# India strikes US gas deal

AFP, *New Delhi*

India said Monday it had signed a "significant" deal that will see the United States supply nearly 10 percent of the Asian giant's liquefied petroleum gas (LPG) imports, as it seeks to diversify its energy sources.

Relations between Washington and New Delhi plummeted in August after President Donald Trump raised tariffs on India to 50 percent, with US officials accusing the country of fuelling Russia's war in Ukraine by buying its discounted oil.

Trump has claimed that Indian Prime Minister Narendra Modi has agreed to cut its Russian oil imports as part of a prospective trade deal -- something New Delhi has not confirmed.

India and the United States remain in talks, despite disagreements over a range of issues including agricultural trade and the Russian oil purchases.

Minister for Petroleum and Natural Gas Hardeep Singh Puri said India had signed the one-year deal for 2.2 million tonnes per annum of LPG, sourced from the US Gulf Coast, providing "close to 10

**India and the United States remain in talks, despite disagreements over a range of issues including agricultural trade and the Russian oil purchases**

percent" of India's annual imports of the fuel. Puri said it was "the first structured contract of US LPG for the Indian market".

"In our endeavour to provide secure, affordable supplies of LPG to the people of India, we have been diversifying our LPG sourcing," Puri said in a statement, adding that "one of the largest and the world's fastest growing LPG market opens up to the United States".

In October, Indian state-backed refiner HPCL-Mittal Energy said it halted purchases of Russian crude after Washington imposed sanctions on Moscow's two largest oil companies.

Reliance Industries, the privately owned main Indian buyer of Russian crude, has also said it is assessing the implications of the US restrictions, as well as those imposed by the European Union.

India's economy, the fifth-largest in the world, grew at its fastest pace in five quarters in the three months ending June 30, helped by higher government spending and improved consumer sentiment.

# Tangail BSCIC park blows past six deadlines, cost rises 2.5 times

TANGAIL BSCIC INDUSTRIAL PARK

**WHEN**

- Project taken in July 2015
- Was expected to be complete by June 2017
- After sixth time extension deadline now is June 2027

**COST**

Initial cost: Tk 164cr

Cost after second revision: Tk 296cr

After third revision: Tk 385cr

When a project stalls for twelve years, it reflects deep structural weaknesses and ultimately erodes public trust.

Khondaker Golam Moazzem
Research director of CPD

**OBJECTIVES**

Establishing a nearly 50-acre industrial park

Offering 95 industrial plots with utility facilities

Reducing poverty through 80 industrial units

**WHY THE DELAY**

Land acquisition

Poor feasibility studies and planning

Lack of monitoring

MD ASADUZ ZAMAN

Nearly a decade ago, the Bangladesh Small and Cottage Industries Corporation (BSCIC) took up a project to build an industrial park in Mirzapur upazila of Tangail. The goal was noble—creating employment through industrialisation two years after implementation and eventually reducing poverty.

Ten years on, the industrial park remains unfinished. The project has missed the two-year deadline six times, and the cost has ballooned almost 2.5 times.

The implementing agency, BSCIC, said it did not conduct a feasibility study when the project began in 2015 because it was "not necessary at that time." It later found that the nearly 50-acre land the project covers was not ready for acquisition.

Once the lengthy acquisition process was completed, it became clear that the land would need to be raised above flood level. Amid these setbacks, the Covid-19 pandemic shocked the globe, and the economic fallout from the Russia-Ukraine war worsened overall poverty further.

On November 10, the Executive Committee of the National Economic Council approved the project's third revision, extending the completion deadline from June 2025 to June 2027 and increasing the cost by Tk 39.43 crore to Tk 385 crore.

The project began in July 2015 with an initial cost of Tk 164 crore and was supposed to finish by June 2017. It aims to establish 80 industrial units and 95 industrial plots. Key components include land acquisition, land development, plot construction, a water supply network, a boundary wall, and administrative buildings, according to planning ministry documents.

**EXPERTS BLAME WEAK PLANNING**

Khondaker Golam Moazzem, research director at the Centre for Policy Dialogue (CPD), said, "The industrial park project has dragged on for 12 years mainly because of weak planning, poor land acquisition management, and a lack of accountability.

"Industrial parks are meant to accelerate industrialisation and attract investment, but in many cases the expected returns never materialise."

He added that essential assessments, such as pre-feasibility studies, market linkages, and utility readiness, are often skipped.

Moazzem also noted that political and bureaucratic pressures frequently push projects forward without proper scrutiny. "If land acquisition takes years, it shows the project should not have been approved before securing the land. Yet this keeps happening."

