES

However, competition in one of the world's most luxurious destinations is stiff.

In the beverage market, Pran's competitors include Rani, PepsiCo, Coca-Cola, and Star. In the spice category, the main competitors are Pakistan's Mehran and Shan, along with South Indian companies like Vijaya. In the noodles segment, key competitors include Indomie, Maggi, and Buldak.

"We are the market leader in mustard oil, although some small Indian companies are entering the competition," Mizanur Rahman, executive director of export at Pran Group, told The Daily Star.

"There is also a huge opportunity for us to expand in the Bangladeshi, Indian, Filipino, African, and mainstream Arab markets. To achieve this, we are focusing on product promotion and developing products tailored to their needs," he said.

"We have prepared products specifically for Filipino, Thai, African, and Arab communities based on their preferences.

"We are optimistic about performing well in these segments in the coming days. This is a \$46 billion market, and the main challenge is branding.

"The more we promote our country, the more confidence we will gain from mainstream customers. The governments of Turkey, China, and India are investing heavily in branding."

Rahman further stated, "We need to work on product quality, pricing, packaging, and promotion to strengthen our position in the market."

To that end, Pran-RFL Group chairman and CEO Chowdhury is showcasing a variety of products at the ongoing Dubai Gulf Food Fair.

He said they attended the fair to introduce new products and attract new customers.

"This time, we gained some customers from Libya and Iraq. These two countries could be good markets for Bangladesh," he remarked.

Pran products are now exported to 145 countries worldwide. In 2024, the company exported goods worth \$377 million.

Including margin loans in CIB reports can improve outcomes

AHSAN HABIB

The stock market is essentially a financial tool in which a portion of people's savings is expected to be invested. Ideally, investment through loans is not recommended as it increases the risk of losses.

Especially in highly speculative markets like the Bangladesh stock market, where junk stocks dominate, it is very risky for investors to pour in money by taking loans at 14 to 15 percent interest rates.

Therefore, analysts always advocate restrictions on margin loan requirements and recommend executing forced sales if necessary.

However, the Bangladesh Securities and Exchange Commission (BSEC) has done little to restrict such loans. Some merchant banks have also supported the BSEC as margin loans have become a money-making product for them at the cost of investors' losses.

After former prime minister Sheikh Hasina was ousted in August last year, the BSEC formed a task force to bring about reforms in the capital market.

The committee provided several recommendations to prevent a further rise in negative equity through margin loans, which had become a nightmare for many institutions and caused significant losses for investors following the market crash of 2010 and 2011.

The task force recommended tightening the criteria for obtaining margin loans in order to make those inaccessible to small and inexperienced investors.

However, it did not recommend including this credit item in the Credit Information Bureau (CIB) report for the assessment of investors.

Although this credit product is somewhat different, it should still be included in the CIB report to provide a full and clear picture of the financial standing of those availing credit.

On the other hand, if margin loans are included in CIB reports, investors would be more inclined to properly maintain beneficiary owner's (BO) accounts to avoid any negative equity.

What would happen if margin loans were included in the CIB report?

The most significant impact would be that investors with negative equity in their BO accounts would face restrictions when applying for bank loans for other necessities.

As a result, investors may be more motivated to avoid negative equity in their BO accounts.

Currently, when negative equity arises, investors lose their funds but do not face any further penalties. On the other hand, institutions face liquidity shortages, making them inactive, and the whole market suffers.

Since margin loans are not included in the CIB report, investors do not feel the urgency to sell shares when their equity balance falls.

Furthermore, they resist forced sales and often fail to deposit funds even when they receive margin calls from brokerage houses or merchant banks.

As margin loans are also a form of credit, they should be included in investors' CIB reports. This would help investors realise the importance of forced sales.

Incorporating margin loans into CIB reports would translate to additional tasks for brokerage firms and merchant banks, but these measures are necessary for the betterment of the stock market.

If brokers and merchant banks can access CIB reports for margin loan applicants, they will be able to identify reliable investors. Thus, use of CIB reports for margin loans and defaults could help reduce risks in margin loan lending.

READ MORE ON B2



US SEC seeks India's help in Adani fraud probe

REUTERS, New Delhi

The US Securities and Exchange Commission has asked Indian authorities for help in its investigation of Adani Group founder Gautam Adani and his nephew over alleged securities fraud and a \$265-million bribery scheme, a court filing showed on Tuesday.

The regulator told a New York district court it was making efforts to serve its complaint on the founder and his nephew, Sagar Adani, and was seeking help from India's law ministry to do so.

Neither individual is in US custody, and both are now in India.

"The SEC has requested assistance ... under the Hague service convention," it said in the court filing.

Adani Group and India's law ministry did not immediately respond to a Reuters request for comment.

Last week, Prime Minister Narendra Modi said he did not discuss the Adani case with US President Donald Trump during his visit to Washington, describing it to reporters as an individual issue never discussed by leaders.

India's opposition Congress party has called for Adani's arrest and accused Modi of shielding him or favouring him in deals in the past. Modi's party and Adani have denied the charges.

Last year, federal prosecutors in Brooklyn unsealed an indictment accusing Adani of bribing Indian officials to convince them to buy electricity produced by Adani Green Energy, a subsidiary of his Adani Group.

He then misled US investors by providing reassuring information about the company's anti-graft practices, it added. Adani Group has called the accusations "baseless" and vowed to seek "all possible legal recourse".

In January, Adani Green said it had appointed independent law firms to review the US indictment.

AFP, Palm Beach

US President Donald Trump expanded his offensive against trading partners on Tuesday, threatening 25 percent tariffs on imported cars, and similar or higher duties on pharmaceuticals and semiconductors.

Trump has announced a broad range of levies on some of the biggest US trading partners since taking office in January, arguing that they will help tackle unfair practices — and in some cases using the threats to influence policy.

He recently pledged 10 percent duties on all goods coming from China, and 25 on steel and aluminum imports.

At his Mar-a-Lago resort in Florida, he told reorters that tariffs on the automobile industry will "be in the neighborhood of 25 percent," with specifics to come around April 2.

Asked about threatened tariffs on pharmaceuticals and chips, Trump said: "It'll be 25 percent and higher, and it'll go very substantially higher over (the) course of a year."

He added he wanted to give affected companies time to bring their operations to the United States, saying that he had been contacted by major firms that "want to come back".

The president also said that Washington's trading partners could avoid being taxed by investing in factories

in the United States.

"We want to give them time to come in," he said. "When they come into the United States and they have their plant or factory here, there is no tariff. So we want to give them a little bit of a chance."

Experts have warned it is often Americans who end up paying the cost of tariffs on imports, rather than foreign exporters.

About 50 percent of the cars sold in the

United States are manufactured within the country. Among imports, about half come from Mexico and Canada, with Japan, South Korea and Germany, also major suppliers.

Trump's tariffs threats have been cautiously received in Asia, home to some of the main US suppliers of the potentially affected industries.

Yoshimasa Hayashi, Tokyo's top government spokesman, told reporters



Vehicles are on display for sale at the Toyota of North Austin dealership in Texas. Trump's tariffs threats have been cautiously received in Asia, home to some of the main US suppliers of the potentially affected industries.

PHOTO: AFP/FILE