

Star BUSINESS

REGULAR STAR BUSINESS INSIDE



BEYOND THE SAFETY NET

Life insurance has long been misunderstood in Bangladesh, often viewed merely as a tax-saving tool or a morbid preparation for death. In reality, it is the foundation of financial dignity. It is the guarantee that a family's dreams, university education, a paid-off home, and daily stability remain intact even if the breadwinner is gone. It converts an uncertain future into a secured promise, ensuring that a personal tragedy does not spiral into a financial catastrophe.

Interestingly, this realisation is no longer limited to the older, settled demographic. A quiet revolution is taking place among the youth. Young professionals are increasingly viewing insurance not as a burden, but as a critical component of financial independence and smart risk management.

This shift is largely driven by digital innovation and accessibility. The era of intrusive agents and mountains of paperwork is fading. Today, "InsurTech" has put protection in the palm of a hand. With the integration of insurance into super-apps and mobile wallets, young people can now purchase "micro-policies" or "nano insurance" for premiums

as low as the price of a cup of coffee.

Furthermore, the product mix has evolved. Instead of just expensive, 20-year commitments, insurers now offer flexible, short-term protections covering immediate risks like dengue, accidents, or gadget damage. This fits the "on-demand" lifestyle of the modern generation. By embracing insurance early, young Bangladeshis are proving that they value not just today's experiences, but tomorrow's security.

As financial literacy spreads and trust in digital platforms deepens, we are witnessing a cultural shift from reluctance to empowerment. The conversation is no longer about whether insurance is necessary, but rather how it can best serve individual needs. With the youth leading the charge, Bangladesh is moving steadily toward a future where financial resilience is not a privilege for the few, but a standard accessible to all.





WINNER

FINTECH INNOVATION OF THE YEAR - INSURANCE

3rd BANGLADESH FINTECH AWARD

GUARDIAN has been awarded 'Fintech Innovation of the Year in Insurance category at the 3rd Bangladesh Fintech Award for our groundbreaking initiative, *InsurTech Connect: Revolutionizing Bancassurance Onboarding.*

Shaping the future of **BANCASSURANCE** innovation.

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WINNER
FINTECH INNOVATION OF THE YEAR-INSURANCE
InsurTech Connect: Revolutionizing Bancassurance Onboarding
Guardian Life Insurance Limited

FROM DIGITAL PAYMENTS TO QUICK SETTLEMENTS



MD. KAZIM UDDIN, Chief Executive Officer, National Life Insurance PLC.

National Life Insurance (NLI) is one of the most trusted insurance companies. It has diversified its portfolio to offer a wide range of products that cater to customers' unique aspirations and religious beliefs. Over the past 41 years, NLI has grown significantly. Md. Kazim Uddin, Chief Executive Officer, discusses how the company is streamlining claim settlements and diversifying products to ensure financial security for all.

The Daily Star (TDS): Ten years ago

offered easier access to purchase and manage life insurance policies at NLI. Bancassurance is becoming more significant. Banks and Insurers together are trying to sell Life Insurance through bank branches, ensuring bank-connected customers for insurance coverage. Product Diversification has improved. According to PwC analysis, traditional life insurance products remain as they are. But newer products (Like investment-linked and Retirement/Annuity products) are now

customers?

MKU: Documentation requirements have been simplified at NLI. This includes the reduction of documents for Claim submission, the reduction of Processing Time from several weeks to only a few days (varies by company size). A clear checklist was provided on designated websites, policy books and mobile apps. Acceptance of scanned or Digital copies of documents, instead of only physical documents. Direct Bank Transfer instead of cheques.

NLI also constituted dedicated claim-support teams with special call centre units trained for claims settlement. Relationship managers have been assigned to assist policy-holders and nominees/beneficiaries. Helpdesk support has been ensured for claims settlement.

TDS: What are the most common reasons claims get delayed or rejected, and how are you fixing them?

MKU: Most common reasons claims get delayed or rejected are incomplete documentation, data mismatches regarding nominees or bank details, and fraudulent activities, while rejections typically stem from non-disclosure of pre-existing conditions, policy lapses, or legal disputes. To address these inefficiencies, NLI is modernising its operations through

digital verification linked to national registries, automated data matching, and a dedicated fast-track desk for death claims. Additionally, the company is proactively preventing policy lapses and data errors by mandating nominee NID capture, enabling easy app-based updates, and implementing robust premium payment reminders via SMS, calls, and auto-debit facilities.

TDS: How do you protect your system and Customers from fraud?

MKU: NLI pursues protocols like KYC and e-KYC, which guarantee a strong Identity verification that includes. Mandatory NID Verification for customers and nominees, biometric or photo verification, cross-checking of customer information with the national database, prevents identity theft and false policy setups. We secure technology infrastructure through encrypted communication for data transfers, two-factor authentication for customer portals, role-based access control for staff, regular vulnerability testing and cybersecurity audits, and firewall & intrusion detection systems (IDS/IPS).

TDS: Are young people buying life insurance, or does it still mostly appeal to older clients?

MKU: Yes, young customers are increasing, but still a minority. More

people aged 25-35 are buying Life insurance than ever. The key reasons are growing middle-class income, more awareness through digital channels, the bancassurance approach, online policy buying, concern for financial security. The core customer base, however, is still older Clients (35-55 age group). Because people earn a more stable income, they have dependants, they feel more responsibility, are more risk-aware than younger customers, and can afford higher premiums.

TDS: How are you using digital tools or mobile platforms to make Life Insurance easier to buy or manage?

MKU: NLI is simplifying life insurance by enabling customers to compare plans and purchase policies directly through their website or mobile app, featuring Digital KYC for verification and instant policy issuance. The mobile app further facilitates policy management by allowing users to view active policies, check premium due dates, download documents, update personal or nominee details, and track policy status in real-time. Additionally, premium payments have been made convenient through various digital options, including mobile wallets like Bkash, Nagad, and Rocket, as well as debit/credit cards and bank auto-debit systems.

Insurance is all about preventing financial hardship, not responding to it. In light of this change in core outlook, insurance should be viewed of financial security, not a last-minute option. As a foundation burden or many people only focus on: Monthly premium cost, short-term affordability, myth or misperception or past negative experiences, but on the contrary, insurance is actually a financial safety net for the family.

versus now, how has your product Line-up grown or changed?

Md. Kazim Uddin (MKU): National Life Insurance tried its utmost to provide customised plans to meet individual needs, including family floater options and varying sum assured amounts. An increase in digital platforms

part of the new product mix. Takaful or Islamic Life products have also been attributed to the overall life policy increase. There have also been some Product Innovations, although they fall short of optimal diversity.

TDS: What steps have you taken to make the Claim Process easier for

Evolution of Microinsurance IN BANGLADESH

For the wealthy, insurance is a safety net. For the poor, it is a lifeline that prevents a single misfortune from pushing them into destitution. In Bangladesh, where a significant portion of the population lives at the "Bottom of the Pyramid" (BOP), the need for a financial cushion against life's unsystematic shocks—illness, crop failure, livestock death, or natural disasters—is critical. This is where microinsurance comes in. Defined as the combination of microfinance and insurance, it is designed specifically to protect low-income households that cannot afford traditional premiums. Over the last few decades, the sector has evolved from simple donor-funded pilots to a more structured, commercially viable ecosystem.

From Loan Protection to Life Protection

Historically, microinsurance in Bangladesh began with Credit Shield Insurance. When a borrower took a loan from an NGO-MFI (Microfinance Institution), a small premium was deducted. If the borrower died, the insurance paid off the loan. While effective for the lender, it offered little direct benefit to the borrower's family.

The market has since evolved to address real-life risks. Today, products are more diverse:

The insurance market has significantly evolved to address real-life risks through a diverse range of purpose-driven products. Health microinsurance, originally pioneered by organisations like Gonoshashto Kendra as early as 1978, has expanded to include telemedicine and hospitalisation benefits, often bundled with micro-loans. To combat climate risks, Weather Index-Based Crop Insurance (WIBCI) has emerged, utilising satellite data to trigger automatic payouts based on weather thresholds rather than requiring physical verification. Innovation is also evident in specialised schemes like Green Delta Insurance's "Nibedita," designed specifically for women that covers not only accidents but also trauma from social risks. Furthermore, accessibility has been revolutionised by Guardian Life's "nano insurance," offering a fully digital Tk 10 per-day accidental protection plan that allows youth and first-time adopters to experience insurance with minimal entry barriers.

The Key Players

The insurance

ecosystem is currently driven by a strategic "Partner-Agent" model that combines grassroots reach with technical expertise. At the forefront are NGO-MFIs, which leverage their deep-seated trust and extensive distribution networks to provide access to millions of rural households. Supporting this distribution are commercial insurers like Pragati Life, Green Delta, and Guardian Life, which supply the necessary underwriting capacity and specialised product design. Meanwhile, state-owned corporations such as Jiban Bima and Sadharan Bima continue to play a vital role in the landscape, particularly through their involvement in government-backed agricultural pilots.

