

# star BUSINESS

## Tk 28cr hole found in BSEC capacity-building project

AHSAN HABIB

The Anti-Corruption Commission and the Bangladesh Securities and Exchange Commission (BSEC) have initially unearthed anomalies amounting to around Tk 28 crore in implementing the Regulatory Information System (RIS) project.

The project director was Saifur Rahman, an executive director at the BSEC who was sent into forced retirement last week.

The project, taken to enhance the capacity of the capital market, was financed by the Asian Development Bank (ADB) under its Third Capital Market Development Program (CMDP3).

It would enable companies to submit monthly, quarterly and annual reports as well as financial statements online. It would also enable market intermediaries to apply for registration online.

In a letter sent on February 26, BSEC informed the Ministry of Finance of its findings.

The BSEC said the project director informed all departments of the BSEC on March 20 last year through an internal office memo that the RIS project had been implemented.

But the project was actually completed in June of 2022.

Later, the commission's MIS Division requested several other departments of the BSEC to provide their opinion on the RIS. However, subsequent negative feedback cast doubt on project implementation, according to the letter.

Still, the project director submitted a project completion report (PCR) to the Finance Division of the BSEC on December 23 last year. Strangely, that report was missing the signature of the BSEC chairman.

The negative feedback that the MIS division received about the RIS and the signatureless PCR are both indications of corruption, the BSEC said in its letter.

READ MORE ON B3

Financial literacy ensures a secure future

**Financial Literacy Day 2025**

ucb.com.bd

## BB relaxes loan exit policy for troubled businesses

STAR BUSINESS REPORT

The Bangladesh Bank (BB) has relaxed the down payment requirements under its "exit policy" for default loans of closed or loss-making ventures, according to a notice issued yesterday.

Under the revised policy, borrowers can now apply for exit by paying a minimum 5 percent of the total outstanding amount of the loan, down from the previous 10 percent.

This BB measure comes as it found the condition of a 10 percent down payment quite stringent for troubled businesses seeking to wind down.

On the other hand, a non-performing loan (NPL) can now be rescheduled with a down payment of 2.5 percent to 4.5 percent, according to a central bank official.

"This is why we have relaxed the terms of the exit policy," the official told The Daily Star yesterday, seeking anonymity.

In the notification, the BB instructed banks to settle applications under this scheme within 60 days.

The exit benefit has to be approved by the bank board or its executive committee.

## BB governor to visit UK for asset recovery

STAR BUSINESS REPORT

Bangladesh Bank (BB) Governor Ahsan H Mansur will visit the United Kingdom (UK) as a part of efforts to recover laundered assets.

The information was disclosed by Press Secretary to the Chief Adviser (CA) Shafiqul Alam in a press briefing following a high-level meeting yesterday.

The meeting, titled "Recovery of Laundered Assets: Steps Taken and Challenges" was chaired by CA Muhammad Yunus and included an 11-member task force.

Allegations of rampant corruption, nepotism, and staggering capital flight have started to surface since former prime minister Sheikh Hasina fled following last year's July-August student uprising. The interim government took the initiative to investigate into the alleged money laundering and bring back the siphoned-off money from abroad.

On March 17, the central bank governor is scheduled to speak to an All-Party Parliamentary Group on corruption, emphasising the need for the UK's support in Bangladesh's asset recovery efforts, including sanctions on those assets.

"We are requesting them to freeze the assets that have been transferred there and are currently being traced," said Alam.

On March 19, a half-day conference on asset recovery will take place, involving international law firms, investigation agencies, and litigation funders.

Meetings will also be held with the Foreign, Commonwealth & Development Office, National Crime Agency, and both the current and immediate past UK secretaries of state for justice.

The press secretary also informed that work is underway with the International Anti-Corruption Coordination Centre and the World Bank's Stolen Asset Recovery (Star) Initiative to prepare for Bangladesh Asset Recovery Conference in London in early May.

The event will be attended by representatives from 8 to 10 money laundering destination countries, members of the Bangladesh task force, and other key stakeholders.

The press briefing highlighted that Bangladesh's asset recovery effort is among the largest and most complex in history.

Comparisons were drawn with Angola (\$15 billion), Malaysia's IMDB (\$11 billion), and Nigeria (\$5 billion).

It was further revealed that at least \$75 billion to \$100 billion in stolen assets from financial sector fraud, government contracts, and general corruption has primarily been transferred to the UK, US, Canada, UAE, Singapore, Malaysia, Thailand, Hong Kong, and various offshore tax havens.

READ MORE ON B3

## Rice prices at record high, but pvt importers stay on sidelines

### Bangladesh's cereal imports

In lakh tonnes; \*Jul-Mar 09, 2025; SOURCE: FOOD MINISTRY



PHOTO: TITU DAS

SUKANTA HALDER

Rice prices have been rising for roughly around one and a half years, with both premium and coarse varieties now at historic highs. Prompted by soaring prices and severe flooding in the northeast last August that devastated paddy fields, the interim government approved large-scale rice imports by private entities.

But five months after the approval and several extensions, data shows that businesses have not imported the amount they were permitted to bring in.

As of the first week of March, the private

sector had imported only 2.63 lakh tonnes of rice against the approved 16.75 lakh tonnes -- just around 17 percent of the permitted volume, according to the food ministry.

Importers say rice imports are currently unprofitable due to the high dollar exchange rate, a good Aman harvest and lower demand for imported grains.

However, an agri supply chain expert believes the August political changeover has created some sort of uncertainty, which reduces the profit assessment and market predictability for the private players.

Meanwhile, officials say a strong Aman harvest, steady public procurement, and

smooth government imports have bolstered food stocks. This has helped stabilise the local market and run public food distribution programmes for low-income groups uninterrupted.

Of the 16.75 lakh tonnes approved for import, 12.19 lakh tonnes were for parboiled rice, while the remaining was sunned rice, according to food ministry documents.

