



Govt to drop wilful defaulter tag

Amendments to Bank Company Act also propose smaller boards, reducing family control

CHANGES THROUGH AMENDMENT

Present situation | Proposed amendment

Wilful defaulters	Has a provision on them	It will be withdrawn
Number of directors	20	15
Independent directors	3	50% of total directors
Directors from a family	3	2
Family nominated directors	2	0
Tenure of directors	12 years	6 years
Family definition	Covers spouse, children, siblings	In-laws will be counted



REJAUL KARIM BYRON and ASIFUR RAHMAN

The government has moved to amend several sections of the Bank Company Act, including the removal of the provision on "wilful defaulters" that was introduced for the first time in 2023, and reducing the size

workload but also leaves room for corruption due to subjective interpretation.

The proposed changes to the act are part of a wider reform of the financial sector. The central bank has already drafted the amendments, and its board has approved them recently.

that such a move was aimed at ensuring good governance through the inclusion of banking experts.

Independent directors would be chosen from a vetted pool of candidates shortlisted by an expert panel.

The officials said that bank boards in many

A finance ministry official said the draft is now under review, with preparations to place it before the advisory council by September. An ordinance could be issued by December

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Under the current law, banks are required to prepare separate lists of loan defaulters deemed unwilling to repay, categorised as "wilful defaulters".

There will only be the defaulter list, and bad borrowers will face penalties according to related laws.

Bangladesh Bank officials said the rule of wilful defaulter not only creates additional

A finance ministry official said the draft is now under review, with preparations to place it before the advisory council by September. An ordinance could be issued by December.

The draft recommends reducing the number of directors to 15 from 20. Currently, banks have three independent directors, but the draft sets this at half of the board.

Officials said this would mean seven or eight independent directors, adding

countries are dominated by professionals rather than profit-seeking shareholders.

The draft also seeks to restrict the number of directors from one family. The existing law allows three family members, with two more nominated by relatives.

According to the draft, only two from a family would be permitted. Also, the definition of family would also be broadened to include in-laws.

READ MORE ON B3

BB dissolves Premier Bank board

STAR BUSINESS REPORT

Bangladesh Bank has dissolved the current board of Premier Bank and formed a new one – a move which, industry insiders claim, will end the dominance of the family members of HBM Iqbal, founder chairman of the bank and an Awami League lawmaker.

For the sake of the depositors, the central bank dissolved the seven-member board led by Mohammad Imran Iqbal, son of HBM Iqbal and chairman of the bank, Bangladesh Bank Director and Assistant Spokesperson Mohammad Shahriar Siddiqui told The Daily Star.

In its place, the banking watchdog formed a six-member board, including Arifur Rahman, a sponsor shareholder, as a director, and the remaining five as independent directors.

After leading Premier Bank as chairman for 26 years, HBM Iqbal stepped down in January this year from the private commercial bank he co-founded in 1999.

Imran Iqbal was made chairman of the bank after his father left the post.

Govt to buy 3 LNG cargoes from spot market

STAR BUSINESS REPORT

The government has approved the purchase of three cargoes of liquefied natural gas (LNG) from the spot market at a total cost of Tk 1,442 crore, with the average price set at about \$11 per million British thermal unit (MMBTu).

The approvals came at a meeting of the Advisers Council Committee on Government Purchase at the Secretariat in Dhaka yesterday.

READ MORE ON B3

Bangladesh to launch marine survey in Bay

STAR BUSINESS REPORT

Bangladesh is set to launch a month-long marine survey in the Bay of Bengal to assess fishery resources and ecosystem health, aiming to support sustainable management and conservation efforts.

Conducted with support from the Food and Agriculture Organization (FAO) and Norway, the expedition will begin on August 21 using the Norwegian research vessel RV Dr Fridtjof Nansen.

Fisheries and Livestock Adviser Farida Akhtar shared the details at a press conference held yesterday at the fisheries ministry in Dhaka.

Twenty-six researchers from various countries, including 13 scientists from different institutions in Bangladesh, will take part in this approximately 32-day expedition, the ministry said in a press release.



The fishery resources extracted from the Bay of Bengal play a significant role in the country's economic growth, food security and employment, the adviser said.

Ensuring proper management of Bangladesh's marine waters will further strengthen the sector's contribution to the national economy, she added.

She said the survey will assess the abundance and stock of small pelagic and mesopelagic fish, evaluate the species diversity of demersal fishery resources, and analyse the overall condition of the marine ecosystem.

Additionally, data will be collected on sea temperature, salinity, current speed, productivity, deep-sea circulation systems and climate change impacts, she said.

Research on microplastics, marine debris, oxygen minimum zones, carbon dioxide levels and ocean acidification will be conducted, which will help formulate effective policies to combat the impacts of climate change in the future, she said.

The adviser further said the scientific data obtained from this survey will assist in fishery resource conservation, sustainable harvesting, climate change adaptation and protection of the marine environment.

READ MORE ON B3

Capital base of Bangladeshi banks lowest in South Asia

STAR BUSINESS REPORT

Bangladeshi banks emerged as the most fragile against shocks from risky assets compared to other countries in the South Asian region at the end of 2024, as large volumes of long-buried toxic loans surfaced after last August's political changeover.