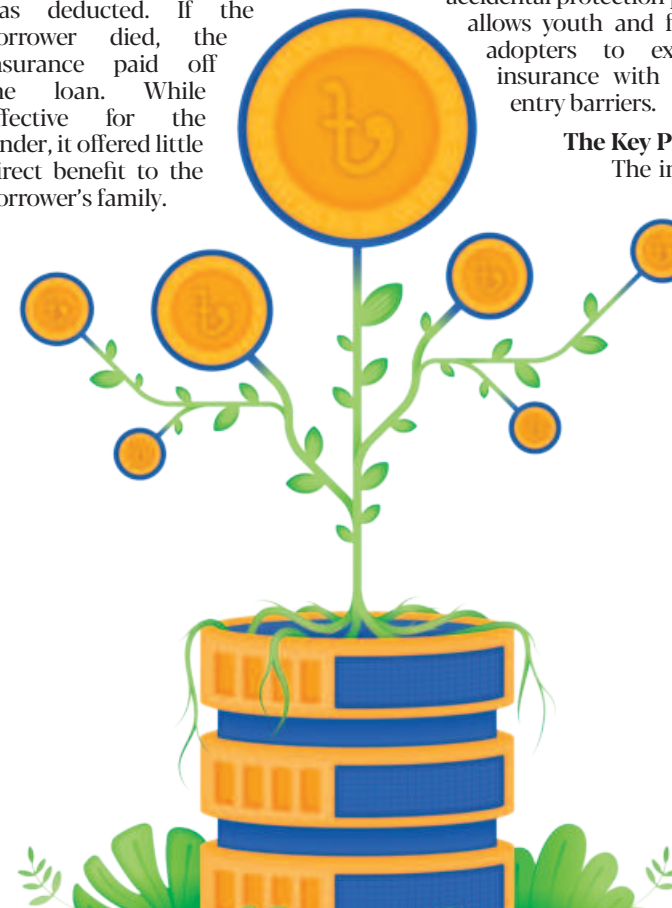
The Challenges: Trust and Data

Despite the benefits, there are still big challenges to overcome. First, many people in rural areas see insurance premiums as just another expense rather than a helpful investment. They often worry that companies might disappear with their money or refuse to pay claims for small reasons. On top of that, creating accurate crop insurance is difficult because we often lack the necessary records of past weather and harvest data. Finally, reaching people in distant villages is very expensive. If it costs Tk 50 just to sell a Tk 100 policy, the business simply becomes too costly to run.

The Way Forward

The future of microinsurance lies in digitisation. The integration of Mobile Financial Services (MFS) like bKash and Nagad is solving the distribution cost problem. By allowing users to pay premiums of as little as Tk 10 and receive claims directly into their mobile wallets, the industry is finally overcoming the logistical barriers that held it back for decades.

As the market matures, the ultimate goal is to shift from compulsory insurance, which is often tied to loans, to a voluntary model. The aim is to build an ecosystem where individuals choose to buy protection not because it is mandatory, but because they genuinely recognize its value as an essential financial safety net.



কর্মসংস্থান, দারিদ্র বিমোচন ও অর্থনৈতিক উন্নয়নে পপুলার লাইফের ভূমিকা



দেশের "কর্মসংস্থান, দারিদ্র বিমোচন ও অর্থনৈতিক উন্নয়নে পপুলার লাইফের ভূমিকা" শীর্ষক আলোচনা সভা ঢাকাস্থ সেগুনবাগিচায় আন্তর্জাতিক মাতৃভাষা ইনস্টিটিউট অডিটোরিয়ামে অনুষ্ঠিত হয়। অনুষ্ঠানে প্রধান অতিথি ছিলেন বাংলাদেশ জাতীয়তাবাদী দল (বিএনপি) এর জাতীয় ছায়ী কমিটির সদস্য এবং পপুলার লাইফ ইনস্যুরেন্স এর স্বপ্নদ্রষ্টা আমির খসরু মাহমুদ চৌধুরী। কোম্পানীর চেয়ারম্যান মোহাম্মদ জহিরুল ইসলাম চৌধুরী এর সভাপতিত্বে অনুষ্ঠানে প্রধান আলোচক ছিলেন কোম্পানীর ব্যবস্থাপনা পরিচালক ও সিইও এবং বাংলাদেশ ইনস্যুরেন্স ফোরামের প্রেসিডেন্ট বি এম ইউসুফ আলী। উক্ত অনুষ্ঠানে আরও উপস্থিত ছিলেন কোম্পানীর উদ্যোক্তা পরিচালক ও সাবেক চেয়ারম্যান আমির হুমায়ুন মাহমুদ চৌধুরী, কোম্পানীর উদ্যোক্তা পরিচালক ও সাবেক চেয়ারম্যান মোঃ মোতাহার হোসেন, উদ্যোক্তা পরিচালক শাহজাদা মাহমুদ চৌধুরী। অনুষ্ঠানে ধন্যবাদ জ্ঞাপন করেন কোম্পানীর অতিরিক্ত ব্যবস্থাপনা পরিচালক বি এম শওকত আলী। এছাড়াও অনুষ্ঠানে কোম্পানীর উর্ধ্বতন কর্মকর্তাবৃন্দ উপস্থিত ছিলেন। ছবিতে প্রধান অতিথিকে বক্তব্যরত অবস্থায় দেখা যাচ্ছে।

জীবন বীমায় বিশ্বস্ত নাম

পপুলার লাইফ ইনস্যুরেন্স কোম্পানী লিমিটেড



BUILDING TRUST THROUGH SPEED AND TRANSPARENCY

SHEIKH RAKIBUL KARIM FCA, Additional Managing Director & Chief Executive Officer (Acting), Guardian Life Insurance Ltd

Guardian Life Insurance Ltd is dedicated to transforming the insurance landscape by ensuring that protection is accessible, trustworthy, and available to everyone. Believing that insurance is a necessity rather than a luxury, Guardian Life Insurance Ltd is working to break down barriers and simplify the industry for individuals and families alike. Sheikh Rakibul Karim, Additional Managing Director & CEO (Acting), discusses how the

company is using digital innovation to make this vision a reality.

designed around real-life needs and specific risks. We have introduced specialised coverage such as Cancer and Cardiac insurance, alongside flexible savings and protection products. One of the most transformative steps has been our work in microinsurance. To increase accessibility, we launched nano insurance, including a Tk 10 per-day accidental protection plan designed especially for youth and first-

time insurance adopters. It allows them to try, test, and understand insurance with minimal entry barriers. Many of our services – from onboarding to claims – are fully digital and paperless, making insurance faster, simpler, and more inclusive.

TDS: What steps have you taken to make the claim process easier for customers?
SRK: At Guardian, we believe a claim

is not just a process – it is the moment where we fulfil our commitment and reinforce the trust of policyholders. That mindset drives us to build one of the fastest and most seamless claim experiences in the industry. To enable this, we introduced a fully digital, claim-centric platform accessible through our mobile app and web portal. Policyholders can now submit claims anytime, from anywhere. From document upload to status tracking, everything happens online with complete transparency. Our system is built with a single purpose: fast settlement with zero friction. Automated screening, digital validation, and real-time notifications ensure accuracy while dramatically reducing processing time. In short, when customers need us most, we respond with speed, clarity, and care.

To address this, we introduced a 100% paperless Automated Claim Processing System (ACPS). The system screens claims automatically using predefined parameters, helping eliminate manual errors and ensuring faster validation. Claims are then processed digitally and settled through secure online and mobile financial channels. Apart from that, our 24/7 customer support helpline assists policyholders with documentation, ensuring missing information is identified promptly and guiding them through the process to further reduce delays and improve accuracy.

TDS: How do you protect your system and customers from fraud?
SRK: At Guardian Life, fraud prevention is a core part of our operational and customer protection strategy. We follow a combination of proactive communication, digital safeguards, and process-level controls to minimise risk and ensure trust across every interaction. To protect customers from misinformation or unauthorised transactions, we send automated reminder messages before premium due dates, and our customer care team actively follows up with policyholders when needed. This ensures customers remain aware of timelines and are not

misled by third-party intermediaries.

We have also fully shifted to a 100% cashless system for both premium collection and claim settlements. By removing cash-based handling, we significantly reduce the risk of manipulation, unauthorised collection, or misrepresentation.

In addition, we continuously run awareness campaigns through press communication and social media to encourage safe digital habits and discourage sharing sensitive information with unverified sources.

From a system security standpoint, we maintain strict compliance procedures, layered authentication, and monitoring mechanisms to detect suspicious behaviour early.

TDS: Are young people buying life insurance, or does it still mostly appeal to older clients?
SRK: For a long time, life insurance in this country appealed mostly to an older and financially established demographic, largely because traditional policies required long-term commitments. However, this trend is gradually shifting. With increasing financial awareness, the rise of digital platforms, and the introduction of more flexible small-ticket insurance options, younger people are now showing growing interest in insurance.

Many people remain hesitant simply because they aren't sure which companies are reliable or how to evaluate them. We want people to see insurance as a reliable and responsible financial commitment. A key part of this shift is encouraging policyholders to check the background of the company before investing, such as claim performance, regulatory compliance, customer experience, and financial strength.

company is using digital innovation to make this vision a reality.

The Daily Star(TDS): Ten years ago versus now – how much has your product lineup grown and evolved?
Sheikh Rakibul Karim(SRK): A decade ago, the life insurance market in Bangladesh was dominated by traditional, savings-linked products. Today our portfolio has evolved into a diversified and purpose-driven range

of products designed to meet the needs of a growing and diverse population. We have introduced specialised coverage such as Cancer and Cardiac insurance, alongside flexible savings and protection products. One of the most transformative steps has been our work in microinsurance. To increase accessibility, we launched nano insurance, including a Tk 10 per-day accidental protection plan designed especially for youth and first-time insurance adopters. It allows them to try, test, and understand insurance with minimal entry barriers. Many of our services – from onboarding to claims – are fully digital and paperless, making insurance faster, simpler, and more inclusive.

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Plan your LIFE INSURANCE the right way

Buying life insurance in Bangladesh often feels less like financial planning and more like an obligation—something you buy because a relative is an agent or because you need a tax rebate. But this casual approach often leads to policies that drain your wallet without protecting your family.

Step 1: Start Young

The most common mistake people make is procrastination. In your 20s, you feel invincible. In your 30s, you have other expenses. By your 40s, when you finally feel the “need,” the premiums have skyrocketed.

The most common mistake people make is procrastination. In your 20s, you feel invincible. In your 30s, you have other expenses. By your 40s, when you finally feel the “need,” the premiums have skyrocketed.

