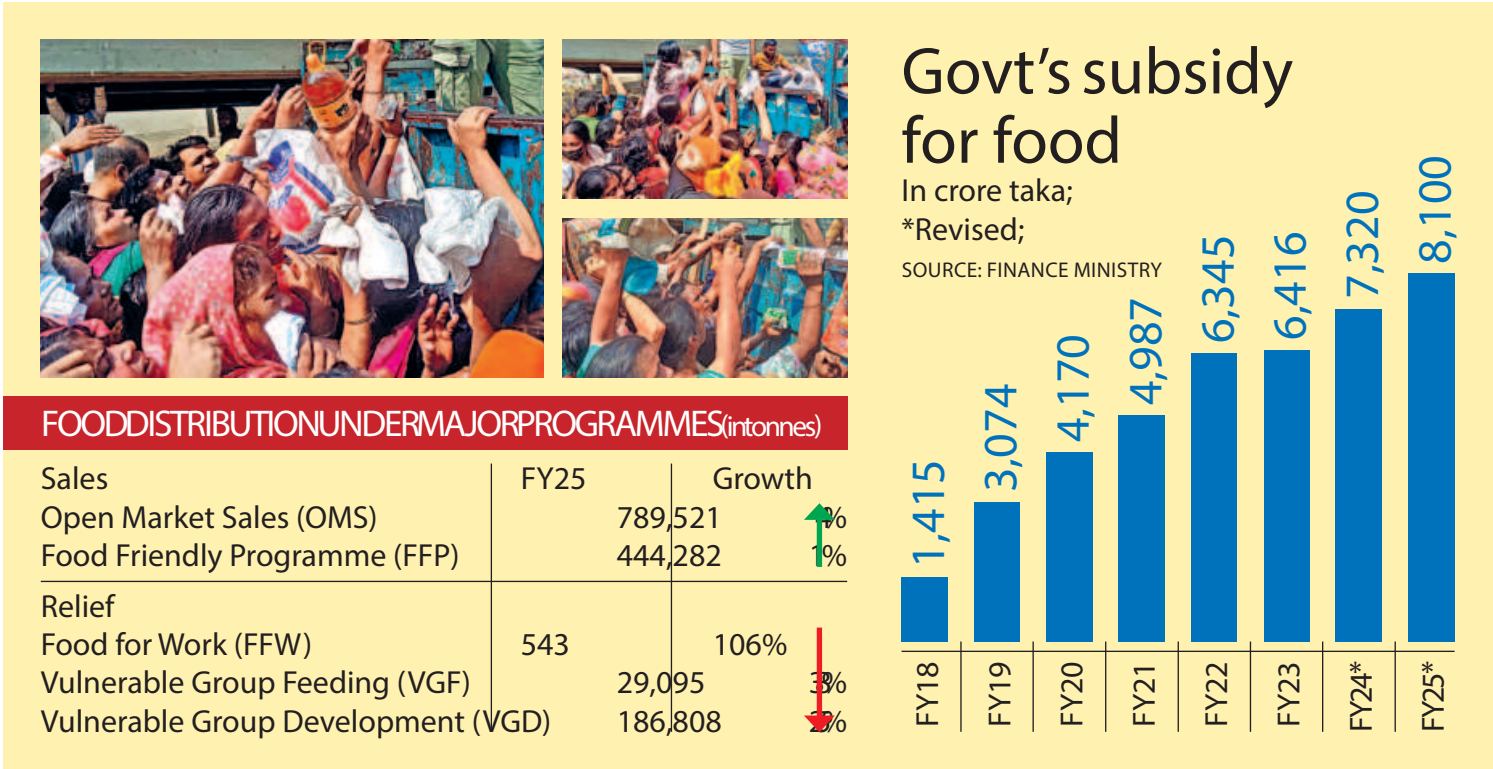


Star BUSINESS



Food subsidies raised by nearly 12%



REJAUL KARIM BYRON and MD ASADUZZAMAN

The interim government is set to increase its allocation for food subsidies by nearly 12 percent, raising the total to Tk 8,100 crore, to intensify food distribution programmes and provide a cushion to low-income groups.

The move was prompted by production losses from two rounds of flash floods last year and persistent inflation, which has hovered above nine for 24 straight months.

For several months, food inflation had also remained in double digits, peaking at over 14 percent in July last year, before easing to just under 10 percent last month.

Against this backdrop, the Awami League government, which was ousted by a mass uprising in August last year, revised food subsidies upwards to Tk 7,250 crore in FY24.

Now, the interim government plans to raise the allocation further in a bid to build reserves and intervene in the market through subsidised sales and relief programmes, especially as hundreds are regularly queuing up in front of Open Market Sales (OMS) trucks, particularly in the capital.

The overall food grain stocks stood at 15.12 lakh tonnes as of March 5 of this fiscal year, including 10.82 lakh tonnes of

rice.

The government did not meet its target to procure Aman rice that this year, as prices rose in the market and farmers were unwilling to supply to the state warehouses owing to fear of crop losses as a result of repeated floods.

Production of Aman season paddy, which accounts for the second-largest yield of rice crop, was estimated to be 3.58 lakh tonnes short of the target.

Similarly, Bangladesh's production of Aus rice declined in FY25, with the finance ministry recently saying that Aus production fell short of the target by 9.55 lakh tonnes.

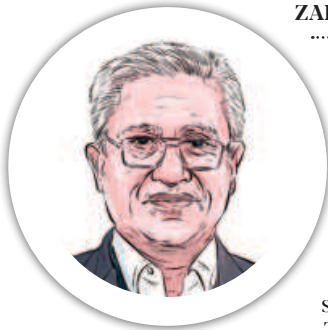
"The decision to increase subsidies is both rational and much anticipated," said Jahangir Alam Khan, an agricultural economist.

"This initiative will provide a cushion for low-income groups in the face of persistent inflation," he said.

READ MORE ON B3

Macroeconomic policies amid interim incumbency

ZAHID HUSSAIN



Navigating the labyrinth of macroeconomic management is particularly challenging during periods of interim leadership. The fine equilibrium between fiscal, monetary, and structural policies takes on heightened significance.

This delicate balance of tightening and loosening measures, coupled with the alleviation of binding structural constraints, is pivotal in shaping the economic path. It impacts everything from inflation trends to public sentiment and confidence.

Encouraging but not reassuring

The February inflation data, while somewhat promising, does not convincingly indicate a shift towards a disinflationary trend.

