

# Market syndicates commonplace for legal loopholes

Says chief adviser's special envoy

STAR BUSINESS REPORT

Market syndicates, which frequently make headlines for abrupt price hikes, have been almost institutionalised due to malpractices in the formulation of legal frameworks, said the chief adviser's special envoy for international affairs yesterday.

"In some cases, anticompetitive clauses can be found inserted within existing laws. So that this syndicate becomes almost legal, lawful and institutional," said the envoy, Lutfeq Siddiqi.

"We need to address these issues through reforms," he said at a discussion, titled "LDC Graduation: Impacts on Agro Sector Export Diversification and the Way Forward".

The event was jointly organised by the Economic Reporters Forum (ERF) and Bangladesh Agrochemical Manufacturers Association on the former's premises in Dhaka.

"Wherever I look, whatever I see, one word keeps coming up repeatedly – syndicate. In places where we are

supposed to have market forces, competition and fair play, only the word syndicate appears," Siddiqi said.

And along with syndicate, the word nexus also comes up. If syndicates exist among businesses owners, these turn into nexuses through the inclusion of public servants, he added.

When such nexuses and syndicates exist, the market does not function as expected within a regulatory environment, where market forces should have naturally determined the outcome, he said.

The same template keeps appearing in every sector and industry, said Siddiqi.

The interim government has been closely observing the rising prices of essential commodities and air tickets, he said, adding, "We are working on controlling it. I believe the work is progressing as planned."

"We must achieve LDC graduation. Be it today or tomorrow, it is inevitable," he said.

"We currently enjoy duty-free access to the EU market. They ask us, 'We are giving you so many advantages, so why is your tax-to-GDP ratio so low? Why is private investment so low?'," said Siddiqi.

"Instead of solely focusing on LDC graduation, we need to think about 'One Bangladesh' – how we can advance as a nation. We must consider what the government, politicians, and businesses can and must do to drive progress," he said.

"We have the potential to become a business hub, something that India and China cannot achieve in the same way. This is an opportunity we must capitalise on," he said.

"Additionally, we can establish processing centres, particularly

for halal meat, and take up people-processing initiatives. We can enhance the skills of our workforce and send more skilled professionals abroad," said Siddiqi.

The interim government has noticed that state bodies do not facilitate the ease of doing business. Ministries just forward letters among themselves, creating bureaucratic delays, he said.

This has prompted the interim government to form an inter-ministerial committee to identify and address the bottlenecks. By next month, the "National Single Window" will be launched, he added.

Initiated by the National Board of Revenue (NBR), the "National Single Window" is a simplified platform for global trade aimed at easing business processes by reducing procedural time.

The single-entry point will deliver a user-friendly electronic system that streamlines and automates procedures for international trade-related permits, licenses, certificates, and customs declarations.

## Lift Tk 50,000

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The panel favoured imposing a three-month lock-in for half of the holdings of institutional investors, meaning they cannot sell shares for that period, so they take a well-thought-out decision during bidding for the price discovery.

The 10 percent cap – also known as a circuit breaker – should not apply to share prices in the first three days of any firm being listed.

"This is likely to reduce the post-IPO euphoria and reduce the risk of investors buying shares at high prices," the task force said.

The panel proposed the regulator cut the time for IPOs to get listed with the stock exchanges to six months. At present, it takes as much as one year to float shares and get listed as per the fixed method and up to three years for a firm to be listed under the book-building or price discovery method.

"The IPO checklist is to be revamped so that the issuers know what to file with the IPO application.

"There will be only one approval from BSEC," it said, adding that the regulator currently approves prospectuses twice.

"This will reduce time," said the taskforce, suggesting opening an online dashboard to track the progress of IPO files.

To encourage new

investors, the taskforce proposed a 15 percent quota for high net-worth individuals in IPO schemes.

The panel recommended increasing the minimum paid-up capital requirement to Tk 30 crore for fixed price and Tk 50 crore for book building IPO.