As the hidden losses surfaced, the safety reserves of banks were eroded, taking the capital adequacy ratio far below the required level.

The Capital to Risk-Weighted Asset Ratio (CRAR), the main measure of how much cushion banks hold against risky assets, fell to just 3.08 percent at the end of 2024, according to Bangladesh Bank's latest Financial Stability Report.

By contrast, the ratio was 16.7 percent in India as of September last year, while it was 18.4 percent in Sri Lanka and 20.6 percent in Pakistan at the end of 2024. Smaller economies such as Nepal, Bhutan, and Afghanistan also reported levels well above 10 percent.

Smaller economies such as Nepal, Bhutan, and Afghanistan also reported levels well above 10 percent.

Non-bank financial institutions (NBFI) are in even worse shape. Their bad loan ratio rose from 31.55 percent to 33.83 percent in 2024, while their CRAR turned negative at -6.46 percent.

In simple terms, CRAR indicates how much capital a financial institution has compared to the risks it has taken on through lending. A high CRAR means the bank has enough of a safety net to withstand shocks and meet its obligations. A low CRAR means it is vulnerable to collapse if borrowers default. The minimum requirement under the Basel III rules is 10 percent, plus an additional 2.5 percent buffer. Bangladesh is nowhere close.

Thanks to the low capital base, banks will not be able to lend. The low ratio indicates that their deposits were wiped out, and they cannot fulfil the central bank's guidelines and cannot function well," added Khan, also a former chairman of the Association of Bankers Bangladesh (ABB).

According to the central bank, the default of large borrowers posed the most severe risk to capital adequacy, followed by collateral evaluation.

By December 2024, only 42 banks still met CRAR requirements. These compliant banks retained 59 percent of total assets and

57 percent of total liabilities of the banking

sector.

In contrast, non-compliant banks held 41 percent of the sector's total assets and 43 percent of total liabilities, marking a 2 percentage point excess of liabilities over assets in this segment.

Only foreign banks kept their ratios well above the regulatory threshold. Conventional private banks hovered just above the line.

The significant deterioration of capital adequacy happened in state-run banks and sharia-based private banks.

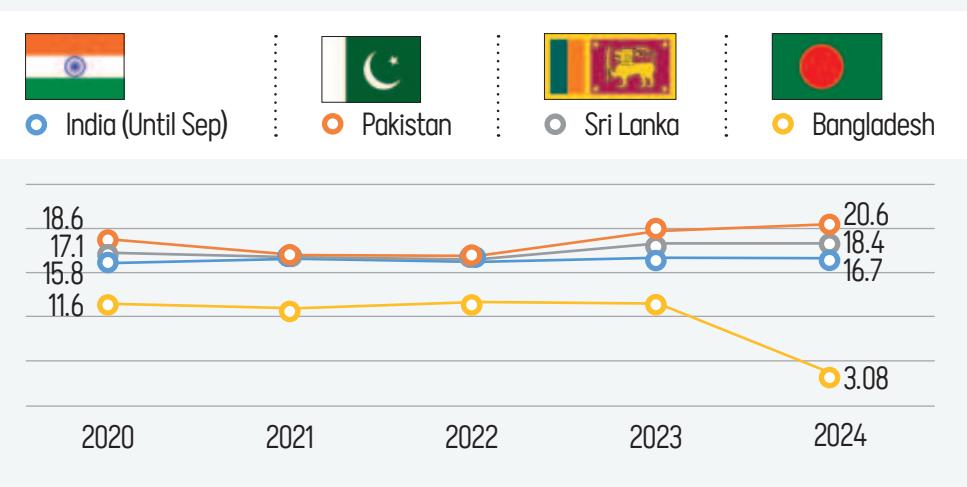
Banks are required to maintain buffer capital of 2.50 percent of total risk-weighted assets in addition to the minimum regulatory capital requirement of 10 percent under the Basel III framework.

Against this requirement, the banking industry of Bangladesh failed, as the buffer capital stood at 1.64 percent at the end of December 2024.

The aggregate CRAR of Islamic banks dropped from 12.71 percent in 2023 to 4.95 percent in 2024, largely because of steep losses in seven banks.

Stress tests by Bangladesh Bank show the system remains fragile. A default by the two largest borrowers in the country would have the most damaging impact on the sector's resilience.

Capital adequacy ratio of banks in South Asia



SOURCE:BB



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NCC Bank launches 'TakaPay' card to boost digital self-reliance

STAR BUSINESS DESK

NCC Bank PLC has launched a debit card, branded "TakaPay", initiated by the Bangladesh Bank and operated entirely through domestic infrastructure, for its customers.

According to a press release, the card is designed to serve as a local alternative to international payment networks such as Visa, Mastercard and American Express.

Md Nurun Newaz Salim, chairman of NCC Bank PLC, unveiled the card as chief guest at a business review meeting of the bank's Dhaka regional branches, recently held at a hotel in the capital.

Commenting on the launch, Salim said, "TakaPay" debit card would be available to all types of NCC Bank savings account holders, including both conventional and Islamic accounts. It will operate alongside the bank's existing Visa debit cards."

M Shamsul Arefin, managing director of the bank, observed that "With this initiative, Bangladesh has taken another step towards self-reliance in digital transactions."