The overall inflation rate fell due to a decline in food prices for the second consecutive month since December 2024. However, non-food inflation rose, with increases in categories such as clothing, footwear, health, recreation, and miscellaneous items.

As a result, the overall state of inflation remains concerning, with no clear evidence from the data suggesting a need for a monetary policy shift.

The deflation in food prices, particularly during peak supply seasons, is likely temporary, along with the diminishing effects of recent floods.

Lower tax rates on some essential food items, import liberalization, and exchange rate stability also contribute to the reduction in inflation.

READ MORE ON B3



Investor confidence the ultimate casualty of BSEC confrontation

AHSAN HABIB

The ongoing standoff at the Bangladesh Securities and Exchange Commission (BSEC) that kicked off on Wednesday last week could be described as a battle on thin ice.

In a bid to demand the resignation of its top leadership, BSEC officials and employees have disrupted the commission's regular operations.

They even went so far as to lock in the BSEC chairman, shout threats, cut off power to his office and disable the closed-circuit television (CCTV) system to avoid detection.

On Friday, a case pressing criminal charges was filed against 16 protesting officials.

By Saturday, the rare and highly damaging bureaucratic clash had drawn condemnation from the Bangladesh Administrative Service Association (BASA), which said that demands should be made with discipline.

Other calls for calm came from stakeholders, including stockbrokers, the former BSEC chairman, and, most importantly, foreign investors, who are anxious about their stakes in the market.

To resolve the stalemate, investors are looking for clear steps from the finance ministry. But that has remained somewhat elusive so far.

The conflict was triggered by the forced retirement of an executive director over graft allegations.

Subsequently, protesting staff demanded the resignation of BSEC Chairman Khondoker Rashed Maqsood and three commissioners for alleged inefficiency.

As the situation spiralled out of control, law enforcement intervened, using batons to disperse agitators, rescue the leadership and escort them out of BSEC premises.

Several brokerage houses have confirmed receiving calls from foreign investors regarding the issue. The investors are seeking clarity on the future of the conflict, worried that if it persists, the market could be left without proper oversight

On Thursday, Maqsood returned to the office under heavy security protocol and announced that the government had authorised his continuation in office to investigate corruption.

Investors, however, were hoping for visible action from the finance ministry to resolve the crisis, rather than merely giving the top brass a green light to continue their work.

Surprisingly, during the last two days of the previous week, the market did not experience a drastic drop. One interpretation is that the key index was already low, which may have led investors to remain indifferent.

But concerns are rising.

Several brokerage houses have confirmed receiving calls from foreign investors regarding the issue. The investors are seeking clarity on the future of the conflict, worried that if it persists, the market could be left without proper oversight.

Their primary concern is when the situation will de-escalate, allowing normal operations to resume, including the regulator's market surveillance to curb manipulation, which is believed to be widespread in Bangladesh.

If the regulator remains inactive, it could provide room for manipulators, further eroding investor confidence.

Faruq Ahmad Siddiqi, a former

READ MORE ON B3

Aarong's flagship store draws heavy footfall



Customers shop for their desired products at a newly launched craft store of lifestyle brand Aarong in Dhaka's Dhanmondi area yesterday. The outlet, which the brand claims to be the world's largest, spans over 60,000 square feet across eight floors. Products from sub-brands such as Taaga, Taaga Man, and Herstory are also available at the outlet.

PHOTO: PRABIR DAS

STAR BUSINESS REPORT

Aarong, a popular lifestyle brand, unveiled one of the world's largest craft stores on Friday, captivating customers and garnering an overwhelmingly positive response.

After exploring the outlet, many customers raved about its distinctive selection and alluring shopping experience.

This store is a proud testament of Bangladesh moving boldly into the future, said Tamara Abed, managing director of BRAC Enterprises.

"It embodies our mission to preserve and celebrate Bangladesh's artisanal heritage while delivering a world-class shopping experience."

This store marks a new era for Aarong and highlights this brand's ambitions for the global stage, she added.

Located in the capital's Dhanmondi area, the flagship outlet spans over 60,000 square feet across eight floors and features monumental craft installations.

"Stepping into this Aarong outlet felt like walking into a piece of Bangladesh's heritage," said Ema Sarker, sharing her experience at the newly opened store.

"The craftsmanship on display is incredible—from the massive Nakshi Kantha to the pottery wall, every corner tells a story."

However, she noted that the overwhelming crowd made it difficult to fully enjoy the space.

"Since it's a new outlet and so many people are also doing their Eid shopping, it was really packed. At times, it was hard to move around and properly appreciate everything," she said.

"But despite the rush, the store itself is beautiful. It's more than just shopping—it feels like an experience."

Madhuri Biswas, a resident of Tikatuli, was in Dhanmondi for work and had no idea that the store had already opened its door. However, her colleague was aware and took her along.

"I ended up enjoying it a lot," Madhuri said.

Describing her experience, she said, "It was very crowded."

I found it to be very unique compared to other outlets. For example, this store has a designated area where mothers can breastfeed their children.

"Moreover, each floor is designed in a unique manner, which should be attractive to crowds," she said, adding that she also enjoyed the forest-themed playpen for children.

Founded in 1978, Aarong has grown into a household name, renowned for preserving and promoting the art and craft traditions of Bangladesh. Currently, Aarong operates a total of 30 outlets across the country.

'Last BGMEA polls had nearly 900 fake voters'

Forum Panel leader alleges

STAR BUSINESS REPORT

In the last election of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), at least 900 persons who were not members of the trade body were incorporated in the voter list, said a Forum Panel leader of the BGMEA yesterday.

Two panels, namely Sommilito Parishad and Forum Panel, participated in the last BGMEA elections. The next BGMEA polls, to elect the leadership for the 2025-27 tenure, are scheduled to be held on May 28, according to the election schedule of the BGMEA published yesterday.

The traditional business model should be shifted to a scientific model to face the domestic and international challenges, said Mahmud Hasan Khan Babu, the current leader of the Forum Panel.

At an iftar organised by the Forum Panel at the Army Golf Club in Dhaka, Babu assured that the BGMEA would not be a president-centric organisation if he was elected in the polls.

In the last BGMEA election, 800 to 900 voters were named on the voter list although they were not qualified to vote, Babu said.

Such an election deteriorated the image of the BGMEA, he said, adding that only eligible members and exporters should be on the voter list.

Babu added that exporters face major challenges from the National Board of Revenue (NBR) and Bangladesh Bank (BB) and these problems need to be resolved in the greater interests of the garment business.

