

Star BUSINESS



Grey handset market booms as taxes, currency shock push prices up

High import duties and a weak taka drive consumers to cheaper grey phones, eroding official sales and hurting local manufacturers

MAHMUDUL HASAN

When the official market is constrained, the grey market thrives, and that is precisely what has happened in the mobile phone sector of Bangladesh.

High taxes on official handsets, severe dollar shortages disrupting imports, and the taka's tumble to record lows have made legal devices far more expensive. As a result, the grey market has become the norm, aided by the fact that enforcement agencies seldom visit malls to check whether shops sell genuine products.

But how widespread is the sale of unauthorised handsets?

A few months ago, a secretary of a ministry visited Bashundhara City Shopping Complex to buy a flagship phone. The official seller, a relative of the bureaucrat, advised him not to purchase it from the shop.

Instead, he was directed to another retailer, where he bought the device for Tk 112,000 – half the Tk 220,000 price it would have cost in the official store, the secretary told The Daily Star, requesting anonymity.

KEY POINTS

Some premium smartphones cost over **50%** cheaper in grey market

Official smartphone prices in Bangladesh higher than those in US, UAE, China

Samsung data shows grey phones **30%** to **40%** cheaper

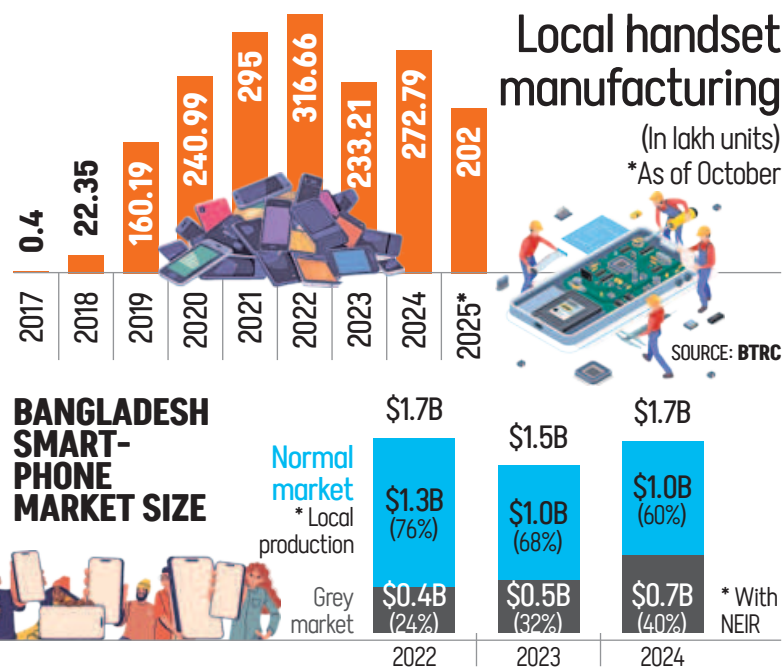
Illegal imports evade **59%** taxes, leading to price drops

Grey smartphones now hold **40%** to **50%** market share

Grey import accounts for **93%** of Samsung's premium handsets

About **1.9cr** handsets entered Bangladesh in 2024

Unofficial handset market estimated at around **\$0.8b** in 2025



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He is far from alone.

Estimates show that 93 percent of premium phones of one brand in use in Bangladesh last year came from the grey market. For mid-range models, the figure was around 69 percent.

Traders say they source these devices through luggage carried by returning travellers.

Now, as the government is set to introduce a centralised system to block new unofficial sets, protests by such traders erupt.

They say documentation and processes required to sell official handsets are not feasible for small retailers. Besides, many consumers would not be able to afford them as they cost up to 35 percent more

in taxes. **HIGHEST TAX ON IMPORT**

Bangladesh now imposes some of the world's highest taxes on officially imported smartphones, with cumulative duties between 57 and 59 percent. This pushes consumers to the grey market, where handsets can be purchased far cheaper.

High taxes inflate official retail prices 30 percent to 50 percent above international benchmarks in the US, UAE, Malaysia, Indonesia, Vietnam and China. Grey-market devices, which avoid all duties, undercut legal distributors and undermine the viability of official channels.

In November last year, Jungmin Jung, managing director of Samsung Electronics Bangladesh, pointed to the issue at a Foreign Investors' Chamber of Commerce & Industry session.

He showed how the grey market has captured a growing share of sales, driven almost entirely by large price gaps. Samsung data showed that grey-market phones were 30-48 percent cheaper than official models.

For example, a Model A handset priced at Tk 244,000 officially could be bought for roughly Tk 124,000 through unofficial channels. Premium models were the hardest hit, with 93 percent of units circulating in Bangladesh estimated as grey-market imports, while mid-range devices accounted for around 69 percent.

CURRENCY VOLATILITY HURTS LOCAL PRODUCTION

Taxes on locally manufactured phones have also increased. Pakistan imposes around 20 percent duty on mobile production, while Bangladesh's rate has reached 35 percent.

When local assembly began in 2017, raw materials faced only 12 percent import

duty, and there was no value-added tax (VAT) on manufacturing or sales.

By 2019, multiple layers of VAT were introduced, and a further 5 percent sales-stage VAT came in 2022, bringing total taxes to 35 percent.

That same year, taka was heavily devalued, opening letters of credit became difficult, and grey handsets grew more attractive, said an official of the Mobile Phone Industry Owners' Association of Bangladesh.

Handset production in 2023 fell for the first time since assembly began, dropping 26 percent year-on-year. This came after a rapid rise from 40,000 units assembled by Walton in 2017 to 3.16 crore in 2022.

In 2024, production rebounded 17 percent, but weak sales and large grey imports continued to challenge manufacturers.

READ MORE ON B3

BSEC to create a pool of independent directors for appointments

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) will create a pool of independent directors to help companies select those best suited to their business, BSEC Commissioner Farzana Lalarukh said yesterday.

She made the announcement at an event on independent directors, jointly organised by the Institute of Chartered Accountants of Bangladesh (ICAB) and the International Finance Corporation (IFC) at ICAB's Dhaka office.

"Independent directors should have expertise in industries related to the company," Lalarukh said, highlighting that some firms appoint directors with no relevant experience.

She cited examples such as a textile company hiring a female director who teaches Bangla literature and a doctor appointed to a business unrelated to her field.

"To meet the corporate code's requirement for a female director, such appointments are not justified," she added. "If necessary, a company can request an exemption, but independent directors must have expertise in the company's business."

Under the corporate governance code, every listed company must have at least one female independent director.

Although the deadline for appointing women directors has been extended to December 31, 2025, only 138 out of 360 listed companies have complied so far.

To make appointments easier, the BSEC plans to compile a pool of both male and female independent directors based on expertise. "We are already working on it with IFC," Lalarukh told the Daily Star.

Representatives from ICAB said that 21 female chartered accountants currently serve on boards, while 134 more are fully board-ready. ICAB plans to start structured training for independent directors in collaboration with IFC in 2026.

