

# Local RMG to remain competitive even if tariffs rise

Believe international backward linkage companies for denim

REFAYET ULLAH MIRDHA

Bangladesh should improve garment quality and delivery speed amidst intense competition in global supply chains arising from US President Donald Trump's recent reciprocal tariffs, said some international traders yesterday.

Bangladesh has the opportunity to retain its competitive edge due to its large-scale production capacity, something international clothing retailers and brands always take into consideration, they said.

China and Vietnam are facing higher tariffs than Bangladesh in the US market, but there are others facing far less, such as India, Pakistan, Kenya, Jordan and Egypt, they said.

The latter do not have high production capacities, for which they cannot cater to large-volume work orders, they added.

"There is no way to replace Bangladesh because of its production capacity... It is not a matter of tariffs only," said Matteo A Urbini, managing director of Italy-based Soko Chemicals.

He was talking to The Daily Star while attending the 18th edition of Bangladesh Denim Expo at the International Convention City Bashundhara in Dhaka.

Urbini supplies a technology based on a chemical called "hydrogel" for washing denim fabrics to 60 companies in Bangladesh.

The technology is said to require just eight litres of water to wash one kilogram of denim fabric, whereas conventionally 80 litres are required.

Bangladesh is still competitive, said Herve Denoyelle, a representative of



The 18th edition of Bangladesh Denim Expo at the International Convention City Bashundhara in Dhaka will come to a close today.

PHOTO: COLLECTED

French hemp and flax fibre manufacturer The Flax Company, when asked about alternative clothing sourcing destinations to Bangladesh.

Bangladesh and China will remain competitive for mass consumption. Once the final rates of US tariffs are decided after the ongoing 90-day pause, business will grow again, he said.

Products from China and Vietnam will become more expensive because of their higher tariff rates, and Bangladesh should focus on recycled and sustainable products, he said.

His company produces 8,000 tonnes of fibre a year and supplies nearly 100

tonnes to 10 companies in Bangladesh for the manufacture of denim fabrics.

Robert Deakin, sales director of China-based Deyao Textile, which manufactures denim fabrics, said he was cautiously optimistic about Bangladesh.

The final tariff rates are yet to be decided, and business will prevail even if a 37 percent tariff is imposed on Bangladeshi products, he said.

The two-day exposition has brought 57 exhibitors from 13 countries, including India, Pakistan, China, Turkey, Spain, Italy, Vietnam, the United Arab Emirates, Germany, Switzerland and the USA, according to a statement from the

organiser.

"Bangladesh has emerged as the fastest-growing apparel exporter to the United States in the first quarter of 2025, posting the highest year-on-year growth of 26.64 percent," said Mostafiz Uddin, founder and CEO of Bangladesh Denim Expo.

This placed Bangladesh ahead of other major exporters such as India (24.04 percent), Pakistan (17.49 percent), Vietnam (13.96 percent) and China (4.18 percent), he said.

Bangladesh is the largest denim exporter to both the US and Europe, he added.

## Prime Bank holds training programme for farmers in Birol

STAR BUSINESS DESK

Prime Bank PLC organised an open agricultural credit disbursement and training programme in Birol upazila of Dinajpur yesterday.

A total of 150 farmers, including both existing borrowers and prospective clients from surrounding areas, participated in the event, according to a press release.

The programme was designed to facilitate easier access to agricultural credit and to enhance farmers' capacity in maize cultivation, one of the region's principal crops.

Mustafizur Rahman Shah, senior scientific officer of the Bangladesh Wheat and Maize Research Institute, attended the event as a resource person.

M Nazeem A Choudhury, deputy managing director and head of retail and SME banking at Prime Bank PLC, poses for photographs with participants of an open agricultural credit disbursement and training programme in Birol upazila of Dinajpur yesterday.



PHOTO: PRIME BANK

## Tax-free income limit may rise

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According to officials, the investment threshold could be doubled to Tk 10 lakh to facilitate investments.

Currently, proof of return filings is required to avail of as many as 45 public and private services.

The National Board of Revenue (NBR) introduced the provision of submitting return filing documents for those services to increase tax compliance.

However, under the proposed changes, the NBR may relax the proof of return requirement for businesses obtaining licences for the first time, although it could still be mandatory for renewals.

