

Provisioning rules eased for farm, small loans

STAR BUSINESS REPORT

The Bangladesh Bank (BB) yesterday relaxed loan classification rules to encourage banks to finance the farm sector and micro and small businesses.

Banks will maintain provisions at the rate of 1 percent in their Standard and Special Mention Accounts (SMAs) against all unclassified short-term agricultural loans and cottage, micro, and small enterprise credits until December 31, 2026, said the BB in a circular.

The central bank had earlier asked banks to maintain provisions at the rate of 1 percent on Standard accounts and 5 percent on SMAs. In its circular, it said the rule has been relaxed to encourage banks to disburse short-term agricultural credit and micro and small loans.

The directive becomes effective immediately.

The BB earlier set a target for banks to disburse Tk 39,000 crore during the current fiscal year (FY) 2025-26, which is 4.48 percent higher than the actual lending of Tk 37,326 crore in the previous fiscal year.

In July of FY26, banks disbursed Tk 2,154 crore, up 20 percent from Tk 1,790 crore a year ago. The amount was, however, lower than the disbursement in June.

The report said that at the end of July, outstanding loans given by the scheduled banks increased by 4.5 percent year-on-year to Tk 59,470 crore. This increase was mainly driven by a rise in the outstanding balance of foreign banks and state-owned banks.

Bhutan wants

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Regarding Saarc, the ambassador acknowledged that regional cooperation has been slow but said she remains optimistic. "South Asia is home to nearly 1.5 billion people, and trade potential remains largely untapped."

Meanwhile, moderating the discussion, Mustafizur Rahman, distinguished fellow of the Centre for Policy Dialogue (CPD), said importing power from Bhutan will have to be transmitted through the Indian grid before reaching Bangladesh, so a tripartite agreement will be very important. "That's indeed a very encouraging development."

The distinguished CPD fellow also highlighted lessons from the Saarc Motor Vehicle Agreement (SA MVA), which eventually became the Bangladesh-Bhutan-India-Nepal (BBIN) MVA after Pakistan raised legal concerns over cross-border incidents.

"At the last moment, Pakistan raised a question: if a truck travels from Lahore to Dhaka via India and meets an accident, which country's law would adjudicate the dispute? That became a major sticking point," he stated.

Nevertheless, Rahman noted that even the BBIN framework will be very important for the region.

"A motor vehicle agreement could significantly boost regional competitiveness by reducing lead time and costs," Rahman said, acknowledging Bhutan's

environmental concerns and noting that the country wants to limit vehicular movement.

Speaking about Safta, he said, "Unfortunately, it has not seen much progress. But it is worth remembering that there is still an LDC scheme under Safta through which India provides duty-free and quota-free access to all LDCs."

Although Bhutan is no longer an LDC, Nepal, Bangladesh, and Afghanistan continue to benefit from India's duty-free access under this scheme since 2011, he further noted.

"Someone asked why our exports to India are increasing despite non-tariff barriers. One reason is that the zero tariff benefit gives us a competitive advantage even when costs have gone up due to non-tariff barriers," Rahman stated.

Mashfee Binte Shams, former secretary (East) at Bangladesh's Ministry of Foreign Affairs, drew comparisons with other regions, highlighting the importance of regional integration.

"Looking at Asean or the European Union, we see that their colonial experiences differ. Asean countries were colonised by three different powers — the British, French, and Portuguese — while Europeans were colonisers themselves."

"Yet both regions have moved toward integration. Africa too is coming together despite its colonial diversity."

Govt dismisses rumours over merger of Islamic banks

STAR BUSINESS REPORT

The finance ministry has rejected "baseless rumours" circulating on social media that investors would be harmed by the planned merger of five sharia-based commercial banks.

In a press release yesterday, the ministry said no decision has been taken that would undermine investor interests.

"The matter is completely baseless and a rumour. Everyone is requested to be careful about such misleading rumours," it said.

The government has already approved the consolidation of First Security Islami Bank, Union Bank, Global Islami Bank, Social Islami Bank, and Exim Bank into a new state-run Islamic lender named Sammitilo Islami Bank Limited.

Under the merger, all assets and liabilities of the five listed banks will be transferred to the new entity.

The Bangladesh Bank said the lender will have an authorised capital of Tk 40,000 crore and a paid-up capital requirement of Tk 35,000 crore.

Monno Ceramic sponsor director to transfer Tk 20cr shares

STAR BUSINESS REPORT

Alroza Khanam, a sponsor director of Monno Ceramic Industries, will transfer shares worth more than Tk 20 crore to her husband.

According to disclosures posted on the Dhaka Stock Exchange (DSE) website yesterday, Khanam intends to transfer a combined 26 lakh shares of the company to her husband, Moynul Islam, a general shareholder, by way of gift outside the trading system of the exchange.

Based on Sunday's closing price of Tk 78.7 per share, the transaction is valued at Tk 20,46 crore. The transfer is expected to be completed by October 31.

Monno Ceramic, one of the country's leading ceramics producers, has faced earnings pressure in 2025 as higher finance costs eroded profitability.

The company reported a 43 percent year-on-year decline in profit for the financial year ending on June 30, with earnings per share falling to Tk 0.22 from Tk 0.39 a year earlier.

As of September 30, sponsors and directors held 37.43 percent of the company's shares, institutions 14.29 percent, foreign investors 0.10 percent, and general shareholders 47.89 percent, according to DSE data.

