

star

BUSINESS



## Bida expects \$3b FDI in ports

STAFF CORRESPONDENT, Ctg

The government is considering engaging leading global port operators to run the country's port facilities, aiming to maximise the use of its limited capacity, said Chowdhury Ashik Mahmud Bin Harun, executive chairman of the Bangladesh Investment Development Authority (Bida).

He, however, emphasised the need to safeguard jobs at the ports and labour rights during the process.

Ashik Chowdhury made the remarks yesterday afternoon during a press conference at Chattogram Circuit House, after a day-long visit to Chattogram port and proposed sites for ongoing port expansion projects.

During the visit, the Bida chairman expressed hope that Bangladesh could attract \$3 billion in foreign direct investment (FDI) for three port development projects, including Chattogram Port's Laldia Container Terminal and two proposed terminals under the Bay Terminal expansion project.

The investment would come in phases, covering port construction and equipment installation, he said.

Earlier in the day, the Bida chairman visited the proposed sites of the Laldia Container Terminal, the Bay Terminal, and the port's largest existing terminal, New Mooring Container Terminal (NCT).

Ashik Chowdhury also held a meeting with local business leaders, political figures, and academics at the Radisson Blu Bay View in Chattogram at noon. Chief Adviser's Press Secretary Shafiqul Alam accompanied the Bida chairman during the visit.

Addressing concerns from various quarters about foreign investment in an existing terminal of Chattogram port, Ashik Chowdhury said, "Let's not focus solely on one asset or a specific location. We need to think about the broader national impact of activating a port."

Mentioning that these decisions must consider the national-level impact, he said, "Of course, we need to ensure that our jobs are protected and that labour rights are fully upheld."

Chowdhury elaborated on a broader vision of transforming Bangladesh into a global manufacturing hub, buoyed by its young population. "We must create employment opportunities and a business-friendly environment," he said.

The primary requirement for achieving this ambition, according to the Bida chairman, is to enhance port capacity and efficiency.

READ MORE ON B3



## Stocks rebound after geopolitical jitters

STAR BUSINESS REPORT

The stock markets in Bangladesh rebounded yesterday, recovering from the previous trading day's sharp decline that was spurred by rising tensions between neighbouring countries India and Pakistan, which had prompted widespread sell-offs across both of the country's bourses.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), advanced by 99.86 points, or 2.08 percent, to close at 4,902.

The other two indices of the premier bourse also posted gains.

The DSES Index, which tracks Shariah-compliant companies, rose by 26.28 points, or 2.51 percent, to 1,074.

Meanwhile, the DS30 Index, representing blue-chip firms, increased by 27.03 points, or 1.51 percent, to 1,820.

Despite the recovery, market turnover, a key indicator of trading activity, plunged to Tk 366 crore, marking a 29.12 percent decline from the previous day's trading volume.

The banking sector led the turnover chart, accounting for 23.81 percent of the total market activity. Beach Hatchery Limited was the most traded stock of the day, accounting for a turnover of Tk 23 crore.

Out of the securities traded at the DSE, 377 saw a rise in prices, 10 witnessed declines, and the remainder remained unchanged.

## Economy might have been slowing since Feb

New PMI data shows

STAR BUSINESS REPORT

Bangladesh's economy might have been slowing since February, mainly because of sluggish expansion in the manufacturing, construction, and services sectors, according to the latest Purchasing Managers' Index (PMI) released yesterday.