Meanwhile, the government is unlikely to extend tax exemptions and reduced rates for businesses in the upcoming budget, as part of conditions tied to the ongoing \$4.7 billion loan from the International Monetary Fund (IMF) and efforts to boost revenue collection.

Revenue officials suggest the rollback of exemptions will be

phased, with some being allowed to expire and others curtailed through statutory orders.

For instance, a tax break granted to textile exporters in 2022 is set to expire this June and is unlikely to be renewed.

However, the readymade garment sector is expected to retain its reduced corporate tax rate until 2028 under a sunset clause.

Other sectors currently enjoying lower tax rates, such as jute, small textile mills, poultry and fisheries, could face gradual increases, with rates currently ranging between 5-15 percent.

Fahmida Khatun, executive director at CPD, welcomed the proposal to raise the tax-free income threshold and increase the savings certificate investment limit.

"Although we recommended raising the ceiling to Tk 4 lakh, this is at least a positive step amid the ongoing high inflation," she said.

However, she acknowledged the government's fiscal constraints and

emphasised widening the tax net and reducing tax evasion. According to the NBR, around 16 lakh taxpayers filed their returns online this year.

Yet, nearly two-thirds of them submitted zero returns, while about 65 percent of the 1.13 crore Taxpayer Identification Number (TIN) holders did not file returns.

"Many people avoid paying taxes, either due to apathy or a tendency to evade taxes," Fahmida said. "Some are concerned about how their money is spent or whether it's being wasted."

"In this context, it is the government's responsibility to address taxpayers' apathy by ensuring the efficient use of public funds and delivering visible, quality services in return," she added.

He has also urged the next elected government to maintain the momentum for structural reforms.

Experts have cautiously welcomed the ordinance as a step forward. The tools are now on paper, but Bangladesh's track record shows that enforcement, not legislation, is the real test.

Whether the ordinance leads to a genuine clean-up of the banking

## Only 2 out of 6 troubled life insurers share revival plans

STAR BUSINESS REPORT

Only two out of six life insurance companies have complied with directives of the Insurance Development and Regulatory Authority (Idra) by submitting plans to address prolonged failures in settling claims, as policyholders continue to suffer due to corruption and irregularities.

The companies facing regulatory scrutiny are Baira Life Insurance Company Limited, Farest Islami Life Insurance Company Limited, Sunlife Insurance Company Limited, Sunflower Life Insurance Company Limited, Padma Islami Life Insurance Limited, and Golden Life Insurance Limited.

Among them, only Farest and Sunflower have complied. The deadline passed over two weeks ago.

Golden has sought two months, and a meeting is scheduled to be held today with Idra, Saifunnahar Sumi, consultant for media and communication of the regulator, told The Daily Star yesterday.

Letters have been sent to Sunlife and Padma reminding them of the directive, she said.

The plans were sought by the Idra through letters sent at the end of March this year.

The regulator's move aims to ensure greater accountability and protect consumer rights in the sector.

Data from the Idra showed that the six life insurers need to settle more than 9 lakh policyholders' claims worth Tk 2,887 crore.

The unsettled claims accumulated over five years until the third quarter of 2024 are 98.37 percent of the total claims during this period.

According to the latest Idra data, except for Sunlife, the remaining five companies have a claim settlement ratio of less than 5 percent.

At present, Bangladesh has 36 life insurance companies and 46 non-life insurers.

## Starlink gets 90-day waiver

FROM PAGE B1

On March 25, the BTRC issued the "Licensing Guidelines for Non-Geostationary Orbit (NGSO) Satellite Services Operator in Bangladesh".

Under these guidelines, Starlink Services Bangladesh applied to the BTRC for an NGSO Satellite Services Operator License, submitting the applicable fees and necessary documents.

The company's local office is registered at a building in the capital's Karwan Bazar.

After receiving the application, the telecom regulator formed a seven-member committee to

evaluate it. The committee verified all submitted documents and found them to be authentic and complete, recommending Starlink for the licence.

"This is the swiftest recommendation BTRC has ever made for such a licence," an official of the commission said.

Subsequently, a two-member team from the BTRC visited Starlink's Bangladesh office and also recommended granting the licence.

Starlink officials could not be reached for comment at the time of filing this report.