Private firms can now sell

WHAT'S IN THE NEW POLICY

- Private renewable plants can sell power directly to customers
- State firms may also buy from them
- PDB no longer the sole buyer
- One investor can set up multiple projects
- There will be no govt intake guarantee
- Govt targets 20% power from renewables by 2030
- Current renewable capacity is just 3% of total national capacity

The BERC would determine the technical standards of grid connectivity and the transmission-distribution charges on a non-discriminatory basis," the policy said.

It also allows merchant plants to supply multiple customers and permits large consumers, such as industries and factories, to source electricity from more than one producer.

State-run distributors will be allowed to purchase up to 20 percent of an MPP's declared monthly output.

However, the policy says that this will not constitute a government guarantee. The terms will instead be set through "Service Level Agreements" among the MPPs, PDB, Power Grid Bangladesh and relevant distributors.

At the Bangladesh Investment Summit in April, Swedish fashion retailer H&M, Pran-RFL Group and the International Finance Corporation (IFC) signed a memorandum of understanding to build a solar power plant under the MPP model.

Kamruzzaman Kamal, director (Marketing) of the Pran-RFL Group, said they have already selected land in Moulvibazar for the

(BSREA), an association of business houses and NGOs working for promoting clean energy, described the MPP policy as "a landmark and visionary initiative" that would open new opportunities for private and foreign investment in the power sector.

"It will help enhance competition, transparency and investor confidence in the market," he said, adding that the policy will ensure a green, reliable and affordable electricity supply for industrial zones, export-oriented factories and economic zones.

Mahmud recommended swift formulation of implementation guidelines, stronger coordination among agencies, incentives for local production and technology transfer, and better access to green finance to make the policy effective.

Khondaker Golam

Moazzem, research director at local think tank Centre for Policy Dialogue (CPD), welcomed the policy.

He, however, said that its effective implementation will need additional rules, regulations, and clearer guidance.

Moazzem said industrial companies seeking renewable electricity quickly, without navigating lengthy bureaucratic procedures, will now be able to achieve their goals with private sector support.

"The government is not providing any sovereign guarantee in this case to maintain competitiveness, but the effectiveness of market competition depends on a fair, speedy, and transparent dispute management system," said the CPD research director.

"The question is, can we ensure that in Bangladesh? If not, investors will lose interest," he commented.

high-value seafood species, while regulatory permits were recommended for the processing and export of local bycatch.

Participants also proposed allocating coastal land to support the expansion of mariculture ventures.

To further incentivise investment, the meeting endorsed special schemes such as reduced electricity tariffs for shrimp and seafood industries to lower operating costs and enhance export competitiveness.

Mandatory registration of all seagoing fishing

boats and trawlers was also recommended to curb illegal, unreported, and unregulated fishing.

Mida said it will compile the recommendations into a comprehensive implementation roadmap, with periodic follow-ups to ensure coordination among stakeholders.

Senior officials from the ministries of fisheries and livestock, commerce, and environment, the National Board of Revenue, the Bangladesh Economic Zones Authority, and the Cox's Bazar district administration also attended the meeting.

Refiners hike

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Bangladesh imports most of its soybean and palm oil from abroad in the absence of adequate domestic production.

The country's domestic consumption of soybean and palm oil was 28.6 lakh tonnes, including 11.35 lakh tonnes of soybeans, in the marketing year 2024-25 beginning in October, according to an estimate by the US Department of Agriculture.

Some 85 percent of the edible oil was imported.

Bangladesh Lamps PLC.

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1st Quarterly Financial Statements (July-September 2025)

STATEMENT OF FINANCIAL POSITION (UN - AUDITED)

AS AT 30 SEPTEMBER 2025

As at 30 September 2025 As at 30 June 2025

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ASSETS	Non-current assets	Property, plant and equipment	125,396,158	133,737,308
	Intangible asset	42,960,188	44,113,465	
	Capital work-in-progress	68,340	-	
	Right-of-use asset (ROU)	72,231,973	75,698,505	
	Investment in shares at fair value:	539,268,956	422,449,892	
	Investment at cost	88,527,133	88,527,133	
	Fair value adjustment	450,741,823	333,922,759	
	Loans and deposits	5,331,178	5,063,395	
	Total non-current assets	785,256,793	681,062,565	

Current assets	Inventories	693,125,598	712,553,513
	Trade and other receivables	241,600,379	252,993,482
	Advance, deposit and prepayments	43,483,479	36,554,877
	Advance income tax	494,915,759	486,465,123
	Cash and cash equivalent	46,899,399	26,472,005
	Total current assets	1,520,024,614	1,515,039,000
	TOTAL ASSETS	2,305,281,407	2,196,101,565

EQUITY & LIABILITIES	Capital and reserves	105,278,770	105,278,770
	Share capital	401,867,547	315,061,637
	Reserves and surplus:	383,130,550	283,834,345
	Fair value reserve	18,736,997	31,227,292
	Accumulated retained earnings	507,146,317	420,340,407
	Shareholders' equity	2,305,281,407	2,196,101,565
Non-current liabilities			
	Deferred liability - gratuity payable	15,930,025	13,930,025
	Deferred tax liability	57,777,838	41,563,517
	Lease liabilities- Net off current portion	72,335,603	75,821,202
	Total non-current liabilities	146,043,466	131,314,744

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN - AUDITED)

FOR THE PERIOD FROM JULY TO SEPTEMBER 2025

1 July to 30 September 2025 2024

Taka Taka

Revenue	487,921,502	421,680,928
Cost of sales	(373,190,525)	(339,741,976)
Gross profit	114,730,977	81,956,002
Operating expenses	(85,318	