Star BUSINESS

Govt to crack down on false apparel tags before Eid

REFAYET ULLAH MIRDHA

The commerce ministry is gearing up to take action against traders accused of cheating consumers through false declarations of goods, particularly garments, ahead of the Eid-ul-Fitr shopping season.

The ministry's Price Monitoring and Forecasting Cell (PMFC) has already issued a circular, published in newspapers and on the ministry's website, warning traders that selling goods with false information regarding origin, brand or price is a punishable offence.

Eid-ul-Fitr is the country's biggest retail season, when a section of traders earns substantial profits, especially from garment sales. During this period, consumers often face inflated prices in markets across Dhaka and other cities, particularly in upscale shopping centres.

For instance, some traders purchase fabrics from wholesale markets such as Islampur in Old Dhaka, tailor panjabis, kurtas, shirts and other apparel locally, and then sell them in affluent areas, including Gulshan, Banani and Bashundhara. These products are frequently mislabelled as imported from India, Pakistan or other countries to justify higher prices.

In many cases, traders also attach counterfeit labels of well-known international brands and sell the garments at exorbitant rates during the Eid rush.

"They make excessive profits by selling goods with false declarations during the peak Eid season," Commerce Secretary Mahbubur Rahman told The Daily Star yesterday.

He said officials have been instructed to take strict action against dishonest traders who cheat consumers by providing false information about their products.

If goods are found to be sold with false declarations, authorities may seize or destroy them, impose fines, and even cancel trade licences, the secretary said.

In some cases, he added, goods may be publicly destroyed in front of the shops as a deterrent.

Traders will be required to maintain proper documentation, including information on the source and origin of goods, import papers, dates of import, price levels and the country of manufacture, Rahman said.

He also said that price tags and information on the origin of products must be displayed clearly so that consumers can make informed purchasing decisions.

"We are circulating this information widely and holding meetings with traders so that they refrain from engaging in deceptive practices," the commerce secretary also said.

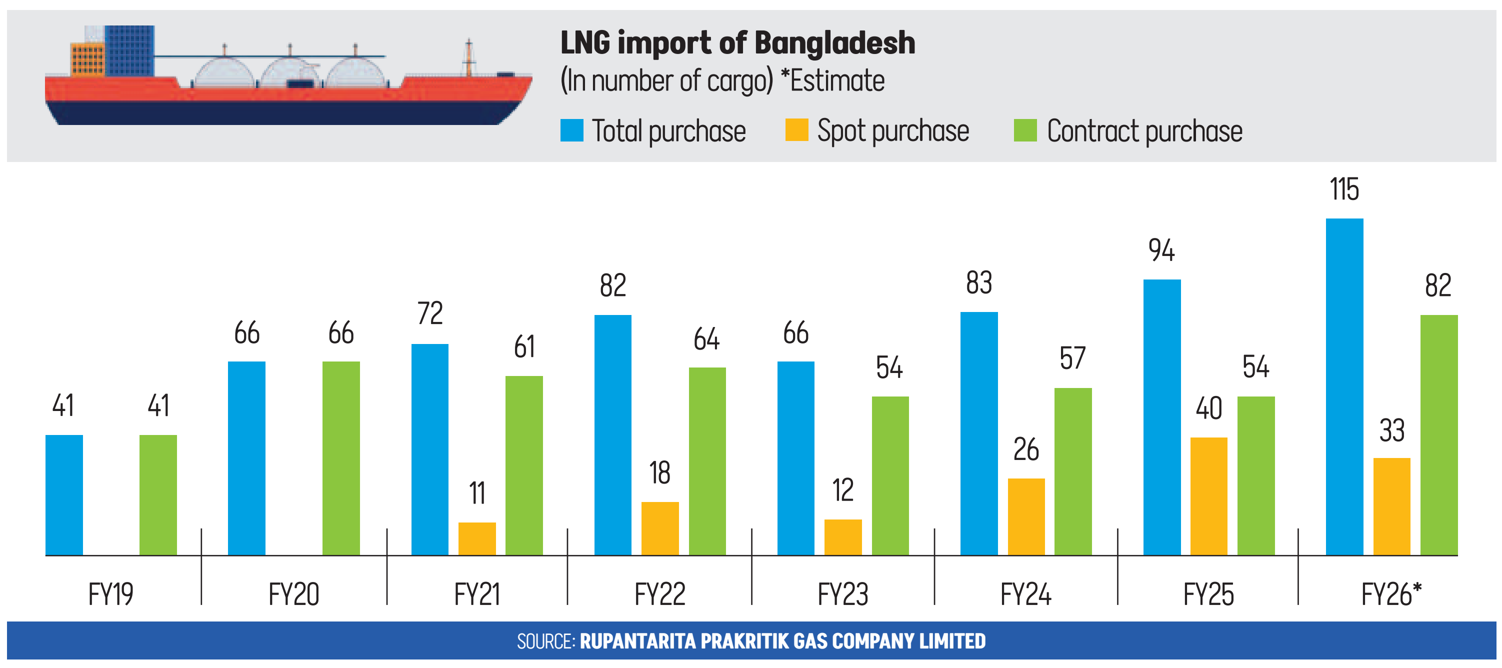
The circular has been issued at this time as imports of goods meant for Eid sales usually begin ahead of Ramadan, which is expected to start in mid-February next year.

An official of the Directorate of National Consumer Rights Protection, speaking on condition of anonymity, said Dhaka city has been divided into four zones to monitor the sale of falsely declared goods.

READ MORE ON B3

Bangladesh to boost LNG imports on lower global prices

Falling spot prices and weak demand in Asia prompt Dhaka to look beyond its initial import plan for this year



SOURCE: RUPANTARITA PRAKRITIK GAS COMPANY LIMITED

REJAUL KARIM BYRON *and* AHSAN HABIB

Bangladesh is preparing to ramp up its liquefied natural gas (LNG) imports as global spot prices soften and local gas output continues to fall behind the domestic demand.

For the current fiscal year 2025-26, the government initially planned to import 115 cargoes of LNG through a mix of long-term contracts and spot purchases. That is already higher than the 94 cargoes bought in the previous year.

Now, the authorities are considering importing even more as international prices have remained subdued amid weak demand from major buyers such as China and Japan.

"LNG prices reduced significantly. So, I am going to suggest the energy ministry to import more," said Finance Adviser Salehuddin Ahmed.

"I hope LNG imports this year will be higher compared to the initial plan," he told The Daily Star.

Ahmed said money is not a problem here, though physical capacity limits how much LNG the country can bring in at short notice.

Of the planned 115 LNG cargoes in FY26, each consignment would carry 33.60 lakh mmBtu of gas, according to Rupantarita Prakritik Gas Company Limited, the state-owned firm responsible for LNG conversion and supply.

