

star

BUSINESS



Clarify bank control return to former owners

Debapriya calls for govt explanation on revised law in parliament

STAR BUSINESS REPORT

Economist Debapriya Bhattacharya yesterday urged the government to explain the intention behind recent revisions to the Bank Resolution Act, which now allow former owners to regain control of five Islamic banks being merged amid a severe liquidity crisis due to past irregularities.

At a session of the annual economists' conference at BRAC Centre Inn in Dhaka, he said political authorities must set out their position in parliament and issue a clear statement explaining their intent.

Earlier this month, the House passed the revised Bank Resolution Act 2026, paving the way for former owners of the merging banks to reclaim control under relatively easy terms. The move has been widely viewed as a reversal of the interim government's banking reform drive.

Under the law, former directors or owners can reclaim control by paying 7.5 percent of the funds injected by the government or the Bangladesh Bank upfront. The remaining 92.5 percent is to be paid within two years at 10 percent simple interest.

"I have no problem with the policy itself, but I want clarity," Debapriya said at the conference organised by the South Asian Network on Economic Modeling (Sanem).

He said, "Even the central bank governor has not given a statement on this. So, instead of relying on our own interpretations, the authorities must speak."

Debapriya, convenor of the Citizen's Platform for SDGs, Bangladesh, said, "I am worried. I have already said over the past couple of days that we need a political statement on this issue. We need a discussion in parliament."

"What we are doing now, what you, I, and others are saying, is based on our goodwill, but it is still just interpretation," he said.

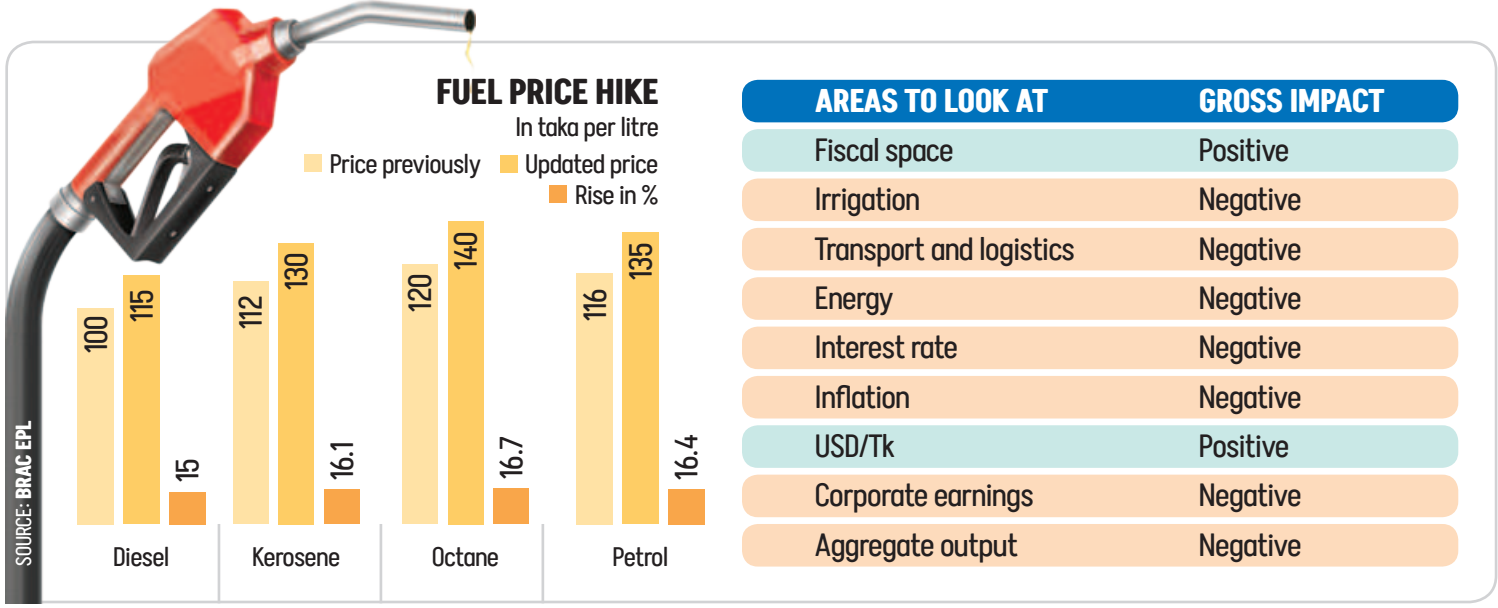
"I believe in political interpretation backed by commitment. That commitment should ensure that past problems or actors do not return. And this issue is not limited to today; it will affect the media tomorrow, and then oil and LNG imports the day after. It extends beyond banking; it affects the entire economy," he further said.

"We have seen such patterns before. That is why I am looking for a clear political explanation, and wondering why the political leadership is silent," added Debapriya, also a distinguished fellow at the Centre for Policy Dialogue (CPD).

READ MORE ON B3

Fuel price hikes feed inflation but ease subsidy burden

Govt may save Tk 700cr a month, while lower public borrowing could offer some relief to the exchange rate



STAR BUSINESS REPORT

The latest fuel price increase is expected to send shockwaves through much of the economy, lifting costs for farmers, transporters and manufacturers while offering only slight relief to the government finances and the exchange rate, according to an analysis by Brac EPL Stock Brokerage Ltd.

The brokerage estimates that seven out of nine key economic indicators it reviewed will face negative pressure. Only two areas, fiscal space and the dollar-taka exchange rate, are likely to benefit.

The government on Saturday night raised the prices of four fuels with effect from

midnight. Diesel now sells at Tk 115 per litre, octane at Tk 140, petrol at Tk 135 and kerosene at Tk 130.

Bangladesh introduced an automatic, market-driven fuel pricing mechanism on March 7, 2024. Under the guidelines, prices are adjusted in the first week of each month based on the Mean of Platts Arab Gulf benchmark published by S&P Global.

For months, however, prices moved within a narrow Tk 1 to Tk 2 range in line with global markets. This time, the adjustment crosses over 15 percent, reflecting global price volatility amid conflicts in the Middle East.

Brac EPL estimates that a 15 percent increase across hydrocarbons could cut the

subsidy bill by about Tk 700 crore a month at current price levels. That would ease pressure on public finances at a time when weak revenue collection and high operating costs have left the government with limited room to manoeuvre.

Lower subsidy requirements could also trim government borrowing, offering some support to the external balance and the exchange rate. But the impact is not straightforward, rather layered and uneven.

The immediate burden of the fuel shock will fall on irrigation, transport and power generation. North Bengal is in the middle of the Boro season, the largest paddy cycle of the year.

READ MORE ON B3

Gas shortage brings DAP fertiliser production to a halt

MOHAMMAD SUMAN, Ctg

An acute shortage of ammonia has closed down production at the state-owned DAP Fertilizer Company Limited (DAPFCL), marking a fresh setback for the country's fertiliser supply chain, officials said.

The closure of five of the country's six urea factories is behind the crisis, they claimed.

