



BTRC limits bandwidth imports from India

MAHMUDUL HASAN

Bangladesh Telecommunication Regulatory Commission (BTRC) has capped bandwidth imports from India at 50 percent of the country's consumption of 6,500 Gbps to reduce reliance on a single source and promote diversified international connectivity.

Currently, about 60 percent of Bangladesh's bandwidth consumption is imported from India by international internet gateway (IIG) operators through international terrestrial cable (ITC) companies.

Bangladesh Submarine Cable PLC (BSCPLC) currently supplies the remaining 40 percent of the bandwidth for internet.

BTRC Chairman Emdad ul Bari said the regulator aims to further reduce bandwidth imports from India to 30 percent, while increasing the share of submarine cable-supplied bandwidth to 60 percent through the BSCPLC.

The remaining 10 percent would be sourced via satellite, he added.

This move comes through an amendment to the IIG guidelines, according to the BTRC documents.

Md Ariful Huq, deputy general manager for sales and marketing at the BSCPLC, said they

READ MORE ON B3

Talks on trade deals show no major progress

REFAYET ULLAH MIRDHA

Talks on preferential trade deals with a dozen countries have stalled since the political changeover in August last year, potentially adding to the challenges related to Bangladesh's graduation from the club of Least Developed Countries (LDCs) in 2026, according to economists and business leaders.

Apart from the turmoil stemming from the ouster of the Awami League government by a mass uprising last year, experts also blamed ongoing rapid and dramatic changes in the geopolitical landscape and the reluctance of participating countries as reasons for the slow progress in bilateral trade negotiations.

Under the interim government, which assumed office in August last year, authorities have only made progress in negotiating Economic Partnership Agreements (EPAs) with Japan and South Korea.

EPA talks with Japan entered their third and fourth rounds of meetings in Tokyo and Dhaka this month while negotiations with South Korea were launched in Seoul in November last year.

However, negotiations to sign trade deals with other countries such as India, Thailand, Malaysia, Indonesia, China, and Turkey, have hit a virtual deadlock.

After graduation from LDC status, scheduled for November next year, Bangladeshi exports will no longer be eligible for many preferential market benefits. However, bilateral trade deals could help retain these benefits even after graduation.



EXISTING AND PLANNED TRADE DEALS

Talks underway with

Countries
India, Indonesia, Japan, South Korea, Sri Lanka, Nepal, Malaysia, Türkiye, China and Thailand

Trading blocs

Association of Southeast Asian Nations (ASEAN)
Regional Comprehensive Economic Partnership (RCEP)

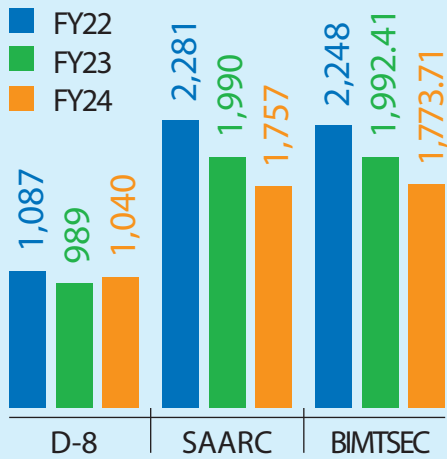
Agreements done so far

- Asia Pacific Trade Agreement (APTA)
- South Asian Free Trade Agreement (SAFTA)
- BIMSTEC
- D-8
- PTA with Bhutan

SOURCE: COMMERCE MINISTRY, WTO

BANGLADESH'S EXPORTS UNDER REGIONAL TRADE AGREEMENTS

In million \$; SOURCE: EPB



To prepare for graduation and ensure a smooth transition, the commerce ministry has been attempting to negotiate bilateral trade agreements, including Free Trade Agreements (FTAs), Preferential Trade Agreements (PTAs), Economic Partnership Agreements (EPAs), and Comprehensive Economic Partnership Agreements (CEPAs), with several countries and blocs.

The Awami League government was holding similar talks with major trading blocs, such as the Association of Southeast Asian Nations (ASEAN) and the Regional Comprehensive Economic Partnership Agreement (RCEP), to retain trade benefits.

However, Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue, said the progress in this regard has not been encouraging.

The economist identified an inability to negotiate complex trade issues as a key reason for this trend. "Besides, signing trade deals also takes a lot of time as such topics are complicated," Rahman added.

However, Commerce Adviser Sk Bashir Uddin begged to differ.

He stressed that progress in signing trade deals with major countries has not been halted, saying that communications through official channels are ongoing.

To support that stance, the businessman-turned-adviser referenced trade agreement talks with Japan.

After the fourth round of negotiations this month in Dhaka, Japan's foreign ministry stated that both sides had a fruitful discussion on the way forward and areas such as trade in goods, rules of origin, customs procedures, trade facilitation, trade in services, investment, electronic commerce, and intellectual property.

READ MORE ON B3

Asset recovery should not stop for political reasons: BB governor

Laundered assets may be seized this year

STAR BUSINESS REPORT

The process of recovering laundered assets should not be interrupted due to political reasons, Bangladesh Bank Governor Ahsan H Mansur said yesterday.

"Regardless of which government comes to power in the future, this initiative should not be stopped," he said.

While it may be possible to seize laundered assets within this year, completing the legal process and recovering the stolen assets may take at least five years, he mentioned.

The central bank governor made these remarks while addressing a seminar titled "Macroeconomic Challenges and Banking Sector Reforms", organised by the Economic Reporters' Forum (ERF) at its office.

Mansur acknowledged that recovering laundered assets is a significant challenge but one that is achievable.

He pointed out that countries like Malaysia, Angola, and Nigeria had successfully recovered laundered assets, though it

READ MORE ON B3

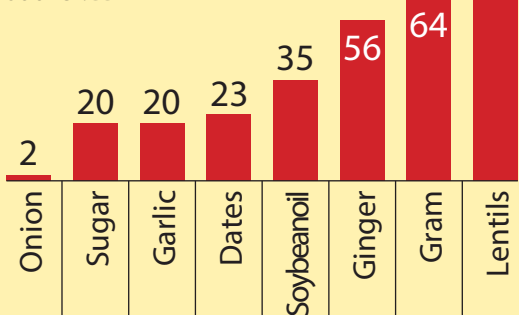
Essential commodity imports surge ahead of Ramadan



Growth of import of essential commodity during October 2024-January 2025

Year-on-Year growth, in %

SOURCE: BB



STAR BUSINESS REPORT

Essential commodity imports have seen a sharp rise in the last four months, driven by increased demand ahead of Ramadan, which is scheduled to begin on March 1, according to the latest data from the Bangladesh Bank (BB).

