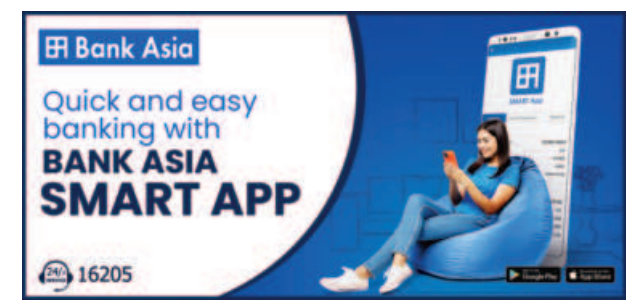


# Star BUSINESS



## Govt's heavy bank borrowing crowds out private investment

GED report says

STAR BUSINESS REPORT

The government's heavy reliance on the banking system to cover its fiscal deficit continues to effectively crowd out the private sector, leaving little room for productive private investment, said a report by the General Economics Division (GED) released yesterday.

The GED, a division under the planning ministry, said that while private sector credit growth decelerated to a historic low of 6.35 percent in August this year, net credit to the public sector increased by 16.59 percent in the same month.

The report stated that the slowing growth of private credit signals a deep-seated reluctance among businesses to invest and expand owing to high interest rates, cautious lending, and political and economic uncertainty.

On the other hand, the expansion of credit to the public sector was driven primarily by the government's need to finance its fiscal deficit and expenditures, exacerbated by a shortfall in tax revenue collection, it said.

The August-October 2025 period demonstrated the persistent trade-off inherent in Bangladesh Bank's policies, according to the October issue of the Economic Update and Outlook.

"While the central bank's tight monetary stance contributed to a gradual easing of point-to-point inflation, it came at a significant cost to growth," said the report.

It noted that inflation, while still elevated, has shown signs of stability in recent months.

After falling to 8.48 percent in June from 9.05 percent in May, inflation rose slightly to 8.36 percent in September from 8.29 percent a month earlier.

However, falling private sector credit "directly translates into reduced investment and job creation."

"The historic low in private sector credit growth signals a serious challenge to future economic activity, and the continued high reliance of the government on bank borrowing further complicates the situation," it said.

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## Govt to install solar panels at 46,000 schools, hospitals

STAR BUSINESS REPORT

The government has initiated the installation of solar power systems on the rooftops of around 46,000 educational institutions and hospital complexes.

The Power Division signed memorandums of understanding (MoUs) with five other government divisions under three ministries yesterday to implement the project.

Under the initiative, the institutions are expected to collectively generate about 1,454 megawatts (MW) of electricity from sunlight using a total rooftop area of 308 lakh square feet.

All the generated power will be connected to the national grid. As a result, the institutions will be able to generate their own electricity and also supply it to the national grid if they produce more than their requirement.

Joining the signing ceremony at Bidyut Bhaban, Fouzul Kabir Khan, adviser to the Ministry of Power, Energy and Mineral Resources, instructed the authorities concerned to complete all procedures by next February.

"Solar items have become cheaper, and their installation process is like plug and play," he said, adding that the tender processes for the projects should be completed by December 10.

These projects will be implemented under the supervision of six power distribution companies across the country.

Representatives attending the programme informed the adviser that most of them have already floated tender notices, which will close between late November and early December.

The adviser said there is no other option but to move towards renewable energy amid the shortage of primary energy supply.

"We are trying to import more LNG (liquefied natural gas) as well as emphasising gas exploration. But we have structural limitations in imports, and the results of exploration are not hopeful," he said.

"Renewables are our way out of the situation. They will not only help save the institutions' electricity costs but also reduce the overall power generation costs for the government," he added.

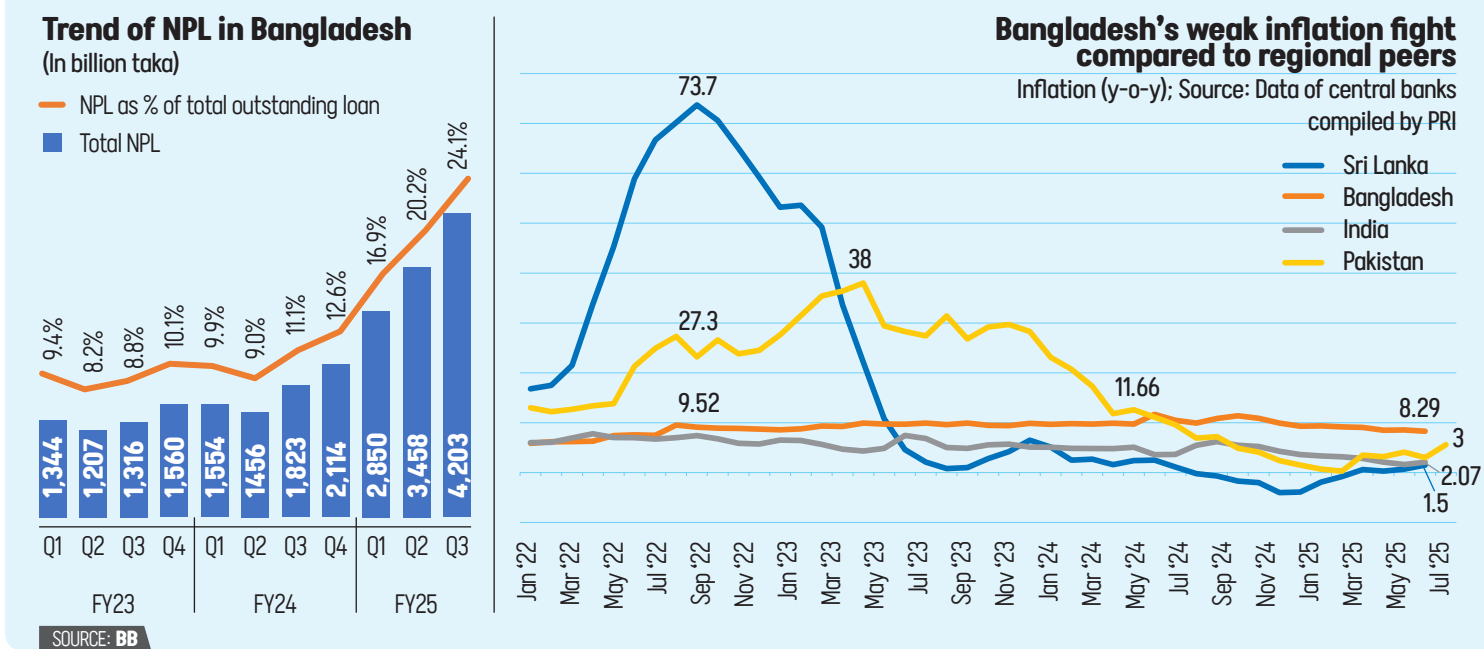
Power Division Secretary Farzana Mantaz signed the MoUs on behalf of the division, while the secretaries to the

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## BB's lost autonomy has a hefty price

Economists blame rising bad debt, soaring prices and illicit fund flows on central bank's waning independence

### THE COSTS OF AUTONOMY LOSS OF CENTRAL BANK



STAR BUSINESS REPORT

The rise in non-performing loans, red-hot inflation, illicit fund flows and lately an uptick in the poverty rate are the direct outcomes of the Bangladesh Bank (BB) losing its autonomy, according to economists.

In its paper, local think tank Policy Research Institute (PRI) says regulatory forbearance had allowed bad debts to balloon to Tk 420,335 crore by March this year.

Besides, inflation reached 11.66 percent in July last year and has stayed high compared to neighbouring countries, eroding real incomes, said PRI's Principal Economist Ashikur Rahman while presenting the paper at a roundtable.

The programme, titled "The Imperative for

Central Bank Independence", was organised by PRI with support from the UK International Development (UKID) in Dhaka yesterday.