Lock in a policy as soon as you start earning. Premiums are calculated based on age and health. A policy bought at age 25

can cost 50% less than the exact same policy bought at age 35. Treating insurance as an “early career” purchase rather than a “retirement” purchase is the smartest financial move you can make.

Step 2: Count the Coverage, not just Premium

Most people decide how much insurance to buy based on how much they can afford to save monthly. This is backward. Instead calculate your Replacement Income Need. If you pass away, your family loses your annual income for the next 10-20 years.

SEE PAGE J4

Health Insurance

YES to Health and NO to Stress...

Coverages

- ⬆ Worldwide treatment facility
- ⬆ During Hospitalization
 - Diagnostic tests
 - Doctor consultation fees
 - Surgery fees
- ⬆ 15 days treatment cost before admission in hospital
- ⬆ 30 days treatment cost after discharge from hospital
- ⬆ Ambulance cost
- ⬆ Nominee will get full sum assured in case of death
- ⬆ Income Tax rebate facility
- ⬆ Upto 45% discount in 250+ network hospitals & diagnostic centers all over Bangladesh

Coverage	Package - 1	Package - 2
Death	500,000 BDT	1,000,000 BDT
Hospitalization	500,000 BDT	1,000,000 BDT

Annual premium starts from Tk. 10,785/- per person (based on Age and Package)

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(9 AM - 6 PM) (Sat - Thu)



To know more, please scan

PRAGATI LIFE INSURANCE PLC.
Head Office: Pragati Insurance Bhaban,
20-21, Kawran Bazar, Dhaka-1215, Bangladesh



MAKING INSURANCE SIMPLE AND DIGITAL

M. J. AZIM, Managing Director & CEO Pragati Life Insurance PLC.

Pragati Life Insurance PLC ensures absolute dedication to policyholder satisfaction. Through prompt services, innovation, and strict information security, the company is building a foundation of transparency and integrity. M. J. Azim, Managing Director & CEO, shares insights on how they are turning this vision into reality.

every 17 people in Bangladesh holds a life insurance policy. Given Bangladesh's population of approximately 170 million, this suggests that only around 6-7 million people, or roughly 4-5% of the population, may have a life insurance policy in any form.

TDS: Has this number gone up compared to ten years ago? Can you

recent years. At the same time, the total number of active life insurance policies dropped from around 11.2 million in 2009 to about 6.7 million by 2025, mainly because of high policy lapsation.

TDS: How has your product lineup changed over the past ten years?

MJA: Compared to a decade ago, our product portfolio is not only bigger but also modern, inclusive and better aligned with evolving customer needs. Ten years ago, the industry, including Pragati Life was mostly dependent on traditional endowment and whole-life policies. Today we offer more diversified plans: term insurance, savings-linked plans, health insurance, investment-oriented policies, children's education plans and riders such as critical illness benefits.

Now we focus heavily on customisation and flexibility, creating options for young generation and families. We have introduced digitally friendly products, which can be purchased, managed and renewed online.

TDS: What steps have you taken to make the claim process easier for customers?

MJA: To make the claim process faster and more customer-friendly, we prioritize rapid settlement for death claims to ensure immediate support for nominees. Additionally, we have

accelerated the processing of survival and maturity claims to guarantee timely, hassle-free payments. A major step forward is the integration of EFTN (Electronic Fund Transfer Network), which allows claims to be processed within 12 hours and transferred directly to bank accounts for digital premium payers. Additionally, the company offers cashless hospitalisation for Group Health clients, settling bills directly with designated hospitals to eliminate upfront costs.

TDS: What are the most common reasons claims get delayed or rejected, and how are you fixing those issues?

MJA: There are typically three major reasons: incomplete documents, a mismatch between policy records and submitted information, and Potential fraud or suspicious circumstances.

To fix these issues, we educate customers at the time of purchase about the required documents, so families are not unprepared at claim time. We perform an early-stage document check and immediately notify the claimant if anything is missing. The fraud investigation process is streamlined to avoid unnecessary delays in genuine claims. These improvements have significantly boosted our claim settlement efficiency and customer satisfaction.

TDS: Are young people buying life insurance, or is it still mostly older clients?

MJA: We're witnessing a gradual but encouraging shift. Younger customers between 28 and 35 are becoming more interested in life insurance. They are becoming more financially aware. They understand the value of protection and savings. They prefer flexible, digital-friendly policies. However, middle-aged clients still represent a larger portion of our customer base because they have dependents, financial responsibilities and higher purchasing power.

TDS: How is digital technology helping you make insurance easier to buy or manage?

MJA: Digital technology is significantly simplifying how people in Bangladesh buy and manage insurance. Customers can now learn about products, calculate premiums, and even purchase policies online or through the website and mobile apps—without visiting a branch. E-KYC has reduced paperwork and allows quick, hassle-free onboarding.

Digital payment channels such as EFTN, mobile banking, and online gateways have made premium payments secure and convenient. These systems also enable insurers to transfer claim payments directly to customers' bank accounts, often within hours.

We follow a multi-layered approach to protect our system and customers from fraud. First, we maintain strict verification procedures for all policy applications and claims. Second, we have a dedicated compliance and investigation team that monitors suspicious activities, conducts field-level inquiries and ensures full alignment with IDRA guidelines. Third, we rely on secure digital systems. Our use of EFTN adds further protection by allowing claim payments to go directly to verified bank accounts.

The Daily Star (TDS): What percentage of people in Bangladesh currently have life insurance?

M. J. Azim (MJA): As per the most recent data available from the Insurance Development and Regulatory Authority (IDRA) and industry-wide sources, insurance penetration is only around 0.5%, which is low. According to published reports, fewer than one in

share actual figures?

MJA: According to industry data, the number of people covered by life insurance in Bangladesh has not grown as much as expected over the past decade. Reports from IDRA and national newspapers show that life insurance penetration has actually declined, falling from about 0.94% of GDP in 2010 to roughly 0.46% in

Plan your life insurance the right way

FROM PAGE J3

Step 3: Distinguish Protection from Investment

In Bangladesh, we love "money back" policies (Endowment/DPS). While good for savings, they often offer very low death benefits. Understand the two main types:

Term Life: Pure protection. You pay a small amount for huge coverage (e.g., Tk 1 Crore coverage for a low premium), but you get nothing back if you survive the term.

Endowment/Whole Life: Savings + Protection. You get maturity benefits, but the premiums are much higher for lower coverage. A balanced plan often involves a Term Policy to cover big risks (death/loans) and an Endowment Policy for long-term savings goals.

Step 4: Don't Rely Solely on Your Office Insurance

Many corporate employees in Bangladesh think, "My company has Group Life Insurance, so I'm covered." This is a dangerous assumption. Remember that your employer's cover is tied to your job. If you switch jobs, get laid off, or retire, that cover vanishes instantly. Always hold a personal policy that travels with you, ensuring you are never left unprotected during career transitions.

Step 5: Be Brutally Honest

The no. 1 reason claims are rejected in Bangladesh is "Non-Disclosure of Material Facts." If you hide a history of smoking, diabetes, or a previous surgery to get a lower premium, you are essentially paying for a worthless piece of paper. Disclose everything. Even if it raises your premium slightly, it guarantees that your family's claim won't be rejected on a technicality later. Peace of mind is worth the extra cost.

What You Gain vs. What You Risk

The Perks
Tax Savings: You can claim tax rebates on annual premiums, effectively reducing your yearly income tax liability.

Emergency Liquidity: Traditional policies allow you to take loans against the policy's surrender value during financial crises.

Living Benefits: Riders like Critical Illness cover provide cash payouts for medical treatments while you are still alive.

The Risks
Inflation Impact: Fixed long-term payouts may lose significant purchasing power over 20 years due to inflation.

The Lapse Trap: Stopping premium payments within the first two years often results in a 100% loss of your investment.

Hidden Exclusions: Claims can be denied based on waiting periods or undisclosed pre-existing conditions found in the fine print.

The Bottom Line

Life insurance isn't just a tax-saving tool; it is the final love letter you write to your family. By avoiding these common planning errors, you ensure that the promise you make to protect them is one you can actually keep.

Don't rely on your company insurance only. This can be dangerous. Remember that your employer's cover is tied to your job. If you switch jobs, get laid off, or retire, that cover vanishes instantly. Always hold a personal policy that travels with you, ensuring you are never left unprotected during career transitions.



ন্যাশনাল লাইফের আইসিএমএবি বেস্ট কর্পোরেট গোল্ড অ্যাওয়ার্ড অর্জন

ন্যাশনাল লাইফ ইনস্যুরেন্স সুশাসন, স্বচ্ছতা ও আইন-কানুন যথাযথ পরিপালনের জন্য প্রথম স্থান অর্জন করে ১৪তম আইসিএমএবি বেস্ট কর্পোরেট গোল্ড অ্যাওয়ার্ড অর্জন করেছে।

১৪ নভেম্বর ২০২৪ সোনারগাঁও হোটেলে আয়োজিত অনুষ্ঠানে অর্থ উপদেষ্টা জনাব ড. সালেহ উদ্দিন আহমেদ ও বাণিজ্য উপদেষ্টা জনাব শেখ বশিরউদ্দিন থেকে ন্যাশনাল লাইফের সিইও মোঃ কাজিম উদ্দিন ও সিএফও প্রবীর চন্দ্র দাস এফসিএ উক্ত অ্যাওয়ার্ড গ্রহণ করেন।

ন্যাশনাল লাইফ ইনস্যুরেন্স পিএলসি
নিশ্চিত ভবিষ্যতের সুন্দর সাথী



Sammilito Islami Bank set to launch next week

Depositors can withdraw up to Tk 2 lakh immediately: BB governor

STAR BUSINESS REPORT

Sammilito Islami Bank, the proposed largest shariah-based state-run bank to be formed by merging five troubled ones, is going to be launched within the next week, said Bangladesh Bank Governor Ahsan H Mansur yesterday.