Sunned rice, known as "Atap chal" in Bangla, is made from paddy dried under the sun rather than being boiled.

In fiscal year (FY) 2024-25, retail rice prices have been climbing since August last

READ MORE ON B3

## Tariff commission flags textile smuggling ahead of Eid

Proposes critical steps to safeguard industry



A woman browses through the apparel selection at an Aarong outlet in Dhaka. With festivities in full swing ahead of Eid-ul-Fitr, the Bangladesh Trade and Tariff Commission focused on the need for urgent intervention to protect the domestic market for textiles, especially in the face of increasing competition from imports. The photo was taken recently.

PHOTO: PRABIR DAS

STAR BUSINESS REPORT

With festivities in full swing ahead of Eid-ul-Fitr, the Bangladesh Trade and Tariff Commission has emphasised the importance of safeguarding the local textile industry against the growing influx of imported garments.

As demand for apparel spikes during the country's largest shopping festival, the commission proposed several critical steps yesterday to counter the rising trend of imports, smuggling, and duty evasion that is threatening locally produced textiles.

According to a survey by the Bangladesh Shop Owners Association (BSOA), business worth around Tk 170,000 crore is conducted ahead of Eid-ul-Fitr.

With over Tk 37,000 crore spent on clothes.

However, smuggled garments often infiltrate shopping hubs, undercutting local producers, during this lucrative time.

In its recent report, the tariff commission focused on the need for urgent intervention to protect the domestic market for textiles, especially in the face of increasing competition from imports.

The Bangladesh Jamdani Manufacturers and Exporters Association (BJMEA) raised concerns about the rising availability of imported sarees, three-piece suits, "lehengas", and other garments, which could jeopardise the livelihoods of local weavers and manufacturers.

The commission's report

revealed that a significant amount of apparel enters the market through both legal and illegal channels.

The analysis shows that saree imports from India alone reached 3,300 tonnes in fiscal year 2022-23, valued at Tk 28.26 crore, before dropping to 2,526 tonnes in FY24, valued at Tk 25.89 crore.

Similarly, in FY24, imports of three-piece dresses and "lehengas" hit 37,676 tonnes, valued at Tk 1,531.56 crore. Until December 9 of this fiscal year, 16,506 tonnes, valued at Tk 658.43 crore, were brought in.

The commission further noted that the average net price per piece of imported garments appears lower than current market prices.

READ MORE ON B3

Square Pharma chairman to buy over Tk 32cr shares

STAR BUSINESS REPORT

Samuel S Chowdhury, chairman of Square Pharmaceuticals, yesterday expressed his willingness to purchase 15 lakh shares of the company, valued at over Tk 32 crore at the current market price.

Also a sponsor of the company, Samuel plans to acquire the shares at the prevailing market price in both the public and block markets through the Dhaka Stock Exchange (DSE) within the next 30 working days, Square Pharmaceuticals said in a disclosure on the premier bourse's website.

Square Pharmaceuticals' shares remained unchanged and closed at Tk 217.5 on the DSE yesterday.

In the last one month, similar announcements also came from the company's two other sponsor directors – Tapan Chowdhury and Anjan Chowdhury – who expressed their intentions to purchase 15 lakh shares each.

Yesterday, the largest drug maker said Anjan Chowdhury had completed his purchase of the shares of the company.

As of November 30 last year, Samuel held a 9.32 percent stake in Square Pharmaceuticals, a major concern of Square Group.

Following the purchase, his total stake in the company will increase to 9.49 percent.

As of January this year, sponsors and directors collectively held

READ MORE ON B3

**Bank Asia**  
Enhance your life with an easy  
**PERSONAL LOAN**  
from Bank Asia

16205



ইউনিয়ন  
ইসলামিক কার্যক্রম  
**বিপ্লবী  
হাক  
সহজ  
ব্যাংকিং**  
সর্বোচ্চ আধুনিক আর্থিক  
ব্যাংক নেটুর  
বিশ্বে প্রাপ্ত সর্বোচ্চ

البنكية الإسلامية  
EBL Islamic Banking



# UCB signs deal with DMTCL to install CRM, ATM in metro rail stations

STAR BUSINESS DESK

United Commercial Bank PLC (UCB) signed an agreement with Dhaka Mass Transit Company Limited (DMTCL) to install CRM and ATM machines at the Metro Rail stations of MRT Line-6 to facilitate financial transactions for passengers.

Khondaker Ehteshamul Kabir, joint secretary and company secretary of DMTCL, and Mohammad Shafiqur Rahman, head of retail business division of the bank, signed the agreement at the Metro Rail Building in the capital yesterday, according to a press release.

Under this agreement, cash recycling machines (CRM) and automated teller machines (ATM) will be installed at various Metro Rail stations, making financial transactions more accessible for Metro Rail passengers.

This initiative will allow Metro Rail passengers to conduct essential financial transactions during their daily commutes or after completing their daily activities. It will ensure time-saving and uninterrupted banking services for passengers.

Faruque Ahmed, managing director of DMTCL, and Mohammad Mamdudur Rashid, managing director and CEO of the bank, attended the programme.

Commenting on the partnership agreement, UCB MD Rashid said, "By



**Mhammad Mamdudur Rashid, managing director and CEO of United Commercial Bank, and Faruque Ahmed, managing director of Dhaka Mass Transit Company Limited, shake hands and exchange signed documents of an agreement at the Metro Rail Building in the capital yesterday.**

PHOTO: UNITED COMMERCIAL BANK

installing CRM and ATM machines at Metro Rail stations, we aim to make financial services more convenient and accessible for passengers. This initiative will expand our customer service reach."

Both parties are optimistic that this agreement will add a new dimension to

financial services in Bangladesh's public transport sector and play a crucial role in promoting digital banking facilities, the press release added.