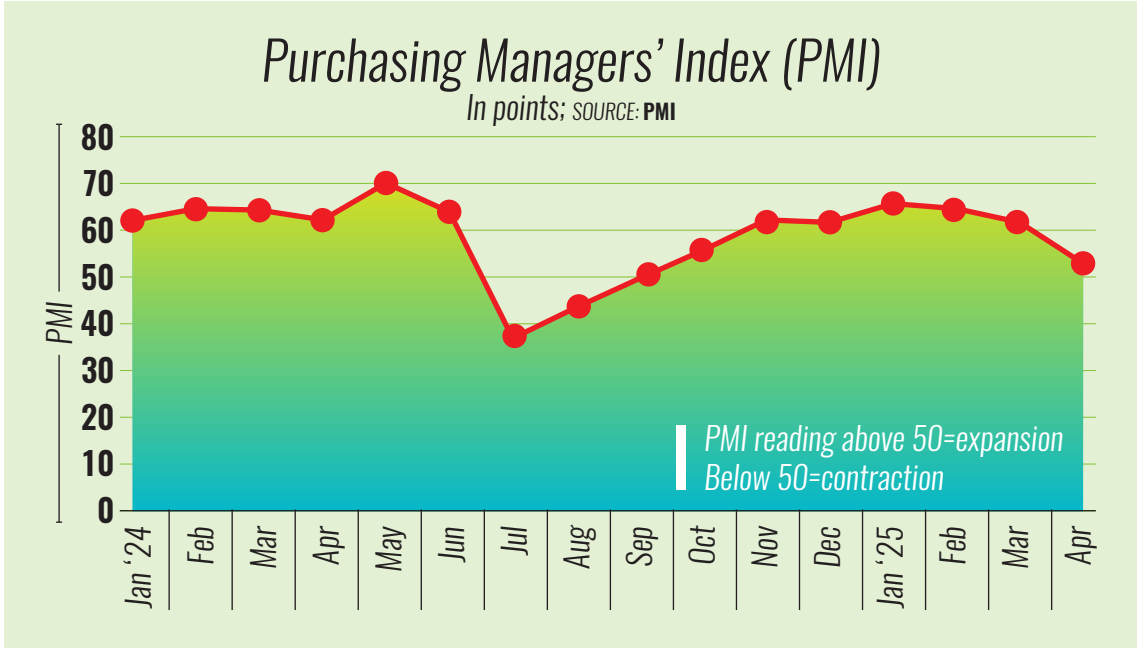
In the last three months, these sectors have been growing at a slower pace.

In April, the PMI—a forward-looking indicator used globally to gauge economic direction—fell

sector firms across agriculture, manufacturing, construction, and services.

"The slow expansion of the economy as recorded in the April PMI, which is also the slowest since October when the current expansion run started, indicates that a number of issues need important consideration and urgent attention," said M Masrur Reaz, chairman and CEO of the PEB.

The Trump tariff is creating uncertainty and has already had some early impact on the overall export scenario, he said.



to 52.9, the lowest in seven months since the economy rebounded to the expansion track, as the manufacturing, construction, and services sectors grew at a slower rate.

In October 2024, the PMI reading was 55.7, indicating that economic activities broke the phase of contraction that began amid a mass uprising in July, which led to the ouster of then Prime Minister Sheikh Hasina the following month.