The ammonia needed for production at the factory is primarily sourced from Chittagong Urea Fertilizer Company Limited (CUFL) and Karnaphuli Fertilizer Company Limited (Kalco).

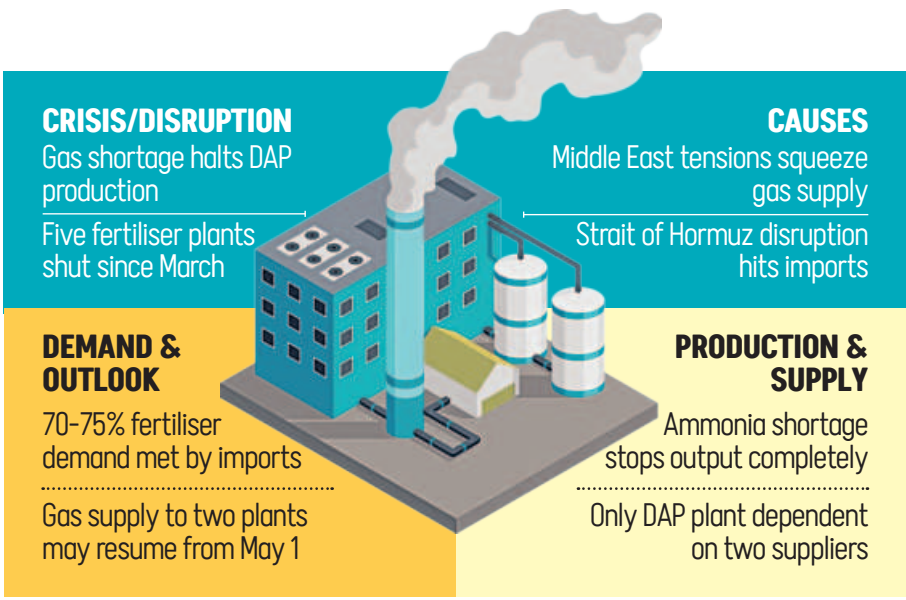
These two fertiliser factories were among the five shut down in early March, as a precaution amid fears of gas supply disruptions caused by geopolitical tensions in the Middle East. They are yet to resume operations, and ammonia supply to the DAP facility remains cut off.

The DAP plant exhausted its stock of the indispensable raw material on Saturday. Fertiliser output had stopped around 7:00 pm, Deputy General Manager (Commercial) Robiul Alam Khan confirmed.

"If gas supply to those plants resumes, they can restart production, and we will receive raw materials again. There is no alternative source at the moment," he told The Daily Star.

DAP production requires phosphoric acid and ammonia.

"We have sufficient phosphoric acid in



stock, but without ammonia, production cannot continue," Robiul Alam Khan added.

Typically, the plant produces around 500 tonnes of fertiliser daily using imported phosphoric acid and ammonia supplied by Kalco and CUFL.

The most recent batch of 3,000 tonnes of ammonia from Kalco had sustained production till Saturday, Khan said.

DAPFCL had managed to continue operations for nearly one and a half

months using existing stock, but was forced to shut down after the reserves ran out.

Located in Rangadia of Anwara upazila in Chattogram, DAPFCL operates under the Bangladesh Chemical Industries Corporation (BCIC) of the Ministry of Industries.

Established to meet domestic demand for nitrogen and phosphorus-based fertilisers, the plant has been in commercial operation since 2006

and remains the country's only DAP-producing plant. It has two units with a combined production capacity of 800 tonnes per day.

The plant produced around 92,600 tonnes of DAP in fiscal year 2023-24 and about 49,500 tonnes in fiscal year 2024-25, reflecting a sharp decline amid supply disruptions.

According to BCIC and the Ministry of Agriculture, the country's total annual fertiliser demand is estimated at 6.5-6.9 million tonnes, including 2.7 million tonnes of urea, 752,000 tonnes of TSP, 1,507 million tonnes of DAP, 2.6 million tonnes of NPKS and 987,000 tonnes of MOP.

Around 1.4 million tonnes of DAP are imported. A significant portion comes from Morocco, Tunisia, China, and Saudi Arabia.

BCIC officials said geopolitical tensions in the Middle East and disruptions in shipping through the Strait of Hormuz have created uncertainty over timely imports.

Authorities initially shut five urea fertiliser factories for 15 days from March 4 as a precaution amid concerns over gas supply disruptions linked to the Middle East conflict and the Strait of Hormuz closure.

However, the shutdown has stretched well beyond the initial timeline, with plants still idle after more than six weeks.

READ MORE ON B3

Business leaders demand swift FBCCI polls

JAGARAN CHAKMA

Business leaders have called for the urgent appointment of a private-sector administrator and the swift holding of elections at the apex trade body, warning that prolonged administrative uncertainty is weakening the trade body and undermining business confidence.

They made the call at a meeting with Commerce Minister Khandakar Abdul Muktadir at his office in Dhaka yesterday.

Following the political changeover on August 5, 2024, an administrator has been running the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) for the past two years.

At the event, Mohammad Hatem, president of the BKMEA, stressed the need to appoint an experienced businessperson as administrator of the FBCCI, instead of a government official, so that the concerns of the business community can be addressed more effectively.

He emphasised greater engagement of businesses in policymaking, particularly in the trade and industrial sectors, and highlighted the need to ensure that the federation remains active, inclusive, and responsive to all business groups.

Hatem also underscored the urgency of restoring effective leadership through timely elections, warning that prolonged uncertainty is undermining business confidence.

Mohammad Hatem, president of the BKMEA, stressed the need to appoint an experienced businessperson as administrator of the FBCCI, instead of a government official

He said the apex trade body must function as a strong and credible representative of the private sector, especially at a time when businesses face multiple domestic and global challenges.

Without an elected committee, he noted, the organisation cannot effectively carry out its role in policy advocacy and coordination.

He called for prompt steps to hold elections and restore normal operations, adding that representative leadership would better protect business interests and support economic growth.

Md Zakir Hossain, general secretary of the Bangladesh Supermarket Owners' Association, said the FBCCI has become ineffective under successive government-appointed administrators, describing the situation as one of "lack of guardianship."

He noted that small and medium enterprises are the worst affected, as they rely heavily on FBCCI support, unlike larger firms that can directly engage with ministries.

He also called for the appointment of a full-time administrator from the business community and said elections should be held without further delay.

Abdul Haque, president of the Bangladesh Reconditioned Vehicles Importers and Dealers Association (BARVIDA), said nearly two years without an elected committee has hurt the

READ MORE ON B3

Dual protest outside Islami Bank HQ

Dismissed Islamic banks' staff demand reinstatement, another group seeks S Alam's arrest

STAR BUSINESS REPORT

Several hundred former employees dismissed from six troubled Islamic banks gathered in front of Islami Bank Bangladesh headquarters in Motijheel yesterday morning, demanding reinstatement and the dissolution of the current boards of directors.

Within an hour of the protest, a separate group staged a counter-demonstration under the banner of Islami Bank Customers' Coordination Council, demanding the arrest of S Alam Group Chairman Mohammed

Saiful Alam and the recovery of stolen assets.

