

Star BUSINESS



65% of healthcare needs unmet as out-of-pocket costs soar: BIDS

STAR BUSINESS REPORT

Nearly two-thirds of Bangladeshis who needed healthcare in 2024 could not access it, largely because of high out-of-pocket costs, according to a study by the Bangladesh Institute of Development Studies (BIDS).

The study, presented at the institute's office in Dhaka yesterday, found that 22 percent of the population reported a monthly need for healthcare. Of them, 15 percent experienced unmet need, equivalent to over 65 percent of total need going unaddressed.

Unmet need was higher in rural areas (68 percent) than in urban areas (59 percent). By district, it was highest in Narail (81 percent) and Habiganj (80 percent), and lowest in Feni (18 percent).

Out-of-pocket costs refer to what patients pay directly from their own money, not covered by insurance or government programmes, including fees, medicines, and diagnostic tests.

The study says that such expenditure on healthcare has risen "alarmingly" in Bangladesh, from 55.9 percent in 1997 to 68.5 percent in 2020, and now stands at 79.3 percent – the highest in South Asia.

By comparison, the figure is 59 percent in Nepal, 54 percent in Sri Lanka, 52.9 percent in Pakistan, 43.9 percent in India, 25.5 percent in Bhutan, and 18 percent in the Maldives.

The study found that on average, Bangladeshi households spent Tk 3,454 per month on healthcare in 2024, accounting for 11 percent of total household expenditure. Medicines and diagnostic services were the largest cost drivers.

The study drew on data from the Household Income and Expenditure Survey (HIES) 2022, covering 14,400 households and 62,387 individuals.

Public healthcare facilities served patients across income groups more equitably, while private facilities were disproportionately used by wealthier households, said Abdur Razzaque Sarker, senior research fellow at BIDS, who presented the findings.

The financial burden fell hardest on the poor, he said, stating that the poorest households spent 35 percent of their income on healthcare, against 5 percent for the richest.

"This indicates that the healthcare system in Bangladesh is regressive," he said.

"Out-of-pocket spending should be contained within 30-35 percent," the researcher also said, adding that the government needs effective policies to implement a social health insurance scheme toward universal health coverage.

READ MORE ON B3



Weak financial governance drives bad loan surge Says Titumir

STAR BUSINESS REPORT

Non-performing loans (NPLs) in Bangladesh have built up over time due to weak financial governance, poor asset valuation, and a lack of accountability in professional institutions, said Rashed Al Mahmud Titumir, finance and planning adviser to the prime minister.

He criticised gaps in financial oversight and said auditors, valuers, and credit rating agencies must play a stronger role in ensuring transparency and discipline in the financial system.

"NPLs do not appear overnight. At different stages, someone certified these loans, assessed the assets, and approved the valuations," he said, pointing to failures at multiple levels of financial decision-making.

Titumir made these comments yesterday at a pre-budget discussion in Dhaka, jointly organised by the Institute of Chartered Accountants of Bangladesh (ICAB) and The Financial Express.

His comments come at a time when rising NPLs continue to strain Bangladesh's banking sector, while policymakers are considering stronger reforms in financial governance, auditing standards, and regulatory enforcement.