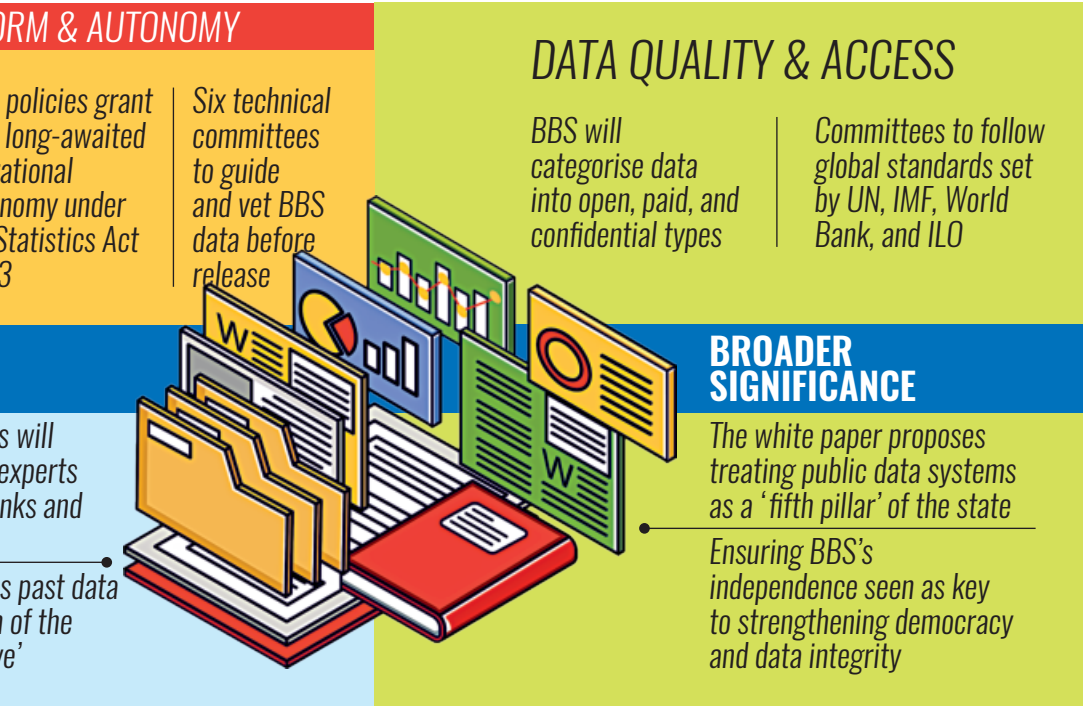
A reading above 50 indicates expansion, and below 50 indicates contraction, according to the Metropolitan Chamber of Commerce and Industry (MCCI) and Policy Exchange Bangladesh (PEB), which prepare the index based on data from over 500 private

"A number of export orders, which had been placed before the Trump tariff came into effect and were scheduled to enter the manufacturing process in April, have been deferred pending further clarity or resolution of the Trump tariff issue vis-à-vis Bangladesh's exports to the US," he said.

Secondly, gas disruption has intensified recently. "This is causing industrial output disruption and is also risking macroeconomic recovery efforts, as many of the textiles, knitwear, and apparel firms are being hit by the gas crisis, reducing their planned outputs," he said.

Thirdly, small and medium enterprises,

READ MORE ON B3



REJAUL KARIM BYRON and MAHMUDUL HASAN

As part of policy reforms aimed at improving the credibility and accuracy of national statistics, the Bangladesh Bureau of Statistics (BBS) has been empowered to publish official data without prior government approval.

At present, approval from the planning minister and head of state is required before the BBS can publish data. This process causes significant delays in data publishing, as files often remain stuck in limbo before ultimately being approved.

As a result, data are published much later than expected. For example, data on inflation are supposed to be published by the BBS at the start of each month, but due to the complicated process, they were sometimes not even published halfway through a month.

Additionally, this process leaves room for independent economists and experts to cast doubt on the accuracy and reliability of government-published data for years.

These concerns were also voiced in the interim government's White Paper on the State of the Bangladesh Economy, which described the previous regime's practices of data manipulation as "the villain of the development narrative."



On Wednesday, the government published two separate policies on data dissemination and statistical reporting, empowering the BBS director general to release data—including that for key indicators like GDP and inflation—following consultation with newly formed technical committees under the policies.

Ashikur Rahman, principal economist of the Policy Research Institute (PRI) of Bangladesh, welcomed the move.

"It is a common issue to not get accurate data in a timely manner. Any reform or new policy that cuts down on unnecessary bureaucracy is a welcome development. I appreciate it," he said.

Beyond just cutting bureaucracy, both orthodox and non-orthodox indicators of development should be regularly published in annual reports, he said.

READ MORE ON B3

## LafargeHolcim to invest Tk 180cr in new mill

Profit dropped 14% in Jan-Mar

STAR BUSINESS REPORT

Leading cement manufacturer LafargeHolcim Bangladesh PLC will invest Tk 180 crore to install a new industrial-use mill to improve energy efficiency and reliability at its Surma plant in Sunamganj's Chhatak.

The decision was approved at a board meeting held on May 7, the company said in a disclosure on the Dhaka Stock Exchange (DSE) website yesterday.

