



**Trust Money**

ON TRUST MONEY APP

PAY EASILY WITH Bangla QR

Scan to Download

Trust Bank PLC.

To Know More 16201

## Outages taking toll on RMG

BKMEA says

STAR BUSINESS REPORT

Acute load-shedding is severely affecting garment production in the country, which in turn is creating serious challenges for the timely shipment of goods, said Mohammad Hatem, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA).

The power situation remains concerning at present, with load-shedding averaging two to three hours and reaching up to six to eight hours in some areas, he said at a press conference held at Pan Pacific Sonargaon Dhaka.

Delays in production and shipments caused by load-shedding are leading to additional costs such as air shipments or discounts, Hatem said.

At the same time, factories must pay workers even during production downtime, thereby increasing overall costs, he added.

Rising fuel and transportation costs have further compounded the situation, as many factories are facing challenges in obtaining diesel for running generators, the association president said.

He also noted that the Bangladesh Petroleum Corporation had instructed that fuel should not be supplied in containers, while the district administration was monitoring the matter and imposing fines where necessary. READ MORE ON B3

## Govt plans higher spending for growth, stability

Finance minister in pre-budget talks rejects money printing reports, highlights deregulation push

STAR BUSINESS REPORT

Finance Minister Amir Khosru Mahmud Chowdhury said the government will raise spending on health and education in the upcoming budget as part of a wider effort to boost economic growth.

While speaking at separate pre-budget discussions with editors, broadcast journalists and members of the Economic Reporters' Forum (ERF) yesterday, he defended plans for higher public expenditure as part of efforts to restore macroeconomic stability.

"If we want economic growth, we must increase the size of the budget," he said in response to questions about a projected Tk 900,000 crore outlay for the next fiscal year.

The government is also shifting its education policy towards vocational training and wider skills development in an effort to boost employment and overseas remittances. This will be matched by a stronger focus on capital investment, which officials said is essential because "without capital investment, our revenue will not increase".

The targeted social spending, including a "Family Card" cash transfer scheme for female-headed households and plans for universal primary healthcare, is part of a broader ideological mandate to dismantle the political patronage of the previous administration.

"We are democratising the economy because democracy cannot survive if people cannot participate in the economy. We must move away from crony capitalism," Chowdhury said.



**"We are democratising the economy because democracy cannot survive if people cannot participate in the economy. We must move away from crony capitalism."**

Amir Khosru Mahmud Chowdhury  
Finance minister

NATIONAL BUDGET FOR FY27

He added that the government would also provide financing, branding and marketing support for local artisans to help build a creative economy.

To support private sector growth, the minister promised an aggressive deregulation drive.

"Bangladesh was over-regulated to protect cronies," he said. "We

READ MORE ON B3

## LDC GRADUATION

## Bangladesh readies for UN panel hearing

REFAYET ULLAH MIRDHA

Citing three major economic challenges, the government has prepared its position paper ahead of a United Nations hearing on Bangladesh's request to defer its graduation from the least developed country (LDC) category.

In a virtual meeting of the United Nations Committee for Development Policy (UNCDP) on April 29, Bangladesh will seek a three-year deferral of its scheduled graduation in November this year.

Dhaka plans to highlight a serious gap in preparedness, incomplete core reforms and the economic fallout from the US-Israel war on Iran as key reasons for postponement.

In addition, Bangladesh will raise concerns over vulnerabilities in the financial sector, weaknesses in the banking system, an export slowdown due to volatile global supply chains, high interest rates and an uncertain business and investment climate, said Md Abdur Rahim Khan, additional secretary to the commerce ministry.



Khan, who is also in charge of the commerce secretary, told The Daily Star over the phone that Bangladesh's case for deferment has strengthened after Nepal, another South Asian LDC set to graduate, also applied to the UN for a three-year extension.

Bangladesh, Nepal and Lao PDR are scheduled to graduate from LDC status on November 24 this year. However, Bangladesh and Nepal have now sought to delay the transition until 2029, citing domestic and external economic pressures.

READ MORE ON B3

## Govt plans telecom overhaul

Says PM's adviser

STAR BUSINESS REPORT

Bangladesh's mobile and broadband internet services rank among the worst in the world despite a large subscriber base, and a connectivity-led reform plan is being prepared to address the challenge, Rehan Asad, the prime minister's adviser on telecom and ICT, said yesterday.

Speaking at a seminar titled "New Telecom Policy: Expectations of Entrepreneurs", organised by the Telecom and Technology Reporters Network Bangladesh, he said the government sees better connectivity as the key to solving long-standing structural problems in the sector.

"Nothing is more important than connectivity for this government. And that connectivity means both mobile and broadband services. It is not either-or - it is both," he said.

Asad said Bangladesh is among the top 10 countries by mobile subscriptions, but service quality remains very poor.

"Even in South Asia, Nepal and Bhutan are ahead of us," he said.

He added that broadband services are also weak. "In broadband, we are in an equally bad or worse position - 141st out of 153 countries in terms of service quality," he said.

"These are not my findings. They come from global reports by GSMA and the International Telecommunication Union," he added.

He said the government plans to fix these problems by rapidly expanding mobile and broadband infrastructure.

