Bank loans above Tk 20cr to undergo fresh collateral review

BB governor says political neutrality and strong governance key to banking reform

STAR BUSINESS REPORT

All bank loans more than Tk 20 crore will be scrutinised afresh to assess whether those have adequate collateral coverage, Bangladesh Bank (BB) Governor Ahsan H Mansur said yesterday.

If proper collateral is not found for these loans, the concerned officials and directors will be held accountable, he said.

Speaking at a seminar in Dhaka, the governor said confidence has been restored in the banking sector, and overall stability has returned to the economy. At present, there is no concern regarding the dollar market or the balance of payments.

The programme, titled "Banking Sector Reform: Challenges and Way Forward", was organised by the Economic Reporters' Forum (ERF).

The BB governor said the central bank needs full autonomy and good leadership. He said that an internationally standard law is needed to grant the governor special status and protection so that removal cannot occur at the request of a phone call from any minister.

Regarding the level of bad debt in the banking sector, Mansur acknowledged that many banks are facing capital shortfalls and that the level of non-performing loans (NPLs) has risen to an alarming extent.

"I had thought the NPL ratio would be around 25-27 percent, but in reality, it has reached nearly 36 percent. We will not hide any information. Whatever is true will be disclosed," he said.

On responsibility for bank losses, the governor said lending activities are primarily carried out at the branch level. Therefore, if a bank falls into trouble, not only top executives but also lower-level officials cannot evade responsibility.

"Those who remain silent despite noticing irregularities or risks will also be brought under punishment," he said.

He said that dismissal should be allowed only through a court process, and solely if moral misconduct or bribery is proven.

Ahead of the national elections slated for February next year, he said there is an expectation that every political party will clearly outline its plans and directions in its manifesto and remain committed to pledges not to interfere in the banking sector for political reasons.

GOVERNOR SAYS

Newly merged bank will become profitable in the first year

Non-performing loans of banks may decline by December

BB targets to raise forex reserves to $34b-$35b by the end of this fiscal year

BB to seek Tk 20,000-Tk 25,000 crore in next budget to reform other banks

EXPERTS SAY

Junior officials should also be held accountable for bank losses

Pressure on banks mounts as capital market remains 'ineffective'

Full autonomy for the central bank is essential

Ahsan H Mansur
BB governor

Political parties must clearly spell out economic reform plans in their manifestos

Fahmida Khatun
Executive director of CPD

Long-term industrial financing should shift from banks to capital market

Syed Mahbubur Rahman
CEO of MTB

"Of course, the government will have a role, but political interference should not exist. Administrative support should be provided to ensure sound management of the banking sector," he added.

Some political parties have already mentioned that they want a healthy and sound banking system and have spoken about the independence of the Bangladesh Bank. "We want to see these promises implemented, we want to see them in practice," Mansur said.

The governor said Sammilito Islami Bank, which has been formed through the merger of five struggling shariah-based lenders, will be the strongest in the country in terms of paid-up capital.

"With adequate liquidity and government support of Tk 20,000 crore, Sammilito Islami Bank will be able to turn a profit from the very first year if everything is implemented properly," he said.

He added that the legal process to merge five banks has already been completed as part of banking sector reforms. "Within the next two days, logos, signboards and branch names will be changed. Where there are multiple branches in the same area, one will be retained while the others will be relocated to different areas," he said.

The governor said that Tk 20,000 crore has been taken from the government for the Sammilito Islami Bank. To reform several other banks, the central bank will seek an additional Tk 20,000-Tk 25,000 crore from the new government in the next budget.

"It is up to the next government whether they will provide it," Mansur said.

According to the governor, the central bank has a plan to raise foreign exchange reserves to $35 billion within this year.

Echoing similar views of the governor on political interference, Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD), said the economy itself is a political entity at the end of the day.

As the special guest of the seminar, she said that this is an opportune moment as the national election is approaching. Political parties intending to participate in the election will present their electoral manifestos.

"We are looking at those manifestos, and they must clearly spell out specific steps and firm commitments on how they plan to turn the banking sector into a disciplined and strong sector," said the economist.

Without this, Fahmida said that it will not be clear how they intend to formulate economic policies or what their economic reforms will be. Therefore, these issues must be presented transparently before the nation.

"In particular, in the banking sector, we have seen in the past how influential individuals or politically powerful actors, even those involved in policymaking, have used and drained the sector to enrich their own pockets. This must not be allowed to happen again," she said.

Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank, said positive changes are now being observed in the banking sector after the political changeover. Foreign exchange reserves are rising again, volatility in the dollar market has eased, and no major shock has occurred even after the introduction of a market-based exchange rate.

Without political will, he said that banking reforms alone will not solve all problems.

Rahman, also a former chairman of the Association of Bankers Bangladesh, mentioned the emergence of a "mafia culture" in the banking sector after the takeover of Islami Bank. He said the banking crisis has deepened since then.

He added that commercial banks have gone beyond their core functions and become involved in long-term investments. "As the capital market has not been effective, banks had to take on that role, which in turn contributed to industrialisation," he said.

ERF President Doulot Akter Mala delivered the opening remarks at the seminar.

Bilateral trade curbs strain exports to India in Jul-Nov

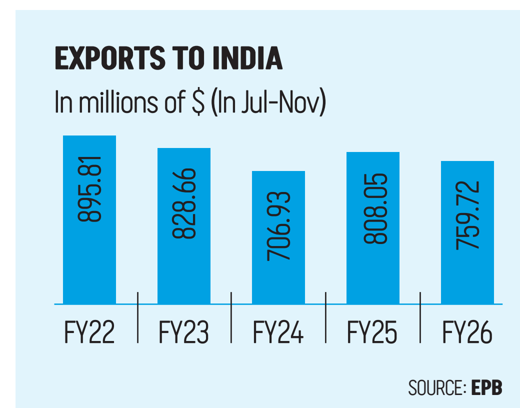
Shipment falls 6.36%

REFAYET ULLAH MIRDHA

Despite duty-free access and geographical proximity, Bangladesh's merchandise exports to India declined by $48 million in the first five months of the current fiscal year, largely owing to restrictive measures on both sides.

