

BB appoints administrator to Union Capital

STAR BUSINESS REPORT

The Bangladesh Bank (BB) has appointed Md Ferdaush Hossain, a director of the central bank, as an administrator for the troubled non-bank financial institution Union Capital.

The appointment was confirmed in a letter issued on Sunday.

Arief Hossain Khan, executive director and spokesperson of the central bank, said the step had been taken to safeguard the interests of depositors.

The administrator will assume the responsibilities and authority of the company's managing director and chief executive officer.

Recently, the central bank named 20 financial institutions as "troubled", based on a range of indicators. Union Capital was among them.

According to Bangladesh Bank data, Union Capital held collateral worth only Tk 183 crore against loans totalling Tk 1,184 crore as of December last year. Of these loans, Tk 1,136 crore, or 95.92 percent, had defaulted.

Stocks drop after two-day gain

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Dhaka stocks closed lower yesterday, snapping a two-day winning streak, even as investor activity picked up pace with higher turnover.

The DSEX, the benchmark index of the Dhaka Stock Exchange, inched down 6.58 points, or 0.12 percent, to close at 5,448.83.

The Shariah-compliant DSES managed a marginal gain of 0.05 percent to 1,190.22, while the D530, which tracks blue-chip shares, fell 0.23 percent to 2,122.71.

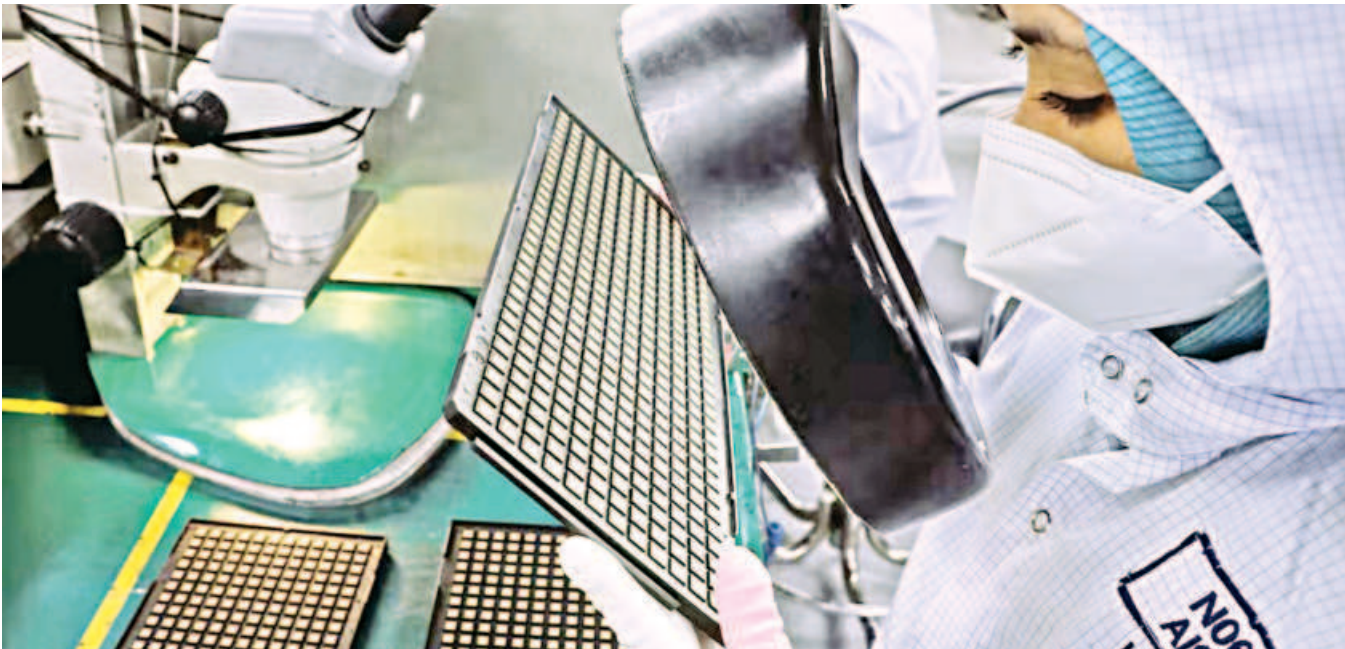
Turnover, a key indicator of market participation, rose to Tk 1,247.68 crore from Tk 1,177.76 crore in the previous session, signalling higher investor activity despite the index drop.

