

star BUSINESS



Distressed asset law in the making to tackle NPLs

MD MEHEDI HASAN

The interim government is formulating a distressed asset management ordinance that could pave the way for a state-owned corporation to buy and trade troubled assets from banks and non-bank financial institutions (NBFIs).

The initiative comes as non performing loans (NPLs) continue to weaken the stability of the financial sector.

Officials at the Ministry of Finance said they began work on the ordinance in October last year, with completion likely by June 2026.

The Financial Institutions Division (FID) has already prepared a draft, which is now with Bangladesh Bank (BB) for revision, top officials confirmed to The Daily Star.

Under the proposed act, private firms may also be allowed to set up asset management companies to trade distressed assets.

Distressed or troubled assets include loans or properties unlikely to be repaid in full, prompting banks or NBFIs to sell them at a discount to recover part of the money.

At the end of March this year, bad loans in the country's banking sector hit a record Tk 420,335 crore, accounting for 24.13 percent of total disbursed loans, according to Bangladesh Bank (BB) data.

However, officials estimate that total distressed assets, covering bad loans, defaulted loans, rescheduled loans, written-off loans and loans stuck in court, could be more than Tk 700,000 crore.

Apart from the banking sector, defaulted loans stood at Tk 25,089 crore at 35 non-bank financial institutions at the end of December last year, or 33.25 percent of their disbursed loans.

The idea of making a legal framework for troubled asset management is not new.

Rather, the idea dates back to the previous

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Google Pay to launch in Bangladesh next week

STAR BUSINESS REPORT

Google Pay is set to be launched in Bangladesh by the middle of next week, ushering in a new era of seamless digital transactions for consumers.

Local lender City Bank, in partnership with global payment giants Mastercard and Visa, is launching the contactless payment service at the Westin Dhaka hotel on June 24, according to sources involved in the process.

City Bank will be the first local bank to be integrated into Google Pay, allowing its customers to use their Android smartphones to make payments at any point-of-sale (POS) terminal.

Initially, only City Bank customers will be able to add their Mastercard or Visa cards to Google Wallet to use the Google Pay payment mechanism.

Support for cards from other banks is expected to come in

KEY POINTS



City Bank first to integrate with Google Pay service	Mastercard and Visa support enabled through City Bank	Google Pay works for both local and international transactions	Secure payments ensured by encryption and tokenisation technology
future updates.	Service to expand with more banks soon		

Backed by Google's advanced encryption and tokenisation technologies, Google Wallet offers robust data protection and a highly secure payment experience.

For smaller purchases, the PIN-free checkout option will make the process even faster, said an industry expert.

To get started, users will need

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Idra opens special audits into 15 life insurers

SUKANTA HALDER

The Insurance Development and Regulatory Authority (Idra) has appointed audit firms to carry out special audits of 15 life insurance companies for the 2022-2024 period to uncover possible irregularities as claim settlements continued to mount.

"We have an internal grading system based on specific criteria, which was completed in February this year," said an official of the regulator, requesting anonymity.

"These 15 companies were flagged as the weakest performers in that assessment, which is why special audits are now being carried out," the official added.

Appointed last Sunday, the 15 different audit firms will have to submit comprehensive audit reports

within 30 working days, said the official.

They will also verify whether the life insurers are operating in accordance with the Insurance Act 2010, added the official.

The companies include Sunlife Insurance, Homeland Life Insurance, Padma Islami Life Insurance, Progressive Life Insurance, Protective Islami Life Insurance, Best Life Insurance, and Prime Islami Life Insurance.

Also on the list are Jamuna Life Insurance, Diamond Life Insurance, Swadesh Life Insurance, Sunflower Life Insurance, Farest Islami Life Insurance, Golden Life Insurance, Baira Life Insurance, and NRB Islamic Life Insurance.

The Daily Star yesterday tried to contact at least five companies for comments on the matter.

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Officials of four of these companies did not respond to phone calls. An official of the remaining company said they have not yet received any letter from the regulator regarding this issue.

Data from the regulator showed that by the end of 2024, the companies had outstanding claims of Tk 4,615 crore from policyholders. However, they paid only Tk 635 crore to their customers.

Safunnahar Sumi, media and communication consultant and Idra spokesperson, said the audits would focus on reasons behind claims remaining unsettled, dearth of life funds, excessive management expenses, and poor portfolio management.

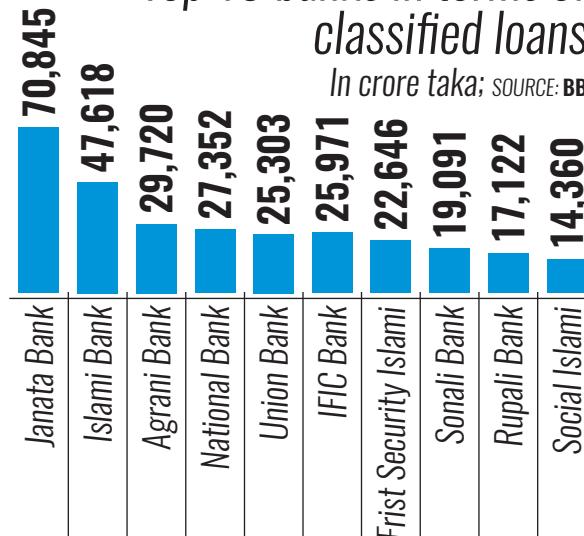
Another aim is to identify malpractices and those responsible, she added.