AKM Khairul Alam, director (administration) secretary of DMTCL; Khondaker Ehteshamul Kabir, joint

secretary and company secretary; Abdullah Al Mamoon, deputy managing director of the bank; and Mohammad Shafiqur Rahman, head of retail business division, along with other senior executives from both organisations, were also present.

## NCC Bank unveils Islamic banking window at Motijheel Main branch



**M Shamsul Arefin, managing director of NCC Bank, inaugurates an Islamic banking window of the bank at the Motijheel Main branch in Dhaka recently.**

PHOTO: NCC BANK

STAR BUSINESS DESK

The National Credit and Commerce Bank (NCC Bank) PLC recently launched a new banking service unit, styled "Islamic Banking Window", at the Motijheel Main branch, aiming to broaden its portfolio of services in accordance with Islamic Shariah principles.

M Shamsul Arefin, managing director of the bank, inaugurated the service as the chief guest, said a press release.

Arefin reaffirmed NCC Bank's unwavering commitment to addressing the surging demand for Islamic banking in Bangladesh.

He further noted that the bank has received highly positive feedback from customers since the inception of its sole fully fledged Islamic banking branch.

"As part of its strategic expansion, the bank plans to extend its Islamic banking services by establishing additional branches, in addition to gradually rolling out Islamic Banking Windows across its entire network, beginning with the 32 principal branches," he disclosed.

Arefin also underscored the bank's rigorous adherence to Shariah principles, with oversight provided by its dedicated Shariah board.

He urged both business leaders and customers to collaborate with NCC Bank for Islamic banking services, highlighting the seamless experience available through its advanced digital platform.

## India inflation likely eased below 4 % in February

REUTERS, Bengaluru

India's February consumer inflation likely eased below the Reserve Bank of India's medium-term target of 4.0 percent for the first time in six months on moderating food price rises, a Reuters poll showed, bolstering expectations of interest rate cuts.

As fresh winter produce hit markets over the past few months, food items - which make up nearly half of the inflation basket - saw a sustained slowdown in price increases.

That marked a welcome reprieve from supply disruptions last year when unpredictable monsoons and intense heat waves sent food prices soaring, often by double digits.

A Reuters poll of 45 economists taken March 4-10 predicted inflation as measured by the annual change in the consumer price index fell to 3.98 percent in February from 4.31 percent in January.

Forecasts for the data, set to be released on March 12 at 1030 GMT, ranged from 3.40 percent to 4.65 percent, with nearly 70 percent of respondents expecting it to come in at or below the RBI's medium-term target of 4.0 percent. Only five predicted it would exceed January's reading.

"We see a continued slowdown in vegetable price rises," said Gaura Sengupta, chief economist at IDFC First Bank.

"The other, even more positive fact is that we are also seeing softness in pulse prices as well as cereals, which are the most sticky part of food inflation because their harvest season is not as frequent."

With inflation comfortably within the RBI's 2-6 percent target range, economists say the central bank is likely gearing up for another interest rate cut in April to support slowing economic growth, following a quarter-point reduction in February.

A separate Reuters poll showed it would be a short and shallow rate-cutting cycle.

Meanwhile, warnings from the India Meteorological Department, opens new tab that summer and heatwaves could start early have raised concerns that inflation could rise again once winter supplies start to run out.

"We do expect the correction in vegetable prices to start reversing possibly as early as March, with risks from heatwaves and weather-related disruptions to crops," wrote Rahul Bajaria, India & ASEAN economist at Bank of America.

| PRICES OF KEY ESSENTIALS IN DHAKA CITY |                      |  |  |
|--|----------------------|--|--|
|  | PRICE (MAR 10, 2025) | % CHANGES FROM A MONTH AGO                 | % CHANGE FROM A YEAR AGO                   |
| Fine rice (kg)                         | Tk 72-Tk 85          | 1.29 <span style="color: green;">↑</span>  | 14.60 <span style="color: green;">↑</span> |
| Coarse rice (kg)                       | Tk 50-Tk 55          | 0  | 5.00 <span style="color: green;">↑</span>  |
| Loose flour (kg)                       | Tk 40-Tk 45          | 0  | -10.53 <span style="color: red;">↓</span>  |
| Lentil (kg)                            | Tk 105-Tk 110        | 0  | 0  |
| Soybean (litre)                        | Tk 170-Tk 184        | -3.01 <span style="color: red;">↓</span>   | 16.83 <span style="color: green;">↑</span> |
| Potato (kg)                            | Tk 20-Tk 30          | 11.11 <span style="color: green;">↑</span> | -33.33 <span style="color: red;">↓</span>  |
| Onion (kg)                             | Tk 35-Tk 50          | -5.56 <span style="color: red;">↓</span>   | -55.26 <span style="color: red;">↓</span>  |
| Egg (4 pcs)                            | Tk 40-Tk 45          | -5.56 <span style="color: red;">↓</span>   | -2.30 <span style="color: red;">↓</span>   |

SOURCE: TCB

## BRAC Bank branches achieve Tk 2,000cr net deposit growth in Feb 2025

STAR BUSINESS DESK

BRAC Bank's branch network recorded a remarkable net deposit growth of Tk 2,000 crore in February this year.

To commemorate this significant achievement, the bank organised a celebratory programme at its head office in Dhaka, said a press release.

Sheikh Mohammad Ashfaque, deputy managing director and head of branch distribution network at the bank, was joined by key leaders from the branch network to mark this milestone.

Reflecting on the bank's success in deposit mobilisation, Ashfaque remarked, "Our sustained success in growing customer deposits has been rooted in robust customer engagement and long term relationships." Ongoing efforts to expand our branch network while delivering cutting edge digital banking solutions have been the driving forces behind this achievement," he added.

Looking ahead, Ashfaque expressed confidence, stating, "We are optimistic that this momentum will propel us toward even greater success in 2025 and beyond."