**"A project designed for two years taking twelve years is not just mismanagement, it is a structural failure of planning," said Shaifuddin Khaled, lecturer of economics at Begum Rokeya University in Rangpur**

He warned that such delays cause national losses. "We lose potential jobs, investment, and years of industrial growth. These losses cannot be recovered. When a project stalls for twelve years, it reflects deep structural weaknesses and ultimately erodes public trust."

Shaifuddin Khaled, lecturer of economics at Begum Rokeya University in Rangpur, said, "A project designed for two years taking twelve years is not just mismanagement, it is a structural failure of planning. Although the overall budget has risen two and a half times, once you factor in the lost opportunity cost, the real loss is several times higher."

He added, "If the project had been completed on time, the community could have started reaping economic benefits back in 2018. Losing those ten years of benefits is a massive blow that cannot be recovered through budget adjustments."

Khaled said the long delays also undermine the project's core purpose. "The region loses years of potential employment, and the unemployment pressure on the economy keeps rising."

He further noted that weak feasibility studies and politically motivated approvals leave room for corruption. "When rules are bent or projects are rushed without proper planning, it opens the door for undue benefits and repeated cost escalations. This culture of delay ends up encouraging further corruption."

**BSCIC CITES LAND ACQUISITION ISSUES**

Acknowledging the delay, GM Rabbani Talukder, project director and deputy general manager of BSCIC, said the main reason for the long delay was land acquisition.

"Although the acquisition proposal was made back in 2017, the land price increased sharply after the government revised the compensation law, raising it from one and a half times to three times the market rate," he added.

He also noted that settlements existed on government khas land within the project area. "These were evicted in 2022, but some people stayed on and filed ownership-related lawsuits. Because of those cases, the DC office couldn't hand over the land to us until December 18, 2024."

Regarding rising project costs, Talukder said, "The escalation was mainly driven by land-filling requirements. When we first designed the project, feasibility studies weren't mandatory. Later, during the eighth project steering committee meeting, it was decided that the site needed to be reassessed to determine the required soil volume based on flood levels."

"We appointed a consulting firm and also engaged a government institution to conduct the feasibility study. Their assessment found that we would need around eight lakh cubic metres of additional soil to reach the required flood level. The entire cost increase came from that," he added.

# The real bank now lives in your pocket

MD MAHMUDUL HASAN

Let me tell you about two people.

The first is a farmer in Gazipur who has never entered a bank. He uses bKash to send money, receive payments, and save. No training, no manual, it simply works.

The second is a corporate executive in Gulshan, tech-savvy, with multiple accounts and three credit cards. Last week, he spent forty minutes and made three calls as he tried to make a wire transfer through his bank app, and still had to visit a branch for a physical signature.

There lies Bangladesh's paradox. The country handles 8.61 percent of the world's daily mobile money transactions, with 238 million accounts, or 11 percent of the global total. Yet the same farmer who smoothly uses bKash would be lost in a bank app, while the executive is one bad experience away from switching to a fintech company.

We have built highways for bicycles while others are launching rockets.

Walk into any bank boardroom and say the words customer experience. You will hear about an upgraded app with a modern interface and faster performance, followed by a long feature list. However, user experience is not about features; it is about how a customer feels.

Global leaders such as Monzo and Revolut process insights, not only transactions. They turned notifications into conversations and apps into advisors. Meanwhile, many local banks still require physical signatures to change a mobile number.

bKash and Nagad have already proved what world-class design looks like. When a rickshaw puller conducts transactions as naturally as making a phone call, that is true digital inclusion. Yet most banking apps remain sterile and transactional. Customers feel like account number 000245789, not like Nasrin, who is saving for her daughter's education.

The deeper issue is the leadership mindset. Many ICT heads are still building time capsule solutions where innovation dies under security concerns and compliance requirements. However, the same regulations do not stop bKash or Nagad from onboarding users in minutes with digital KYC and biometrics. Banks, in contrast, still demand multiple forms, signatures and weeks of processing.

A few institutions, including BRAC, City, EBL and Prime, are improving, but even their apps stop short of being transformative.

Real experience means intelligence with empathy. For a corporate banker, the app should prioritise quick transfers. For a homemaker, reminders and goal nudges should come first. Imagine asking your app, "Can I afford dinner this weekend?" It replies, "You have Tk 23,500. Rent and bills are due soon. Three restaurants under Tk 3,000 fit your budget."

That is not science fiction. It is simply data, analytics and conversational AI. If AI can detect fraud, why can it not prevent poor financial decisions?