Exports to the neighbouring country fell by 6.36 percent year-on-year to $759.72 million during the July-November period of the current fiscal year 2025-26 (FY26), down from $808.05 million in the same period of FY25, according to data from the Export Promotion Bureau (EPB).

Garments, Bangladesh's largest export item, took a hard hit. Apparel shipments to India dropped by 8.18 percent to $298.47 million in the first five months of FY26, compared with $325.06 million a year earlier, based on EPB data compiled by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).



India remains one of Bangladesh's most important emerging export destinations. Bangladesh has enjoyed zero-duty access to the neighbouring market under the South Asian Free Trade Area (SAFTA) since 2011, benefiting from its status as a least developed country.

At its peak, shipments from Bangladesh to the neighbouring market were approaching the $2 billion mark in 2022. That momentum, however, has slowed in recent months READ MORE ON B3

Court stays SMP restrictions on GP for 3 months

MAHMUDUL HASAN

The High Court (HC) has stayed the enforcement of significant market power (SMP) regulations on Grameenphone (GP) for three months.

The order means the country's largest mobile operator will not need prior approval from the regulator to roll out new service campaigns during the period. Its customers switching networks under the mobile number portability facility will also avoid a shorter lock-in requirement.

The stay also restores Grameenphone's inter-operator call charge to Tk 0.10 per minute, up from Tk 0.07 set under the SMP rules.

Earlier this month, an HC bench comprising Justice Foyej Ahmed and Justice Md Monjur Alam issued the order after hearing a writ petition filed by Grameenphone, according to court documents.

Alongside the stay, the bench asked officials from the Ministry of Posts, Telecommunications and IT and the Bangladesh Telecommunication Regulatory Commission (BTRC) to explain within four weeks why the SMP restrictions imposed on Grameenphone should not be rendered null and void.

In 2018, the telecom regulator introduced the SMP regulations to prevent monopolistic market practices. It set a 40 percent threshold based on customer base, revenue or spectrum holdings.

A year later, the commission assessed the market and designated Grameenphone as an SMP operator, having exceeded the threshold in both subscribers and annual revenue.

Under the SMP framework, Grameenphone faced three of the 20 possible regulatory conditions.

These included the requirement of pre-approval from the commission for each service campaign. Customers porting into the network were also subject to a shorter lock-in period than those of rival operators.

Grameenphone had challenged the SMP designation in court five years ago without success. The latest writ, which described the designation as "arbitrary and unlawful", resulted in the stay.

READ MORE ON B3

Half of Bangladeshis still offline despite rapid digital expansion

STAR BUSINESS REPORT

Despite more than a decade of rapid growth in internet and smartphone-based services, nearly half of Bangladesh's population remains outside the reach of the internet at the individual level, according to the latest survey by the Bangladesh Bureau of Statistics (BBS).

According to BBS quarterly report on Information and Communication Technology (ICT) usage, 48.9 percent of people aged five and above were direct internet users by the end of September 2025.

At the household level, just over half of Bangladesh's households, about 56 percent, had at least one internet user during the July-September period, added the report released Wednesday.

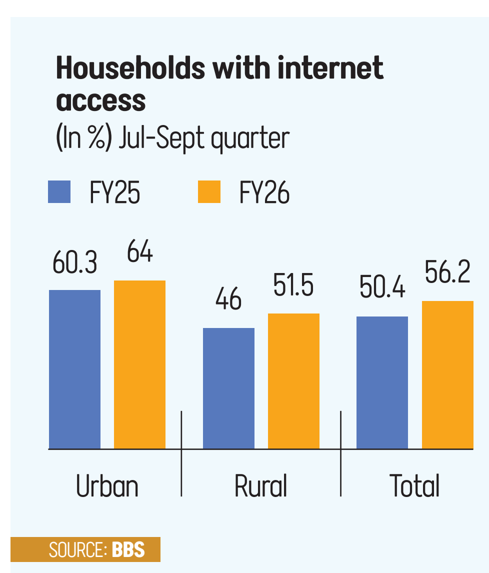
The survey also reveals that 50.4 percent of households were internet users during the July-September quarter, compared with 55.1 percent at the end of fiscal year 2024-25 (FY25) on June 30.

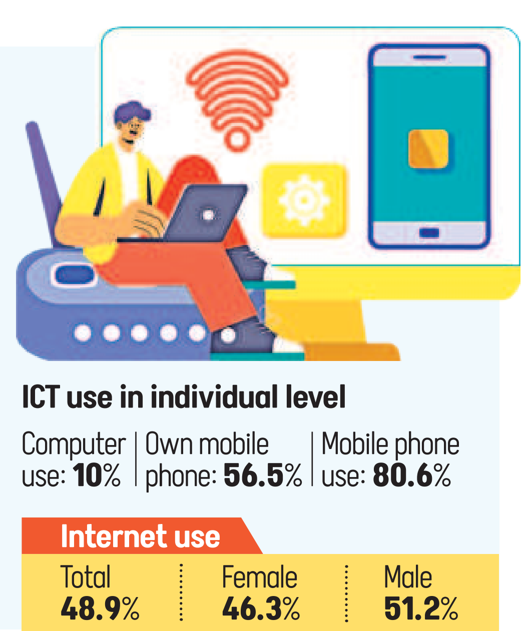
This means that about half of the country's citizens are still digitally excluded, even as online services increasingly shape access to education, healthcare, finance, and government support.