The bank will begin operations with Tk 35,000 crore in paid-up capital, the highest in Bangladesh, he said at an economic conference at Pan Pacific Sonargaon Dhaka organised by the business daily Bonik Barta.

His comments came as the BB board is scheduled to sit for a meeting today, where the proposed new bank is expected to receive approval. After the approval, the central bank will issue a letter awarding the bank its licence.

Earlier on November 9, the BB issued a preliminary licence and the new entity received name clearance from the Registrar of Joint Stock Companies and Firms (RJSC).

Later in the day, responding to The Daily Star, Mansur said depositors will be able to withdraw their money after the launch of the new bank.

IPDC ডিপোজিট | ১৬৫১৯

Initially, depositors of all the five banks will be able to withdraw a maximum of Tk 2 lakh immediately, and then every three months, they can receive a certain portion of their deposits, he said.

The BB chief said all the accounts in those banks will be operational as will the branches of these banks.

"Depositors will get interest at the market rate on their deposits and realise the interest after the launch of the new bank," he said, but added that they will be unable to realise the interest accrued against their savings in the past.

As part of the move, the central bank has drawn up a detailed roadmap outlining specific timelines for the repayment process. This will be announced soon through an official gazette, with the repayment schedule taking effect from the date specified.

To ensure investment income for the new bank, the new bank is expected to invest Tk 10,000 crore in the shariah-based sukuk bond. This is expected to generate Tk 800 crore-Tk 900 crore in income for the bank.

"We are not going to cut any staff in these banks. But their salaries and benefits will be rationalised," he said, replying to another question. The existing employees of the five banks — nearly 16,000 — may see their salaries reduced by 20 percent.

On November 5, the BB took over the five troubled shariah-based banks — First Security Islami Bank, Union Bank, Global Islami Bank, Social Islami Bank, and EXIM Bank — on a temporary basis by dissolving their boards as part of the formal merger process.

READ MORE ON B3

A decade needed to get rid of bad loan crisis

BB governor says as businesses demand action



Bangladesh Bank Governor Ahsan H Mansur speaks at the inaugural session of the "Fourth Bangladesh Economic Conference 2025", organised by Bangla daily the Bonik Barta, at the Pan Pacific Sonargaon in Dhaka yesterday.

PHOTO: COLLECTED

STAR BUSINESS REPORT

Bangladesh's banking sector is staring at a long climb out of its deepening bad loan crisis, with Bangladesh Bank Governor Ahsan H Mansur warning yesterday that it may take five to ten years for soaring non-performing loans (NPLs) to return to safer territory, despite expectations that they will stabilise at the current level.

However, business leaders, already weighed down with high borrowing costs, want immediate actions to put a stop to the surge in toxic loans, saying they fear the NPLs will continue to rise, impacting investment.

According to the central bank, defaulted loans stood at Tk 6.44 lakh crore at the end of September this year, nearly 36 percent of total disbursed loans. Net NPLs also jumped to 26.4 percent, or Tk 4.15 lakh crore, as of September. A year earlier, bad loans accounted for 16.93

percent of outstanding loans.

"A default rate exceeding one-third of total loans poses a severe challenge. The true scale of bad loans is now becoming apparent due to stricter loan classification rules," Mansur told business leaders at the Fourth Bangladesh Economic Conference 2025, organised by the Bonik Barta in Dhaka.

With banks effectively operating on only two-thirds of their asset quality intact, the governor described the crisis as a structural risk that cannot be resolved quickly.

"We expect NPLs to stabilise at this level. After that, a gradual decline may begin. But a full recovery will require five to ten years of sustained reform and discipline," he said.

Business leaders, however, were sceptical about any stabilisation without a crackdown on serial defaulters.

"If the average NPL is around 35 percent, then where has this money gone? Strict action

against defaulters is necessary," said AK Azad, chairman of Ha-Meem Group.

With such a large share of loans outside the system, he said, "running the state will be impossible, and GDP will decline even further."

The next government, he stressed, must identify the borrowers behind the bad loans and bring them under the law.

Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association, said they believe the NPLs may rise in the future.

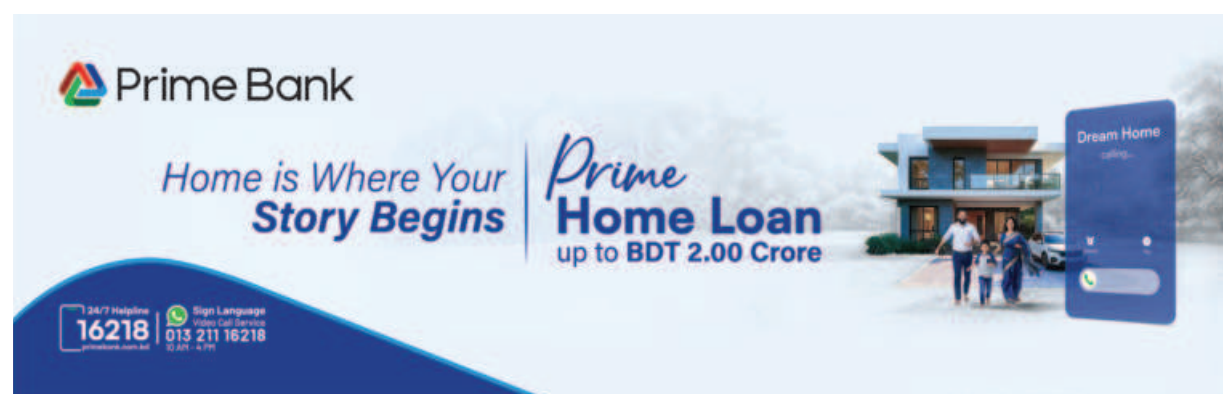
"Steps must be taken to prevent any further increase. Industries should keep running so banks can get returns; if they get shut by dint of the law, banks get nothing," he said.

Kamran T Rahman, president of the Metropolitan Chamber of Commerce and Industry, echoed the concern. "When will this upward trend be checked, and when will it start moving in the right direction?"

'FIX LENDING RATE 2-3% BELOW TREASURY BOND YIELDS'

Industry representatives also pressed the central bank to ease monetary policy, arguing that high interest rates are choking investment at a time of already weakened demand.

READ MORE ON B3



Govt unifies fertiliser distribution with new dealer policy

SUKANTA HALDER

In order to improve fertiliser distribution and ensure farmers receive timely access, the interim government has introduced the Integrated Fertiliser Dealer Appointment and Distribution Policy-2025, effective since November 16.

The move comes after farmers repeatedly complained about paying higher than government-set rates for fertilisers, which are crucial for rice cultivation, particularly during the Boro season.

Bangladesh used over 50 lakh tonnes of chemical fertiliser in the 2024-25 fiscal year, according to official data.

Under the new policy, all dealers will be considered government-appointed, with no distinction between Bangladesh Chemical Industries Corporation (BCIC) dealers and Bangladesh Agricultural Development Corporation (BADC) dealers.

DEALER UNITS AND RETAIL CENTRES

The policy specifies that in unions and municipalities, one dealer unit will be formed for every three wards, with a maximum of three dealers per union or municipality—one per unit.

Existing BCIC and BADC dealers will have their responsibilities redistributed, and vacant units will be filled by new appointments.

In city corporation areas, dealers may be appointed if there is significant cultivable land, with the number of dealers based on land area and crop density, following recommendations from the Department of Agricultural Extension (DAE) and approval from the Central Management Committee on Fertiliser Dealers.

Each union-level dealer must establish one retail sales centre in each of their three



NEW POLICY INTRODUCED TO ...

- Ensure discipline in fertiliser distribution
- Deliver fertiliser to farmers on time
- Make fertiliser available at govt-fixed prices

KEY POINTS

Around 2,000 problematic dealers identified for review

New policy aims to save Tk 3,000cr-Tk 4,000cr annually through reforms

designated wards. Municipal dealers will establish up to three retail centres, and city corporation dealers will establish the required number of centres at convenient locations, as approved by relevant authorities.

The policy also eliminates sub-dealers and retail sellers. Existing sub-dealers may continue operations under the old rules until 31 March 2026, after which fertiliser sales will only be through designated sales centres.

Within 15 days of the gazette, upazila or district Fertiliser and Seed Monitoring Committees will determine dealer units and operational areas, assigning responsibilities

accordingly. The policy also prohibits multiple family members from holding fertiliser dealerships.

INDUSTRY CONCERNS

Riaz Uddin Ahmed, executive secretary of the Bangladesh Fertilizer Association, expressed concerns about the policy's sustainability.

"Currently, dealers receive Tk 2 per kg as commission, which also covers carrying costs. This rate was set in 2008," he said. "Since then, costs for transport and other expenses have risen above Tk 4 per kg."

He added, "Under the new policy, a union dealer will need to establish two more storage

centres, further increasing costs. Without addressing this, the policy may not be sustainable."

Ahmed also warned that merely increasing the number of dealers per union will not control prices. "Prices will rise unless supply at the district level is increased," he said.

Khorshed Alam, joint secretary of the fertiliser management and monitoring branch at the Ministry of Agriculture, said, "Under the new policy, all fertiliser dealers are brought under one umbrella. The same dealer will now handle both urea and non-urea fertilisers."

READ MORE ON B3

NEW POLICY AT A GLANCE

Sub-dealers and retailers abolished to prevent overpricing

Dealers must run warehouses and cannot sell pesticides with fertiliser

Multiple dealers from the same family no longer allowed

Only three licensed dealers per union, operating fixed sales centres

Existing compliant dealers must reapply under new rules

Existing sellers may operate only until the deadline



Potato festival begins in Dhaka on Dec 12

STAR BUSINESS REPORT

The Bangladesh Cold Storage Association (BCSA) is going to organise a two-day potato festival to introduce the country's potato industry to the world.

The event is scheduled to begin on December 12 at the International Convention City Bashundhara (ICCB) in Purbachal, Dhaka.