On Monday, the government approved the purchase of one spot cargo at $9.99 per mmBtu.

In 2022, after the Russia-Ukraine war broke out, LNG averaged $18.43 per mmBtu. That dropped to $12.84 in 2024. The spot rate stood at $13.52 per mmBtu in June this year before easing further to $11.02 in November.

World Bank commodity price data also point to a gradual downward trend, while international energy analysts say LNG prices may decline further as supply remains ample.

According to international media reports, North Asian spot LNG prices have hovered around $9 per mmBtu, with the region's largest buyers staying largely out of the market for the coming months.

Chinese importers are holding strong inventories and are not seeking additional cargoes. Demand in Japan also remains weak, while South Korea has shown only limited spot buying interest despite being the world's third-largest LNG buyer.

Bangladesh sources LNG through two channels, long-term supply agreements and the spot market.

Amid declining domestic gas extraction, the government began importing LNG in 2018 to meet the domestic fuel demand.

Gas demand is projected to reach 6,240 million cubic feet per day (mmcfd) by 2030, according to the Integrated Energy and Power Master Plan 2023, which maps out the energy sector through to 2050.

By the end of 2023, domestic gas production stood at about 2.08 billion cubic feet per day from all fields, including those operated by international oil companies. That is lower than the 2012 average of around 2.20 billion cubic feet per day, according to state-run Petrobangla.

Under existing long-term agreements, the government is set to buy 40 LNG cargoes from Qatar and 16 from Oman in FY26. In 2026, supplies are due to rise further, with an additional 12 cargoes from Qatar and four from Oman.

A separate deal with US-based Excelerate

READ MORE ON B3

Banks asked to ensure torn note exchange

STAR BUSINESS REPORT

Bangladesh Bank (BB) has directed all commercial bank branches to ensure smooth services for exchanging torn, defective and soiled notes, warning of action against those reluctant to comply.

In a circular issued on Monday, the central bank said branches must provide exchange value for non-issuable and mutilated notes if more than 90 percent of the note is intact and genuine security features are present.

Notes divided into two parts must be attached to thin white paper to facilitate identification.

However, claimable notes will not be settled at the branch level. Instead, banks must forward such notes to the nearest BB office, which will decide on payment within eight weeks.

Postal or courier charges for sending claimable notes will be borne by the depositor.

Charred notes must be submitted directly to the BB's claims desk. The circular also said that counterfeit or "built-up" notes created from multiple fragments will invite legal action under existing policy.

Branches have been instructed to display notices informing customers that services for exchanging torn, defective and claimable notes are available.

Monthly reports on receipt of such notes must be submitted to the central bank to ensure transparency and accountability in cash transactions.

Sugar, edible oil imports surge as dollar supply improves

SOHEL PARVEZ

Bangladesh's imports of key essential commodities rose in the first quarter of fiscal year 2025-26 (FY26), supported by improved availability of foreign exchange and lower prices in the international market.

The country remains heavily dependent on imports for sugar, palm oil, soybean oil and wheat due to inadequate domestic production.

Bangladesh imports more than 95 percent of its annual sugar requirement, estimated at around 20 lakh tonnes, according to the Bangladesh Trade and Tariff Commission (BTTC).

Data from the Bangladesh Bureau of Statistics (BBS) showed that refiners imported 8.23 lakh tonnes of raw sugar during the July-September period of FY26, marking an 87 percent increase from 4.4 lakh tonnes a year earlier.

Taslim Shahriar, deputy general manager of Meghna Group of Industries, said global sugar prices had declined and banks were now opening letters of credit (LCs) more smoothly after the easing of the dollar crisis. "Sugar imports have so far been satisfactory."

World Bank Commodities Price Data showed that international sugar prices fell to 36 cents per kilogramme (kg) during the July-September period, down from 43 cents a year earlier.

In Dhaka, sugar sold for Tk 95-Tk 110 per kg, down 19 percent from a year ago, according to data compiled by the Trading Corporation of Bangladesh.

"There is no problem with LC openings now. Commodity prices are generally low, except for soybean oil, which remains expensive due to its use in biofuel production," Shahriar said.

Imports of palm oil, another highly import-dependent commodity, also surged, rising 40 percent year-on-year to 7.44 lakh tonnes in the first quarter, showed BBS data.

In contrast, soybean oil imports declined during the period after jumping 42 percent in FY25.

PHOTO: TITU DAS

BTTC estimates Bangladesh's annual demand for edible oil at 22 lakh tonnes. However, oilseed imports continued to increase as local crushers focused on processing oilseeds to extract edible oils and produce by-products such as soybean meal and rapeseed cake to meet demand from the feed industry.

Local crushers imported 22.79 lakh tonnes of oilseeds, mainly soybeans, in FY25, posting a 1 percent increase. During the July-September period of FY26, oilseed imports surged 52 percent year-on-year to 5 lakh tonnes.

Businesses say the growing forex reserve and increased demand are encouraging more imports.

"We have been able to open letters of credit for more than a year now as the foreign exchange situation has improved. There is also an uptick in demand," said Mohammad Mustafa Haider, group director of TK Group, a major commodity importer and processor.

Bangladesh Bank (BB) data showed that LC openings for imports of consumer goods, including rice, wheat and sugar, increased in the four months to October this fiscal year. Imports of industrial raw materials such as crude edible oil and oilseeds also rose during the period.

"Demand for edible oil has remained stable, but demand for wheat for both industrial and household use has increased," Haider said.

READ MORE ON B3

Govt spends only 11.7% of ADP fund in five months

STAR BUSINESS REPORT

The government has spent only 11.75 percent of its Annual Development Programme (ADP) allocation in the first five months of the current fiscal year, marking the weakest implementation performance in at least 15 years.

According to data released by the Implementation Monitoring and Evaluation Division (IMED) on Monday, ADP expenditure reached Tk 28,043 crore during July-November of fiscal year 2025-26 (FY26), out of a total fund of Tk 2,38,695 crore, the lowest allocation in four years.

The pace of spending has slowed sharply compared with previous years. Officials say the low implementation is owed to political uncertainty, reduced development projects, and austerity measures.

During the same period of FY25, ADP expenditure reached Tk 34,215 crore, despite widespread political unrest that had disrupted development activities.

Officials say the low implementation is owed to political uncertainty, reduced development projects, and austerity measures

Spending was even higher in earlier years, amounting to Tk 46,857 crore in FY24 and Tk 47,122 crore in FY23. Notably, even during the July-November period of FY21, when economic activities were largely suspended due to the Covid-19 pandemic, the ADP implementation rate was higher at 17.93 percent.

IMED data also indicate a significant slowdown in the utilisation of foreign-funded development resources.