To improve audit quality, the panel proposed the regulator create a list of 20 auditors through fit and proper tests.

The auditor should be selected based on score, it said, suggesting stricter guidelines on financial reporting responsibilities, with penalties for non-compliance to be levied on auditors, issuers, issue managers and credit rating companies.

The taskforce suggested incorporating additional disclosure requirements in critical areas for financial statements to bring greater transparency and to create user-friendly and reliable statements.

To empower the stock exchanges, the panel said the BSEC should not approve any IPO if a bourse rejects it. The bourses should be allowed to submit recommendations instead of observations.

The team proposed that the BSEC allow more institutes to be underwriters and choose the right underwriters so that they can take up undersubscribed portions of IPOs.

## Bangla Phone

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for expanding transmission networks to remote areas at affordable costs to ensure broader digital services.

It also stressed the importance of creating an investment friendly environment to expand the telecom transmission network nationwide.

It emphasised separating transmission networks for efficiency and ensuring cost-effective infrastructure expansion.

Considering the existing inadequacy of transmission networks in the country and Bangla Phone's infrastructure, which was previously permitted, the committee recommended issuing a new NTTN licence to the company.

After reviewing the committee's report, a BTRC decision making body approved Bangla Phone's licence.

If permitted by the ministry, Bangla Phone's entry into the sector will potentially improve broadband access and reduce service costs.

Currently, there are six NTTN operators in Bangladesh, collectively covering 148,000 kilometres with optical fibre, according to the BTRC documents.

The country's first NTTN licence was awarded in 2008 to Fibre@Home, which operates a network spanning approximately 50,000 kilometers.

## Bangladesh sees

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investment, especially in sectors like electronics, textiles and agriculture," said Al Mamun Mridha, secretary general of the Bangladesh China Chamber of Commerce and Industry (BCCCI).

Mridha said the trade war has opened up several opportunities for Bangladesh as Chinese companies look to relocate, especially in the semiconductor industry.

He also highlighted emerging opportunities in agriculture as shifting trade relations increased demand for alternative sources.

Bangladesh's garments and footwear sectors, he said, have great potential, citing Vietnam's rapid progress as an example. Tapping into the sneaker and footwear market could boost exports.

The BCCCI secretary general said other promising sectors include electronics, the blue economy and fisheries.

Advanced technology in fish exports, he added, could enhance Bangladesh's global competitiveness.

Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue (CPD), said that while China is investing heavily in Vietnam and Cambodia, Bangladesh has yet to attract the same level of commitment.

However, he said the ongoing trade war and evolving global economic conditions have made Bangladesh a viable option for Chinese investors, provided the country seizes the opportunity.

Although Chinese investments are present, Bangladesh has not fully capitalised on its potential. "For instance, we built the Karnaphuli Tunnel, but the special economic zone for China in Chattogram's Anwara is yet to be fully developed," Rahman pointed out.

If China expands its investments, its companies could manufacture in Bangladesh and export not only to China but also to other markets, including the US, minimising the impact

of high tariffs, he added.

The US government has imposed an additional 10 percent tariff on Chinese goods recently, limiting market access of "Made in China" products to the American market.

Rahman said that Bangladesh's duty-free access to Europe, the UK and Canada presents a significant advantage in this regard.

Chinese firms could use the country as a gateway to these markets, he said, but attracting greater investment requires an improved business climate and the removal of regulatory barriers.

Riad Mahmud, managing director of National Polymer Group and a non-leather shoe exporter, said that while his company has not yet received investment proposals from China, US buyers have begun inquiring about factory capacity and compliance, often with the assistance of Chinese firms.

Since Bangladesh does not have a dedicated buying house for synthetic shoes, Mahmud said, the industry, less mature than those in China and Vietnam, depends on Chinese companies to access the US market.