A total of 319,606 trades were executed, with block transactions worth Tk 19 crore across 43 scrips.

Market breadth was negative, with 137 issues advancing, 215 declining, and 45 remaining unchanged.

Bangladesh can offer manpower for Malaysia's semiconductor industry

Say leaders of Bangladesh-Malaysia chamber



An employee inspects chips at a semiconductor packaging firm in Ipoh, Malaysia.

PHOTO: REUTERS/FILE

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Bangladesh is positioning itself as a potential partner in Malaysia's fast-growing semiconductor industry, offering both skilled manpower and front-end design solutions, leaders of the Bangladesh-Malaysia Chamber of Commerce and Industry (BMCCI) said yesterday.

With the right policy support, they argued that Bangladesh could replicate the success of its garment sector and reach \$5 billion in semiconductor service exports by 2030.

Speaking at a BMCCI press conference at Sheraton Dhaka, the chamber's President Shabbir A Khan said Malaysia is projected to become the world's sixth-largest semiconductor player with a market size of \$19.41 billion in 2025, supported by its \$121 billion electrical and electronics export sector.

However, he noted that Malaysia faces

an acute talent shortage and needs 60,000 skilled professionals by 2030, with only 15,000 likely to be available locally.

To meet the requirement and stay in the global market, Malaysia has planned to outsource the talent and has engaged the BMCCI in the outsourcing plan, he said.

"That is why we signed a memorandum of understanding to prepare our local talents for the growing local industries and to facilitate the export of skilled manpower for the global semiconductor ecosystem," the BMCCI president said.

Also speaking at the event, Md Anwar Shahid, senior vice-president of BMCCI, said Malaysia's semiconductor sector remains heavily reliant on imported front-end solutions, including chip design, architecture, and prototyping sourced from countries like Taiwan, South Korea, and the United States.

"Bangladesh is quite advanced in providing solutions in architectural engineering and chip design. We can complement each other," he said.

Shahid also said with the right policy support, Bangladesh's RMG sector transformed into its crown jewel of exports.

"With similar policy support, Bangladesh could reach \$5 billion in semiconductor service exports by 2030," Shahid added.

He also noted that with growing capabilities in semiconductor design and engineering, Bangladesh is well-positioned to support Malaysia's upstream needs.

"By offering front-end design services and skilled manpower, Bangladesh can help Malaysia reduce its reliance on external markets while gaining a foothold in the global semiconductor value chain," he added.

Final round of FTA talks with Japan begins Sep 3

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investment, export and import between the two countries.

Rahman is hopeful that after the final negotiations, the deal can also be signed before the end of this year, as the governments of both countries are showing interest.

Previously, Bangladesh signed a preferential trade agreement with Bhutan in 2020. But no FTA has been signed so far with any country.

Japan is a key market, being the first Asian nation where Bangladesh has exported over \$1 billion in more than a decade, thanks to duty-free and quota-free access under its LDC status.

new opportunities for Korean businesses to enter Bangladesh's fast-growing market.

"Bangladesh has recorded an average annual economic growth of 6.6 percent over the past three years, making it the fastest-growing market in South Asia. The government is actively expanding infrastructure, including power, roads, and aviation, which will benefit Korean companies," the commerce secretary said.

The Korean side is also keen on exploring Bangladesh's potential.

"The CEPA with Bangladesh will serve as a stepping stone for South Korean companies to

Bangladesh signed a preferential trade agreement with Bhutan in 2020. But no FTA has been signed so far with any country.

Demand remains high in the island nation for Bangladeshi garments, leather goods, and footwear.

CEPA TALKS

The CEPA negotiations are being led by Ayesa Akther, director general of External Trade at Bangladesh's Ministry of Commerce, alongside South Korea's chief negotiator for free trade agreements, Kwon Hye-jin.

Around 40 delegates from both countries are participating, with discussions covering goods, rules of origin, customs, intellectual property, and other key trade issues, according to The Korea Post.

The CEPA with Korea is expected to create

access the high-potential South Asian market. We hope this negotiation will lead to tangible benefits that both nations' citizens can feel directly," the Korea Post said, quoting Kwon Hye-jin.