Expenditure from foreign sources fell to Tk 10,794 crore in the first five months of FY26, representing only 36 percent of the foreign-funded portion of the ADP. In the corresponding period of FY25, foreign-funded ADP spending stood at Tk 11,407 crore, or 11.41 percent of the allocation.

THE TOP SPENDERS AND LOW SPENDERS

Implementation performance varied widely across ministries and divisions. Despite receiving substantial allocations, the health sector showed particularly weak progress.

READ MORE ON B3

ICMAB honours excellence in accounting and finance research

STAR BUSINESS DESK

Quality research in accounting and finance is key to strengthening governance, transparency and accountability, said Hossain Zillur Rahman, chairperson and senior trustee of BRAC.

He made the remarks while speaking as the chief guest at an award-giving ceremony, titled "ICMAB Research Excellence Award 2025", organised by the Institute of Cost and Management Accountants of Bangladesh (ICMAB), at the Pan Pacific Sonargaon Dhaka on Monday.

Highlighting the social relevance of academic inquiry, Rahman said institutions like ICMAB serve as an important bridge between academia, policymaking and professional practice, helping to promote inclusive and sustainable development.

Speaking at the event, Mahtab Uddin Ahmed, president of ICMAB, said research is the backbone of evidence-based policy, professional excellence and sustainable economic development. "Through the ICMAB Research Excellence Award, we aim to recognise and encourage rigorous research that addresses real-world challenges and contributes to national and global knowledge," he added.

A total of 14 top research papers were selected under the ICMAB Research Excellence Award 2025 and recognised across three major award categories, according to a press release.

The Award of Excellence, carrying a prize money of Tk 100,000, was jointly awarded to Anup Kumar Saha and Imran Khan.

The Award of Distinction, with a prize money of Tk 75,000, was conferred on Md Mamunur Rashid, Dewan Mahboob Hossain and Md Saiful Alam.

The Award of Merit, carrying a prize money of Tk 50,000, was awarded to Sohel Mehedi, Shamsun Nahar and Dayana Jalaludin.

In addition, five Awards of Appreciation were presented to other selected researchers, each carrying a prize money of Tk 20,000, in recognition of their valuable research contributions.

Tarek Rana, associate professor at RMIT University in Melbourne, Australia, presented a keynote paper, titled "Accounting and Finance Research in Emerging Markets: Trends, Gaps, and Future Research Directions", offering insights into the evolving research landscape of emerging economies.

Md Sajjad Hossain Bhuiyan, chairman of the Financial Reporting Council (FRC); Prof ASM Amanullah, vice-chancellor of the National University; and Prof Abdul Hannan Chowdhury, vice-chancellor of North South University, among others, were also present.

Eastern Bank signs payroll banking deal with LZ Group

Ahmed Shaheen, additional managing director of Eastern Bank PLC, and Nurul Haque, chief executive officer of LZ Group, pose for a photograph after signing the payroll banking agreement at the bank's head office in Dhaka recently. PHOTO: EASTERN BANK

STAR BUSINESS DESK

Eastern Bank PLC (EBL) has signed a payroll banking agreement with LZ Group, one of Bangladesh's leading and rapidly expanding industrial conglomerates with a strong presence in the apparel and textile sector.

Nurul Haque, chief executive officer of LZ Group, and Ahmed Shaheen, additional managing director of Eastern Bank PLC, signed the agreement at the bank's head office in Dhaka recently, according to a press release.

Under the agreement, EBL will offer customised payroll banking solutions tailored to meet the evolving needs of LZ Group employees. These services include salary accounts, seamless digital disbursements through EBL Connect, and a suite of exclusive retail banking benefits.

Additionally, eligible employees will have access to specialised offerings under EBL Women Payroll and EBL Islamic Payroll.

Al-Arafah Islami Bank donates Tk 8 lakh to Dhaka National Medical College

STAR BUSINESS DESK

Al-Arafah Islami Bank PLC has donated Tk 8 lakh to Dhaka National Medical College under its corporate social responsibility (CSR) programme.

The donation was made for the purchase of surgical medical equipment for the college's urology department and dental chairs for the dental unit, according to a press release.

Mohd Rafat Ullah Khan, acting managing director of Al-Arafah Islami Bank PLC, handed over the cheque to Prof Md Shamsur Rahman, principal of Dhaka National Medical College, at a ceremony held on the college campus on Monday, the press release said.

Md Afzal Hossain, vice-principal of the college; Md Abdullah Al Mamun, deputy managing director of the bank; Md Idris Ali, senior executive vice-president; and Jalal Ahmed, executive vice-president, along with senior executives from both institutions, were also present.

Prof Md Shamsur Rahman, principal of Dhaka National Medical College, receives a cheque worth Tk 8 lakh from Mohd Rafat Ullah Khan, acting managing director of Al-Arafah Islami Bank PLC, at the bank's head office in Dhaka recently. PHOTO: AL-ARAFAH ISLAMI BANK

NCC Bank, Ichiiba partner to ease CMSME financing

PHOTO: NCC BANK

Nargish Fatema, director of Ichiiba Limited, and Md Habibur Rahman, deputy managing director of NCC Bank PLC, pose for a photograph after signing the agreement at the bank's head office in Motijheel, Dhaka recently.

STAR BUSINESS DESK

NCC Bank PLC has recently signed an agreement with Ichiiba Limited to ensure faster and easier access to bank loans for entrepreneurs in the country's CMSME (cottage, micro, small and medium enterprises) sector.

Md Habibur Rahman, deputy managing director of NCC Bank PLC, and Nargish Fatema, director of Ichiiba Limited, signed the agreement at the bank's head office in Motijheel, Dhaka, according to a press release.

The signing marks a significant milestone in enhancing financial inclusion, improving supply chain efficiency and ensuring the sustainable growth of small and medium enterprises in the country.

Under the partnership, CMSME entrepreneurs within Ichiiba's network will gain access to quicker and more convenient financing facilities for the procurement of goods, payments, collections and the management of day-to-day business operations in suitable and potential areas.

The strategic partnership opens up new opportunities for CMSME entrepreneurs and will help make the sector more modern and competitive.

M Khurshed Alam, additional managing director of the bank; Mohammed Mizanur Rahman and Md Monirul Alam, deputy managing directors; Nighat Mumtaz, executive vice-president and head of sustainable and women's banking; Sharif Mohammad Mahsin, senior vice-president and head of SME; Md Sajjadul Islam, senior vice-president and head of the ICT division; Shahin Akter Nuha, senior vice-president and head of the transaction banking and cash management division; as well as Prof Syed Akhter Hossain, adviser of the Ichiiba Limited, and Iftekhar Hossain, general manager, were also prese.