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Ten banks hold 71% of total bad loans

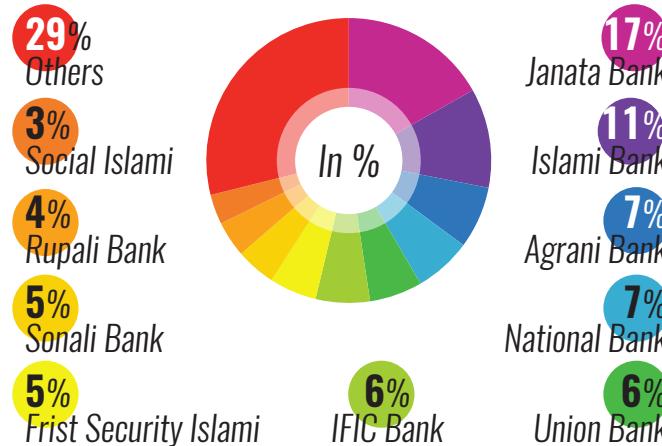
Top 10 banks in terms of classified loans

In crore taka; SOURCE: BB



SHARE OF BAD LOANS BY BANKS

SOURCE: BANGLADESH BANK



Janata Bank has the highest volume of bad loans, due largely to widespread irregularities and major scams.

As of March, Janata had disbursed loans totalling Tk 94,734.94 crore, of which Tk 70,845.68 crore had turned sour.

Once a respected lender, Janata's reputation collapsed following a series of scandals involving Anontex, Crescent, Beximco, Thermax, and the S Alam Group during the previous Awami League regime.

Its bad loans rose 48 percent in just nine months, climbing from Tk 48,000 crore in June last year.

Islami Bank Bangladesh has also seen a sharp rise in bad loans. The bank, the largest Shariah-based lender in the country, became entangled with the controversial S Alam Group, which controlled its board until mid-August last year.

By March this year, its NPLs had reached Tk 47,618 crore, which is 27.38 percent of total disbursed loans.

The S Alam Group and its affiliated firms took more than half of Islami Bank's Tk 163,863.78 crore loan portfolio, show BB data.

At the end of June last year, just before the August 5 political changeover, the bank's bad loans stood at only Tk 7,724 crore.

State-run Agrani Bank's NPLs hit Tk 29,720 crore by March, accounting for 41.35 percent of its disbursed loans.

This marked a 39.37 percent jump from June last year. Agrani Bank officials said politically influential individuals borrowed large sums from state banks that have since turned bad.

National Bank's NPLs stood at Tk 27,352 crore in March, or 64 percent of its outstanding loans. This was up from

READ MORE ON B3

Bangladesh to follow WTO mechanism to deal with Trump tariff

REFAYET ULLAH MIRDHA

Bangladesh will propose to provide duty facilities to the US under a multilateral trading mechanism to retain low tariffs, as the 90-day pause of Trump's reciprocal tariffs will come to an end on July 8.

"We will follow the multilateral trading system of the World Trade Organization (WTO) to address the issue of US reciprocal tariffs," said Abdur Rahim Khan, additional secretary to the commerce ministry, over the phone.

Bangladesh will follow the WTO's most-favoured nation (MFN) principle to address the US tariffs, he said.

The MFN principle is a method under which, once a tariff benefit is given to a country, it is given to other countries.

In fact, Bangladesh has been rescheduling and updating its tariff measures and rates in preparations for upgrading the country's status to a developing nation from the group of least developed countries (LDCs) in November next year.

In the proposed budget for fiscal year 2025-26, the interim government, as a part of broader trade reforms and in preparation for tariff negotiations with the US, has sought to remove import duties on 110 products and reduce duties on 65 products.

Additionally, supplementary duties on nine products have been proposed to be withdrawn, and on 442 items have been reduced.

Commerce ministry officials are scheduled to hold an online meeting with the officials of the US Trade Representative (USTR) on Tuesday night, Khan also said.

Khan declined to comment in

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23rd BANGLADESH BUSINESS AWARDS

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THE CATEGORIES ARE:

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Last date for submitting nominations is June 26, 2025.

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For further details regarding the information required in the submission, visit our website: <https://shorturl.at/JTy8q>

BBA secretariat:
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Contact : Noor-E-Yeasday, Phone: +88 (02) 556 68101 Ext. 46007





Frédéric Lecourt, consul and head of chancery at the Embassy of France in Bangladesh, and Sheikh Rakibul Karim, additional managing director and acting chief executive officer of Guardian Life Insurance Limited, pose for photographs after signing the agreement in Dhaka recently.

PHOTO: GUARDIAN LIFE INSURANCE

Guardian Life to provide insurance coverage for French embassy staff

STAR BUSINESS DESK

Guardian Life Insurance Limited has signed an agreement with the Embassy of France in Bangladesh to provide comprehensive insurance coverage for the embassy's employees and their family members.

Under the agreement, all staff of the French Embassy, along with their dependents, will be entitled to life insurance and medical benefits facilitated by Guardian Life.

Sheikh Rakibul Karim, additional managing director and acting chief executive officer of the life insurer, and Marie Masdupuy, the French ambassador to Bangladesh, signed the agreement in Dhaka recently, according to a press release.

Commenting on the collaboration, Karim stated, "Our partnership will ensure that policyholders receive timely

and effective insurance coverage."

"We remain committed to expanding access to insurance services and making them more inclusive," he added.

Mahmudur Rahman Khan, additional managing director and head of retail business at the life insurer; Md Sajib Hossain, senior executive vice-president and chief financial officer; Farjana Quader, senior vice-president and head of human resources division; Ghazi Rafi Ahmed Shams, senior vice-president and head of group insurance; and Iftakher Ahmed, senior vice-president and deputy head of group insurance, attended the event.

Frédéric Lecourt, consul and head of chancery at the embassy; and Kazi Abdullah Al Muktadir, administrative manager; were also present along with other senior officials from both the organisations.



Akhtaruddin Mahmud Parvez, chairman of managing committee of Dr Mahmud Hasan Academy, and M Shamsul Arefin, managing director of NCC Bank PLC, pose for photographs after signing the memorandum of understanding in Chattogram recently. Anis Ahmed, chief executive officer of The World, was also present.

Dhaka Bank signs cash management agreement with Sheba



Adnan Intiaz Halim, founder and chief executive officer of Sheba XYZ Services Limited, and Akhlaqur Rahman, deputy managing director of Dhaka Bank PLC, pose for photographs after signing the agreement at the bank's head office in the capital's Gulshan recently.