He suggested appointing professional audit firms to conduct audits of the BGMEA so that no fake voters can cast votes in the election.

Babu also suggested the government divide the textile and jute ministry to bring more dynamic functions to the BGMEA and garment industry.

For instance, he suggested tagging the garment sector with textiles and to create a textile and garment ministry and to tag jute with the agriculture ministry to create an agriculture and jute ministry.

Currently, the commerce ministry is the parent ministry for the garment sector, but it is too busy to work for the garment sector, he said.

He also assured that he would bring the BGMEA University of Fashion and Technology under the BGMEA again.

M A Salam, president of the Forum Panel, said the election of the BGMEA would take place on May 28 and was also hopeful that this election would be better than the previous one.

Babu also said a single person alone cannot solve the problems of the organisation, instead saying that it required teamwork.

Rubana Huq, a former BGMEA president, was also hopeful that the upcoming election would be transparent and address all kinds of previous backlogs.

So, it is expected that this election will help grow this trade, she said. Statistics show

READ MORE ON B3



Anwar Hussain made vice- chairman of SBAC Bank

Robi Axiata PLC, a telecom service provider in the country, signed an agreement with bKash to use its business-to-business (B2B) cash collection solution to streamline financial management at the field level by saving time and expenses.

Shihab Ahmad, chief commercial officer of the telecom company, and Ali Ahmmed, chief commercial officer of the mobile financial service provider, signed the agreement in the capital recently, said a press release.

Under the agreement, over 450 distribution houses of the telecom company, spread across the country, are using bKash's solution to collect cash and provide electronic money (e-money) against it.

With this B2B service, the telecom company's distribution-related financial transactions will be simplified at the field level, as the process will become cashless, transparent, and secure.

Many of the top companies in the cement, beverage, lifestyle, pharmaceutical, and food industries have already been using bKash's B2B cash collection solution to make their financial management more seamless, transparent, and secure.

This also helps strengthen the ecosystem of digital transactions in the country, hence ensuring dynamism and competence in the economy.



PHOTO: BKASH

Anwar Hussain, an industrialist and businessman of the country, has been elected as the vice-chairman of SBAC Bank PLC.

Anwar Hussain, an industrialist and businessman of the country, has been elected as the vice-chairman of SBAC Bank PLC.

The election was held at the 192nd meeting of the board of directors of the bank recently.

Prior to assuming the new role at SBAC Bank, Hussain was a sponsor director of the bank, said a press release.

He serves as the chairman of SBAC Bank Investment Limited, a subsidiary company of the bank.

Hussain is the managing director of HAR Industries Limited, Abdul Gaffar & Company Pvt Limited, AGI Flex Limited, and the proprietor of Anwar Corporation.

In addition, he is the director of Safah CNG Refueling Station and Asuka CNG & Filling Station.

Under his visionary leadership, he has been making significant contributions to the economy, trade, and employment creation.

He obtained his bachelor's degree in business administration.



PHOTO: MEGHNA BANK

Meghna Bank PLC recently launched an agent banking outlet at Abedin Colony on Love Lane in Chattogram.

Kimiwa Saddat, deputy managing director of the bank, inaugurated the outlet as the chief guest, said a press release. Saddat emphasised Meghna Bank's commitment to financial inclusion by bringing modern banking services to the doorstep of underserved communities.

"Meghna Bank is tirelessly working to ensure uninterrupted financial services for the marginalised population, which will further enhance people's trust in the bank," he said.

"This new outlet will facilitate access to modern banking services for the local population and contribute to broader economic activities in the region," said SK Perves Maraker, head of agent banking, cash management, and foreign remittance at the bank, while attending the event as a special guest.

Among others, Shovon M Shahabuddin Raj, chairman of Chattogram Club Limited, and entrepreneurs Manzurul Haque Manju and Col (retd) ATM Salahuddin, were also present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (MAR 8, 2025)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 72-Tk 85	1.29 ↑	14.60 ↑
Coarse rice (kg)	Tk 50-Tk 55	-1.87 ↓	5.00 ↑
Loose flour (kg)	Tk 40-Tk 45	0	-10.53 ↓
Lentil (kg)	Tk 105-Tk 110	0	0
Soybean (litre)	Tk 180-Tk 185	0.83 ↑	20.46 ↑
Potato (kg)	Tk 20-Tk 30	11.11 ↑	-23.08 ↓
Onion (kg)	Tk 35-Tk 500	-5.56 ↓	-52.78 ↓
Egg (4 pcs)	Tk 40-Tk 45	-5.56 ↓	-3.41 ↓

Janata Bank PLC recently organised a “Divisional Branch Managers’ Conference-2025” at a local convention hall in Rajshahi.

the bank, attended the conference as the chief guest, the bank said in a press release.

Md Jahangir Hossain, general manager-in charge of the Rajshahi divisional office, presided over the event, where Md Mazibur Rahman,

managing director of the bank, and Md Fayaz Alam, deputy managing director, were present.

Other senior officers of the bank, along with area heads and branch managers of the bank across the division, were also present.



PHOTO: JANATA BANK

Mastercard has unveiled an array of offers for its cardholders during the holy month of Ramadan and the celebration of Eid-ul-Fitr.

Brimming with a range of deals and discounts across various lifestyle, dining, travel, and grocery outlets throughout Bangladesh, these offers have been meticulously crafted to provide cardholders with an effortless shopping experience while maximising savings during this festive season, as stated in a press release.

From fashion to fine jewellery, cardholders will have the opportunity to enjoy discounts of up to 25 percent at more than 175 outlets of 40 lifestyle brands. Leading brands such as Astorion, Fit Elegance, SaRa Lifestyle, Kay Kraft, Spark Gear, and Vibrant Footwear are among those participating in the promotional campaign.



"Thanks to unparalleled payment convenience, superior security, and an exceptional shopping experience, cardholders can look forward to celebrating Eid in a way that has never been seen before," he added.

For cardholders seeking to indulge in gastronomic pleasures, Mastercard has partnered with over 50 premier hotels and restaurants to offer enticing “buy one, get one” and “buy one, get three” deals.

This makes it the largest BOGO (Buy One, Get One) network during this festive period, with participating venues including The Way Dhaka, Six Seasons Hotel Gulshan, Pearl Hotel, Hotel Sarina, and Hotel Bengal Blueberry.

Furthermore, 20 renowned dining establishments such as Kiva Han, Kareem's, Café Colombia, and Bao will offer up to 20 percent discounts for customers who make payments using their Mastercard.