Singapore, China roll out digital renminbi pilot for tourists

ANN/THE STRAITS TIMES

Singapore and China announced a record 27 deals after top-level talks on Dec 15, including a pilot scheme to let Singaporean tourists use digital renminbi in China.

Starting in December, the Singapore branches of the Industrial and Commercial Bank of China (ICBC) and the Bank of China (BOC) will roll out the pilot in phases, enabling customers to open and top up digital renminbi wallets.

Digital renminbi payments can be made in China without internet, as long as users have phones equipped with near-field communication technology. China is one of the top destinations for Singapore travellers.

The new deliverables, spanning sectors from health and food to the digital economy, come as both countries call for deeper and broader bilateral ties amid geopolitical uncertainties, rapid technological changes and economic headwinds.

Against this backdrop, "it is therefore all the more important for Singapore and China to continue to find ways to cooperate, anticipating challenges and capitalising on new opportunities", said Deputy Prime Minister Gan Kim Yong, speaking at the Joint Council for Bilateral Cooperation (JCBC), the two countries' apex bilateral platform.

Digital renminbi payments can be made in China without internet, as long as users have phones equipped with near-field communication technology

Chinese Vice-Premier Ding Xuexiang, who is Mr Gan's co-chair for the JCBC, said in his opening remarks that despite rising global unilateralism, the relationship between China and Singapore had grown steadily, with cooperation yielding fruitful results.

The annual JCBC and related meetings are being held in 2025 in the south-western Chinese city of Chongqing to mark the 10th anniversary of the China-Singapore (Chongqing) Demonstration Initiative on Strategic Connectivity (CCI). It is a bilateral collaboration platform aimed at strengthening connectivity between western China and South-east Asia.

After nearly three hours of talks, both leaders witnessed the announcement of 27 memorandums of understanding (MOUs) and agreements. Five of the documents set out plans for the CCI's next decade, extending cooperation to new areas such as healthcare, education, green finance and digital trade, while building on its four initial areas of collaboration – financial services, aviation, transport and logistics, and information and communications technology.

Speaking at a wrap-up interview with Singapore media after the JCBC meetings, Minister for Digital Development and Information Josephine Teo pointed to how "the most significant achievement of the CCI (is) the CCI-New International Land-Sea Trade Corridor", an offshoot of the initiative.

Will OpenAI

FROM PAGE B4

Nonetheless, the startup has committed to paying more than $1.4 trillion to computer chip makers and data center builders to build infrastructure it needs for AI.

The fierce cash burn is raising questions, especially since Google claims some 650 million people use its Gemini AI monthly and the tech giant has massive online ad revenue to back its spending on technology.

Rivals Amazon, Meta and OpenAI-investor Microsoft have deep pockets the ChatGPT-maker cannot match.

A charismatic salesman, OpenAI chief executive Sam Altman flashed rare annoyance when asked about the startup's multi-trillion-dollar contracts in early November.

A few days later, he warned internally that the startup is likely to face a "turbulent environment" and an "unfavorable economic climate," particularly given competitive pressure from Google. And when Google released its latest model to positive reactions, Altman issued a "red alert," urging OpenAI teams to give ChatGPT their best efforts.

OpenAI unveiled its latest ChatGPT model last week, that same day announcing Disney would invest in the startup and license characters for use in the bot and Sora video-generating tool.

OpenAI's challenge is inspiring the confidence that the large sums of money it is investing will pay off, according to Foundation Capital partner Ashu Garg. For now OpenAI is raising money at lofty valuations while returns on those investments are questionable, Garg added.

Yet OpenAI still has the faith of the world's deepest-pocketed investors.

"I'm always expecting OpenAI's valuation to come down because competition is coming and its capital structure is so obviously inappropriate," said Pluris Valuation Advisors president Espen Robak.

"But it only seems to be going up."

Opinions are mixed on whether the situation will result in OpenAI postponing becoming a publicly traded company or instead make its way faster to Wall Street to cash in on the AI euphoria.

Few AI industry analysts expect OpenAI to implode completely, since there is room in the market for several models to thrive. "At the end of the day, it's not winner take all," said CFRA analyst Angelo Zino.

"All of these companies will take a piece of the pie, and the pie continues to get bigger," he said of AI industry frontrunners.

Also factored in is that while OpenAI has made dizzying financial commitments, terms of deals tend to be flexible and Microsoft is a major backer of the startup.

Global coal exports post rare decline

FROM PAGE B4

However, China's rapid rollout of clean energy supplies - including record deployment of solar and wind power and rising generation from nuclear reactors - is expected to continue shrinking coal's share of the domestic power generation mix.

Indeed, coal's share of electricity production in China has fallen to a record low of 55.3 percent so far in 2025, which is down from nearly 59 percent in 2024, data from energy think tank Ember shows.

In India, a combination of record domestic coal mine production and declining coal use in electricity generation have resulted in the rare issuance of coal export permits.

Those export permits look set to heighten competition among exporters from early 2026, and could become a regular occurrence if the mine output increases can be sustained while domestic use of coal for electricity generation continues to contract.

Coal has generated just under 70 percent of India's electricity so far in 2025, which compares to a more than 77 percent share during the past two years.

Coal's loss of India's generation share has come as a direct result of a record-fast rollout of power supplies from solar and wind farms, as well as the highest generation from hydro dams in more than six years.

With clean generation from all sources expected to keep climbing on the back of an ongoing push to expand India's clean power capacity, further cuts to both coal's share of the generation mix and total coal use in India could emerge.

That in turn may lead to even higher coal exports from India over the near term, which may eat into the profit margins of other coal exporters such as Indonesia and Australia.

But over time any sustained declines in coal use in China, India and other formerly major coal consumers will likely trigger steady shrinkage in coal export volumes as well, and result in a broader contraction of the overall coal industry.

Bank of Japan

FROM PAGE B4

But more than 60 percent of the planned spending will come from government borrowing, rekindling market anxiety about Japan's fiscal health.

The country already has the biggest ratio of debt to gross domestic product (GDP) among major economies, with the International Monetary Fund projecting it to hit 232.7 percent this year.

Yields on 30-year bond yields reached a record high in early December, and 10-year yields last week hit their highest level in 19 years.

As well as pushing up bond yields, worries about Takaichi's "responsible proactive fiscal policy" have added to pressure on the yen, which in turn fuels inflation since Japan is so reliant on imports.

"These factors will offset the effects of the economic stimulus measures and undermine the medium- to long-term stability of the economy and financial markets," said Takahide Kiuchi at the Nomura Research Institute.

"This is the contradiction and weakness of the Takaichi administration's proactive fiscal policy," he said.