According to the paper, widespread money laundering and capital flight have deepened liquidity shortages and weakened public trust in the financial system. Meanwhile, persistent inflation and financial instability have reversed the poverty reduction progress.

PRI recommended insulating monetary policy, bank licensing, regulation, supervision and government debt financing from political or executive interference.

The paper also said that the Bangladesh Bank Order-1972, despite its 2003 amendments, is outdated and unsuited to the needs of a modern central bank tasked with

ensuring price and financial stability and encouraging sectoral development.

"The establishment of the Financial Institutions Division under the Ministry of Finance and weak central bank leadership over the past decade have severely curtailed Bangladesh Bank's operational independence," says the paper.

Amir Khosru Mahmud Chowdhury, standing committee member of BNP and also a former minister, attended the event as the chief guest.

Khosru said the BNP believes in central bank autonomy, but he argued that independence alone will not work unless other financial institutions are also strengthened.

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## BSEC bars mutual fund investment in bank bonds. Will it deprive investors?

AHSAN HABIB

The Bangladesh Securities and Exchange Commission (BSEC) is restricting mutual funds and individual investors from investing in banks' subordinated bonds, a move that market insiders say contradicts the regulator's stated goal of developing a vibrant bond market.

Recently, the commission approved a Tk 500 crore subordinated bond for Trust Bank with the condition that "mutual funds and individual investors shall not be eligible to subscribe to the bond." The same condition has been imposed on similar bonds issued by BRAC Bank, United Commercial Bank (UCB), Pubali Bank, and Jamuna Bank.

While the restriction is not a permanent rule, it raises questions as to why investors will be deprived of the chance to invest in the lucrative securities.

A mid-level BSEC official, speaking on condition of anonymity, said the regulator imposed the restriction mainly to avoid potential liquidity problems for open-ended mutual funds and to protect individual investors who may not fully understand the risks of these long-term securities.

Most mutual funds in Bangladesh are open-ended, meaning investors can withdraw money at any time. If these funds hold large volumes of long-term instruments like subordinated bonds, the regulator fears a liquidity mismatch, where fund managers might struggle to meet withdrawal requests because their money is tied up for years.

Subordinated bonds are long-term debt instruments that banks issue to strengthen their capital base. They generally offer higher returns than fixed deposits but carry higher risk, as bondholders are repaid only after other creditors if a bank faces insolvency.

Senior bankers say the regulator's move hinders the potential to maximise the wealth of their investors.

Tanzim Alamgir, managing director and CEO of UCB Investment Ltd, said mutual funds should have the freedom to make investment decisions based on proper liquidity analysis instead of being restricted outright.

"Mutual funds should have the flexibility to invest in high-yielding bank bonds where the fundamentals and

**WHAT IS SUBORDINATED BOND?**

Subordinated bonds are long-term debt instruments that banks issue to strengthen their capital base. They generally offer higher returns than fixed deposits but carry higher risk, as bondholders are repaid only after other creditors if a bank faces insolvency.

**Regulatory action**

BSEC has restricted mutual funds and individuals from investing in banks' subordinated bonds

Regulator says the restriction is temporary and aims to prevent liquidity stress

**Impact & criticism**

Analysts say the move contradicts BSEC's goal of developing a vibrant bond market

Experts warn the restriction limits investors' potential to maximise returns

**Liquidity & risk concerns**

BSEC fears open-ended mutual funds could face liquidity mismatches if tied to long-term bonds

Officials argue the rule protects small investors from complex, long-term securities

liquidity profiles justify such exposure," Alamgir told The Daily Star.

He pointed out that the restrictions are being imposed at a time when government treasury bond yields have dipped below the central bank's 10 percent policy rate for the first time in two years, while bank bonds are offering around 13 percent returns.

"Preventing mutual funds from accessing these opportunities ultimately hinders the wealth-maximisation potential of their unitholders," he stated.

Regarding individual investors, Alamgir added, "If individuals can keep fixed deposits with banks at around 9 percent interest, it is worth considering why they shouldn't be allowed to invest part of that money in the same banks' bonds that offer higher yields, roughly three percentage points above a six-month FDR."

He said instead of limiting mutual fund investments in bonds due to

exit constraints, policymakers should focus on strengthening the secondary bond market to enable smoother transactions and more liquidity. He also recommended that policymakers consider introducing a formal yield curve to enhance price discovery.

"To make the bond market truly functional, mutual fund participation is essential," he said, noting that in India, mutual funds account for nearly 20 percent of total bond market participation, which has helped improve liquidity and market depth there.

Speaking on condition of anonymity, a senior official of an asset management company said the liquidity issue regarding subordinated bonds mostly stems from the fact that these bonds are not traded in the secondary market.

"The government should focus on making them tradable there. Public interest is strong because of their

READ MORE ON B3

## Shibli Rubayat, Reaz banned for life from market over scam

STAR BUSINESS REPORT

The stock market regulator has permanently banned its former chairman Prof Shibli Rubayat UI Islam, and LR Global Bangladesh CEO Reaz Islam from all capital market activities over their involvement in a share price manipulation scheme involving Padma Printers and Colour.

In 2022, asset management firm LR Global invested Tk 23.6 crore to acquire a 51 percent stake in Padma Printers, a delisted company, from six mutual funds it manages.

At the time, the company was shut down, and its net asset value per share stood at a negative Tk 2.74, according to a press release from the Bangladesh Securities and Exchange Commission (BSEC).

Despite this, LR Global paid Tk 289.4 per share, far above the face value of Tk 10. Just before the deal, Padma Printers shares were trading at Tk 13.60 each on the over-the-counter market.

After the purchase, Padma Printers was renamed Quest BDC Ltd, and its paid-up capital was raised from Tk 1.6 crore to Tk 50 crore. LR Global later injected another Tk 45 crore from the six mutual funds at Tk 15.88 per share.

During the process, no shares were issued to the company's previous shareholders, the BSEC said.

It added that no price-sensitive information was disclosed, nor was any extraordinary general meeting held as required by regulations.

READ MORE ON B3

## Is there any redress for airport fire victims?

MD ASADUZ ZAMAN and SUKANTA HALDER

The massive fire that engulfed the cargo complex at Hazrat Shahjalal International Airport on Saturday has left importers grappling with the loss of consignments worth crores of taka. They now face a painful question: is there any legal or financial redress for their losses?

There are two issues to consider — the refund of duties already paid and compensation through insurance coverage.

Take the case of Pacific International Trade Point Limited, a clearing and forwarding agent, which lost around \$233,500 worth of imported medical equipment. It had already paid Tk 19 lakh in customs duties for a \$67,000 shipment. The goods were scheduled for release on Sunday. Three other shipments, valued at \$95,000, \$68,000, and \$3,500, were still under customs processing when the fire struck.

"The entire consignment was destroyed, leaving no opportunity for retrieval," said Zakir Hossain, managing director of Pacific International Trade Point Limited. "There has been no decision on refunds or compensation yet. We are still waiting."

As of now, neither the government nor Biman Bangladesh Airlines nor the Civil Aviation Authority has made any statement on compensation or refunds. "Only representatives of the Bangladesh Garment Manufacturers and Exporters Association provided a partial list of goods that survived the fire," Hossain said.

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## AkijBashir Glass holds top dealers' meet in Cox's Bazar

STAR BUSINESS DESK

AkijBashir Glass, one of the country's leading glass manufacturers and a subsidiary of AkijBashir Group, has organised an event, titled "Top Dealers Meet 2025", at a hotel in Cox's Bazar recently.

This year, the theme of the two-day event was "Power of Partnership: Promise of Progress", according to a press release. Mohammad Khorshed Alam, chief operating officer of AkijBashir Group, inaugurated the dealers' meet as the chief guest.