He further noted that, with its wide range of features, the card would enable cardholders to conduct safer and more



Md Nurun Newaz Salim, chairman of NCC Bank PLC, unveils the debit card, TakaPay, at a hotel in Dhaka recently. PHOTO: NCC BANK

convenient domestic transactions. Reducing dependence on international payment networks would also conserve foreign currency and contribute to strengthening the nation's economic self-sufficiency.

Issued under the National Payment Switch Bangladesh (NPSB), the card has been launched to facilitate local

transactions in Bangladeshi Taka in a more affordable, secure and efficient manner.

Among its notable features are free cash withdrawals from NCC Bank's extensive ATM network, as well as Q cash and other ATMs under NPSB. In addition, it offers seamless nationwide POS (Point of Sale) transactions, together with year-round attractive discounts and privileges at more

than 1,000 partner merchant outlets.

Abdus Salam, vice chairman of the bank; Khairul Alam Chaklader, chairman of the executive committee; M Khurshed Alam, additional managing director; Md Zakir Anam, Md Mahbub Alam, Md Monirul Alam and Mohammed Mizanur Rahman, deputy managing directors; attended the programme.

Pubali Bank opens Green Road Islamic banking sub-branch

STAR BUSINESS DESK

Pubali Bank PLC has launched an Islamic banking sub-branch on Green Road at Panthapath in Dhaka recently, aimed at providing Shariah-based Islamic banking services to customers.

Mohammad Ali, managing director and CEO of Pubali Bank PLC, inaugurated the sub-branch as chief guest, according to a press release.

In his address, Ali said, "The demand for Islamic banking services is increasing in our country, and to meet this demand, Pubali Bank has already established Islamic Banking Corners in nearly all branches and sub branches nationwide."

"Through these, customers are able to conduct their transactions in accordance with Islamic principles, while enjoying the benefits of modern technology and secure banking."

He further expressed hope that Pubali Bank would set a benchmark in Islamic banking by expanding Islamic banking sub-branches to every region of the country.

Md Shahnewaz Khan, deputy managing director; Dewan Jamil Masud, general manager and head of Islamic banking wing; Md Anisur Rahman, company secretary and general manager; and Md Zahid Hossain, manager of Paltan Islami banking corporate branch; among others, were also present.



Mohammad Ali, managing director and CEO of Pubali Bank PLC, inaugurates the Islamic banking sub-branch on Green Road in Dhaka recently. PHOTO: PUBLI BANK

Trust Bank, ACI Motors sign deal on 0% EMI benefits

STAR BUSINESS DESK

Trust Bank PLC has signed a memorandum of understanding (MoU) with ACI Motors Limited, an automotive concern and a subsidiary of Advanced Chemical Industries (ACI) PLC.

Md Mahboob Hossain, head of business division at Trust Bank PLC,

and Sabrina Rahman, corporate treasury manager of ACI PLC, executed the signing of the MoU in the capital recently, according to a press release.

Under the agreement, Trust Bank credit cardholders will be entitled to avail an EMI facility of up to 24 months at zero per cent (0%) interest when purchasing

Yamaha motorcycles from ACI Motors showrooms across the country.

Subrata Ranjan Das, deputy managing director of ACI Motors Limited, and Md Mostafa Musharraf, head of cards division of Trust Bank PLC, together with other senior officials from both organisations, were also present.



Sabrina Rahman, corporate treasury manager of ACI PLC, and Md Mahboob Hossain, head of business division at Trust Bank PLC, pose for photographs after signing the memorandum of understanding in the capital recently. PHOTO: TRUST BANK

BRAC Bank opens sub-branch in Aftabnagar

STAR BUSINESS DESK

BRAC Bank PLC has inaugurated a new sub-branch at Aftabnagar in Dhaka.

With this addition, the bank's sub-branch network now totals 97, according to a press release.

Faruq Mayeenuddin Ahmed, vice-chairperson of BRAC Bank PLC, inaugurated the sub-branch at Basic Mansuba Tower, Aftabnagar Housing in the capital recently.

The sub-branch will provide a comprehensive range of modern banking services designed to offer convenience to both individual and business customers.

Customers will be able to access a wide array of services, including account opening, cash deposits and withdrawals, deposit pension schemes, fund transfers through EFTN and RTGS, remittance facilities, utility bill payments, credit card services, student files, consumer loans, debit cards, chequebook processing, Astha App enrolment, school banking, savings instruments and more, with the exception of foreign exchange

services.

The bank's extensive distribution network currently comprises 288 branches and sub-branches, 330 ATMs, 446 SME Unit Offices and 1,121 Agent Banking Outlets, making it one of the largest banking networks in Bangladesh.

Tareq Refat Ullah Khan, managing director and CEO (current charge); Sheikh Mohammad Ashfaque, deputy managing director and head of branch distribution network; AKM Tareq, senior zonal head for Dhaka North; among others, were also present.



Faruq Mayeenuddin Ahmed, vice-chairperson of BRAC Bank PLC, inaugurates the Aftabnagar sub-branch at Basic Mansuba Tower, Aftabnagar Housing in Dhaka recently. PHOTO: BRAC BANK

Bangladesh Development Bank gets new DMD

STAR BUSINESS DESK

Parveen Akter has been appointed as the deputy managing director (DMD) of Bangladesh Development Bank PLC.