He added that both Chinese firms and US buyers increasingly view Bangladesh as a viable alternative to China, leading to a rise in buying inquiries and fresh opportunities for the country.

Meanwhile, the construction of the Chinese Economic and Industrial Zone (CEIZ) in Chattogram has yet to begin, though the Bangladesh Economic Zones Authority (Beza) initiated the project nine years ago to attract foreign investment.

However, there is a possibility of discussions to expedite its implementation during the tenure of the interim government. Besides, Beza is eager to secure approval for the CEIZ's detailed project plan from the Executive Committee of the National Economic Council (ECNEC), according to sources.

## Starlink to use

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The guidelines are titled "Regulatory and Licensing Guidelines for Non-Geostationary Orbit (NGSO) Satellite Service Operators in Bangladesh".

However, the guideline has yet to be published.

NGSO satellites are not stationary relative to the Earth's surface; they orbit the Earth at a lower altitude and are faster than geostationary satellites.

Among the biggest companies vying for the market is SpaceX, which provides satellite internet coverage to more than 70 countries, with approximately 5,400 Starlink satellites currently in orbit.

British company

OneWeb has launched over 600 satellites, completing its first-generation constellation to provide global coverage. Meanwhile, Jeff Bezos's Amazon is also expanding into the satellite internet market with Project Kuiper, aiming to deploy more than 3,200 satellites in the coming years, with the first test satellites already launched.

Starlink's pricing varies significantly across countries due to taxes, regulations, and market conditions.

In the US, a monthly service costs around \$120 while in countries like Nigeria and the Philippines, it is around \$50.

# Eastern Bank's profit rises

STAR BUSINESS REPORT

Eastern Bank PLC (EBL) saw its profit rise in 2024 hand-in-hand with a year-on-year growth in earnings per share (EPS).

The bank's consolidated EPS stood at Tk 4.86 for the year ended December 31, 2024, up over 7 percent from Tk 4.51 (restated) the previous year, according to a disclosure on the Dhaka Stock Exchange (DSE) website yesterday.

**EBL's board recommended a 17.50 percent cash dividend and a 17.50 percent stock dividend, marking its highest payout since 2021**

Its consolidated net operating cash flow per share surged to Tk 17.74, compared to Tk 6.95 (restated) in 2023.

EBL's board recommended a 17.50 percent cash dividend and a 17.50 percent stock dividend, marking its highest payout since 2021.

The bank said the stock dividend aims to strengthen the bank's capital base, support projected business growth, and enhance regulatory ratios. It has been declared from the bank's accumulated profit.

Following the announcement, EBL shares closed 1.92 percent higher at Tk 26.5 on the DSE.

## Economic indicators

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He said that, based on recommendations from the advisory committee on revenue reforms, the government has decided to dissolve the National Board of Revenue and form two separate bodies: the National Revenue Policy Board for policymaking and the National Revenue Collection Department for implementation.

"This will prevent favouritism in tax evasion, ensuring that no preferred individuals evade billions in revenue. I hope future governments will maintain this policy," he said.

Yunus said the deposed Sheikh Hasina government had left behind a shattered economy. The interim government has since undertaken various initiatives to restore economic stability.

"Our expatriate brothers and sisters have provided relief to the country's devastated economy," he said, adding that remittance inflows had increased consistently.

In February, remittances hit a record high, rising nearly 25 percent to \$2.5 billion. Yunus termed migrant workers "remittance warriors" and said, "It is our responsibility to simplify procedural issues for them and ensure that embassies function properly, so they do not face difficulties. We are also working to ensure they can exercise their voting

rights in the next election."

Since assuming the office in early August last year, the government has increased exports by 13 percent, said the chief adviser.

He said container handling rose by 7 percent in January. Meanwhile, the Bangladesh Investment Development Authority (Bida) has begun addressing common investor concerns, such as licensing requirements and repatriation laws.

Bida is hosting a four-day international investment summit in Dhaka in April, where many renowned investors will participate.