**Sheikh Mohammad Ashfaque, deputy managing director and head of branch distribution network at BRAC Bank, poses for group photographs with the leaders of the branch network to celebrate the deposit milestone at the bank's head office in Dhaka recently.**

PHOTO: BRAC BANK

## The end of cheap palm oil?

FROM PAGE B4

But Malaysia's palm oil production stagnated more than a decade ago because of lack of space for new plantations and slow replanting, while deforestation concerns have slowed growth in Indonesia.

Even in Indonesia, replanting by smallholders, who generate 40 percent of its supply, remains sluggish.

As a result, global production growth has slowed to 1 percent annually over the past four years.

In the current decade, production growth is likely to average 1.3 million tons a year, said analyst Thomas Mielke, executive director of Hamburg-based forecaster Oil World, less than half the average of 2.9 million in the decade to 2020.

Production could lose even more momentum from the impact of

labour shortages, ageing plantations and the spread of Ganoderma fungus, which is hurting yields, Mielke said.

### REPLANTING RELUCTANCE

Oil palms, which start losing productivity after 20 years, need to be replaced after 25 years, with new trees taking three to four years to yield fruit, rendering land unproductive until then and making farmers reluctant to replant.

Malaysia replanted 114,000 hectares (282,000 acres), or just 2 percent of total planted area in 2024, against a target of 4 percent to 5 percent, Plantation Minister Johari Abdul Ghani said in February.

In Indonesia, slow replanting has brought lower yields amid as plantations get older, said GAPKI official Fadhil Hasan. Its yields of crude palm oil fell 11.4 percent to 3.42

tons per hectare in a decade.

While countries from Colombia and Ecuador to Ivory Coast and Nigeria have boosted palm oil output, industry officials say growth among newer players falls short of rising demand, particularly for biofuel.

Both Mistry and Mielke called for Indonesia to resume issuing new permits for palm oil plantations, a practice it halted in 2018.

"If Indonesia keeps the moratorium on new planting, there will be periodic shortages and spells of very high palm oil prices," said Mistry.

The restricted production that resulted would inflict higher prices on 3 billion to 4 billion consumers in the developing world, he added.

Demand is already softening in key markets thanks to rising prices, and even industrial buyers are seeking

alternatives, SD Guthrie International CEO Shariman Alwani Mohamed Nordin told an industry conference in February. Still, palm oil consumption will keep surging, fuelled by demand from chemicals and biofuel, industry officials say.

"We see huge demand increase happening for palm oil and with the limited land, we feel, there would be demand and supply imbalance," said Harish Harlan, vice president at P&G Chemicals.

Higher palm oil prices could ripple out to boost those of rival oils as demand shifts, said Sanjeev Asthana, CEO of India's Patanjali Foods Ltd.

"As buyers switch to soy and sunflower, their prices shoot up too," he added. "Plus, there's only so much of those oils available, so they can't completely palm oil's place."

FROM PAGE B4  
It is massively detrimental for the stock market and eroded the image of the country abroad," he said.

He added that such an incident had never occurred in any regulatory body across the world.

"For the sake of national interests, a regulatory body cannot run with such indiscipline," he said, ordering

the officials to carry out their tasks with full responsibility and discipline.

He expressed hope that the BSEC

would continue to carry out its tasks at full pace with the help of all its officials.

Md Mohsin Chowdhury, Md Ali Akbar, and Farzana Lalarukh,

commissioners of the BSEC, were

present at the meeting.

He emphasised the need for greater

youth representation in decision-making processes and ensuring youth-centric policies.

He also said if the government and stakeholders remain committed, and if the youth take an active role in driving change, Bangladesh will achieve sustainable, inclusive, and long-term development. He urged all to work together, raise voices, and take action for a better future.

## Youth at heart

FROM PAGE B4  
the SDGs. However, he said, youth engagement in policymaking is still limited.

Another distinguished fellow of the CPD, Mustafizur Rahman, said the VNR 2025 should reflect the voices of young people, highlighting aspirations, challenges, and recommendations.

He emphasised the need for greater

youth representation in decision-making processes and ensuring youth-centric policies.

He also said if the government and stakeholders remain committed, and if the youth take an active role in driving change, Bangladesh will achieve sustainable, inclusive, and long-term development. He urged all to work together, raise voices, and take action for a better future.

He emphasised the need for greater

youth representation in decision-making processes and ensuring youth-centric policies.

He also said if the government and stakeholders remain committed, and if the youth take an active role in driving change, Bangladesh will achieve sustainable, inclusive, and long-term development. He urged all to work together, raise voices, and take action for a better future.

## No new notes this Eid

STAR BUSINESS DESK

The Bangladesh Bank has suspended the exchange of fresh notes for the public ahead of the upcoming Eid-ul-Fitr.

In a directive issued on Sunday, the central bank instructed all the scheduled banks to comply with this directive.

According to the Bangladesh Bank, branches holding fresh notes must refrain from exchanging them and instead keep them in reserve. Banks have been advised to complete all cash transactions using re-circulated notes.

Arif Hossain Khan, a spokesperson at the Bangladesh Bank, said banknotes with new designs will be released in April-May.

Therefore, the existing notes with the previous design are being withdrawn, and their circulation has also been suspended.

## BB relaxes loan exit policy

FROM PAGE B1  
According to the notification, bank management can now approve exit facilities for loans up to Tk 20 lakh, up from the previous limit of Tk 10 lakh.

But loans exceeding this amount will require board approval.

Regarding this, the BB official explained that the amount has been increased so that boards are not required to deal with small amounts.

Loans availing the exit facility will continue to be classified as defaulted until fully recovered.

This means borrowers who partially repay their loans will not be able to regularise their accounts as before. They will remain classified as defaulters until the full amount is repaid and will be ineligible for new loans during this period.

If borrowers fail to meet their repayment obligations after availing the facility, banks can take legal measures to recover their dues.