"We want to connect 90 percent of the population with 5G and provide

READ MORE ON B2

## Bank Resolution Act effectively reinstates looters: experts

STAR BUSINESS REPORT

The Bank Resolution Act 2026, passed with new provisions added overnight, is effectively rehabilitating bank looters and putting the entire banking sector at risk, economic experts, academics, and activists said yesterday.

Clause 18(a) of the law could allow those who previously looted the sector in a planned manner to regain ownership, the speakers warned at a roundtable organised by Voice for Reform at the BDBL building in Karwan Bazar, Dhaka.

Badiul Alam Majumdar, secretary of Shushashoner Jonno Nagorik (Shujan), noted that many of those who looted the sector are yet to be brought to justice.

He said all masterminds behind the takeover of Islami Bank Bangladesh, including S Alam, should be held accountable.

He outlined three steps needed to put the banking sector on a firm footing. First, identifying and

ensuring exemplary punishment for perpetrators of banking fraud. Second, implementing systemic reforms such as cashless transactions to prevent recurrence. Lastly, completing institutional reforms, including making Bangladesh Bank an independent constitutional body.

AKM Waresul Karim, dean of the School of Business and Economics at North South University, said the government had resorted to "very low-grade tactics" over the proposed ordinance.

He criticised the Bank Resolution Act as one of its provisions allows shareholders who held ownership immediately before a bank was placed under resolution to apply for reinstatement.

He said the provision blocks the return of long-standing institutional owners like Kuwait Finance House while opening the door for those who acquired ownership by creating "pressure through the DGFT" or through other unethical means.

READ MORE ON B2

## Cost of customs upgrade project set for 40% hike

Tk 1,700cr project has spent less than 1% of budget in three years

REJAUL KARIM BYRON

Three years after launch and with over 99 percent of its budget unspent, a nearly Tk 1,700 crore customs modernisation project is set to be presented to the Executive Committee of the National Economic Council (Ecneec) today with a proposal to extend its deadline and raise costs by nearly 40 percent.

The Customs Modernisation and Infrastructure Development project was launched in April 2023 with World Bank (WB) financing to modernise key customs offices, including Chattogram, Benapole and Dhaka.

It was scheduled for completion by March 2026. As of June 2025,

only Tk 5.14 crore had been spent of the original Tk 1,686 crore budget, of which Tk 1,475 crore was a WB loan.

Although Tk 113 crore has been allocated in the current fiscal year, the government is now seeking to extend the project's duration and increase its cost.

A senior planning ministry official said a revised proposal has been listed for presentation at today's scheduled Ecneec meeting.

The proposal, seen by The Daily Star, recommends increasing the project cost by 39 percent to Tk 2,344 crore, with the WB loan increasing by 34 percent, or Tk 507 crore. It also proposes extending the deadline to June 30, 2028.

READ MORE ON B2

**Prime Bank**

**PRIME HOME LOAN HOME SERVICE**

APPLY HOME LOAN FROM YOUR HOME

Home loans come with many questions and a lot to figure out. But now, everything can be done from the comfort of your home.

Prime Home Loan - Home Service brings our expert right to your doorstep, at a time that suits you, making it simple and hassle-free. Experience a seamless & guided process.

TO BOOK YOUR APPOINTMENT  
**CALL 16218 & PRESS 0.**  
AVAILABLE SEVEN DAYS A WEEK.

24/7 Helpline  
**16218**  
primetank.com.bd

Sign Language  
Video Call Service  
**013 211 16218**  
10 AM - 4 PM

\*Conditions apply



## Higher tax rates may fuel money laundering risks: MCCI

STAR BUSINESS REPORT

Raising tax rates on high-income earners without expanding the tax net could backfire, potentially encouraging money laundering and capital flight, the Metropolitan Chamber of Commerce and Industry (MCCI) said yesterday.

"Raising tax rates on high-income taxpayers may discourage compliant taxpayers and increase the risks of tax evasion or capital flight," MCCI President Kamran T Rahman said while presenting budget proposals for the upcoming fiscal year 2026-27 at a pre-budget discussion with the National Board of Revenue (NBR) in Dhaka.

"In the context of regional competition, it is essential to keep tax rates reasonable. Expanding the tax base, rather than increasing tax rates, could be a more effective and sustainable solution for boosting revenue," he added.

The chamber said maintaining a rational and predictable tax regime is essential to retain investment and ensure compliance in the region marked by growing tax competition.

The trade body recommended broadening the tax base to bring more individuals and businesses, particularly from the informal sector.

Currently, despite having more than one crore registered taxpayers with electronic tax identification numbers (e-TINs), fewer than half regularly file returns, pointing to a structural weakness in the system.

The MCCI proposed introducing a symbolic minimum tax, ranging from Tk 100 to Tk 1,000 annually, along with a simplified one-page digital return-filing system via mobile applications.

"This would encourage first-time taxpayers to enter the formal system and gradually build a culture of compliance," Rahman said.

The chamber also flagged concerns over the effective tax rate faced by businesses, noting that multiple layers of advance income tax (AIT), tax deducted at source (TDS), and various conditionalities often push the actual burden to as high as 40-50 percent, far exceeding statutory rates.

Such distortions reduce the benefits of nominal tax cuts and create disincentives for formal business operations, it said.