In addition to the dining perks, Mastercard has launched the "Grocery Means Mastercard" campaign, which rewards cardholders for making purchases at select grocery stores and supermarkets throughout Ramadan.

To participate in the campaign, cardholders must complete a minimum of four transactions at partner retailers such as Shwapno, Unimart, Agora, Meena Bazar, Lavender, Prince Bazar, and The Daily Shopping.

Government of the People's Republic of Bangladesh
Office of the Executive Engineer,
Manikgonj PWD Division, Manikgonj
Phone & Fax No-02998814122

INVITATION FOR RE-TENDER

Memo No: 1499

Date 06/03/2025

Sealed tenders are invited for the under mentioned work as per brief terms and conditions stated below.

1.	Ministry/Division	Ministry of Housing and Public Works.			
2.	Agency	Public Works Department.			
3.	Procuring Entity Name	Manikgonj PWD Division, Manikgonj.			
4.	Invitation for	মানিকগঞ্জ গণপূর্ত বিভাগ, মানিকগঞ্জ এর আওতাধীন মানিকগঞ্জ বহুতল বিশিষ্ট সমন্বিত অফিস ভবনের দৈনন্দিন কাজ সুষ্ঠুভাবে পরিচালনা ও রক্ষণাবেক্ষণের জন্য আউটসোর্সিং পদ্ধতিতে মাসিক মজুরী ভিত্তিতে জনবল সরবরাহ কাজ। অর্থ বছর ২০২৪-২০২৫।			
5.	Invitation Re-Tender No	PWD Manik-02/2024-25			
6.	Ref no & Date	Memo no-25.36.0000.000.232.99.0454.23.73 date : 27/02/2025			
7.	KEY INFORMATION				
7.	Procurement Method	OTM			
8.	Budget and Source of Funds	Revenue Budget, Government of Bangladesh			
9.	Project Name	Not applicable			
10.	Re-Tender No.	PWD Manik-02/2024-25			
11.	Tender Publication date	06/03/2025			
12.	Last date & time for selling of Tender documents.	23/03/2025 during office hours			
13.	Last date & time for submission of Tender documents.	24/03/2025 at 12.00 noon			
14.	Name & address of the office Receiving Tender Documents.	1. Office of the Executive Engineer, Manikgonj PWD Division, Manikgonj. 2. Office of the Deputy Commissioner, Manikgonj. 3. Office of the Superintendent of Police, Manikgonj. Tender will be opened on 24/03/2025 at 2.00 pm in the office of the Executive Engineer, Manikgonj PWD division, Manikgonj. Intending tenderers or their authorized representative may remain present during opening of tender.			
15.	Date, Time & Place for opening tender documents.	1. Office of the Deputy Commissioner, Manikgonj. 2. Office of the Superintendent of Police, Manikgonj 3. Office of the Executive Engineer, Manikgonj PWD Division/ Mirpur PWD Division/ Savar PWD Division/ Gazipur PWD Division/ S.B. Nagar PWD Division-I/II/III/Mohakhali PWD Division /PWD City Division/ Dhaka PWD Division-I/II/III/IV/ Dhaka Medical College PWD Division. 4. Office of the Sub-Divisional Engineer, PWD Sub-Division-V under PWD Division-IV, Purta Bhaban, Dhaka.			
16.	Name & Address of the office(s) Selling Tender Document				
17.	Eligibility of Tenderer	This invitation for Re-Tender is open to all eligible Tenderers as mentioned below: 1. The minimum number of years of general experience of the tenderer in contracting Industries in public sector as prime contractors/Sub-contractor/management contractor shall be 3 (Three) years. 2. Having experience as a prime contractor in providing non-consultant service of at least 1 (One) number of supplying manpower of amounting to BDT. 20.00 (Twenty) Lakh in a single contract in Govt./Semi Govt./Autonomous organization of Bangladesh during the last 3 (Three) years. 3. The required minimum average annual turnover of tenderer shall be at least of the amount of BDT. 38.00 (Thirty Eight Lakh) over the best 3 (three) years of the last 5(five) years. 4. The minimum amount of liquid assets, i.e working capital or credit line (s) of the tenderer shall be BDT. 19.00 (Nineteen) Lakh. Letter of commitment for bank's undertaking for the line of credit as per form PSN-5 of tender and contract forms section must be submitted for this purpose (filling to submit in form PSN-5 will make the tenderer non-responsive). 5. Tenderer shall have the legal capacity to enter into the contract under the applicable law. 6. Tenderer shall have fulfilled its obligations to pay taxes under the provisions of laws and regulations of Bangladesh. 7. Tenderer shall be enrolled in the relevant professional or trade organizations registered in Bangladesh. 8. Every Proposed manpower must submit CV with post name written on it. The full eligibility and qualification criteria be available in details in the tender data sheet (TDS) section. 2) of tender documents.			
1	Price of Tender Document (BDT)	BDT. 1000.00 (One thousand) only.			
2	Lot No	Identification of lot	Location	Tender Security Amount	Completion Time in Months
1	মানিকগঞ্জ গণপূর্ত বিভাগ, মানিকগঞ্জ এর আওতাধীন মানিকগঞ্জ বহুতল বিশিষ্ট সমন্বিত অফিস ভবনের দৈনন্দিন কাজ সুষ্ঠুভাবে পরিচালনা ও রক্ষণাবেক্ষণের জন্য আউটসোর্সিং পদ্ধতিতে মাসিক মজুরী ভিত্তিতে জনবল সরবরাহ কাজ। অর্থ বছর ২০২৪-২০২৫।	Manikgonj Sadar, Manikgonj.	Tk. 2.50 Lakh.	12 Months.	
3.	PROCURING ENTITY DETAILS				
3.	Name of Official Inviting Tender	Bishaw Nath Banik.			
4.	Designation of Official Inviting Tender	Executive Engineer			
5.	Address of Official Inviting Tender	Manikgonj PWD Division, Manikgonj.			
6.	Contact details of Official Inviting Tender	Tel & Fax: 02669910401, e-mail: ee_manik@pwd.gov.bd			
7.	The Procuring Entity reserves the right to reject	all the Tenders or annul the Tender proceedings.			

(Bishaw Nath Banik)
 Executive Engineer
 Manikgonj PWD Division,
 Manikgonj.

GD-606



Farmers remove weed from a field being used to cultivate Boro season paddy. In the preceding Aus season, farmers harvested 27.93 lakh tonnes of paddy, according to the Bangladesh Bureau of Statistics. This was down 6 percent year-on-year. The photo was taken at Beel Pabla in Dumuria, Khulna recently.