Lalarukh also stressed the importance of corporate culture, saying, "If we don't fix the internal setup and enforce good governance, independent directors will not be able to improve the situation."

Kamran T Rahman, president of the Metropolitan Chamber of Commerce and Industry; Syed Nasim Manzur, managing director of Apex Footwear; and Syed Mahburur Rahman, managing director and CEO of Mutual Trust Bank, also spoke at the event.

Construction sector sees falling costs amid weak demand

MD ASADUZ ZAMAN

Construction costs in Bangladesh fell for the seventh consecutive month in November, as official data from the Bangladesh Bureau of Statistics (BBS) showed a continued slide in building-material prices amid weakening market demand, according to industry insiders.

The Building Materials Price Index (BMPI) declined to 3.53 percent in November, down 9 basis points from 3.62 percent in the previous month, according to BBS data.

In February, the BMPI peaked at 5.99, the highest level this year, but has since dropped by almost half. The BBS compiles the BMPI by tracking the costs of three key components: building materials, transport, and labour charges.

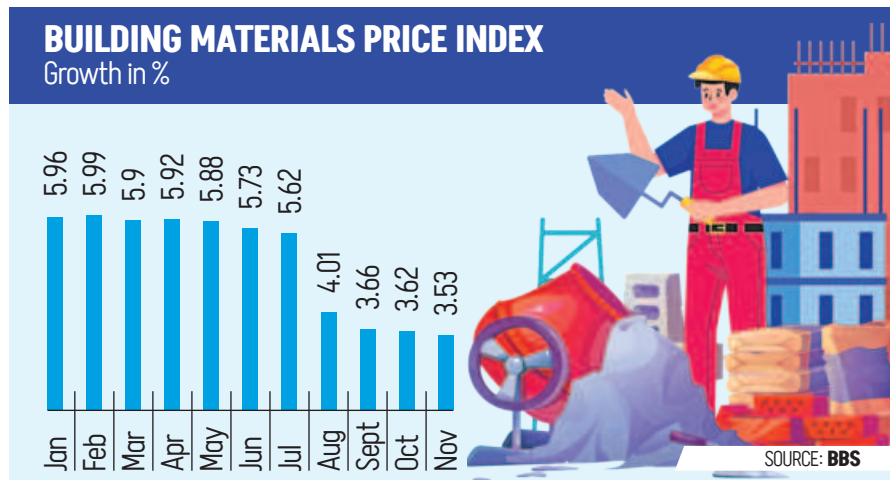
The Building Materials Price Index declined to 3.53 percent in November, down 9 basis points from 3.62 percent in the previous month, according to the BBS

Of these, building material prices fell to 3.53 percent in November, a month-on-month decrease of 0.08 percentage points.

Labour costs grew more slowly at 4.33 percent, down 0.10 percentage points from October, while transport charges dropped to 3.17 percent from 3.27 percent.

"The price of building materials has reduced significantly as overall market demand has slowed," said Bimal Chandra Roy, former president of the Bangladesh Association of Construction Industry (BACI).

Because materials are not being



utilised, producers are struggling to sell at normal rates.

"Those who are producing are likely being forced to sell at lower prices to survive and clear their stock," Roy added.

He attributed much of the pressure to the sharp fall in government-funded construction. Suppliers who had earlier stockpiled raw materials are now compelled to liquidate.

"The situation has been going on for quite some time. It's more prevalent with cement and rods," he said.

The downturn has affected the labour market as well.

"Construction labourers have returned to their villages and taken up farm work because there's no activity at the sites," Roy said.

Transport demand has also weakened, reflecting the slowdown across the sector. Roy stressed that the impact is visible throughout the supply chain.

"If construction activities and development projects can be restarted, things will pick up again," he added.

On whether the return of a political government and improved ADP implementation could revive demand, he noted that outcomes would depend on policy performance rather than politics.

Liakat Ali Bhuiyan, senior vice-president of the Real Estate and Housing Association of Bangladesh (REHAB), echoed these views.

"Demand has fallen, which has pushed prices down. For the past year, we haven't taken on any new projects because of the Detailed Area Plan (DAP)," he said.

ADAP is a comprehensive urban strategy, such as Dhaka's ongoing 2016-2035 plan, intended to guide land use, infrastructure, and sustainable development across a large designated area.

However, it has drawn criticism from various stakeholders over its restrictive provisions and implementation challenges.

Bhuiyan, also chairman of Brick Works Development Ltd, added that if the government revises the plan, many entrepreneurs could fast-track their projects.

BANK RESOLUTION ORDINANCE

A promise on paper without depositor protection: PRI

STAR BUSINESS REPORT

The Bank Resolution Ordinance will remain merely a promise on paper unless the authorities can conduct orderly resolutions, manage failing banks effectively, and protect depositors while minimising systemic risks, according to the Policy Research Institute of Bangladesh (PRI).

"Implementing and executing banking resolution regimes – though conceptually strong – involves major institutional, political, and technical challenges, especially in emerging markets," read a PRI paper presented at a roundtable titled "Bank Failures and Resolution Regime: Understanding the Challenges for Bangladesh."

The discussion, organised by PRI with support from the Foreign, Commonwealth & Development Office (FCDO), took place yesterday at Hotel Amari in Dhaka. Ashikur Rahman, principal economist at PRI, presented the paper, stressing that passing the ordinance is only half the work.

"What must come next is major investment in the processes, systems, and institutional capacity that will enable Bangladesh Bank and the financial sector to actually implement the resolution regime," Rahman said.

"The real task now is building operational strength – supervisory tools, valuation skills, recovery mechanisms, and clear decision-making protocols that can rebuild confidence and revive Bangladesh's financial system. Only then will the ordinance achieve its goal of protecting stability and creating the foundation for a stronger, more resilient banking sector," he added.

CALLS FOR URGENT REFORM

Lutfey Siddiqi, special envoy to the chief adviser for international affairs and chief guest at the event, highlighted the urgency of reform.

"If the banking sector continues with business as usual, nothing will change. Ensuring good governance – no matter which political party is in power – is essential," Siddiqi said.

He also suggested forming a truth and reconciliation commission for the banking sector.

"We need a truth and reconciliation commission for economic crime and NPLs, and to understand how these NPLs were created.

We have to develop a taxonomy because that is the only way to avoid repeating past mistakes," Siddiqi said.

"We need to get to the core of" READ MORE ON B3



Deadlock over Ctg chamber polls eases

STAFF CORRESPONDENT, Ctg

The deadlock over the biennial elections of the Chittagong Chamber of Commerce and Industry (CCCI) appears to have ended after the High Court said yesterday that there is no bar to two categories taking part in the polls.

The High Court (HC) bench of Justice Fahmida Quader and Justice Md Ashif Hasan delivered the verdict after hearing a writ petition.

In CCCI elections, two dozen directors are elected from four categories. These are the General Group, Associate Group, Town Association and Trade Group. The president and two vice presidents are then elected by these directors.

This year, six candidates, three each from the Town Association and the Trade Group, had been on course to secure directorships. A section of stakeholders, calling the two categories "pocket votes", demanded their exclusion from the polls altogether.