MCCI urged policymakers to move towards a simplified, income-based taxation system, reduce conditionalities tied to corporate tax rates, and accelerate digital integration across income tax, VAT, and customs platforms.

It also called for easing compliance requirements, such as the Proof of Submission of Return (PSR), rationalising VAT rates, and ensuring faster, automated input tax credit mechanisms.

## Govt plans higher spending

FROM PAGE B1  
serious about deregulation to simplify business. You will see this reflected in the upcoming budget."

Despite deep structural weaknesses inherited by the BNP government, Chowdhury said maintaining macroeconomic stability and financial discipline remains their top priority.

Turning to the country's battered capital market, which he previously described as having been "looted" by political cronies, the minister promised sweeping interventions to restore investor confidence.

"We have a major programme for the stock market; wait a little, and you will see changes," said Chowdhury. "The capital market will be fully reformed."

### PRINTING MONEY CLAIMS

The authorities categorically rejected recent media reports claiming that the central bank had printed Tk 20,000 crore for the government.

Banking Bank (BB) Governor Md Mostaqur Rahman dismissed the reports as "completely untrue," saying that such claims could damage the country's sovereign rating and raise borrowing costs.

He said fluctuations in the government's "Ways and Means" advance account are part of routine

financial operations. Chowdhury echoed the governor, saying he was "deeply saddened" by the rumours.

"During our political movement, we repeatedly protested against printing money and the government's heavy borrowing from banks, which crowded out the private sector," said the finance minister. "We cannot deviate from our manifesto promises."

He said that creating "high-powered money" would fuel inflation and squeeze an already undercapitalised private sector. He described fiscal restraint as "one of the foundational principles of the government's economic policy."

Banking has been facing inflation of around 9 percent since March 2023, and economists have cautioned that expanding money supply could make it harder to bring prices under control.

The minister blamed the country's economic difficulties on a legacy of "political patronage" that allowed the state to fall "into the hands of oligarchs."

He said this system enabled widespread tax avoidance, pushing the tax-to-GDP ratio down from 11 percent to below 7 percent. "The financial sector became so heavily politicised that banks have essentially been emptied,

and the stock market was looted," he said.

He added that the private sector is now "severely undercapitalised", with currency depreciation and high inflation eroding working capital and contributing to job losses.

Responding to pressure from international lenders to raise revenue quickly, he offered a reality check. "Raising taxes right now is an extremely difficult task. When institutions like the IMF and the World Bank push for a higher tax-to-GDP ratio, you must understand the situation before demanding reforms."

"We cannot act like dictators and forcefully extract money from those who simply cannot afford to pay," he said.

Instead, the government is working on restructuring the tax system, which Chowdhury described as "half-baked". A committee has been formed to separate tax policy from implementation, with the aim of making future policy more representative.

To revive economic growth without adding inflationary pressure, he promised further deregulation to reduce the "cost of doing business", which he said had been driven up by port delays, customs procedures and road extortion.

Deploying police to inspect markets, he said, would not resolve the problem. "The issue must be fixed in the supply chain," he said. He also said the government aims to strengthen small and medium-sized enterprises, which is central to job creation. "We need mega-industries, yes, but the SME sector is the true engine of employment."

### BANKING SECTOR AND LAUNDERING

BB Governor Mostaqur Rahman also gave a stark assessment of the banking

sector, saying nearly one-third of deposits are in default. He described many bad loans as "essentially thefts" with little or no collateral.

To claw back capital, the government is stepping up efforts to recover money allegedly smuggled abroad by former business elites.

Nazma Mobarek, secretary of the Financial Institutions Division, said a joint investigation team is working on 11 priority cases, with Mutual Legal Assistance (MLA) requests sent to 23 countries to trace and recover assets.

Domestically, the National Board of Revenue (NBR) is trying to plug a severe revenue shortfall by widening the tax base and increasing digital enforcement rather than raising rates on existing taxpayers.

Noting that corporate tax rates have already fallen from 50 percent in the 1980s to 20 percent today, officials said that further cuts would not resolve chronic tax evasion.

"If we reduce it further, the tendency of tax evasion remains a challenge; we will consider how to address this gap," NBR Chairman Md Abdur Rahman Khan said. "Expanding the tax base is highly relevant. Currently, our VAT base is very small. We are planning how to expand it and ease compliance."

He added that online tax filing would become mandatory from next year. "The system automatically identifies non-filers," he said. "We will pursue them and expect substantial tax collection."

Senior journalists, including Channel 1's Head of News Shykh Seraj and The Financial Express Editor Shamsul Huq Zahid, attended the second budget discussion.

At the earlier session, ERF President Doulot Akter Mala and General Secretary Abul Kashem spoke.

## Bangladesh readies

FROM PAGE B1  
Earlier on February 19, the newly elected government sent a letter to Jose Antonio Ocampo, chair of the UNCDP, requesting that the preparatory period be extended until November 24, 2029, mentioning that more time is needed to ensure readiness.

Following Bangladesh's request, the UNCDP discussed the issue at its annual meeting in February and agreed on a process to assess the proposal.

The UNCDP has now called a public hearing on Bangladesh's request on April 29. After the hearing, the committee will submit its recommendations to the United Nations Economic and Social Council (ECOSOC) in June.