BB introduced the exit

STAR BUSINESS REPORT

The basis proposed for setting gas tariffs is unconstitutional, against the laws and against the principles of fairness, according to the Bangladesh Chamber of Industries (BCI) recently.

The proposals were to set gas tariffs solely based on the liquefied natural gas (LNG) import price for new connections and excess gas usage than the sanctioned load for existing connections, it said.

The "unrealistic" and "one-sided" gas price hike during the previous government was the main reason behind the troubles being faced by industries, it added.

In a letter to Bangladesh Energy Regulatory Commission (BERC) on March 9 following a public hearing on price hike proposals, the BCI demanded to reduce gas prices through the curbing of system losses.

"Before the price hike, energy cost used to be 5 to 6 percent among the overall production cost, which now stands at 10-15 percent," wrote the chamber of the industrial community.

For example, the energy cost for producing one yard of fabric was Tk 18 in 2022, and it increased to Tk 26 in 2023, said the letter.

Besides, the cost per kilogramme (kg) for

yarn production reached \$2.45, whereas it is possible to import each kg of knit fabric from neighbouring countries at \$2.18, it said.

As a result, in 2024, knitwear imports increased by 39 percent. "How will industries survive under these conditions?" asked the BCI.

"During the gas price hike in 2023, a promise was made to entrepreneurs for uninterrupted gas supply, but entrepreneurs are receiving only 30-40 percent of the required gas, and production is being hampered due to low pressure," it said.

The BCI said production of every industrial establishment has decreased by 30 percent to 40 percent.

This is due to the "one-sided" decision and the failure to provide uninterrupted gas supply, particularly in areas like Gazipur, Ashulia, Savar, Narayanganj, Munshiganj, Bhaluka, and Narsingdi, it said.

For some industries, such as ceramics and steel, production has decreased by 50 percent, it said.

Consequently, the contribution of industries to the GDP dropped from 8.37 percent in fiscal year 2022-23 to 3.57 percent in the fiscal year 2023-24, the letter said.

The private sector loan growth

increased, foreign direct investment decreased and other indicators also reflect the troubles faced by industries, it said. The BCI argued that the articles 27 and 31 of the constitution guarantee equality for all and if the proposals were implemented, the same customers would be treated unequally.

Besides, the Gas Act 2010 and BERC Act 2003 clearly state that its goals were to create a competitive market through the participation of the private sector and individuals whereas the proposals were noncompetitive, it said.

"Regardless of the time of connection, all gas customers use a mix of gas supplied from the national grid and imported LNG," it said.

"Therefore, imposing a price nearly two and a half times higher for new customers than for those who were previously connected is contrary to the constitution, the law, and the principles of fairness," the letter concluded.

The consideration of such proposals from the regulatory body caused panic among business owners and entrepreneurs across the country, the letter said.

The BCI suggested to reduce the price from Tk 30 per unit to Tk 24.39 for industrial and business sectors.

## Rice prices

FROM PAGE B1  
year, when floods disrupted Aman paddy cultivation in the northeastern swathe of the country.

To curb further price hikes caused by reduced yields, the government encouraged imports to boost stocks and ease price pressures.

Because rice prices historically remain at the core of Bangladesh's inflation metrics.

The overall inflation has remained above 9 percent since March 2023, straining low and middle-income households.

Md Masudul Hasan, secretary of the Ministry of Food, told The Daily Star that "moderate" Aman procurement, smooth government rice imports, and government-to-government (G2G) import deals have strengthened food reserves.

This has ensured a stable supply through public food distribution initiatives like Open Market Sales (OMS) and Trading Corporation of Bangladesh (TCB) truck sales, he said.

"These market interventions benefit millions of poor families and help keep rice prices stable," he added.

WHAT THE IMPORTERS SAY?

Alamgir Hossain, a rice importer, said that although he has permission to import 35,000 tonnes, he has only managed to bring in 9,000 tonnes.

"Imported rice is not profitable in the local market, which is why I haven't imported the full amount," he said, adding that high dollar prices and limited availability of the US dollar for LC opening are major obstacles.

For example, he said, when a letter of credit is opened, the exchange rate is Tk 122. By the time the settlement is made, it rises to Tk 122.50.

"With a profit margin of only Tk 0.25 to Tk 0.50 per kg, doing business under these conditions is very difficult," he said.

Md Ziaur Rahman, procurement manager of ACI Foods Limited, said his company received approval to import 6,000 tonnes but has only imported 1,800 tonnes so far.

"We import rice at Tk 70 per kg, but unless we sell it for Tk 75 to Tk 76 per kg, there is no profit. Neither the price nor the quality aligns with the local market," he said.

Chitta Majumder, managing director of Majumder Group of Industries, which imports rice from India and also buys from local mills, said his company was allowed to import 100,000 tonnes but has so far imported only 22,000 tonnes.

"Out of the 22,000 tonnes, 15,000 tonnes remain unsold due to weak demand. Selling them now would mean losses," he said. The company imported medium grain rice at Tk 52 per kg and had

to sell it for Tk 54 to Tk 55 per kg. "There's no profit in importing when demand is low," he added.

Mohammad Jahangir Alam, a professor of the Department of Agribusiness and Marketing at the Bangladesh Agricultural University, said that political turbulence has created an uncertain environment amid which private sector traders cannot assess the market and their profitability.

"Besides, several G2G initiatives are currently in place, bringing in large-scale rice consignments. This further discourages the private importers," Alam added.

## NO RICE BELOW TK 50 A KG

State-run Trading Corporation of Bangladesh (TCB) data shows that rice prices in Dhaka markets remained unchanged over the past week.

Yesterday, fine rice was priced between Tk 72 and Tk 85 per kg, medium-grain rice between Tk 58 and Tk 65 per kg, and coarse rice between Tk 50 and Tk 55 per kg.

Over the past month, the price of fine rice has increased by 1.29 percent, medium-grain rice by 0.82 percent, while coarse rice prices have fallen by 1.87 percent. Year-on-year, fine rice prices have risen by 14.60 percent, medium-grain rice by 13.89 percent, and coarse rice by 5 percent.