Lutfey Siddiqi, special envoy to the chief adviser on international affairs, poses for a group photograph with winners of the "12th ICSB National Award for Corporate Governance Excellence, 2024", organised by the Institute of Chartered Secretaries of Bangladesh, at Pan Pacific Sonargaon Dhaka on Monday. PHOTO: ICSB

ICSB awards 43 firms for corporate governance excellence

STAR BUSINESS REPORT

The Institute of Chartered Secretaries of Bangladesh (ICSB) on Monday recognised 43 companies for their outstanding performance in establishing corporate governance.

The companies were awarded in 14 categories at the 12th ICSB National Award for Corporate Governance Excellence, 2024, held at Pan Pacific Sonargaon Dhaka.

The winning companies were selected out of 181 firms that participated in the competition. The winners include banks, insurance, textile, telecom, pharmaceuticals, food, and cement makers. The awards were given in gold, silver, and bronze categories.

The gold trophy winners are BRAC Bank, Shahjalal Islami Bank, IDLC Finance, City Insurance, Sena Insurance, Reckitt Benckiser (Bangladesh), Paramount Textile, ADN Telecom Limited, Walton Hi-Tech Industries, LafargeHolcim Bangladesh, Linde Bangladesh Limited, Unique Hotel & Resorts, and Grameenphone.

Handing over the awards to the winners, Lutfey Siddiqi, special envoy to the chief adviser on international affairs, said it is hard to uphold standards and governance in companies.

As professionals, chartered secretaries analyse company reports following certain sets of principles, standards, and ethics, he noted.

In a recorded video message, Bangladesh Bank (BB) Governor Ahsan H Mansur said the ICSB has been playing a vital role in establishing corporate governance.

A member of the jury board, Abu Ahmed, also chairman of the Investment Corporation of Bangladesh (ICB), said some companies do not make profits but claim to be making profits.

"Strong corporate governance is the foundation of sustainable business growth, fostering transparency, accountability, and ethical leadership," said BB Deputy Governor Md Habibur Rahman.

The winners include banks, insurance, textile, telecom, pharmaceuticals, food, and cement makers. The awards were given in gold, silver, and bronze categories

"It is not merely about regulatory compliance, but a strategic advantage that builds stakeholder trust and drives long-term economic success."

Md Sajjad Hossain Bhuiyan, chairman of the Financial Reporting Council, said corporate governance is the foundation of trust, transparency, and accountability in any organisation.

ICSB President Sheikh Hossain Sadat called for a shared commitment to advancing corporate governance towards national development.

He emphasised the incorporation of ICSB-submitted reform proposals into the existing Companies Act, making it progressive and forward-leaning.

AI-based Bangla platform Kagoj.ai launched

STAR BUSINESS REPORT

An artificial intelligence (AI)-based platform for the Bangla language, Kagoj.ai, has been launched along with a new Bangla font titled Julai, designed for official and publishing use.

The technological services have been made publicly accessible under an initiative of the Information and Communication Technology (ICT) Division.

Faiz Ahmed Taiyeb, Special Assistant to the Chief Adviser, virtually inaugurated the products as the chief guest at an event held at the InterContinental Dhaka on Monday, according to a press release.

In a video message, Taiyeb elaborated on the features and objectives of Kagoj.ai and the Julai font.

Referring to the points highlighted in the video, he said books in existing libraries are largely non-searchable and that the knowledge contained in them must be converted into digital formats for reuse.

Converting written materials into digital form currently requires a significant amount of time and labour— a challenge the project seeks to address through Bangla optical character recognition (OCR) technology.

To further save time and effort in writing and documentation, speech-to-text and text-to-speech technologies have also been incorporated, he said.

Taiyeb noted that during the previous government period, a person-centric dependency had developed around the Bijoy font. The momentum initiated by Avro to overcome this limitation has been taken forward through this project with the introduction of the Julai Bangla font.

According to him, the Julai font has been designed to ensure compatibility between Bangla and English character heights, along with proper line spacing.

He also said that 18 mobile phone manufacturers with factories in Bangladesh are expected to integrate this ecosystem into their products within the next six months to a year.

Sheesh Haider Chowdhury, Secretary of the ICT Division; Mohammad Azam, Director General of Bangla Academy; Zahirul Islam, Additional Secretary of the Posts and Telecommunications Division; and Md Mahbub Karim, Project Director, among others, were also present.

Gold edges down as investors turn cautious

REUTERS

Gold prices slipped on Tuesday, as investors turned cautious ahead of key US jobs and inflation data, which could provide cues for Federal Reserve policy heading into the new year.

Spot gold lost 0.3 percent to \$4,290.33 per ounce, as of 0637 GMT. Bullion has rallied 64 percent year-to-date, smashing multiple records along the way. US gold futures were down 0.4 percent at \$4,316.40.

"We're right up against the former high around \$4,380 from mid-October. So the market is essentially asking whether there's enough conviction to break higher, or whether this is a level where momentum starts to fade," said Ilya Spivak, head of global macro at Tastylive.

Traders are pricing in a 76 percent probability of a 25-basis-point US rate cut in January, with some expecting two cuts, according to CME's FedWatch tool. This week's data docket is expected to offer fresh clues on how quickly the Fed may ease policy in 2026.

The combined US employment reports for October and November, due on Tuesday, will lack several details after a 43-day government shutdown curtailed data collection, including October's unemployment rate.

Dollar close to multi-week lows versus euro and yen

REUTERS

The US dollar hovered around multi-week lows against the euro and yen on Tuesday as investors awaited US economic data later in the session that could affect expectations for the Federal Reserve's policy path.

Central bank decisions are in focus this week with the European Central Bank and Bank of England holding meetings on Thursday, while the Bank of Japan will announce its policy decision on Friday.

Economic data showing the euro zone economy remaining resilient, despite US import tariffs, supported the ECB's higher-for-longer policy rate stance and bolstered the euro.

Meanwhile, the absence of pushback from the ECB on market bets for rate hikes in late 2026 or early 2027 may be read as tacit approval, leaving room for a hawkish surprise at this week's policy meeting.

The euro was up 0.1 percent at \$1.1761 after hitting \$1.1769 on Monday, its highest since September 24. A rate hike from the BoJ is largely baked in, but any signal that policymakers could tighten again before spring wage talks would mark a hawkish shift.

Big Japanese manufacturers' business sentiment hit a four-year high in the three months to December, supporting expectations for additional tightening, but analysts said the BoJ's policy update may fail to support the yen as fiscal concerns weigh.

US suspends tech deal with Britain

REUTERS

The United States has suspended a technology deal it struck with Britain earlier this year which was intended to boost ties in artificial intelligence, quantum computing and civil nuclear energy, the Financial Times reported on Monday.

British officials on Monday confirmed the US suspended the deal last week, the FT said, adding that US President Donald Trump's administration was pushing for Britain's concessions in areas of trade outside the tech partnership.