Typically, the consumption of sugar, lentils, and cooking oil rises during the month of fasting, for which households and businesses stock up on food supplies.

Reflecting this trend, the settlement of letters of credit (LCs) for key commodities, including sugar, soybean oil, lentils, and chickpeas, increased significantly between October 2024 and January 2025 compared to the same period a year earlier.

The data shows that LC settlements for these essential goods registered double-digit growth, a surge attributed to rising demand ahead of Ramadan, inflationary pressure, and changes in global supply chains.

According to the BB report, sugar imports rose by 20 percent, reaching 454,034 tonnes between October 2024 and January 2025, compared to 378,265 tonnes in the same period last year.

Soybean oil imports saw a 35 percent increase, with 598,252 tonnes imported this year compared to 447,820 tonnes a year ago.

The most significant increase, however,

was in lentil imports, which surged by 86 percent to 157,837 tonnes, up from 109,378 tonnes in the previous year.

Similarly, chickpea and gram imports rose by 85 percent and 64 percent, respectively, indicating strong demand for pulses.

"Businesses are securing their imports early to avoid future price surges and to ensure the availability of essential commodities for holy Ramadan," said



Businesses are securing their imports early to avoid future price surges and to ensure the availability of essential commodities for Ramadan.

Biswajit Saha
Director of corporate and regulatory affairs at City Group

Biswajit Saha, director of corporate and regulatory affairs at City Group.

He noted that the upcoming month of fasting was a key factor behind the rise in LC settlements, reflecting increased imports of essential goods.

As Ramadan approaches, all eyes will be on food prices, Saha added.

NBR eases VAT for supermarket shoppers

STAR BUSINESS REPORT

Customers will no longer have to pay the additional 7.5 percent trade value-added tax (VAT) when shopping at supermarkets, according to the National Board of Revenue (NBR).

Previously, this VAT was applicable to the total shopping bill and was mentioned on receipts provided by superstores. From now on, customers will only need to pay the maximum retail prices (MRP) listed on products, which already include a 15 percent VAT.

Supermarket operators will now be able to claim input tax credit on the 15 percent VAT applied to consumer goods they sell. As a result, shoppers will no longer need to pay the trade VAT, said a senior NBR official, who spoke on condition of anonymity.

Additionally, supermarkets will be required to purchase all goods using VAT challans.

Welcoming the move, Sabbir Hasan Nasir,

READ MORE ON B3

Correction

A report titled "Unable to return deposits, 8 banks leave BPC dry", published on Thursday, contained a factual error. It incorrectly mentioned that a letter was sent to South Bangla Agriculture and Commerce Bank requesting the encashment of BPC's fixed deposits. In reality, the letter was intended to request the renewal of BPC's fixed deposits.

We regret this inadvertent error.



Prime Bank partners with Transcom Food to offer rewards

STAR BUSINESS DESK

Prime Bank PLC recently signed a partnership agreement with Transcom Food Limited, the sole franchisee of Pizza Hut and KFC in Bangladesh and a subsidiary of Transcom Group, aiming to enhance customer satisfaction by offering rewards.

Md Nazeem A Choudhury, deputy managing director of the bank, and Rajib Kanti Bhowmik, chief financial officer of the food company, signed the deal at the bank's corporate office in Dhaka, according to a press release.

Under this agreement, customers who open a new account or obtain a new card from Prime Bank will be eligible to receive exclusive free pizza coupons from Pizza Hut.

Joarder Tanvir Faisal, executive vice-president and head of cards and retail assets of the bank, and Farhan Hadi, head of marketing of the food company, along with other senior officials from both organisations, were also present.



PHOTO: PRIME BANK

Rajib Kanti Bhowmik, chief financial officer of Transcom Food, and Md Nazeem A Choudhury, deputy managing director of Prime Bank, pose for photographs after signing an agreement at the bank's corporate office in Dhaka recently.



Manas Singh, chief executive officer of STS Group, and Sheikh Mohammad Maroof, managing director of Dhaka Bank, shake hands and exchange signed documents of a memorandum of understanding at the former's head office in the capital's Gulshan recently.

PHOTO: DHAKA BANK

MetLife expands digital access with 'One by MetLife' app

STAR BUSINESS DESK

MetLife Bangladesh, the leader in the country's insurance industry, recently launched its newly developed mobile app, "One by MetLife," on the iOS and Web platforms as part of its expansion of digital access to health and financial services.

Formerly known as 360Health, the app is now available across all three major digital platforms—iOS, Android, and Web, as announced by the life insurer in a press release. This expansion ensures that a wider group of people, whether using a smartphone, tablet, or computer with an internet connection, can now more easily access essential health and financial protection services than ever before.

Commenting on the expansion,

Sanjeev Kapur, chief marketing officer for MetLife Asia, said, "As digital channels transform the way people access healthcare and financial services, we are proud to make One by MetLife available to more people across Bangladesh."

"By leveraging the best technology, we are empowering individuals to take control of their health and financial well-being," he added. One by MetLife has now surpassed 1.3 million downloads and can be used by anyone.

With around half of Bangladesh's population now having internet access, the availability of One by MetLife on multiple platforms means millions more can benefit from its personalised health awareness tools, disease prevention resources, and financial planning features.

Universal College signs deal with Dhaka Bank

STAR BUSINESS DESK

Universal College Bangladesh (UCBD), the country's first and leading international education hub in Bangladesh, recently signed a memorandum of understanding (MoU) with Dhaka Bank PLC.

Sheikh Mohammad Maroof, managing director of the bank, and Manas Singh, chief executive officer of STS Group, signed the agreement at the latter's head office in the capital's Gulshan, according to a press release.

Regarding the signing ceremony, Manas Singh said, "The collaboration with Dhaka Bank PLC is another step towards bridging the gap between academics and industry. We hope our

initiatives will empower our students to excel in the professional world."