ECOSOC will then forward its assessment to the United Nations General Assembly (UNGA), which is scheduled to meet in September. The final decision on the deferral will be taken through a vote at the UNGA.

A UN assessment report last month said Bangladesh still faces serious gaps in its readiness for graduation, as its economy continues to be affected by both domestic and international shocks, including the US-Israel war on Iran.

The report highlighted a series of disruptions between 2017 and 2026, including climate vulnerability, the Rohingya crisis, a prolonged macroeconomic slowdown that predated the regime

change, the Covid-19 pandemic, the Russia-Ukraine war, inflation, and pressure on the balance of payments.

It also noted that while Bangladesh meets all three criteria for graduation, significant risks persist, including the loss of trade preferences, fiscal and financial vulnerabilities and weak institutional coordination.

The report stressed the need for urgent reforms, stronger implementation capacity, adequate policy space and a whole-of-society approach to ensure a smooth and sustainable transition.

It added that a difficult political changeover and prolonged macroeconomic stress have eroded socio-economic gains, increasing risks linked to graduation.

Rising import costs for fossil fuels have created operational constraints, with gas shortages worsening due to the Middle East conflict, the report said. Economic growth slowed from 7.1 percent in FY22 to 3.5 percent in FY25, weakening momentum ahead of graduation.

Inflation has outpaced wages, pushing millions into hardship and vulnerability.

Private investment has also weakened, with capital machinery imports falling from \$5.1 billion to \$2.8 billion during the 2019-2024 period. The labour market has also come under pressure, with nearly 1.9 million jobs lost between 2023 and 2024, disproportionately affecting women.

## Outages

FROM PAGE B1  
Under such circumstances, transporting generators to filling stations to collect fuel is not a practical solution, he added.

Hatem said overall production costs have increased by at least 20 percent, but exporters are unable to pass on the additional costs to buyers as prices are fixed in advance.

Meanwhile, global demand has declined, leading buyers to reduce order placements.

He said exports have been declining in recent months, while factories

are currently operating at only 50-60 percent of their capacity.

At the press conference, the BKMEA president also announced that a four-day Bangladesh International Textile, Knitting and Garment Industry Exhibition (BTG Expo 2026) will begin in Dhaka on April 29 and continue until May 2.

The BKMEA and Inforchain Digital Technology Co Ltd are jointly organising the exhibition at the International Convention City Bashundhara (ICCB).

**বাংলাদেশ অভ্যন্তরীণ নৌপরিবহন কর্তৃপক্ষ (বিআইডব্লিউটিএ)**  
প্রবহমান নদীর সাথে  
১৪১-১৪৩, মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

**ঘাট/পয়েন্ট/হিকোপার্ক ইজারা/লাইসেন্স প্রদানের টেন্ডারের তারিখ পরিবর্তনের বিজ্ঞপ্তি**

১। বাংলাদেশ অভ্যন্তরীণ নৌপরিবহন কর্তৃপক্ষ (বিআইডব্লিউটিএ)-এর ঢাকা, নারায়ণগঞ্জ, বরিশাল, খুলনা, চাঁদপুর, আরিচা, আশুগঞ্জ-ভৈরব বাজার, মেঘনাঘাট, পটুয়াখালী, বাঘাবাড়ী, শিমুলিয়া (মাওয়া), বরগুনা, নওয়াপাড়া (যশোর), ভোলা, টঙ্গী, নগরবাড়ী-কাজিরহাট-নারাদহ, নাজিরগঞ্জ, চিলমারী, মজুটৌধুরীরহাট, চরফ্যাশন (বেতুয়া), হাতিয়া, কক্সবাজার নদী বন্দর এবং চট্টগ্রাম ও সিলেট আঞ্চলিক দপ্তরের নিয়ন্ত্রণাধীন লক্ষঘাট, ফেরীঘাট, ল্যান্ডিং স্টেশন, ইকোপার্ক, উপকূলীয় টার্মিনাল জেটি ঘাট, ফেরী টার্মিনাল, পার্কিং ইয়ার্ড, খাল-টোল স্টেশন, কালেকশন পয়েন্ট, মালামাল উঠানামার শুক আদায় পয়েন্ট ও মালামাল উঠানামার লেবার হ্যাঞ্জলিং পয়েন্টসমূহে ০১ জুলাই ২০২৬খ্রিঃ হতে ৩০ জুন ২০২৬খ্রিঃ পর্যন্ত ১ (এক) বছরের জন্য (তবে শুধুমাত্র ইকোপার্ক সমূহ ১০ (দশ) বছরের জন্য) সরকার কর্তৃক অনুমোদিত শুকহার অনুযায়ী শুক/ চার্জ আদায়ের নিমিত্ত ইজারা/লাইসেন্স প্রদানের লক্ষ্যে গত ০৮-০৪-২০২৬ তারিখ বাংলাদেশ প্রতিদিন, দৈনিক যুগান্তর: ০৯-০৪-২০২৬ তারিখ দৈনিক ইত্তেফাক, দি ডেইলী স্টার: ১৭-০৪-২০২৬ তারিখ বাংলাদেশ প্রতিদিন, দৈনিক যুগান্তর: ১৮-০৪-২০২৬ তারিখ দি ডেইলী স্টার এবং ১৯-০৪-২০২৬ তারিখ দৈনিক ইত্তেফাক পত্রিকায় প্রকাশিত টেন্ডারের পূর্ব নির্ধারিত তারিখ অনিবার্য কারণবশতঃ নিম্নোক্তভাবে পুনর্নির্ধারণ করা হলোঃ