Through this initiative, AkijBashir Glass celebrated the contribution, trust, and collaborative spirit of its partners in the glass industry, honouring the outstanding achievements of its top dealers with awards.

The event emphasised the power of moving forward together towards greater shared success, the release added. Abduhu Sufi, senior general manager of AkijBashir Glass, was also present, along with other senior officials from the company and the group, as well as top business partners from across the country.



Mohammad Khorshed Alam, chief operating officer of AkijBashir Group, poses for group photographs with participants of the event, titled "Top Dealers Meet 2025", organised by AkijBashir Glass, at a hotel in Cox's Bazar recently.

PHOTO: AKIJBASHIR GROUP

## Brac Healthcare offers discounts to Prime Bank clients



Md Rokonzaman, senior manager, head of business BD and partnership of Brac Healthcare Limited, and Joarder Tanvir Faisal, executive vice-president and head of cards and retail assets of Prime Bank PLC, pose for photographs after signing the agreement at the bank's corporate office in Dhaka recently.

PHOTO: PRIME BANK

STAR BUSINESS DESK

Prime Bank PLC has entered into a strategic partnership agreement with Brac Healthcare Limited to offer discounts on a range of health screening packages for its customers.

Joarder Tanvir Faisal, executive vice-president and head of cards and retail assets at Prime Bank PLC, and Md Rokonzaman, senior manager and head of business (BD) and partnerships at Brac Healthcare Limited, signed the agreement at the bank's corporate office in Dhaka recently, according to a press release.

Under this collaboration, Prime Bank customers will enjoy special discounted rates on selected screening packages offered by Brac Healthcare, aimed at promoting preventive health awareness and wellness among customers.

Through this partnership, Prime Bank reinforces its commitment to offering value-added lifestyle benefits that go beyond traditional banking, enhancing customer wellbeing and promoting a healthier lifestyle, the release added.

Hossain Mohammad Zakaria, head of customer proposition at the bank, and AKM Moin Uddin Shah, deputy manager, market outreach and communication at the healthcare organisation, along with other senior officials from both organisations, were also present.

## ICAB calls for better execution of IFRS 9 in banks

STAR BUSINESS DESK

Experts have underscored the need for robust modelling, reliable data, and strong coordination between risk and finance functions to ensure the proper implementation of International Financial Reporting Standards (IFRS) 9 and restore confidence in the country's banking sector.

They said building technological resilience, reinforcing governance, and investing in data infrastructure would not only help banks ensure compliance but also strengthen their overall financial and operational sustainability.

The observations came at a webinar, titled "Implementing IFRS 9: Global Insights and Bangladesh Perspectives", organised by the Institute of Chartered Accountants of Bangladesh (ICAB) yesterday, according to a press release.

Muhammad Mehedi Hasan, vice-president of ICAB and partner at Rahman Rahman Huq, Chartered Accountants, chaired the session.

One of the key challenges discussed was the lack of empirical data. While default data is often available, recovery data remains limited, which restricts the accuracy of models and slows down the implementation process of IFRS 9.

Another major challenge lies in incorporating forward-looking information, as many banks lack sufficient historical data to differentiate scenarios or make reliable probability-weighted estimates.

Experts noted that the weak correlation between macroeconomic factors and default rates further undermines predictive modelling.

Md Kabir Ahmed, deputy governor of Bangladesh Bank, attended the webinar as the chief guest, and said the implementation of IFRS 9 represents a paradigm shift for an emerging economy like Bangladesh, which has a dynamic and growing financial sector.

"It enables financial institutions to be better prepared for potential future losses and more resilient to economic shocks," he added.

ICAB President NKA Mobin said the adoption and implementation of IFRS are not merely compliance exercises but cornerstones for enhancing transparency, strengthening financial stability, and fostering investor confidence.

"As the core and most relevant professional accountability body in Bangladesh, ICAB considers it a sovereign duty to lead the discourse, build capacity, and facilitate a smooth transition to these global benchmarks," he said.

Rajith Perera, partner at Ernst & Young and risk management leader of the Institute of Chartered Accountants of Sri Lanka, and SK Ashik Iqbal FCA, partner at Nurul Faruk Hasan & Co, Chartered Accountants, presented keynote papers.

## Yen slides to six-day low

REUTERS, Singapore/London

The yen eased to a six-day low after headline conservative Sanae Takaichi was elected as Japan's first female prime minister, with traders betting her government could bring about a muddied rate outlook and greater fiscal largesse.

Takaichi, leader of Japan's ruling Liberal Democratic Party, won the lower house vote to choose the next prime minister on Tuesday.

The move was widely expected by investors after she was backed by the right-wing opposition party Ishin. The Japanese currency was last down 0.25 percent at 151.35 per dollar, after touching 151.61, its lowest level against the dollar since October 15.

The yen also struggled against the euro and sterling.

"While fiscal stimulus is expected, it is unlikely to be held given the difficulties of policy management," said Hirofumi Suzuki, chief FX strategist at SMBC.

## Dutch-Bangla Bank, Pragati Life settle first bancassurance claim

STAR BUSINESS DESK

Dutch-Bangla Bank PLC (DBBL) and its partner Pragati Life Insurance PLC have jointly handed over their first insurance claim following the tragic demise of a customer.

Abul Kashem Md Shirin, managing director and CEO of Dutch-Bangla Bank PLC, and MJ Azim, managing director and CEO of Pragati Life Insurance PLC, handed over a cheque covering the claim amount to the nominee of the deceased policyholder at a ceremony held at the bank's head office in Dhaka recently, according to a press release.

DBBL is taking the lead in the bancassurance business in Bangladesh with the aim of bringing more people under insurance coverage. The event reflects the bank's strong commitment to delivering excellent service to its customers across the country, the release added.

As of October 20, 2025, the bank has sold a total of 8,306 policies, and its market share in the bancassurance business currently stands at 41 percent, the highest among peer banks in Bangladesh.



PHOTO: DUTCH-BANGLA BANK

MJ Azim, managing director and CEO of Pragati Life Insurance PLC, and Abul Kashem Md Shirin, managing director and CEO of Dutch-Bangla Bank PLC, hand over a cheque covering the claim amount to the nominee of the deceased policyholder at the bank's head office in Dhaka recently.

## Mutual Trust Bank, Visa launch multipurpose card for students of Pundra University

STAR BUSINESS DESK

Mutual Trust Bank PLC (MTB), in collaboration with global digital payment solutions provider Visa, has launched a "Multipurpose Card" for students of the Pundra University of Science and Technology in Bogura as part of the nationwide "Cashless Bangladesh" awareness programme.

Arief Hossain Khan, executive director and spokesperson of the Bangladesh Bank, inaugurated the card as the chief guest, according to a press release.

Rafeza Akhter Kanta,

director of the Payment Systems Department at the central bank, presided over the programme, while Prof Hosne Ara Begum, executive director of Thengamara Mohila Sabuj Sangha, attended as guest of honour.

The innovative card combines a student ID and payment card into one, enabling seamless digital payments across campus canteens, libraries, and merchant points.

This groundbreaking initiative marks a significant step towards building a smart, cashless, and inclusive economy, in line with the governor of Bangladesh Bank's

vision for a Digital Bangladesh.

The initiative reflects MTB's continued efforts to promote digital banking and financial inclusion, empowering students to experience the convenience and efficiency of cashless transactions from an early stage, the release added.

Sardar Al Emran, executive director (current charge) of Bangladesh Bank's Bogura office; Khalid Hossain, chief digital officer of Mutual Trust Bank PLC; and Md Nasimul Islam, director and head of government engagement for South Asia at Visa, along with other senior officials, were also present.



Arief Hossain Khan, executive director and spokesperson of the Bangladesh Bank, and Khalid Hossain, chief digital officer of Mutual Trust Bank PLC, attend the launch of "Multipurpose Card" for students of the Pundra University of Science and Technology in Bogura recently.