Prior to taking up this role, Akter was serving as DMD at Ansar VDP Unnayan Bank PLC, according to a press release.

She began her professional career at Bangladesh House Building Finance Corporation as a senior officer in 1996.

Over the course of her career, she has also served at Bangladesh Krishi Bank and Agrani Bank PLC, where she held various positions of responsibility.

Akter obtained both her bachelor's and master's degrees in economics from the University of Dhaka.



Parveen Akter

Gold steadies

REUTERS

Gold held steady on Tuesday as investors awaited the Federal Reserve's Jackson Hole symposium later this week for cues into possible rate cuts and weighed Washington's efforts to end the war in Ukraine.

Spot gold edged 0.2 percent higher to \$3,337.62 per ounce by 0609 GMT. US gold futures for December delivery rose 0.1 percent to \$3,381.50.

Fed Chair Jerome Powell's remarks at the Jackson Hole symposium through August 21-23 could offer clarity on the central bank's economic outlook and policy framework.

"Gold is still consolidating and is really waiting for a new catalyst to break higher. I think the big event to watch is Jackson Hole and whether the Fed brings the dovish guidance or not," said Kyle Rodda, Capital.com's financial market analyst.

Market participants currently see an 84 percent probability of a 25 basis-point rate cut at the Fed's next meeting, per the CME FedWatch tool.

Gold typically performs well in a low-interest-rate environment and amid heightened uncertainties.

Minutes of the Fed's July meeting, due for release on Wednesday, are expected to provide additional cues into its policy.

On Monday, US President Donald Trump told his Ukrainian counterpart Volodymyr Zelenskiy that Washington would help guarantee Ukraine's security in any potential deal to end Russia's war there.

Government of the People's Republic of Bangladesh

Office of the Administrator
Satkhira Pourashava; Satkhira
Project Implementation Unit

Climate Resilient Infrastructure Mainstreaming (CRIM) Project
Incorporating Climate Change-Adapted Urban Development Programme (CCAUD)
Satkhira Component, Phase I
www.satkhiramunicipality.org.bd

e-Tender Notice No. SAT/CRIMP/02/2024-25
(Open Tendering Method) (OTM)

Dated: 18-08-2025

Memo No. 46.00.8766.010.20.001.08.25-386

Country: People's Republic of Bangladesh

Project: Climate Resilient Infrastructure Mainstreaming (CRIM) Project Incorporating Climate Change-Adapted Urban Development Programme (CCAUD) Satkhira Component, Phase I

Date : 18-08-2025

NCB No.: CRIM/SATPOU/WS-05 Procurement No: 511254

1. The Government of the People's Republic of Bangladesh has received financing from KFW toward the cost of the **Climate Resilient Infrastructure Mainstreaming (CRIM) Project** incorporating Climate Change-Adapted Urban Development Programme (CCAUD) Satkhira Component, Phase I, and intends to apply part of the proceeds toward payments under the contract for "Replacement & Reinforcement of Existing Pipe Line work at Satkhira Pourashava, District: Satkhira under Package No. WS-05".

2. The Administrator Satkhira Pourashava, District Satkhira ("the Employer") invites bids (e-Tenders) for the following Works ("the Works"); from eligible Bidders for "Replacement & Reinforcement of Existing Pipe Line work at Satkhira Pourashava, District: Satkhira under Package No. WS-05" as detailed below:

Package No.	e-GP Tender ID No.	Description	Tender security BDT	Duration
CRIM/SATPOU /WS-05 Procurement No: 511254	1132242 (APP ID 214298)	"Replacement & Reinforcement of Existing Pipe Line work at Satkhira Pourashava, District: Satkhira under Package No. WS-05" Procurement No: 511254".	Taka 850,000 (eight lac fifty thousand Taka only)	12 calendar months

3. National Competitive Bidding (NCB) will be conducted through electronic Government Procurement (e-GP) in compliance with qualification as specified in the KfW Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non-Consulting Services in Financial Cooperation with Partner Countries ("KfW Guidelines, January 2021") and is open to all Bidders from eligible countries as described in the Bidding Documents.

4. Only eligible Bidders with the following key qualifications should participate in this bidding:

A) **Specific Similar Experience:** At least 1 (one) contract of similar nature, complexity and methods/construction technology successfully completed within the last 5 (five) years, with a value of **BDT 32,000,000 (Thirty-two million).**

B) **Average Annual Construction Turnover:** The required average annual construction turnover shall be greater than **BDT 64,000,000 (Sixty-four million)** over the last 5 (Five) years.

C) **Liquid Assets or Credit Facilities:** The minimum amount of liquid assets or working capital or credit facilities of the Bidder shall be **BDT 10,500,000 (Ten million five hundred thousand only).**

The complete qualification criteria are described in the bidding documents.

5. This is an online bidding where only e-Tender (e-bid) will be accepted in the Bangladesh National e-GP System Portal and **no offline/hard copies will be accepted.** To obtain further information and to submit e-Tender for this works package bearing e-Tender ID No. 1132242, registration in the e-GP Portal (<http://www.eprocure.gov.bd>) is required.