The BBS survey, which gathers data from individuals aged five years and above, from 61,632 households across the country, is aimed at informing national ICT policy, as well as reporting to international platforms such as the International Telecommunication Union (ITU) and the SDG Tracker.

The survey also cited that around 80.6 percent people are currently using mobile phones while 56.5 percent have their own mobile phone.

While mobile phone use among men and women is almost equal – 81 percent for men and 79 percent for women – a significant





gender gap persists in ownership and internet access.

About 63 percent of men own at least one mobile phone, compared to 53 percent of women. Internet use follows a similar pattern – 51.2 percent of men are online, while just over 46.3 percent of women use the internet.

The BBS survey indicates a steady rise in internet use over recent years, even with a slight decline in overall mobile phone ownership.

In 2022, internet usage rose sharply from 38.9 percent in 2022 to 48.9 percent this year.

At the household level, however, access appears broader. The survey shows that 99 percent of households have at least one mobile phone, and 72.4 percent now own a smartphone.

The survey also provides insight into access to other technologies. Television is available in 59 percent of households, radio use has dropped to 15 percent, and only 9.1 percent of households own a computer. Electricity coverage, however, is nearly universal, reaching 99 percent of households.

A clear urban-rural divide remains. Smartphone ownership is significantly higher in urban areas, where 81 percent of households have at least one device, compared to 69 percent in rural areas.

"Nearly half of Bangladesh's population still does not use the internet, and the situation is actually worse than that of our neighbouring countries," said AKM Fahim Mashroor, former president of Bangladesh Association of Software & Information Services.

READ MORE ON B3

Panel formed to review draft of microcredit bank law

STAR BUSINESS REPORT

A 10-member inter-ministerial committee has been formed, headed by Additional Secretary of the Financial Institutions Division Md Saeed Kutub, to review the draft of the proposed Microcredit Bank Ordinance, 2025.

The committee has been asked to submit its report with recommendations within 15 days of the review.

For the first time, the government has taken the initiative to establish a "Microcredit Bank" to turn the country's youth and marginalised communities into entrepreneurs. The draft ordinance has been prepared to that end.

In order to finalise the draft, an inter-ministerial meeting was held yesterday at the Secretariat under the chairmanship of Nazma Mobarek, secretary of the Financial Institutions Division of the finance ministry.

Chief Adviser Professor Muhammad Yunus, on May 17, at the inauguration of the new building of the Microcredit Regulatory Authority (MRA) in Dhaka's Agargaon, emphasised the importance of establishing a "microcredit bank" in the country to develop youth and marginalised communities as entrepreneurs.

In this context, on November 26, the Financial Institutions Division

READ MORE ON B3

BDCOM Online declares 10% dividends

STAR BUSINESS DESK

BDCOM Online Ltd, one of the leading ICT solutions providers in Dhaka, has declared a 10 percent dividend, including a 5 percent cash dividend, for the year that ended on June 30, 2025.

The declaration was made at the ICT solutions provider's 29th annual general meeting (AGM), which was held virtually yesterday, according to a press release.

Wahidul Haque Siddiqui, chairman of BDCOM Online Ltd, presided over the meeting.

At the meeting, shareholders approved the audited financial statements, the auditors' report and the directors' report for the financial year 2024-25.

Qurrattul Ann Siddiqui and Md Shafiqul Alom, directors of the company; Das Deba Prashad and Air Vice Marshal (retd) Md Zahidur Rahman, independent directors; Air Vice Marshal (retd) Muhammad Nazrul Islam, managing director; and Faker Ahmed, chief financial officer, along with a large number of shareholders, also joined the meeting.

PHOTO: BDCOM ONLINE

Wahidul Haque Siddiqui, chairman of BDCOM Online Ltd, presides over the company's 29th annual general meeting yesterday. The meeting declared a 10 percent dividend, including a 5 percent cash dividend, for 2025.

Rafat Ullah Khan becomes MD of Al-Arafah Islami Bank

STAR BUSINESS DESK

Mohd Rafat Ullah Khan has been appointed managing director (MD) of Al-Arafah Islami Bank PLC for a period of three years, effective from December 18, 2025.

Prior to this appointment, Khan was serving as the additional managing director (AMD) and chief risk officer of the bank.

Earlier, he served at NCC Bank PLC as deputy managing director (DMD), chief risk officer (CRO) and chief anti-money laundering compliance officer (CAMLCO).

He began his professional banking career at Eastern Bank PLC as a probationary officer in 1994.

Over a career spanning more than 31 years in the banking sector, Khan has held key leadership positions at BRAC Bank, Dutch-Bangla Bank and Prime Bank.

He has extensive experience across various bank branches and head offices, covering a wide range of areas, including credit risk management, corporate banking, product development, and process and policy-making in both Islamic and conventional banking.

Khan obtained his master's degree in statistics from the University of Dhaka and an MBA from a private university.

BRAC Bank wins ICMAB award for excellence in corporate governance

Tareq Refat Ullah Khan, managing director and CEO of BRAC Bank PLC, receives the trophy from Commerce Adviser Sk Bashir Uddin at the "ICMAB Best Corporate Award 2024", conferred by the Institute of Cost and Management Accountants of Bangladesh, at the Bangladesh-China Friendship Conference Center in Dhaka on Wednesday.

PHOTO: BRAC BANK

STAR BUSINESS DESK

BRAC Bank PLC won the gold award at the "ICMAB Best Corporate Award 2024", conferred by the Institute of Cost and Management Accountants of Bangladesh (ICMAB), for its excellence in corporate governance for the ninth consecutive year.

The bank received the award in the Private Commercial Bank category, according to a press release.