PHOTO: MUTUAL TRUST BANK

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স্মারক নং-৩৫.০১.৩৯৩৬.৪৩০.০০.০০১.২৫-৭৭০(২৫) তারিখ- ১৯/১০/২০২৫ খ্রিঃ

**গণ-বিজ্ঞপ্তি**

এতদ্বারা সর্ব সাধারণের অবগতির জন্য জানানো যাচ্ছে যে, আগামী ২৭/১০/২০২৫ খ্রিঃ তারিখ হতে ২৯/১০/২০২৫ খ্রিঃ তারিখ পর্যন্ত মোট ০৩ (তিন) দিন জামালপুর জেলার দিগপাইত-সরিষাবাড়ী-তারাকান্দি সড়ক যথাযথ মান ও প্রশস্ততায় উন্নীতকরণ (১ম সংশোধিত) শীর্ষক প্রকল্পের এল এ কেস নং ০২/২০২২-২০২৩ আওতায় যথাক্রমে স্পট নং- ১। চেইনেজ ০+৫০০ কিঃমিঃ হতে রেহিমা খাতুনীর বাউভারী ওয়ালা হতে শুরু করে চেইনেজ ১+৫০০ কিঃমিঃ এ জনাব আক্তারুজ্জামান এর মিল পর্যন্ত। স্পট নং- ২। জনাব আক্তারুজ্জামানের মিল হতে ১+৫০০ কিঃমিঃ হতে ২+২০০ কিঃমিঃ এ জনাব আবুল কালাম আজাদের বাড়ী পর্যন্ত এবং স্পট নং- ৩। জনাব আবুল কালাম আজাদের বাড়ী হতে চেইনেজ ২+২০০ কিঃমিঃ হতে ৪+৪০০ কিঃমিঃ এ জনাব আব্দুল হাকিমের বাড়ী পর্যন্ত এলাকায় নির্বাহী ম্যাজিস্ট্রেট ও জেলা প্রশাসনের সহযোগিতায় প্রস্তাবিত সড়কের অধিগ্রহণকৃত জমির উপস্থিতি অবকাঠামো ও গাছপালা সমূহ উচ্ছেদ/অপসারণ করা হবে। উল্লেখ্য যে, উচ্ছেদকৃত মালামালসমূহ নিলামের মাধ্যমে বিক্রয় করা হবে। অগ্রহী নিলাম গ্রহীতাপনকে ধার্যকৃত তারিখে উপস্থিত থেকে স্পট নিলামে দর উপস্থাপন করার জন্য অনুরোধ করা হল।

এমতাবস্থায়, অধিগ্রহণকৃত জমির উপস্থিতি গাছপালা/অবকাঠামো ব্যতীত নিত্যপ্রয়োজনীয় ব্যবহার্য মালামালসমূহ নির্ধারিত সময়ের পূর্বে নিজ খরচে সরিয়ে নেয়ার জন্য বিশেষভাবে অনুরোধ করা হলো। উচ্ছেদের দিনে ব্যবহার্য মালামাল সরানোর কোন অতিরিক্ত সময় দেয়া হবে না।

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GD-2224

## Essential baby food imports exempted from full cash margin

STAR BUSINESS REPORT

Imports of essential baby food will no longer require a 100 percent cash deposit under import letters of credit (LCs), the Bangladesh Bank has said.

The clarification came after some banks mistakenly applied the full cash margin rule to essential baby food imports, the central bank noted in a notice issued yesterday.

Earlier, the regulator had asked banks to collect a full cash deposit for certain food and drink items, including tinned foods, chocolates, biscuits, juices, coffee, and soft drinks, to protect the country's currency amid global financial uncertainty.

Under the new notice, essential baby foods are now exempt from this rule. Cash margins for baby food imports will instead be determined based on standard banker-customer relationships.

The new rule takes effect immediately under the Bank Companies Act, 1991.

## LafargeHolcim Bangladesh's profit up 36% in Q3

STAR BUSINESS REPORT

Cement company LafargeHolcim Bangladesh PLC (LHB) reported a 36 percent year-on-year rise in profit to Tk 119.8 crore for the July-September quarter, supported by higher sales volumes and steady demand.

Its revenue for the third quarter increased 6 percent from a year earlier to Tk 668.1 crore.

During the first nine months of 2025, revenue reached Tk 2,166 crore, up 5 percent from the same period last year. Profit climbed 7 percent to Tk 355.6 crore, while earnings per share rose to Tk 3.06 from Tk 2.85 in the same period last year.

Despite a slowdown in construction caused by reduced public spending and weak private credit growth, LHB

recorded growth across its cement and aggregates businesses.

"This resilient performance is a testament to customer confidence in our products and services," said Iqbal Chowdhury, CEO of LafargeHolcim Bangladesh.

"Our specialised cement products like Water Protect and Fair Face have witnessed significant growth, reflecting strong consumer preference.

In addition, our Geocycle initiative co-processed over 34,000 tonnes of waste, replacing 11 percent of fossil fuel use, enhancing both environmental sustainability and operational efficiency," he added.

The cement-maker acknowledged pressure on margins due to higher energy costs

but said cost-saving initiatives and strategic pricing helped cushion the impact.

"By diversifying our product portfolio and deepening private sector engagement, we have not only weathered the slowdown but continued to grow," he said.

LHB said it would continue to focus on improving profitability through operational efficiency, investment in alternative energy, product innovation and digital upgrades. These initiatives aim to strengthen long-term competitiveness and maintain market leadership.

The board of directors declared an interim cash dividend of 18 percent, or Tk 1.8 per share of Tk 10 face value, amounting to Tk 209.05 crore for the quarter ending September 2025.

## Taskforce formed for national spatial plan

STAR BUSINESS REPORT

The government has formed a nine-member taskforce to recommend the formulation and implementation of a national spatial plan aimed at integrating spatial planning into the country's long-term development strategy.

The body will be chaired by ATM Nurul Amin, emeritus professor at the Asian Institute of Technology and honorary member of the Bangladesh Institute of Planners.

Salim Rashid, emeritus professor at the University of Illinois and also an honorary member of the institute, has been named as a member.

According to an office order issued by the Planning Commission, the taskforce has been instructed to submit a comprehensive report within two months following consultations with relevant stakeholders.

The General Economics Division of the commission will provide secretarial support, and the terms of reference allow for the inclusion of additional members if required.

## BB's lost autonomy

FROM PAGE B1

"No matter how much independence we grant, if we cannot develop the capital market and implement necessary reforms, the pressure on the central bank will remain," said the BNP leader and former commerce minister.

He added that major financial reforms took place during the BNP regime.

Referring to the issue of dual regulation in the banking sector, the BNP leader said, "We did not make any political appointments anywhere. We even abolished the Financial Institutions Division of the finance ministry, but the succeeding government reinstated it."

Fahmida Khatun, executive director of local think tank Centre for Policy Dialogue (CPD), said macroeconomic stability had weakened over the past decade.

"Naturally, many economic indicators reflected this deterioration, particularly those related to the banking sector, including inflation and price levels, which became highly unstable. This instability has had an overall impact on the economy," she said.

The economist noted that countries with independent central banks find it easier to maintain price stability. "Ensuring price stability is the primary responsibility of a central bank. Economic growth and employment come as secondary objectives."

Fahmida also questioned the appointment process for the central bank governor and deputy governors. "Because even if you enact a strong law, if the person appointed to the position does not have academic excellence, accountability, transparency, and commitment, then that law will remain only on paper."

Syed Nasim Manzur, president of the Leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh, said, "Since 2019, we have been proposing to increase the dollar rate. Instead of doing that gradually, it was raised by 41 percent in 2022, and everyone had to bear the shock."