During the fugitive government's rule, Yunus said banks had been seized like "occupied territories".

"Depositors' money was turned into their personal wealth."

He said restoring public confidence in the banking sector was one of the interim government's primary tasks.

"Confidence in the banking system has been re-established, leading to the return of discipline in the economy. This is one of the significant achievements of the interim government."

The chief adviser said \$234 billion had been laundered abroad during the previous government's 15-year rule.

"The ways this money was smuggled out are shocking. One of the most astounding methods was through payments for children studying abroad."

One individual officially transferred \$33.3 million for a single semester's expenses, he added.

"The extent of money laundering was beyond imagination. When looting becomes institutionalised, such things become possible. Efforts to bring these money launderers to justice have already been intensified internationally."

Yunus said the interim government has been regularly meeting with top global investors who are highly interested in investing in Bangladesh under the current administration. "We expect to see new foreign investments very soon."

## IMF loan

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Finance Secretary Md Khairuzzaman Mozumder said the government will increase the allocation for the health, education and ICT sectors in the next budget.

Salehuddin also said the government has been working to make a separate Banking Resolution Act so that the bad banks can exit. However, it must be ensured that the depositors will get back their money.

He added that the government has no plans to form a banking commission at present.

Salehuddin added that although the burden of subsidies is already high, subsidies will continue in the agricultural sector in the next budget.

Government of the People's Republic of Bangladesh				
Central Medical Stores Depot				
Directorate General of Health Services, Ministry of Health and Family Welfare, Dhaka				
Tender for Goods (Multiple Lots)				
Ref. No. CMSD/GR-2420/ICT/2024-25/Proc D-4/11		Dated: 25/03/2025		
KEY INFORMATION				
1	Procurement Method / Document	ICT Open		
FUNDING INFORMATION				
2	Source of funds	Revenue Budget (Government)		
3	Development partner	N/A		
PARTICULAR INFORMATION				
4	Project / programme code	N/A		
5	Project / programme name	N/A		
6	Tender Package No.	GR-2420		
7	Tender package name	Procurement of "Radiology Equipment"		
8	Tender publication date	27/03/2025		
9	Tender last selling date	12/05/2025		
10	Tender closing date and time	13/05/2025 11:00am		
11	Tender opening date and time	13/05/2025 11:00am		
12	Name and address of the office(s)			
-Selling tender document (principal)	Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed, Sharani, Tejgaon, Dhaka-1208			
-Selling tender document (others)	Do			
-Receiving tender document	Do			
-Opening tender document	Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka (Conference Room, Room No. 115)			
13	Place/date/time for pre-tender meeting			
		Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka (Conference Room, Room No. 115) 17/04/2025 11:00am		
INFORMATION FOR TENDERER				
14	Eligibility of tenderer	As per tender document.		
15	Brief description of goods or works	Lot-1: Combined Digital Radiography (1000 mA X-Ray) with Remote Fluoroscopy-01 No. and Lot-2: Premier End 4D Color Doppler Ultrasonography with 5 (five) Transducers & Biopsy devices-01 No.		
16	Brief description of related services	As per technical specification		
17	Tender document price			
		BDT 4,000/- (Bangladesh Taka four thousand) or US\$ 50 (fifty) only.		
18	Lot No.	Identification	Location	Tender security amount in Taka
	Lot-1	Combined Digital Radiography (1000 mA X-Ray) with Remote Fluoroscopy-01 No.	Central Medical Stores Depot (CMSD)	BDT 6,00,000.00 or USD 5000.00 or equivalent amount in a freely convertible currency through a scheduled bank in Bangladesh
	Lot-2	Premier End 4D Color Doppler Ultrasonography with 5 (five) Transducers & Biopsy devices-01 No.	Central Medical Stores Depot (CMSD)	2,50,000.00 or USD 2,000.00 or equivalent amount in a freely convertible currency through a scheduled bank in Bangladesh
PROCURING ENTITY DETAILS				
19	Name of official inviting tender			
		Dr. Shah Md. Helal Uddin		
20	Designation of official inviting tender			
		Director (Additional Secretary)		
21	Address of official inviting tender			
		Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed, Sharani, Tejgaon, Dhaka-1208		
22	Contact details of official inviting tender			
		Tel. No. +880222244087, Website: www.cmsd.gov.bd Fax: 88-02-9126547 E-mail: cmsd@cmsd.gov.bd		
The procuring entity reserves the right to accept or reject all tenders				
GD-777				
Sd/- Dr. Shah Md. Helal Uddin Director (Additional Secretary) CMSD, Tejgaon, Dhaka-1208				