STAR BUSINESS DESK

Dhaka Bank PLC has signed an agreement with Sheba XYZ Services Limited, one of Bangladesh's largest service platforms, to provide cash management services.

Akhlaqur Rahman, deputy managing director of the bank, and Adnan Intiaz Halim, founder and chief executive officer of the service platform, signed the agreement at the bank's head office in the capital's Gulshan recently, according to a press release.

Under the agreement, Dhaka Bank PLC will deliver comprehensive cash management solutions to Sheba XYZ Services.

Mosleh Saad Mahmud, executive vice president and head of cash management unit at the bank; Salma Ahmed Seema, vice president and manager of Banani Road-II branch; and Ronald Micky Gomes, chief operating officer of the service platform; along with other senior officials of both the organisations, were also present.

Mutual Trust Bank holds workshop to mark World Environment Day

STAR BUSINESS DESK

Mutual Trust Bank PLC (MTB) recently organised a workshop, titled "Renewable Energy in Bangladesh: Policy Framework, Technological Innovation & Financing Opportunities", to commemorate World Environment Day 2025.

Syed Mahbubur Rahman, managing director and chief executive officer of the bank, inaugurated the event as the chief guest at the bank's head office in Dhaka, according to a press release.

In his address, Rahman underscored the vital role of financial institutions in addressing climate change and facilitating Bangladesh's transition to clean energy through

awareness, innovation, and strategic financing.

Senior officials from the Bangladesh Bank were present at the event and shared their perspectives on sustainable finance.

A keynote presentation by an industry expert provided valuable insights into clean energy policy, emerging technologies, and financing opportunities.

Following the workshop, MTB observed a week-long "Energy Awareness Week" from May 27 to June 2 across all its branches, aiming to promote energy efficiency, responsible consumption, and sustainable workplace practices among employees.



Syed Mahbubur Rahman, managing director and chief executive officer of Mutual Trust Bank PLC, shakes hands with a guest while presenting a souvenir at a programme for World Environment Day 2025 at the bank's head office in Dhaka recently.

PHOTO: MUTUAL TRUST BANK

NCC Bank to collect tuition fees for Dr Mahmud Hasan Academy

STAR BUSINESS DESK

NCC Bank PLC has signed a memorandum of understanding (MoU) with Dr Mahmud Hasan Academy in Chattogram and the fintech company The World to facilitate the collection of students' tuition fees through a fully digital platform.

M Shamsul Arefin, managing director of the bank; Akhtaruddin Mahmud Parvez, chairman of managing committee of the academy; and Anis Ahmed, chief executive officer (CEO) of the fintech company; signed the MoU in Chattogram recently, according to a press release.

Commenting on the initiative, Arefin remarked, "This collaboration will enhance the administrative efficiency

of the institution and foster the advancement of modern banking."

"This initiative will help promote financial inclusion and serve as a model for digital transformation across other educational institutions," he further noted.

Under the agreement, NCC Bank will collect all payments, including tuition fees for the academy, through its digital platform, with technical support provided by The World.

M Khurshed Alam, additional managing director of the bank; Ali Tarek Parvez, executive vice-president and regional head for Chattogram; and Shahin Akter Nuha, head of transaction banking and cash management department; attended the signing ceremony.



David Karmouni, regional financial adviser for South Asia and deputy head of the regional economic department at the French embassy in India, poses for group photographs with senior officials of Eastern Bank PLC and other members of the visiting delegation at the bank's head office in Dhaka yesterday.

PHOTO: EASTERN BANK

Eastern Bank engages with visiting French delegation to promote FDI

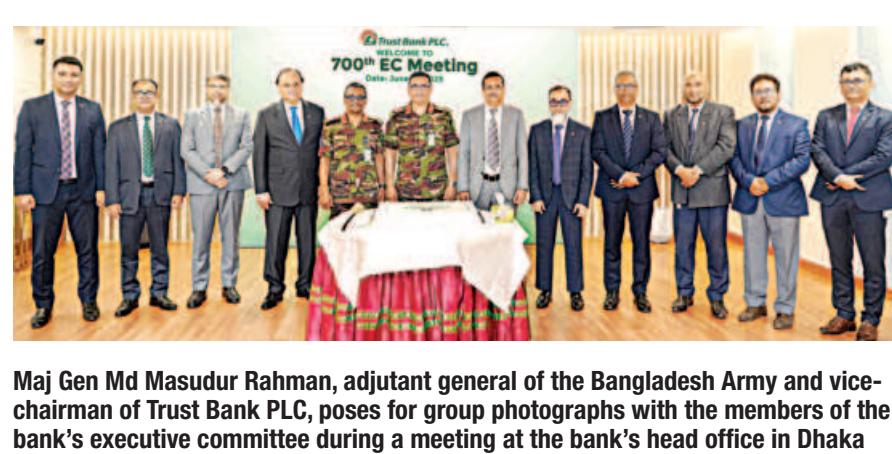
STAR BUSINESS DESK

A high-level delegation from the Regional Economic Department for India and South Asia, under the French embassy in India, visited Eastern Bank PLC's (EBL) head office in Dhaka yesterday to discuss matters concerning economic and financial cooperation between France and Bangladesh.

The delegation was led by David

Karmouni, regional financial adviser for South Asia and deputy head of the regional economic department at the French Embassy in India, who also represents Banque de France in the region.

During the meeting, the delegation engaged in extensive discussions with senior officials of EBL on Bangladesh's evolving banking landscape, the current investment climate, and recent reforms within the financial sector.



Maj Gen Md Masudur Rahman, adjutant general of the Bangladesh Army and vice-chairman of Trust Bank PLC, poses for group photographs with the members of the bank's executive committee during a meeting at the bank's head office in Dhaka yesterday. Ahsan Zaman Chowdhury, managing director and CEO, was also present.