Inquiry reports by the chamber and the commerce ministry in July and August also recommended barring these categories from the election.

However, the commerce ministry in September issued an order allowing both the Trade Group and the Town Association to participate.

Mohammed Belal, a businessman, challenged the ministry order and filed a writ petition with the HC.

Responding to the writ in October, the court asked the authorities to explain why the ministry's decision to permit the two "inactive and un-operational" categories should not be declared illegal.

The HC also said the overall election process would continue by excluding both the groups.

Challenging the HC order, the commerce ministry filed an appeal with the Appellate Division on the same day.

On October 30, the Appellate Division deferred the CCCI polls for two weeks and

READ MORE ON B3

Bangladesh Lamps declares 10% dividend

STAR BUSINESS DESK

Bangladesh Lamps PLC, the authorised manufacturer and distributor of Transtec lighting products, including smart LED bulbs, tube lights and other lighting accessories, yesterday declared a 10 percent cash dividend for the year that ended on June 30, 2025.

The declaration was made at the company's 64th annual general meeting (AGM), which was held virtually.

Shahnaz Rahman, chairperson of Bangladesh Lamps PLC, presided over the meeting, according to a press release.

Simeen Rahman, managing director and chief executive officer of the company, conducted the meeting.

The shareholders approved, among other issues, the annual report and financial statements of the company for 2025.

Shahzreh Huq, Saifur Rahman, Atiqur Rahman and Shamsur Rahman, directors of the company; Md Habibur Rahman Mollah, Mohammad Zahid Hossain and Maria Howlader, independent directors; Md Shahidul Islam, chief operating officer; Ruhul Amin, chief financial officer; and Mohammad Ruhana Miah, company secretary, along with a large number of shareholders, also joined the meeting.



Shahnaz Rahman, chairperson of Bangladesh Lamps PLC, presides over the company's 64th annual general meeting yesterday. The meeting declared a 10 percent cash dividend for 2025. Simeen Rahman, managing director and CEO of the company, was present. PHOTO: BANGLADESH LAMPS

Bank Asia organises AML & CFT awareness programme



Md Mofizur Rahman Khan Chowdhury, acting head of the Bangladesh Financial Intelligence Unit, and Romo Rouf Chowdhury, chairman of Bank Asia PLC, pose for a group photograph with participants of an awareness programme at Bank Asia Tower in Karwan Bazar, Dhaka recently. PHOTO: BANK ASIA

STAR BUSINESS DESK

Bank Asia PLC recently organised an awareness programme on anti-money laundering (AML) and combating the financing of terrorism (CFT) at Bank Asia Tower in Karwan Bazar, Dhaka.

The objective of the programme was to strengthen institutional knowledge and awareness on AML and CFT.

Md Mofizur Rahman Khan Chowdhury, acting head of the Bangladesh Financial Intelligence Unit (BFIU), attended the programme as the chief guest, according to a press release.

Chowdhury facilitated an interactive session focusing on corporate governance, fostering a strong culture of compliance, and the critical roles and responsibilities of the board of directors

and senior management.

Romo Rouf Chowdhury, chairman of Bank Asia PLC, and Zakia Rouf Chowdhury, vice-chairman, attended the event.

The programme further underscored Bank Asia PLC's steadfast commitment to robust corporate governance, transparency and ethical banking practices, reinforcing its dedication to delivering the highest standards of service to its customers, the release added.

Rumee A Hossain, chairman of the board executive committee of the bank, MA Baqui Khalily, chairman of the risk management and board audit committee, along with other members of the board of directors and the senior management team, were also present at the programme.

Sadiquir Rahman made AMD of Meghna Bank

STAR BUSINESS DESK

Meghna Bank PLC has promoted Md Sadiquir Rahman to the post of additional managing director (AMD).

Prior to this promotion, Rahman was serving the bank as a deputy managing director and also held the role of managing director and chief executive officer (current charge), according to a press release.

He joined Meghna Bank PLC in 2013 and worked in different capacities before being promoted to AMD.

Rahman is a seasoned banking professional with 28 years of diversified experience in branch banking, retail and SME banking, treasury, credit, foreign exchange, ALM, treasury risk management, capital market operations and Islamic banking.

He has been a key member of the bank's MANCOM, ALCO, SMT, CRMC, RMC and Investment Committee. He has also been serving as a director and TREC holder representative of Meghna Bank Securities Ltd since its inception.

Rahman started his banking career at Sonali Bank PLC as a senior officer in 1998. He later worked at AB Bank Ltd.

He completed his MBA from the University of Dhaka and earned an MBM and DAIBB, along with multiple professional certifications such as CERM, CECM, CEAF, CIBFP, CPSME, CSAA and DIB.



Oil prices ease

REUTERS, Singapore

Oil prices eased on Thursday as investors shifted focus back to Russia-Ukraine peace talks and monitored potential fallout from a US seizure of a sanctioned tanker off the coast of Venezuela.

Brent crude futures were down 50 cents, or 0.8 percent, at \$61.71 a barrel, as of 0730 GMT, while US West Texas Intermediate crude fell 46 cents, or 0.8 percent, to \$58.00 a barrel.

The benchmarks settled higher a day earlier after the US said it seized an oil tanker off the coast of Venezuela, as escalating tensions between the two countries raised concerns about supply disruptions.

"So far, the seizure has not trickled down to the market, but further escalation will impose heavy crude price volatility," said Emril Jamil, a senior oil analyst at LSEG.

"The market remains in limbo, eyeing the Russian-Ukraine peace deal progress."

On Wednesday, US President Donald Trump said "we've just seized a tanker on the coast of Venezuela, large tanker, very large, largest one ever, actually, and other things are happening."

Trump administration officials did not name the vessel. British maritime risk management group Vanguard said the tanker, Skipper, was believed to have been seized off Venezuela.

PBIL signs MoU with Bluenergy, Gtech Infrastructure to boost renewable energy

STAR BUSINESS DESK

Prime Bank Investment PLC (PBIL) recently signed a memorandum of understanding (MoU) with the consortium of Bluenergy Solutions Ltd and Gtech Infrastructure Ltd, two pioneers in solar engineering and industrial clean energy development in Bangladesh.

Under the agreement, PBIL will provide a suite of investment banking services across equity and debt capital markets, corporate advisory and portfolio management – supported by robust governance, disciplined risk management and sector-driven expertise.

The consortium brings extensive technical proficiency in renewable energy engineering and project development, offering consultancy, feasibility studies, design, EPC solutions and specialised execution capabilities across solar PV projects.

Syed M Omar Tayub, managing director and CEO of Prime Bank Investment PLC, and DM Abu Bakar Siddique, authorised signatory of the consortium and managing director and CEO of Gtech Infrastructure Ltd, signed the MoU in Dhaka, according to a press release.

Discussing the financial importance of the partnership, Tayub said Bangladesh's transition to clean energy requires close alignment between technical innovation and financial readiness.