Commerce Adviser Sk Bashir Uddin presented the award to Tareq Refat Ullah Khan, managing director and CEO of BRAC Bank PLC, at a ceremony held at the Bangladesh-China Friendship Conference Center in Dhaka on Wednesday.

Commenting on the achievement, Khan said, "Good governance, ethics, compliance and transparency are integral to our business philosophy. This continued recognition from ICMAB reflects the strength and consistency of our corporate governance culture and our resolute commitment to the highest standards of accountability."

"This award further motivates us to elevate our governance practices in line with global benchmarks and reinforces our journey towards becoming the most trusted and best-performing bank in Bangladesh. We sincerely thank our customers and stakeholders for their enduring trust in BRAC Bank," he added.

The award recognises organisations that demonstrate exemplary corporate governance, transparency and accountability.

Md Abdur Rahman Khan, chairman of the National Board of Revenue; Mahbubur Rahman, secretary to the Ministry of Commerce; Mahtab Uddin Ahmed, president of ICMAB; and M Masud Rana, additional managing director and chief financial officer of BRAC Bank, among others, also attended the ceremony.

Showkat Aziz Russell elected president of BTMA

STAR BUSINESS REPORT

Showkat Aziz Russell

Showkat Aziz Russell, chairman and managing director of Amber Group, has been elected president of the Bangladesh Textile Mills Association (BTMA) for a two-year term (2025-27).

Russell had been serving as the president of the association following the ouster of the Sheikh Hasina-led government on August 5, 2024.

The three vice-presidents elected for the 2025-27 term are Md Shamim Islam, managing director of Jamuna Group; Md Abul Kalam, managing director of Chaity Group; and Shafiqul Islam Sarker, managing director of Purbani Group, according to a press release.

The new executive committee includes Md Badshah Mia, Sajid Israq, Md Tanvir Khan, Md Shahid Alam, Md Khorshed Alam, Afroza Khanam, Ruhul Amin, Mirza Ahmed Ispahani, Nayeem Ahmed, Rubayet Haider, Syed Ishtiaque Ahmed, Sanchia Chowdhury, Chowdhury Mohammad Hanif Shoyeb, Syed Elias Seraji, Syed Rezawanul Haque, Md Kawsar Hossain, Nur-e-Yeasmin Fatema, Nadiruzzaman Khan, BM Shoyeb, Md Mizanur Rahman, Md Sohel Khan, Mahbubur Rahman (Monir) and Motiur Rahman.

Dhaka Bank honoured with Remittance Award 2026

STAR BUSINESS DESK

Dhaka Bank PLC has been honoured with the Remittance Award 2026 by the Ministry of Expatriates' Welfare and Overseas Employment for its outstanding contribution to remittance collection and disbursement in the fiscal year 2024-25.

The bank was recognised as one of the top 10 remittance-disbursing banks in the country during the period, according to a press release.

Chief Adviser Professor Dr Muhammad Yunus attended the award ceremony as the chief guest, along with other distinguished dignitaries.

Asif Nazrul, adviser to the Ministry of Expatriates' Welfare and Overseas Employment, handed over the award to AKM Shahnawaj, managing director (current charge) of Dhaka Bank PLC, at a ceremony held at the Osmani Memorial Auditorium in Dhaka on Wednesday.

The ministry organised the ceremony as part of the celebrations marking International Migrants Day and National Expatriates Day 2025.

PHOTO: DHAKA BANK

AKM Shahnawaj, managing director (current charge) of Dhaka Bank PLC, receives the award from Asif Nazrul, adviser to the Ministry of Expatriates' Welfare and Overseas Employment, at the Osmani Memorial Auditorium in Dhaka on Wednesday.

United Commercial Bank signs deal with Trade International Industries

Shahbaj Talat, senior executive vice-president and head of the transaction banking division of United Commercial Bank PLC, and Nurul Afser, deputy managing director of Trade International Industries Ltd, pose for a photograph after signing the agreement at the company's corporate office in Dhaka recently.

PHOTO: UCB

STAR BUSINESS DESK

United Commercial Bank PLC (UCB) has signed an agreement with Trade International Industries Ltd, a concern of Electro Mart Ltd and the sole distributor in Bangladesh of Gree, Konka and Haiko.

Nurul Afser, deputy managing director of Trade International Industries Ltd, and Shahbaj Talat, senior executive vice-president and head of the transaction banking division of United Commercial Bank PLC, signed the agreement at the company's corporate office in Dhaka recently, according to a press release.

Under the agreement, UCB will provide banking services focused on efficient payment collection from Trade International's nationwide network of distributors and dealers, utilising its extensive branch network.

The collaboration is expected to modernise financial operations in the electronics and home appliance sector, enhancing efficiency, transparency and convenience for all stakeholders.

Senior officials from both institutions were also present at the ceremony.

China launches

FROM PAGE B4

eye to the overall situation at home and abroad," China's economy tsar said. That appeared to be a reference to US President Donald Trump's tariffs, which have pushed policymakers to diversify China's $19 trillion economy from the world's top consumer market and take steps to further consolidate the manufacturing juggernaut's role in global supply chains.

China's leaders have made reversing a drop in investment a priority for next year, seeking to shift the economy from its current reliance on stimulus toward a dual focus on consumption and investment to stabilise growth in the near-term, while officials evaluate undertaking painful structural reforms needed to rebalance the economy long-term.

Foreign direct investment into China fell 10.4 percent year-on-year in the first three quarters of 2025, official data shows.

If liberalisation succeeds in Hainan, economists say policymakers may feel emboldened to expose more of China's economy to market forces.

CHINA'S FREE-TRADE TEST CASE

"The benchmark is something similar to Hong Kong," said Ran Guo, director for Consumer Economy at the China-Britain Business Council, who has been tracking the plan's developments for the past five years.