নদী বন্দরের নাম	দফা	পুনর্নির্ধারিত টেন্ডারের তারিখ
ঢাকা, বরিশাল, খুলনা, চাঁদপুর ও পটুয়াখালী নদী বন্দর।	১ম দফা ২য় দফা ৩য় দফা ৪র্থ দফা	১১-০৫-২০২৬, ১২-০৫-২০২৬ ও ১৩-০৫-২০২৬ = ০৩ দিন। ২০-০৫-২০২৬ ও ২১-০৫-২০২৬ ০২ দিন (১ম দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ০৩-০৬-২০২৬ ও ০৪-০৬-২০২৬ ০২ দিন (২য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ১০-০৬-২০২৬ ও ১১-০৬-২০২৬ ০২ দিন (৩য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)।
নারায়ণগঞ্জ, আশুগঞ্জ-ভৈরব বাজার নদী বন্দর।	১ম দফা ২য় দফা ৩য় দফা ৪র্থ দফা	১২-০৫-২০২৬ ও ১৩-০৫-২০২৬ = ০২ দিন ২০-০৫-২০২৬ ও ২১-০৫-২০২৬ = ০২ দিন (১ম দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ০৩-০৬-২০২৬ ও ০৪-০৬-২০২৬ = ০২দিন (২য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ১০-০৬-২০২৬ ও ১১-০৬-২০২৬ ০২দিন (৩য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)।
বাঘাবাড়ী, বরগুনা, নওয়াপাড়া, নগরবাড়ী-কাজিরহাট-নারাদহ ও শিমুলিয়া (মাওয়া), চরফ্যাশন (বেতুয়া), কক্সবাজার ও মজুটৌধুরীর হাট নদী বন্দর।	১ম দফা ২য় দফা ৩য় দফা ৪র্থ দফা	১১-০৫-২০২৬ ২০-০৫-২০২৬ (১ম দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ০৩-০৬-২০২৬ (২য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ১০-০৬-২০২৬ (৩য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)।
আরিচা, মেঘনাঘাট, নাজিরগঞ্জ, চিলমারী ও হাতিয়া নদী বন্দর।	১ম দফা ২য় দফা ৩য় দফা ৪র্থ দফা	১২-০৫-২০২৬ ২০-০৫-২০২৬ (১ম দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ০৩-০৬-২০২৬ (২য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ১০-০৬-২০২৬ (৩য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)।
চট্টগ্রাম আঞ্চলিক দপ্তর, সিলেট আঞ্চলিক দপ্তর, ভোলা নদী বন্দর ও টঙ্গী নদী বন্দর।	১ম দফা ২য় দফা ৩য় দফা ৪র্থ দফা	১৩-০৫-২০২৬ ২১-০৫-২০২৬ (১ম দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ০৪-০৬-২০২৬ (২য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)। ১১-০৬-২০২৬ (৩য় দফায় অনির্ণিত ঘাট/পয়েন্টসমূহ)।

২। ইতিপূর্বে প্রকাশিত টেন্ডার বিজ্ঞপ্তিতে উল্লিখিত শর্তাবলী, নিয়মাবলী এবং টেন্ডার দাখিলের স্থান ও সময় অপরিবর্তিত থাকবে। তাছাড়া ইতোমধ্যে ক্রয়কৃত টেন্ডার ফরম পুনর্নির্ধারিত ১ম দফা টেন্ডারে ব্যবহার করা যাবে।

পরিচালক  
বন্দর ও পরিবহন বিভাগ  
ফোন নং-০২-২২৩৩৮২৬৭৩  
port.biwt@gmail.com

**Trading Corporation of Bangladesh (TCB)**  
TCB Bhaban, Kawran Bazar, Dhaka-1215  
www.tcb.gov.bd  
Commercial Section  
Invitation For Tender (National) for Purchase of

(a) 20,00,000 (Twenty Lac) piece of Toilet Soap (Beauty Soap) Bar of 100gm  
(b) 20,00,000 (Twenty Lac) piece of Laundry Soap Bar of 125gm  
(c) 20,00,000 (Twenty Lac) packet of Synthetic Detergent Powder of 500gm  
(d) 20,00,000 (Twenty Lac) packet of Iodized Salt of 1kg