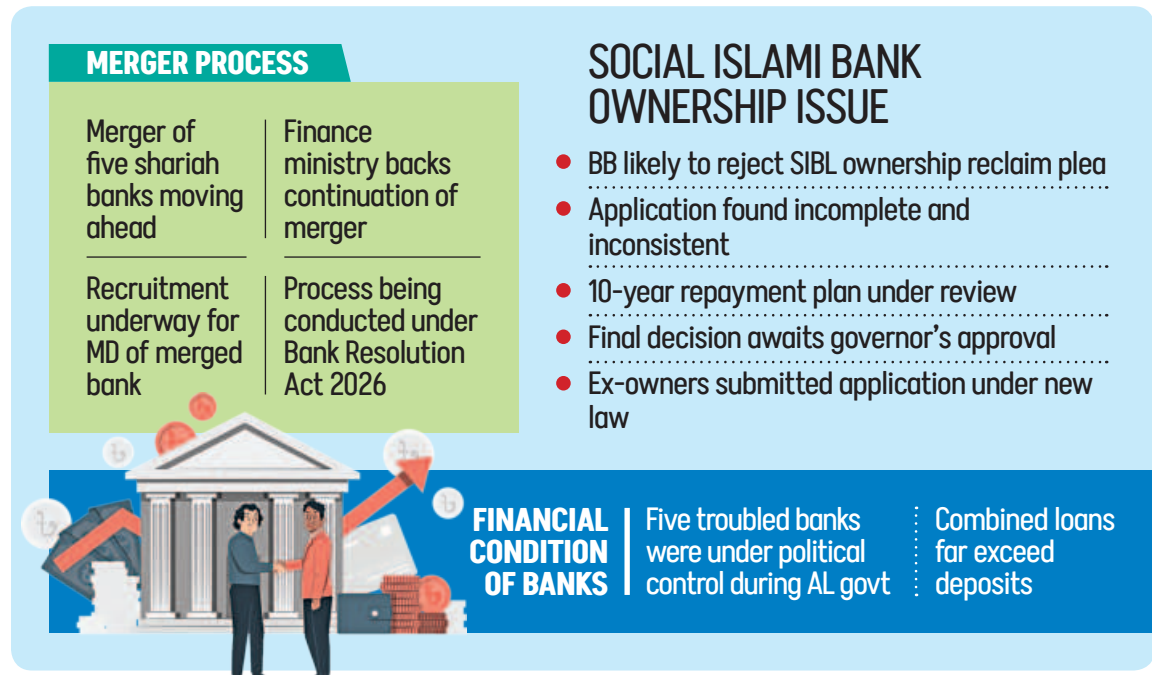
According to the Bangladesh Bank, defaulted loans stood at Tk 557,217 crore as of December 2025.

Titumir said there are still major gaps in financial governance that are weakening market efficiency and financial stability.

"Markets must be allowed to function properly. If they do not operate on sound market principles, these reforms will fail," he said.

READ MORE ON B2

Ex-owners unlikely to regain SIBL control as merger continues



MD MEHEDI HASAN

The Bangladesh Bank (BB) has decided in principle to reject a bid by former owners of troubled Social Islami Bank PLC to reclaim control, as the banking regulator moves ahead with the merger of five shariah-based banks, according to top BB officials.

They said the application submitted by former owners of Social Islami Bank PLC (SIBL) to opt out of the merger process is "inconsistent" and "lacks sufficient information".

Moreover, the applicants had sought 10 years to repay the bank's dues to the central bank, which is "not acceptable", said the BB officials on condition of anonymity.

They said the bank resolution department of the BB has therefore decided in principle to reject the application and continue with the merger process under the Bank Resolution Act 2026.

Arief Hossain Khan, executive director and spokesperson for the BB, said the central bank remains firm on the merger plan. "The merger process is ongoing, and media reports claiming that it will not take place are incorrect," he said.

At a recent meeting of the bank resolution department, BB Governor Md Mostaqur Rahman instructed officials to continue with the merger process of the five troubled lenders.

BB officials also said the Ministry of Finance has agreed to proceed with the process.

As part of the next steps, the ministry and the BB have begun interviewing candidates for the post of managing director of the merged Islamic bank.

On Wednesday, six bankers were interviewed at the BB headquarters in Dhaka. Five more are scheduled for interviews on Sunday this week.

As part of its banking reform initiatives, the interim government approved the Bank Resolution Ordinance 2025. Under it, five crisis-hit lenders – First Security Islami Bank, Global Islami Bank, Union Bank, Social Islami Bank and EXIM Bank – were brought under the merger process.

The BB later issued a licence for a new state-owned entity, Sammilito Islami Bank PLC, in November last year, which is expected to become the country's largest state-owned shariah-based lender.