"In addition to boosting Hainan's tourism sector, the plan should also encourage more foreign investment and manufacturing," she added.

"Hainan also serves as a logistics and trading hub for China towards Southeast Asia, which carries an important strategic role."

Hainan's GDP stood at $113 billion last year, official data shows, the equivalent of the world's 70th largest economy, according to World Bank data. Even so, it is far short of Hong Kong's $407 billion economy.

"The Hainan model basically offers managed liberalisation that will be great for reintegrating supply chains, yet it lacks the legal system and financial openness Hong Kong boasts," said Xu Tianchen, senior economist at the Economist Intelligence Unit.

The island will also have to compete with Southeast Asia and Japan, Xu added, making success far from guaranteed.

Trade negotiators also doubt how seriously CPTPP members will view the Hainan project, noting that membership in the bloc requires opening up the entire economy - something China has yet to demonstrate, no matter how large Hainan is.

Nuzhat Anwar appointed MD of Dhaka bourse

STAR BUSINESS DESK

Nuzhat Anwar

Nuzhat Anwar has been appointed as the managing director (MD) of Dhaka Stock Exchange PLC (DSE).

Prior to her new appointment, Nuzhat worked at the International Finance Corporation (IFC), the private sector arm of the World Bank Group, according to a press release.

Her positions included resident representative for Liberia and Sierra Leone, senior country officer for Bangladesh covering Bangladesh, Bhutan and Nepal, and acting cluster manager during the Covid-19 pandemic and the subsequent transition period.

She also served as an IFC country officer in Botswana and Namibia, where she played a key role in establishing IFC's presence in Gaborone and advancing a sustainable investment programme, including IFC's first investment in Botswana.

Nuzhat brings over two decades of experience in financial markets, banking and development finance. She has deep expertise in capital management, treasury and liquidity, transaction services, portfolio optimisation and market advocacy.

Robi aims to boost digital banking, financial inclusion

STAR BUSINESS REPORT

Robi Axiata Limited is taking major steps to expand Bangladesh's digital financial ecosystem, said Ziad Shatara, the company's newly appointed CEO, yesterday.

Shatara said Robi plans to leverage its partnership with Malaysian digital bank 'Boost' to offer accessible, low-cost, and tailored banking solutions to underserved communities.

"Our goal is to simplify banking while reaching different segments of the population, offering products that are both affordable and widely accessible," he told The Daily Star on the sidelines of his first press meeting since becoming CEO in November.

Robi has applied for a digital bank licence in Bangladesh under the name 'Boost-ROBI', joining other major players like bKash and Banglalink in the competition for one of the limited central bank licences.

Shatara said the company aims to serve citizens outside the formal banking system and promote broader financial inclusion.

"Digital banking is not just about technology; it's about strengthening relationships with our customers. By combining our extensive customer base with Boost's digital banking expertise, we aim to transform the banking industry in Bangladesh," he added.

Ziad Shatara

He also reaffirmed Robi's commitment to compliance and responsible business practices.

"We operate in a balanced environment and will continue to conduct business according to the country's laws and regulations. This is fundamental to our operations, and we are dedicated to serving citizens to the best of our ability," Shatara said.

Highlighting Robi's environmental, social, and governance (ESG) initiatives, he said citizen well-being remains a central focus of the company's operations.

On competition in the telecom sector, Shatara acknowledged challenges but stressed collaboration over litigation.

Benapole port revenue slips on lower passenger traffic

MOHSIN MILON, *Benapole*

Passenger movement through the Benapole International Checkpost dropped by a sharp 66 percent year-on-year in the four months to October, causing significant revenue losses for the government.

Some 605,818 people travelled through the checkpost between July and October of the previous fiscal year, which came down to just 202,969 in the same period this fiscal year.

In the first four months of fiscal year 2024-25, some 358,952 people travelled to India from Bangladesh, while 296,866 came from India.

These figures fell to 114,734 and 88,235 respectively in the same period this fiscal year.

This decline has affected both countries, port officials said.

Due to reduced passenger movement, the Indian government lost around Tk 4.2 crore in visa fees, while Bangladesh missed the opportunity to earn around Tk 3.2 crore in travel tax revenue, they said.

Officials said that every year, around 28 lakh people travel between Bangladesh and India via Benapole for tourism, medical treatment, business, and higher education.

Panel formed to review draft

FROM PAGE B1

published the draft on its website and sought opinions from stakeholders within seven days.

Later, to finalise the draft, Nazma Mobarek chaired a meeting yesterday with representatives from the law ministry, Finance Division, Bangladesh Bank, National Board of Revenue, Microcredit Regulatory Authority, Palli Karma-Sahayak Foundation, and other relevant government and non-government institutions.

According to the draft, the proposed bank will operate as a social institution.

Dividend payments to investors will not exceed the amount they invest, indicating that profit will not be the main objective.

The bank is expected to have an authorised capital of Tk 300 crore.

This is the maximum sum a company may raise by issuing shares.

The initial paid-up capital, which refers to money received from shareholders for shares issued, will be Tk 100 crore.

Borrower-shareholders will provide at least 60 percent of this amount, with the rest coming from other shareholders.

Both individuals and institutions will be able to become shareholders if they meet the conditions.

The authorised capital will be divided into three crore ordinary shares with a face value of Tk 100 each, according to the draft.

Half of Bangladeshis

FROM PAGE B1

In India, more than 70 percent of the population is connected to the internet, while in Pakistan the figure exceeds 60 percent.

"This is extremely disappointing for Bangladesh," he said, adding that the primary reason behind the low internet usage is the high cost of data. "Internet prices in Bangladesh are significantly higher than in many other countries, largely because of the heavy tax burden."