Bangladesh is negotiating with nearly a dozen countries, such as India, Japan, Korea, Indonesia, Malaysia, Sri Lanka, Turkey and China, for signing the trade deals mainly to secure preferential market access after the LDC graduation.

Analysts estimate that Bangladesh could lose up to 14 percent of exports, worth \$7 billion, as 73 percent of current exports benefit from LDC-related preferences in 38 countries.

Tax corruption key barrier

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to high rates, weak enforcement, complicated laws and widespread corruption.

The think tank criticised the National Board of Revenue (NBR) for retaining a minimum corporate income tax provision that forces firms to pay even when they make losses.

Currently, the rate is 0.6 percent of gross receipts for most companies, 2 percent for mobile operators and tobacco manufacturers, and 0.5 percent for export-oriented industries.

"While this minimum tax provision ensures that all firms contribute to public revenue regardless of profitability, it hampers the objective of tax justice," said Tamim Ahmed.

He noted that firms with low margins often end up paying more than highly profitable ones, and suggested a tiered system based on net profit.

Khondaker Golam Moazzem, research director at CPD, said, "From the perspective of tax justice, a fair revenue structure should ensure balanced development spending, minimise tax evasion, avoid reliance on indirect taxes, and be

rooted in transparency and good governance. These are the main pillars of tax justice."

Bangladesh is scheduled to graduate from the least developed country (LDC) club in November next year, losing concessional loans, trade preferences and aid.

CPD said that domestic resource mobilisation will be critical to cope with the transition. It said Bangladesh needs to raise its tax-to-GDP ratio to at least 15 percent to build fiscal resilience.

"It is unrealistic for Bangladesh to raise its tax-to-GDP ratio in the short term. The government's long-term revenue targets must be implemented with care," said the think tank.

Instead of rising, the tax-to-GDP ratio has slipped to 6.6 percent this year from 7.4 percent last year, according to NBR Chairman Md Abdur Rahman Khan.

"Our revenue challenges are mounting. Debt servicing has become a serious burden, yet our tax-to-GDP ratio continues to fall," he said as the chief guest at the event.

Khan admitted that generous tax exemptions,

often extended for years, had weakened revenue collection.

"Normally, a seven-year tax holiday is acceptable if industries start contributing from the eighth year since their inception. But in Bangladesh, exemptions are repeatedly extended, creating a culture of non-payment," said the revenue board chairman.

He also pointed to low public trust in the system.

"Taxpayers often ask, 'What do I get in return for paying tax?' While taxation is a civic duty, trust erodes if people see their money wasted on projects that bring no public benefit and serve only contractors or officials. Unless expenditure is prioritised for high-return, essential projects, tax morale will remain low."

The NBR chairman stressed the need to digitise VAT and audit systems, and said a single VAT rate would make compliance easier.

Khan admitted the minimum tax provision had drawn criticism. "Undoubtedly, it is a black law, and I must admit it," he said.

He said while firms should ideally be taxed on

profit, the minimum tax sets a mandatory floor.

"We do not go below it. The problem is that resolving these cases immediately would further reduce our tax collection. Once we achieve reasonable discipline, we will be able to resolve all of these," commented the revenue board chairman.

He added that a change had been introduced this year to ease the burden. If a company paid more through the minimum tax than its regular liability, the excess could now be carried forward.

He said the revenue board had also sought to create a more business-friendly environment, particularly in VAT and income tax. "If we do not make it easier for businesses, compliance becomes extremely difficult," he commented.

At the event, former NBR chairman Muhammad Abdul Mazid suggested splitting the revenue department into two, which he said would solve a quarter of its problems.

He proposed that the policy wing remain outside the Secretariat and be located away from the NBR building.

supported by international consultants, to identify promising sectors such as rubber, furniture, pharmaceuticals and tourism.

"Policy without data is directionless," Nazrul noted. "We are investing in long-term research to better understand investor priorities and align them with national development goals."

Even so, he warned that securing proposals is only the first step. "From land acquisition to infrastructure readiness and utility services, the process requires coordination," he said.





An opportunity to lead from the front

With over 1,400+ branches and sub-branches (Uposhakhkas) nationwide, IFIC Bank PLC holds the distinction of being Bangladesh's largest bank by network. Today, IFIC Bank offers a full suite of banking services—including corporate, retail, SME, investment banking, digital and Islamic products—and is committed to sustainable growth, best-in-class service delivery and diversified portfolios. Led by an experienced Senior Management team, our strategic focus includes expansion of retail, MSME, and corporate operations, risk management, and digital transformation.