The dismissed employees carried banners and festoons identifying themselves as former staff of Islami Bank, First Security Islami Bank, Social Islami Bank, Al-Arafah Islami Bank, Global Islami Bank and Union Bank.

Most of them are reportedly from Chattogram, the home district of Saiful Alam, and were recruited when the banks were under the control of S Alam group.

They were dismissed following the political changeover in August

2024, when allegations surfaced that they were recruited without public job advertisements, competitive examinations or proper verification of academic credentials.

Officials of the banks said the dismissals were carried out in line with the Bangladesh Bank's advice regarding verification of employees' academic credentials, followed by assessment tests.

Only those who failed to participate in the evaluation or were found to have submitted forged documents were dismissed, leaving little scope for

reinstatement, said the officials.

Meanwhile, the demonstrators under the banner of the Islami Bank Customers' Coordination Council called for the repeal of a newly added provision to the Bank Resolution Act, alleging that it enables the rehabilitation of "bank looters".

The provision, Section 18A of the law, allows former shareholders of distressed or merged banks to reclaim ownership under specific conditions.

Nurun Nabi Manik, president of the council, announced a five-point

READ MORE ON B3

Dollar falls to multi-week lows

PHOTO: DHAKA BANK

Intiaz U Ahmed, managing director and CEO of Midland Bank, poses for a group photograph with participants of the workshop on “Leadership Excellence & Crisis Management” at the MDB Training Institute in Dhaka recently. PHOTO: MIDLAND BANK

PHOTO: UCB

PHOTO: SHANTA HOLDINGS

PHOTO: COMMERCIAL BANK OF CEYLON

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

কাস্টমস, এক্সাইজ ও ভ্যাট বিভাগ, বাগেরহাট

স্টেডিয়াম রোড, বাগেরহাট

ই-মেইলঃ bagerhatdiv@gmail.com

নথি নং-৩৭/এ(২)১/হিসাব/হারারিং চার্জ/বারবি/২০১২/২৬৮৫

তারিখঃ ১৬/০৪/২০২৬খ্রিঃ

মাইক্রোবাস ভাড়ার দরপত্র আহবান বিজ্ঞপ্তি

কাস্টমস, এক্সাইজ ও ভ্যাট বিভাগ, বাগেরহাট এর অধীক্ষেত্রভুক্ত সার্কেলসমূহে রাজস্ব আদায় তত্ত্বাবধান ও রাজস্ব ফাঁকি নিরোধ, কর্মকর্তাদের যাতায়াত এবং দৈনন্দিন দাপ্তরিক কার্যক্রম-এর মাধ্যমে রাজস্ব আহরণ বৃদ্ধির লক্ষ্যে কার্যাদেশে উল্লিখিত তারিখ হতে ৩০.০৬.২০২৬খ্রিঃ পর্যন্ত মাসিক ভিত্তিতে ০১ (এক)টি মাইক্রোবাস ভাড়াপ্রাপ্ত প্রকৃত মালিক/প্রতিষ্ঠান এর নিকট থেকে নিজস্ব প্যাডে সিলমোহরকৃত খামে দরপত্র আহবান করা যাচ্ছে।

১. সংগ্রাহক সত্তার নাম	৪ কাস্টমস, এক্সাইজ ও ভ্যাট বিভাগ, বাগেরহাট।
২. কাজের নাম	৪ মূলতঃ ০৭ (সাত) আসন বিশিষ্ট ১৮০০ সিসি এর নিম্নে নহে এবং ২০১৭ বা তার পরবর্তী সনের ভালো কন্ডিশনের মডেলের ০১ (এক)টি মাইক্রোবাস (চালকসহ) ভাড়া।
৩. ব্যয়ের উৎস	৪ সরকারি অনুমোদিত বাজেট (প্রাপ্তি সাপেক্ষে)।
৪. দরপত্র পদ্ধতি	৪ উন্মুক্ত দরপত্র পদ্ধতি।
৫. দরদাতাদের যোগ্যতা	৪ নিজের বা প্রতিষ্ঠানের নামে গাড়ীর মালিকানা সম্পর্কিত মূল দলিলাদি অবশ্যই থাকতে হবে (হালনাগাদ নয়ানবৃত্ত ট্রেড লাইসেন্স, হালনাগাদ আয়কর সংক্রান্ত সনদ (টি.আই.এন), ভ্যাট রেজিস্ট্রেশন সার্টিফিকেট, সরবরাহতবা গাড়ীর হালনাগাদ বু-বুক, ট্যাক্স টোকেন, ফিটনেস, ইন্স্যুরেন্স এবং গাড়িচালকের মূল ড্রাইভিং লাইসেন্স সহ অন্যান্য কাগজপত্র বা দলিলাদির সত্যায়িত ফটোকপি)।
৬. দরপত্র দাখিলের সর্বশেষ তারিখ, সময় ও স্থান	৪ ২২/০৪/২০২৬খ্রিঃ তারিখ ১২:০০ ঘটিকা পর্যন্ত বিভাগীয় কর্মকর্তা, কাস্টমস, এক্সাইজ, ও ভ্যাট বিভাগ, বাগেরহাট।
৭. দরপত্র খোলার তারিখ, সময় ও স্থান	৪ ২২/০৪/২০২৬খ্রিঃ তারিখ ১২:৩০ ঘটিকা কাস্টমস, এক্সাইজ, ও ভ্যাট বিভাগ, বাগেরহাট (সম্মেলন কক্ষ)।