6. The fees for downloading the e-Tender Documents from the e-GP Portal, is **Tk. 4000.00 (four thousand)** and the tender security amounting **Taka 850,000 (eight lac fifty thousand Taka only)** have to be deposited online through any branch of the banks registered in the e-GP System by **14:00 hours 22/09/2025.**

7. An online Pre-Tender Meeting will be held on **11-09-2025, 10:00 hours**. The zoom meeting link is contained in the Tender Data Sheet, ITT Clause No. 11.2. Join Zoom Meeting <https://us06web.zoom.us/j/85978029572?pwd=emxNL3dSUFNhV1N6bWI2TTZxY05vZz09> Meeting ID: 85978029572

Pass code: crimp Also, Pre-tender meeting will be held through e-GP System from 19-08-2025; 10:00 to 11-09-2025; 15:00.

8. The deadline for submission of e-Tenders (bids) is on **22-09-2025, 15:00 hours** Bangladesh Standard Time (BST), and online opening will be done on the same date at **15:00 hours BST.**

9. Last selling Date & Time will be **21-09-2025, 17:00pm.**

10. Further information and guidelines are available in the e-GP Portal and from e-GP help desk (helpdesk@eprocure.gov.bd). To obtain further information, please contact the official inviting the tender as follows.

18-8-2025

Mushruba Ferdous
Administrator
Satkhira Pourashava, Satkhira
Phone No. 01756-892121
Email: ddlg@satkhira87@gmail.com

Financial sector critically vulnerable to cyberattacks: experts

STAR BUSINESS REPORT

Bangladesh's rapidly digitising financial sector is critically vulnerable to sophisticated cyber threats and requires an immediate strategic overhaul to secure its future, experts said yesterday.

The urgent call to action was made at an event titled "Cybersecurity in Financial Sector of Bangladesh: Securing the Digital Future," organised by the ICT Division at the Pan Pacific Sonargaon Dhaka.

At the event, Md Mahbubur Rahman Alam, a professor at the Bangladesh Institute of Bank Management (BIBM), outlined a troubling landscape where technological advancement is outpacing security preparedness.

He identified a set of challenges, including a severe shortage of skilled cybersecurity professionals, insufficient investment in security measures, and a lack of awareness among both employees

and customers.

"The human factor is the weakest link," he said, citing a BIBM study that found over 54 percent of bank employees have inadequate knowledge of IT security.

This, combined with the fact that only about 5 percent of the banking sector's IT budget is dedicated to cybersecurity, creates a highly vulnerable environment, he said.

The professor highlighted the 2016 Bangladesh Bank heist, where hackers stole \$81 million, as a grim reminder of the consequences of systemic flaws.

He warned that threats have since evolved to include sophisticated attacks on automated teller machines, mobile banking platforms, and digital payment channels.

Beyond funding, Alam pinpointed critical structural weaknesses.

He noted the widespread absence of a standard organisational chart for

cybersecurity roles and a troubling communication gap between ICT professionals and business leaders, which often leaves security strategies misaligned with business goals.

To build a resilient digital financial ecosystem, he proposed a multi-pronged solution that includes strategic investment, national-level collaboration, specialised training, and a dedicated national institute.

Against the backdrop of the election and the prevailing political situation, Bangladesh must prepare on the front of cybersecurity, said Faiz Ahmad Taiyeb, special assistant to the chief adviser on posts and telecom.

He said around 17-20 banks are underperforming in terms of cybersecurity.

"Companies often consider security expenses as an additional cost, but we must abandon such thinking."

He said there is a culture of playing hide-and-seek within offices when it comes to reporting cyberattacks and threats.

"This practice must end as most companies remain vulnerable to cyber threats."

In many banks, account balances and other sensitive information, including customer profiles, can be accessed from outside, he said.

Though official emails were sent in this regard, the banks did not respond, he added.

Taiyeb said information of five crore national identities is available on the dark web and is being misused.

Anisuzzaman Chowdhury, special assistant to the chief adviser; Md Abdur Rahman Khan, chairman of the National Board of Revenue; Nazma Mobarek, secretary of the Financial Institutions Division; and Shish Haider Chowdhury, secretary of the ICT division, also spoke.

Japan's SoftBank to invest \$2b in Intel

AFP, Tokyo

Japan-based tech investor SoftBank Group said Tuesday it will invest \$2 billion in Intel, as the US government reportedly considers taking a 10 percent stake in the troubled US chip giant.

The move is the latest in SoftBank's succession of investments and business deals in the United States as its charismatic founder Masayoshi Son aggressively courts US President Donald Trump.

"This strategic investment reflects our belief that advanced semiconductor manufacturing and supply will further expand in the United States, with Intel playing a critical role," Son said in a joint press release with Intel announcing the deal.

SoftBank will pay \$23 per share of Intel common stock. SoftBank's move came as the Trump administration discussed taking a stake of about 10 percent in Intel to boost the chipmaker and the American semiconductor sector, according to US media, including Bloomberg News and the Wall Street Journal.

Since Trump returned to power, Son has already announced other investment plans in the United States, including its leading role in the \$500-billion Stargate project to build AI infrastructure in the United States along with cloud giant Oracle and ChatGPT-maker OpenAI.