So far, the government and the central bank have injected Tk 35,000 crore in capital and provided additional liquidity support to stabilise the new bank.

After the Bangladesh Nationalist Party (BNP) came to power following the national election in February, the ordinance was amended and enacted as the Bank Resolution Act 2026. The revised law included provisions allowing former owners to reclaim merged banks under relatively easy terms.

Under the clause, former directors or owners of banks under merger or listed for merger can pay 7.5 percent upfront of the amount injected by the government or the BB to regain control.

READ MORE ON B3

Borrowers can apply for policy support till June 30

STAR BUSINESS REPORT

The Bangladesh Bank (BB) has extended the deadline for distressed borrowers to apply for policy support by six months, to June 30, 2026.

The previous deadline was the end of December last year.

A BB circular issued yesterday said banks may provide special restructuring facilities for unclassified loans until the new deadline. Loans classified as substandard, doubtful, and bad/loss as of March 31, 2026, will also be eligible for special rescheduling benefits.

However, borrowers who have already received policy support under the earlier circular or through the restructuring selection committee will not be eligible for reconsideration.

The central bank issued the fresh instructions to reinforce the implementation of earlier policy support guidelines.

BB also instructed banks to dispose of applications within three months of receipt. Applications will become effective only after the encashment of down payments made in favour of banks.

The directive came into immediate effect under Section 49(1)(d) of the Bank Company Act, 1991.

In January last year, the central bank formed a five-member committee to provide necessary policy support for restructuring corporate borrowers that had defaulted on loans due to factors beyond their control.

In September last year, the BB also issued a unified special loan rescheduling policy to maintain economic growth and support borrowers who had defaulted due to circumstances beyond their control.

Eastern Bank PLC

EBL Home Loan now starts @ **9.50%**

Maximum loan limit: BDT 4 crore

Maximum loan tenor: Up to 25 years

For details please call 16230

Cabinet clears import of 3 LNG cargoes

STAR BUSINESS REPORT

The Cabinet Committee on Government Purchase yesterday approved the procurement of three LNG cargoes from the spot market, two proposals to purchase electricity from power plants, and a proposal to procure 163 vehicles.

The meeting, chaired by Finance Minister Amir Khosru Mahmud Chowdhury, cleared the proposal to procure LNG, submitted by the Energy and Mineral Resources Division.

The 20th cargo for June 8-9, the 21st cargo for June 9-10, and the 22nd cargo for June 14-15 will be purchased at a combined cost of Tk 2,186.35 crore.

According to sources, the LNG will cost \$18 per MMBtu. The procurement will be carried out through the international quotation collection process under Rule 105(3)(a) of the Public Procurement Rules 2025.

The approved suppliers are Vitol Asia Pte Ltd, Singapore, BP Singapore Pte Ltd, and Gunvor Singapore Pte Ltd.

The committee also cleared two separate proposals to purchase electricity from power plants operated by North West Power Generation Company Limited (NWPGL) under re-determined levelised tariffs.

One of the proposals involves purchasing electricity from the Sirajganj 225 MW Combined Cycle Power Plant (Unit-2) established by NWPGL.

Under the proposal submitted by the Power Division, the levelised tariff for gas-based power has been fixed at US cents 4.513 per kilowatt-hour, equivalent to Tk 5.541 per unit, based on current market prices.