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH				
Central Medical Stores Depot				
Directorate General of Health Services, Ministry of Health and Family Welfare, Dhaka.				
Tender for Goods (Single Lot)				
Ref. No. CMSD/GR-2418/ICT/2024-25/Proc D-3/10		Dated: 25/03/2025		
KEY INFORMATION				
1	Procurement Method / Document	ICT Open		
FUNDING INFORMATION				
2	Source of funds	Revenue Budget (Government)		
3	Development partner	N/A		
PARTICULAR INFORMATION				
4	Project / Programme Code	N/A		
5	Project / Programme Name	N/A		
6	Tender Package No.	GR-2418		
7	Tender Package Name	Procurement of "Linac 6MV (Single Energy) Machine"		
8	Tender Publication Date	27/03/2025		
9	Tender Last Selling Date	12/05/2025		
10	Tender Closing Date and time	13/05/2025 11:00 AM		
11	Tender Opening Date and time	13/05/2025 11:30 AM		
12	Name and Address of the Office(s)			
-Selling Tender Document(Principal)	Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed, Sharani, Tejgaon, Dhaka-1208			
-Selling Tender Document(Other)	Do			
-Receiving Tender Document	Do			
-Opening Tender Document	Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka (Conference Room, Room No. 115)			
13	Place/Date/Time for Pre-Tender Meeting			
		Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed Sharani, Tejgaon, Dhaka (Conference Room, Room No. 115) 17/04/2025 11:30 AM		
INFORMATION FOR TENDERER				
14	Eligibility of Tenderer	As per tender document.		
15	Brief Description of Goods or Works	Linac 6MV (Single Energy) Machine.		
16	Brief Description of Related Services	As per technical specification.		
17	Tender Document Price			
		BDT 4,000/- (Bangladesh Taka Four thousand) or US\$ 50 (fifty) only.		
17	Lot No	Identification	Location	Tender Security Amount in Taka
	GR-2418	Linac 6MV (Single Energy) Machine	Central Medical Stores Depot (CMSD)	BDT 40,00,000.00 or USD 49,500.00 or equivalent amount in a freely convertible currency through a scheduled bank in Bangladesh
		To be delivered on or within 16 weeks following the date of confirmation of the L/C for delivery from abroad and after signing of the contract for delivery from within Bangladesh & Tenders offering delivery beyond 16 weeks will be treated as non-responsive		
PROCURING ENTITY DETAILS				
18	Name of Official Inviting Tender			
		Dr. Shah Md. Helal Uddin		
19	Designation of Official Inviting Tender			
		Director (Additional Secretary)		
20	Address of Official Inviting Tender			
		Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed, Sharani, Tejgaon, Dhaka-1208		
21	Contact details of Official Inviting Tender			
		Tel. No. +880222244087 Fax: 88-02-9126547 E-mail: cmsd@cmsd.gov.bd Website: www.cmsd.gov.bd		
The procuring entity reserves the right to accept or reject all tenders				
GD-778				
Sd/- Dr. Shah Md. Helal Uddin Director (Additional Secretary) Central Medical Stores Depot, 30, Shaheed Tajuddin Ahmed, Sharani, Tejgaon, Dhaka-1208				