PHOTO: TRUST BANK

Naseemul Hye elected president of ICSB

STAR BUSINESS DESK



M Naseemul Hye has been elected as president of the Institute of Chartered Secretaries of Bangladesh (ICSB) for the remainder of the 2022-2025 council term.

Prior to this appointment, Hye served as senior vice-president of the institute during the 2013-2016 term, according to a press release.

Earlier, he held the position of vice-president from 2010 to 2013 and served as treasurer for three consecutive terms from 2007 to 2010.

He is currently the deputy managing director and chief compliance officer of Meghna Cement Mills PLC. He also serves on the governing body of ActionAid International Bangladesh and is presently the treasurer of the organisation.

Hye previously held the role of senior executive director and company secretary at Bashundhara Group.

He holds both bachelor's and master's degrees in accounting from the University of Dhaka.

At the same meeting, Mohammad Shafiqul Islam Bhuiyan was elected as senior vice-president for the remaining period of the term. Bhuiyan is deputy general manager and acting chief regulatory officer at Dhaka Stock Exchange PLC.

He holds honours' and master's degrees in finance and banking from the University of Dhaka.

Currently, AKM Mushfiqur Rahman serves as vice-president and Mohammad Abdulla Al Mamun as treasurer of the institute.

Gold price rises

REUTERS

Gold rebounded on Tuesday as heightened geopolitical uncertainty stemming from Israel-Iran fighting and US President Donald Trump's call to evacuate Tehran led investors to seek safe-haven assets.

Spot gold rose 0.3 percent to \$3,392.29 an ounce as of 0601 GMT, after dropping more than 1 percent on Monday.

US gold futures fell 0.2 percent to \$3,410.90.

"Market sentiment continues to swing between escalation and de-escalation regarding events in the Middle East, and these back-and-forth sentiment shifts are what is driving the gold price's moves either side of the \$3400 level," KCM Trade Chief Market Analyst Tim Waterer said.

The fifth consecutive day of fighting between Israel and Iran saw Israel strike Iran's state broadcaster on Monday, while the head of the UN nuclear watchdog reported extensive damage to Iran's largest uranium enrichment facility.

Trump, returning early from the G7 summit in Canada on Monday night, urged Iranians to evacuate Tehran, citing the country's rejection of a nuclear weapons development curb deal.

Reports also indicated that Trump had requested the National Security Council to remain prepared in the Situation Room.

Gold is considered a safe-haven asset during times of geopolitical and economic uncertainty.

Pashchimanchal Gas Company Limited

(A Company of Petrobangla)

Head Office: Nalika, Sirajganj.

"Say No to Corruption, Adhere to Integrity"

INVITATION FOR TENDER FOR APPOINTMENT OF PRE-SHIPMENT INSPECTION AGENT

1 Ministry/Division	:	Power Energy & Mineral Resource/Energy & Mineral Resource Division	
2 Agency	:	Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)	
3 Procuring entity name	:	Pashchimanchal Gas Company Limited (PGCL)	
4 Procuring entity district	:	Sirajganj	
5 Invitation for	:	Appointment of Pre-Shipment Inspection Agent	
6 Invitation Ref. No.	:	28.18.000.039.39.001.2024-2510	
7 Procurement method	:	Open Tendering Method.	
8 Budget and source of funds	:	Company's own fund.	
9 Tender Publication Date	:	18/06/2025	
10 Tender Last Selling Date	:	30/07/2025	
11 Tender Closing date & time	:	31/07/2025, 2:30 PM (BST)	
12 Tender Opening date & time	:	31/07/2025, 2:40 PM (BST)	
13 Name & Address of the office(s)	:	Finance Division, PGCL, Nalika, Sirajganj. Dhaka Liaison Office, PGCL, Petrocenter (13th Floor), 3 Kawran Bazar C/A, Dhaka.	
- Selling Tender Document (Principal)	:	* The prospective tenderer(s) shall have to submit application in their letter head pad for purchasing the tender document.	
- Selling Tender Document (Others)	:	Head Office, Pashchimanchal Gas Company Limited, Nalika, Sirajganj.	
- Receiving Tender Document	:	Head Office, Pashchimanchal Gas Company Limited, Nalika, Sirajganj.	
- Opening Tender Document	:	Head Office, Pashchimanchal Gas Company Limited, Nalika, Sirajganj.	
14 Eligibility of Tenderer	:	a) Tenderer must have inspection network throughout the world i) have at least 05 (Five) years experience in the field of inspection of Stores/Materials particularly materials & equipment required in connection with transmission & distribution of Natural Gas and must have satisfactory performance record of inspection of Line Pipes & Pipe Line Materials. ii) They must have their own branch offices and laboratory facilities in most of the important countries. b) Others mentioned in the Tender Document.	
15 Brief description of the services	:	Pre-shipment inspection services of line pipe, pipeline materials & equipment required in connection with transmission & distribution of natural gas.	
16 Price of Tender document	:	BDT 2000.00 (non-refundable)	
17 Package No. Identification of Package		Tender Security Amount	Duration of Contract
Single Package	Appointment of Pre-Shipment Inspection Agent	BDT 60,000.00	03 (three) years from the date of signing of Contract
18 Name of Official Inviting Tender	:	Md. Shahenur Alam	
Designation of Official Inviting Tender	:	General Manager (Administration)	
Address of Official Inviting Tender	:	Pashchimanchal Gas Company Ltd., Nalika, Sirajganj, Bangladesh.	
Contact details of Official Inviting Tender	:	Telephone: 01730357237, e-mail: proc.pgcl@gmail.com	
19 The Procuring Entity reserves the right to reject all the Tenders or annul the Tender proceedings	:		

PGPR-50/2024-2025

GD-1413

(Md. Shahenur Alam)
General Manager (Administration)

Stocks end three-day rally

STAR BUSINESS REPORT

Indices on the Dhaka Stock Exchange (DSE) fell yesterday, snapping a three-day gains streak.