READ MORE ON B3

Complex rules erode competitiveness, Muktadir says

STAR BUSINESS REPORT

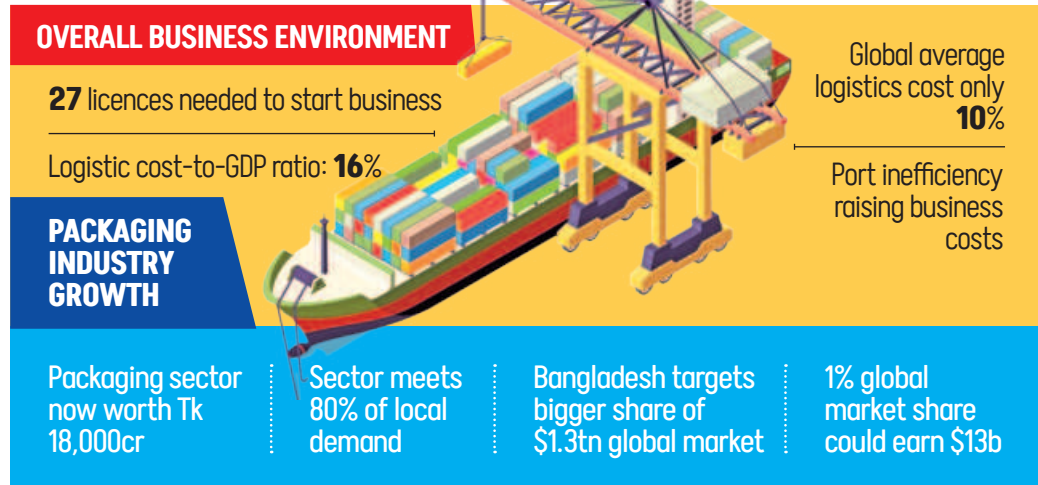
Commerce Minister Khandakar Abdul Muktadir yesterday said the government will implement sweeping reforms to ease Bangladesh's complicated business environment, as high logistics costs, low operational efficiency at ports and lengthy licensing procedures are undermining the country's industrial competitiveness and export potential.

Speaking at the inaugural ceremony of the International Industrial Packaging Expo 2026, he said investors currently need as many as 27 different licences and approvals to start a business in Bangladesh, making the

Flexible Packaging Industries Association (BFPIA) at the Bangladesh China Friendship Conference Centre in Sher-e-Bangla Nagar in the capital yesterday.

Muktadir said Bangladesh's logistics cost-to-GDP ratio currently stands at around 16 percent, compared to the global average of approximately 10 percent. He also pointed out that the lack of operational efficiency at ports ultimately increases business costs.

The government plans to bring more internationally reputed operators into port management and container terminal operations in a bid to improve efficiency and



process excessively lengthy and complex.

"We do not have the luxury of stopgap measures," he said, stressing the urgency of improving competitiveness ahead of Bangladesh's graduation from the least developed country (LDC) category.

The expo was jointly organised by Exponent Exhibition Private Limited and the Bangladesh

reduce turnaround time, he said.

A Danish company has already begun operating at one of the container terminals, he noted, adding that similar partnerships would be expanded further.

Muktadir also highlighted the heavy fiscal burden created by loss-making state-owned

READ MORE ON B3

Economy grew faster in April: PMI

STAR BUSINESS REPORT

The economy expanded at a faster pace in April compared with the previous month, driven by stronger performance in agriculture and manufacturing, according to the Bangladesh Purchasing Managers' Index (PMI).

The index, prepared by the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) and Policy Exchange Bangladesh (PEB), stood at 54.6 in April, up 1.1 points from March, according to a report released yesterday.

Agriculture and manufacturing recorded stronger growth during the month, while the services sector saw slower expansion. Construction, meanwhile, recorded a sharper contraction.

In April, the agriculture sector extended its growth streak to eight consecutive months, with momentum improving further, according to the PMI.

It said business activity, input costs and order backlogs all strengthened, while new business and employment also returned to expansion.

Manufacturing rebounded into expansion after contracting in the previous month.

The recovery was supported by higher factory output, increased input purchases and rising input prices. New orders, exports and employment also returned to growth.

However, declines continued in finished goods and imports, though at a slower pace. Supplier deliveries and order backlogs slipped back into contraction.

The construction sector contracted for a third straight month, with the pace of decline accelerating, showed the index. New business and activity remained in contraction, and employment also fell. Input costs and order backlogs continued to grow, but at a slower rate.

The services sector expanded for the 19th consecutive month, although growth slowed. Business activity, employment and input costs rose, but new business and order backlogs moved into contraction.