"Our collaboration with the consortium positions us to play a catalytic role in bridging this infrastructure gap and advancing the country's green-growth ambitions," he added.

Siddique remarked, "Partnering with PBIL enables us to match high-quality project engineering with sophisticated financial structuring."

Together, we aim to accelerate the rollout of utility-scale solar and other



DM Abu Bakar Siddique, managing director and CEO of Gtech Infrastructure Ltd and authorised signatory of the consortium, and Syed M Omar Tayub, managing director and CEO of Prime Bank Investment PLC, pose for a photograph after signing the memorandum of understanding in Dhaka recently. PHOTO: PRIME BANK INVESTMENT PLC

clean energy solutions that contribute to long-term energy security and environmental sustainability."

The partnership emphasises ESG-

aligned investment, climate-focused financial solutions and the development of bankable project pipelines that support Bangladesh's clean energy ambitions.



Prof M Zubaidur Rahman, chairman of Islami Bank Bangladesh PLC, attends the bank's 42nd annual general meeting at the Kurmitola Golf Club in Dhaka yesterday.

Islami Bank holds 42nd AGM

STAR BUSINESS DESK

Islami Bank Bangladesh PLC held its 42nd annual general meeting (AGM) at the Kurmitola Golf Club in Dhaka yesterday.

Prof M Zubaidur Rahman, chairman of Islami Bank Bangladesh PLC, presided over the meeting as the chief guest, according to a press release. In his speech, Rahman said the bank has faced many challenges in recent years.

"A group weakened the foundation of this top-tier institution. But with the new board of directors formed after August 5, 2024, and the joint efforts of the bank's employees, Islami Bank has started turning around," he said.

"The bank has already cleared all its dues with Bangladesh Bank. This was possible due to the trust of its 2.5 crore clients and the general public."

"Islami Bank stands as a symbol of trust," he said, adding that after the July Revolution, Bangladesh Bank appointed the current board to revive the institution and protect customer interests. Board members are working tirelessly to establish good governance and strengthen the financial base, he said.

StanChart, BRAC University train next-gen financial crime experts

STAR BUSINESS DESK

Standard Chartered Bangladesh and BRAC University celebrated the success of their Financial Crime and Compliance (FCC) certification programme, an initiative aimed at strengthening the country's defences against financial crime and enhancing compliance standards across the banking sector.

The event, titled "Celebrating Success: Training to Combat Financial Crime and Ensure Compliance", brought together

(BFIU), was present as special guest.

Speaking at the certificate distribution ceremony, Naser Ezzaz Bjoy, chief executive officer of Standard Chartered Bangladesh, said: "Together with BRAC University, we have trained four cohorts, with the fifth underway, to build the talent required to combat financial crime and develop a resilient financial ecosystem."

"My heartfelt thanks to BRAC University, BFIU and all participants for making this initiative a success," he added.

Prof Mohammad Mujibul Haque,



Md Zakir Hossain Chowdhury, deputy governor of Bangladesh Bank, attends an event, titled "Celebrating Success: Training to Combat Financial Crime and Ensure Compliance", organised by Standard Chartered Bangladesh and BRAC University, in Dhaka recently. PHOTO: STANDARD CHARTERED

senior representatives from Bangladesh Bank, BRAC University and Standard Chartered Bangladesh.

A total of 177 participants have successfully completed the programme so far. The enrolment of 55 participants in the fifth cohort signals the programme's evolution into a long-term capacity-building platform for Bangladesh's financial sector.

Md Zakir Hossain Chowdhury, deputy governor of Bangladesh Bank, attended the event as chief guest, according to a press release.

Md Mofizur Rahman Khan Chowdhury, executive director and head (current charge) of the Bangladesh Financial Intelligence Unit

dean of BRAC Business School, highlighted the severity of financial crime in Bangladesh and expressed his gratitude to those from Standard Chartered Bangladesh, BFIU and BRAC Business School who contributed to the success of the programme.

Since its launch in early 2024, the programme has expanded significantly, growing into a sustained initiative that has now trained four full cohorts.

Prof Arshad Chowdhury, pro-vice chancellor of BRAC University, and Ariful Islam, treasurer, were also present, along with representatives from participating organisations.

BCSIR and Nestlé Bangladesh Collaborates to Launch Nestlé PUSHTIGROW+ to Support Child Nutrition Advancement

Nestlé Bangladesh PLC, a subsidiary of the Switzerland-based global leader in nutrition and wellness, proudly announces the launch of Nestlé PUSHTIGROW+, an innovative cereal-based micronutrient fortifier developed in partnership with the Bangladesh Council of Scientific and Industrial Research (BCSIR). The official launch event was held at Sheraton Dhaka on November 25, 2025.

The ceremony was graced by distinguished guests, including Ms. Shamina Ahmed, Chairman of BCSIR; His Excellency Mr. Reto Renggli, Ambassador of Switzerland to Bangladesh; and His Excellency Mr. Dharmapala Weerakkody, Ambassador of Sri Lanka to Bangladesh. Over 100 key opinion leaders from government regulatory bodies, scientists, health experts, and industry leaders attended the event.

Nestlé PUSHTIGROW+ is formulated to deliver probiotics and 16 essential nutrients, addressing critical dietary gaps among children aged 5 years and above. This product reflects Nestlé's commitment to improving child nutrition in Bangladesh by leveraging government resources and scientific expertise.

"We believe this micronutrient fortifier, developed in collaboration with BCSIR, will significantly contribute to improving health outcomes and enhancing quality of life in Bangladesh," said A S M Hafizul Islam, Director-Nutrition, Nestlé Bangladesh PLC.

Mr. Deepal Abeywickrema, Chairman and Managing Director of Nestlé Bangladesh PLC, added: "At Nestlé, we strive to unlock the power of food for everyone. This collaboration with BCSIR enables us to support millions of children across Bangladesh with fortified homemade meals. This initiative continues our 30+ years of dedication to nutrition in the country."

BRAC Bank surpasses \$2b in remittance inflow

STAR BUSINESS DESK

BRAC Bank PLC has surpassed \$2 billion in remittance inflow in 2025, climbing from the 17th to the 4th position in the past five years.

The bank's steady growth from \$427 million in 2020 to \$1,605 million in 2024 reflects rising customer confidence, according to a press release.

To support this momentum, BRAC Bank has invested in a modern remittance ecosystem focused on speed, transparency and accessibility for Non-Resident Bangladeshis (NRBs).

Instant eKYC enabled onboarding now allows NRBs to open accounts remotely within minutes, encouraging a shift from informal networks to formal banking channels.

The bank has also strengthened its digital capabilities through the Probashi Virtual Savings Account, offering NRBs and their families seamless access to Astha, BRAC Bank's digital banking platform. Users can manage deposits, transfers, bill payments, mobile recharges, fixed deposits, DPS and secured loans from a single interface.

To further support remittance-dependent households, the bank introduced two savings products – the Probashi Poribar Savings Account and the TARA Probashi Poribar Savings Account.