Maroof said, "With the agreement, we want to offer valuable career pathways that will equip graduates with the skills and experiences they need to thrive in the professional world, especially in the banking and financial sectors."

The agreement will provide UCBD graduates with valuable opportunities for placements and internships at Dhaka Bank PLC, helping them gain practical industry experience and enhance their career prospects.

Additionally, it will facilitate seamless payment of tuition fees and access to student file services for those pursuing higher studies abroad.



Sanjeev Kapur, chief marketing officer for MetLife Asia, and Ala Ahmad, chief executive officer of MetLife Bangladesh, attend the launch of the newly developed mobile app, "One by MetLife," on the iOS and web platforms at the insurer's head office in the capital's Motijheel recently.

PHOTO: METLIFE BANGLADESH



Officials of City Group stand inside the City Group stall at the Bangladesh Pavilion Hall at Gulfood 2025, held at the Dubai World Trade Centre in Dubai recently.

PHOTO: CITY GROUP

City Group showcases product portfolio at Gulfood

STAR BUSINESS DESK

City Group, a conglomerate and consumer goods manufacturer in Bangladesh, is showcasing its extensive range of high-quality products at Gulfood 2025, taking place at the Dubai World Trade Centre in Dubai.

The five-day fair concludes today.

The company is emphasising its commitment to innovation, quality, and expanding its global presence, according to a press release.

This year, City Group is focusing on three key product categories: Premium Rusk, World-Class Tea, and a Diverse Range of everyday essentials.

Premium Rusk includes a variety of options, such as cake rusk, elachi rusk, multigrain rusk, ghee rusk, masala rusk, plain rusk, and garlic rusk, catering to diverse tastes and textures.

World-Class Tea is sourced from

its expansive tea gardens, some of the largest in the world.

The Diverse Range encompasses a wide array of regular products, including edible oils, flour, rice, lentils, besan (chickpea flour), rice flour, puffed rice, salt, white vinegar, ready mixes, and spices. Notable spice offerings include firmi mix, haleem mix, garam masala, chicken masala, turmeric powder, cumin powder, and specialised blends such as briyani masala, tehari masala, and kacchi biryani masala.

"We are excited to showcase our diverse product portfolio at Gulfood 2025," said Luthful Kabir (Shaheen), director of business development at City Group.

"From our innovative rusk and world-class tea to our comprehensive range of TEER brand essentials, we are confident that our products will resonate with consumers worldwide."

EU trade chief says bloc will respond swiftly to US tariffs

AFP, Washington

The European Union will respond "firmly and swiftly" to protect its interests if Washington imposes tariffs on the bloc's goods, its trade chief said Wednesday, rejecting President Donald Trump's claim that US-EU trade ties are unfair.

"It is the very definition of a win-win partnership, and there is nothing unfair about it," Maros Sefcovic added in Washington, as Europe gears for heightened tariff tensions with the United States.

But he signaled the EU's willingness for dealmaking, such as the possibility of reducing or eliminating tariffs on autos and other products.

"If we are going to talk about lowering the tariffs, even eliminating the tariffs, let's say for industrial products, this would be something which we are ready to discuss," he told an audience at the American Enterprise Institute.

"We are ready to go for it," he said ahead of talks with his US counterparts.

He was due to meet with partners including US Commerce Secretary Howard Lutnick and US Trade Representative nominee Jamieson Greer.

He added that he was keen on discussing US concerns and working towards a "solid package."

Sefcovic said the EU sees "no justification for sudden, unilateral tariff increases" by the United States, adding that businesses rely on economic stability and predictability.

If the United States imposed tariffs on EU products, this would create unnecessary barriers to exports, businesses and workers on both sides of the Atlantic, said Sefcovic, who is European Commissioner for Trade and Economic Security.

"To protect European interests, we will have no choice but to respond firmly and swiftly," he added.

He stressed that the bloc will do its best to avoid such an outcome, adding that both parties have to be responsible in dealing with each other.

Sefcovic noted that the EU-US economic relationship represents nearly 30 percent of global trade. He added that the EU is "one of the most open economies in the world, with over 70 percent of imports entering at zero-tariff."

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (FEB 20, 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	-37.50 ↓	-10.71 ↓
Onion (kg)	Tk 40-Tk 50	-25.00 ↓	-59.09 ↓
Egg (4 pcs)	Tk 43-Tk 45	-6.38 ↓	-5.38 ↓

SOURCE: TCB

Microfinance presence

FROM PAGE B4

"There are many banks and MFIs in Bangladesh. Yet, we still find a significant presence of mohajons in rural areas," Chowdhury said, adding that the entry of an additional MFI reduces the total volume of loans taken from traditional moneylenders.

However, Chowdhury noted that mohajons are unlikely to disappear anytime soon.

"The average interest rate charged by mohajons is a staggering 145 percent. Yet, rural communities continue to rely on them in times of urgent need as they lack access to credit cards and other formal financial services available to urban

populations," he said.

He explained that villagers often turn to mohajons for immediate expenses, such as medical emergencies or crop losses, highlighting the persistent gap in accessible financial support.

Echoing those concerns, Md Fazlul Kader, managing director of the Palli Karma-Sahayak Foundation, said there is a mismatch between MFIs and borrowers regarding expected loan disbursement period, which often forces rural borrowers to turn to moneylenders.

Sajjad Zohir, executive director of the Economic Research Group, and Kazi Iqbal, BIDS research director, also spoke at the event.

Stocks rebound

FROM PAGE B4

saw price increases, 160 closed lower, and the remaining securities experienced no price fluctuations.

Turnover increased by 11.60 percent, reaching Tk 466 crore compared to the previous day's trading session. The pharmaceuticals sector dominated the turnover chart, accounting for 13.68 percent of the total turnover.

In the individual company category, Fu-Wang Foods topped the gainers' list with a 10 percent rise, while Midland Bank saw the largest decline, falling by 8 percent.

Sector-wise, life insurance, jute,

and information technology (IT) were the top three sectors that closed in the positive this week, according to UCB Stock Brokerage's daily market update.

However, ceramics, non-bank financial institutions (NBFIs), and food & allied sectors were the top three that closed in the negative.

According to BRAC EPL Stock Brokerage, large-cap sectors showed mixed performance yesterday. The telecommunications sector posted the highest gain of 0.52 percent, followed by the engineering sector (0.07 percent) and the pharmaceuticals sector (0.06 percent).