US officials were becoming increasingly frustrated with Britain's lack of willingness to address so-called non-tariff barriers, including rules and regulations governing food and industrial goods, the FT said.

"Our special relationship with the US remains strong and the UK is firmly committed to ensuring the Tech Prosperity Deal delivers opportunity for hardworking people in both countries," a spokesperson for the UK government said.

The White House did not immediately respond to Reuters' request for comment.

Both countries agreed the "Tech Prosperity Deal" over artificial intelligence, quantum computing and civil nuclear energy during Trump's visit to Britain in September.

India's EV boom is real – but the hardest miles lie ahead

ANN/THE STATESMAN

On India's crowded city streets, where the air often hangs heavy with exhaust and impatience, a quiet shift is under way.

Scooters glide past traffic lights without a growl. Three-wheeled rickshaws hum instead of sputter. And in bus depots from Delhi to Bengaluru, charging cables now snake across the ground where diesel hoses once lay.

India's electric vehicle market, long dismissed as aspirational rather than imminent, is finally gathering speed.

In financial year 2024-2025 alone, the country sold more than 2 million electric vehicles, according to industry estimates.

There are now now nearly 6.5 million EVs on Indian roads, a milestone that would have seemed improbable just a few years ago.

Sales in the April-June 2025 quarter rose 34 percent from a year earlier, capturing about 8 percent of the overall vehicle sales.

Yet the story of India's EV transition is not one of glossy electric sedans or luxury early adopters. It is a mass-market revolution, unfolding in two-wheelers, three-wheelers and city buses, the unglamorous but indispensable segment of urban mobility.

However we have to remember- This is really a market built on Mopeds and Rickshaws.

More than half of India's electric vehicle sales come from two-wheelers, with battery-powered scooters and motorcycles increasingly favored by commuters navigating congested cities and rising fuel prices.

Another 36 percent of sales come from three-wheelers, a category in which India has quietly become a global leader in electrification.

In this segment, electric vehicles now account for more than 57 percent of all sales — a penetration rate unmatched in most large economies. For drivers of auto-rickshaws and delivery vehicles, the math is simple: electric vehicles cost less to run, require less maintenance and offer predictable daily economics.

Passenger cars, by contrast, remain a smaller piece of the jigsaw. Electric cars accounted for just 5 percent of car sales in 2025, up from earlier 2-4 percent cent.

This segment is led by domestic manufacturers like Tata Motors and Mahindra, alongside newer entrants such as MG Motor. High upfront costs and patchy charging infrastructure continue to restrain wider adoption.

Overall EV penetration across all categories reached nearly 7-8 percent. However this is way too short of the government's goal of 30 per cent penetration by 2030.

Nevertheless, behind India's EV push lies a confluence of urgency and opportunity.

India is the world's third-largest emitter of greenhouse gases, and its cities regularly rank among the most polluted. Delhi the capital is right now experiencing extremely high AQI levels, which has forced the government to place a number of restrictions on construction and mobility.

Electrifying transport is seen not merely as a technological upgrade but as a public health intervention and hence, a cornerstone of the country's net-zero aspirations.

The government has consequently leaned heavily into that logic with a series of subsidies, production-linked incentives and mandates for public procurement to help create scale.

A man charges an electric vehicle at the charging hub of Indian ride-hailing BluSmart Electric Mobility in Gurugram. There are now now nearly 6.5 million EVs on Indian roads, a milestone that would have seemed improbable just a few years ago. PHOTO: REUTERS/FILE

Sugar, edible oil imports surge

FROM PAGE B1

He added, "Gas supply to factories has improved, allowing them to operate more smoothly. This has helped workers earn and spend more."

Wheat imports have surged significantly. According to the food ministry, total wheat imports stood at 29.57 lakh tonnes between July 1 and December 14 of the current fiscal year. The figure is nearly half of the 62.35 lakh tonnes imported in the whole of FY25.

Biswajit Saha, director of corporate and regulatory affairs at City Group, said the supply of essential commodities was expected to remain adequate during Ramadan, when demand typically rises.

TK Group Director Haider expects consumer demand to increase ahead of the general election scheduled for February 12 and during Ramadan, which will begin after mid-February.

"We expect a spike in demand, but it is difficult to predict how it will play out in reality," he said.

Govt to crack down

FROM PAGE B1

A meeting with traders at Islampur, one of the capital's largest wholesale fabric markets, is scheduled for December 22 to raise awareness about the issue.

Similar meetings will be held in phases across Dhaka as well as other divisional and district cities to inform traders about government measures and legal consequences related to false declarations during the Eid season, the official said.

Another price monitoring cell official, also requesting anonymity, said members of district-level price monitoring taskforces will be deployed to check irregularities during the peak sales period.

Under the Consumer Rights Protection Act, the government has the authority to take stringent action against traders involved in deceptive sales practices, he added.

Govt spends only 11.7%

FROM PAGE B1

The Medical Education and Family Welfare Division utilised only 1.8 percent of its allocation, while the Health Services Division spent just 3.92 percent during the period.

By contrast, several other ministries recorded comparatively stronger execution.

The Ministry of Science and Technology led with an implementation rate of 27.42 percent, followed by the Ministry of Energy and Mineral Resources at 21 percent and the Local Government Division at 20.10 percent.

Planning ministry officials attributed the overall slowdown to austerity measures and the lingering effects of political uncertainty following the events of August 5 last year, which disrupted project implementation.

They said the interim government has delayed or postponed a number of projects initiated by the previous administration due to budgetary constraints.

Officials also noted that several contractors involved in development projects left the country after the political transition, abandoning work midway and further slowing implementation.

On December 1, Planning Adviser Wahiduddin Mahmud voiced frustration over the situation, saying, "We are not speeding up the ADP execution rate."

He pointed out that many government officials are now reluctant to serve as project directors, while contractors have become less interested in participating in development projects following reforms to public procurement rules.

According to Mahmud, the interim government's reforms have made procurement more transparent by dismantling monopolistic practices and requiring contractors to disclose full business and tax information.

"We could not speed up project implementation as nobody wants to become a project director now, and contractors are also less enthusiastic," he said.

Bangladesh to boost LNG

FROM PAGE B1

Energy will see 14 cargoes supplied each year, beginning from January 2026. Besides, the government will purchase 33 cargoes from the spot market during the current fiscal year.

Bangladesh has only two floating storage and regasification units, operated by Excelerate Energy and Summit LNG Terminal Company

In the first five months of FY26 up to November, Bangladesh bought a total of 50 LNG cargoes. Of these, 29 arrived under long-term contracts, with the rest sourced from the spot market.

Preferring anonymity, an official of Rupantarita Prakritik Gas Company said LNG under long-term contracts is currently being bought at around \$9.5 per mmBtu.