The DSEX, the benchmark index of the premier bourse, lost 43.97 points, or 0.91 percent, to close at 4,739.68.

The Shariah-compliant DSES index declined 1.10 percent to 1,033.80, while the DS30, which represents blue-chip stocks, fell 0.96 percent to 1,770.21.

Turnover, a key indicator of market activity, dropped to Tk 313.62 crore from Tk 417.37 crore in the previous session.

A total of 118,295 trades were executed during the session, with block transactions amounting to Tk 8.31 crore across 27 scrips.

Market breadth remained negative, with 67 issues advancing, 276 declining, and 54 remaining unchanged.

Among A category shares, 38 advanced, 148 declined, and 32 remained unchanged.

In the B category, 14 scrips gained and 65 declined, while there was no trading activity in N category shares.

Performance across other segments was mixed.

In mutual funds, one issue advanced and 16 declined. In corporate bonds, one issue gained and one declined.

Government securities saw three issues decline.

Central Insurance Company posted the highest gain of the day, surging 9 percent, while Premier Leasing & Finance was the worst performer, shedding 6 percent.

Sri Lanka vows reforms as growth slows

AFP, Colombo

Sri Lanka's president on Monday vowed to press ahead with unpopular reforms, including the closure of loss-making state institutions, as official data showed economic expansion slowing down.

President Anura Kumara Dissanayake said maintaining the country's 1.5 million-strong public service was unsustainable and that there would be cutbacks.

Addressing an IMF-backed review of the country's economic recovery from the unprecedented meltdown of 2022, the leftist president said he has identified several state institutions to be shut down.

"We have already decided that certain state institutions should be closed," Dissanayake said, without naming them.

"These institutions were established in response to the socio-economic needs of a bygone era, which are no longer relevant."

Dissanayake said he was committed to reforms in line with the International Monetary Fund's prescriptions and hoped it would be the island's last bailout.

The current IMF bailout is its 17th.

"By the year 2028, we aspire to build a stable economy with sufficient growth to service our debt independently," he said.

Dissanayake has signed off on a controversial debt restructuring his predecessor had agreed with both bilateral and private creditors.

performance was in 2022, when GDP shrank by 7.3 percent after the country ran out of foreign exchange to finance even the most essential imports such as food and fuel.

After two consecutive declines in GDP in 2022 and 2023, Sri Lanka's economy recorded positive growth of 5.0 percent in 2024, indicating the country was emerging from its worst crisis.

Months of shortages led to street protests that eventually forced then-president Gotabaya Rajapaksa to step down in July 2022.

His successor, Ranil Wickremesinghe, secured a \$2.9 billion, four-year bailout loan from the IMF.

However, Wickremesinghe lost the September elections to Dissanayake, who has done a U-turn on his election pledges to renegotiate the terms of the bailout and has maintained austerity.

Dissanayake said he was committed to reforms in line with the International Monetary Fund's prescriptions and hoped it would be the island's last bailout.

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Ten banks hold 71%

FROM PAGE B1

Tk 20,929 crore nine months earlier.

The central bank restructured the board of National Bank and ten other banks following the formation of the interim government in early August last year.

Once Bangladesh's first private commercial bank with a promising future, National Bank became mired in losses due to loan irregularities, weak governance, and internal feuds.

During the previous Awami League government's 16 year tenure, the Sikder Group held sway over the bank.

After the political changeover, businessman Abdul Awal Mintoo, vice-chairman of the Bangladesh Nationalist Party (BNP), took over as chairman.

Three other banks — First Security Islami Bank, Social Islami Bank, and Union Bank — were also under the influence of the S Alam Group and have seen their bad loans surge.

First Security Islami Bank's NPLs reached Tk 22,646 crore, which is 36.63 percent of disbursed loans.

Social Islami Bank recorded Tk 14,360 crore in bad loans, or 38 percent, while Union Bank's NPLs soared to Tk 25,303 crore — nearly 90 percent of its outstanding loans.

Include CMAs in national audit framework

ICMAB president urges govt

STAR BUSINESS REPORT

The Institute of Cost and Management Accountants of Bangladesh (ICMAB) has urged the interim government to include cost and management accountants (CMAs) in the national audit framework.

Mahtab Uddin Ahmed, president of ICMAB, made the demand at a press briefing at the Economic Reporters' Forum (ERF) office in Dhaka yesterday.

He claimed that a provision was incorporated into the draft finance ordinance this year requiring all unregulated entities to be audited by professional accountants (chartered accountants and cost and management accountants), as defined by the Financial Reporting Council (FRC), to ensure good governance and address weaknesses in the financial sector.

However, this provision was dropped from the Finance Bill at the final stage under pressure from a 'vested' group, Ahmed said.

"In the interest of the nation and to ensure financial good governance, we strongly demand that this provision be reinstated in the budget by allowing CMAs to participate in audits," he said.

The ICMAB emphasised that a fundamental transformation of the audit ecosystem is essential to sustain Bangladesh's current economic momentum.

Distressed asset law

FROM PAGE B1

Awami League government, which in 2020 floated a plan to set up a state-run corporation to help banks clean up bad loans.

The FID drafted the Bangladesh Asset Management Corporation Act-2020 that year.

However, the plan was shelved following criticism, including from the International Monetary Fund (IMF), over the use of taxpayer funds and concerns about the poor performance of state enterprises.

Following the political changeover in August last year, distressed assets surged as the true state of the financial sector came to light.

The issue of troubled asset management came up at a recent government meeting on reform progress.

Central bank officials said they are working on the draft and will soon send it back to the finance ministry. A World Bank

team is also offering advice on it.

As of March this year, defaulted loans at state-owned banks stood at Tk 146,407 crore, or 46 percent of their disbursed loans.

At private banks, the figure was Tk 264,195 crore, or 20.16 percent.

Foreign banks reported Tk 3,239 crore in bad loans, 4.83 percent of their total, while defaulted loans at specialised banks reached Tk 6,494 crore, or 14.47 percent.