PHOTO: HABIBUR RAHMAN

Aus production falls

STAR BUSINESS REPORT

Bangladesh has registered a decline in the production of Aus season rice for reduced acreage and crop field damage due to floods during the cultivation season last year.

Farmers harvested 27.93 lakh tonnes of Aus, the first crop of a financial year, said the Bangladesh Bureau of Statistics (BBS), releasing its estimate of the crop production recently.

This was down 6 percent year-on-year from 29.72 lakh tonnes a year ago.

The crop acreage fell 7.32 percent year-on-year to 9.58 lakh hectares of land in financial year (FY) 2024-25.

In a report last year, the US Department of Agriculture (USDA) said the reduction was due to flash floods that occurred during June and early July.

It said heavy rain and water flowing from upstream regions in the northern part of Bangladesh caused flooding that damaged Aus rice fields in many

areas of Sylhet and Mymensingh divisions.

Besides, farmers were showing a lack of interest in Aus rice cultivation, as many farmers reported planting mustard followed by Boro rice. This leaves insufficient time for Aus season rice, it said.

“Instead, they prefer cultivating Aman season rice,” it said, but added that a lack of good varieties of Aus rice, harvested in August and September, is another reason for the decline in cultivation.

The BBS said the productivity of Aus crops was lower than that of Aman and Boro crops.

The statistical agency, however, has not published its estimate on the production of Aman, which accounts for the second largest yield of rice, harvested in the December-January period.

But the Department of Agricultural Extension (DAE) estimates an increase in Aman acreage and production, even though repeated floods damaged the

crop.

In a report on Bangladesh in January this year, the Food and Agriculture Organization (FAO) said losses of standing crops occurred in the eastern parts of the country due to heavy rain and floods last August.

Until March 5, farmers transplanted Boro on 48.18 lakh hectares, which was lower than the actual Boro acreage in the previous year and below the DAE's target of 50.69 lakh hectares for the year

However, production is forecast at an above average level, mostly due to anticipated high yields in non-affected areas, it said.

The USDA, in its grain and feed update on Bangladesh issued in December,

however, predicted a 4.1 percent decline in the production of Aman rice to 1.4 crore tonnes, as floods in August and October damaged around 3 lakh hectares of cropland.

The BBS released the estimates of Aus production at a time when farmers are cultivating Boro rice, the rice crop providing the largest yield which is grown in the dry season using irrigated water.

Until March 5, farmers transplanted Boro on 48.18 lakh hectares, which was lower than the actual Boro acreage in the previous year and below the DAE's target of 50.69 lakh hectares for the year.

However, Md Obaidur Rahman Mondol, director at Field Services Wing of the DAE, said farmers would cultivate the crop until March 15.

Many growers in the Rangpur and Dinajpur areas transplant Boro seedlings after harvesting potatoes, he said.

He expected that the Boro acreage goal would be attained this year.

Food subsidies

FROM PAGE B1

Khan believes the move would have a positive impact on the market, with overall food distribution likely to increase.

Originally, the government allocated Tk 2,004 crore to the OMS programme under the food ministry and Trading Corporation of Bangladesh (TCB).

In the revised budget, this amount is likely to rise to nearly Tk 3,000 crore. Of this, the TCB under the commerce ministry will receive Tk 1,300 crore.

Although the TCB distribution was disrupted during the July-August period, the government stepped up the distribution of various goods, including potatoes and onions, thereafter.

At times, the TCB distributed vegetables as a special measure, according to finance ministry officials.

DISTRIBUTION DOWN SHARPLY

To support low-income groups, the government has expanded food distribution through the OMS, TCB and Food-Friendly Programme (FFP).

However, despite these measures, overall food distribution in the first eight months of FY25 declined by 1.70 lakh tonnes year-on-year to 18.16 lakh tonnes.

While distribution through the OMS and FFP has notably increased, most relief-related food programmes saw a downturn.

The government distributed 7.89 lakh tonnes of food grains under the OMS, up from 7.58 lakh tonnes the previous year, while the FFP distribution rose slightly to 4.44 lakh tonnes from 4.4 lakh tonnes.

However, food distribution under the Food for Work programme has fallen sharply, dropping from 1.07 lakh tonnes last fiscal year to only 543 tonnes this year.

Similarly, the Vulnerable Group Feeding (VGF) programme saw a 38 percent decline to 29,095 tonnes, while the Vulnerable Group Development (VGD) programme dropped by 25 percent to 1.86 lakh tonnes.

Regarding the decline in distribution, Khan explained, “Local administrative activities, led by ward members, councillors, and chairmen, were halted following the July uprising. As a result, food distribution has been significantly affected.”

FINANCE MINISTRY'S RECOMMENDATIONS

The finance ministry has recommended a set of measures to the government to ensure food security, emphasising fair prices

for farmers, efficient supply chains, and strategic stock management of essential food items.

In a recent proposal, the ministry stressed the need to guarantee fair prices for genuine farmers to encourage higher agricultural production.

It also suggested developing an efficient system to deliver farm produce directly to consumers, drawing lessons from successful business models established through online platforms and social media.

The ministry further recommended conducting a comparative analysis of the annual demand for key food items, such as rice, lentils, oil, and potatoes, against current stock levels.

This would help project medium-term demand and formulate a comprehensive supply strategy.

To stabilise the market, the ministry proposed temporary tariff reductions or exemptions on essential agricultural products, including rice, potatoes, and onions, based on production trends.

Additionally, it called for the development of a robust supply framework for fertilisers and other key agricultural inputs to support farmers.

Enhancing storage capacity was also highlighted as a critical step.

‘Last BGMEA polls had nearly 900 fake voters’

FROM PAGE B1

that garment exports were growing, but the confidence of the businesses was not growing, Huq said.

Former Panel leader Faisal Samad said the garment industry needs to be taken to a better position.

Anisur Rahman Sinha, a former BGMEA president, said the garment industry has been facing a lot of challenges because of changing global trade scenario and Bangladesh would have to face those changes in the near future.

Rashid Ahmed Hossainy, secretary general of Forum Panel, said they could not speak out over the last 16 years and many owners had to pay bribes to renew trade licences.

Anwar-ul Alam Chowdhury, a former BGMEA president, and Selim Rahman, a leader of Forum Panel from Chattogram zone, also spoke.