"Out of every Tk 100 spent on mobile data, around Tk 50 goes to the government," Mashroor said. "There is a 20 percent supplementary duty, along with VAT, revenue sharing, and spectrum-related costs. In total, more than half of the data price is absorbed by taxes and fees."

He said high prices have made internet access unaffordable for large segments of the population. "Because data is so expensive, marginalised and low-income people are simply unable to use the internet, which keeps overall usage low."

"Internet usage will not improve significantly unless smartphone penetration increases and data prices come down," he added.

Bilateral trade curbs

FROM PAGE B1

amid a series of retaliatory trade actions that disrupted long-established supply routes.

RESTRICTIONS AND RETALIATION

Exporters trace much of the slowdown to disruptions that began in April, when India revoked the transshipment facility for Bangladesh's export cargo to third countries, except Nepal and Bhutan, transiting through its territory.

Shortly after, Bangladesh halted the import of Indian yarn through land ports heeding to long-term calls from textile millers. Just weeks later, India also suspended the import of Bangladeshi goods via land routes, forcing exporters to reroute shipments through seaports.

Humayun Rashid, chairman of Energypac Fashions Ltd, said the changes significantly raised logistics costs.

His company exports about \$80 million worth of suits annually, including around \$6 million to India. This year, the firm's exports to the Indian market declined as buyers were compelled to shift shipments from land ports to the Chattogram seaport.

To offset the additional transport costs, the company reduced per-unit prices for Indian importers, squeezing margins.

"It is expected that after the general election, the bilateral trade relations with India will improve and the export will grow again," he said.

"India is a very promising market for Bangladesh, especially for the garment items because of the strong middle-income consumer base and presence of multinational retailing companies in Indian markets," he added.

He also pointed to China and Asean (Association of South East Asian Nations) countries as other potential growth markets due to their large consumer bases.

Syed M Tanvir, managing director of Pacific Jeans, one of the largest denim exporters, also described a similar situation with exports from his factories to India declining this year.

BGMEA senior vice-president Inamul Haq Khan noted that exports to India had reached close to \$2 billion a few years ago, largely driven by garment shipments.

The recent suspension of border trade, he said, has disrupted that trajectory and weighed on bilateral commerce.

The local primary textile millers have long been complaining that the \$25 billion invested in spinning, dyeing, weaving, finishing and washing sectors is in trouble because of the invasion of cheap Indian yarn in Bangladesh.

Md Abdul Wahed, joint secretary general of the India-Bangladesh Chamber of Commerce and Industry, said Bangladesh's exports have faced headwinds in multiple markets due to both domestic and global challenges.

However, he said, "The decline in shipments to India was largely driven by specific terms and conditions imposed by both countries."

Like others in the trade community, he expressed hope that exports would rebound once bilateral relations stabilise under a new government.

Court stays SMP

FROM PAGE B1

Tanveer Mohammad, chief corporate affairs officer of Grameenphone, said the company had sent four letters to the regulator this year seeking a review of the SMP status. Without any response from the BTRC, it filed the writ.

"The Honourable High Court Division has stayed the operation of the SMP directives. We trust that all concerned parties will duly comply with the order," he told The Daily Star.

The regulator, however, signalled a legal response. Major General (Retd) Md Emdad ul Bari, chairman of the commission, said it would challenge the HC order.

Despite the SMP restrictions, Grameenphone continues to dominate the telecom market in profit, revenue and subscriber numbers.

As of October 2025, the operator held 45.56 percent of the mobile market, according to BTRC data. Robi Axiata followed with 30.69 percent, Banglalink with 20.17 percent and state-owned Teletalk with 3.58 percent.

Smaller operators have long complained that Grameenphone's market dominance keeps growing, arguing that the regulator has failed to enforce other provisions of the SMP rules.

"Grameenphone has engaged in a range of anti-competitive practices that undermine fair market competition and seek to create monopolistic dominance," said Shahed Alam, chief corporate and regulatory officer at Robi Axiata.

"As a responsible telecommunications operator, we remain fully committed to upholding a level playing field and ensuring strict compliance with all applicable laws and regulatory frameworks. In this regard, we are taking appropriate legal actions to protect and promote fair competition within the market," he told The Daily Star.

Gold steady

REUTERS

Gold prices were broadly steady on Thursday, supported by dovish Federal Reserve signals but restrained by a resilient dollar ahead of key US inflation data this week, while silver hovered near record highs.

Spot gold fell 0.2 percent to $4,333.12 an ounce as of 0652 GMT, after rising more than 1 percent late on Wednesday. US gold futures also eased 0.2 percent to $4,363.60.

The dollar index held on to earlier gains after touching a nearly one-week high on Wednesday, limiting upside in greenback-priced bullion.

Spot silver rose 0.1 percent to $66.36 an ounce after hitting a record high of $66.88 in the last session, and is up 130 percent year-to-date, outpacing gold's 65 percent gain on firm industrial demand, steady investment interest and tightening inventories.

Some analysts expect silver to test the $70-per-ounce level next year, particularly if US interest rate cuts continue to underpin appetite for precious metals.

"Remarks by Waller indicate that the Fed could maintain its ongoing rate cut cycle... so that's supporting both gold and silver right now," said Kelvin Wong, senior market analyst at OANDA, adding that some profit-taking could emerge at current levels.

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Fed Governor Christopher Waller said the central bank can still cut rates amid a cooling labour market and would "absolutely" defend its independence if challenged, as he awaited an interview with US President Donald Trump for Powell's succession.

Earlier this week, data showed the US unemployment rate rose to 4.6 percent in November, above a Reuters poll forecast of 4.4 percent and the highest since September 2021.

The Fed delivered its third and final quarter-point rate cut of the year last week, with markets now pricing in two additional 25-basis-point cuts in 2026.

Non-yielding assets such as gold typically benefit in a lower-interest-rate environment.