He called for greater policy consistency from BB and urged the abolition of the banking division, saying this should form part of BNP's political agenda.

"Now those who pay taxes and repay loans are the ones facing the burden. No matter how much legal independence is granted, who is

appointed as the governor is what truly matters," said the footwear manufacturer.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, said political will matters more than legislation for developing the banking sector.

"Injecting high-powered money into the economy will have to be stopped," he added.

Showkat Aziz Russell, president of the Bangladesh Textile Mills Association (BTMA), said those who remain in the country, those who did not flee, are now being forced to bear higher financing costs. "It is unfair," he said. "We cannot survive in such a competitive market. That is the reality."

M Masrur Reaz, chairman and CEO of the Policy Exchange of Bangladesh, said people used to talk about crony capitalism, which has now evolved into oligarchy. "They have captured the banking sector and driven it into losses," he said.

"The biggest reform took place in 2007-08. When the national ID card was introduced, it was said that no one would be able to vote on behalf of another. Yet, afterwards, the most disgraceful elections took place," he commented.

PRI economist Ashkur Rahman said discussions around the independence of the BB have long continued.

"Theoretical models and cross-country experiences suggest that inflation can be effectively controlled when inflation expectations are anchored at low levels, money supply is properly managed, and the exchange rate remains stable," said Rahman.

He added that such macroeconomic management is only possible when the central bank enjoys credibility, which comes from its independence.

"This is why, since the 1990s, central bank independence has become a dominant doctrine in economic management. Politicians must internalise lessons from past mistakes in the financial sector and do better in the future," he commented.

Abdul Hai Sarker, chairman of the Bangladesh Association of Banks, and Mohammad Akhtar Hossain, chief economist of BB, also spoke at the discussion.

PRI Vice-Chairman Sadiq Ahmed gave the opening remarks, while its Chairman Zaidi Sattar delivered the closing remarks.

## Govt's heavy

FROM PAGE B1

For a sustainable and robust economic recovery, it will be crucial to stimulate private investment, strike a balance between containing inflation, and foster an environment conducive to business growth, the GED said.

The report added that deposit growth showed a moderating but fluctuating trend in the early months of the current fiscal year (FY26), supported by reforms aimed at restoring public confidence.

"The subdued deposit growth is primarily influenced by high inflation, which continues to erode real disposable income and limit the capacity for household savings," it said.

Strong remittance inflows and the government's move to channel cash transfers through banks also contributed to the increase.

The GED report, citing the recent drop in rice prices, slowdown in exports, stability in the exchange rate amid rising foreign exchange reserves, and increased revenue collection, offered "cautious optimism for the coming months."

"As the election date approaches rapidly, the economy will experience some election-related activities in the coming months, which will boost confidence among economic actors and investors," it said.

## Govt to install solar panels

FROM PAGE B1

Ministry of Primary and Mass Education, the Secondary and Higher Education Division, the Technical and Madrasa Education Division, the Health Services Division, and the Medical Education and Family Welfare Division signed on behalf of their respective sides.

Farzana Mamtaz said the initiative has been taken under the national rooftop solar project, which aims to generate around 20 percent of the country's total electricity demand from renewable sources by 2030 and 30 percent by 2040.

The projects will be implemented with private sector involvement, she said.

In addition to their own investments, they will be able to avail themselves of loans at only a 5 percent interest rate from Bangladesh Bank's refinancing scheme and other commercial banks' green financing schemes.

made garments, chemicals, cement, pharmaceuticals, and power, have filed insurance claims following recent incidents.

"As of now, around 80 entities have submitted claim documents, with the total claimed amount reaching around Tk 25 crore," he said.

He also noted that these initial figures are based on preliminary estimates.

A detailed survey will be conducted to assess the actual extent of the damage, after which the approved claims will be settled accordingly, he added.

Syed Sehab Ullah Al-Manjur, CEO of Pragati Insurance, said they have received claims from around ten clients across sectors like RMG and pharmaceuticals, which are under review to assess the extent of the damages.

SM Mahbubul Karim, CEO of Nitel Insurance, said four to five companies have submitted preliminary claim information, with a full assessment expected in two to three days.

Among the affected, Zakir Hossain has insurance coverage for some of his consignments.

"While there is hope for a duty refund, I'm not sure what luck awaits me with the insurance," he said.

## BSEC bars Shibli Rubayat

FROM PAGE B1

attractive returns, and since they're not perpetual, they should be allowed to trade," he said.

Responding to the criticism, BSEC spokesperson Abul Kalam said mutual funds should prioritise listed securities and government treasury bonds that are easily liquidated.

"Mutual funds pool investors' money, and those investors can ask for their funds back anytime," he said.

"If subordinated bonds are listed on the stock exchange and remain in the 'A' category, then mutual funds will be allowed to invest in them," he added.

He stressed that the restriction is conditional, not permanent. "If the bonds become listed and asset managers apply for permission, the commission will review the matter."

FROM PAGE B1

The regulator said interests of the unitholders of those mutual funds were violated when Tk 68.64 crore of their funds was invested in a closed company.

It also found evidence of collusion between former BSEC chairman Shibli and LR Global CEO Reaz Islam in securing approval for the unlawful investment.

Following an investigation, the BSEC imposed a lifetime ban on both individuals from any capital market activity.

The commission also fined Reaz Islam, Rezaur Rahman Sohag, Brig Gen (retired) Sharif Ahsan, Medina Ali, Syed Kamrul Hoda, and Omar Soeb Chowdhury Tk 1 crore each for violating securities rules. All of them are representatives of the mutual funds.

The Daily Star immediately could not

reach them for comments.

Besides, LR Global has been asked to return Tk 90 crore, including interest, to the six mutual funds within one month. The regulator warned that if the funds were not repaid in time, CEO Reaz Islam would be liable to pay Tk 98 crore, while directors George M Stock III and Rezaur Rahman Sohag would each face a Tk 1 crore fine.

The BSEC also decided to revoke LR Global's licence for investing in a financially weak company whose operations had ceased and which had a negative net asset value.

In addition, the regulator has fined Bangladesh General Insurance Company (BGIC), trustee of those six mutual funds, Tk 3 crore for failing to protect investor interests.

It also decided to ask the Financial Reporting Council (FRC) to take action

against Shafiq Basak & Co for not preparing a proper audit report on Quest BDC Ltd for the financial year ending in June 2023.

The BSEC investigation further found that Quest BDC Ltd, formerly Padma Printers, had invested Tk 24.95 crore in Thyrocare Bangladesh by purchasing shares at Tk 52.25 each, though the face value was Tk 10.

According to the regulator, the valuation of Thyrocare was conducted by the then managing director of City Bank Capital Resources in collusion with LR Global's CEO Reaz Islam.

The commission said the manner of the investment raised suspicions of possible money laundering. It has therefore decided to refer the matter to the Anti-Corruption Commission (ACC) for further investigation.

## Is there any redress

FROM PAGE B1

He added, "I have all the evidence — three to four key documents. Everything is strong and properly recorded. Once the government gives the directive, we'll file our refund claims with all necessary documents."

He said that the Dhaka Customs Agents Association is collecting details of pending bills of entry, ownership, and types of goods lost in the fire. "They asked for all those details, and I'll submit them tomorrow [Wednesday] morning."

WHAT THE LAW SAYS

The Customs Act 2023 provides a clear legal pathway for refunding duties or taxes on goods destroyed before being released for domestic use.

Under Section 28 of the law, if imported goods are damaged, lost, or destroyed in an accident or natural disaster after importation but before release, importers may apply to the customs commissioner for reassessment and refund.

Several officials of the National Board of Revenue (NBR) told The Daily Star that legal provisions will be thoroughly reviewed in this regard, with necessary measures taken in accordance with the law.

"They [companies that lost goods

in the fire] must follow existing laws. NBR Chairman Md Abdur Rahman Khan is currently abroad; a decision may be taken after his return," said a top official, speaking anonymously.