Investor confidence the ultimate casualty

FROM PAGE B1

BSEC chairman, described the events at the BSEC as “unexpected” and the actions of the protesting officials, including confining the top brass, as “totally unacceptable”.

He added that the steps taken against the officials should be overseen by a high-level investigation committee, not one involving stakeholders.

Siddiqi further argued that filing a case against 16 officials only worsened the situation.

“They are not in a position to resolve the issue on their own,” he said, suggesting that the government form a committee to review the situation and resolve it within two to three days.

While the new commission's efforts to build confidence among stakeholders and punish market manipulators and corrupt officials are commendable, Siddiqi said that officials should express their grievances through proper channels.

The actions of confining the top brass, threatening them, cutting off electricity and disabling CCTV were “criminal” tactics that cannot be justified, he commented.

As a result, law enforcement had to intervene with force.

Meanwhile, a BSEC commissioner said that they would urge the protesting officials to end their disruption and resume their duties.

The finance ministry could also launch an investigation to uncover the root causes of the crisis and reassure investors and stakeholders, said the commissioner.

“What happened at the BSEC is unexpected and unprecedented globally,” said Saiful Islam, president of the DSE Brokers Association.

“It will negatively impact the market, especially with foreign investors, who will receive a negative message.”

Islam called for an immediate resolution to the situation and a guarantee that such incidents would never occur again at the regulatory body.

“The Ministry of Finance must step in to resolve the issue,” he said.

“Business as usual from tomorrow (Sunday) is our expectation,” Islam added.

Macroeconomic policies

FROM PAGE B1

The rise in non-food inflation likely reflects the recent VAT rate increases and heightened demand driven by booming remittances.

Given the evolving nature of these factors, it is evident that the current inflationary pressures require maintaining a tight monetary policy.

The persistence of non-food inflation underscores the complexity of the inflation landscape, where selective price reductions are insufficient to mitigate overall inflationary trends.

The jury is out on policies

Recently, the Bangladesh Bank reduced the cash reserve ratio to 3 percent on a daily basis while maintaining a bi-weekly average of 4 percent.

The policy rate has remained unchanged at 10 percent, with a 300-basis-point corridor since October 2024. Positive real terms for the nominal policy rate were observed only in January and February, at 0.06 percent and 0.68 percent, respectively.

The yield curve for government bonds experienced a downward shift, exhibiting fluctuations as government borrowing from banks decreased and there was a heightened aversion to private credit risk exposure.

Students of macroeconomic principles should retain their faith in the power of tight monetary policies to mitigate inflation.

The inescapable inference is that the real policy rate has not been sufficiently high nor maintained positive long enough to evaluate its success.

Its outcomes could either lead to a high societal cost or achieve the desired effect with minimal collateral damage.

Policymakers must rely on prevailing economic wisdom, remaining flexible and open-minded in their approach.

There is significant room for improvement in monetary-fiscal coordination to combat inflation. The upcoming FY26 budget must tackle this challenge directly.

If our primary aim is stabilisation, there is little room for risky policy moves such as broad subsidy expansion or major tax cuts, especially when the key factors that influence incentivisation, redistribution, or inflation reduction remain unchanged.

The agenda for action

Without structural policy reforms that eventually lead to productivity enhancements in the foreseeable future,

or ideally right away, there is minimal scope for increasing overall spending beyond Tk 7.725 lakh crore in FY26.

This presumes that the budget deficit cannot exceed Tk 2.225 lakh crore and that revenues surpassing Tk 5 lakh crore are unattainable. Financing even this level of deficit will exert pressure on the flow of credit to the private sector unless deposit growth significantly exceeds the Tk 1.23 lakh crore observed over the twelve months ending December 2024 and/or net foreign financing accelerates beyond its usual pace.

The FY26 budget will serve not only as a litmus test for the interim government's fiscal prudence but also reflect its dedication to enacting the economic reforms proposed in the White Paper and the Task Force Report.

The core issue is not the novelty of the recommendations but their relevance and feasibility. Relevance encompasses understanding the appropriate timing for each high-level recommendation, while feasibility involves translating the recommendations into practical steps.

Disregarding the recommendations on the grounds of their perceived lack of novelty amounts to disengagement from reform. This is not the case in areas such as banking, energy, taxation, and public expenditure, where progress, though slow, is indeed occurring.

However, they remain inconspicuous because their results are not immediately apparent.

What is their incentive?

Structural reforms necessarily involve short-term hardships for long-term gains. Given that the interim government will bear the brunt of these hardships, what incentive does it have to expedite the completion of these reforms, knowing it will not be in power post-election?

An interim government not elected by the populace, freed from the pressures of seeking re-election, is unencumbered by the populist motivations that often pivot reigning incumbents against reform.

This temporary administration is uniquely positioned to take decisive action, as its most significant risk is the cessation of its governance, which is inevitable anyway.

However, it may still find it difficult to avoid populist measures, either due to a genuine, albeit potentially misguided, belief in their ability to enhance social welfare through such measures or because such decisions serve certain interests best. The path

Admin cadres seek action against protesting BSEC staff

STAR BUSINESS REPORT

The Bangladesh Administrative Service Association (BASA), a platform for civil service administration cadres, has demanded immediate action against those responsible for confining the top officials of the Bangladesh Securities and Exchange Commission (BSEC).

The BASA said “a group of undisciplined” BSEC officials confined the commission's chairman and commissioners for four hours before “army personnel rescued them”, according to a press release.

The association stated that such indiscipline is a violation of the law and a punishable offence.

It stressed that government officials should present any legitimate demands or grievances in a disciplined manner while remaining loyal to the government.

Failure to take swift legal action could encourage further disorder and disrupt normal government functions, it said.

By violating service rules, the officials acted in a “criminal” manner, harming the government's overall reputation, BASA added.

The association condemned the incident and demanded that those responsible be identified and brought to justice.

CASE FILED AGAINST 16 BSEC OFFICIALS

Sixteen officials of the BSEC were sued for confining the BSEC chairman and three commissioners at the commission's office for nearly four hours on Wednesday.

Ashiqur Rahman, police official assigned to BSEC Chairman Khandkar Rashed Maqsood, filed the case with Sher-e-Bangla Nagar Police Station on Thursday evening.

According to the First Information Report (FIR), the incident occurred during a commission meeting when a group of BSEC officials forcibly entered the meeting room and confined Chairman Maqsood and Commissioners Md Mohsin Chowdhury, Md Ali Akbar, and Farzana Lalarukh inside for around four hours.