দরপত্রের শর্তাবলী

- (০১) যে তারিখ হতে গাড়ী ব্যবহার করা হবে, উক্ত তারিখ হতে ৩০.০৬.২০২৬খ্রিঃ পর্যন্ত ভাড়া গণনা করা হবে (গাড়ী ব্যবহারের তারিখ পরবর্তীতে কার্যাদেশের মাধ্যমে জানানো হবে)।
- (০২) দরপত্রে অংশগ্রহণকারী অগ্রহী ব্যক্তি/প্রতিষ্ঠানকে বিভাগীয় কর্মকর্তা, কাস্টমস, এক্সাইজ ও ভ্যাট বিভাগ, বাগেরহাট বরাবরে সীলমোহরকৃত খামে তাদের নিজস্ব প্যাডে লিখিতভাবে আবেদন করতে হবে। আবেদনের সাথে উপরে 'দরদাতাদের যোগ্যতা' এর বিপরীতে উল্লিখিত সকল কাগজপত্র/দলিলাদির ফটোকপি (১ম শ্রেণীর গেজেটেড কর্মকর্তা কর্তৃক সত্যায়িত) অবশ্যই দাখিল করতে হবে।
- (০৩) সীলমোহরকৃত খামের উপর দরদাতার নাম, ঠিকানা ও টেলিফোন নম্বর উল্লেখ করতে হবে।
- (০৪) মাইক্রোবাসের জন্য প্রস্তাবিত দর হিসেবে দৈনিক ভাড়ার হার এবং মাসিক ভাড়ার হার সুস্পষ্টভাবে (সংকে এবং কথায়) উল্লেখ করতে হবে (জ্ঞানানী ও সকল প্রকার খরচ সহ)।
- (০৫) দরপত্রে কোন প্রকার ঘষা-মাজা এবং ওভার রাইটিং করা সম্পূর্ণ নিষিদ্ধ এবং কোনরূপ শর্ত আরোপ করা যাবে না।
- (০৬) সিলমোহরকৃত খামে দরপত্র আগামী ২২/০৪/২০২৬খ্রিঃ তারিখে বেলা ১২:০০ ঘটিকার মধ্যে এ দপ্তরে রক্ষিত টেন্ডার বাজে ফেলা যাবে, যা একই দিন ১২.৩০ ঘটিকার সময় দরপত্রদাতাগণের উপস্থিতিতে (যদি কেউ উপস্থিত থাকেন) খোলা হবে। উক্ত দিন তাদের সংশ্লিষ্ট গাড়ি এ দপ্তরে পরীক্ষা/ঘাচাইয়ের জন্য উপস্থিত রাখতে হবে।
- (০৭) মাইক্রোবাস ভাড়ার মেয়াদ কার্যাদেশে উল্লিখিত তারিখ হতে ৩০/০৬/২০২৬খ্রিঃ তারিখ পর্যন্ত মেয়াদ বলবৎ থাকবে।
- (০৮) মাইক্রোবাসটি মূলত বাগেরহাট জেলায় ব্যবহৃত হবে। তবে প্রয়োজনে পার্শ্ববর্তী অন্য কোন জেলায়ও ব্যবহৃত হতে পারে। মাইক্রোবাসটি প্রতিদিন সকাল হতে রাত ১০.০০ ঘটিকা পর্যন্ত প্রয়োজনে চালাতে হতে পারে।
- (০৯) সাপ্তাহিক বন্ধের দিন এবং সরকারি ছুটির দিন প্রয়োজনে মাইক্রোবাস সরবরাহ করতে হবে। এ জন্য মাসিক ভাড়ার অতিরিক্ত ভাড়া দাবী করা যাবে না অর্থাৎ এ দিনের ভাড়া মাসিক ভাড়ার মধ্যে অন্তর্ভুক্ত থাকবে।
- (১০) মাইক্রোবাস সরবরাহকালীন সময়ে যথেষ্ট জরুরি কারণে গাড়ি চলাচলে বিঘ্ন ঘটলে কিংবা গাড়িচালক অসুস্থ থাকলে, গাড়িচালক/বিকল্প গাড়িচালকসহ বিকল্প গাড়ির ব্যবস্থা করতে হবে।
- (১১) মাইক্রোবাসের মালিকানা, চালকের ড্রাইভিং লাইসেন্স ও কোন প্রকার দুর্ঘটনা সংক্রান্ত যে কোন প্রকার আইনগত জটিলতার দায়ভার মাইক্রোবাস ভাড়া প্রদানকারী প্রতিষ্ঠানকেই বহন করতে হবে। টেন্ডার ওপেনিং টিমের নিকট যে নম্বর প্লেট বিশিষ্ট গাড়ি প্রদর্শন করেছেন উক্ত গাড়ির নম্বর উল্লেখ করে কার্যাদেশ দেয়া হবে।
- (১২) সরকারি বিধান অনুযায়ী প্রযোজ্য মূল্য সংযোজন কর (ভ্যাট), অগ্রিম আয়কর (এ.আই.টি) ও প্রযোজ্য অন্যান্য করাদি প্রাপ্ত বিল হতে কর্তন করা হবে।
- (১৩) দরপত্র সম্পর্কিত সকল কার্যাদি The Public Procurement Act-2006 and The Public Procurement Rules-2025 অনুযায়ী পরিচালিত হবে।
- (১৪) কোন কারণ দর্শানো ব্যতিরেকে যে কোন দরপত্র আবেদন বা সম্পূর্ণ গ্রহণ বা বাতিলের ক্ষমতা কর্তৃপক্ষ সংরক্ষণ করেন।

Sham
16.04.2026

শরীফ ফারুক আহমেদ খান

সহকারী কমিশনার

ও

বিভাগীয় কর্মকর্তা

GD-555

Businesses call for growth-oriented budget, pragmatic tax policy

STAR BUSINESS REPORT

Amid ongoing domestic and global challenges, businesses have urged the government to ensure that the upcoming national budget for the 2026-27 fiscal year is supportive and growth-oriented rather than “punitive”.

They also called for a reduction in effective tax rates, including turnover tax, and stressed the need for a balanced and pragmatic tax policy to encourage investment and economic expansion.

The demands were made at a pre-budget seminar on private-sector priorities in Dhaka, jointly organised by the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), and the Economic Reporters' Forum (ERF).

“In the current global and domestic economic context, we are going through a challenging time,” said Kamran T Rahman,

president of MCCL.

High inflation, sluggish investment, elevated interest rates, and pressure on foreign exchange have made doing business difficult, he said, adding that small and medium enterprises are the worst affected.

He said the budget should focus on boosting investment and job creation, urging a further 2.5 percentage point cut in corporate tax for both listed and non-listed companies and the removal of the cash transaction condition.

Rahman also proposed

introducing a “Unified Taxpayer Profile” to replace separate tax, VAT, and customs systems, which he said would reduce complexity and harassment.

Golam Mainuddin, chairperson of Apex Footwear Limited, said the tax burden remains disproportionately high

one paid at the top bracket. When rates were reduced, collection increased and it could rise further if rates are lowered again,” he added.

Citing VAT, he noted, “If rates come down from 15 percent, more businesses will comply, and overall collection could increase.”

“There is a huge scope to expand the tax net, but a rent-seeking culture within the tax administration remains a major barrier.”

“Without making the system service-oriented and addressing this culture, even automation will not deliver effective results,” he said.

Malik Mohammed Sayeed, chief executive officer of Square Toiletries Limited, called for retaining tax exemptions on sanitary napkins and diapers.

He also urged a reduction in taxes on imported raw materials to around 10 percent, as key inputs are not locally

produced and require large-scale investment.

Asif Ibrahim, former president of the Chittagong Stock Exchange, said, “Investment has stagnated. Without protecting domestic investors, foreign investment will not come.”

He noted that declining private-sector credit growth is a concern, and financial sector reforms are needed.

“We expect the budget to support both domestic and foreign investment through a collaborative approach to drive growth and jobs,” he said.

Former NBR chairman Muhammad Abdul Mazid stressed policy predictability, saying businesses need clarity on tax rates in advance.

ERF President Doulot Akter Mala warned of a potential revenue shortfall of nearly Tk 100,000 crore this fiscal year, cautioning against overly ambitious targets in the next budget.

NATIONAL BUDGET FOR FY27



Business leaders demand

FROM PAGE B1

private sector, adding that key policies have been made without adequate business input.

He urged the government to appoint a private-sector administrator and ensure swift elections, citing past precedents where timely action was taken during caretaker periods.

In response, Commerce Minister Mukhtar Khan called for transforming the FBCCI into a truly representative, effective and non-political body for the business community.