The festival aims to showcase modern technologies and expand both local and international investment and export opportunities.

The festival aims to showcase modern technologies and explore export opportunities

Mostofa Azad Chowdhury Babu, president of the BCSA, said that although Bangladesh ranks seventh in the world and third in Asia in potato production, the country has yet to fully utilise its potential due to insufficient modern storage systems, processing technologies, and export-friendly infrastructure.

"The international exhibition will see participation from hundreds of domestic and foreign organisations involved in potato production, storage, processing, value addition, export, cold-chain technology, agricultural machinery, food innovation, and culinary arts," he added.

Alongside the exhibition, international business-to-business (B2B) meetings, technical seminars, and expert discussions will also be held, he said.

Dhaka Bank launches youth-focused dual currency prepaid card with Mastercard

STAR BUSINESS DESK

Dhaka Bank PLC, in collaboration with Mastercard, recently launched Bangladesh's first youth-centric dual currency prepaid card, branded as "Spark", at an event held at a hotel in Gulshan, Dhaka.

Designed exclusively to empower the country's young and digitally active generation, the card combines advanced financial features with premium lifestyle benefits, including travel, dining, education, fashion, and technology privileges both at home and abroad.

The card is intended to complement the dynamic lifestyle and global aspirations of young consumers, offering seamless digital payment solutions alongside exclusive benefits and experiences.

Md Mostaque Ahmed, deputy managing director of Dhaka Bank PLC, inaugurated the card, according to a press release.

Speaking on the occasion, Ahmed said, "We are pleased to join hands with Mastercard to launch 'Spark', the first prepaid card exclusively designed for the youth. This reflects Dhaka Bank's commitment to expanding financial access and enhancing lifestyle convenience for the next generation, both at home and abroad."

The dual currency functionality ensures that young cardholders can transact smoothly whether at home or overseas. To make everyday spending more rewarding, the card offers up to 5 percent cashback across categories that matter most to the youth, including



Md Mostaque Ahmed, deputy managing director of Dhaka Bank PLC, and Gautam Aggarwal, president of South Asia at Mastercard, attend the launch of a youth-centric dual currency prepaid card, branded as "Spark", at a hotel in Gulshan, Dhaka recently. Syed Mohammad Kamal, country manager of Mastercard Bangladesh, among others, was present. PHOTO: DHAKA BANK

online streaming platforms, Star Cineplex, food delivery services, and ride-sharing apps.

Recognising the global ambitions of young consumers, the Spark card also provides exclusive discounts on registration fees for international exams such as IELTS, SAT, GMAT, and TOEFL.

The launching ceremony also featured a special panel discussion with student representatives of seven leading private universities on a theme of national significance: "Digital Inclusion for the

Youth of Bangladesh".

Prof Abdur Rab, vice chancellor of IUBAT; Prof Saiful Islam, vice-chancellor of AIUB; Prof Daniel W Lund, pro-vice-chancellor of IUB; Ahmed Tazmeen, registrar of NSU; and Prof Sarwar Uddin Ahmed, dean of ULAB School of Business, took part in the discussion.

More than 100 students from North South University (NSU), Independent University Bangladesh (IUB), International University of Business Agriculture and Technology (IUBAT), United International

University (UIU), American International University Bangladesh (AIUB), BRAC University, and the University of Liberal Arts Bangladesh (ULAB) attended the event.

Gautam Aggarwal, president of South Asia at Mastercard; Syed Mohammad Kamal, country manager of Mastercard Bangladesh; Zakia Sultana, director; and HM Mostafizur Rahaman, senior executive vice-president and head of the retail business division at the bank, among others, were also present.

Tanjil Chowdhury re-elected chairman of Prime Bank

STAR BUSINESS DESK

Tanjil Chowdhury has been re-elected as the chairman of Prime Bank PLC at the bank's 585th board of directors meeting.

Chowdhury first assumed the role in 2020 and has since led Prime Bank through a transformative period of growth and innovation, according to a press release.

Under his leadership, the bank has received numerous accolades from prestigious international awarding bodies and institutions for its excellence in digital banking, innovative products and services, environmental and social governance, gender diversity, sustainability, and overall leadership.

Beyond his role at Prime Bank, he is the managing director of East Coast Group, a highly diversified conglomerate with more than 45 years of experience in energy and downstream hydrocarbons.

He also serves as an adviser to British International Investment, the United Kingdom's development finance institution founded in 1948.

Chowdhury previously served as an elected director of the Bangladesh Cricket Board for two consecutive terms from 2014 to 2021.

Additionally, he is a former president of both the Bangladesh Merchant Bankers Association and the Solar Module Manufacturers Association of Bangladesh.

He holds a master's degree in international management (finance concentration) from King's College London and is an ACCA Applied Skills (FHEQ Level 6) qualified professional.



Md Touhidul Alam Khan, managing director and chief executive officer of NRBC Bank PLC, receives an award from Prof Eko Ganis Sukoharsono, chairman of the Institute of Certified Sustainability Practitioners advisory board, at an event in Bali recently. PHOTO: NRBC BANK

NRBC Bank gets 'Silver Rank' in Asia Sustainability Reporting Rating-2025

STAR BUSINESS DESK

NRBC Bank PLC has achieved the 'Silver Rank' in the Asia Sustainability Reporting Rating 2025 by the National Centre for Corporate Reporting (NCCR), Indonesia, in collaboration with the Institute of Certified Sustainability Practitioners (ICSP).

Md Touhidul Alam Khan, managing director and chief executive officer of NRBC Bank PLC, received the award from Prof Eko Ganis Sukoharsono, chairman of the ICSP advisory board, at a ceremony held in Bali, Indonesia on Friday, according to a press release.

Recently, NRBC Bank published its first-ever "Sustainability Report 2024" with the theme "Inclusive Innovation, Green Tomorrow".

The report follows the Global Reporting Initiative (GRI) standards and highlights the bank's commitment to sustainable development, social responsibility, and environmentally friendly financing through initiatives such as green and sustainable financing, investments in renewable energy, and support for climate-resilient agriculture.

Canada economy rebounds in Q3

AFP, Montreal

Canada's economy bounced back in the third quarter of 2025, posting 2.6 percent growth year-on-year after contracting in the second quarter, helped in part by stronger trade numbers, official figures showed Friday.

US President Donald Trump's trade war has dampened Canadian growth and clouded the country's trade outlook.

The Canadian economy contracted by 1.8 percent in the second quarter of this year, and analysts broadly expected a modest 0.5 percent growth figure for the third quarter.

The 2.6 percent growth figure reported by Statistics Canada Friday "was well above the consensus forecast," CIBC economist Katherine Judge said in a note. Statistics Canada said an improved trade balance and government spending were the main factors.

How successful has Opec+ oil output policy been in 2025?

AFP, Vienna

Ministers of the Organization of the Petroleum Exporting Countries and allied nations (Opec+) are unlikely to make changes to their oil output strategy when they discuss production at an online ministerial meeting on Sunday.

After years of slashing output to prop up prices, key members of the Opec+ group, including Saudi Arabia and Russia, surprised markets earlier this year by hiking production to levels very few had anticipated.

AFP takes a look at Opec+'s output policy in 2025 and what factors influenced the cartel's decisions:

HOW DID OUTPUT POLICY FARE?

Since April, eight Opec+ key members (V8) — comprising Saudi Arabia, Russia, Iraq, the United Arab Emirates, Kuwait, Kazakhstan, Algeria and Oman — have boosted production by around 2.9 million barrels per day (bpd) in total.

Faced with growing competition, particularly from producers in the United States, but also Canada, Brazil and Guyana, the group has focused on hiking production in a bid to regain a larger share of the oil market.

While Opec+'s strategy has contributed to a supply glut that weighed on crude prices and effectively eroded some of the group's profits, experts say a mix of other factors offset them.

In recent months, the 12-day Iran-Israel war, the US sanctions on Russia's oil sector and China's build-up of strategic oil reserves have driven up demand for oil, stemming a sharp fall in prices.

According to Kim Fustier, an analyst at HSBC, "none of these (factors) could have been forecast on (the) 1st of January", but thanks to them the Opec+ output strategy "has generally worked".

"You could argue Opec+ got slightly lucky," she told AFP.

DID TRUMP'S RETURN TO WHITE HOUSE INFLUENCE THE GROUP'S DECISIONS?

According to Francis Perrin, who heads research at the Institute for International and Strategic Relations (IRIS), Donald Trump's return as US president also influenced Opec+'s series of output hikes this year.

"The Trump factor is absolutely essential" in explaining the Opec+ output increases, Perrin told AFP.

Shortly after taking office in January, Trump called on Riyadh to boost production to bring down oil prices.

Saudi Arabia, the world's leading oil exporter and the most influential member of Opec+, has made the accommodation of US interests "an important asset" in its diplomacy with Washington, said Perrin.

Trump, in turn, has also agreed to several requests from Riyadh during a recent visit by Saudi Crown Prince Mohammed bin Salman to the United States.

For example, the two countries ratified a joint declaration on civil nuclear energy and signed an agreement providing Saudi Arabia access to advanced American-made AI systems, according to Washington.

The price of a barrel of Brent, the global benchmark for crude, is hovering around \$60-\$65, which suits Trump, Perrin said.

While the price is relatively low, it is high enough for US producers to be profitable and maintain current production levels.

WHY IS THERE NO FURTHER PRODUCTION HIKE?

After a final increase in quotas in December, the V8 already warned last month that there would be a pause in production adjustments in the first quarter of 2026, citing weaker seasonal demand.

For that reason, "we don't expect much to come out of this meeting" this time, said Fustier.

"Opec+ is not going to want to get ahead of" any outcome of the ongoing negotiations on the war in Ukraine.