Despite the price drop, imports cannot be expanded aggressively, according to the official.

Because Bangladesh has only two floating storage and regasification units, operated by Excelerate Energy and Summit LNG Terminal Company. Together, the two terminals have a regasification capacity of 1,100 million cubic feet per day.

At present, two land-based LNG terminals are being established in Cox's Bazar, with a combined daily regasification capacity of 2,000 million cubic feet. However, both projects are still at an early stage.

Bank of Japan expected to hike rates to 30-year high

AFP, *Tokyo*

The Bank of Japan is expected to hike interest rates Friday for the first time since January, pushing them to their highest level in 30 years and potentially exacerbating turmoil in debt markets.

Yields on Japanese government bonds have risen in recent weeks on worries about Prime Minister Sanae Takaichi's budget discipline, while the yen has weakened.

Higher BoJ interest rates make Japanese bonds more attractive than other assets, pushing down their prices but sending yields -- which move inversely -- higher.

Japan's economy contracted 0.6 percent in the third quarter, but BoJ governor Kazuo Ueda said last week that the impact of US tariffs was less than feared.

"So far, US corporates have swallowed the burden of tariffs without fully passing (them) through to consumer prices," Ueda told the Financial Times.

Inflation has been above the Bank of Japan's target of two percent for some time, with core consumer prices rising 3.0 percent in October

At the same time, inflation has been above the BoJ's target of two percent for some time, with core consumer prices rising 3.0 percent in October.

"The urgency stems from policymakers' recognition that the window for hiking will close once external headwinds intensify," said BMI (Fitch Solutions) in a note.

The majority of economists polled by Bloomberg expect the BoJ to raise its main rate from 0.5 percent to 0.75 percent, which would be the highest since 1995.

The BoJ only began raising rates from below zero in March 2024. The US Federal Reserve is now going in the other direction and cutting rates.

The BoJ's move should help keep inflation in check, which would be welcome news to Takaichi, Japan's first woman prime minister.

She hopes to avoid the fate of her predecessor Shigeru Ishiba, who suffered a string of election debacles in part because of anger over rising prices.

The lower house last week approved an extra budget worth 18.3 trillion yen ($118 billion) to finance a major stimulus package to help households.

READ MORE ON B2

Only lighter vessels now operate smoothly in the Rabnabad channel at Payra Port due to navigability problems, disrupting larger ship arrivals and raising costs. The photo was taken recently.

PHOTO: SOHRAB HOSSAIN

Navigability crisis hits Payra port, foreign ship arrivals drop

SOHRAB HOSSAIN

Payra port, the country's third seaport after Chattogram and Mongla, is facing a navigability crisis that has disrupted vessel movement and sharply reduced foreign cargo ship arrivals over the past year, raising concern among stakeholders.

Established under the Payra Port Authority Act on November 19, 2013, at Itbaria union in Kalapara upazila, Patuakhali district, the port began operations on August 13, 2016.

It started modestly with 10 ships in fiscal year (FY) 2016-17 but grew steadily, handling 1,014 ships and 5.074 million tonnes of cargo in FY2023-24, a 33 percent increase from the previous year. Since opening, 5,401 ships -- including 529 foreign vessels -- have unloaded cargo, generating around Tk 2,346 crore in government revenue.

However, conditions deteriorated in the last fiscal year. In FY2023-24, 123 foreign vessels berthed at Payra, bringing 4.048 million tonnes of cargo and Tk 33.22 crore in revenue. In FY 2024-25, arrivals fell to 85 vessels, cargo imports dropped by 1.277 million tonnes, and revenue fell by Tk 8.6 crore.

Port officials and users attribute the decline to worsening navigability in the 75 km-long Rabnabad channel.

In 2021, Belgian firm Jan De Nul was hired for capital dredging at a cost of Tk 6,500 crore to deepen the channel to 10.5 metres, allowing large vessels to berth directly at the port's jetty. The dredged channel was handed over in April 2024, but heavy siltation reduced its depth within six months.

Port records show that only around 100 mother vessels berthed after dredging

before navigability problems returned. As of December, the channel's average depth is about 6 metres at high tide and 5.9 metres at low tide, blocking larger vessels.

"Despite capital dredging, rapid siltation has reduced the channel depth to below 6 metres. If mother vessels cannot berth directly, users may gradually stop using the port," said Md Mamunur Rashid, director of the Bangladesh Shipping Agents' Association.

Major port users include the 1,320 MW Payra Thermal Power Plant and RPCL-Norinco International Power Limited (RNPL), both importing around 12,000 tonnes of coal daily.

Shallow waters now force coal-carrying mother vessels to anchor off Kutubdia near Chattogram port, with coal transferred to the plants by smaller lighter vessels, increasing time and cost.

RNPL Supervising Engineer Ashraf Uddin said, "We import coal every month using six to seven mother vessels, each carrying around 60,000 tonnes. Due to the navigability crisis, we now need 150 to 180 lighter vessels to bring coal from Kutubdia. Each lighter takes at least two days to reach the plant, which raises costs and affects power generation."

Payra port Chairman Rear Admiral Masud Iqbal acknowledged the crisis, saying, "The channel's maintenance dredging has been insufficient, leaving it too shallow for larger vessels to navigate.

He added that a detailed project proposal, including hiring a capable dredging company and purchasing two dredgers, has been submitted to the government and is awaiting approval from the Executive Committee of the National Economic Council.

Payra port Assistant Director (Administration) Md Azizur Rahman said, "Several projects are underway to maintain navigability and ensure vessel safety, including dredging the Rabnabad channel and procuring two dredgers to reduce long-term costs."

He added that port infrastructure is progressing: the first terminal's jetty is 97 percent complete, the yard 96 percent, and a six-lane road 86 percent finished. Two bridges over the Andharmanik River, costing Tk 950 crore, are expected to be completed by February 2026, connecting the terminal directly with the Dhaka-Kuakata highway.

Development of the terminal on the Rabnabad River began on October 27, 2022. Initially approved in 2019 at Tk 3,982 crore, the project cost has risen to Tk 5,427 crore, and the completion deadline has been extended to December 2026, turning an originally planned 18-month project into a seven-year undertaking.

Why honest borrowers lose out in Bangladesh

ASIF IBRAHIM

Good borrowers in Bangladesh operate in a banking system where fiscal discipline is systematically undervalued and, in many cases, quietly punished. While policymakers routinely speak of financial inclusion and credit discipline, the lived reality for honest borrowers is shaped by soaring non-performing loans (NPLs), weak governance and a deeply entrenched culture of wilful default, largely driven by politically connected large borrowers.

