

A year of reform and resistance in the tax sector

MD ASADUZ ZAMAN

Protest, turmoil, and punishment -- these three words defined Bangladesh's revenue sector in 2025, a year marked by the split of the National Board of Revenue (NBR), a major source of government income.

Following a mass uprising in August last year, the interim government launched long-awaited reforms aimed at separating tax policy-making from tax administration to improve efficiency, accountability, and revenue collection.

A five-member advisory committee was first formed to guide the reforms. Although the committee submitted a report on restructuring the NBR, the government did not make it public.

In mid-May, a 'controversial' ordinance dissolved the NBR, dividing its functions into two new bodies: the Revenue Policy Division, responsible for drafting tax laws and handling treaties, and the Revenue Management Division, tasked with enforcement and collection.

The reform followed international best practices by separating policy from implementation and was linked to conditions under Bangladesh's International Monetary Fund (IMF) support programme.



The decision, however, faced strong opposition within the NBR. Officials and employees feared losing power, career uncertainty, and erosion of their cadre status.

Their main grievance was a provision allowing general administration cadre civil servants to lead the new divisions, potentially sidelining experienced revenue officers.

They claimed the reform was rushed and imposed with little consultation, turning a long-promised overhaul into a year of turmoil that severely disrupted tax administration and caused significant revenue losses.

In response, NBR staff formed the "NBR Reform Unity Council," demanding the repeal of the ordinance and the public release of the advisory committee's report.

The protests quickly spread nationwide, starting with pen-down work abstentions and escalating to phased shutdowns between May 14 and June 29. The unrest paralysed import and export operations and large segments of the revenue administration.

At one point, protesters also demanded the removal of NBR Chairman Md Abdur Rahman Khan.

2025 AT A GLANCE

Revenue Policy and Revenue Management Ordinance, 2025 issued in May

Revised ordinance came in September

Abolishment

National Board of Revenue (NBR)

Internal Resources Division (IRD)

Creation of two entities

Revenue Policy Division

Revenue Management Division

Govt measures

Initial reform committee formed

Taskforce established

Advisory committee created to defuse the crisis



Govt actions against protesters

Forced retirements

Suspensions & transfers

Disciplinary notices

ACC investigations against key protestors

To address the crisis, the government formed another advisory committee led by Energy Adviser Muhammad Fouzul Kabir Khan, which recommended amendments to the ordinance.

In September, the government revised the ordinance, allowing revenue officials to hold top and senior positions in the Revenue Policy Division.

At the same time, authorities cracked down on the protests with forced retirements, suspensions, transfers, and disciplinary notices, creating fear and bitterness within the institution.

Several officials -- including current members, commissioners, and the president and general secretary of the protesting platform -- faced punitive measures, while the Anti-Corruption Commission launched inquiries into leaders of the protests.

These actions not only slowed the revenue machinery but also increased frustration and discontent among staff.

By the end of the year, the revenue sector remained shaken, even though overall revenue collection had improved.

UNFINISHED REFORM PROPOSALS

When the ordinance was issued, the interim government abruptly dissolved the initial five-member advisory committee before it could submit its comprehensive report. A week later, a new nine-member National Taskforce on Tax Restructuring was formed, led by economist and Policy Research Institute (PRI) Chairman Zaidi Sattar.

The taskforce is tasked with recommending ways to raise the tax-to-GDP ratio and proposing short- and long-term policies for a business- and trade-friendly tax system that supports economic growth.

As of yesterday, the government has not yet completed the separation process, although Finance Adviser Salehuddin Ahmed said it would be done by the end of the year. NBR Chairman Md Abdur Rahman Khan added that the interim government aims to finalise the process during its tenure.

Economists and tax experts say the NBR conflict has revealed deeper structural weaknesses, stressing that political stability and clear policies are crucial to restoring confidence in the revenue system.

Towfiqul Islam Khan, additional research director at the Centre for Policy Dialogue, said, "The real challenge is not announcing reforms, but implementing them. We talk about reforms, but operationalisation is far from reality. Key issues remain unresolved, so implementation will inevitably take time."

He questioned claims that the reforms would be completed quickly, saying, "The claim that everything will be done by December is not credible."

Khan raised concerns about the transparency of the reform process. "A committee formed to guide the reforms was dissolved before submitting its final report, and the progress of another committee remains unclear," he said.