Elon Musk is not India's

FROM PAGE B4

consider lowering or dropping the auto tariffs - to please Trump - or carving out exemptions for Tesla. But that would only weaken New Delhi's hand in negotiating with Musk.

Trump has already remarked that a Tesla factory in India aimed at circumventing local duties would be "unfair" to the US. Moreover, it's not clear Tesla needs another factory either. The EV maker utilised just three-quarters of its existing production capacity across the US, Germany and China in 2024 - down

slightly from the year before. That suggests the company expects global demand to slow further.

The risk to Modi is for him to grant concessions to Musk, only to end up with little more than Tesla showrooms. True, the government has another bargaining chip: Musk's Starlink is awaiting security clearance for a licence to offer satellite broadband services in India. But against the backdrop of Trump's tariff threats, New Delhi should be careful of what it wishes for from the world's richest man.

ACI launches new skincare brand Angelina

STAR BUSINESS DESK

ACI Limited recently launched a new product under the Angelina range, "Angelina Hyaluronic Booster", designed to carve out a unique space in the growing skincare market.

This launch comes amid increasing awareness among women about skincare and the rising popularity of products developed using modern, scientific methods.

Angelina, the first brand to feature next-generation formulations, is now available in the market. Nazifa Tushi, a model and film actress, inaugurated the product, according to a press release.

Khandaker Ishitak Ahmed, business director of ACI Limited; Mezanur Rahman, general manager of sales; Deepankar Biswas, general manager of factory operations; and Md Nahid Newaj, general manager of media and communications, were present at the event.

Raunak Zahan, brand manager; and Annan Masum Ahona, brand lead, along with other distinguished guests, were also in attendance.



PHOTO: ACI LIMITED

Khandaker Ishitak Ahmed, business director of ACI Limited, and Nazifa Tushi, a model and actress, pose for photographs after the launch of "Angelina Hyaluronic Booster" in Dhaka recently.

Withdraw ‘excess’ internet taxes

Interim govt task force recommends

STAR BUSINESS REPORT

An interim government-formed task force has recommended withdrawing “excess taxes” on the internet by declaring it a social good.

A social good refers to a product or service that benefits society as a whole and should be accessible to all, regardless of their economic status.

The task force on “Restrategising the Economy and Mobilising Resources for Equitable and Sustainable Development” made the statement in a report published last month.

“Declare the internet as a ‘social good’ and eliminate all forms of excessive taxation (such as 20 percent

According to the taskforce, this measure will lower mobile data costs and significantly boost internet adoption in rural, low-income areas

supplementary duty, surcharge, revenue sharing),” it said.

According to the taskforce, this measure will lower mobile data costs and significantly boost internet adoption in rural, low-income areas.

The task force was headed by KAS Murshid, a former director general of the Bangladesh Institute of Development Studies.

The proposal was included in a chapter titled “Embracing the Digital Economy: A Rapid Transition”, written by task force member Fahim Mashroor, CEO and co-founder of bdjobs.com.

The task force also advised liberalising the telecommunication licensing system



in favour of unified licensing for the full ecosystem.

By reducing regulatory layers, it will help eliminate rent-seeking that inflates transmission and distribution costs. Additionally, this will substantially increase foreign direct investment in the sector, it said.

The task force also advocated mandatory resource and infrastructure sharing (active sharing), including towers and spectrum, to enhance resource efficiency and reduce costs.

“It will enable all industry players to better monetise their investments and pass on financial benefits to end users through lower prices. Additionally, it will

improve service quality in underserved areas,” it said.

The task force made four proposals on digital public infrastructure.

It suggested establishing a unified personal ID system for all citizens to enable seamless authentication, verification, and integration of identity information, ensuring efficient access to public and private services.

The task force also recommended enacting personal data protection laws and sharing an ordinance/act to establish a legal framework for privacy protection and to ensure individuals retain ownership over their personal data.

This would facilitate innovation,

support technological advancements, and safeguard citizens’ rights, it said.

The task force proposed developing a “Consent Framework and Data Transfer & Sharing Architecture” to empower individuals to control their data usage and extract greater value from it.

It will also enable instant digital payments across multiple platforms to ensure seamless interoperability of all financial transactions (P2P, P2B, P2G) in real-time, it said.

The task force made three recommendations for digital industry development.

It called for prioritising mid-level technical leadership development over general digital skills at the junior level, addressing the key barrier to industry growth – an acute shortage of technical leadership in local IT firms.

The task force also emphasised the need to refine and simplify financing regulations to enable local financial institutions, including banks and capital markets, to fund the digital industry without depending on traditional collateral-based financing.

This would have a major positive impact on industry growth by resolving funding constraints, both short and long term, driving innovation, fostering product development, and facilitating expansion into global markets, it said.

It also advocated regulatory support to attract both inbound and outbound FDI, enabling the integration of international financing models, including venture capital and debt financing, with the local industry.

At the same time, export-focused local firms will gain opportunities to expand their operations through acquisitions or investments abroad, said the task force.

Textile millers urged to raise solar energy use

Textile and garment machinery exhibition begins

STAR BUSINESS REPORT

Commerce Adviser Sk Bashir Uddin yesterday urged textile millers to increase the use of solar energy to cut production costs and reduce dependence on fossil fuels in order to stay competitive.

Businesses must enhance their capacity to remain competitive in global trade as Bangladesh will no longer enjoy preferential market access once it graduates from the least developed country (LDC) category, he said.

“The fixed cost must be reduced at any cost,” he said while inaugurating the 19th edition of the Dhaka International Textile & Garment Machinery Exhibition at International Convention City Bashundhara in the capital.

Bangladesh Textile Mills Association (BTMA), in collaboration with Hong Kong-based Yorkers Trade & Marketing Service Co Ltd, organised the four-day exhibition to showcases the latest fabrics and textile technologies.

The exhibition features 1,600 stalls and over 1,100 top brands from 33 countries.

Leading enterprises from China, Germany, India, Italy, Japan, South Korea, and Turkey are participating in the show.

BTMA President Mohammad Ali Khokon said investment in the primary textile sector stands at \$22 billion, and entrepreneurs were willing to invest more if the government ensures projections on gas prices and bank interest rates for the next 10 years.

