



"The recent drone incidents across Europe are a clear sign that Russia still feels bold enough to escalate this war..."
Volodymyr Zelensky
Ukraine's president

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Loan recovery from top 20 defaulters stalls

By mid-2025, six state banks retrieved just 1.6% of the annual recovery target

REJAUL KARIM BYRON

Financial authorities are focusing on the country's top 20 loan defaulters, who account for more than half of the toxic assets in six state-owned banks, as recovery efforts slow and capital shortfalls deepen.

As of December 2024, the top 20 borrowers owed Tk 85,444 crore, representing more than 57 percent of all non-performing loans (NPLs) in state-owned banks. Yet by mid-2025, the banks had clawed back just Tk 128 crore – barely 1.6 percent of the annual recovery target of Tk 8,077 crore, according to a finance ministry report.

The exposure is dangerously concentrated. Janata Bank alone holds 63 percent of loans to these top defaulters, leaving it reliant on a handful of distressed conglomerates.

The dismal recovery record comes as state-owned banks grapple with widening capital shortfalls and deepening losses. Janata Bank's capital deficit has soared from Tk 12,400 crore in June 2023 to Tk 57,330 crore by June 2025, while its capital adequacy ratio has plunged to -84 percent, which the finance ministry marked as "critically insolvent". The government has placed Janata Bank under special attention, with the Financial Institutions Division holding monthly meetings with the lender to review its condition.

Rupali Bank has seen its capital deficit nearly triple in two years. Over the same period, its capital adequacy ratio collapsed from -1.08 percent to -20.21 percent, reflecting the sharp deterioration in its performance.

Agrani Bank slipped back into heavy losses after a fleeting rebound in early 2025. By contrast, Sonali Bank, the largest state-owned lender, has staged a modest recovery, posting a net profit of Tk 591 crore in



Bangladesh players celebrate the fall of another Pakistan wicket during their ICC Women's World Cup opener at the R Premadasa Stadium in Colombo yesterday.

PHOTO: ICC

Tigresses off to flying start

STAFF CORRESPONDENT

Bangladesh started their ICC Women's World Cup campaign with a clinical performance, thrashing Pakistan by seven wickets in the league stage at the R Premadasa Stadium in Colombo yesterday.

Pacer Marufa Akter set the tone, removing Omaidha Sohail and Sidra Amin in consecutive deliveries in the very first over, while spinners Shorna Akter (3-5) and Nahida Akter (2-19) played complementary roles, as the Tigresses skittled Pakistan out for just 129 runs in 38.3 overs.

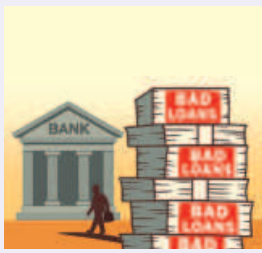
Debutant Rubya Haider Jhelik then stole the limelight as the southpaw struck an unbeaten 54 off 77 balls – the highest score by a Bangladeshi batter on debut and only the third instance of a Bangladeshi debutant hitting a fifty – and shared a crucial 62-



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RECOVERY PLAN

- » Dedicated task forces focusing on 20 biggest defaulters
- » Credit embargoes, asset seizures, restriction on govt tenders for wilful defaulters
- » Publication of names, close monitoring of the 20 defaulters



June 2025. Bangladesh Development Bank Limited stands out as the only state-owned lender to remain consistently well capitalised, maintaining capital adequacy ratios above 20 percent.

Meanwhile, BASIC Bank continues to haemorrhage, with mounting losses and one of the worst NPL ratios in the sector.

LOAN RECOVERY STRATEGY

Faced with rising risks, the Financial Institutions Division has unveiled a sweeping recovery strategy aimed at targeting the largest and most wilful borrowers.

Nazma Mobarek, secretary of the Financial Institutions Division, said, "We have identified a group of major defaulters across all six state-owned banks, representing a significant portion of the total Non-Performing Loans."

"All banks have been instructed to form dedicated recovery teams to address these accounts with urgency."

Officials plan to publish the names of the 20 biggest defaulters and closely monitor them, while setting up dedicated task forces to focus exclusively on these accounts. For wilful defaulters, tougher measures

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Global outcry as Israel stops Gaza-bound flotilla

One but all ships intercepted; over 400 activists detained; 77 more Palestinians killed in Gaza

AGENCIES

World leaders and rights groups yesterday condemned Israel's interception of the Global Sumud Flotilla, as a relentless assault on Gaza killed 77 more Palestinians.