Bangladesh requires 3.7 to 3.9 crore tonnes of rice annually, with most of the demand met through domestic production. The country did not import any rice in the 2023-24 fiscal year.

The ACC also brought allegations of anomalies involving Tk 28 crore.

The enforcement team will submit a report on its findings soon, it added.

Saifur Rahman's phone was found switched off and he did not reply text message.

ACC TESTS OUT RIS SOFTWARE

An enforcement team of the ACC visited the BSEC yesterday to investigate the RIS software system, according to a press release.

By taking statements from BSEC officials and physical inspection, it

found that "although the project completion report was submitted to the ministry, the software has not been installed and transferred yet".

The ACC also brought allegations of anomalies involving Tk 28 crore.

The enforcement team will submit a report on its findings soon, it added.

Saifur Rahman's phone was found switched off and he did not reply text message.

## Oil steady as tariff uncertainty keeps investors on edge

REUTERS, London

Oil prices held steady on Monday as concern over the impact of US import tariffs on global economic growth and fuel demand, as well as rising output from Opec+ producers, cooled investor appetite for riskier assets.

Brent crude was down 11 cents at \$70.25 a barrel by 0856 GMT. US West Texas Intermediate crude was at \$66.87, down 17 cents on the day.

Last week marked WTI's seventh consecutive weekly loss, the longest losing streak since November 2023, while Brent fell for a third consecutive week.

## No action taken based on white paper

STAR BUSINESS REPORT

The interim government has not taken any of the measures recommended by the White Paper on the state of the economy and the task force, even after a long time since the report's submission, said an economist yesterday.

"We are yet to see any progress or discussion inside the government about the White Paper and the task force's recommendations," said Prof Selim Raihan, a member of the both White Paper and Task Force.

"Even the interim government didn't ask us (panel members) to explain what we had written or recommended," said Prof Raihan, also the executive director of the South Asian Network on Economic Modeling (Sanem).

He made the comments at a seminar titled "Unveiling the Truth: The State of Bangladesh's Economy and Governance," held at the University of Dhaka's Economics Department. The event, organised by the Economics Study Center, was attended by nearly a hundred students.

On 28 August, a 12-member committee was formed, was given three months to prepare the report, submitted on December 01, which aims to provide a clearer picture of the economy.

"There was a significant opportunity for the government to engage with panel members, who are among the country's top economists," said Raihan.

He further noted that various institutions and ministries could have implemented the recommendations relevant to their respective sectors, but no such steps have been taken.

## Tariff commission

FROM PAGE B1



Khondoker Rashed Maqsood

Not everyone participated in protests spontaneously

**BSEC chairman says**

**STAR BUSINESS REPORT**

Not all officials participated in the protest and incidents that occurred at the Bangladesh Securities and Exchange Commission (BSEC) on March 5 spontaneously, Khondoker Rashed Maqsood, the chairman of the commission, said yesterday.

The regulator will keep this fact in mind when taking further steps in this regard, he said during a meeting with BSEC officials on its premises in the capital.

"...many did not participate spontaneously, the commission believes that," he was quoted as saying by a press release issued yesterday.

The chairman made the comments in his first meeting with the three commissioners since last week's standoff, the release added.

The incident, sparked by demands for the resignation of the commission's leadership, initially saw BSEC officials and employees lead a protest.

But things quickly took an untoward turn as some of the agitators confined the chairman and three commissioners to an office for four hours. They shouted threats, cut off power to the office room, and disabled the closed-circuit television (CCTV) system to avoid detection.

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

However, 13 of them have already been granted bail.

After being granted bail, BSEC executive director Md Mahbubul Alam submitted a letter of resignation.

BSEC chairman Maqsood said the incidents were instigated by some "undisciplined" officials and termed their decision to confine the officials to an office as "hugely unexpected".

"This type of occurrence is a breach of administrative discipline and is a criminal offence."

READ MORE ON B2

## Malaysia's palm oil stocks hit nearly 2-year low in Feb

REUTERS, Kuala Lumpur

Malaysia's palm oil stocks fell for a fifth month in February to their lowest in 22 months as production declined, outweighing a reduction in exports, data from the industry regulator showed on Monday.

The drop in stocks in the world's second-largest palm oil producer after Indonesia could support benchmark futures, traders said, even as the tropical oil's premium over soybean oil reduces demand from price-sensitive importing countries. Malaysia's palm oil stocks at the end of February fell 4.31 percent from the previous month to 1.51 million tonnes, the lowest level since April 2023, according to the Malaysian Palm Oil Board, or MPOB.

Crude palm oil production in February fell 4.16 percent to 1.19 million tons, the lowest level in three years, after floods disrupted production. Palm oil exports fell 16.27 percent to hit 4-year low of 1 million tons, it said.

A Reuters survey had forecast inventories at 1.48 million tons, with output seen at 1.16 million tons and exports at 1.05 million tons. Malaysia's palm oil inventories fell in February to their lowest level in nearly two years due to production disruptions caused by the floods in the country.

Malaysia's palm oil inventories fell in February to their lowest level in nearly two years due to production disruptions caused by the floods in the country.

While stocks were slightly higher than market expectations, the ongoing supply tightness caused by lower output is likely to support prices, said Anilkumar Bagani, research head of Mumbai-based vegetable oil broker Sunvin Group.

## Wage growth slips again, squeezing low-income households



Workers carrying sea fish-filled sacks after offloading them from the fishing trawler at Karnaphuli ghat. The photo was taken from the Sadarghat area of Chattogram last month. The wages of informal workers, paid daily across 63 occupations in the agriculture, industry, and service sectors, grew by 8.12 percent in February, down from 8.16 percent a month earlier. The gap between inflation and wage growth stood at 1.2 percentage points last month, forcing low-income and unskilled workers to cut consumption, according to analysts.