READ MORE ON B2

Shopping hours extended to 10pm ahead of Eid

STAR BUSINESS REPORT

Shops and shopping malls across the country will remain open until 10:00pm, instead of 7:00pm, from May 12 until Eid-ul-Azha, Shop Owners Association said yesterday.

Helal Uddin, president of the association, confirmed the development to The Daily Star yesterday afternoon.

In a video message, he said the association had requested the government to allow shops and shopping malls to stay open until 11:00pm for Eid-ul-Azha.

"The government has permitted us to keep shops open until 10:00pm. At the same time, we have been instructed not to use excessive lighting or electricity," he said.

Due to the energy crisis, the government on April 3 directed shops and shopping malls to close by 6:00pm.

Later, following a meeting with business associations, the closing time was extended by one hour from April 5, allowing businesses to operate until 7:00pm.

Sasso expands in Bangladesh with Kazi Farms

STAR BUSINESS REPORT

Sasso Hendrix Genetics Group, a global multi-species breeding company, has partnered with Bangladesh's Kazi Farms to launch a grandparent project in Bangladesh, aiming to sustainably strengthen the local poultry supply and support long term growth in the country.

The objective of this partnership is to produce Sasso genetics parent stock locally in Bangladesh to meet growing domestic demand in a market that is considered highly strategic for Sasso Hendrix Genetics Group, according to a press release. Bangladesh is one of the most

dynamic markets for low-growing, coloured, high-quality chicken — a segment in which Sasso is currently the market leader in the country, the statement read.

This new project will further improve product availability, customer responsiveness, and market proximity, while maintaining the highest genetic, quality, and biosecurity standards, it added.

This partnership builds on a long-standing collaboration of more than 18 years between Sasso and Kazi Farms. Over the years, both companies have developed a solid relationship based on trust, shared values, and a common vision of quality, sustainability, and

performance, it mentioned.

Kazi Farms' production standards are fully aligned with the requirements of an international genetic selection group such as Hendrix Genetics, as well as with the values carried by the Sasso brand, it added.

In the same spirit of proximity and customer focus, Sasso Hendrix Genetics Group has also decided to establish a local subsidiary called Sasso Bangladesh.

The objective of this new entity is to better support customers locally by providing enhanced technical, commercial, and strategic assistance directly in the field, it mentioned.

bKash honours top supply chain partners

STAR BUSINESS DESK

bKash Limited, the country's leading mobile financial service provider, recently organised the "bKash Partner Excellence Award 2026" to recognise the contributions of its supply chain partners in ensuring seamless services for millions of customers nationwide.

In its sixth edition, the award programme honoured 17 top supply chain partners across eight categories for outstanding performance and commitment to operational excellence, compliance, integrity, proactive support and collaboration, and partner profile management.

The ceremony celebrated the long-standing relationships between bKash and its supply chain partners, highlighting their role in supporting the company's nationwide operations.

Winners in each category were presented with crests and certificates as recognition of their achievements.

Prime mover workers' strike ends after 3 days

STAFF CORRESPONDENT, Ctg

Import, export, and other operations at most factories under three export processing zones (EPZs) in Chattogram were badly disrupted for the last three days due to a strike enforced by prime mover workers, which ended yesterday evening.

Drivers and helpers of container-carrying prime movers, particularly engaged in transporting import and export containers between Chattogram port and the factories under Chattogram EPZ (CEPZ), Karnaphuli EPZ, and Korean EPZ (KEPZ), enforced the strike from Monday morning over several demands.

Their demands included an increase in monthly wages and other allowances paid by vehicle owners, as well as the implementation of appointment letters.

However, the workers withdrew their strike following a fruitful tripartite meeting convened in the afternoon by Additional Commissioner (Traffic) of Chattogram Metropolitan Police (CMP) Wahidul Hoque Chowdhury.

Md Hasan Mahmud, joint secretary of the Chattogram District Prime Mover Trailer Workers Union, said the workers had been demanding a raise in the monthly basic wage from Tk 6,000 to Tk 11,000.