Son stood beside the US president and fellow investors to announce the Stargate project at the White House in January.

Lipu Tan, Intel chief executive officer, said in the statement the latest deal demonstrates its close ties with SoftBank.

It is "a company that's at the forefront of so many areas of emerging technology and innovation and shares our commitment to advancing US technology and manufacturing leadership," he said.

Trump had pressed Tan, a Malaysian-born tech veteran, to resign "immediately," after a Republican senator raised national security concerns over his links to firms in China. But during a meeting last week, Trump praised Tan, saying in a social media post that "his success and rise is an amazing story." Trump also wrote that members of his cabinet would work with Tan and come up with "suggestions".

Intel is one of Silicon Valley's most iconic companies but its fortunes have been dwarfed by Asian powerhouses TSMC and Samsung, which dominate the made-to-order semiconductor business.

Sharon Chen, an analyst from Bloomberg Intelligence, described SoftBank's investment as "small" but said it "suggests the company could invest more in the semiconductor industry as it seeks to be a key participant in the sector's development".

Dollar slips against peers

REUTERS, Singapore

The dollar slipped against major peers on Tuesday as markets assessed the outcome of a summit between leaders from the US, Europe and Ukraine, while awaiting policy cues from an annual Federal Reserve symposium later this week.

The euro and sterling hovered between modest gains and losses against the dollar and were last up about 0.2 percent and 0.1 percent at \$1.1683 and \$1.3520, respectively. The Japanese yen and Swiss franc ticked higher as well.

US President Donald Trump told his Ukrainian counterpart Volodymyr Zelenskiy on Monday that the United States would help guarantee Ukraine's security in any deal to end the war with Russia.

Trump made the pledge during a summit at the White House, where he hosted Zelenskiy and a group of European allies following his meeting on Friday in Alaska with Russian President Vladimir Putin.

Govt to drop

FROM PAGE B1

There are allegations that board directors have often been appointed from among in-laws, which the existing law cannot prevent. The expanded definition of family is intended to curb such practices, according to the draft.

Another proposed change is the reduction of a director's tenure from 12 years to six.

Under the current law, if a company within a business conglomerate defaults on a loan, its sister firms can still get bank loans.

The amendments would end this, meaning a default by one firm would bar other companies in the group from borrowing.

Md Nazrul Huda, a

former deputy governor of the Bangladesh Bank, welcomed the proposal, saying the wilful defaulter provision could have encouraged corruption among bankers and central bank officials.

"There are no criteria which can define the defaulters either wilful or not," he said.

On board size, he said smaller boards are more effective. "More board members mean a burden, extra agendas and irregularities... the number should be between 9 and 11," he said.

He added that appointing qualified professionals such as bankers and chartered accountants mattered more than the number of directors.

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He added that appointing qualified professionals such as bankers and chartered accountants mattered more than the number of directors.

He said the amendments would end this, meaning a default by one firm would bar other companies in the group from borrowing.

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Potato output hits historic high, raises concerns of surplus

STAR BUSINESS REPORT

Bangladesh produced 1.15 crore tonnes of potatoes, the highest in history, in the last harvesting season, raising fears that a good portion of the tuber is likely to remain surplus this year as demand is far below the output, according to estimates by the Bangladesh Bureau of Statistics (BBS).

An expansion of cultivation area and a higher yields owing to favourable weather boosted the overall production of the popular vegetable this year, said the BBS, releasing its estimate early this month.

Farmers grew the tuber on land of 4.92 lakh hectares in the fiscal year 2024-25, up 8 percent year on year. Overall production increased 9 percent year on year from 1.06 crore tonnes the previous year, it added.

"We are going to see a surplus this year," said Matiar Rahman, director of Tuber Crop Research Centre (TRC).

Including around 10 lakh tonnes of potatoes used for seeds, the country requires just over 90 lakh tonnes of potatoes for domestic consumption, according to estimates by the TRC and the Bangladesh Cold Storage Association (BCSA).

With roughly 80 lakh tonnes being consumed, a portion of the vegetable is used by processors to make chips and crackers. Apart from this, just over 62,000 tonnes of potatoes were exported in the fiscal year 2024-25.

"It appears that many people will not show interest in buying potatoes at the end of the year, causing losses for farmers," he said.

Transplanted from mid-September to November, the main harvesting season starts in mid-January and continues until March every year. However, early varieties of the vegetable start coming to the market from December, and demand for old potatoes declines amid an increased arrival of winter vegetables.

Stakeholders said potatoes harvested in the January-March period will be consumed in the three and a half months of this year.



Potatoes are selling at Tk 14-Tk 15 per kilogramme whereas production and other costs are Tk 25-Tk 27 per kg, according to Bangladesh Cold Storage Association.

PHOTO: PRABIR DAS

Mostofa Azad Chowdhury Babu, president of the BCSA, said cold storages have 29 lakh tonnes of potatoes now as only 4 lakh tonnes have been released so far.

"Now, there are no potatoes at the farmers' end," he said.

"As we have only three and a half months of the season, a good amount is likely to remain surplus," he said, adding that the price of the vegetable remains much lower than the overall cost.