1	Ministry/Division	Ministry of Commerce.	
2	Agency	Trading Corporation of Bangladesh (TCB)	
3	Procuring Entity Name	Additional Director (Commercial), TCB, Dhaka.	
4	Procuring Entity Code	Not applicable.	
5	Procuring Entity District	Dhaka.	
6	Invitation for	a) Toilet Soap (Beauty Soap) Bar b) Laundry Soap Bar c) Synthetic Detergent Powder d) Iodized Salt	
7	Invitation Ref. No.	a) 26.05.0000.016.25.119.26.1494, b) 26.05.0000.016.25.119.26.1495, c) 26.05.0000.016.25.119.26.1496, d) 26.05.0000.016.25.119.26.1497	
8	Date	23-04-2026	
<b>KEY INFORMATION</b>			
9	Procurement Method	Open Tendering Method (OTM) (National)	
<b>FUNDING INFORMATION</b>			
10	Budget and Source of Funds	TCB's Own Fund.	
<b>PARTICULAR INFORMATION</b>			
11	Tender Package No.	a) TCB/Imp-74/ Toilet Soap (Beauty Soap) Bar/2025-26, b) TCB/Imp-75/ Laundry Soap Bar/2025-26, c) TCB/Imp-76/ Synthetic Detergent Powder/2025-26, d) TCB/Imp-77/ Iodized Salt/2025-26	
12	Tender Package Name	a) Toilet Soap (Beauty Soap) Bar b) Laundry Soap Bar c) Synthetic Detergent Powder d) Iodized Salt	
13	Tender Invitation/ Publication Date	26-04-2026	
14	Tender Documents Last Selling Date and Time	Date: 13-05-2026 Time: 16:00 P.M.	
15	Tender Closing Date and Time	14-05-2026 12:00 P.M.	
16	Tender Opening Date and Time	14-05-2026 (a) 12:15 P.M (b) 12:30 P.M (c) 12:45 P.M (d) 01:00 P.M	
17	Name & Address of the office(s)	Address: (1) Sonali Bank Ltd. Kawran Bazar Branch, TCB Bhaban, Dhaka and (2) Accounts & Finance Division, TCB's Principal Office at Dhaka. In front of TCB's reception (2 <sup>nd</sup> floor), TCB Bhaban, 1, Kawran Bazar, Dhaka.	
	- Selling Tender Document of each item can be purchased from the banks & offices as mentioned in right column.		
	- Receiving Tender Document	Board Room, TCB	
	- Opening Tender Document	Board Room, TCB	
<b>INFORMATION FOR TENDERER</b>			
18	Brief Eligibility of Tenderer	Bonafide Suppliers. Details conditions have been mentioned in the Tender documents.	
19	Brief Description of goods	a) 20,00,000 (Twenty Lac) piece Toilet Soap (Beauty Soap) Bar. Per piece net weight will be 100gm. b) 20,00,000 (Twenty Lac) piece Laundry Soap Bar. Per piece net weight will be 125gm. c) 20,00,000 (Twenty Lac) packet Synthetic Detergent Powder. Per packet net weight will be 500gm. d) 20,00,000 (Twenty Lac) packet of Iodized Salt. Per packet net weight will be 1kg.	
20	Price of Tender Document	Price of (a) Toilet Soap (Beauty Soap) Bar tender document is Taka 4,000 (Four Thousand), (b) Laundry Soap Bar tender document is Taka 4,000 (Four Thousand), (c) Synthetic Detergent Powder tender document is Taka 4,000 (Four Thousand), (d) Iodized Salt tender document is Taka 4,000 (Four Thousand).	
	Lot No.	Identification of Lot Location Tender Security Amount (BDT) Supply Schedule	
21	1.	a) Toilet Soap (Beauty Soap) Bar b) Laundry Soap Bar c) Synthetic Detergent Powder d) Iodized Salt	Offers are to be made on TCB's Godowns of Dhaka, Chattogram, Khulna, Rajshahi, Rangpur, Barisal, Moulvibazar, Mymensingh, Cumilla, Madaripur, Jhenaidah, Bogura, Dinajpur, Gazipur/District's godown/Upazila's godown. Tender is to be submitted along with Tender Security amounting to: a) BDT 13,00,000 (BDT Thirteen Lac) Only. b) BDT 8,00,000 (BDT Eight Lac) Only. c) BDT 18,00,000 (BDT Eighteen Lac) Only. d) BDT 14,00,000 (BDT Fourteen Lac) Only. In the form of Pay-Order/ Bank Draft/ Bank Guarantee must be issued from any scheduled Bank of Bangladesh. After issuing NOA, the awardee is to submit 5% (Five Percent) Performance Security in the similar form of Pay-Order/Bank Draft/Bank Guarantee. Entire quantity of Goods is to be supplied within: (a) 40 days after signing contract. (b) 40 days after signing contract (c) 40 days after signing contract (d) 40 days after signing contract
<b>PROCURING ENTITY DETAILS</b>			
22	Name of Official Inviting Tender	Md. Golam Khorsheed	
23	Designation of Official Inviting Tender	Additional Director (Commercial), TCB Kawran Bazar, Dhaka.	
24	Address of Official Inviting Tender	Principal Office, Trading Corporation of Bangladesh (TCB) 1, Kawran Bazar, Dhaka.	
25	Contact details of Official Inviting Tender	Telephone No. 8180074 Fax No. 88-02-55014279 E-mail: tcbimp@tcb.gov.bd	
26	Special Instruction	a) All terms and conditions related to the tender and product details are mentioned in the tender document. b) The authority reserves the right to accept or reject any tender in whole/in part without assigning any reason.	