Md Hafizur Rahman, administrator of the Federation of Bangladesh Chambers of Commerce and Industry, Fazlee Shamim Ehsan, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association, and Akai Lin, overseas director of Yorkers Trade & Marketing Service Co Ltd, were also present at the inauguration.

Asset recovery should not stop for political reasons: BB governor

FROM PAGE B1

took at least five years in each case.

Discussing the asset recovery process, he stressed that there is no reason for pessimism and expressed optimism about the country’s efforts.

“We have already received considerable assistance from various countries, and joint investigation teams have been formed. However, this is not something that can be completed in one or two years.

“It is critical that the next government continues these efforts in the right direction. If the process is interrupted, success will not be achieved,” he noted.

The governor also highlighted the need for strong measures to address the challenges facing the banking sector.

He mentioned that a draft of the Bank Resolution Act had already been prepared and that weak banks would be recapitalised, ensuring full protection for depositors.

He cited Islami Bank Bangladesh, which was among the hardest hit with one family allegedly taking away 87 percent of the bank’s total loans.

Despite this, he pointed out that the bank has since recovered due to public trust and is now receiving significant deposits and issuing loans.

On the country’s economy, the BB governor mentioned that the nation has always faced

challenges, but never before has it encountered such a combination of issues.

While Sri Lanka faced only a Balance of Payments (BoP) crisis, Bangladesh has experienced significant money laundering alongside problems like BoP deficits, inflation, revenue shortfalls, and currency devaluation.

However, he provided some positive news: the current account of the BoP, which reflects the sum of a country’s net exports, income, and transfers, has turned positive, and inflation is on the decline.

He also mentioned that interest rates on treasury bills and bonds have started to decrease, noting that the rate, which had risen to as high as 12.5 percent, is now down to 9.5 percent.

“This indicates that the central bank’s policies are starting to work. It will take about 1 to 1.5 years to see the complete results,” he added.

Addressing the bleak investment scenario in the country, Mansur said that the lack of investment was not solely due to high interest rates. Rather, he said the main issue was the low deposit growth, which increased by only 7.5 percent.

He also pointed out that the days when managing directors of banks could sit idly and still make profits are over.

“In the future, they will need to lend to the private sector to generate income,” he said, adding

that even if the Bangladesh Bank does not reduce the interest rate, the rate will decrease as market conditions change.

Regarding foreign exchange reserves, the governor gave assurances that there is no need to worry. Thanks to the crackdown on money laundering, remittances from expatriates have increased, showing a 24 percent growth so far.

He projected that remittances would exceed \$30 billion by the end of this fiscal year. He also mentioned that exports are on the rise.

“Overall, after the political changeover, the exchange rate has remained stable without selling a single dollar from the reserves,” he stated.

He also responded to questions about the dollar rate of Tk 122 per USD, saying, “We have maintained that the rate will not be determined by Dubai. Our banks will buy dollars at the rate we set.”

Currently, the open market rate is Tk 123.50 per USD, while banks are offering it at Tk 121.50 per USD. With an additional 2.5 percent incentive, the rate becomes Tk 124 per USD, meaning banks are getting a better rate.

“Over time, the dollar rate will be determined by the market, but that will not happen immediately,” the governor concluded.

Mustafizur Rahman, senior fellow at the Centre for Policy Dialogue, said,

“We have never before faced such a combination of challenges in the post-independence period.”

He stated that while most people would view controlling inflation as the primary challenge, the focus should instead be on increasing people’s purchasing power by boosting investment.

“Major reforms must be made to the banking sector and the National Board of Revenue. Direct taxes should be increased in place of indirect taxes,” he emphasised.

Regarding banking reforms, he noted that the Ministry of Finance should move away from its tendency to interfere with the Bangladesh Bank.

The economist also stressed that the interim government must make tangible progress in recovering laundered money to set a precedent for the next administration.

Mohammad Ali, managing director of Pubali Bank, said everything should be integrated in real-time to ensure good governance and transparency.

He raised concerns about the eKYC (Electronic Know Your Customer) system, questioning, “If a fugitive opens an account and begins transactions through this system, who will take responsibility?”

The seminar was chaired by ERF President Doulot Akter Mala and conducted by ERF Co-General Secretary Manik Muntasir.

Review RMG wage annually

STAR BUSINESS REPORT

Researchers from Cornell University’s Global Labor Institute (GLI) yesterday called for an annual review and wage-setting process in Bangladesh instead of reviewing wages every five years.

The analysis found that, given current inflation rates, garment workers in Bangladesh paid the minimum wage are losing income year after year, Jason Judd, executive director of GLI told journalists in Dhaka.

Currently, garment workers receive a nine percent adjustment to their basic payment annually, mainly to adjust to inflation.

NBR eases

FROM PAGE B1

managing director of Shwapno, Bangladesh’s largest retail chain, said, “Previously, the 5 percent VAT or the currently effective 7.5 percent VAT on supershops was an extra financial burden for customers.”

“Now, that additional expense will no longer exist. Hopefully, this will bring more balance to the market system,” he added.

On January 9 this year, the revenue board issued an ordinance raising the trade VAT rate from 5 percent to 7.5 percent, which also applied to supershops. Following this, the Supermarket Owners Association and senior executives of various supershops held discussions with NBR officials, requesting a reduction in the VAT rate.

However, instead of lowering the rate, the NBR simplified the VAT process for supermarkets.

In the past, supermarkets collected an additional 5 percent VAT beyond the MRPs, increasing costs for consumers, said the NBR official.

“This was inconsistent with consumer law. So from now on, supermarkets will follow the standard VAT rate of 15 percent, maintain proper records of purchases and sales, and claim VAT rebates. This will relieve consumers from paying extra trade VAT,” he added.

The revenue board’s latest decision aims to simplify tax compliance and ease operational hurdles for supermarket businesses, according to NBR officials.

Gold prices hit all-time high in Bangladesh

STAR BUSINESS DESK

Gold prices have reached an all-time high of Tk 154,525 per bhoiri, making the precious metal more expensive for customers.

Bangladesh Jewellers’ Association (Bajus) yesterday announced an increase in the price of gold to Tk 13,248 per gramme, effective from today.

This marks a 2.14 percent rise from three days ago, when the price was Tk 12,970, due to the increase in the price of pure gold in the domestic market.