Potatoes are selling at Tk 14 - Tk 15 per kilogramme (kg) whereas production and other costs are Tk 25 - Tk 27, he added.

At retail, the vegetable is selling at Tk 25 - Tk 30 per kg in Dhaka, which is 48 percent lower than the same period a year ago, according to the Trading Corporation of Bangladesh.

"The amount of export is not significant," he said.

To increase consumption, the BCSA

earlier urged the government to include 10 kilogrammes of potatoes per household in the social safety net schemes, including the Food-Friendly Programme.

He said mostly farmers' stored potatoes in the cold storages and if the government takes the initiative to distribute potatoes under social safety net programmes, farmers will be saved from losses.

"We have not seen any decision from the government," he said.

OpenAI rolls out cheapest ChatGPT plan in India

REUTERS

ChatGPT maker OpenAI on Tuesday launched ChatGPT Go, a new India only subscription plan priced at 399 rupees (\$4.57) per month, its most affordable offering yet, as the company looks to deepen its presence in its second-largest market.

Global companies often offer cheaper subscription plans for India's price-sensitive market, targeting the nearly one billion internet users in the world's most populous nation.

The plan allows users to send up to ten times more messages and generate ten times more images compared to the free version, while also offering faster response times. Message limits increase with higher-tier subscription plans.

ChatGPT Go is designed for Indians who want greater access to ChatGPT's advanced capabilities at a more affordable price, the Microsoft-backed startup said in a statement.

The top-tier version of ChatGPT - ChatGPT Pro - is priced at 19,900 rupees/month in India, while ChatGPT Plus, its mid-range plan, costs 1,999 rupees/month.

Earlier this year, CEO Sam Altman met with India's IT minister and discussed a plan to create a low-cost AI ecosystem.

Google agrees to \$36m fine over Android search deals

AFP, Sydney

Google has agreed to pay a Aus\$55 million (US\$36 million) penalty for striking "anti-competitive" deals to pre-install only its own search engine on Android mobile phones sold by two leading Australian telecoms firms.

Australia's competition authority said it had launched proceedings in the Federal Court and jointly submitted with Google Asia Pacific that it should pay the fine.

The court would now decide whether the agreed penalty and other orders were "appropriate", the Australian Competition and Consumer Commission said in a statement released on Monday.

"Conduct that restricts competition is illegal in Australia because it usually means less choice, higher costs or worse service for consumers," said the commission's chair, Gina-Cass Gotlieb.

Google had cooperated with the competition commission and admitted reaching the deals with telecoms firms Telstra and Optus, which were in place from December 2019 to March 2021, the body said.

In return for only installing Google's search engine, Telstra and Optus had received a share of the resulting advertising revenue, the commission said.

"Google has admitted in reaching those understandings with each of Telstra and Optus it was likely to have had the effect of substantially lessening competition," it said.

Google said it was pleased to have resolved the regulator's concerns over the provisions, adding that they had not been in its commercial agreements for "some time".

"We are committed to providing Android device makers more flexibility to preload browsers and search apps," a Google spokesperson said.

Nvidia working on new AI chip for China

REUTERS, Beijing/Singapore

Nvidia is developing a new AI chip for China based on its latest Blackwell architecture that will be more powerful than the H20 model it is currently allowed to sell there, two people briefed on the matter said.

US President Donald Trump last week opened the door to the possibility of more advanced Nvidia chips being sold in China. But the sources noted US regulatory approval is far from guaranteed amid deep-seated fears in Washington about giving China too much access to US artificial intelligence technology.

The new chip, tentatively known as the B30A, will use a single-die design that is likely to deliver half the raw computing power of the more sophisticated dual-die configuration in Nvidia's flagship B300 accelerator card, the sources said.

A single-die design is when all the main parts of an integrated



circuit are made on one continuous piece of silicon rather than split across multiple dies.

The new chip would have high-bandwidth memory and Nvidia's NVLink technology for fast data transmission between processors, features that are also in the H20 - a chip based on the company's older Hopper architecture.

The chip's specifications are not completely finalised but Nvidia hopes to deliver samples to Chinese clients for testing as early as next month, said the sources who were not authorised to speak to media

and declined to be identified.

Nvidia said in a statement: "We evaluate a variety of products for our roadmap, so that we can be prepared to compete to the extent that governments allow."

"Everything we offer is with the full approval of the applicable authorities and designed solely for beneficial commercial use," it said.

The US Department of Commerce did not respond to a Reuters request for comment.

FLASHPOINT

The extent to which China, which generated 13 percent of Nvidia's revenue in the past financial year, can have access to cutting edge AI chips is one of the biggest flashpoints in US-Sino trade tensions.

Nvidia only received permission in July to recommence sales of the H20. It was developed specifically for China after export restrictions were put in place in 2023, but company was abruptly ordered to stop sales in April.

Fewer fake firs, higher prices

China tariff delay does little to save the holidays

REUTERS, New York/Shanghai

US shoppers looking for fake Christmas trees and holiday decor this year will have fewer choices and face higher prices as tariffs on Chinese imports force retailers to scale back orders as they assess how tight customer budgets are.

A 90-day extension to a tariff reprieve - agreed to by Washington and Beijing on August 11 - will allow retailers to rush in some last-minute shipments, but most holiday purchases are already done. Retailers typically import seasonal goods in advance because many products need six month lead times.