He said the association must play a more proactive role in protecting business interests and conveying concerns to the government, while applying constructive pressure when needed without being politicised.

“We want an FBCCI that genuinely serves as a unified platform for all businesses,” he said, adding that it should provide practical, ground-level input in policymaking.

Mukhtar stressed that competent and dynamic

leadership from within the business community is essential to revitalise the organisation.

He also reassured leaders of the government’s commitment to a business-friendly environment, noting that a new import policy is in its final stage and that committees will be formed to simplify services across key ministries.

FBCCI administrator Md Abdur Rahim Khan also spoke at the meeting.

Among others, Mir Nasir Hossain, former president of FBCCI; SM Fazlul Haque, former president of BKMEA; Nasreen Fatema Awal and Gias Uddin Chowdhury Khokon, former directors of FBCCI; Zakir Hossain Nayan, president of the Bangladesh CNG

Machineries Importers Association; Belayet Hossain Bhuiyan, former president of Rangamati Chamber; Nizam Uddin Rajesh, former vice-president of FBCCI; and Syed Bakhtiar, former director, were also present.

Gas shortage brings

FROM PAGE B1

Even Kalco, initially operating at limited capacity, was forced to suspend production late last month due to worsening gas shortages.

BCIC officials said around 197 million cubic feet of gas per day are required to run the five major urea plants at full capacity, underscoring the severity of the supply crunch.

“We have been unable to produce around 7,100

tonnes of fertiliser daily from these plants for the past one and a half months,” BCIC Director (Production and Research) Md Moniruzzaman said.

He added that gas supply to Shahjalal Fertilizer Company Limited and CUFL is expected to resume from May 1.

“Once ammonia production restarts, we expect the DAP plant to receive feedstock and resume operations,” he said.

Dual protest outside Islami Bank

FROM PAGE B1

demand, which also includes the immediate arrest of Saiful Alam and other alleged offenders, confiscation of their domestic assets, recovery of laundered funds and prevention of any group from creating unrest on bank premises.

The council warned that the government would be responsible for any untoward situation if alleged associates dubbed the “Patiya group” are allowed to regroup.

Contacted, Md Altaf Hossain, acting managing director of Islami Bank, told The Daily Star, “We were informed about the protest of two different groups. Such protests ultimately adversely impact the bank, as these cause panic

among general customers.” He also said the reinstatement of dismissed officials is now under judicial process, and the bank has nothing to do at this moment regarding the issue.

After the fall of the Awami League-led government in August 2024, S Alam Group’s control over Islami Bank ended, as Bangladesh Bank dissolved the board of the country’s largest private sector bank, which had been dominated by individuals linked to the conglomerate.

Between 2017 and June this year, the Chattogram-based conglomerate and its associated companies took around 80 percent of the total disbursed loans of Islami Bank Bangladesh.

FROM PAGE B1

Irrigation there depends heavily on diesel and electricity. Higher diesel prices will raise cultivation costs unless offset by policy support or price adjustments.

Transport and logistics are equally exposed. Freight operators usually pass on higher fuel costs quickly, especially in goods transport. That, in turn, feeds into the prices of agricultural produce, consumer goods and manufactured items.

Although diesel-based generation accounts for less than 2 percent of total power output, its share can rise during peak demand, especially as liquified natural gas (LNG) shortages drag on. Higher generation costs may be passed on to consumers or absorbed through fresh subsidies, according to the report.

It said there could be second-round effects too. Dearer transport, irrigation and energy will add to inflationary pressures already stoked by high imported food prices.

The brokerage said that rising inflation expectations could push up yields on government securities and lift borrowing costs for companies if not carefully managed.

Higher inflation and interest rates, according to the report, would weaken demand, lower output, and leave factories running below capacity, which may

Clarify bank control return

FROM PAGE B1

He said the situation highlights a broader failure to pursue meaningful reform. If reforms are delayed further and pushed into a Five-Year Plan, the approach would be misplaced.

“Unfortunately, although I am also a member of that planning committee, I must say that now is the time for consolidation and reform in order to move forward,” he said.

Without reforms, including stronger revenue generation, better public spending and balanced deficit financing, he asked where the economy would go.

He also referred to findings in a white paper on the economy published by the interim government, which highlighted how deals were struck between politicians and businesspeople, especially around the Prime Minister’s Office.

Business people observed such arrangements and thought, “Why shouldn’t I have a share in this?” he said, adding that some then tried to cut transaction costs by becoming directly involved,



A motorcyclist refuels at a filling station as the government raises prices from midnight Saturday, with diesel at Tk 115, octane Tk 140, petrol Tk 135 and kerosene Tk 130 per litre. The photo was taken yesterday.

PHOTO: PRABIR DAS

ultimately translate into slower GDP growth.

While the country usually depends on long-term supply contracts, diesel, which accounts for nearly 65 percent of hydrocarbon consumption, is increasingly sourced from the volatile spot market.

Because geopolitical tensions have disrupted trade routes, with some suppliers declaring force majeure amid infrastructure damage and shipping blockade through the Strait of Hormuz.

The country’s sole

crude oil refinery, Eastern Refinery Limited, has an annual capacity of 1.5 million tonnes and meets about 20 percent of domestic demand across 16 fuel products.

The refinery is currently running well below capacity because of crude shortages and is unlikely to scale up production before May this year.

Besides, existing trade agreements with the US limit Bangladesh’s ability to diversify its fuel sourcing, creating added pressure on procurement.

Brac EPL said reliance on spot purchases, low

refinery utilisation and limited sourcing options could prompt further price increases, though at a slower pace.

Bangladesh is seeking an additional \$2 billion in external support to cushion exposure to volatile fuel markets, ease foreign exchange pressure, and gradually reduce subsidies.

In the meantime, the country has secured a 60-day waiver from the United States to import fuel from Russia and has sourced 100,000 tonnes from Kazakhstan at around \$75 a barrel.