NBR Chairman Md Abdur Rahman Khan could not be reached over the phone for a comment on the matter.

To assess the extent of damage caused by the fire, the Internal Resources Division has already formed a five-member inquiry committee, led by Joint Secretary Mohammad Mahbubur Rahman Patwary, and instructed it to submit a report promptly.

WHAT ABOUT INSURANCE COVERAGE?

While customs duties may be recoverable, compensation for the goods themselves, worth crores of taka, depends on insurance coverage or on the storage authority responsible for maintaining the cargo facility.

For most importers, insurance is the only safeguard against such disasters, but many consignments, especially from smaller firms, are underinsured or uninsured.

Khaled Mamun, chief executive officer of Reliance Insurance PLC, said that companies from a range of sectors, including food, ready-



**বিদ্যুৎ, জ্বালানি ও খনিজ সম্পদ মন্ত্রণালয়**  
নর্দন ইলেকট্রিসিটি সার্ভিস প্রাইভেট লিমিটেড  
(বাংলাদেশ বিদ্যুৎ উন্নয়ন বোর্ডের একটি প্রতিষ্ঠান)  
কোম্পানি সচিব এর দপ্তর  
প্রধান কার্যালয়: বিদ্যুৎ ভবন, হেডমেন শা, রাজশাহী-৬০০০  
[www.nesco.gov.bd](http://www.nesco.gov.bd)

Memo No. 27.29.0000.082.011.11.25.312 Date: 20/10/2025

### Job Opportunity

**1.0 Brief introduction to the Company**  
Northern Electricity Supply PLC (NESCO) is a State-Owned Company (SOC), responsible for distributing electricity across the distinctive parts of Rajshahi and Rangpur divisions, encompassing 16 districts. Established in August 2005 and commencing commercial operations since October 2016, NESCO has significantly contributed to the region's power distribution, ensuring reliable & uninterrupted electricity supply to its customers. Now, NESCO invites applications from eligible candidates from the bona fide citizens of Bangladesh for immediate appointment for the following post on a contractual basis:

Sl.	Name of the Post	NESCO Pay Grade	Basic Salary	No. of Post	Age
01	Executive Director (Finance)	Grade-II	Tk. 1,49,000/-	01	Between 45-60 years of age as on 22/10/2025

**2.0 Job Description**  
The Executive Director (Finance) is the Chief Finance Officer of the Company reporting to the Managing Director. It is a strategic level post. The incumbent shall act as a member of the management team of the Company to assist the Managing Director for overall financial management, ensuring compliances of laws, rules and regulations for good governance including development of setup, systems and financial functions of the organization. He/She should formulate business strategies and financial plans that reflect the long-term corporate goals and priorities established by the company. He/She should implement Financial Module under Enterprise Resource Planning (ERP) particularly with emphasis on software-based accounting system for all Regional Account Offices (RAOs). He/She should prepare annual budget and revised budget considering income, expenditure, load and consumer growth, investment possibilities as well as other relevant financial matters; Identify multiples sources of investment opportunities, making comparative statement of their advantages and disadvantages; Identify possible sources of increasing non-operating income and taking appropriate measures to that end; Prepare bi-monthly, quarterly, half-yearly, yearly accounts and cumulative accounts in comparison with similar accounts of preceding year and reporting to competent authority. He/She should supervise collection of online bill, new connection application fees, consumer security deposit, disconnection & reconnection fees and estimate money through all banks with the help of ICT department and other relative means. He/She should endeavor to raise capital from the Capital Markets if required.

**3.0 Educational Qualification and Requirements**

- At least MBA/MCom in Finance/Accounting from any recognized university. Professional qualification such as ACA/ACMA will be counted as an added advantage;
- Candidates passed in the grading system must possess at least CGPA 3.5 on a scale of 5.0 and CGPA 2.5 on a scale of 4.0. Candidates passed in the conventional system (Class/Division) must possess at least 2nd class/division. No third Division/Class at any stage of the academic career shall be acceptable;
- In case of Public Sector (GoB/SOE's/ Autonomous Bodies)**, the candidate should have at least 18 years of experience of which at least 3 years in a senior management position (National Pay Scales substantive grade 4 & above) in power sector;
- In case of State-owned companies (SOCs) of the power sector**, the candidate should have at least 18 years of experience, of which at least 3 years in a senior management position (DGM or equivalent & above) in power sector;
- In case of private sector**, the candidate should have at least 18 years of experience, of which 3 years in senior management/leadership position in well reputed organization(s) in power sector. Moreover, the candidate's experience certificate must include detailed job responsibilities authorized by competent authority;
- Must be able to demonstrate knowledge about relevant Govt. rules & regulations, PPA and PPR, etc.
- Must be able to demonstrate knowledge in business laws, labor law, Tax/VAT Laws, Total Quality Management (TQM), Total Productive Management (TPM), Corporate Governance, Strategic Management, etc.;
- Must demonstrate strong participatory leadership ability and possess adequate knowledge in corporate Management;
- Able to express information, in both English and Bangla, to individuals or groups effectively; make clear and convincing presentations, write concisely, and convincingly for the intended audience;
- Strong business acumen with a deep understanding of financial management, Procurement, strategic planning, and operational management.
- Excellent Negotiation skills with government agencies, development partners and private investors will be an advantage.

**4.0 Age**  
Minimum: 45 years, Maximum: 60 years as on 22/10/2025.

**5.0 Tenure of Appointment**  
The initial contract will be for 3 years subject to the maximum age limit of 65 years. It can be extended for two more terms of 3 years subject to the maximum age limit of 65 years in case of competent candidate.

**6.0 Salary and Allowances**  
Basic pay Tk. 1,49,000/- (One lac forty-nine thousand) only per month plus house rent 40% of basic pay, 2 (two) festival bonus, Boishakhi allowance (20% of basic) per year, gratuity, contributory provident fund, group insurance, leave encashment, reimbursement of medical expenses and other fringe benefits will be admissible as per provisions of the company. He/She will also be entitled to a full-time transport with fuel and driver. Income tax shall be paid by the incumbent.

**7.0 Submission of Application**

- Interested candidates are requested to apply only through the 'Online Application Form' where in a scanned recent photograph, signature, NID, all academic certificates, transcripts and relevant experience certificates (Mentioning detailed job responsibilities authorized by competent authority for each position with duration of service) must be duly uploaded.
- Candidates still serving in GoB/SOE's/Autonomous bodies/SOC's must upload one additional document i.e., **NOC** from the Authority.
- The online application form will be available in NESCO career site <https://career.nesco.gov.bd>. Before filing up the application form please read the instructions carefully which will be available in the career section of NESCO website (<https://nesco.gov.bd>) along with notice section of career site (<https://career.nesco.gov.bd>). Online Application should be submitted from 22/10/2025 (9:00 AM) to 11/11/2025 (upto 5:00 PM). Required updated information about this recruitment will be available in NESCO website and NESCO career site. Candidates are requested to collect relevant information about this recruitment from NESCO website and NESCO career site.

**8.0** Please note that only short-listed candidates will be called for interview/recruitment test. Candidates applied for the post shall have to pay Tk. 2000/- (Two Thousand) for submitting this application. No TA/DA will be given for participating in the interviews.

**9.0** The NESCO authority reserves the right to accept or reject any or all the applications without assigning any reasons whatsoever.

*(Signature)*  
20.10.2025  
**Most. Ismat Ara**  
Company Secretary  
Email: [es@nesco.gov.bd](mailto:es@nesco.gov.bd)  
Phone: 01713-850768

GD-2232



Most of the vegetables and spinaches in the fields have been damaged due to untimely heavy rainfall. As a result, the supply in local markets has dropped sharply, causing prices to soar. The photos were taken recently at Baravita village in Phulbari upazila of Kurigram.