Armed Israeli soldiers boarded around 45 ships that were attempting to break a naval blockade to deliver aid to the Palestinian enclave, arresting more than 400 foreign activists, including Swedish climate campaigner Greta Thunberg. All but one of the two dozen vessels of the flotilla have now been seized.

Meanwhile, protests supporting the Gaza flotilla and the cause of Palestinians were held in several countries, including Spain, Italy, Argentina, Malaysia and Colombia.

Israel said it would deport the detained pro-Palestinian activists, adding that none of the vessels had breached its maritime blockade of the territory.

The Global Sumud Flotilla of around 45 vessels began its voyage last month, with politicians and activists, to Gaza, where the United Nations says famine has set in.

Italian Foreign Minister Antonio Tajani said he expected the members of the flotilla to be expelled from Israel on Monday and Tuesday and sent to European



capitals on charter flights.

"All the passengers are safe and in good health," the Israeli foreign ministry said on X after they began to be taken ashore in Ashdod.

"One last vessel of this provocation remains at a distance. If it approaches, its attempt to enter an active combat zone and breach the blockade will also be prevented."

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KHAGRACHHARI VIOLENCE

At least 1,100 accused in 3 police cases

STAFF CORRESPONDENT, Ctg

Three cases have been filed over the violence in Khagrachhari's Sadar and Guimara upazilas following the alleged rape of a schoolgirl last week.

Three Marma youths were shot dead and many shops and houses were vandalised and torched during protests by indigenous people on Sunday.

Of the cases, Sub-Inspector Sohel Rana of Guimara Police Station filed two, while SI Shahriar of Sadar Police Station filed the other on Wednesday.

Officer-in-Charge of Guimara Police Md Enamul Haque Chowdhury said one case filed by SI Sohel was against unidentified individuals over the killing of three people.

As the victims' families declined to file complaints, police became the plaintiff. The case statement did not mention the number of accused.

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Thousands of devotees thronged Patenga beach in the port city to bid farewell to Goddess Durga on the final day (Dashami) of Durga Puja, the largest religious festival of the country's Hindu community, yesterday. The day is marked by the immersion of the goddess's idol (bisarjan), symbolising her return to her celestial abode. Story on page 2.

PHOTO: RAJIB RAIHAN

CHT PEACE ACCORD

Unease growing beneath unkept promises

Key provisions remain largely unimplemented as successive govts fail to act

MD ABBAS

Successive governments have failed to implement the most important sections of the Chattogram Hill Tracts peace accord, leaving the treaty largely unfulfilled even after nearly three decades.

Rights activists say that due to non-implementation, coexistence between the CHT people and Bangalee settlers is becoming increasingly difficult. They also allege that the violence in the CHT, including recent incidents, is a result of this.

On December 2, 1997, the then Awami League government signed the accord with the Parbatya Chattagram Jana Sanghati Samiti (PCJSS) to bring peace to the hill region. This ended more than two decades of armed struggle by the PCJSS for autonomy of CHT.

Twenty-eight years later, the accord remains only partly implemented. The governments led by the AL, BNP, and the 2007-08 caretaker administration have been accused of lacking the political will to fulfill the key promises: establishing local councils, resolving land disputes, and demilitarising the region.

Officially, the government claims that 65 out of the 72 sections of the accord have been implemented, with only a few remaining. PCJSS leaders reject this narrative, saying that only 25 sections

have been executed, 18 partially, and 29 not at all.

When the treaty was signed, the AL government was in power but failed to implement its key sections. The BNP government, which assumed office in 2001, did not act on the accord, arguing that it had been signed by the previous administration.

"We did not sign the accord with any political party but with the state itself, which is bound to implement it."

KS Mong, a PCJSS leader

The Fakhruddin Ahmed-led caretaker government, from 2007 to 2008, also did not take meaningful steps to advance the process.

The AL returned to power in 2009 and, in its election manifestos in 2009, 2014, 2018, and 2024, pledged to fully implement the accord.

Rights groups and PCJSS leaders argue that the party could have done so if it had shown genuine goodwill and not betrayed the hill people.

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