Bangladesh Lamps PLC.									
Head office : House-22, Road-4, Block-F, Banani, Dhaka-1213									
3rd Quarterly Financial Statements (January-March 2026)									
STATEMENT OF FINANCIAL POSITION (UN - AUDITED)									
AS AT 31 MARCH 2026									
	As at 31 March 2026			As at 30 June 2025					
	Taka			Taka					
ASSETS									
Non-current assets									
Property, plant and equipment	120,619,651			133,737,308					
Intangible asset	40,678,705			44,113,465					
Capital work-in-progress	5,094,246			-					
Right-of-use asset (ROU)	65,374,269			75,698,505					
Investment in shares at fair value:	530,781,299			422,449,892					
Investment at cost	88,527,133			88,527,133					
Fair value adjustment	442,254,166			333,922,759					
Loans and deposits	5,508,979			5,063,395					
Total non-current assets	768,057,149			681,062,565					
Current assets									
Inventories	730,180,139			712,553,513					
Trade and other receivables	287,535,945			252,993,482					
Advance, deposit and prepayments	78,197,222			36,554,877					
Advance income tax	515,959,343			486,465,123					
Cash and cash equivalent	78,758,086			26,472,000					
Total current assets	1,690,630,735			1,515,039,000					
TOTAL ASSETS	2,458,687,884			2,196,101,565					
EQUITY & LIABILITIES									
Capital and reserves									
Share capital	105,278,770			105,278,770					
Reserves and surplus:	387,884,162			315,061,637					
Fair value reserve	375,916,041			283,834,345					
Accumulated retained earnings	11,968,121			31,227,292					
Shareholders' equity	493,162,932			420,340,407					
Non-current liabilities									
Deferred liability - gratuity payable	20,945,537			13,930,025					
Deferred tax liability	53,294,885			41,563,517					
Lease liabilities- Net off current portion	65,135,026			75,821,202					
Total non-current liabilities	139,375,448			131,314,744					
Current liabilities									
Lease liabilities- Current portion	14,097,483			13,215,138					
Short term finance	1,264,879,429			1,209,369,991					
Trade and other payables	236,647,013			166,587,875					
Other liabilities	59,001,453			18,557,957					
Unclaimed dividend	398,114			983,175					
Provision for tax	251,126,012			235,732,278					
Total current liabilities	1,826,149,504			1,644,446,414					
TOTAL EQUITY & LIABILITIES	2,458,687,884			2,196,101,565					
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN - AUDITED)									
FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2026									
	1 July 2025 to 31 March 2026	1 July 2024 to 31 March 2025	1 January to 31 March 2026	1 January to 31 March 2025					
	Taka	Taka	Taka	Taka					
Revenue	1,538,116,020	1,382,376,700	511,778,954	485,239,281					
Cost of sales	(1,177,912,040)	(1,060,304,096)	(394,368,344)	(357,892,263)					
Gross profit	360,203,979	322,072,604	117,410,610	127,346,818					
Other income	1,357,453	10,438,400	4,285,607	4,796,827					
Operating expenses	(245,251,507)	(240,074,786)	(71,382,287)	(81,792,565)					
Profit/(Loss) before net finance cost	116,209,925	92,436,218	49,313,925	46,351,278					
Finance cost	(104,573,795)	(115,540,852)	(38,171,981)	(42,218,084)					
Finance income	615,176	94,145	424,631	39,372					
Net finance cost	(103,958,619)	(115,446,707)	(37,747,350)	(42,178,712)					
Profit/(Loss) before contribution to WPPF & Welfare Fund	2,251,303	(22,951,257)	12,566,580	4,172,568					
Contribution to WPPF & Welfare Fund	(107,205)	-	(107,205)	-					
Profit/(Loss) before income tax	2,144,098	(22,951,257)	12,459,375	4,172,568					
Income tax:									
Current tax	(15,893,735)	(9,252,425)	(5,117,790)	(3,857,601)					
Deferred tax	4,518,343	3,839,072	1,670,119	841,849					
Net profit/(Loss) for the period	(9,739,382)	(15,413,600)	7,341,585	1,156,816					
Other comprehensive income/(Loss)									
Changes in fair value of shares available for sale	108,351,407	(7,384,422)	(9,545,745)	(10,071,529)					
Deferred tax income/(expense)	(16,245,711)	(1,738,342)	(5,913,863)	(1,007,352)					
Net other comprehensive income/(Loss)	92,086,696	(15,622,764)	(15,459,128)	(11,078,881)					
Total comprehensive income/(Loss)	82,347,314	(30,618,058)	1,882,457	(9,921,965)					
Basic earnings per share (per value Tk. 10 each)	(0.83)	(5.46)	0.36	0.11					
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)									
FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2026									
	Share Capital	Fair value Reserve	Accumulated retained earnings	Total	Total equity				
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 July 2025	105,278,770	283,834,345	2,885,187	394,998,302	13,077,247	408,075,549	408,075,549	408,075,549	408,075,549
Distribution of cash dividend	-	-	-	-	(16,527,877)	(16,527,877)	(16,527,877)	(16,527,877)	(16,527,877)
Transfer from general reserve	-	-	(10,012,012)	(10,012,012)	74,012,012	64,000,000	64,000,000	64,000,000	64,000,000
Net profit/(Loss) for the period	-	-	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)
Other comprehensive income/(Loss)	-	92,086,696	-	92,086,696	92,086,696	92,086,696	92,086,696	92,086,696	92,086,696
Balance as at 31 March 2026	105,278,770	375,916,041	2,885,187	484,080,000	13,077,247	493,162,932	493,162,932	493,162,932	493,162,932
Balance as at 1 July 2024	105,278,770	283,834,345	2,885,187	394,998,302	13,077,247	408,075,549	408,075,549	408,075,549	408,075,549
Distribution of cash dividend	-	-	-	-	(16,527,877)	(16,527,877)	(16,527,877)	(16,527,877)	(16,527,877)
Reversal of cash dividend	-	-	30,012,012	30,012,012	30,012,012	30,012,012	30,012,012	30,012,012	30,012,012
Transfer from general reserve	-	-	(10,012,012)	(10,012,012)	74,012,012	64,000,000	64,000,000	64,000,000	64,000,000
Net profit/(Loss) for the period	-	-	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)	(15,413,353)
Other comprehensive income/(Loss)	-	92,086,696	-	92,086,696	92,086,696	92,086,696	92,086,696	92,086,696	92,086,696
Balance as at 31 March 2025	105,278,770	375,916,041	2,885,187	484,080,000	13,077,247	493,162,932	493,162,932	493,162,932	493,162,932
STATEMENT OF CASH FLOWS (UN-AUDITED)									
FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2026									
	1 July 2025 to 31 March 2026	1 July 2024 to 31 March 2025							
	Taka	Taka							
A. Cash flows from operating activities									
Collection from customers	1,741,328,177	1,592,821,764							
Payment to suppliers	(1,003,504,270)	(1,062,274,790)							
Payment to employees	(136,040,305)	(161,837,467)							
Payment for services received	(180,320,410)	(171,318,588)							
Cash payment of VAT	(239,526,223)	(222,743,126)							
Contribution to provident fund	(2,191,288)	(4,319,880)							
	179,745,681	(29,672,587)							
Interest paid	(117,467,540)	(114,988,881)							
Income tax paid	(29,494,220)	(37,642,570)							
	32,783,921	(182,304,038)							
B. Cash flows from investing activities									
Dividend received	2,344,625	6,777,965							
Proceeds from sale of property, plant and equipment	30,833	-							
Payment for acquisition of property, plant and equipment	(18,023,573)	(61,403,807)							
	(15,648,115)	(54,625,842)							
C. Cash flows from financing activities									
Payment of lease liability- Principal portion	(9,803,831)	(8,994,340)							
Dividend paid	(10,880,411)	(5,522,443)							
	(20,684,242)	(14,516,783)							
STATEMENT OF CASH FLOWS (UN-AUDITED)									
FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2026									
	1 July 2025 to 31 March 2026	1 July 2024 to 31 March 2025							
	Taka	Taka							
D. Effect of exchange rate changes in cash and cash equivalent									
	325,079	(1,289,786)							
E. Net cash inflows/(outflows) for the period (A+B+C+D)									
	(3,223,357)	(252,736,449)							
F. Opening cash and cash equivalents									
Cash and cash equivalents	(1,182,897,986)	(964,974,416)							
Short term finance	26,472,005	37,956,748							
	(1,209,369,991)	(1,002,917,668)							
G. Closing cash and cash equivalents (E+F)									
Cash and cash equivalents	(1,186,121,343)	(1,217,710,865)							
Short term finance	78,758,086	55,447,968							
	(1,264,879,429)	(1,273,158,833)							
COMPARATIVE STATEMENT FOR INFORMATION OF THE SHAREHOLDERS									
FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2026									
	2026	2025							
	Taka	Taka							
Basic earnings per share (EPS)	(0.83)	(5.46)							
Net assets value per share (NAVPS)	46.84	44.24							
Net operating cash flow per share (NOCFPS)	3.11	(17.32)							
Company Secretary									
Chief Financial Officer									
Director									
Managing Director & CEO									
The detail of the published quarterly financial statements is available in the website of Bangladesh Lamps PLC. The address of the website is www.blpl.com.bd									