Adding more features is not a transformation. The real vision is a super app, a platform where banking, payments, savings and trusted services converge. Imagine paying your doctor, booking travel or shopping securely within one ecosystem backed by your bank.

With digital banking licences on the horizon, banks face a choice: evolve into platforms or fade behind fintechs.

The tools already exist. What is missing is the courage to design for humans, not policies, to innovate within compliance, not hide behind it.

Build the app that helps me save, alerts me before I overspend and makes me forget I am banking at all.

When that rickshaw puller navigates your app as effortlessly as Facebook, you will finally understand what digital banking truly means. The real branch is already in your pocket.

The app is everything. And everything starts with empathy.

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# Samsung plans $310b investment to power AI expansion

AFP, *Seoul*

South Korean conglomerate Samsung unveiled on Sunday a plan to invest $310 billion over the next five years mostly in technology powering artificial intelligence, aiming to meet growing demand driven by a global boom.

The business group's flagship Samsung Electronics is already one of the world's top memory-chip makers, providing crucial components for the AI industry and the infrastructure it relies on.

South Korea is also home to SK hynix, another key player in the global semiconductor market.

The five-year investment package includes plans to build a new semiconductor facility, Pyeongtaek Plant 5, designed "to meet the needs of memory-chip demands", Samsung said in a statement.

Once in full operation, "the Pyeongtaek plant is expected to play an even greater strategic role in both the global semiconductor supply chain and South Korea's domestic chip ecosystem," it said.

The new line is scheduled to begin operations in 2028.

Samsung SDS, the group's IT and logistics arm, will establish two AI data centres in South Jeolla and Gumi, the company said, without providing further details.

Samsung Group is a network of affiliated companies with complex cross-shareholdings under the Samsung brand, rather than a single legal holding company.

It is South Korea's largest chaebol, the family-run conglomerates that dominate the country's economy.

The $310-billion plan also includes some projects unrelated to AI.

# Japan's economy contracts for first time in six quarters on tariff hit

REUTERS, *Tokyo*

Japan's economy shrank almost 2 percent in the three months through September, as a drop in exports in the face of US tariffs resulted in the first contraction in six quarters, government data showed on Monday.

Shipments from automakers in particular plummeted, following a period of hiking exports before tariffs came into effect.

Still, as the overall contraction was not as acute as expected, it likely represents a temporary setback rather than the start of a recession, economists said.

"The contraction is largely due to one-time factors such as housing investment" affected by regulatory change, said economist Kazutaka Maeda at Meiji Yasuda Research Institute.

"Exports also reacted," he said. "Overall, the economy lacks strong underlying momentum, but the trend still points to a gradual recovery over the next year or two."

Economists generally viewed this quarter's GDP figures as having a marginal impact on Bank of Japan thinking when next deciding interest rates versus factors such as inflation. However, an economist close to Prime Minister Sanae Takaichi gave the data more weight.

Given the contraction, it "would be misguided for the BOJ to decide to raise interest rates" in December, Credit Agricole chief Japan economist Takuji Aida, who is on Takaichi's flagship panel tasked with laying out the country's growth strategy, said in a report to clients.

**AUTOMAKERS COMBAT TARIFFS WITH PRICE CUTS**

Gross domestic product contracted 1.8 percent in July-September. That compared with revised growth of 2.3 percent in the previous three-month period, as well as the 2.5 percent contraction that economists on average estimated in a Reuters poll.


A store staff member tries to attract customers outside a shop in Tokyo. As the overall contraction was not as acute as expected, it likely represents a temporary setback rather than the start of a recession, economists said. PHOTO: REUTERS/FILE

The reading also translated into a quarterly contraction of 0.4 percent versus the median estimate of 0.6 percent.

Exports constituted the main drag as the impact of higher US tariffs intensified. Automakers saw shipment volume plunge, reversing earlier front-loaded exports ahead of tariff hikes, though they mostly absorbed tariffs by cutting prices.

Net external demand, or exports minus imports, knocked 0.2 of a percentage point off growth, versus a 0.2 point positive contribution in April-June.

The US and Japan formalised an agreement in September that implemented a baseline 15 percent tariff on nearly all Japanese imports, versus an initial 27.5 percent on autos and 25 percent for most other goods.

Housing investment also weighed on growth as tighter energy-efficiency regulation introduced in April slowed commitments.

Private consumption, which accounts for over half of economic output, grew 0.1 percent, matching a market estimate. That was cooler than the 0.4 percent of the second quarter, indicating that high food costs increased reluctance to spend.

Capital spending, another key driver of private demand-led growth, rose 1.0 percent in the third quarter, far exceeding a market estimate of 0.3 percent.