An easing of tensions in the war between Russia and Ukraine would reduce the geopolitical risk premium that is driving up crude prices, while a deadlock in the negotiations would shift the focus of producers back to US sanctions against Russian oil giants Lukoil and Rosneft.



A crude oil tanker arrives at a port in Qingdao, in China's eastern Shandong province. Since April, eight Opec+ members have boosted production by 2.9 million barrels per day in total. PHOTO: AFP/FILE

Black Friday consumers

FROM PAGE B4

"This is the only market where we're seeing such high increases in average selling price. So there absolutely is a component of retailers trying to save margins because of the impact of the tariffs," said Caila Schwartz, director of consumer insights at Salesforce.

With unemployment near a four-year high, shoppers have also become more selective. US consumer confidence sagged to a seven-month low in November, according to economic research group The Conference Board, with fewer households planning to buy motor vehicles, houses and other big-ticket items over the next six months, or to make vacation plans.

The richest 10 percent of Americans — those earning at least \$250,000 annually — accounted for about 48 percent of all consumer spending in the second quarter of 2025, a steady increase from around 35 percent of spending in the mid-1990s, according to

Moody's Analytics.

"Higher income consumers are a little more resilient, and that's why we're seeing strong growth in categories like furniture and luxury," said Schwartz.

Heather Cheatham, 50, of Lynchburg, Virginia, started her Black Friday shopping by sampling scents and hunting for Armani eye tints in LVMH's Sephora at Crabtree Valley Mall in Raleigh, North Carolina. Cheatham did not give herself a budget, and she has already purchased gifts for her daughter at apparel company American Eagle Outfitters' Aerie, stereo equipment for her son and a golf putter for her other son.

Black Friday looked different this year, according to Marshal Cohen, chief retail adviser at Circana, who spent the morning visiting stores and malls across New York and New Jersey. Gone were the early-morning rushes and long lines outside retailers.

Among the retailers Cohen visited, Target "won the morning," he

said, because it handed out swag bags to the first 100 customers. Walmart gained momentum later in the day as traffic picked up.

About an hour before sunup in freezing temperatures, Quantavious Shorter, 40, a diesel engine mechanic from Atlanta, was one of the first of only a dozen people waiting in line at 5:59 a.m. at the local Walmart in Atlanta's Gresham Park neighborhood.

Shorter bought a Roku flat-screen smart TV for \$298, a perfect discount for his smaller Christmas budget.

"This is usually \$500," said Shorter. "I'm here early because I expected it to sell out."

In Europe, the shopping day was marked by strikes at Amazon warehouses in Germany, with separate protests also planned outside Zara stores in Spain. Meanwhile, Starbucks' workers union also said they were escalating their ongoing indefinite strike to 26 more stores in the US on Black Friday.

Dollar set for worst week

FROM PAGE B4

ago, according to the CME Group's FedWatch Tool.

Fed officials will enter a blackout period on Saturday ahead of the meeting.

The dollar index, which measures the greenback's strength against a basket of six major peers, was last down 0.09 percent at 99.44, and on track for a 0.61 percent weekly loss, its largest since July 21.

Bank of Japan Governor Kazuo Ueda is due to speak on Monday, and traders will focus on whether he signals a likely rate increase at the BOJ's December meeting, which could continue to lift the currency.

"There's obviously a lot of anticipation around the Bank of Japan meeting in December. Will they hike rates? Will they not hike rates? And up until now, Ueda has been reasonably

non-committal/dovish and hasn't really signaled a December hike yet," said James Lord, head of FX and emerging market strategy at Morgan Stanley.

"But with dollar-yen at these levels and the fiscal package that has been announced by the government, there's a possibility that we will see a rate hike in the December meeting," Lord said.



Workers stack raw bricks at a kiln in Purbo Khudrakathi of Babuganj upazila in Barishal, earning Tk 1,200-Tk 1,500 a day during the busy winter season. The photo was taken recently.

PHOTO: TITU DAS

Inefficiency, wastage major crises for energy sector: experts

Old equipment, lack of proper audits main reasons, they say

STAR BUSINESS REPORT

Factories are failing to utilise the available energy, with some losing a large chunk of their potential energy because of old machinery, lack of proper audits, and policies that exist largely on paper, experts have said.

The inefficiency and wastage have become two of the major crises for the sector, already struggling with persistent supply challenges and high costs, industrialists, policy experts, economists, and regulatory officials said at a policy dissemination event on industrial energy efficiency in Dhaka yesterday.

Bangladesh already has two major planning documents but lacks a clear industrial efficiency policy that can be enforced, Selim Raihan, executive director of the South Asian Network on Economic Modeling (Sanem), said at the event jointly organised by Sanem and the Dhaka Chamber of Commerce & Industry (DCCI).

Delivering the keynote address, he pointed to the poor implementation of

the Energy Efficiency and Conservation Master Plan (EECMP) 2016 and the Integrated Energy and Power Master Plan (IEPMP) 2023.

"EECMP 2016 aims to reduce energy intensity by 20 percent by 2030, with benchmark targets for energy-heavy industries like steel and cement, while IEPMP 2023 focuses on energy security, affordability, and sustainability. But both plans fall short in terms of implementation and regulatory enforcement," he said.

Citing Sanem research, he said energy wastage or loss is up to 90 percent in some industries.

Raihan, also a professor of economics at Dhaka University, said only 16 industrial energy audits have been conducted so far, despite 189 large consumers having been identified for mandatory audits.

"The result is massive waste. Many industries are using outdated equipment and lack the financial and institutional support to adopt efficient technologies," he noted.

Jalal Ahmed, chairman of the Bangladesh

Energy Regulatory Commission, warned that domestic gas reserves could be depleted by 2030, as exploration has barely progressed in recent years.

"Despite repeated expert warnings, progress in both offshore and onshore exploration has been negligible," he said, adding that this has pushed the country toward importing expensive gas and subsidising the energy sector while overall efficiency remains at just 30 percent.

"Raising efficiency to even 60 percent could bring significant relief," he said, urging stronger implementation of energy audits and more efficient captive power generation systems.

Ahmed also urged the garment sector to increase the use of renewable energy, noting that the European Union is moving toward a 42.5 percent clean energy share by 2030 and that Bangladesh's exports could be affected if the industry does not keep pace.

Md Rafiqul Islam of the Bangladesh Energy and Power Research Council said imported energy cost Bangladesh about \$20 billion last fiscal year.

"Energy security is now as critical as food or national security," he said, adding that the private sector must play a greater role in domestic energy production.

Power Grid Bangladesh PLC Chairman M Rezwon Khan said load shedding is occurring mainly because of fuel shortages, not grid capacity issues.

He also said the tariff structure needs revision and suggested separate peak and off-peak rates.

DCCI President Taskeen Ahmed noted that gas prices rose by 178 percent in the last fiscal year and increased again by 33 percent. He said the cost increase severely affected production in key sectors such as textiles, steel, and fertiliser, with output down by 30 percent to 50 percent in some industries.

Industry representatives, including those from renewable and financing bodies, repeated calls for lowering taxes, wider incentives for renewable energy, easier access to loans for green projects, stricter enforcement of existing policies, and mandatory audits.

Air travel disrupted over Airbus A320 software glitch

AFP, Paris

More airlines around the world announced delayed or cancelled flights Saturday following an Airbus alert that up to 6,000 A320 aircraft may require upgrades.

Airbus instructed its clients Friday to take "immediate precautionary action" after evaluating a technical malfunction on board a JetBlue flight in October.

"Intense solar radiation may corrupt data critical to the functioning of flight controls," it said, adding that "a significant number of A320 Family aircraft currently in-service" may be affected.

Replacing the software will take "a few hours" on most planes but for some 1,000 aircraft, the process "will take weeks", a source close to the issue told AFP.

Air France told AFP it was calculating how many more flights would be cancelled Saturday.

"Customers affected by cancellations are being notified individually by SMS and email," a spokesperson said Friday.

It cancelled 35 flights on Friday, while Colombian airline Avianca said 70 percent of its fleet had been impacted by a technical issue in the European plane-maker's software.



The European Union Aviation Safety Agency (EASA) said in a statement that Airbus had informed it about the issue.

"These measures may cause short-term disruption to flight schedules and therefore inconvenience to passengers," EASA said, adding that "safety is paramount".

Aerospace and defence giant Thales told AFP that it makes the flight control computer, which it said was "fully compliant with the technical specifications issued by Airbus" and certified by the EASA and its US equivalent, the FAA.

But it added: "The functionality in question is supported by software that is not under Thales' responsibility."

The Airbus statement did not specify which company had designed the software.

"Airbus acknowledges these recommendations will lead to operational disruptions to passengers and customers," it said, apologising for the inconvenience.

On October 30, a JetBlue-operated A320 aircraft encountered an in-flight control issue due to a computer malfunction.

The plane suddenly nosedived as it travelled between Cancun in Mexico and Newark in the United States, and pilots had to land in Tampa, Florida.

Heat a key challenge for data centres and AI

REUTERS, Stockholm/London

The global boom in data centers as companies increasingly outsource information storage and ramp up use of energy-intensive artificial intelligence is creating a key challenge for the industry - how to keep cool.

An outage at the world's biggest exchange operator CME Group from late Thursday that halted trade on its popular currency platform and in futures spanning foreign exchange, commodities, Treasuries and stocks has put a spotlight on data centers overheating.

The problem was a cooling issue at data centers operated by Dallas-headquartered CyrusOne, which operates more than 55 centers in the US, Europe and Japan.

CyrusOne said on Friday its engineering teams were on site at the data center near Chicago to get the cooling system back online.

High-powered AI and cloud servers crunching data need huge amounts of power, which gives off intense heat that traditional air cooling systems are often unable to cool properly.

Data centers contain racks of servers stacked together which are constantly turned on, consuming power. As they heat up, they require constant cooling.