PHOTO: RAJIB RAIHAN

MD ASADUZ ZAMAN

Wage growth slowed in February and was outpaced by inflation for the 37th consecutive month, further eroding real incomes and making low-income groups increasingly vulnerable amid rising costs of living.

According to the Wage Rate Index (WRI) of the Bangladesh Bureau of Statistics (BBS) – which tracks the wages of informal workers paid daily across 63 occupations in the agriculture, industry, and service sectors – the wage rate grew 8.12 percent in February, down from 8.16 percent a month earlier.

This was the second time the growth rate was low compared to the previous month since January 2021, as per BBS data.

This left the gap between inflation and wage growth at 1.2 percentage points last month, forcing low-income and unskilled workers to cut consumption, according to analysts.

A recent report on Bangladesh by the Food and Agriculture Organization of the United Nations (FAO) supports this assertion.

The FAO stated that the number of people in Bangladesh facing high levels of acute food insecurity increased by 70 lakh to 2.36 crore in December last year, compared to 1.65 crore at the end of October 2024.

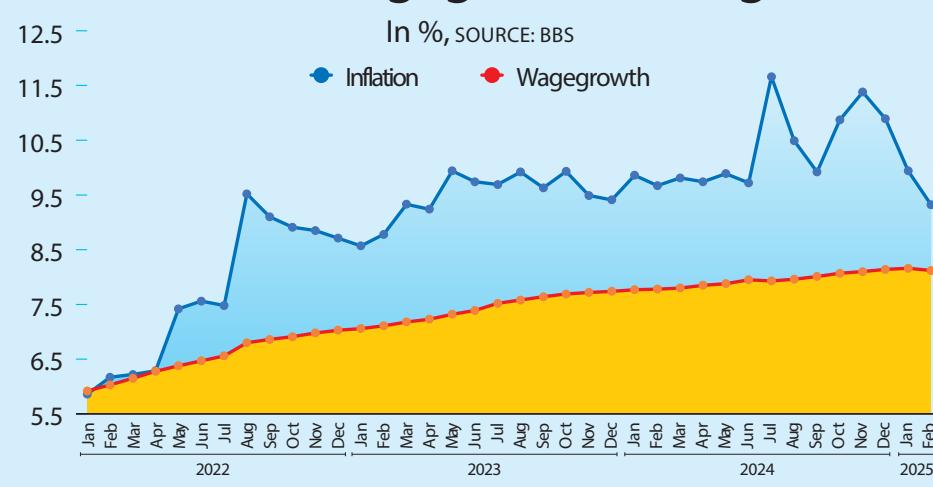
"The decline in wage growth will further impact low-income groups," said Mustafa K Mujeri, executive director of the Institute for Inclusive Finance and Development.

"This will force them to compromise on balanced diets, with protein-rich and essential foods being excluded from their meals."

However, Mujeri believes this decline is a result of the ongoing economic downturn.

In a healthy economic environment,

### Inflation and wage growth in Bangladesh



wage growth typically aligns with overall economic expansion. However, given the current economic reality, the economy is not functioning dynamically, he said.

"Growth is stagnant across most sectors, and where it exists, it's minimal. In this situation, wage growth seems highly unlikely," he said.

Echoing those sentiments, Mohammad Lutfor Rahman, a professor of economics at Jahangirnagar University, said the slowdown in development spending has contributed to the lower growth rate.

After the ouster of the Awami League government in August last year, development activities in the country, including those in the private sector, declined significantly.

For example, the implementation of the Annual Development Programme (ADP) stood at just 21.52 percent in the first seven months of fiscal year 2024-25 as public works were hindered by political unrest, according to planning ministry data.

Due to the decrease in demand, day labourers are not receiving higher wages, Rahman said.

However, inflation has eased slightly in each of the past three months.

Last month, the Consumer Price Index (CPI), which measures changes in the prices paid by consumers, dropped to 9.32 percent from January's 9.94 percent, according to the BBS data.

READ MORE ON B2

## The end of cheap palm oil? Output stalls as biodiesel demand surges

REUTERS, Kuala Lumpur

Prices of cooking oil could be buoyed up for years by stagnating production and a biodiesel push in top producer Indonesia that are making traditionally cheap palm oil costlier, eliminating an advantage that also curbed prices of rival oils.

Used in everything from cakes and frying fats to cosmetics and cleaning products, palm oil makes up more than half of global vegetable oil shipments and is especially popular among consumers in emerging markets, led by India.

After decades of cheap palm oil, thanks to booming output and a battle for market share, output is slowing and Indonesia is using more to make biodiesel, respected industry analyst Dorab Mistry said.

"Those days of \$400-per-ton discounts are gone," added Mistry, a director of Indian consumer goods company Godrej International. "Palm oil won't be that cheap again as long as Indonesia keeps prioritising biodiesel."

Palm oil, which usually trades at a discount to rival oils, has started trading in premium because of lower output and higher demand for biofuels.

Palm oil, which usually trades at a discount to rival oils, has started trading in premium because of lower output and higher demand for biofuels.

higher demand for biofuels.

Indonesia increased the mandatory mix of palm oil in biodiesel to 40 percent this year, and is studying moving to 50 percent in 2026, as well as a 3 percent blend for jet fuel next year, as it seeks to

curb fuel imports.

The biodiesel push will reduce Indonesia's exports to just 20 million metric tons in 2030, down a third from 29.5 million in 2024, estimates Eddy Martono, chairman of the southeast Asian nation's

largest palm oil association, GAPKI.

Jakarta's biodiesel mandate, coupled with lower production because of floods in neighbouring Malaysia, has already lifted palm oil prices above rival soybean, prompting buyers to cut purchases.

In India, the largest buyer of vegetable oils, crude palm oil (CPO) has commanded a premium over crude soybean oil for the past six months, sometimes exceeding \$100 per ton. As recently as late 2022, palm oil traded at discounts of more than \$400.