"The reform process is moving forward in a non-transparent manner, without accountability," he added.

Khan warned that the lack of political engagement could weaken the sustainability of the reforms and noted that internal disruptions within the revenue administration following the protests remain a serious issue.

Refund policy for merging banks: Who's on the priority list?

STAR BUSINESS REPORT

The Bangladesh Bank (BB) yesterday introduced a comprehensive Bank Resolution Scheme, setting out who will get priority access to deposits at the five merging shariah-based banks and how remaining funds will be refunded over time.

The scheme also affects staff at the five merging banks, who may face changes to their service conditions and benefits under the new structure.

Under the scheme, small depositors are given the highest priority. Individuals with balances of up to Tk 200,000 are fully protected and may withdraw their money at any time from the scheme's effective date.

Special consideration has also been extended to vulnerable individuals. Depositors suffering from cancer or requiring kidney dialysis will face no withdrawal restrictions, regardless of the size of their deposits, according to the refund framework.

Certain institutions have been placed next in the priority order. Educational and religious institutions, hospitals, provident and gratuity funds of employees, joint venture companies, multinational companies, banks and financial institutions under resolution, and foreign embassies will be allowed to gradually resume normal transactions.

Depositors with balances exceeding Tk 200,000, however, will not have immediate access to their full funds.

After the first Tk 200,000, additional amounts will be released in tranches of Tk 100,000 every three months. Depending on the size of the deposit, full access may take up to 24 months.

For fixed and term deposit holders, the scheme provides for automatic renewals upon maturity. Three-month deposits will be renewed three times, while deposits with tenors between one and two years will be converted into three-year term deposits.

In several cases, the profit rate on deposits will be set at one percentage point below the bank rate, which may be lower than the rates originally offered by the banks.

A separate arrangement applies to institutional deposits held by banks and financial institutions. Fixed deposits amounting to about Tk 7,500 crore will be converted into Class B shares of the Sammilito Islami Bank PLC -- the state-owned bank set to be formed by merging the five failing banks.

Deposits held by other institutions and trusts will also be partly converted into shares, with the possibility of dividend income in the future.

EMPLOYEE UNCERTAINTY

The resolution scheme also carries major implications for employees of the five merging banks -- EXIM Bank, First Security Islami Bank, Global Islami Bank, Social Islami Bank and Union Bank -- who have been transferred to Sammilito Islami Bank.

The board of directors has the authority to re-determine service conditions and reduce benefits, and employees are not permitted to object to these changes.

Those who do not wish to stay may resign and receive all benefits under existing rules. Employees found guilty of fraud may be dismissed without further explanation.

The scheme also sets out the roles and responsibilities of Bangladesh Bank, the government and other relevant authorities in the resolution process. It introduces a structured decision-making mechanism to ensure transparency and accountability while resolving distressed banks.

The scheme stated that the five merging banks were involved in widespread irregularities, including fraud, and that the former boards of directors of these banks failed to establish good governance.

Electro Mart unveils sales centre in Mohammadpur

STAR BUSINESS DESK

Electro Mart Limited has recently launched a sales and display centre for electronics and home appliance brands Konka, Gree and Haiko in Mohammadpur, Dhaka.

A wide range of consumer electronics and home appliances will be available at the centre, including Konka LED televisions, refrigerators, freezers, ceiling fans, washing machines, microwave ovens, blenders, juicers, irons, rice cookers and pressure cookers; Gree air conditioners, air coolers, air curtains, dehumidifiers and air purifiers; and Haiko refrigerators and freezers.

The new display centre will offer special prices on Konka refrigerators, Gree air conditioners and Konka LED televisions throughout the inauguration month. Mohammed Nurun Newaz, chairman of Electro Mart Group, inaugurated the sales and display centre as the chief guest, according to a press release.

Newaz said the Electro Mart sales and display centre would deliver world-class products, interactive and caring customer service, and robust after-sales support.

"Gree AC holds the number one position with a dominant share of



Mohammed Nurun Newaz, chairman of Electro Mart Group, inaugurates the sales and display centre for electronics and home appliance brands Konka, Gree and Haiko in Mohammadpur, Dhaka recently.

PHOTO: ELECTRO MART

the air conditioner market, while Konka has a significant presence in the electronics market and Haiko has captured more than 10 percent of the electronics and home appliances market in Bangladesh." He said that due to quality, innovative features, after-sales service and reasonable pricing, Konka, Gree and Haiko

products have become the first choice for consumers worldwide.