Mustafa K Mujeri, executive director of the Institute for Inclusive Finance and Development and former chief economist at the Bangladesh Bank, said, "The interim government should take strict action to arrest the high amount of bad loans."

He added that while the government has announced many reform plans for the financial sector, progress so far has been disappointing.

Google Pay to launch in Bangladesh

FROM PAGE B1

to have an Android smartphone, download the Google Pay app and add a City Bank card.

Once set up, users can simply tap their phones to pay at stores and restaurants where Mastercard or Visa payments are accepted.

The service uses tokenisation — a secure, encrypted process that replaces sensitive card details with a unique token.

This ensures no actual card or customer data is shared during the

transaction.

Google will not charge users for facilitating the transactions.

With an estimated 95 percent of smartphones in Bangladesh running Android, the launch of Google Pay is expected to make digital payments more accessible, said an industry source.

Ahsan H Mansur, governor of Bangladesh Bank, and Tracey Ann Jacobson, chargé d'affaires, ad interim at the US embassy in Dhaka, are expected to join the launching event.

Idra opens special audits

FROM PAGE B1

Adeeba Rahman, first vice-president of the Bangladesh Insurance Association and sponsor director of Delta Life Insurance Company Limited, said this is a good initiative by the Idra to ensure discipline in the sector.

Without discipline,

customer confidence will not grow, she said, adding that to build customer trust, companies must first ensure compliance with regulations.

The country has 82 insurance companies — 36 life insurers and 46 non-life insurers.

Bangladesh to follow WTO mechanism

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detail about the meeting and bilateral negotiations with the USTR, America's chief trade negotiation body.

Bangladesh will maintain the MFN tariff rate with the US when formal dialogues are held between the two nations in the near future, he added.

A source familiar with the negotiation with the US on the tariff issue, seeking anonymity, said the USTR recently had sent a second letter to the commerce ministry.

In it, the American chief trade negotiation body urged the Bangladesh government to improve labour and human rights to gain the favour for the export of goods to the US.

The Daily Star could not obtain a copy of the second letter of the USTR sent to the commerce adviser of Bangladesh.

"I welcome the positive steps your letter references with regard to Bangladesh's reform initiatives related to key US interests," said USTR Jamieon Greer in the first letter.

"...and I also encourage the government of Bangladesh to address other areas of unfair trade practices, such as labour

rights violations and measures that may restrict digital trade," he said.

"We look forward to receiving a written offer from your government so that we can commence formal negotiations," he added.

Thank you for your letter outlining your government's proactive response to the Presidential Reciprocal Tariff Action of April 2, 2025," he said.

Commerce Adviser Sk Bashir Uddin sent another letter to the USTR offering duty-free import facilities on 100 American goods to minimise the trade gap

"My team is ready to engage with Bangladesh to address the persistent bilateral trade deficit by reducing Bangladesh's agricultural and industrial tariffs and non-tariff barriers as well as aligning with the United States on economic security matters," he said.

Earlier, in response to Trump's 37 percent additional reciprocal tariff on Bangladeshi

Government of the People's Republic of Bangladesh

Office of the Executive Engineer

P.W.D. Division, Jashore.

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Memo No: 25.36.4100.210.00.000.00/4792

Date:- 17-06-2025

INVITATION FOR TENDER (Works, NCT)

Corrigendum of e-Tender Notice (OTM)

e-tender is invited in the national e-GP portal (<https://www.eprocure.gov.bd>) for the procurement of the following work.

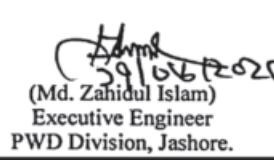
Tender ID No	Name of Work/ Package Description	Last Selling Date and Time		Closing Date and Time	
		Old Value	New Value	Old Value	New Value
1099738	Establishment of 500 Bedded Hospital and Ancillary Buildings in Jashore, Cox's Bazar, Pabna & Abdul Malek Ukil (AMUMC) & Jononoto Nural Hoque Adhunik Hospital, Noakhali (S.H: Construction of Academic Building of Nursing College, Construction of Mosque at Jashore) (Josh,MCH/WD-8)	17/06/2025 16:00	23/06/2025 16:00	18/06/2025 15:00	24/06/2025 15:00

This is an online tender, where only e-Tender will be accepted in the national e-GP portal and no offline/ hard copies will be accepted.

To submit e-Tender registration in the national e-GP system portal (<https://www.eprocure.gov.bd>) is required.

The fees for downloading the e-Tender documents from the national e-GP system portal have to be deposited online through any registered banks branches within the above stated time limit.

Further information and guidelines are available in the national e-GP system portal and from e-GP help desk (helpdesk@eprocure.gov.bd).


(Md. Zahidul Islam)
Executive Engineer
PWD Division, Jashore.

GD-1417

GD-1414

১৬.০৮.২০২৪	মোহাম্মদ মোহাম্মদ জিয়া
০২৩০৮৮-৮৪৬২১১	জেলা প্রশাসক, চাঁপুর
১৬.০৮.২০২৪	জেলা প্রশাসক, চাঁপুর

Losses mount as rough weather hits post-ban fishing

MOKAMMEL SHUVO, Cox's Bazar

Mohammad Manjur, along with 22 other fishermen, ventured out into the Bay of Bengal in the early hours of June 12, just after a 58-day fishing ban was lifted.

Their employer had spent about Tk 8 lakh purchasing fuel and food, enough to sustain their fishing trip for around 15 days.

However, they were forced to return to Cox's Bazar Fishery Ghat within just three days due to rough weather at sea.

"The waves were so strong they almost capsized our boat. We couldn't stay out there fighting those violent waves," said Manjur, a resident of Khuruskul in Sadar upazila.

"We caught fish, mostly Bombay duck, worth around Tk 2 lakh, incurring a loss of Tk 6 lakh on this trip," he added.

He said they managed to catch some marine fish, but no significant amount of hilsa.