With the new rate, customers will need to pay Tk 154,525 per bhoiri (11.664 grammes), starting today, according to a press release from Bajus.

The previous price for a bhoiri of 22-carat gold was Tk 151,282.

Gold prices, which Bangladesh heavily depends on foreign sources for, have been rising steadily for over a year. This is due to both hikes in the international market and volatility in domestic supply.

In July 2023, the price of gold surpassed Tk 100,000 for the first time in Bangladesh.

The country requires between 20 and 40 tonnes of gold, with about 80 percent of the demand being met through smuggling.

BTRC limits

FROM PAGE B1

were prepared to supply additional bandwidth immediately.

Under the revised framework, the IIG operators can maintain up to 10 percent of their total connected bandwidth as backup capacity via satellite earth station or VSAT until an alternative international long distance communication (ILDC) route was available.

A satellite earth station refers to any ground station that communicates with satellites. The VSAT (very small aperture terminal) is a specific type of satellite earth station that uses small dish antennas to transmit and receive data via satellite, typically used in remote areas where other forms of internet access are limited.

Operators must adhere to service level agreements (SLAs) and obtain prior approval from the BTRC to secure backup bandwidth via satellite.

Talks on trade deals show

FROM PAGE B1

According to the statement, both sides decided to work on scheduling dates for the fifth round of negotiations through diplomatic channels.

Bashir Uddin added that the government first needs to examine whether the country will benefit before signing such deals.

However, other promising negotiations appear to have fallen by the wayside.

Under the previous regime, Bangladesh and neighbouring India made progress in signing a CEPA, even conducting a joint feasibility study more than two years ago. However, no

formal meeting has been held since then.

In the case of China, a joint feasibility study was conducted and formal negotiations were supposed to be launched during former prime minister Sheikh Hasina’s visit to China last year. But those formal negotiations have not yet commenced.

Bangladesh’s imports from China – mainly comprising raw materials, capital machinery, textile fabrics, chemicals, yarn, woven fabrics, garment articles, and food items – declined to \$16.63 billion in the fiscal year 2023-24 from \$17.82 billion the

previous fiscal year.

According to Rahman, the progress of negotiations with Japan is positive since an EPA with Japan would enhance Bangladesh’s image and could be leveraged to sign deals with other countries.

Acting Commerce Secretary Abdur Rahim Khan also said the progress on talks for bilateral trade agreements has not been halted. Apart from Japan, he said preliminary negotiations with Singapore and South Korea are ongoing.

“If any country shows interest in negotiations, then talks can occur.

Negotiations do not take place unilaterally,” Khan said.

In the case of Japan, the negotiations have been progressing according to the previously set roadmap, with Japan insistent on strictly following the timeline, he added.

Bangladesh has long been negotiating with countries to sign trade deals, but so far, only a PTA with Bhutan was signed in December 2020.

Currently, Bangladesh also enjoys trade benefits from the South Asian Free Trade Area (SAFTA) and the Asia-Pacific Trade Agreement (APTA).



NBR halves VAT hike on biscuits

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has halved the amount of value added tax (VAT) it had initially decided to impose on biscuit sales, according to a government notification issued yesterday.

Consumers pay a 5 percent VAT on the popular snack.

In early January, the NBR had decided to impose a 15 percent VAT on biscuits and nearly 100 other items.

The revenue authority yesterday said now it would levy a 7.5 percent VAT instead.

The hike had sparked criticism from various quarters, with concerns that it could fuel inflation, which has remained above 9 percent since March 2023.

On January 22, the NBR revised the VAT and supplementary duty (SD) on nine goods and services, including mobile phone usage, internet services, and medicines.

Agro and food processors had been urging the government to reverse the VAT increase on food products, including biscuits.

Gold scales new high

REUTERS

Gold prices rose to a record high on Thursday as investors turned to bullion for safety on fears US President Donald Trump's tariff plans would stoke inflation and a global trade war.

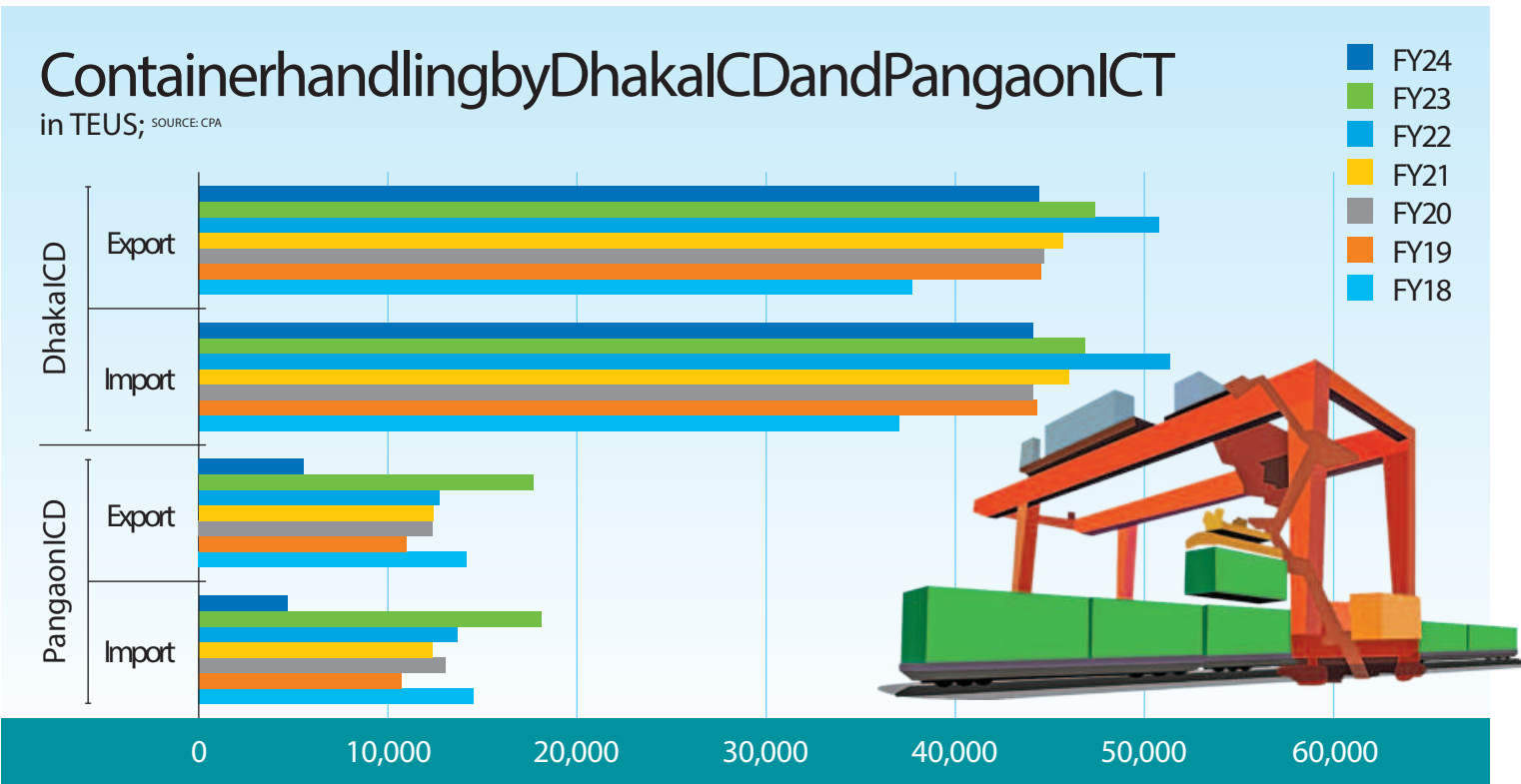
Spot gold was up 0.5 percent at \$2,945.83 an ounce, as of 0621 GMT, after hitting a record high of \$2,947.11 earlier in the session.