The complainant stated that the BSEC officials locked the main gate and shut down CCTV cameras, Wi-Fi, elevators, and electrical connections, creating a state of chaos and fear within the BSEC premises in a pre-planned manner.

The situation was brought under control after army personnel intervened and rescued the officials from confinement, it added.

All this happened as the BSEC officials staged a protest against the commission's action on Tuesday, which led to the forced retirement of Executive Director Saifur Rahman following several “complaints against him”.

Women-led SMEs driving local poultry growth

STAR BUSINESS REPORT

The expansion of women-led small and medium enterprises (SMEs) is strengthening Bangladesh's economy by driving employment, boosting production, and enhancing market competitiveness amid growing demand for sustainable business growth and financial inclusion, said a press release.

On International Women's Day 2025, Bangladesh Poultry Industries Central Council (BPICC) and US Soybean Export Council (USSEC) underscored the need to support women entrepreneurs and ensure adequate nutrition to sustain their contributions, it said.

The statement said women in Bangladesh are increasingly engaging in SMEs, particularly in agriculture, poultry, and livestock.

However, systemic challenges such as limited access to credit, resources, and training continue to hinder their potential, it said.

Despite comprising 40 percent of the poultry sector workforce, many women struggle with business ownership and financial independence, it said.

BPICC President Shamsul Arefin Khaled stressed the importance of recognising women's contributions.

"Women-led SMEs are transforming the economy. Providing them with financial resources, skills training, and policy support will strengthen their role in business," he said.

He called for better access to funding and market opportunities to accelerate women's entrepreneurship.

BPICC Secretary ATM Mostafa Kamal highlighted the government's role in fostering women's economic participation.

"Women entrepreneurs in SMEs are vital to Bangladesh's progress. The government has been supporting them through policies and financial programmes, but more efforts are needed," he said.

He added that the growing presence of female-led businesses in poultry and livestock were helping ensure affordable protein production for all.

Nutritionist Israt Jahan underscored the link between nutrition and women's productivity.

"Proper protein intake is essential for working women, especially those in SMEs, as they balance multiple responsibilities," she said, calling for greater awareness of protein-rich diets.

Bangladesh needs one lakh flats annually

bti MD says affordability, high interest hold back most buyers

KEY TAKEAWAYS



Bangladesh needs 100,000 homes yearly, but only 8% is met



From luxury market, demand shifts to affordable homes



Mortgage rates and 30% down payments deter buyers



DAP limits housing supply as less buildings may cost more



Inflation and currency shifts drive up real estate costs



bti MD says decentralisation key to Dhaka's housing crisis



FR Khan

SOHEL PARVEZ and JAGARAN CHAKMA

Bangladesh requires around 100,000 new apartments every year. Despite having the capacity to meet this demand, realtors can only supply 8 percent of the required units, leaving a substantial gap.

The main reason is the lack of affordability for most buyers. High mortgage interest rates further push homeownership beyond their reach.

"Frequent fluctuations in interest rates also create an added burden. Moreover, customers must manage at least 30 percent of the down payment for the total asset price, which is challenging for many," said FR Khan, managing director of Building Technology and Ideas (bti), one of leading real estate developers in Bangladesh.

A possible solution could be fixing interest rates and increasing the loan-to-value ratio offered by mortgage providers to make homeownership more accessible.

"We developers have the capacity to meet the entire demand," said Khan, who has led bti for over four decades. Founded in 1984, the company has handed over 7,500 apartments, mostly in Dhaka.

In its early years, bti expanded slowly, delivering just 10 apartments in the first decade. It later accelerated construction and now maintains an inventory of 2,000 flats, reflecting steady growth. The company has maintained timely project deliveries, even during challenging periods.

"We have completed projects despite suffering losses on many occasions. This is to honour our commitment to our clients," Khan said in an interview with The Daily Star recently.

During the interview, Khan, a graduate in civil engineering from Bangladesh University of Engineering and Technology (Buet) with a Master of Engineering in urban planning from AIT, also discussed the impact of the new Detailed Area Plan (DAP) introduced by Rajdhani Unnayan Karttripakkha (Rajuk) in August 2022, as well as the effects of the economic slowdown and political changes on the real estate sector.

"Currency fluctuations, particularly the dollar's appreciation over the last two

years, have driven up raw material prices, affecting real estate costs," said the managing director of bti, which serves a broad spectrum of buyers.

It offers high-end homes priced between Tk 15 crore and Tk 20 crore, as well as apartments for those who can afford Tk 1.5 crore to Tk 2.5 crore. The company also caters to the mid-market and affordable housing segments.

Khan said that demand for luxury properties has declined due to reduced purchasing power among wealthier buyers, whereas the mid-market segment has seen an increase in demand.

"As inflation rises, many prefer investing in real estate rather than holding cash, as the real purchasing power of money is eroding," he said.

"Buyers with monthly incomes over Tk 100,000 are willing to take loans to purchase homes priced between Tk 1.5 crore and Tk 2 crore," Khan said.

To the seasoned realtor, who has witnessed both peaks and downturns in his career, the current economic challenges will subside within the next 18 months as the economy stabilises

However, the sector as a whole is experiencing a slowdown due to rising inflation, higher interest rates and other macroeconomic challenges.

While acknowledging that the next few years may be difficult, Khan anticipates a gradual market stabilisation as inflation eases and interest rates begin to decline.

To the seasoned realtor, who has witnessed both peaks and downturns in his career, the current economic challenges will subside within the next 18 months as the economy stabilises.

The real estate sector faced significant disruptions during the Covid-19 pandemic. However, the crisis led to an unexpected surge in property investments as individuals sought real estate as a safe asset during uncertain times.

The future appears promising, with

a recovery on the horizon that could reshape the sector.

bti has continued to undertake new projects. With 72 ongoing developments, it aims to deliver 2,000 units to clients by 2025.

"Every difficult situation presents an opportunity," Khan commented.

With a background in real estate, having completed a post-master's diploma in the field in Japan, he also spoke about the contentious new DAP, which has been debated among urban planners and developers for the past two and a half years.

He said the method of calculating the Floor Area Ratio (FAR) under the new DAP, which determines building density, limits housing options in Dhaka, as the FAR has been reduced.

"Academically, the DAP is sound, but it is based on models from developed countries. Islamabad was planned in the 1960s on bare land. Everything was meticulously designed, making the city highly successful in terms of density, environment and utilities."

"But for a 400-year-old city like Dhaka, you cannot implement such changes overnight, relocate all the people and cut its density in half. Dhaka cannot afford to displace so many residents at once. Where will they go?"