Agrow Award's 11th edition launched, nominations now open

STAR BUSINESS DESK

Standard Chartered Bangladesh, in partnership with Channel i, launched the 11th Agrow Award yesterday to continue recognising individuals and organisations contributing to the growth of the country's agriculture sector.

The nomination process is now open and will remain open until June 30, 2026.

Submissions will be reviewed by a jury panel made up of local and international experts, academics, and industry leaders, according to a press release. Winners will be announced at a gala ceremony later this year.

Speaking at a press conference in Dhaka, Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, said the award reflects the strength of collaboration in advancing agriculture.

"We are proud to partner with Channel i and grateful to the wider community for helping transform this platform into a source of national inspiration," he said.

He added that the award winners represent innovation and commitment needed to tackle climate challenges and strengthen food security.

Faridur Reza Sagar, managing director of Channel i, said agricultural development is key to building a developed Bangladesh.

He added that the platform honours people who contribute to the economy through their hard work.

Shykh Seraj, director and head of news at Channel i, highlighted the role of farmers in ensuring food security and driving innovation despite challenges such as climate change and shrinking arable land.

This year's awards will recognise excellence in several categories, including Lifetime Achievement, Farmer of the Year, Resilient Small Scale Farmer, Best Agriculture Journalist, Best Agricultural Organisation, and Best Climate Adaptation Solution, among others.

Since its launch in 2014, the Agrow Award has recognised 88 individuals and organisations for their contributions to the sector.

Bitopi Das Chowdhury, country head for corporate affairs, and brand and marketing at Standard Chartered Bangladesh, was also present.

Loss of energy output will take two years to recover: IEA

REUTERS, Zurich

It will take about two years to recover the energy output lost in the Middle East from the conflict there, Fatih Birol, the head of the International Energy Agency, was quoted as saying on Friday in an interview with the Neue Zuercher Zeitung newspaper.

"That will vary from country to country. In Iraq, for example, it will take much longer than in Saudi Arabia. However, we estimate it will take approximately two years overall to reach pre-war levels again," Birol told the Swiss newspaper.

Birol added that the market was underestimating the consequences of a prolonged closure of the Strait of Hormuz.

Shipments of oil and gas that were already en route to their destinations before the war in Iran began have now arrived, mitigating the impact of shortages, he said.

"But no new tankers were loaded in March. There were no new deliveries of oil, gas or fuels to Asian markets. This gap is now becoming apparent. If the Strait of Hormuz is not reopened, we must prepare for significantly higher energy prices."



In a letter to the regulator, mobile operators said the energy crisis has "reached a point where continued telecom operations can no longer be sustained without immediate government intervention."

PHOTO: STAR

Telcos warn of nationwide disruption amid energy crisis

Operators write to BTRC, seek immediate intervention

MAHMUDUL HASAN

Bangladesh's mobile operators have warned of an imminent nationwide telecom disruption as a deepening electricity and fuel crisis pushes networks to the brink, raising serious concerns over the vulnerability of data centres and the wider digital economy.

In an urgent letter to the Bangladesh Telecommunication Regulatory Commission, they said the situation has "reached a point where continued telecom operations can no longer be sustained without immediate government intervention."

The warning, issued by the Association of Mobile Telecom Operators of Bangladesh (AMTOB), comes as prolonged outages – often lasting 5-8 hours daily during storms – force operators to run critical infrastructure on diesel generators.

According to the letter, seen by The Daily Star, base transceiver stations (BTS) alone are now consuming over 52,000 litres of diesel and nearly 20,000 litres of octane daily across operators.

Providing a breakdown, it stated that the country's largest telecom operator Grameenphone consumes 28,079 litres of diesel and 9,254 litres of octane, Robi Axiata uses 13,140 litres of diesel and 5,610 litres of octane, and Banglalink requires 11,206 litres of diesel and 4,995 litres of octane daily to keep towers operational.

The most acute vulnerability, however, lies in data centres and switching facilities – the core of the country's digital infrastructure.

"Core telecom infrastructure including data centres, switching facilities, and transmission hubs are frequently operating without grid power, posing serious risk to network stability," the AMTOB said.

Each data centre consumes an estimated 500-600 litres of diesel per hour, translating to around 4,000 litres per day per facility, according to the letter.

Combined daily consumption for data centres and switching hubs has

already surged to 27,196 litres, with Grameenphone, Robi and Banglalink accounting for 11,184, 9,732 and 8,200 litres respectively.

Industry insiders say this level of dependence on backup power is unsustainable.

Unlike BTS towers, data centres host critical systems such as call routing and internet traffic management. Any disruption at this level can trigger cascading failures across networks.

"If fuel can't be managed and data centres go offline, it would cause widespread call drops, internet outages, and service blackouts," said an official of an operator on condition of anonymity.

A shutdown would "critically disrupt emergency services, disaster response, law enforcement coordination, financial transactions, digital governance, and economic activity."

Tanveer Mohammad, chief corporate affairs officer of Grameenphone, echoed the concern.

Noting that operators are experiencing challenges in electricity and fuel availability, he said, "The evolving situation calls for timely and targeted measures to sustain uninterrupted telecom services nationwide."

He said in order to "proactively avoid disruptions to essential services for millions", they need further support from the government for priority electricity access to critical infrastructure, streamlined fuel supply, and facilitation of fuel transportation for emergency operations.

The consequences could extend far beyond communication breakdowns. The AMTOB cautioned that a shutdown would "critically disrupt emergency services, disaster response, law enforcement coordination, financial transactions, digital governance, and economic activity."

Bangladesh's fast-growing digital economy – heavily reliant on mobile connectivity – would be particularly exposed. Mobile financial services, e-commerce platforms, ride-sharing apps, and cloud-based enterprise systems depend on uninterrupted network availability. A prolonged outage could halt transactions, delay salary disbursements, and paralyse logistics chains.