## New powers, old questions

FROM PAGE B1

The current central bank governor, Ahsan H Mansur, has indicated a break with the past, consistently stating that troubled banks will be shut down or consolidated under the new law.

He has also urged the next elected government to maintain the momentum for structural reforms.

Experts have cautiously welcomed the ordinance as a step forward. The tools are now on paper, but Bangladesh's track record shows that enforcement, not legislation, is the real test.

Whether the ordinance leads to a genuine clean-up of the banking

sector or simply adds another chapter to the country's dense regulatory playbook will depend on the actions taken in the coming months.

## Stocks rise after CA's five-point

FROM PAGE B1

Of 395 traded stocks, 189 advanced, 160 fell, and 46 held steady.

Northern Islami Insurance led gainers with a 10 percent surge, while Baraka Power dropped 6 percent to become the session's worst performer.

Government of the People's Republic of Bangladesh

Office of the Executive Engineer, RHD

Munshiganj Road Division

Dashkani, Panchasar (Mukterpur), Munshiganj.

Phone # 02-998847019

E-mail: eemunrhd@gmail.com

### e-Tender Cancellation Notice

It is notified for all concerned that the following Tender ID 1091824, 03/e-GP/PMP-Road/Mundiv/2024-2025, notice published vide memo 35.01.5900.447.04.008.23-933 date. 13/04/2025 is hereby cancelled due to unavoidable circumstances.

SL No	Tender ID & Package No	e-Tender Description	Last Selling Date & Time	Closing Date & Time	Opening Date & Time
1	1091824, 03/e-GP/PMP-Road/Mundiv/2024-2025	Periodic Maintenance Program (PMP) of Existing Pavement by Potholes Repair, Aggregate Base Type-I, DBS Base Course & Wearing Course with Construction of Cross Drain, Saucer Drain and RCC Retaining Wall at Ch: 00+000 (Hatimara) to Ch: 20+300 (Sonbari) of Munshiganj (Hatimara)-Kunderbazar-Sreenagar (Sonbari) Road (Z-8004) under Munshiganj Road Division during the year 2024 - 2025.	13-05-2025 17:00	14-05-2025 12:00	14-05-2025 12:00

**বাংলাদেশ কৃষি গবেষণা ইনসিটিউট**  
Bangladesh Agricultural Research Institute  
সংঘর্ষ ও ভার্তাৰ শাখা  
গাজীপুর-১৭০১।

Memo No: 12.21.0000.007.02.191.24.4479  
Date: 07 May 2025

e-GP: Tender Notice No. 36 (2024-2025)

e-Tender is invited in the e-GP system Portal (<http://www.eprocure.gov.bd>) for the procurement of the following goods. Details are given below :

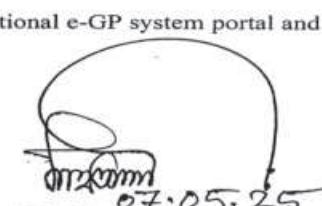
SL. No.	Package No.	Tender ID & Ref No	Description of goods	Tender Documents Last selling (Date & Time)	Tender Closing date & Time	Tender Opening date & Time
01.	PN-24	1108683 & IRN : 191	Field Equipment 08 (Eight) Items.	22.05.2025 10:30	22.05.2025 11:30	22.05.2025 11:30

The interested persons/firm may visit the website [www.eprocure.gov.bd](http://www.eprocure.gov.bd) to get the details of the tender.

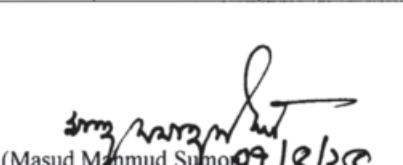
This is an online tender, where only e-Tender will be accepted in the national e-GP portal and no offline/hard copy will be accepted. To submit e-Tender, Registration in the National e-GP system portal is required.

Further information and guidelines are available in the National e-GP system portal and e-GP Help Desk ([helpdesk@eprocure.gov.bd](mailto:helpdesk@eprocure.gov.bd)).

Budget Type: Revenue.

  
07.05.25  
(Md. Younus Ali)  
(BARI-0663)  
Deputy Director (In-Charge)  
On behalf of Director General

GD-1132

  
Masud Mahmud Sumon  
ID No-602165  
Executive Engineer, RHD  
Munshiganj Road Division.