Customers can purchase Konka, Gree and Haiko products from various display centres and dealers in cash or through monthly instalment facilities ranging from three to 18 months using credit and debit cards of around 35 scheduled banks.

Eastern Bank opens sub-branch in Kansat

STAR BUSINESS DESK

Eastern Bank PLC (EBL) has expanded its retail footprint across the country to bring more unbanked people under formal banking services.

As part of the initiative, the bank recently opened a sub-branch at Alhaji Mohammad Abdul Kayum Market in Kansat, Chapainawabganj.

M Khorshed Anwar, deputy managing director and head of retail and SME banking at Eastern Bank PLC, inaugurated the sub-branch as the chief guest, according to a press release.

Mustafa Kamal, acting branch area head for the North and South regions of the bank, along with local businesspeople, clients, and community representatives, were also present.



M Khorshed Anwar, deputy managing director and head of retail and SME banking at Eastern Bank PLC, inaugurates the sub-branch in Kansat, Chapainawabganj recently.

PHOTO: EASTERN BANK

Green Delta wins gold at SAFA BPA Awards 2025

STAR BUSINESS DESK

Green Delta Insurance PLC won a gold award at the South Asian Federation of Accountants (SAFA) Best Presented Annual Reports (BPA) Awards 2025 in the Insurance category.

The non-life insurer secured the top honour for the second consecutive year, reaffirming its leadership in transparency, accountability, and excellence in financial reporting, according to a press release.

Md Oliullah Khan, senior executive vice-president and company secretary of Green Delta Insurance PLC, received the award at the ceremony held in Pakistan recently.

This year, a total of 82 companies from across South Asia participated in the SAFA Awards.

Among them, Green Delta Insurance PLC stood out as the only Bangladeshi company to win gold

in its category, an achievement that strengthens Bangladesh's position in the regional corporate governance landscape.

Green Delta Insurance PLC

remains committed to upholding global best practices in corporate reporting, guided by its dedication to transparency, ethics, and innovation.



Md Oliullah Khan, senior executive vice-president and company secretary of Green Delta Insurance PLC, receives the award at the South Asian Federation of Accountants (SAFA) Best Presented Annual Reports (BPA) Awards 2025 in Pakistan recently.

PHOTO: GREEN DELTA INSURANCE

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Memo No: 35.01.8400.194.00.001.25.1826
Date: 30/12/2025

CORRIGENDUM NOTICE-01
1. **Name of Work :** Construction and Improvement of Tankabati-Baroawlia Road (Z-1013) under Bandarban Road Division during the year 2025-2026 (PW-03).
2. **Tender Reference No. :** e-Gp/DEV/WB/HELP-RHD/PW-03/2025-2026
3. **Tender ID :** 1177216
This is to inform all concern that due to unavoidable circumstances the e-tender notice circulated vide this office memo no: 35.01.8400.194.00.001.25.1670, dated: 03/12/2025 has been amended as follows:

Sl.	Field Name	Old Value	New value
01	PCC Clause 26.1	Sl. No 8: viii. Indigenous People Plan – Required	SL No 8: viii. Indigenous People Plan – Not Required
02	PCC Clause 64.4	The amount of payment withheld of forfeited amount due to failure in compliance with any obligations under ES Specifications or reporting arrangement shall be 0.100	The amount of payment withheld of forfeited amount due to failure in compliance with any obligations under ES Specifications or reporting arrangement shall be 820000.00
03	Tender/Proposal Document last selling/downloading Date and Time :	04-Jan-2026 16:00	11-Jan-2026 16:00
04	Last Date and Time for Tender /Proposal Security Submission :	05-Jan-2026 12:15	12-Jan-2026 12:15
05	Tender/Proposal Closing Date and Time :	05-Jan-2026 12:30	12-Jan-2026 12:30
06	Tender/Proposal Opening Date and Time :	05-Jan-2026 12:30	12-Jan-2026 12:30

(Mdhammah Mahade Iqbal)
ID No.: 601956
Superintending Engineer (C.C), RHD
Road Circle, Rangamati.
&
Project Director
Construction & Improvement of Three Roads
Targeting Host Community under
Bandarban Road Division.

GD-2780