Investors are now awaiting November's US Consumer Price Index due later in the day, followed by the Personal Consumption Expenditures price index on Friday.

Struggling with quality and training gaps, onion seed producers face losses as surplus local seeds remain unsold while farmers turn to costly imports for reliable yields. The photo was taken recently in Faridpur Sadar's Ambikapur village. PHOTO: SUZIT KUMAR DAS

Onion seed surplus, but poor quality drives import dependence

Seed growers cite training gaps for quality issues

SUZIT KUMAR DAS

Although Bangladesh produces more onion seeds than it needs, poor quality has forced many farmers to depend on costly imported varieties. As a result, large quantities of locally produced seeds remain unsold, causing losses for seed growers.

According to the Department of Agricultural Extension (DAE), onion seeds were cultivated on 12,500 hectares across the country in the fiscal year 2024-25, producing a total of 14.29 lakh tonnes.

Data from the Spice Research Centre shows that onion cultivation from seeds covered 205,000 hectares nationwide in this year's Rabi season, which runs roughly from October to March.

With an average requirement of 6 kg of seed per hectare, the total national demand stands at about 12.3 lakh tonnes, leaving a surplus of around 1.99 lakh tonnes.

Despite this surplus, farmers in major onion-growing districts such as Faridpur, Rajbari, Pabna, Kushtia, and Rajshahi still rely heavily on imported seeds to achieve better yields.

Many say locally produced seeds fail to maintain varietal purity, with only about 60 percent of onions grown from domestic seeds matching the expected variety. The remaining 40 percent comprise different strains, reducing both yield and market value.

Md Mofiqul Islam, an onion farmer from Khoar village in Saltha upazila of Faridpur, said, "In many cases, the variety promised does not match what we actually get in the field, and we end up facing losses."

Md Rahmat Ali Sheikh, a farmer from Natunchar village in Baliakandi upazila of Rajbari, added, "Farmers have no practical way to test seed quality. We are forced to depend on local traders, who often sell old seeds as fresh ones. To get imported high-yielding varieties, we have to pay in advance. This year, an American variety was sold for Tk 50,000-55,000 per kg."

SEED PRODUCERS STRUGGLE TO MAINTAIN QUALITY

Seed-producing farmers say they struggle to maintain quality due to a lack of proper training. Md Delwar Sheikh of Ambikapur village in Faridpur Sadar said, "We don't know the proper steps needed to ensure good quality, as I have never received any formal training on onion seed production."

With an average requirement of 6 kg of seed per hectare, the total national demand stands at about 12.3 lakh tonnes, leaving a surplus of around 1.99 lakh tonnes

Shahida Begum, a seasoned seed producer, said, "Different varieties are often grown in the same field or in nearby plots by different farmers, making it hard to maintain genetic purity. Proper training and technical support from the DAE could greatly improve seed quality."

"Many farmers produce five to ten maunds of seed but cannot sell them because of quality problems. These seeds are later bought cheaply by seed companies and sold the following year, which ultimately harms farmers who use them," she added.

Md Ishaq Mollah, a seed producer from Bhanga upazila in Faridpur, said he produced 50 maunds of onion seed this year, but much of it remained unsold due to the large supply of imported seeds.

Md Alauddin Khan, principal scientific officer of the Spices Research Sub-Centre at the Bangladesh Agricultural Research Institute (BARI), Faridpur, said about 60 percent of the country's onion seed is produced in Faridpur alone, but farmers do not get fair prices due to quality concerns.

"Imported American variety seeds sell for Tk 50,000 to Tk 55,000 per kg, while the best locally produced high-yielding seeds sell for only Tk 10,000 to Tk 12,000," he said.

He added, "Onion seed production depends on pollination through wind, bees, insects, or human activity, and maintaining quality requires strict isolation with fields of different varieties kept at least a kilometre apart.

"However, in Bangladesh, growing different varieties close together causes cross-pollination, reducing seed quality and remaining one of the sector's biggest challenges."

Md Shahaduzzaman, deputy director of the DAE in Faridpur, said, "The government has no project to train farmers on onion seed cultivation. Farmers are regularly advised on maintaining seed quality, but land scarcity and ownership issues often prevent them from following the guidelines."

He added that the government plans to establish crop zones, which could help reduce cross-pollination and improve seed quality in the future.

Md Akhtar Hossain, assistant director (onion) at the Bangladesh Agricultural Development Corporation (BADC), said, "The government procured 9,572.24 kg of onion seeds of four varieties from contracted farmers in Faridpur during the 2024-25 production year. These seeds will be distributed nationwide through the DAE."

However, he admitted that farmers' confidence in local seeds has declined after some previously distributed seeds failed to germinate.

The fixed pie fallacy

MAHTAB UDDIN AHMED

In Bangladesh, negotiation often begins with an unspoken assumption that the pie is already baked, its size fixed, and its slices limited. Whoever takes a bigger piece must be stealing from the other. This belief quietly shapes boardroom arguments, salary discussions, regulatory debates, and even family business conversations. The moment this mindset enters the room, creativity exits. What follows is not negotiation, but a slow tug-of-war where everyone pulls hard, and the rope eventually snaps.

This is what negotiation scholars describe as the fixed-pie mentality. It is the belief that one party's gain automatically requires another's loss. Global research suggests this belief is not just common but deeply flawed. Studies from Harvard's Program on Negotiation show that a majority of negotiators systematically fail to identify opportunities for mutual gain, leaving significant value on the table simply because they assume it does not exist. McKinsey's work on complex negotiations further indicates that organisations which move beyond zero-sum thinking generate materially higher long-term value and more durable agreements than those that focus only on who wins today.