(Md. Golam Khorsheed)  
Additional Director (Commercial)  
Trading Corporation of Bangladesh

# PAINT INDUSTRY seeks relief as supplementary duty adds to mounting pressures



**Mohsin Habib Chowdhury**

President of the Bangladesh Paint Manufacturers' Association (BPMA) and COO and Director of Berger Paints Bangladesh Ltd

**While global and domestic economic headwinds have weakened demand, the supplementary duty has emerged as a persistent and policy-driven burden, compounding the sector's difficulties, said Mohsin Habib Chowdhury, president of the Bangladesh Paint Manufacturers' Association**

**STAR BUSINESS**

Bangladesh's paint industry is navigating one of its most challenging periods in recent years, squeezed by slowing economic growth, rising input costs, and what an industry leader described as an ill-timed and unjustified tax burden.

In an interview, Mohsin Habib Chowdhury — president of the Bangladesh Paint Manufacturers' Association (BPMA) and also chief operating officer and director of Berger Paints Bangladesh Ltd — outlined how a combination of operational and external pressures is putting the industry under strain.

At the centre of their concern is the 10 percent supplementary duty (SD) on

the imposition of a 10 percent supplementary duty on paint products has become a central point of contention.

Chowdhury said a supplementary duty of 10 percent was imposed from June 10, 2010, to June 2011. It was later reduced to 5 percent at the manufacturing stage, remaining in place from FY2011-12 through FY2018-19.

From FY2019-20 until January 8, 2025, the SD stood at 5 percent at the supply stage. Effective January 9, 2025, the rate has been revised upward to 10 percent at the supply stage, where it remains to date.

"At a time when the industry was already struggling with slowing demand and rising costs, increasing

the supplementary duty has only added to the pressure," he said, arguing that such a move contradicts the need to support local manufacturing.

Supplementary duty is traditionally applied to luxury or non-essential goods. However, Chowdhury strongly rejects the classification of paint as a luxury item, arguing that it performs a critical functional role in protecting infrastructure and assets.

"Paint is not merely decorative — it is essential for preserving the durability and longevity of assets," he said.

The protective function of paint — preventing corrosion, weather damage, and structural deterioration — is particularly important in a country like Bangladesh, where environmental conditions can accelerate wear and tear.

From this perspective, discouraging paint usage through higher taxation could have unintended consequences. Reduced maintenance can shorten the lifespan of buildings, bridges, and industrial assets, ultimately increasing long-term costs for both the public and private sectors.

Industry estimates suggest that inadequate asset maintenance due to underuse of paint could result in economic losses equivalent to 1-1.5 percent of GDP, a significant figure in a developing economy.

Chowdhury pointed out that globally, paints are treated as functional goods, and supplementary duty is not imposed on local paint manufacturing in other countries, including regional competitors.

"This makes the current policy not only burdensome but also inconsistent with international practice," he added.

**A STRUCTURAL BURDEN IN A TIME OF CRISIS**

percent, with some solvent-based materials experiencing spikes of up to 30 percent.

These pressures are compounded by domestic factors, including higher fuel prices and exchange rate volatility, which further increase the cost of imports.

For an industry that is almost entirely dependent on imported raw materials, such fluctuations can have an immediate and severe impact.

**PRICE ADJUSTMENTS AND DEMAND RISKS**

Faced with rising costs, paint manufacturers have little choice but to increase prices. Industry-wide price adjustments are already underway, with companies implementing hikes to partially offset cost increases.

Higher prices risk dampening demand even further in an already weak market. Consumers may delay or reduce painting activities, which not only affects industry revenues but also undermines asset maintenance.

"This creates a multiplier effect," Chowdhury explained. "Lower consumption leads to lower production, reduced revenue, and ultimately less contribution to the economy."

In this context, the supplementary duty adds another layer of pressure, pushing prices higher than they would otherwise be.

**LOW CONSUMPTION HIGHLIGHTS POLICY MISALIGNMENT**

The industry also challenges the rationale for imposing supplementary duty by pointing to Bangladesh's relatively low paint consumption.

Per capita paint usage in the country stands at approximately 1.5-1.6

profitability would limit companies' ability to invest in expansion, innovation, and capacity building.

"This is not just an industry issue — it has wider economic and social consequences," he said.

**REVENUE PARADOX: SHORT-TERM GAINS, LONG-TERM LOSSES**

While supplementary duty contributes to government revenue in the short term, industry leaders argue that it could be counterproductive in the long run, he said.

Higher costs and lower demand reduce overall sales volumes, which in turn affect VAT collection, corporate taxes, and other revenue streams.

"If the industry grows, the government earns more through volume," Chowdhury said. "But if growth is constrained, total revenue may actually decline."

This creates a paradox where a policy intended to boost revenue could end up undermining it.

**A CALL FOR PRAGMATIC REFORM**

The industry is not calling for immediate and complete withdrawal of supplementary duty, recognising the government's fiscal constraints.

Instead, it is proposing a phased and pragmatic approach.

"If full withdrawal is not possible, a gradual reduction plan would provide much-needed relief," Chowdhury suggested.

Such a move, he argued, would help stabilise prices, support demand, and enable manufacturers to maintain operations without compromising profitability.

In the longer term, this could lead to higher production, increased employment, and stronger contributions to government revenue.