Bullion has risen 12 percent so far this year and hit a fresh peak for the tenth time on Trump tariff fears.

US gold futures gained 0.9 percent to \$2,963.80 on Thursday.

Kamalapur-bound containers can be delivered from Pangaon

NBR makes decision to clear pile-up at port yard



STAFF CORRESPONDENT, Ctg

In a bid to clear a pile-up of containers, the National Board of Revenue (NBR) has approved the delivery of import-laden containers bound for the Dhaka inland container depot (ICD) to consignees from the Pangaon Inland Container Terminal (ICT) in Keraniganj.

Such containers will be delivered from the Chattogram port yard as well, a decision welcomed by businesses.

Import containers destined for the Kamalapur ICD in Dhaka have been piling up at the Chattogram Goods Port Yard (CGPY) as a shortage of locomotives led to slow transportation over railways.

At a tripartite emergency meeting on Tuesday, Chittagong Port Authority (CPA) requested Custom House Chattogram to allow the transfer of these containers to the Pangaon ICT via river route for duty assessment and delivery to consignees.

Such containers would also be delivered from the CGPY, the CPA said.

The NBR approved the request on Wednesday evening. The NBR sent a directive in this regard, signed by Second Secretary (Customs Policy) Mokitul Hasan.

Typically, imported cargo is delivered to recipients from the destination mentioned in import documents.

Confirming the development, CPA Secretary Md Omar Faruk said the permission was granted for two years under several

conditions.

According to the directive, clearing and forwarding (C&F) agents must submit a list of Dhaka-bound import containers to respective shipping lines for transportation to Pangaon ICT.

A copy of the list must be shared with the respective customs commissioner for facilitation.

The transportation must strictly be along the river route and the Pangaon ICT authority will handle duty assessment and examination of import consignments within the terminal before delivery to consignees.

The Pangaon ICT authority will also be responsible for ensuring the security of the consignments until delivery to consignees.

For over a month, the railway authorities have been running only one or two freight trains daily to carry the Dhaka-bound containers from the port whereas port authorities say they require at least four trains daily.

This has led to a pileup of over 1,800 TEUs (twenty-foot equivalent units) of Dhaka-bound containers at the CGPY, far exceeding the allotted capacity of 876 TEUs.

Bangladesh Knitwear Manufacturers and Exporters Association President Mohammad Hatem welcomed the NBR's decision, saying it would widen options for businesses to get their imports.

He said business leaders in Dhaka recently met with the NBR officials, who assured

them of expediting the release of cargo from the Pangaon ICT as well as regular vessel movement between the ICT and Chattogram port.

Vessels have been plying the route between the ICT and Chattogram port once a week or even longer due to a low volume of containers for a long time. However, vessel operators, said they would increase the frequency if there were enough containers to carry.

According to clearing and forwarding agents in Dhaka, it currently takes three to four days to get import consignments released from both the Kamalapur ICD and Pangaon ICT.

A number of containers loaded with consumer items imported ahead of Ramadan have been lying at the CGPY for over 20 days now, said Md Faruk Alam, general secretary of the Dhaka Customs Agents Association.

He said the challenge of taking delivery of Kamalapur ICD-bound containers from the Pangaon ICT was that it required changing the destination in the import general manifest (IGM), which is a time-consuming process.

Moreover, importers have to bear extra costs as vessel freight charges are higher than that for railway freight, he said.

BKMEA leader Hatem, however, said since there is the option, importers could take their deliveries from the Chattogram port instead of Pangaon.

Beat the trap of procrastination

MAHTAB UDDIN AHMED

How common is it in our daily life when a teacher or boss sets a deadline, and we all think, "Oh, I'll start in ten days!" Suddenly, time shrinks, and it's panic mode: emergency declared, day-and-night sprints commence, and the assignment emerges from chaos. Now, in the Gen Z era, the twist is that although we, the "old-timers," allot ten days based on our past snail-like speed, these whiz kids can finish it in a day! Yet, they deliver on day ten—almost as if they are saying, "We saved our brilliance for the grand finale!" Is procrastination just a well-choreographed dance with time?

One memorable remark from Bengali wisdom goes, "Time flows like a river, never to return." This timeless metaphor urges us to seize every moment, reminding us that delaying action only lets precious life slip away. Global research reveals that 20 percent of adults chronically procrastinate, impacting productivity and well-being. Nearly 95 percent of college students procrastinate, leading to stress and lower grades. In the workplace, procrastination can reduce productivity by 20-25 percent, costing billions. This habit is linked to 30-50 percent higher stress, anxiety, and depression, making effective planning utterly essential globally.