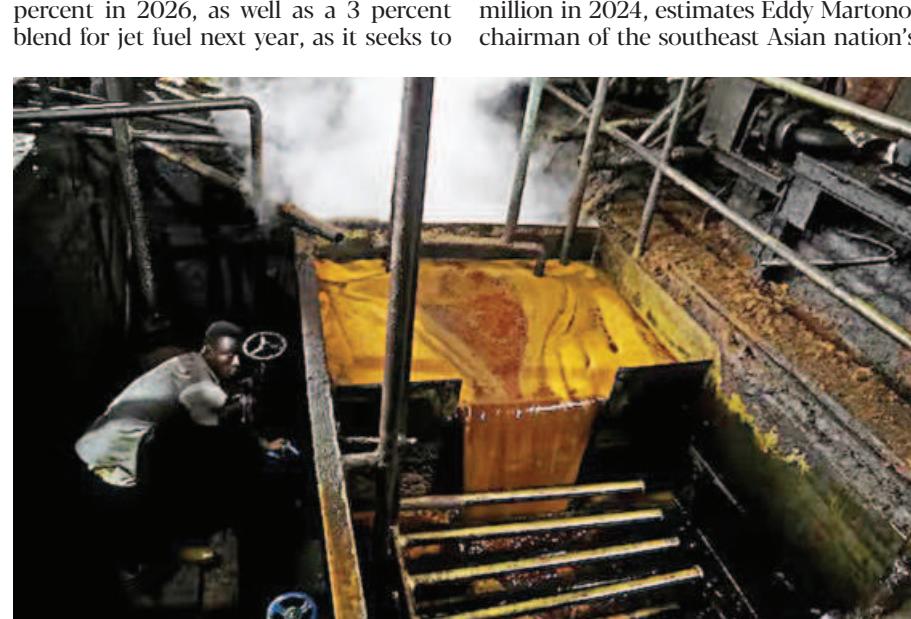
Novameal layers shredded 'beef' by forming a network of fibers that mimic the texture and mouthfeel of real meat.

Indians were paying \$1,185 a ton for crude palm oil last week, up from less than \$500 in 2019.

Higher vegetable oil prices could complicate governments' efforts to rein in inflation, whether in palm oil-reliant nations or those dependent on rival soybean, sunflower, and rapeseed oils.

**STUNTED GROWTH**

Palm oil production, dominated by Indonesia and Malaysia, nearly doubled every decade from 1980 to 2020, fueling criticism over deforestation to add plantations. During that time, average annual production growth of more than 7 percent was roughly in line with demand.



Crude palm oil pours during processing at Agrivar, a palm oil factory in Samo, Ivory Coast on April 13, 2022.

## 'Youth at heart of sustainable growth'

STAR BUSINESS REPORT

Bangladesh has a promising future with its young and dynamic workforce accelerating economic growth, but challenges like youth unemployment, skill mismatches, and climate concerns must be tackled for a sustainable and inclusive future, said experts at a discussion yesterday.

As the country prepares for Voluntary National Review (VNR) 2025, the experts stress the importance of adapting, innovating, and empowering the youth to lead the charge toward a thriving, equitable future.

As the country prepares for the VNR 2025, which will assess its performance on the SDGs, one thing is clear—the future belongs to those who can adapt, innovate, and lead," said Debabrata Bhattacharya, distinguished fellow of the Centre for Policy Dialogue.

He made this statement while summarising the discussion of youth participants in a consultation titled "National SDG Report (VNR): Perspective of Youth", organised by the Citizen's Platform for SDGs, Bangladesh, at the Bangabandhu China Friendship Conference Centre in the capital's Agargaon.

Referring to the youth's group discussion, he said job markets are shifting, digital transformation is accelerating, and sustainability is no longer an option—it is a necessity.

Yet, youth unemployment, skill mismatches, and climate concerns threaten to slow down progress, he said.

He asked the question, "Are we truly equipping the next generation to drive Bangladesh's economic growth while keeping sustainability at the core?"

"Particularly in education (SDG 4), decent work (SDG 8), and climate action (SDG 13). However, this won't happen unless businesses, policymakers, and young professionals come together with a clear agenda," he pointed out.

He also asked, "Are we investing enough in youth-led entrepreneurship, and are businesses adapting to the skills of tomorrow?"

The answers to these questions will determine whether Bangladesh moves forward or falls behind in the race for a sustainable and inclusive future, he added.

**To reduce inequalities, Bangladesh must ensure equal access to education, healthcare, and economic opportunities for all citizens, regardless of gender, socio-economic background, or geographical location**

According to him, the VNR 2025 will highlight Bangladesh's progress, and the youth can play a crucial role in shaping the future of the nation.

The CPD's distinguished fellow said climate change is a major concern for Bangladesh, and it directly impacts the SDGs.

He emphasised that securing the future requires the active engagement of young people in climate action. He warned that without urgent measures, environmental challenges could threaten long term economic stability and public health.

Addressing the programme, Shishab Quader, director general (SDG affairs) at the Chief Adviser's Office, said the youth need access to affordable and inclusive learning opportunities that prepare them for the job market.

While Bangladesh is progressing towards a digital economy, it needs more investments in innovation, startups, and skill development programmes, he said.

Anowar Haq, assistant resident representative of the United Nations Development Programme, Bangladesh, encouraged entrepreneurship and ensuring equal job opportunities for all, including women and marginalised communities.

He also stressed better awareness for the youth population and access to healthcare services, particularly in rural areas.

To reduce inequalities, Bangladesh must ensure equal access to education, healthcare, and economic opportunities for all citizens, regardless of gender, socio-economic background, or geographical location, he added.

He also said marginalised communities and persons with disabilities must be included in national development plans.

Haq said the roles of the government, private sector, and civil society are crucial in driving progress towards

READ MORE ON B2