Khan said that if implemented, the DAP would drive up land and apartment prices due to rising demand and limited supply.

The idea behind the DAP is that people will move to the outskirts as infrastructure expands. However, he pointed out that the FAR in these areas is even lower than in Dhaka, limiting the number of units that can be built.

"So, you cannot increase housing supply there either."

He urged the government to decentralise services and facilities so that residents of districts like Jashore and Khulna do not have to migrate to Dhaka.

"In Bangkok, authorities addressed overcrowding by decentralising infrastructure and government services, ensuring that people did not have to relocate to the capital."

"A similar approach is needed for Dhaka."

Thanks to the treasury managers in banks

MAMUN RASHID

I perused the 2024 audited financials of Citibank, N.A., Bank Alfalah, Habib Bank, and Commercial Bank of Ceylon in the newspapers last week. The good news is that all of them made higher profits than in 2023. Interestingly, most of the increased profit came from high-return government securities rather than loan interest.

How much of a bank's deposits should be held in term form to avoid rate volatility? What percentage of its loans should be project finance? Should a bank hold most of its deposits in fixed terms? What may happen if it is the other way around, i.e., in current accounts? Should a bank keep a large amount in liquid form or in treasury bonds? All these decisions come from its treasury department. The treasury department literally does business with interest rate and exchange rate fluctuations. On a lighter note, if there is no market volatility, treasury dealers find their work too boring, with limited ways to make money.

We have seen banks paying dearly for funding long-term assets by borrowing short-term or over-relying on call borrowing or short-term deposits to support their medium- or long-term loan book. Even today, we cannot claim that all banks in Bangladesh have the right focus on balance sheet management.

Most of their time and resources are dedicated to loan management or term deposit mobilisation. Some banks are often criticised for their excessive dependence on call money or long-term project finance. In contrast, most global and well-performing banks place a lot of focus on recruiting skilled professionals in their treasury departments for better liquidity and funds management.

A bank's activities involve various types of risks, including reputation risk, financial crime risk, operational risk, fraud risk, people risk and credit risk. One significant risk commonly blamed for a bank's financial troubles is loan-related losses.

My experience as a treasury manager and financial institution risk manager, spanning over a decade and a half in multiple large global and foreign banks, tells me that a bank's poor performance often results from the failure to manage its balance sheet and treasury properly. At times, better treasury management becomes the key determinant of a bank's profitability or loss.

The balance sheet of a commercial bank differs significantly from that of a typical company. A bank's balance sheet mainly consists of money — money that customers deposit and money that customers borrow as loans, i.e., liabilities and assets, respectively. In addition to loans, a bank also holds money in various forms of investments, some of which are maintained to meet regulatory requirements.

While these activities may seem simple, with the only risk being a borrower defaulting, the reality is far more complex. A bank typically manages thousands of crores or even lakh crores in total deposits from hundreds of thousands of customer accounts in multiple currencies, in addition to the domestic currency. Each deposit and loan item comes with different maturity tenors, adding to the complexity.

The Asian financial crisis in the late 1990s demonstrated that unpredictable exchange rate fluctuations lead to foreign exchange risks when banks hold assets or liabilities in foreign currencies. These uncertain movements impact a bank's earnings and capital.

As commercial banks deal with foreign currencies, they are constantly exposed to foreign exchange risk, arising from both trade and non-trade services. This risk increases when a bank holds any unhedged position—referred to as an open position—in a specific currency. Such risks are mitigated through various hedging tools.

Besides, banks are increasingly focusing on tenor mismatch, maturity ladder analysis and aligning deposit and loan maturities.

It is encouraging to see that many commercial banks in Bangladesh are beginning to recognise the importance of differentiating themselves through better treasury management. Developing a strong treasury department with well-trained dealers will soon become a critical success factor for banks.

The author is the chairman at Financial excellence Ltd.

WTO chief calls for calm amid mounting trade war

AFP, Geneva

The WTO chief called for calm Friday in the face of a swelling global trade war as US President Donald Trump slaps steep tariffs against friends and foes alike.

"I understand the enormous amount of concerns that people have about what is going on," Ngozi Okonjo-Iweala told a meeting at the World Trade Organization headquarters, insisting though that "we shouldn't panic".

She downplayed fears that the new US administration, which has been harshly critical of WTO, might decide to withdraw, as it has done from the World Health Organization and other UN bodies.

Just back from Washington, where she met with US Commerce Secretary Howard Lutnick and Trade Representative Jamieson Greer, Okonjo-Iweala said "the indications I got is that they remain part of WTO".

"They want to remain engaged," she told the event, adding that this could "give us room to (be)... I don't want to use the word hopeful, but I think it gives us room to believe that the US still find some value in being able to engage with other members at the WTO".

"That is one of the reasons I think we should keep calm, we should listen to their concerns," she said.

Since his return to office in January, Trump has introduced sweeping levies against several top US trading partners.

Even though tensions eased a notch on Thursday, after the United States hit pause on the 25-percent tariffs it slapped earlier this week on most goods coming from Mexico and Canada, the standoff with China continues.

AFP, Paris

It was another roller-coaster week in US President Donald Trump's trade war as tariffs against China came into force while Mexico and Canada were given a temporary reprieve.

Here is what happened this week and what's looming in the coming weeks:

North American standoff

Trump unveiled 25-percent tariffs on Canadian and Mexican goods on February 1, with a lower rate of 10 percent for Canadian oil.

But hours before they were due to take effect on February 4, Trump agreed to delay the move for a month.

Fast-forward to March 4: the tariffs come into force, hitting imports from Mexico such as avocado or tomatoes and Canadian goods such as lumber.

Three days later, Trump gave the two countries another one-month delay, this time on products covered under the United States-Mexico-Canada Agreement (USMCA) — a pact that the US leader signed into law during his first term in office in 2020.

More than 50 percent of Mexican goods and 38 percent of Canadian goods entered the United States under the USMCA last year, according to a White

House official.

Trump had already given automakers a similar reprieve, which will last until April 2, following talks with Ford, General Motors and Jeep owner Stellantis.

In response to the pause, Canada

delayed its own second wave of retaliatory tariffs on Can\$125 billion (\$87 billion) worth of US products until April 2.

Trump has justified the tariffs on the United States' neighbours and vital trade partners, along with China, as a response



Trucks queue near the Mexico-US border at Otay Commercial crossing in Tijuana, Baja California state, Mexico, on March 4, 2025.

PHOTO: AFP