Delwar Hossain, secretary of the Cox's Bazar Fishing Trawler Owners' Association, said nearly all the trawlers that had gone fishing after the ban were forced to return due to the rough seas.

"Only a few small boats near the shore are continuing fishing," he added.

"Around 29,358 small mechanised boats are involved in fishing across Bangladesh, while

Cox's Bazar alone has a total of around 5,000 fishing trawlers," he said.

"About 30 percent of those in the district went out after the ban was lifted on June 12, but most had to come back with losses. Each trawler caught fish worth up to Tk 2 lakh at most," said Hossain.

"The supply of hilsa is very low. Each boat got fewer than 100 hilsa," he said.

"Today is the beginning of the Bangla month Ashar, which we consider a natural fishing ban period. We'll likely have to wait another month before returning to the sea. Even then, the chances of getting hilsa will be slim," he added.

Abdur Rahim, a fisherman from Nuniarchara, said he has been without work for the past two months. "If this weather continues, our lives will become unbearable," he said.

Mohammad Hasan, president of Mistiriparaghat in Teknaf, said all 41 fishing boats at their ghat returned to shore due to bad weather. He criticised the timing of the official fishing ban.

"April to June is our prime fishing season. Imposing a ban during that period harms our livelihood," he said.

Ashish Kumar Baidya, assistant accounts officer at Cox's Bazar Fish Landing Centre, said that from June 12 to June 15,



Though fishing boats ventured into the Bay of Bengal on June 12 after a 58-day fishing ban, they were forced to return to Cox's Bazar Fishery Ghat within just three days due to rough seas.

after the fishing ban was lifted, around 48 tonnes of various fish, including about 4 tonnes of hilsa, were caught.

The estimated market value of the fish is Tk 42 lakh, while revenue earned during this period amounted to Tk 46,000, he said.

Fisheries officials said wooden

boats have a capacity to carry around 45-50 tonnes of fish inside their hulls.

Catches in the Bay of Bengal have been falling consistently over the past two years, raising concerns, as sea fish account for roughly 13 percent of the country's total annual protein production.

Fishermen caught 628,622 tonnes of fish from the Bay of Bengal in fiscal year (FY) 2023-24, the lowest in nine years, according to the Department of Fisheries (DoF).

Of the harvest, commercial vessels contributed 114,804 tonnes and small wooden boats 513,818 tonnes.

No immediate fuel price hike

Says finance adviser

STAR BUSINESS REPORT



The government will not immediately increase fuel prices, even if oil prices rise in the international market due to the Israel-Iran conflict, said Finance Adviser Salehuddin Ahmed yesterday.

"We bought at the previous price, so there will be no impact on fuel prices," he told journalists when asked whether the conflict could drive up fuel prices in Bangladesh.

He also said the interim government was observing the situation.

"Although global prices have risen slightly, our current orders remain unaffected," he told journalists following meetings of an advisory committee on economic affairs and an advisory committee on government procurement at the Bangladesh Secretariat.

In the meetings, the government approved a proposal to purchase one cargo of liquefied natural gas (LNG) from US-based Excelerate Energy at a cost of Tk 612.54 crore.

In other words, the government will purchase LNG from Excelerate Energy at \$15.17 per million British thermal units (MMBtu).

Asked whether trade has been affected so far, the adviser said, "No, there will be no impact on trade for now."

He also said the government was taking precautions by securing essential imports. "The special preparations are the proposals to bring LNG and fertiliser at the old price. In future, if we import again, there may be some effect," he said.

NCC Bank director to sell 1.11 crore shares

STAR BUSINESS REPORT

Sohela Hossain, a sponsor director of National Credit and Commerce Bank PLC (NCC Bank), has expressed her intention to sell 1.11 crore shares from her holding of 3.57 crore shares.

The transaction will be carried out at the prevailing market price through the block market of the Dhaka Stock Exchange (DSE) and is expected to be completed within the next 30 working days, the bank said in a disclosure on the DSE website today.

Based on the closing price of Tk 9.9 per share as of yesterday, the deal would be worth around Tk 11 crore.

Sohela Hossain is a former vice-chairman of the board of NCC Bank. She is also associated with various business entities, serving as the chairman of Mir Akhter Hossain Ltd and the president of Mir Cement Ltd, Mir Real Estate Ltd, and Mir Concrete Products Ltd.

As of May 31, 2025, sponsors and directors held 37.01 percent of NCC Bank's shares, while institutions owned 23.77 percent, foreign investors 0.07 percent, and the public 39.15 percent, according to DSE data.

In the January-March quarter of 2025, the private lender posted a profit of Tk 28.22 crore, up 66 percent year-on-year.

Its earnings per share rose to Tk 0.25 from Tk 0.15 in the same period last year.

The increase in earnings was mainly driven by higher returns from treasury bond investments, the bank said in its financial statement.

Beijing has more at stake in Iran besides just oil

REUTERS, Hong Kong

Beijing has far more at stake in Iran besides just oil. China has not only benefited from importing heavily discounted Iranian crude, it has inked up its strategic infrastructure investments into the country since the duo signed a \$400 billion pact in 2021. If the regime in Tehran is severely weakened or changes, China also will lose a key diplomatic lever in the Middle East.

Despite Washington's efforts to use sanctions to curb oil exports from Iran, it has become an increasingly important supplier to China. Crude shipments to the People's Republic from Malaysia, a major transhipment hub, have tripled to 70 million tonnes last year from 2021, according to data from the Chinese Customs - third after Russia and Saudi Arabia.

Moreover, Iran's strategic location makes it a crucial cog in President Xi Jinping's signature Belt and Road policy to enhance his country's physical and economic connectivity with the world. As of 2023, China accounted for 3 percent of Iran's \$6 billion worth of foreign direct investments.