PHOTO: S DILIP ROY

# Vegetable prices skyrocket as erratic rain ravages croplands

Over 5,000 farmers affected across six districts

SUKANTA HALDER and S DILIP ROY

In an ideal year, croplands across Bangladesh begin to dry by mid-October as temperatures dip to mark the end of the monsoon and the start of the winter vegetable season. Early winter crops, usually planted in late September, should by now be making their way to markets at affordable prices.

That is not the case this year, nor has it been for the past few years. Throughout September, rain fell somewhere in the country almost every day, flooding seedbeds and drowning newly planted crops. Then came October, the first ten days of which saw more rainfall than is normal for the entire month, according to the Bangladesh Meteorological Department (BMD).

Consumers and farmers are bearing the brunt of the radical shift in weather patterns as crops are damaged and retail prices skyrocket.

## 2,500 HECTARES OF CROPLAND DAMAGED

Data from the Department of Agricultural Extension (DAE) show that erratic and heavy rainfall in September damaged thousands of hectares of cropland in key vegetable-producing districts such as Naogaon, Kurigram, Kustia, Lalmonirhat, and Sherpur.

Nearly 2,572 hectares of cropland were damaged between September 5 and 30, affecting more than 5,600 farmers, DAE estimates show. Later, between September 16 and 30, a further 488 hectares were damaged, and the destruction continued into October.

The losses have pushed vegetable prices sharply higher in retail markets while inflicting heavy financial damage on thousands of farmers.

"Early varieties aren't available as they should be. Incessant rainfall delayed planting and destroyed crops," said Mohammad Shoriful Islam, a trader at Dhaka's Rupnagar market who has been selling vegetables for 18 years.

"Yardlong beans are selling at Tk 80. If the rain hadn't lingered, they would sell for Tk 50-Tk 60. Sponge gourd, which usually sells at Tk 30-Tk 40 per kg around this time, is selling for Tk 100," he added.

He also said that radish is selling at Tk 40-Tk 50, which is Tk 20-Tk 30 higher than the expected rate, and coriander leaves, which usually sell at Tk 50-Tk 60 around this time, are now selling for Tk 80 per kg.

Furthermore, leaf cabbage is selling at Tk 40-Tk 50 per piece, higher by Tk 20-Tk 30, and cauliflower, which is expected to sell at Tk 60-Tk 70 per kg, is selling at Tk 80-Tk 100. "Almost all types of vegetables are selling at

much higher rates," he said.

At Karwan Bazar, another seller, Zahir Sheikh, said prices have risen by Tk 15-Tk 20 per kg over the past two weeks. "Almost every type of vegetable has become expensive," he said.

In Lalmonirhat, farmer Narayan Chandra Roy said continuous rain in early October destroyed about 80 percent of his vegetables.

"Normally, I earn well from early winter crops," he said. "This year, the October rain was completely unseasonal. I managed to save a small portion of my field using polythene sheets and sold what was left at higher prices."



Narayan had invested about Tk 1 lakh in three bighas of land growing red spinach, palong shak, eggplant, and bitter gourd in September. By early October, he had earned only Tk 35,000.

In Rangpur's Kaunia, 50-year-old farmer Ajit Chandra Das faced similar losses. "Radish, eggplant, bitter gourd—about 70 percent of my crops were damaged."

Another farmer from Mahiganj, Surjamal Mia, said his three bighas were "completely destroyed" by the October rains.

According to Sirajul Islam, additional director of the DAE's Rangpur office, around 70 percent of early vegetables in the division have been damaged. "Aman paddy was largely unaffected," he said. "But the loss of early vegetables disrupted market supply and pushed up prices."

## A NEW KIND OF MONSOON

Winter vegetables in Bangladesh are cultivated almost entirely through irrigation and are not dependent on rainfall. Untimely downpours, therefore, are ominous

signs for farmers. Meteorologists say shifting monsoon patterns are to blame.

"Rainfall that used to taper off in September is now persisting into October, and sometimes even November," said Tariful Newaz Kabir of the BMD. "This pattern has become evident over the past two to three years."

During this period, rainfall has increased significantly, with showers recorded almost daily in different parts of the country. As a result, early vegetable fields and seedbeds have been severely damaged this year, he added.

BMD data cited by meteorologist Md Bazlur Rashid show how erratic the rainfall has become. In September 2024, nationwide rainfall was 27 percent above normal, with Dhaka recording 60 percent more, Khulna 71 percent more, and Rajshahi 25 percent more.

This year, light rain occurred almost daily across the country in September, but the total volume was 20.8 percent below normal. October, however, began with heavy downpours, recording 17 percent more rainfall than usual, while Barishal received up to 400 percent more rainfall in just a few days.

Yet overall, the monsoon's intensity is weakening—with fewer but heavier rain spells. Rashid explained that rainfall is now decreasing in June-July but increasing in August, September, October, and even November. "Rain is occurring outside the traditional monsoon season, which disrupts farming schedules," he said.

The outlook remains uncertain. The BMD has warned that a new low-pressure area may form over the Bay of Bengal later this week, bringing more rain and cloudy skies.

## DAMAGE MANAGEABLE

While vegetable growers have been hardest hit, the DAE maintains that the overall agricultural impact remains manageable.

"The damage to Aman paddy was negligible—only about 0.001 percent," said Obaidur Rahman Mondol, director of the DAE's Field Service Wing. "Farmers affected by vegetable losses will receive government support through incentive programmes."

He added that the impact on markets is unlikely to be long-lasting. "If the damage were severe enough to create a major shortage, we would have seen it already," he said.

Still, in the fields of Rangpur and Lalmonirhat, many farmers are replanting in the hope that, if the skies finally clear, new vegetables will reach the markets by mid-November—just as winter properly begins.

# Simpler regulations needed to ignite startups

FERDAUS ARA BEGUM

To encourage youth-led entrepreneurship and turn innovative ideas into viable businesses, the Bangladesh Bank (BB) announced a Startup Funding Facility in July this year. The initiative targets startups founded and managed by one or more entrepreneurs, operating as technology-driven local or joint-venture companies with scalable business models and the potential to introduce innovative products or services.

Eligible firms must be registered with the Registrar of Joint Stock Companies (RJSC) and submit documents such as proof of business address and directors' declarations. Notably, there is no mandatory paid-up capital requirement for startups, as registration fees are determined by the level of authorised capital.

Under BB's guidelines, a company qualifies as a startup if it has been in operation for no more than 12 years. Existing large companies are excluded from this category. However, inconsistencies remain between BB policies and those of the National Board of Revenue (NBR).

For example, the Startup Sandbox Policy under the Income Tax Act 2023 defines startups as companies with an annual turnover not exceeding Tk 100 crore, registered under the Companies Act, and engaged in developing innovative, technology-based products, processes or services supported by intellectual property rights. The law excludes firms resulting from mergers or demergers and imposes a minimum turnover tax of 0.1 percent annually.

In line with the Companies Act 1994, BB's SME and Special Programmes Department is set to form a Venture Capital Company. A separate guideline will govern its formation, management, investment operations, advisory functions and dividend distribution. Two key funding mechanisms are planned: a Tk 500 crore revolving refinancing fund and banks' own Startup Equity Investment Fund.

BB has also introduced new cross-border investment provisions, allowing startups to invest up to \$10,000 abroad. They can now acquire shares in foreign companies through share or security swaps, following globally accepted valuation practices. This marks a notable liberalisation of foreign investment policy.

Bangladesh now hosts nearly 1,000 active startups, with around 200 new enterprises emerging each year. In 2023, venture capital firms accounted for roughly half of total startup investments, contributing about \$36 million. Over the past decade, Bangladeshi startups have raised around \$753 million across 171 deals from domestic and international investors.