BGMEA seeks Chinese investment in man-made fibre

STAR BUSINESS REPORT

Leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday sought cooperation from the Chinese investors for joint-venture investment in manmade fibre (MMF), chemical and renewable energy.

The request was made during a meeting between the BGMEA officials and a visiting Chinese delegation held at the BGMEA office in Dhaka.

China, the largest garment exporter globally, currently holds over 30 percent of the international garment market, though its share has declined in recent years.

The country is also the largest supplier of MMF products and is exploring alternative production destinations in other countries to reduce costs.

At the meeting, Inamul Haq Khan, senior vice-president of BGMEA, said Bangladesh is focusing on technology upgrades, advanced machinery, and MMF-based production to remain competitive in global markets.

He urged Chinese investors to explore joint ventures in MMF textiles, chemicals, and renewable energy, which he said would reduce costs and shorten lead times for apparel exporters.

Khan also highlighted cooperation opportunities in AI-driven manufacturing, integrated supply



PHOTO: STAR/FILE

chain systems, 3D photo production, and digital product passports as critical for Bangladesh's post-LDC graduation challenges.

BGMEA Director Faisal Samad emphasised the need for frequent engagement between businesses of both countries, proposing a coordination meeting in January supported by Bettex Industries.

He also suggested signing a memorandum of understanding

(MoU) with the Cheung Kong Graduate School of Business (CKGSB) to enhance collaboration in education and research.

Samad noted that since Bangladesh imports a significant volume of fabrics from China, business disputes occasionally arise.

Having a Chinese law firm available for dispute resolution, he said, would benefit companies on both sides by providing a reliable platform for settling commercial issues.

The Chinese delegation expressed interest in joint investments in renewable energy and other emerging sectors.

They also invited BGMEA leaders to visit major fabric-manufacturing hubs in China and agreed to meet again in January.

Key members of the Chinese delegation included information technology (IT) and supply chain specialists Yi Shanwei, chairman of Weihai Bettex, and Yi Ran, project manager; Luo Fei, chairman of Beijing Mofeng Technology; and Gao Bin, president of Nanjing Zhiyi Network Technology.

From the textile and fabrics sector, attendees included Shen Hanxin, CEO of Fast Powder; Luan Rundong, executive director of Changzhou Jinhe Investment; and Quan Shouli, general manager of Suzhou Youwo Rui New Materials Technology.

Currently, China remains Bangladesh's largest source of imported raw materials, including fabrics, chemicals, and accessories for export-oriented garment items.

Many Chinese investors are exploring opportunities in Bangladesh due to higher US tariffs on Chinese products, while global brands are increasingly relocating some work orders from China to countries such as Bangladesh, Vietnam, Thailand, and Myanmar to reduce production costs and mitigate supply chain risks.

Gold prices drop in int'l market

REUTERS

Gold eased on Thursday, pulling back from a near one-week high, after the US Federal Reserve delivered a divided interest rate cut that left investors uncertain about the pace of easing next year, while silver notched another record high.

Spot gold fell 0.4 percent to \$4,210.88 per ounce, as of 0707 GMT, after touching its highest since December 5 earlier in the session. US gold futures for February delivery gained 0.3 percent to \$4,238.10 per ounce.

"Gold has been unable to kick on with things today... because the Fed's message was essentially that any further rate cuts could be few and far between," KCM Trade Chief Market Analyst Tim Waterer said.

The Fed delivered a 25-basis-point rate cut in a divided vote on Wednesday but signalled that borrowing costs may not fall further as it waits for clearer signs of a cooling labour market and inflation that "remains somewhat elevated."

While most policymakers expect they will need to cut rates again next year, an unprecedented six officials opposed even Wednesday's quarter-point move. Fed Chair Jerome Powell also declined to offer guidance on the timing of any further cuts.

Lower interest rates typically benefit non-yielding assets such as gold.

Investors now await US jobs and inflation data for November next week, followed by a detailed third-quarter economic growth report.

Spot silver added 0.2 percent to \$61.90 per ounce after hitting a record high of \$62.88 earlier in the session, bringing its year-to-date gain to 113 percent on strong industrial demand, falling inventories and its addition to the US critical minerals list.

A promise on paper without depositor protection

FROM PAGE B1

conduct," he added. "Why did we end up with NPLs at this level? Let us create a taxonomy. I would love to see some research on the different ways NPLs accumulated."

Zaidi Sattar, chairman of PRI and chair of the event, said the recent rise in non-performing loans (NPLs) to nearly 35 percent is unprecedented and requires careful analysis.

"In advanced economies, we talk about institutions being 'too big to fail'. In Bangladesh, many distressed banks are instead 'too toxic to fail', because letting them collapse would trigger severe contagion across the economy," Sattar said. He added that Bangladesh's unique environment demands its own framework for resolving banking sector problems.

ECONOMIC IMPACT OF HIGH NPLS

Mohammad Akhtar Hossain, chief economist at Bangladesh Bank and a special guest, highlighted the broader economic impact. "Our FDI to GDP ratio is already very low, and the combination of

high NPLs and ongoing political uncertainty is making it extremely difficult to attract foreign direct investment," he said.

Tanjil Chowdhury, chairman of Prime Bank, stressed that wilful defaulters should not be allowed back into the economy.

"They should not receive any fresh financing. The 2 percent shareholding requirement for becoming a director should be abolished and replaced with a cap on family shareholding," he said.

Mashrur Arefin, chairman of the Association of Bankers Bangladesh (ABB) and managing director of City Bank, said no bank in Bangladesh should be allowed to fail.

"The initiative to merge the five banks is appropriate. As the economy grows, it needs more banks. Many banks that once struggled are now strong institutions. City Bank is one such example. Bismillah Group had badly affected Prime Bank, yet the bank is on track to make Tk 1,000

crore in profit this year," he said.

Ahmed Rashid Joy, deputy managing director of BRAC Bank, highlighted the importance of clarity in restructuring plans.

"The success will depend on what percentage of customers will get their money back and what percentage will receive shares," he said. Mohammad Zahir Hussain, executive director of the Bank Resolution Department at Bangladesh Bank, also spoke at the discussion.

Deadlock over Ctg chamber polls eases

FROM PAGE B1
directed the HC to dispose of the original writ during that period. The HC yesterday disposed of that original writ, said Advocate Farzana Khan, who represented the two categories.

Advocate Farzana said the court, after extensive hearings, discharged the earlier rule. According to her, the decision means the commerce ministry order allowing the two categories in the polls now faces no legal obstacle.

AI's \$400b problem: Are chips getting old too fast?

AFP, New York

In pursuit of the AI dream, the tech industry this year has plunked down about \$400 billion on specialized chips and data centers, but questions are mounting about the wisdom of such unprecedented levels of investment.

At the heart of the doubts: overly optimistic estimates about how long these specialized chips will last before becoming obsolete.

With persistent worries of an AI bubble and so much of the US economy now riding on the boom in artificial intelligence, analysts warn that the wake-up call could be brutal and costly.