We are looking for a visionary leader to join our executive team as Additional Managing Director (AMD). This is a tier two position of the Bank and the role is responsible for shaping strategic direction, driving profitability, overseeing business divisions, and ensuring compliance across operations.

ADDITIONAL MANAGING DIRECTOR

KEY RESPONSIBILITIES:

Strategy & Corporate Leadership

- Collaborate with the Managing Director to develop and execute short/medium/long-term strategies aligned with the bank's vision and mission.
- Monitor market trends, competitive dynamics, and emerging risks to recommend profitable and sustainable growth initiatives.
- Identify and lead new opportunities in retail, corporate, digital banking, and international operations.

Operational Oversight

- Oversee day-to-day operations across functions—credit, risk, finance, retail, MSME and corporate banking—to ensure performance and compliance.
- Ensure operational efficiency, cost control, and adherence to regulatory norms.

Stakeholder Engagement & External Affairs

- Build and maintain high-level relationships with regulators, central bank, banking associations, investors, and strategic partners.
- Represent the bank at public forums and in key industry discussions.

Financial Performance & Risk Management

- Monitor financial health, approve budgets, and ensure targets (revenue, deposits, loans, recovery) are met.
- Oversee risk management, credit quality, compliance, and governance frameworks.

Leadership & Talent Development

- Support development of senior executives, mentor and coach leadership teams.
- Drive organizational culture, alignment, and internal communications to foster high performance and retention.

Reporting & Communication

- Regularly submit performance reports and strategic updates to the Managing Director.
- Ensure systematic implementation of strategic decisions across all divisions.

KEY REQUIREMENTS:

Education & Experience Requirements

- Master's in Business, Finance, Accounting, Economics, Banking, Marketing or related fields from a reputed university with no 3rd division/class in any examination.
- A minimum of 20 years of relevant experience in Banking or NBFI's.
- Proven track record in senior leadership roles and currently holding the position of Deputy Managing Director or above
- Comprehensive knowledge of Business, Credit, International Trade, Product Development, Treasury strategies, and regulatory compliance.

Personal Attributes

- Demonstrated strategic leadership and track record of delivering strong financial performance and growth.
- Exceptional communication, analytical, organizational, and crisis-management skills.
- Proven ability for proactive decision-making and resilience under pressure.
- Deep understanding of banking operations, regulatory environment, risk & compliance frameworks.

Age: Maximum age 55 years
Remuneration package: Competitive and commensurate with industry standards.

How to Apply
If you believe you are the right person, please send the following to career@ificbankbd.com with subject line: **'Application – Additional Managing Director'**:

- A cover letter expressing interest in the role along with concise career summary.
- A detailed résumé/CV including detailed work history: position titles, job grade, employers, durations (day/month/year), and key achievements.

Application Deadline: September 10, 2025.

Only shortlisted candidates will be called for interview. Age and experience may be relaxed for exceptional profiles. IFIC Bank reserves the right to accept or reject any application without assigning any reason whatsoever.

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more impactful outcomes," said the Bida business development head.

He added that the trend marks a milestone in the post-pandemic recovery and reflects growing trust from both local and foreign investors.

According to the Bangladesh Economic Zones Authority (Beza), about 60 percent of the proposed investments are still in the exploratory stage, which includes feasibility studies and early project discussions. Another 20 percent are undergoing detailed assessment before documentation.

Bangladesh gets \$1b

"This is a standard pattern for large-scale investments," said Rochi. "Globally, most proposals begin in the exploratory phase and, with the right facilitation, gradually move toward implementation."

Officials believe this phased pipeline offers a realistic outlook for capital inflows over the next one to two years.

At the programme, Major General (Retd) Md Nazrul Islam, executive member (planning and development) at Beza, said they are developing a unified investment portal to improve transparency

and ease of doing business.

He said the system will bring together data on investment status, zone-specific updates, land availability and approval timelines.

"Currently, updates are often fragmented across agencies," Islam said. "This platform will standardise data-sharing and align decision-making processes across departments."

The portal is expected to strengthen investor confidence by allowing real-time tracking of projects and cutting red tape in follow-ups.

Beza has also launched a dedicated research unit,