According to officially reported data, NPLs in the banking sector surged to around 34 percent by late 2025, the highest level in roughly 25 years. Even conservative estimates that exclude rescheduled and restructured loans point to a deeply stressed system. This means that more than one-third of bank loans are either not being serviced properly or are at serious risk. Such a level of distress is not merely a technical problem; it fundamentally distorts incentives across the entire credit market.

The Bangladesh Bank (BB) has struggled to counter this distortion. A decade ago, good borrowers were promised tangible rewards, including a mandated 10 percent interest rebate. That policy was later withdrawn, with the argument that low single-digit interest rates themselves constituted sufficient incentive. As interest rates rose again, however, no equivalent benefit was restored. Today, banks are largely instructed to "honour" good borrowers through annual recognition events. While symbolically positive, such gestures offer little protection against higher borrowing costs, tighter collateral demands or shrinking credit lines.

The financial burden of systemic default ultimately falls on those who do repay. As NPLs erode bank profitability and capital adequacy, commercial lenders respond by raising effective interest rates, increasing fees and demanding excessive collateral. In many cases, borrowers with spotless repayment records face lending terms similar to those imposed on risky clients. The result is a form of silent cross-subsidisation, where disciplined borrowers absorb the costs created by habitual defaulters.

The impact on credit availability is equally damaging. Private sector credit growth has repeatedly lagged behind targets, reflecting banks' growing risk aversion. When a large share of loan portfolios is tied up in bad or litigated assets, banks naturally become cautious. This shrinks the overall space for lending, making it harder and more expensive for even viable businesses to access finance. Small and medium enterprises, which account for the majority of employment, are often the first casualties of this credit squeeze.

Guarantors face an especially harsh reality. Under the legal framework of Bangladesh, guarantors are frequently treated almost as co-borrowers. When powerful borrowers default, guarantors, typically middle-class professionals or relatives, are exposed to lawsuits, asset seizures and prolonged harassment. In many cases, guarantors face faster and harsher enforcement than the primary defaulters themselves. This has made people increasingly reluctant to stand as guarantors, further restricting credit access for genuine entrepreneurs who lack political connections.

The repeated rescheduling, restructuring and effective regularisation of large defaulted loans, often involving the same borrowers, has created a widespread perception of injustice. Honest borrowers see that compliance brings few rewards, while default can be negotiated, delayed or forgiven. This perception corrodes trust in the banking system and weakens the social contract that underpins financial discipline.

The legal system offers little relief. Hundreds of thousands of loan recovery cases clog the courts, with some disputes dragging on for a decade or more. These delays trap capital, discourage settlement and impose psychological and financial costs on borrowers and guarantors alike, while defaulters exploit the inertia of the system.

The banking crisis of Bangladesh is therefore not only about bad loans; it is about bad incentives. As long as governance failures allow wilful defaulters to operate with impunity, good borrowers will continue to pay the price through higher costs, reduced access to credit and eroding trust. A financial system that punishes responsibility cannot sustain stability, growth or fairness. Until this imbalance is corrected, Bangladesh risks discouraging the very behaviour its economy most urgently needs.

The writer is a former president of the Dhaka Chamber of Commerce and Industry (DCCI)

Will OpenAI be the next tech giant or next Netscape?

AFP, *New York*

Three years after ChatGPT made OpenAI the leader in artificial intelligence and a household name, rivals have closed the gap and some investors are wondering if the sensation has the wherewithal to stay dominant.

Investor Michael Burry, made famous in the film "The Big Short," recently likened OpenAI to Netscape, which ruled the web browser market in the mid-1990s only to lose to Microsoft's Internet Explorer.

"OpenAI is the next Netscape, doomed and hemorrhaging cash," Burry said recently in a post on X, formerly Twitter.

Researcher Gary Marcus, known for being skeptical of AI hype, sees OpenAI as having lost the lead it captured with the launch of ChatGPT in November 2022.

The startup is "burning billions of dollars a month," Marcus said of OpenAI.

"Given how long the writing has been on the wall, I can only shake my head" as it falls.

Yet ChatGPT was a tech launch like no other, breaking all consumer product growth records and now boasting more than 800 million -- paid subscription and unpaid -- weekly users.

OpenAI's valuation has soared to $500 billion in funding rounds, higher than any other private company.

But the ChatGPT maker will end this year with a loss of several billion dollars and does not expect to be profitable before 2029, an eternity in the fast-moving and uncertain world of AI.

READ MORE ON B2

Global coal exports post rare decline in 2025 on China cuts

REUTERS, *Colorado*

Global shipments of thermal coal - burned in power stations - have posted their first annual decline since 2020 on the back of lower coal-fired power generation in key Asian markets.

Total seaborne exports of so-called steam coal are set to come in at about 945 million metric tons in 2025, marking a 5 percent or roughly 50 million ton drop from 2024, data from commodities intelligence firm Kpler shows.

A 7 percent drop in imports by countries in Asia - the top coal consuming region - was the main driver of the decline, and raises the possibility that global coal export volumes have peaked and may continue to contract going forward.

Countries in Asia accounted for 89 percent of all thermal coal imports for the year to date, which underscores how concentrated coal shipments have become.

They imported 841 million tons of thermal coal, marking a 7 percent or 60 million ton drop from 2024's totals.

China was the top overall coal importer this year, with roughly 305 million tons of imports, followed by India (157 million tons), Japan (100 million tons), South Korea (76 million tons) and Vietnam (45 million tons).

However, only two of the five largest coal import markets - South Korea and Vietnam - posted annual rises in imports this year, which highlights the downbeat tone of coal demand even in the top coal consuming region.

And while other importers including Malaysia, Thailand and Turkey also posted year-over-year growth, their collective imports remain dwarfed by both China's and India's, which remain the main driving forces behind global coal import trends.

Coal is unloaded from a ship at the coal terminal of Lianyungang Port, in China's eastern Jiangsu province. Countries in Asia accounted for 89 percent of all thermal coal imports for the year to date.

PHOTO: AFP/FILE

The two largest coal importers - China and India - accounted for 48 percent of all thermal coal imports, and both registered import contractions this year due to a combination of higher domestic coal production and greater power supplies from other sources.

China registered a 12 percent or nearly 43 million ton drop in thermal imports in 2025 from the year before, to 305 million tons. India's imports dropped by 3 percent or by 4.3 million tons to around 157 million tons.

Both China and India have government policies that support domestic coal production, which generates jobs, but both countries also face the threat of overproduction of low-grade coal supplies that raise pollution levels when burned.

China's economy stalled in November, according to several key indicators, as worries about its property sector are back in the headlines.

China's ongoing campaign against overcapacity is likely to lead to some shrinkage in domestic coal production volumes in the years ahead, and in turn may limit any further drops in coal import demand over the near to medium term.

READ MORE ON B2