"Fraud" is how renowned investor Michael Burry, made famous by the movie "The Big Short," described the situation on X in early November.

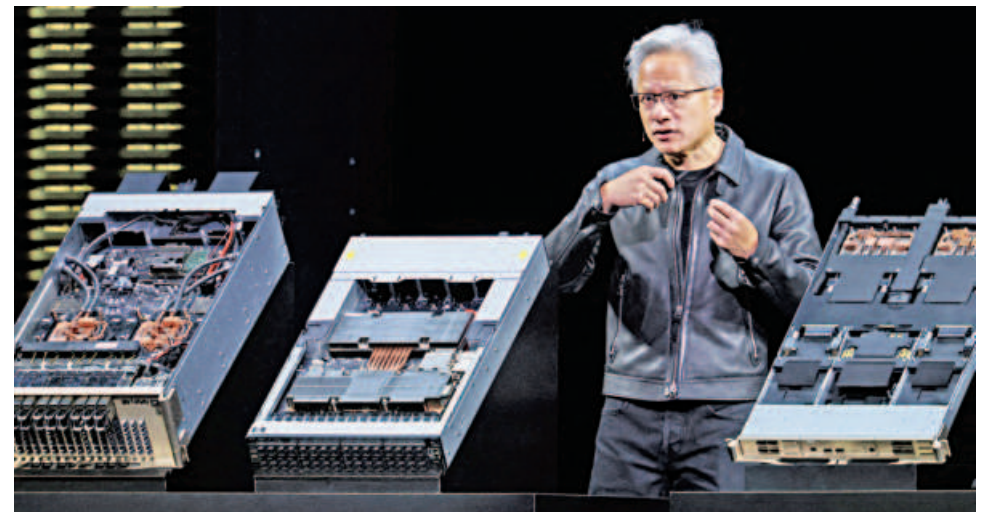
Before the AI wave unleashed by ChatGPT, cloud computing giants typically assumed that their chips and servers would last about six years.

But Mihir Kshirsagar of Princeton University's Center for Information Technology Policy says the "combination of wear and tear along with technological obsolescence makes the six-year assumption hard to sustain."

One problem: chip makers -- with Nvidia the unquestioned leader -- are releasing new, more powerful processors much faster than before.

Less than a year after launching its flagship Blackwell chip, Nvidia announced that Rubin would arrive in 2026 with performance 7.5 times greater.

At this pace, chips lose 85 to 90 percent of their market value within three to four years, warned Gil Luria of financial advisory firm D.A. Davidson.



Nvidia President and CEO Jensen Huang delivers the keynote address during the Nvidia GPU Technology Conference in Washington, DC. Companies are doubting how long AI specialised chips will last before becoming obsolete.

PHOTO: AFP/FILE

Nvidia CEO Jensen Huang made the point himself in March, explaining that when Blackwell was released, nobody wanted the previous generation of chip anymore.

"There are circumstances where Hopper is fine," he added, referring to the older chip. "Not many."

AI processors are also failing more often than in the past, Luria noted.

"They run so hot that sometimes the equipment just burns out," he said.

A recent Meta study on its Llama AI model found an annual failure rate of 9 percent.

For Kshirsagar and Burry alike, the realistic lifespan of these AI chips is just two or three years.

Nvidia pushed back in an unusual November statement, defending the industry's four-to-six-year estimate as based

on real-world evidence and usage trends. But Kshirsagar believes these optimistic assumptions mean the AI boom rests on "artificially low" costs -- and consequences are inevitable.

If companies were forced to shorten their depreciation timelines, "it would immediately impact the bottom line" and slash profits, warned Jon Peddie of Jon Peddie Research.

"This is where companies get in trouble with creative bookkeeping."

The fallout could ripple through an economy increasingly dependent on AI, analysts warn.

Luria isn't worried about giants like Amazon, Google, or Microsoft, which have diverse revenue streams. His concern focuses on AI specialists like Oracle and CoreWeave.

Government of the People's Republic of Bangladesh
Office of the Executive Engineer, RHD
Road Division, Jhenaidah
Phone: 0247747110

Reference No. 15/1 Date: 07/12/2025

e-GP Tender Notice

e-Tender is invited in the National e-GP System Portal (<http://www.eprocure.gov.bd>) for the procurement of the following

Tender ID No.	Package No.	Name of work	Publishing date	Last date & time of selling	Opening date and time
1189063	e-GP-12/Works-12/JHERD/2025-26	Repairing work with DBS-Wearing Course & necessary repair work at Ch. 7+700m to Ch. 7+970m under of Jhenaidah-Kushtia-Paksey Ferry-Dasuria Road (N-704) Road under Road Division, Jhenaidah during the year 2025-2026.	07-Dec-2025 12:00	21-Dec-2025 17:00	22-Dec-2025 12:00

This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required. The fees for downloading the e-Tender documents from the National e-GP System Portal have to be deposited online through any Member of Schedule Bank for e-GP. Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (<http://www.helpdesk@eprocure.gov.bd>).

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Grey handset market

FROM PAGE B1

According to the Mobile Phone Industry Owners' Association and Bangladesh Telecommunication Regulatory Commission (BTRC) data, grey smartphones now account for 40 percent to 50 percent of the market.

Meanwhile, Samsung's figures show grey-market imports rose from 24 percent in 2022 to 40 percent in 2024. The overall market is valued at \$1.7 billion, with over \$0.7 billion captured by unofficial devices.

According to industry insiders, the grey market alone is estimated at around \$0.8 billion in 2025.

TRADERS RESIST NEIR

BTRC data show 4.6 crore handsets were added to the network last year. Of these, 2.7 crore were locally manufactured, one-third of them smartphones, while around 1.9 crore entered through unofficial channels.

However, the breakdown of how many handsets were bought by Bangladeshi

expatriates and how many by grey-market traders remains unclear.

Shamim Mollah, acting president of the Mobile Business Community Bangladesh, whose members protested against the NEIR system, denied claims that traders bring in phones illegally.

He said devices are sourced from foreign travellers, bypassing official procedures. NEIR and high taxes, he argued, disproportionately threaten small traders, while local assemblers benefit.

"NEIR needs restructuring. We want to pay tax, but the regulator must remove barriers to legal imports," he said.

Meanwhile, BTRC Chairman Major General (Retd) Md Emdad ul Bari said the commission is working to simplify import and vendor-enlistment processes.

He said certificates will require fewer documents and faster approval, and unsold devices in the market will be regularised. Inter-ministerial discussions are ongoing.

Advertorial

Deepal Abeywickrema, Chairman and MD of Nestlé Bangladesh PLC, elected Senior Vice President of FICCI



Mr. Deepal Abeywickrema, Chairman and Managing Director of Nestlé Bangladesh PLC, has been elected as the Senior Vice President of the Foreign Investors' Chamber of Commerce & Industry (FICCI). This marks his second tenure in this leadership role, following his impactful service in the same position in 2022-2023.

FICCI is the apex body representing foreign investors in Bangladesh, playing a crucial role in shaping policies that foster a conducive investment climate, drive innovation, and create job opportunities. Its influence is vital in promoting foreign investors' interests and significantly contributing to the country's economic development.