The ecosystem is maturing, but early-stage seed funding remains a challenge. Many startups struggle to secure capital at the idea or prototype stage. Exit options such as IPOs or acquisitions are limited, discouraging investors from committing large sums. Greater policy consistency, regulatory predictability and macroeconomic stability are crucial to maintaining growth momentum in the sector.

In venture capital, multiples on invested capital (MOIC) and exit strategies determine investment success. For example, if an investor contributes \$1 million and exits with \$3 million, that represents a 3x return, generally considered the minimum benchmark for early-stage venture capital success, given the high-risk nature of startup investing. Typically, only a few successful ventures achieve 3x to 10x returns, compensating for losses elsewhere.

The government-owned Startup Bangladesh Limited (SBL) demonstrates a range of exit outcomes, with MOIC values from 1.46x to 7.83x. Its best-performing portfolio category represents 45.34 percent of investments, though most individual investments range between Tk 1 crore and Tk 5 crore—relatively small compared with the Tk 100 crore annual turnover threshold defined by NBR. Notable success stories include Pathao, ShareTrip, 10 Minute School and iFarmer, each showing strong growth potential.

However, many local enterprises still face challenges in regulatory compliance, audit readiness and strategic management, which hinder scalability and their ability to attract institutional capital. Despite growing interest in alternative financing such as debt and revenue-based funding, most startups remain unprepared due to weak financial reporting, informal bookkeeping and underdeveloped cost structures. Addressing these gaps through regulatory simplification, investor confidence-building, and capacity development will be vital to ignite the next generation of Bangladeshi entrepreneurs.

The writer is the CEO at Business Initiative Leading Development (BUILD)

# Goldman Sachs warns of rare earth supply risks

REUTERS

Goldman Sachs flagged mounting risks to global supply chains of rare earths and other critical minerals, emphasising China's dominance in mining and refining, and outlining challenges for nations seeking to build independent supply chains.

China expanded export curbs on rare earths on October 9, adding five new elements and extra scrutiny for semiconductor users ahead of an expected summit of leaders Donald Trump and Xi Jinping.

In a note on Monday, Goldman Sachs said China controls 69 percent of global rare earth mining, 92 percent of refining, and 98 percent of magnet manufacturing.

Rare earth elements (REEs) have become a flashpoint in geopolitics, as they are critical to high-tech industries and essential in uses from batteries to computer chips, artificial intelligence, and defence equipment.

While the rare earth market was valued at \$6 billion last year, just a fraction the size of the copper market, which is 33 times bigger, the bank warned that a disruption of 10 percent in industries reliant on REEs could result in \$150 billion in lost economic output, besides inflationary pressures fed by the shortages.

Goldman Sachs flagged samarium, graphite, lutetium, and terbium as particularly vulnerable to export curbs.

Samarium, used in heat-resistant samarium-cobalt magnets, is key for aerospace and defence. Disruptions in supply of widely-used lutetium and terbium also pose risks of GDP losses. The bank highlighted light rare earths, such as cerium and lanthanum, as future targets for curbs, since China has a dominant role in refining and mining.

REUTERS, Melbourne

China's President Xi Jinping won't exactly be quaking in his boots after reading the terms of a critical minerals pact signed by his US and Australian counterparts on Monday. Donald Trump and Anthony Albanese between them pledged roughly \$4 billion of their taxpayers' money to bulk up mining and processing of rare earths and other ores that are often small but essential elements for making renewables, semiconductors and high-end weapons. That won't remove the lock China has on the sector any time soon. And there are a number of hurdles to jump. But it's worth doing.

Australia is an obvious place to give it a go. The country is home to the world's fourth-largest reserves of rare earths, per the US Geological Survey, and has plenty of other critical minerals like lithium, magnesium and antimony. It boasts a big mining industry and a government that's keen to see the sector expand from mostly extraction into value-added upstream services like refining and processing. And as a large end-customer and traditionally strong ally for Australia, the US is a sensible partner with which to share the financial burden.

So Washington and Canberra are each willing to invest \$1 billion in various projects. In addition, the US Export

Import Bank is issuing letters of interest worth \$2.2 billion to seven mining companies Down Under. But it's not going to suddenly result in a flood of new ore, despite Trump's assertion on Monday that in a year's time "we'll have so much critical mineral and rare earths that you won't know what to do with them".

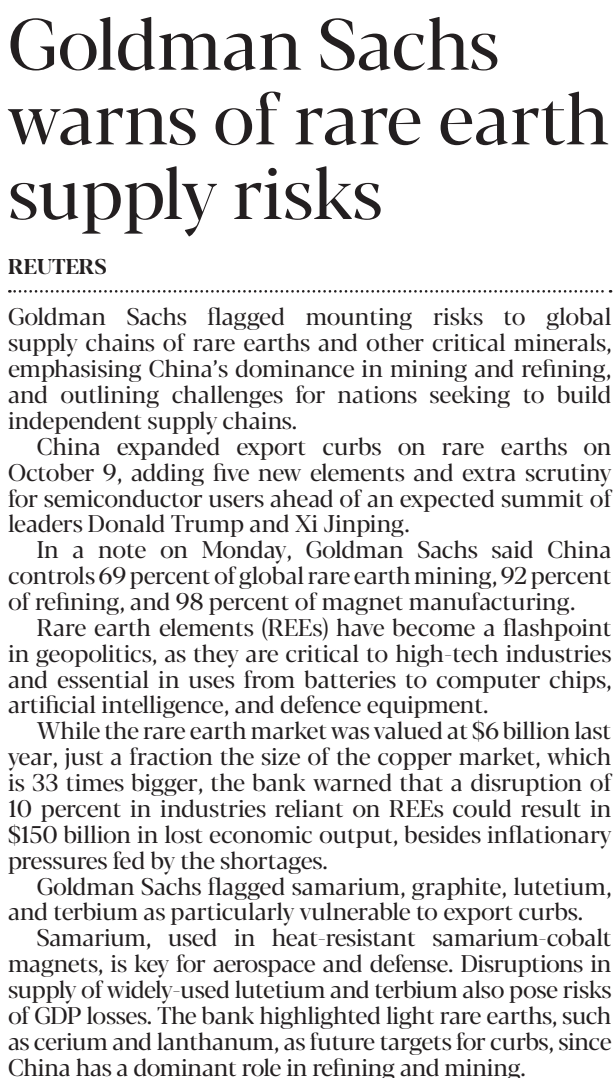
The Australian government's first two equity investments, for example, are for existing projects already in early stages of development: \$200 million is going to support Alcoa's plan for a gallium refinery that could account for 10 percent of the world's supply; Arafura Rare Earths, whose largest shareholder is the country's

richest person, Gina Rinehart, is getting \$100 million—on top of more than \$500 million in government loans and grants it received last year. Neither will be up and running for a couple of years at least.

The other projects still barely on the drawing board will take much longer. Securing environmental approvals will be a hurdle; those rules are currently under review in Australia. Plus there's a relative dearth of talent given most of the post-extraction experts for critical minerals are Chinese. What's more, government support is no guarantee of a business being able to start up its diggers and factories. Even if it is successful, future administrations might not be willing to subsidise production at the price floors the current political leaders have committed to set.

Monday's pact, though, sends a strong signal that rich countries are up for the challenge. That ought, at least, to get some competitive juices flowing.

Australia's Prime Minister Anthony Albanese and US President Donald Trump signed an agreement on October 20 pledging that the two countries would invest at least \$1 billion each over the next six months in mining and processing projects for critical minerals and rare earth elements. The governments will also set a price floor for the goods.



Australian Prime Minister Anthony Albanese (left) and US President Donald Trump speak to reporters after signing a \$8.5 billion rare earth minerals agreement during a bilateral meeting in the Cabinet Room of the White House on October 20. PHOTO: AFP