"The chips that are in those data centers need to stay within certain temperatures, otherwise they either malfunction or they turn off," said Daniel Mewton, a partner in the infrastructure, energy and natural resources practice at law firm Slaughter and May.

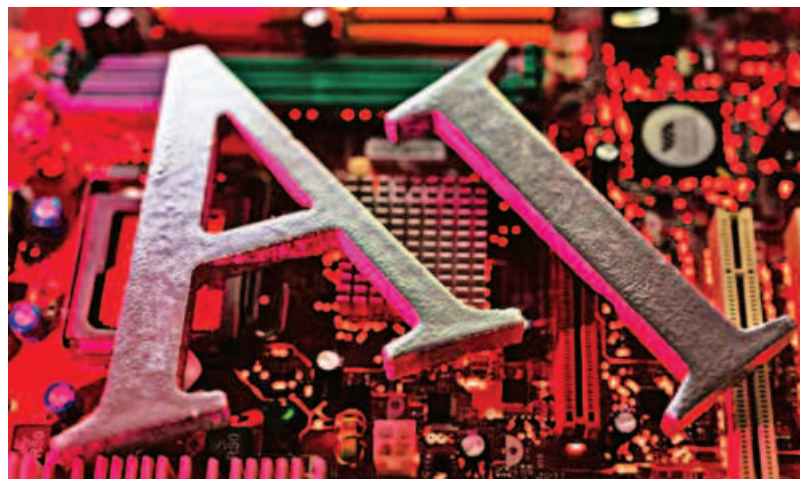
WHAT CAN DATA CENTER OPERATORS DO ABOUT IT?

More data centers are looking to use water or specialized coolants instead of air cooling, as liquid

cooling can be 3,000 times more efficient than air at removing heat.

Liquid cooling however can create its own challenges, including potential leaks, corrosion and the need for specialized maintenance. It can also be water intensive.

Companies are looking to find ways to reduce outside coolants. Microsoft last year launched a new data center design that consumes zero water for cooling.



According to the company, its new technologies recycle water through a closed loop, circulating between the servers and chillers to dissipate heat without needing a fresh supply.

There are also systems to recover and reuse waste heat from data centers.

HOW COMMON ARE OUTAGES LINKED TO COOLING ISSUES?

Mewton said that in general data center outages were "extremely uncommon" because of contractual requirements for operators to keep them almost always online.

"You need to be up more than 99.99% of the time sometimes," he

said. While outages overall were fairly unusual, specific issues directly affecting cooling systems were "even rarer", Mewton said. "What I most often hear (about) is obviously power issues," he said.

A WAVE OF DEAL-MAKING FOR DATA CENTER COOLING

The global appetite for data centers has sparked a wave of deal-making across the industry as



companies race to build capacity to meet the surge in power and cooling needs.

Law firm White and Case estimates that up to 40% of total energy consumption in data centers is spent on cooling them down, making it a big business.

In November, power management firm Eaton said it would buy Boyd Corporation's thermal business from Goldman Sachs Asset Management for \$9.5 billion, part of a push to cater to an AI demand surge.

Peer Vertiv is also in a \$1 billion deal for PurgeRite Intermediate to expand its liquid cooling services.

Govt unifies fertiliser distribution with new dealer policy

FROM PAGE B1 He added, "Previously, there was an unwritten competition between BCIC and BADC dealers, which caused management problems. Dealer units were also not clearly defined. If this policy is implemented, it will be a revolutionary development for Bangladesh."

The policy's main goals, he said, are to deliver fertiliser directly to farmers' doorsteps and prevent black marketing or price manipulation.

Mohammad Emdad Ullah Mian, secretary at the Ministry of Agriculture, said the government aims to create a farmer-friendly fertiliser management system. "A syndicate often manipulates distribution for their benefit. Almost 65 percent of the Ministry's budget is spent on fertiliser. If the government spends so much money, people should benefit properly," he said.

He added that the government has identified around 2,000 problematic dealers and aims to allocate fertiliser based on land size, potentially saving Tk 3,000 to Tk 4,000 crore annually.

Jahangir Alam Khan, a renowned agricultural economist, said, "Bringing the overall supervision of fertiliser dealer appointments and distribution under the Ministry of Agriculture is a significant and timely step."

"While the policy framework is timely, the government must ensure consistent availability of fertiliser to truly benefit farmers and boost agricultural productivity."

A decade needed

FROM PAGE B1 "These higher interest rates are leaving the private sector unable to borrow, which is constraining the private sector's expansion," said Ha-Meem Group's Azad, one of Bangladesh's leading exporters.

Echoing the same, Transcom Group CEO Simeen Rahman said the combined effect of inflation and elevated lending rates had slowed growth and consumer spending. "Our economy is going through challenges both in terms of growth and consumer spending."

GPH Group Chairman Mohammad Jahangir Alam noted that Bangladesh's 10 percent policy rate contrasts with the lower rates in competing countries, except Pakistan.

"If the policy rate comes down, lending rates will also fall and businesses will get some relief," said Alam, also president of Bangladesh Steel Manufacturers Association.

He also pointed to treasury bonds yielding 11-12 percent, which have become more attractive to banks than lending to businesses.

"As a result, banks are choosing the risk-free option of investing in treasury bonds instead of supporting industries. That is why we are facing a credit shortage," he said.

He urged the central bank to reduce both the policy rate and the yield on treasury bonds, saying businesses could survive if bank loans were priced 2-3 percent below bond returns.

Governor Mansur acknowledged the strain caused by the high interest rate but said rate cuts would only follow a sustained drop in inflation.

"The interest rate is certainly high. But globally, there is usually a gap of at least 2-3 percent between the policy rate and inflation," he said.

"Our inflation rate is still 8.2 percent. I will lower the interest rate once it comes down," he said.

However, he also criticised the government's policy. "Inflation could have been lower, but the government's

policy failures are behind it not falling further."

Turning to external balances, the governor said foreign exchange conditions had improved ahead of Ramadan.

"Last year's Ramadan was the most difficult period for managing foreign exchange liquidity. But this year, we are not seeing signs of stress," he said.

He said all import LCs for essentials had been opened, while LC openings across product categories had risen sharply from a year earlier.

"Imports have increased, showing double digit growth this month. Yet even then, there is no exchange rate pressure now," he said.

Bangladesh Institute of Development Studies Director General AK Enamul Haque, City Bank Managing Director and CEO Masrur Arefin also spoke at the event.

Sammilito Islami Bank

FROM PAGE B1 The new bank, being formed under the newly enacted Bank Resolution Ordinance 2025, is going to be the largest one in Bangladesh.

The authorised capital of the bank will be Tk 40,000 crore - each share valued at Tk 10, totalling 4,000 crore shares.

Of the amount, the government will provide Tk 20,000 crore designated as Class-A shareholders, according to the draft notification of the finance ministry.

Another Tk 7,500 crore will come from the permanent deposits of depositors in the transferring banks and financial institutions, converted under special terms. They will be designated as Class-B shareholders.

The remaining Tk 7,500 crore will come from deposits of other institutional depositors - excluding banks, financial institutions, and multinational companies - also converted specially. They will be designated as Class-C shareholders.



Irfan Uddin

Energy crisis, economic slump weigh on ceramic industry

Says a leader of ceramic manufacturers' association

JAGARAN CHAKMA

The country's ceramic industry is facing one of its toughest periods in recent years, as rising production costs driven by persistent energy shortages and weak domestic demand take a toll on manufacturers.

Irfan Uddin, general secretary of the Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA), highlighted the sector's challenges in an interview with The Daily Star.

"The economy isn't doing well, and that's no secret," Irfan said. "The ceramic sector, which depends heavily on real estate and development, is also facing serious difficulties."

He noted that as construction and development activities slow across the country, demand for materials such as ceramic tiles, sanitaryware, and tableware has dropped sharply.

"When development slows, the use of materials like ceramics falls automatically. We've seen industry-wide sales drop by nearly 25 to 30 percent," said Irfan, who is also managing director of FARR Ceramics Ltd.

Tiles, which make up about 80 percent of the market, have been hit hardest. "Because tiles have the biggest share, any downturn affects this segment first. Demand from both residential and commercial projects has fallen significantly," he added.

ENERGY CRISIS HINDERS PRODUCTION AND QUALITY

Although some earlier issues, such as the dollar shortage and import complications, have eased slightly, the ongoing energy crisis remains a major obstacle.

"The gas supply issue has not been resolved. Due to low pressure or interrupted supply, many factories are unable to run at full capacity," Irfan said. "We're currently facing around 15 percent production loss purely due to energy problems."

He explained that an inconsistent gas supply affects both quantity and quality. "Our cost of production is going up because our inputs are the same, but we're producing less. For example, where we used to make 100 pieces, we're now getting just 85 with the same labour force and overhead."

The irregular gas supply also causes firing problems in kilns, leading to lower-quality finishes. "Instead of bright white tiles, we're getting yellowish shades that can't be exported. We're forced to sell

lose a lot of revenue because products that don't meet export standards have to be sold locally," he lamented.

To support the struggling industry, BCMEA has launched initiatives targeting both local and international stakeholders.

"In the last three days, over 22,000 people visited our industry exhibition," Irfan said. "We also held a special programme with all of Bangladesh's major ceramic distributors. The response has been very positive."

investment. "We're not seeing new investment at the moment. Even local investors are holding back, and foreign investors are absent. Without fresh investment, economic growth will remain slow."

Irfan urged the government to ensure political and economic stability. "A functioning, elected government must take charge and steer the economy forward," he said.

He highlighted that the mid-range market, which forms the largest

TAKEAWAYS FROM INTERVIEW

SALES AND INVESTMENT

Ceramics sales fell 25-30% in 18 months due to a slowdown in construction activities
No new domestic or foreign investment is coming

ENERGY CRISIS

Factories are experiencing around 15% production loss due to energy crisis
Impact of gas shortage is twofold—both quantity and quality are affected



MISSED EXPORT OPPORTUNITY

Despite strong demand, industry can produce 55% export-quality goods, well below their 80-85% target

FINANCIAL STRESS

Many companies are struggling to cover salaries and bank loan repayments

SOLUTIONS

The sector can recover if gas supply stabilises
Targeted policy measures will restore investor confidence

them locally at lower margins," he said.