Mr. Abeywickrema has served as an ambassador for foreign investors in Bangladesh for the last seven years, and his appointment to this strategic leadership role underscores his credentials as a visionary leader. His leadership is expected to enhance FICCI's efforts in representing the foreign investment community and ensuring that their contributions to Bangladesh's economy are recognized and supported.

Fed makes third straight rate cut Signals higher bar ahead

AFP, Washington

A divided US Federal Reserve lowered interest rates Wednesday for a third consecutive time this year, but signaled that it could hold off further reductions in the coming months.

Fed Chair Jerome Powell said the central bank is "well positioned to wait and see how the economy evolves from here."

The Fed's statement on its decision also brought back language used in late-2024 to signal a pause in more rate cuts.

Powell stressed that officials are in a good position to determine the "extent and timing of additional adjustments based on the incoming data, the evolving outlook and the balance of risks."

Wednesday's reduction by a quarter percentage point brings rates to a range between 3.50 percent and 3.75 percent, the lowest in around three years, a move aligned with market expectations.

The Fed penciled in one more rate cut next year, and flagged heightened risks to employment as it announced its latest decision.

But a rift within the central bank deepened with three officials voting against the modest reduction.

Chicago Fed president Austan Goolsbee joined Kansas City Fed president Jeffrey Schmid to support keeping rates unchanged. Fed Governor Stephen Miran again backed a bigger, half-percentage point cut.

Fed Chair Jerome Powell said the central bank is "well positioned to wait and see how the economy evolves from here."

The Fed's rate-setting committee has 12 voting members – including seven members of the board of governors, the New York Fed president and a rotation of reserve bank presidents – who take a majority vote in deciding on rates.

Powell noted that some disagreement was expected, pointing to tensions between inflation risks and a weakening jobs market: "It's a close call."

"Inflation is well above the Fed's target, but the job market appears to be softening," said Mortgage Bankers Association chief economist Mike Fratantoni in a statement.

"Thus, there is ammunition for both sides of the debate" within the Fed, he added. For now, Powell said, the Fed is "in the high end of the range of neutral" rates, with neutral being a level that neither stimulates nor restricts economic activity.

The Fed has previously described interest rates as "modestly restrictive" – "neutral" could suggest less justification to lower levels quickly.

"We expect the Fed will want to pause for a while to allow time for this and prior cuts to feed through the economy," said economist Ryan Sweet of Oxford Economics.

Powell added that the US economy needs several years where wages are higher than inflation for "people to start feeling good about affordability."

On Wednesday, Fed officials also lifted their 2026 growth forecast, while easing inflation expectations and keeping their unemployment rate projection unchanged.

These forecasts could shift as the central bank grapples with a delay in federal economic data releases after a record-long government shutdown.



Female workers sort, wash, and process plastic waste into durable household items at Alpath Group's plastic-recycling unit in Patuakhali. The photo was taken recently.

PHOTO: SOHRAB HOSSAIN

From waste to wealth Patuakhali factory creates green and sustainable products from betel nut leaf sheaths and discarded plastics

SOHRAB HOSSAIN

In a major step towards green and sustainable industry, a new factory in Patuakhali is transforming fallen betel nut leaf sheaths, locally called khol, into durable, biodegradable tableware.

The initiative provides an eco-friendly alternative to single-use plastics

"Our country is being harmed by single-use plastics," Toukir said. "Most industries use chemicals, but betel nut leaf sheaths naturally return to the soil. That inspired me to create eco-friendly products that do no harm."

The factory sources raw materials from Patuakhali, Pirojpur, and Bhola through local agents. It produces sturdy, reusable

tables, mugs, glasses, and bottles.

"We want to make sure discarded plastic doesn't stay in the environment," Toukir said. "Recycling gives plastic a second life and keeps our communities clean."

EMPOWERING THE LOCAL COMMUNITY

The initiative is already boosting the local economy. The factory employs 20 workers, including 13 women, providing much-needed jobs.

For many women, the factory has been life-changing. Sukhi Akhter said, "We never imagined such beautiful products could be made from betel nut leaf sheaths. After training from experts in Chattogram, we now work confidently. This job has brought stability to my family."

Bithi Akhter, once hesitant to use electric machines, now works without fear. "My income has improved our family life and my children's well-being," she said.

Plastic-recycling worker Farida Begum also said that the job has helped ease her financial struggles.

Factory manager M Jalilur Rahman said the company aims to make eco-friendly products widely available while promoting plastic recycling nationwide.

The local administration praised the initiative. Dumki Upazila Nirbahi Officer Abuzar Md Ijazul Haque called the factory "a shining example of green industrialisation" and promised full support for similar projects in the region.

Betel nut palms are widely grown in the coastal districts of the country, producing an abundant supply of fallen sheaths. Traditionally, these sheaths were used as fuel in rural stoves



Biodegradable tableware made from betel nut leaf sheaths at Alpath Group's factory in Patuakhali.

while creating local employment opportunities.

The factory, set up by 28-year-old Toukir Ahmed Sabab, founder of Alpath Group, is built on 35 decimals of his ancestral land in Rajakhali village of Dumki upazila. Full-scale production began on October 24 this year. Factories of this kind already exist across Bangladesh, showing the growing importance of sustainable manufacturing in the country.

Betel nut palms are widely grown in the coastal districts of the country, producing an abundant supply of fallen sheaths. Traditionally, these sheaths were used as fuel in rural stoves. Recognising their natural biodegradability, Toukir saw a bigger opportunity.

items, including plates, bowls, spoons, forks, knives, trays, and salt containers – items typically made from plastic for hotels and restaurants.

"Our products can be reused many times, unlike plastic tableware, which bends after one use," Toukir added.

Demand for these sustainable products is rising, with national retailers, hotels, and restaurants showing interest. Alpath Group's products are now available in Dhaka at Aarong, Baitul Mukarram, New Market, and online.

In addition to biodegradable tableware, Alpath Group also runs a plastic-recycling unit. Collected plastic waste from the Barishal division is sorted by colour, washed, and processed into durable household items such as chairs,

Who is raising our children now?

MAHTAB UDDIN AHMED

If Bangladesh suddenly bans social media for everyone under sixteen, the first shock will not shake the earth. It will shake the nation's emotions. Picture this: teenagers staring at silent phones, much like we all did during last July's internet shutdown, parents finally discovering what their children actually look like, and coaching centres declaring a national emergency because students suddenly have "too much time to study". Even TikTokers will be forced to relearn ancient human skills such as talking to real people, reading books, or the most terrifying activity of all, doing homework. For once, children might even hear real birds singing instead of dramatic TikTok soundtracks where everyone cries, dances, and gives life advice at the same time.