"We're going to have a lower supply year," said Chris Butler, CEO of National Tree Company, a New Jersey-based artificial tree importer supplying Walmart, Home Depot, Lowe's and Amazon.

The company, which sources roughly half its trees from China and the rest from Vietnam, Cambodia, and Thailand, will hike prices by 10 percent to 20 percent on its Carolina pine, Nordic spruce, and Dunhill fir trees, Butler said.

China is the biggest exporter of Christmas decorations to the US, accounting for 87 percent of such imports last year, worth roughly \$4 billion, according to United States International Trade Commission data.



People shop for Christmas trees at AA Christmas Trees in Brooklyn. China is the biggest exporter of Christmas decorations to the US, accounting for 87 percent of such imports last year.

percent in April, then cutting them to 30 percent a month later - because they are unwilling to buy trees at elevated prices, said Harman. He sources trees from around 80 suppliers, half of which are in China.

Still, the latest pause has netted Balsam Hill some \$2.5 million in savings, he said.

A Walmart spokesperson said the company was confident in its inventory position heading into the holiday.

Home Depot and Amazon declined to comment, while Lowe's did not respond to a Reuters request for comment.

The reduced demand for fake trees, a key Christmas purchase, signals a muted shopping season. Higher prices on essentials like diapers and dish soap have already strained budgets. Denim maker Levi Strauss said last month it will offer a leaner holiday selection.

Isaac Larian, CEO of MGA Entertainment that makes Bratz dolls, said a 30 percent tariff on toys "is still too much." The company has raised prices, he said.

Only goods shipped by air would benefit from the delay in higher tariffs, said Chris Rogers, head of supply chain research, S&P Global Market Intelligence. Companies including Apple that have upcoming product launches will gain from the certainty that there will be a 30 percent tariff, he said.

Grounded in the AI race

MAMUNUR RAHMAN

In Rajbari, the shuttered doors of Salina Akter's jute workshop tell the story of how artificial intelligence is reshaping global trade and leaving Bangladesh's small businesses stranded. For five years, she stitched eco-friendly bags for European buyers. Then the orders stopped. Her clients now demanded AI optimised production schedules, predictive inventory systems and delivery timelines that only automated supply chains can provide. Salina's modest factory could not keep pace.

This is not an isolated case. SMEs employ 80 percent of the non-farm workforce and generate roughly a quarter of GDP. Yet while other developing economies are rolling out targeted AI adoption programmes for small businesses, our policy response remains trapped in strategy papers and consultation rooms. Even flagship documents such as the Task Force Report 2025 and other national policy blueprints barely acknowledge the AI shockwave hitting these enterprises. The threat is real. Competitors are building SME-focused AI pipelines, while we continue to debate paper-based loan forms as if it were 1990.

Consider the ingenuity of Dholakhal's light engineering workshops. During the darkest days of Covid-19, I connected my own network at MIT, where ventilator innovation had been open-sourced for global adaptation, with Abdul Kader and a group of machinists and fabricators in Dholakhal. Together, we reverse engineered the MIT process and built a fully functional mechanical ventilator prototype. The core mechanical design was ready, but the project stalled because we could not integrate an electrical control system that met regulatory standards. There was no government-backed technical assistance, prototyping support or fast-track testing facility to bridge that gap. What could have been a homegrown life-saving device became just another workshop prototype gathering dust. If we could not scale a ventilator in a health emergency, how will SMEs scale AI adoption in the midst of a trade war?

Other nations are already turning their ambition into action. India's Drone Didi trains rural women to operate agricultural drones, raising yields by 30 percent and cutting pesticide use in half. Vietnam earmarks 1 percent of GDP for SME tech upgrades, delivering plug-and-play AI tools with minimal paperwork. Kenya's Ajira Digital connects SMEs to global AI enabled service markets, backed by microfinance.

Bangladesh's AI Policy does mention investment through government funding, tax incentives and public-private partnerships. Yet the criteria are tied to broad categories such as R&D, infrastructure and education. There is no ring-fenced allocation for SMEs, nor a mandate for ministries to embed AI adoption targets into sectoral budgets. The ambition to nurture a skilled workforce is welcome, but the scale is modest. Training tens of thousands will not suffice when millions will need reskilling.

Without targeted mechanisms, AI readiness will concentrate in large firms and urban start-ups, leaving rural and manufacturing SMEs locked out. The risk is not abstract. The Dholakhal ventilator showed how quickly ingenuity can rise to meet a crisis, and how easily it can be stranded without systemic support.

Bangladesh's economic rise owes much to SMEs. To sustain that rise in an AI-driven world, policymakers must turn the promises of the AI Policy into concrete SME programmes: a dedicated adoption fund worth 1 percent of GDP, subsidies for basic automation tools in manufacturing and agriculture, vocational training in machine vision and robotics, and tax holidays for SMEs that invest in AI.

Right now, India's Drone Didis and Vietnam's tech-enabled SMEs are already airborne. Bangladesh's entrepreneurs remain on the tarmac, engines idling, waiting for clearance that never comes. The race has begun. We cannot afford to stay grounded while others take flight.

The writer is a former research fellow at MITD-Lab