In Bangladesh, the fixed-pie mindset is visible across sectors. Employers assume employees want more pay at the cost of profitability, while employees assume management wants profit at the cost of dignity. Boards treat management as cost centres, management treats boards as threats, regulators see industries as adversaries, and businesses view policy as punishment. Everyone negotiates defensively, as if survival depends on extracting concessions rather than creating solutions. The outcome is predictable. Deals get delayed, relationships erode, and mistrust becomes institutionalised. Eventually, the pie shrinks for everyone.

The irony is that most negotiations are not inherently zero-sum. Compensation discussions are not only about money but also about growth, learning, flexibility, and recognition. Corporate deals are rarely just about valuation; they involve risk allocation, timelines, governance, reputation, and future opportunities. National-level negotiations around investment, energy, or infrastructure are never about a single transaction. They are about credibility, continuity, and confidence. When negotiators obsess over one variable and ignore the rest, they fight fiercely over a small slice while ignoring the bakery next door.

Evidence from Asia offers useful lessons. Economies that have successfully attracted long-term investment tend to negotiate on multiple dimensions simultaneously. By aligning interests rather than rigid positions, they expand the value pool and then share it. Research from the World Bank shows that countries with higher trust and collaborative negotiation cultures experience lower transaction costs, faster deal closures, and stronger private sector participation. These are not abstract theories. They translate directly into jobs, investment, and growth.

Overcoming the fixed-pie mentality requires a shift in mindset rather than tactics. It starts with curiosity rather than suspicion, and with asking why the other side wants something rather than assuming bad faith. It requires the maturity to separate ego from outcome and to recognise that walking away with a sustainable agreement is more powerful than winning a loud argument. Most importantly, it demands an understanding that negotiation is rarely a one-time event. In a small economy like ours, today's opponent is tomorrow's partner.

The real cost of fixed-pie thinking is not a bad deal. It is the normalisation of conflict, the erosion of trust, and the gradual weakening of institutions. When leaders negotiate as if value is finite, they create scarcity where none is necessary. When they negotiate to create value, they strengthen themselves, their organisations, and the nation as a whole. A country does not grow by fighting over slices. It grows by learning how to bake a bigger pie and, wisely, agreeing on how to share it.

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

China launches $113b free-trade experiment on Hainan island

REUTERS, *Beijing*

China on Thursday split off a Belgium-sized island with an economy comparable to a mid-ranked country from the mainland for customs processing, part of a bid to join a major trans-Pacific trade deal and establish a new Hong Kong-style commercial hub.

Officials hope that turning the southern province of Hainan into a duty-free zone will spur foreign investment, with goods that achieve at least 30 percent local value-added able to move on into the world's second-largest economy tariff-free. Foreign firms will also be able to operate in service sectors that are restricted on the mainland.

China is also seeking to boost its free-trade credentials to convince members of one of the world's largest free-trade deals, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), that it can meet the bloc's high standards for trade and investment openness through pilot projects such as the Hainan Free Trade Port.

China's Vice Premier He Lifeng called on local officials to "build Hainan Free Trade Port into a vital gateway leading China's new era of opening up to the world," during a speech at the port.

The project was a "major strategic decision" taken by the ruling Communist Party "with an

READ MORE ON B2

Despite tariffs, Chinese consumer brands expand in US

REUTERS, *Shanghai/New York*

Lured by the promise of richer margins, a wave of Chinese consumer brands is making deeper inroads into American retail to offset sluggish spending at home.

Throughout 2025, companies including Labubu-maker Pop Mart, trinket purveyor Miniso, sportswear giant Anta and fast-fashion label Urban Revivo have announced new US stores or retail expansions, trying to establish a foothold in the world's richest consumer market despite harsh US tariffs and talk of economic decoupling.

The counterintuitive trend, which started to emerge in 2023 after the COVID pandemic, accelerated this year as lethargic local spending prompted Chinese consumer companies to look abroad, initially in Southeast Asia.

NEW YORK A LITMUS TEST FOR BROADER EXPANSION

Urban Revivo, often called 'China's Zara,' opened its New York flagship in March.

The company's presence in a fashion capital like New York was a litmus test for broader success elsewhere, said Leo Li, chairman and CEO of Urban Revivo's parent Fashion Momentum Group, which last year saw sales revenue approach $1 billion.

"We're only in the early stage of entering this market," Li told Reuters. "We need to continuously expand our scale and be profitable to be considered truly successful."

He said Urban Revivo's success in the West would hinge on strategy, product and brand value, and played down the heightened US-China trade tensions that have marked US President Donald Trump's return to office.

A Reuters review of company filings and social media posts found that Chinese brands, including Urban Revivo, Auntea Jenny, Chagee, Luckin Coffee and Mixue, opened their first US stores in 2025. Anta soon plans to open a store in Beverly Hills.

Miniso, which celebrated its 100th store opening in 2023, had grown to 421 North American stores as of September.

Consumers shop for Labubus and other art toys at Pop Mart's Skullpanda pop-up store in Manhattan on December 12. Throughout 2025, companies including Labubu-maker Pop Mart have announced new US stores or retail expansions. PHOTO: REUTERS

A CHANCE AT 'FOUR TIMES THE MONEY'

Pop Mart, which debuted in the US in 2023, operated 41 locations there by mid-2025 and signaled plans for rapid expansion.

"The US market is enormous, with strong purchasing power," CEO Wang Ning said, following the release of half-year results, which showed more than 1,000 percent growth in North America.

The brands targeting America were already winners in China's fiercely competitive consumer market. If rewarded with success also in the US, they could reap profit margins far higher than they are accustomed to in Asia.

"A lot of these Chinese companies are saying: 'We grew up in China with tremendous competition, enormous pressure, and if we could do exactly the same thing in America as we did in China, we would make four times the money'," said Gabor Holch, founder of consultancy East-West Leadership.