In the whirlwind of life in Bangladesh—from the hectic corridors of Dhaka University to the buzzing offices in Chattogram—procrastination is a familiar, if not constant, companion. We have all planned our work in perfect, neat sequences, only to find that reality takes a humorous detour. Picture this: you plan your assignment with the best intentions, gradually build momentum, and then happily submit the report! The days slip away until the deadline looms like a thunderstorm.

Tim Urban explains this struggle well in his talk. At the heart of this struggle lies a peculiar internal tug-of-war. On one side is the Rational Decision-Maker, the part of you that meticulously maps out plans, envisions a successful future, and insists that work comes first. On the other side is the mischievous Instant Gratification Monkey. This cheeky character lives solely in the present, urging you to indulge in whatever's fun at the moment—be it rewatching cricket highlights, scrolling through endless social media feeds, or catching up on the latest Bangladeshi drama.

The comedy of this internal battle is best illustrated by those moments when plans go awry. Imagine preparing for a major project by pacing yourself, only to scramble at the last minute. The panic sets in, and suddenly, the Panic Monster—that wild burst of urgency triggered by an impending deadline—takes charge. It might push you into action, compelling you to pull all-nighters and finish a 100-page assignment in a frenzied 72 hours. While these last-minute heroics might save the day, they also leave behind a trail of stress, exhaustion, and a lingering sense of regret.

Yet, a more deceptive form of procrastination haunts many of us. Unlike the dramatic rush induced by deadlines, this type creeps into daily life without warning. It's the quiet delay that prevents us from pursuing our long-term dreams—whether launching a business in Sylhet, nurturing personal relationships, or even taking proper care of our health. Over time, these unfulfilled ambitions can become a constant companion of guilt and self-doubt.

So, what's the remedy? First, it is essential to acknowledge that procrastination is a universal human trait, not a personal failing. Breaking tasks into small, manageable goals, creating a "life calendar" to visualise precious weeks, and finding a balance between work and leisure can help tame that unruly Monkey. Ultimately, every Bangladeshi has the power to reclaim control of their time—starting today, not tomorrow.

In busy Bangladesh, let's give procrastination a proper kick. We can turn panic into progress with simple planning and a good laugh at our own delays. Embrace the day, chase dreams, and show that cheeky monkey who's really in charge!

The author is president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd

Stocks rebound, post slight gains

STAR BUSINESS REPORT

The stock market in Bangladesh rebounded from a two-day losing streak, with turnover surging in the closing session of the week.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose by 7.93 points, or 0.15 percent, closing at 5,200 points.

The other two indices of the country's premier bourse showed mixed performance. The Shariah-based stock index, DSES, increased by 0.43 percent to 1,162 points, while the blue-chip index, DS30, decreased by 0.16 percent to 1,909 points.

Among the traded securities, 167

READ MORE ON B2

Microfinance presence lowers rural interest rates

STAR BUSINESS REPORT

When a formal microfinance institution (MFI) enters a village and joins the existing rural lending ecosystem, the influence of both informal moneylenders and exorbitant interest rates declines significantly, according to a study.

The research, titled "Microfinance Competition in the Presence of Moneylenders: Theory and Evidence," found that a village

has five MFIs or NGOs on average.

In such cases, the entry of an additional MFI into a village reduces reliance on traditional moneylenders, colloquially known as mohajons, by 33 percent.

Additionally, the arrival of a new non-governmental organisation (NGO) brings down interest rates by 25 percent, the study noted.

Prof Shyamal Chowdhury, director of the Australia South Asia Research Centre, unveiled the

findings at a seminar organised by the Bangladesh Institute of Development Studies (BIDS) at its office in the capital's Agargaon yesterday.

The study was based on a survey of 150 villages across four districts in Bangladesh.

It found that while 50 percent of rural borrowers take loans from NGOs, nearly 20 to 30 percent still rely on moneylenders.

READ MORE ON B2

Elon Musk is not India's ideal foreign investor

REUTERS, Mumbai

India may get more than it bargained for when it comes to Elon Musk. The Tesla boss' role in the White House might make it easier for him to set the terms of his entry into the world's third-largest car market. But President Donald Trump's aim of cutting the US trade deficit will leave India less leverage to wrangle coveted factory jobs it wants from Musk.

The electric vehicle maker has identified locations for two stores in India, Reuters reported citing unnamed sources, and is hiring for customer-facing and back-end



roles in the country. That has fuelled speculation that Musk's meeting with Indian Prime Minister Narendra Modi last week may pave the road for Tesla to finally sell cars in the country.

The biggest deterrence is India's high tariffs on imported vehicles, which New Delhi once hoped would persuade foreign brands to manufacture locally. But the Tesla boss has resisted, probably because local demand for luxury EVs has yet to catch up to China, the company's second most important country by revenue after the United States.

It's possible that Modi may now

READ MORE ON B2

Trump says trade deal with China 'possible'

AFP, Washington

US President Donald Trump suggested on Wednesday that a trade deal was "possible" with China -- a key target in the US leader's tariffs policy.

In 2020, the United States had already agreed to "a great trade deal with China" and a new deal was "possible," Trump told reporters.

Asked about the comments, Beijing's foreign ministry said Thursday the two countries should handle trade tensions with "mutual respect."

One month into his second term in office, Trump has threatened sweeping tariffs on allies and adversaries alike -- targeting China as well as neighbors Canada and Mexico, and the European Union -- and using levies as his main policy tool for lowering the massive US trade deficit.

At the beginning of February, he slapped additional customs duties of 10 percent on all products imported from China.

Beijing's foreign ministry said Thursday that China and the US "should resolve their concerns through dialogue and consultation based on equality and mutual respect."

"Trade and tariff wars have no winners and only serve to damage the interests

of people all over the world," ministry spokesman Guo Jiakun said at a regular press briefing.

At a separate news conference, China's commerce ministry said Beijing "urges the US side not to wield the big stick of tariffs at every turn, using tariffs as a tool to engage in coercion all around."

Trump is also threatening to impose 25 percent tariffs on all imported

cars, and similar or higher duties on pharmaceuticals and semiconductors as he turns up the heat on some of the biggest US trading partners.

He also told journalists aboard Air Force One on Wednesday that his administration was considering lumber tariffs of "maybe 25 percent" in the coming months.

The president also initially announced



This photo shows workers producing bags that will be exported at a textile factory in Huaibei in China's eastern Anhui province.

PHOTO: AFP/FILE