EXPORT POTENTIAL HAMPERED
Despite domestic difficulties, demand for Bangladeshi ceramics remains strong internationally. However, manufacturers are struggling to meet it.

"Buyers are placing orders, but we can't deliver due to our production limits," Irfan said. "We usually aim for 80-85 percent export-quality production, but right now we're only reaching 55 percent."

He stressed that the drop in quality is not due to a lack of skill or workforce, but because of irregular gas supply affecting production temperatures. "We

"These efforts aim to keep distributors and stakeholders engaged despite the downturn," he added. "Distributors are key to reaching the local market, so keeping them motivated is crucial."

FINANCIAL STRAIN AND INVESTMENT GAPS

The prolonged slowdown has put heavy financial pressure on ceramic makers. "Many companies are struggling to cover everyday costs like salaries and loan payments," Irfan said. "No one invests expecting to fail. When someone builds a factory with Tk 150 crore-Tk 200 crore, much of it comes from their own savings."

He also pointed to the lack of fresh

customer base, has been hit hardest. "The premium market is smaller, and while it's affected too, the volume loss is much larger in the middle-income bracket," he said.

As household and project budgets tighten, mid-segment consumers are delaying or reducing construction and renovation, directly impacting ceramic sales, he added.

Irfan urged the government to stabilise gas supply and provide targeted support to export-focused sectors like ceramics. "If we can stabilise gas supply and restore investor confidence, the industry can bounce back," he concluded.



M Matiul Islam

Remembering Matiul Islam: A young man who died at 95

MAMUN RASHID

Bangladesh has lost one of its most enduring builders. M Matiul Islam, the country's first finance secretary and a pioneering figure in the nation's economic architecture, passed away on November 20 at the age of 95. Those who observed him in person and his career often remarked that he remained a young man in spirit until his final days, defined by a tireless work ethic, sharp clarity of thought and an undiminished appetite for new ideas and know-how. His life reminds us that intellectual youth is not measured in years but in curiosity, discipline and a willingness to keep evolving.

Matiul Islam's professional journey was marked by an unusual combination of technical mastery and administrative depth. Trained as a chartered accountant, he entered public service with a level of financial literacy that is rare in the bureaucracy. His early postings in the Pakistan Civil Service allowed him to work at the intersection of finance, governance and industry. By the late 1960s, he had already built a reputation as someone who could simplify complex issues, navigate institutional challenges and deliver results without drama.

During 1968-69, while serving as secretary of the Ministry of Industries and Commerce, he was simultaneously appointed as acting deputy commissioner of Khulna. Managing an entire district alongside a critical economic ministry would have been demanding even for a seasoned administrator. Yet he approached the responsibility with a systematic, almost youthful eagerness. His work in Khulna strengthened local governance, improved coordination across agencies and helped drive industrial momentum when the region was undergoing rapid change.

His most consequential contribution came after independence, when he served as the first finance secretary of Bangladesh. The newborn nation needed more than routine management. It required institution-building from scratch. Matiul Islam played a pivotal role in shaping the national budget process, designing expenditure controls, formalising treasury operations and helping establish the early frameworks for monetary and fiscal governance. Bangladesh's economic institutions were fragile in those formative years, yet his disciplined stewardship brought order, predictability and professionalism to the system.

Beyond public service, Matiul Islam demonstrated a remarkable entrepreneurial instinct that further reflected his youthful mindset. After his government tenure, he ventured into business and industry with the same analytical rigour he had brought to the civil service. His leadership roles across various private sector entities showed a commitment to creating value, strengthening corporate governance and promoting ethical business practices.

Even as he moved across sectors, he remained consistent in his approach: clarity, discipline and logic were at the centre of his working style. He valued punctuality, respected process and upheld transparency in decision-making. These qualities earned him the reputation of being decisive without being loud, firm without being rigid and detail-oriented without losing sight of the larger purpose.

What stands out in reflecting on his long life is the sense of youthful resolve he carried throughout his career. Whether he was restructuring public finance, managing district administration, steering an industry or setting up business ventures, he brought a freshness of mind and an eagerness to improve processes. It is this spirit that made him, in many ways, a young man who simply happened to live 95 years.

I came across Mr Islam in the early 1990s. I remained an admirer of him for his steadfastness and eagerness to learn. Our relationship became close when I moved to Citibank at the MCCI building. Mr Islam was the chairman of IDFC, an NBF situated in the same building. Even if I were a little early to the office, I could surprisingly find him ahead in the queue for the elevator, and it was almost a regular picture. I also had the opportunity to work with him on the board of one of his capital market subsidiaries. He had a challenging mind and the ability to go beyond.

As Bangladesh continues to evolve, it stands on the foundations built by individuals like Matiul Islam. His legacy endures not because he sought recognition, but because he shaped the systems that would continue to serve the nation.

The writer is a banker and an economic analyst

Dollar set for worst week since July

REUTERS, New York

The US dollar was heading for its worst weekly performance since late July on Friday as traders increased bets that the Federal Reserve will cut rates again next month.

The dollar has dropped this week as traders conclude that weakening labor data will lead to more rate cuts, even as many Fed policymakers express concern about still-elevated inflation.

"It feels like with the post-shutdown run of releases, it's generally been soft ... the data overall definitely leaned towards a cut," said Eric Theoret, FX strategist at Scotiabank in Toronto.

The US federal government is releasing a backlog of economic data after reopening from a record 43-day shutdown.

Fed funds futures traders are pricing in 87 percent odds of a cut at the conclusion of the Fed's December 9-10 meeting, up from 71 percent a week

India's economy beats forecasts but tariffs loom

AFP, New Delhi

India's economy grew faster than expected in the last quarter, official data showed Friday, but the impact from US tariffs is expected to bite in the rest of the financial year.

Gross domestic product rose 8.2 percent year-on-year in the July-September period, the statistics ministry said, the fastest rate in over a year.

The growth was an acceleration from the 7.8 percent recorded in the previous quarter and soared beyond analysts' forecasts of 7.4 percent.

The latest figures were spurred by higher consumer demand, solid manufacturing sector growth and statistical factors.

Friday's reading reaffirms India's position as the fastest growing major economy and will come as welcome news for Indian policymakers grappling with a weak rupee, falling exports and a pivot away from Russian oil imports.

US President Donald Trump has slapped 50 percent tariffs on most Indian products as punishment for New Delhi's purchases of Russian oil, which Washington claims helps finance Moscow's invasion of Ukraine.

Indian shipments largely held up between April and August as exporters rushed to beat the tariff clock.

But since then, the tariffs have started to bite, with overall exports falling 11.8 percent year-on-year in October, hurt by a drop in US-bound shipments.

India's press has reported an imminent trade deal with the United States, but neither side has officially announced a breakthrough.

Meanwhile, the International Monetary Fund recently cut its forecast for India's next financial year from 6.4 percent to 6.2 percent, citing a "baseline assumption of prolonged 50 percent US tariffs".

The Global Trade Research Initiative, a New Delhi-based think-tank, estimates that if the harsh tariffs stick, India's exports could fall to about \$49.6 billion in the current fiscal year – a steep drop from the \$86.5 billion recorded last fiscal cycle.

The world's fifth-largest economy slowed in the second half of 2024, with annual growth hitting a four-year low in the fiscal year that ended March 31.

Black Friday consumers go online, rather than stand in line



Customers look for products during Black Friday deals at Macy's store in New York City on November 28. Online shopping has diluted Black Friday's significance, with promotions geared towards the event spread across weeks.

PHOTO: AFP

REUTERS, New York/Atlanta

Bargain-hunting Americans clicked their way through Thanksgiving, spending \$8.6 billion online so far on Black Friday, as more consumers turned to laptops and phones instead of braving brisk weather to snap up deals over the crucial shopping weekend.

Adobe Analytics, which vets e-commerce transactions online, covering over 1 trillion visits to US retail sites, expects US shoppers will spend between \$11.7 billion and \$11.9 billion online on Black Friday.

While early online sales figures showed a promising trend for spending, at major retailers – a bulk of Black Friday shopping has happened between 10 a.m. and 2 p.m. ET (1900 GMT), according to data from Adobe Analytics, with another surge expected in the evening. Many of those who ventured out said they were

on a budget, fearful of overspending at a time when inflation remains above-trend and the labor market is softening.

"I'm being much more careful," said Grace Curbelo, 67, of New Rochelle, New York, who was at the Woodbury Common outlet center in Central Valley, New York, on Friday morning. "I'm not sure how the economy will turn, and I don't want to put myself in debt."

Strong Black Friday spending has been driven by deeper-than-expected discounts, Adobe said. Online shopping has diluted Black Friday's significance, with promotions geared towards the event spread across weeks. Adobe Analytics expects Cyber Monday to drive \$14.2 billion in online sales, up 6.3 percent from last year, making it the biggest online shopping day of the year.

Shoppers are leaning heavily on promotional codes found online through

social media influencers to squeeze out extra discounts during Cyber Week, said Vivek Pandya, director of Adobe Digital Insights at Adobe Analytics.

The specter of higher prices hovered over the day. US retail sales increased less than expected in September, in part due to elevated prices, and President Donald Trump's tariffs have contributed to this trend, adding roughly 4.9 percentage points to retail prices, according to the non-profit Tax Foundation.

Software firm Salesforce said its early data showed prices in the United States rising faster than worldwide. The average online selling price for goods was 8 percent higher than last year, compared with 5 percent globally, a sign of both the effect of tariffs and spending from affluent households, who have continued to shop while most income groups say their consumer confidence is low.

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