Meanwhile, the cement maker saw its profit decline in the first quarter of 2025, although its revenue rose on the back of steady market demand.

The company reported a profit of Tk 139.1 crore in the January-March quarter, marking a 14 percent year-on-year drop due to rising energy costs and falling cement prices.

Its earnings per share fell to Tk 1.2 during the quarter, from Tk 1.4 in the same period a year ago.

Despite the profit slump, the company's revenue grew 3 percent year on year to Tk 851.5 crore, supported by stable demand and strong customer confidence in its cement brands, the company said in a press release.

The company's consolidated operating earnings before interest and taxes stood at Tk 177.7 crore, down 16 percent year-on-year, mainly due to elevated fuel costs and price pressure in the cement market.

However, LafargeHolcim

READ MORE ON B2

## Premier Bank paid Iqbal Tk 10cr for unused office spaces

BB finds

MD MEHEDI HASAN

Premier Bank paid Tk 10 crore to HBM Iqbal, the former chairman of the bank, for office space in one of his buildings that the private commercial lender did not use or rent.

A central bank inspection revealed the undue benefit that Iqbal received from the bank during his tenure as chairman.

The head office of Premier Bank is situated in the capital's Banani at Iqbal Center, a building owned by HBM Iqbal and his family members.

However, for over 40 months since 2020, Iqbal and his family members received Tk 10.31 crore as rent for the 20th and 21st floors of Iqbal Center despite the bank neither renting nor using those floor spaces, according to the inspection findings.

Central bank officials stated that this was a clear violation of banking rules and regulations.

A former member of parliament, Iqbal is also the chairman of Premier Group of Companies Ltd.

In January this year, after 26 years at the helm, Iqbal stepped down from his role as chairman at the private commercial bank he co-founded in 1999. His son, Mohammad Imran Iqbal, took his place as chairman.

When contacted, Arief Hossain Khan, an executive director and spokesperson of the Bangladesh Bank, told The Daily Star that the central bank sought an explanation from the bank after detecting the irregularities, but the explanation was unsatisfactory.

Finally, the central bank instructed the lender to recover the additional funds, for which the lender sought time, he added.

Premier Bank was given one year to recover the funds and was instructed to keep the central bank updated on the progress.

The Daily Star tried to contact Mohammad Abu Jafar, managing director and CEO of the bank, via phone and text messages since Tuesday, but he did not respond till the filing of this report.

READ MORE ON B3

## Parliament to take full control of tax exemptions from FY26

STAR BUSINESS REPORT

The power to grant tax exemptions in Bangladesh will shift entirely to the national parliament starting from the next fiscal year, ending a long-standing practice that allowed the finance ministry and the National Board of Revenue (NBR) to offer discretionary waivers.

According to a "Tax Exemption Policy and Management Framework" published recently, no ministry or government agency, including the NBR, will be authorised to provide income tax, VAT, or duty exemptions unless explicitly approved through parliamentary legislation.

In times when parliament is not in session, temporary exemptions will require cabinet approval and can remain valid for no more than one year.

The policy, published on Wednesday, is scheduled to be implemented with the national budget for fiscal year 2025–26.

The move also responds to International Monetary Fund recommendations made under the current \$4.7 billion loan programme, which calls for tightening Bangladesh's fiscal discipline, boosting domestic revenue, and cutting tax exemptions.

The policy also introduces a five-year cap on all exemptions issued for the first time, aiming to eliminate the practice of indefinite waivers that often distort the tax system and reduce fiscal transparency.

An annual tax expenditure report will be placed in parliament by the finance minister or adviser, detailing current exemptions and assessing at least one-fifth of them each year—ensuring all are reviewed within a five-year cycle and the findings made public, said the policy.

The main objective of the policy is to formulate the necessary rules and procedures for the government's tax system to formulate, implement, and measure the effectiveness of policies related to tax expenditure, said the policy.

Besides, it will help increase revenue collection by rationalising all existing tax expenditures, simplifying the tax system, and ensuring accountability and justice.

READ MORE ON B3