Australia has pioneered the world's first under-16 social media ban. The government claims it is not trying to torture teenagers but trying to save their sanity, safety and sleep. The idea is simple: remove children from platforms that algorithmically serve anxiety, body shaming, cyberbullying and the endless pressure to look perfect at age thirteen. Officials argue that young brains are not designed to handle dopamine factories disguised as apps. Platforms including YouTube, TikTok, Instagram, Snapchat, Facebook, X and Reddit must now prevent underage users from having accounts or risk fines heavy enough to wipe the smile off even Meta.

Authorities insist this is about protecting future generations from a mental health epidemic hidden behind ring lights and filters. Australia believes that if children spend less time scrolling for validation and more time doing ordinary teenage things, such as outdoor sports, friendships, or simply being bored,

the country may end up with healthier adults and fewer therapy bills. Many parents are thrilled. Teenagers, however, have announced a national period of mourning and are already searching for VPNs faster than kangaroos can hop.



Other countries are also considering similar measures. The United States is debating age-verification laws in several states. France requires parental consent for under-15 users. The United Kingdom is tightening online safety rules. Several African nations allow telecom operators and banks to run digital platforms, which creates stricter accountability. The global mood is shifting. Social media is useful, but not when it hijacks childhood.

Countries such as South Korea, China and parts of Europe have already taken bold steps. Some switch off online gaming or restrict internet access at night so teenagers can sleep instead of watching "one last video" until sunrise. Meanwhile, a recent global report shows another trend: social media posting has sharply dropped because AI-generated fake photos and fake "perfect lives" are flooding platforms. Real humans are quietly stepping back because it is hard to compete when even robots look better.

Bangladesh can learn from these developments. We already worry about declining attention spans, rising addiction and a generation that believes editing skills matter more than ethics. A thoughtful age-management policy could help, especially in protecting children from predators, bullying and misinformation. But we must confront a technical reality.

Half our Facebook users appear as Dark Angel, King Slayer or Tui Ke Amar Janish Na, and nearly everyone claims to be "18". If we rely on ID checks, platforms will assume Bangladesh has 20 crore adults and no children. A solution could include AI age checks, parent linked accounts, telecom verification and a child "education mode". Parents, schools and NGOs must also stop pretending nothing is wrong.

A global APA-reported survey shows more than 70 percent of teenagers say social media stress affects relationships and sleep. In Bangladesh, BRAC and Unicef studies report rising anxiety, cyberbullying and academic decline linked to excessive screen time. Many parents admit they feel powerless.

If we do nothing, social media will shape our children more than parents, schools, or the country ever will. If we act now, we can protect a generation before algorithms raise them.

The writer is the president of the Institute of Cost and Management Accountants of Bangladesh and founder of BuildCon Consultancies Ltd

India capex hole puts world-beating growth at risk

REUTERS, Mumbai

India's blistering growth has a quality problem. GDP is speeding ahead at 8 percent in the world's fifth-largest economy but the government is doing the heavy lifting on investment. Policymakers have spent years trying to coax companies into spending more, with limited success. The result: growth that looks fast but feels flimsy.

Since coming to power in 2014, Prime Minister Narendra Modi has cut corporate taxes, subsidised manufacturing ventures and introduced a bankruptcy law. Some of that effort is paying off. Multinationals including Alphabet's Google and tycoon-backed groups like Adani, Reliance Industries and Tata Consultancy Services are pouring cash into industries of the future from renewable power to artificial intelligence-ready infrastructure.

But India Inc's outlay is not keeping pace with the \$4 trillion economy's expansion.

Private firms' investments contributed 34.4 percent to asset creation in the year to the end of March 2024, the lowest share in over a decade. Their share in real GDP fell to 11.5 percent from a peak of about 13 percent eight years earlier.

These trends force the government to spend heavily to keep GDP humming – a challenge now compounded by a 50 percent US tariff on Indian exports. Globally, tariff uncertainty and a flood of cheap Chinese goods have made companies cautious. But India's muted animal spirits are a stubborn long-term problem.

The result is a paradox: global investors are cheering India's world-beating growth, which hit an annualised 8.2 percent in the September quarter, buoyed by tax cuts ahead of the festive season. Yet behind the headlines, policymakers and company executives are sounding the alarm.

In September, S. Mahendra Dev, chair of the prime minister's economic advisory council, urged the private sector to "invest in India's growth journey." Earlier, in March 2023, Modi himself called on big business to step up after unveiling a record 10 trillion rupees, about \$111 billion at current exchange rates, in government capital expenditure for the coming financial year. Public spending, including by state-owned enterprises, climbed to an at least 12-year high of 8.4 percent of GDP in 2023-24.

Why aren't Indian companies investing? The simple answer is weak demand. Capacity utilisation, a measure of how much firms are using existing production capabilities, is below 75 percent, giving companies little confidence to put up fresh investment.

Real wages are stagnating. After adjusting for inflation, salaried and self-employed Indians earned a lower average monthly income during the year ended March 2024 than they did six years earlier.

That forces Indians to cut back on spending, from everyday items like biscuits to bigger purchases such as motorbikes. Nearly half the workforce still relies on agriculture – one major area where Modi's reform drive has barely penetrated – leaving millions in

informal, low-paying jobs.

A deep-seated shift is also playing out at India's top business groups. The asset quality crisis that followed a period of industrial splurge up to 2011 saw tycoons stripped of some of the country's largest assets.

A new insolvency law helped find buyers for distressed assets – ArcelorMittal's takeover of

the Ruia family's Essar Steel is one example – and strengthened creditors' bargaining power with defaulting tycoons. Yet the way many owners were pushed into bankruptcy, with the Reserve Bank of India rather than creditors driving the process, left deep scars.

It created an aversion to debt that India Inc is yet to fully shake off. Net debt at the

200 top public non-financial companies as of September 30 stood at a six-year low of 1.9 times EBITDA, per Axis Capital analysts. Many companies have gone further and pursued "zero-net debt" strategies, preferring to fund growth through existing cash flows.

The priorities of India's wealthy business families are also shifting. Over the next decade, they are expected to transfer \$1.5 trillion across generations, according to EY and Julius Baer. Many heirs prefer managing money to building factories; the number of family offices in India surged more than six-fold to around 300 in the six years to 2024.

The trend is so pronounced that billionaire banker Uday Kotak has urged young scions of India's richest families to "create businesses rather than becoming financial investors too early." Take Rishabh Mariwala. The 42-year-old son of Harsh Mariwala, founder of \$10 billion consumer goods giant Marico, left the company in 2011 to launch Sharrp Ventures, which has since backed beauty retailer Nykaa and insurance marketplace Policybazaar. Likewise, Gaurav Burman – part of the fifth generation of the family behind Dabur India, one of India's top fast-moving consumer goods firms – runs his family's investment programme, managing a wealth pool of over \$1 billion. Both still serve as directors in units of their family businesses.

The rise of digital infrastructure and strong stock market returns has made investing in new-age services businesses appear more lucrative and less risky than pursuing capital-intensive industrial projects.



A general view of Mundra Port in India. The Indian government is spending heavily to keep GDP humming -- a challenge now compounded by a 50 percent US tariff on Indian exports.

PHOTO: AFP/FILE