The crisis is being compounded by fuel supply constraints. Local stations cannot provide volumes at this scale, the letter noted, and law enforcement barriers during inter-district transport have further disrupted supply lines.

"Multiple strategically vital telecom facilities are currently running on dangerously low fuel reserves," it warned.

The operators' association called for immediate government intervention, including uninterrupted electricity supply to key telecom facilities, priority power status for mobile towers, and direct fuel allocation from depots.

They also urged authorities to ensure smooth fuel transportation.

"Issue immediate written directives to LEAs (law enforcement agency) to ensure uninterrupted fuel transportation for emergency telecom operations," they said in the letter.

"The telecom network is the backbone of national communications, public safety, governance, and emergency response. Any prolonged disruption will have severe and potentially irreversible consequences for the country," they added.

They proposed that authorities hold an urgent high-level coordination meeting involving the power and energy divisions, fuel authorities, regulators, and operators.

There are 46,567 telecom towers in Bangladesh, operated by tower infrastructure companies and mobile operators, providing network coverage to over 18.58 crore customers. Operators have around 27 data centres across the country.

Geopolitical risk

PARVEZ MURSHED

In February 2022, I was working as a regional business head for a global bank based in Singapore. I was on a call with a senior manager in Russia to discuss winding down our credit exposures there as Russian troops gathered near the border with Ukraine. The very next week, Russia invaded. For weeks beforehand, many believed the troop build-up was merely a pressure tactic by Moscow. At the bank, however, we did not wait for events to overtake us. We prepared for the possibility of conflict and drew up an action plan to manage the evolving situation well before the invasion took place.

Geopolitical risk is often ignored or underestimated because there is a natural human tendency to expect the status quo to continue. Stability feels permanent until it suddenly is not. "Black swan" events, a term popularised by Nassim Nicholas Taleb after 9/11, do happen. In an era of globalisation, their impact rarely remains confined to the country or region where they originate. The effects are transmitted across markets and borders, as we are witnessing first-hand with the US-Israel war on Iran. Energy prices, commodity markets and investor confidence respond almost immediately, showing how interconnected the global economy has become.

Financial institutions should always be prepared for the consequences of geopolitical conflict. There are flashpoints across the world that could flare up at any time. The Korean peninsula and the Taiwan Strait are two potential fault lines in North Asia with significant global implications. Taiwan and South Korea are among the world's largest producers of semiconductors. Any eruption of violence in that region would have a severe impact on the global economy and supply chains, which are heavily dependent on chips to sustain the AI-driven boom and modern manufacturing.

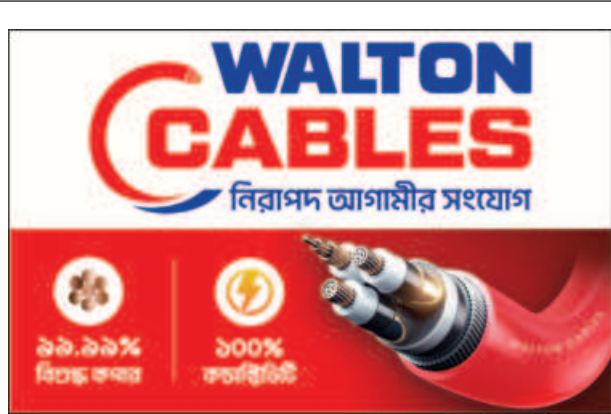
One of the key lessons from the Covid-19 pandemic was the urgent need for supply chain diversification. Over-concentration in a single geography proved costly when disruptions struck. The tariffs imposed by the Trump administration in 2025 have accelerated the reviewing and realignment of global supply chains. Manufacturing has increasingly shifted from China to countries such as Vietnam, Thailand and Mexico. This has further hastened the move towards nearshoring and friendshoring.

For banks and financial institutions, exposure management and rapid portfolio reviews are critical to mitigating geopolitical risk. Global banks that oversee their Middle East and Africa operations from Dubai may need to reconsider their regional location strategies. After Brexit, several banks moved parts of their global functions from London to Dubai. Yet geopolitical tensions can alter the risk landscape quickly. Contingency plans for alternative regional hubs are essential, particularly as more banks and fintech companies rely on hyperscalers such as Amazon Web Services, whose data centres in the region could be affected during periods of instability.

Before the US-Israel war on Iran, the US Federal Reserve indicated the possibility of further interest rate cuts in 2026 and beyond. The conflict may now complicate that outlook. Higher energy and commodity prices risk fuelling inflation, potentially forcing the Fed to maintain or even tighten its policy stance. As many central banks tend to follow the Fed's direction, the ripple effects would be felt across the global economy. Slower growth combined with persistent inflation would raise the risk of stagflation.

Whether it was the Russia-Ukraine war in 2022, the tariffs imposed by the Trump administration in 2025, or the more recent US-Israel war on Iran, the central lesson for banks, financial institutions, businesses and countries remains the same: preparedness is essential. We live in a disruptive world where unforeseen geopolitical events can create upheaval at any time. As Andy Grove, former chief executive of Intel, famously said, "Only the paranoid survive."

The writer is a senior consultant for banks and financial institutions



GET READY BANGLADESH!

The 19th Dhaka Auto Series 2026 is Here!

Mark the Dates:

23-25

APRIL, 2026

10:00 am to 7:00 pm

ICCB, Dhaka

Five Roads, One Destination: Driving Bangladesh Forward!

Hot Country Partner

CEMS

BANGLADESH

dhakaautoseries.com

Hotline:

+880 1711 396000

Cargo & Courier Partner

bengal airift

IT'S A CEMS EXHIBITION

Scan QR-Code to Buy Entry Tickets Online

www.dmsticket.com

Central bankers are joining Team Inevitability

REUTERS, Washington

If the sudden stop-start of pandemic lockdowns proved anything, it's that central bankers can handle demand problems. Supply shocks are another matter. Central bankers visiting Washington, DC for the International Monetary Fund's Spring meetings grimly assessed that they could do little to prevent an immediate inflation spike from rising energy prices, and would instead fight to contain secondary effects as input costs spread elsewhere in the economy. After Covid-19, the debate centered over whether inflation would be

a transitory phenomenon. Now, policymakers seem resigned to its inevitability. The question is whether they can tamp it back down.

Following joint US-Israeli strikes on Iran, Gulf conflict has throttled the Strait of Hormuz, cutting 13 million barrels of oil per day from global markets, according to the International Energy Agency. The effect on energy prices cannot be entirely stemmed by interest rate policy: central bankers cannot themselves replace lost crude.

For countries with sufficient near- and medium-term reserves, like Japan or South Korea, rising prices for fresh supplies are the

issue. For most low- and middle-income Asian nations, obtaining physical barrels is the most pressing concern, something monetary policy cannot solve, said Bank of Korea's departing Governor Rhee Chang-yong at a Peterson Institute event on the sidelines of the summit.

Initial price effects have shown up in consumer price indexes, but so far the damage has been limited to first-order effects on fuel. In the US, for example, the March consumer price index showed a 10.9 percent month-over-month increase in the energy index, but stable core prices, which exclude food and energy.