**DEMAND-SIDE PRESSURE**

Industry under pressure from economic slowdown

High prices of construction materials lower demand for paint

Growth stagnates; a few years saw negative growth

**COST ESCALATION AND SUPPLY-SIDE CHALLENGES**

Costs rising despite low revenue growth

Costs of paint raw materials up 30%

Industry depends heavily on Middle East for raw materials

Price goes up due to SD

**POLICY CONCERNS**

10% SD increases industry burden

SD seen as ill-timed policy pressure

Paint wrongly taxed as luxury under SD

**ECONOMIC SIGNIFICANCE OF PAINT**

Paint essential for infrastructure protection

Low usage may cause GDP loss

Bangladesh paint consumption remains very low

**OUTLOOK**

SD may reduce demand and jobs

locally manufactured paints — a policy that industry leaders argue is both conceptually flawed and economically damaging, he said.

While global and domestic economic headwinds have weakened demand, Chowdhury emphasised that the supplementary duty has emerged as a persistent and policy-driven burden, compounding the sector's difficulties at a time when it can least afford additional costs.

**GROWTH STALLS AS ECONOMIC MOMENTUM WEAKENS**

The challenges facing the paint industry are closely tied to the broader economic environment. Bangladesh's growth trajectory has slowed in recent years, with revised projections falling below earlier expectations. This has had a direct impact on construction, infrastructure development, and housing — key drivers of paint consumption.

"The paint industry is closely linked with the overall development sector," Chowdhury said, noting that reduced activity in construction translates almost immediately into weaker demand for paints.

The result has been a prolonged period of stagnation. Industry growth has remained flat — and in some recent years, even negative. For manufacturers, this creates a difficult situation: while revenue growth stalls, fixed costs and operational expenses continue to rise.

This imbalance has eroded profitability across the sector, particularly for smaller players who lack the scale to absorb shocks.

**SUPPLEMENTARY DUTY: A MISPLACED POLICY TOOL**

Against this fragile backdrop,

One of the industry's key concerns is that supplementary duty represents a permanent structural cost, unlike temporary external shocks.

Manufacturers are currently grappling with multiple cost pressures, including rising raw material prices and logistical disruptions. While such challenges are difficult, they are often cyclical and expected to ease over time.

Supplementary duty, however, remains in place regardless of market conditions.

"This is what makes it particularly challenging," Chowdhury said. "We can attempt to manage external shocks, but a policy-driven cost that persists over time becomes much harder to absorb."

The burden is further amplified by weak demand, which limits the ability of manufacturers to pass on higher costs to consumers. As a result, companies are forced to absorb a significant portion of the duty, squeezing margins and reducing profitability.

**RISING COSTS FROM GLOBAL DISRUPTIONS**

At the same time, the industry is dealing with sharp increases in input costs, largely driven by geopolitical tensions in the Middle East.

Paint production relies heavily on petrochemical derivatives, many of which are sourced from the Middle East. According to Chowdhury, the region accounts for 50-55 percent of the industry's raw material supply.

Recent disruptions have affected both availability and pricing. Supply constraints, combined with increased freight costs due to altered shipping routes, have significantly pushed up input prices.

Manufacturers are now facing average cost increases of around 15

kilogrammes, significantly below regional and global averages.

In global comparison, Bangladesh's paint consumption remains significantly lower. Per capita usage in India and Sri Lanka exceeds 3 kilogrammes, while ASEAN countries average around 7-8 kilogrammes.

The gap widens further with China at approximately 14-15 kilogrammes, and developed economies such as Singapore and the United States recording consumption levels above 20 kilogrammes per person — highlighting the extent of underuse in Bangladesh.

This disparity suggests that Bangladesh is not over-consuming paint — in fact, it is under-consuming relative to its level of development.

From a policy perspective, this would typically warrant measures to encourage usage, not discourage it.

Low consumption also indicates gaps in awareness and maintenance practices, which could have long-term implications for infrastructure quality and durability.

**INDUSTRY CONSOLIDATION AND EMPLOYMENT RISKS**

The cumulative impact of these pressures is already visible within the industry.

Of the 34 companies listed under the Bangladesh Paint Manufacturers' Association, only 28 remain active, reflecting the strain on smaller players.

Chowdhury warned that continued pressure could lead to further consolidation, with weaker firms forced to shut down.

This has broader economic implications. Factory closures would lead to job losses, disrupt supply chains, and reduce overall industrial activity.

At the same time, declining

**THE BROADER DEVELOPMENT ARGUMENT**

Beyond immediate industry concerns, Chowdhury framed the issue within a broader development context.

Paint usage is closely tied to infrastructure quality, urban aesthetics, and even public well-being. Well-maintained buildings and environments contribute to both economic productivity and quality of life.

In some countries, regulatory frameworks actively encourage periodic repainting to ensure structural protection and visual standards. Such approaches, he suggested, could be adapted to Bangladesh to promote better maintenance practices.

"Encouraging paint usage is not just about business — it is about protecting national assets," he said.

The challenges facing Bangladesh's paint industry reflect a complex interplay of global disruptions and domestic policy choices.

While external pressures such as geopolitical tensions and supply chain disruptions may ease over time, the impact of supplementary duty will persist unless addressed through policy reform.

For an industry that plays a critical role in protecting infrastructure and supporting development, the stakes are high.

As Chowdhury emphasised, the priority should be to support industries that enable long-term value creation, rather than burdening them during periods of economic stress.

A recalibration of supplementary duty — whether through reduction or phased withdrawal — could provide the relief needed to stabilise the sector, restore growth momentum, and unlock its full contribution to the economy.