That pales in comparison to, say, Russia's 27 percent contribution, but China is ramping up its support in other ways: Iran has turned to

the People's Republic for "thousands of tons of ballistic-missile ingredients", for instance, to build its military prowess, the Wall Street Journal reported in June, citing sources. The trio also conducts regular joint naval drills together.

The escalating conflict threatens to undermine Beijing's nascent ambitions in Gulf politics too. Just two years ago, Chinese diplomats hailed a "new paradigm" for resolving friction in the Middle East after they brokered a deal to restore diplomatic ties between Iran and Saudi Arabia.

War also throws up a fresh test of China's diplomatic ties further afield too. Iran joined the Shanghai Cooperation Organisation in 2023. However, India, a founding member, on Saturday issued a rare public rebuttal of the SCO's statement denouncing Israel's attacks, underscoring a potential rift between Xi and Indian Prime Minister Narendra Modi, who has fostered closer ties with Israel.

The danger for China is this could be a moment that ultimately erodes its ambition to project power in the region and one that gives rise to rival infrastructure projects, such as the ambitious India-Middle East-Europe Economic Corridor, aimed at diluting Beijing's influence. For now, it appears the reshaping of the Middle East may not work in its favour.

Despite Washington's efforts to use sanctions to curb oil exports from Iran, it has become an increasingly important supplier to China

FY26 budget is far from expectations

AF NESARUDDIN

Among many other things, the current interim government is pro-reform in many sectors. Unfortunately, there is almost no reflection of this in the recently presented budget. Political governments often cannot take hard initiatives due to both internal and external pressures. From that perspective, it was the right time and widely expected that the interim government would present a budget that initiated some reform agenda and set a tone for the next elected government to make further progress. Mere bifurcation of the tax departments into policy and administration by abolishing the National Board of Revenue is not enough. Tax reform in Bangladesh has been overdue for many years, given our poor tax-to-GDP ratio compared with regional and similar economies. It is disheartening that we have repeatedly failed to break free from this vicious circle. The 2025-26 budget is a traditional one, following the usual changes in tax rates and other minor amendments.

Our taxation system is characterised by a narrow taxnet, tax evasion, in many cases unreliable financial reporting, corruption, and non-transparent as well as arbitrary assessment systems. Sadly, there is no indication that these issues will be addressed in the new budget.

In a country of around 18 crore people, only 1 crore hold a TIN, and of these only 40 lakh file tax returns. Our tax net must be widened, but for various reasons we have not succeeded. In addition to tax inspectors, external survey groups should be appointed to identify potential taxpayers and verify the status of their current tax payments. Inspectors could then scrutinise and finalise the list, giving appropriate reasons for any exclusions.

Lack of transparency in financial reporting remains widespread. Actual profit is not reported, and financial statements are window-dressed in many cases. In Bangladesh, there is a fallacy in financial reporting where management or preparers of financial statements are made less accountable, while auditors are blamed. Management often resorts to corrupt practices in connivance with tax officials, sometimes aided by unethical tax consultants.

Corruption is another major reason for low tax collection and must be tackled and brought within tolerable levels, if not eliminated. Non-transparent assessment systems and arbitrary disallowances are common. Good taxpayers are often forced to pay more and face harassment, while tax evaders easily escape through corrupt channels. Unfortunately, the current taxation system cannot address these chronic issues. In a society where corruption is a major concern and where legal and penal actions are not taken in a timely manner, there is no alternative to the introduction of tax audits, streamlining assessment procedures, and digitalisation. Considering Bangladesh's unique context, we should adopt a policy of trust but verify. Alongside financial reporting and statutory audits, tax audits, as practised in many countries, especially our neighbours, should be introduced without delay. This could be done through an executive order, at least in the short term. Tax collection has improved significantly in other countries after introducing tax audits. It helps curb tax evasion, inappropriate financial reporting, and corruption, while minimising arbitrary assessments.

These problems could be solved through short, medium and long-term reform proposals. As a short-term measure, many countries have introduced tax audits and reliable financial reporting, limiting the discretionary power of assessing officers. Ultimately, we must move towards complete digitalisation and faceless assessments as practised elsewhere. Tax reform is the right approach and must be initiated immediately. It is long overdue.

The writer is a senior partner of Hoda Vasi Chowdhury & Co and former president of ICAB



From left to right, European Council President António Costa, Japanese Prime Minister Shigeru Ishiba, Italian Prime Minister Giorgia Meloni, French President Emmanuel Macron, Canadian Prime Minister Mark Carney, US President Donald Trump, British Prime Minister Keir Starmer, German Chancellor Friedrich Merz, and European Union President Ursula von der Leyen pose for a family photo during the Group of Seven Summit at the Kananaskis Country Golf Course in Kananaskis, Canada on June 16.

marking the deal, Trump opened a folder to display the signed agreement, only for the paperwork to slide out and spread across the ground.

"Oops, sorry about that," he said as Starmer scrambled to gather up the loose sheets and stuff them back in the folder.

The trade issue is of urgent interest to Canada after the Trump administration announced several additional levies on Canadian imports in recent months, throwing the economic future of America's northern neighbor into deep uncertainty.

After a meeting between Trump and Prime Minister Mark Carney, the Canadian government indicated that the two sides could reach a trade truce deal within the next 30 days.

Japanese Prime Minister Shigeru Ishiba told reporters in Canada that he spoke to Trump for 30 minutes and discussed ways they could find a solution "in a manner that is in line with Japan's national interests," according to Japanese public broadcaster NHK.

"As there are still some points where both sides disagree, we have not reached an agreement on the package as a whole," Ishiba said.

"Several participants asked to end the tariff dispute as soon as possible," a senior German official told reporters on condition of anonymity. They argued that the dispute weakens the G7's economies and "in the end will only strengthen China," the official said.

Trump used the meeting to officially sign a deal already announced in May with Britain, the first country to secure a trade pact with the US to avoid Trump's threat of the crushing levies. "I like them. That's the ultimate protection," Trump told reporters after a meeting with British Prime Minister Keir Starmer on the G7 sidelines.

At a media conference