At the meeting, vehicle owners promised to meet the demands, including raising the monthly basic wage to Tk 8,000, Mahmud said, adding that the workers withdrew the strike following this assurance.

CEPZ Executive Director Moshuiddin Bin Meshah said many of the 137 factories in the CEPZ suffered due to the strike, as a major portion of their imports and exports transported in containers got stuck.

Complex rules

FROM PAGE B1

operating at one of the container terminals, he noted, adding that similar partnerships would be expanded further.

Muktadir also highlighted the heavy fiscal burden created by loss-making state-owned enterprises, many of which occupy vast tracts of underutilised land.

The government intends to bring these industrial assets under private-sector investment within the next two years, he said, so they can generate employment, investment and revenue.

Referring to state-owned sugar mills and factories under the industries, jute and textile ministries, he said many of the facilities were established decades ago under a different economic reality and now require modernisation or repurposing.

The minister argued that idle industrial land could be transformed into hubs for diversified manufacturing activities, creating large-scale employment opportunities.

Turning specifically to the packaging sector, he said the industry's global market size offers enormous opportunities for Bangladesh.

"The global packaging industry is worth more than a trillion dollars. Bangladesh should not limit its ambitions to a tiny

share of the market," he said.

He urged entrepreneurs to think bigger and expand their global footprint, assuring them of policy support from the government.

Speaking at the event, BPPIA President Safius Sami Alamgir said the sector has evolved from an import-dependent industry into a Tk 18,000 crore market that now meets around 80 percent of domestic demand.

He said the global packaging market is currently worth \$1.3 trillion and could reach \$1.8 trillion by 2035, presenting a significant opportunity for Bangladesh.

"If Bangladesh can capture even 1 percent of the market, it could generate \$13 billion in exports," he said.

Alamgir described packaging manufacturers as the "invisible backbone" behind major consumer brands and said the sector could replicate the success of the ready-made garment industry through competitive manufacturing.

However, he called for policy reforms, citing double taxation, difficulties in obtaining tax refunds and uneven competition as major obstacles to growth.

Export Promotion Bureau (EPB) Vice

Chairman Mohammad Hasan Arif highlighted the packaging industry's growing role in Bangladesh's export diversification efforts, pledging institutional support to expand the sector's global footprint.

Arif said the government had already recognised the industry's potential by declaring paper and packaging products as the "Product of the Year" for 2026.

He noted that the EPB had earlier organised discussions on the sector's challenges and opportunities during the Dhaka International Trade Fair, where several policy recommendations emerged.

The EPB now plans to support local exporters in participating in at least one or two international packaging exhibitions in fiscal year 2026-27, he said, assuring exporters of continued institutional backing to strengthen global market access.

Rashedul Haque, managing director of Exponet Exhibition Private Limited, said a total of 140 companies from home and abroad are displaying their products and technologies through 360 stalls at the expo. Of them, 25 companies from China are taking part in the event. The fair will continue until May 9.

Ex-owners unlikely

FROM PAGE B1

The remaining 92.5 percent is to be repaid within two years at 10 percent simple interest.

The provision has drawn criticism from economists and policy experts, who say it risks rewarding those linked to past financial mismanagement rather than ensuring accountability.

Against this backdrop, five sponsor shareholders and former directors of SIBL submitted an application to the BB last month seeking to regain control of the bank.

BB Spokesperson Khan said the application is currently under review but indicated that the demands are unlikely to be accepted.

APPLICANTS SAY APPLICATION MADE UNDER NEW LAW

The applicants are led by Maj (Retd) Md Rezaul Haque, former chairman and sponsor shareholder of SIBL.

Maj (Retd) Haque, who chaired the board until October 30, 2017, was joined by sponsor shareholders Hakim Md Yousuf Harun Bhuiyan, managing director and chief mutawalli of Hamdard Laboratories Waqf, and Sultan Mahmood Chowdhury. The other applicants

are former shareholder director Alia Begum and shareholder Md Zabedul Alam Chowdhury.

Maj (Retd) Haque is currently suffering from age-related health complications and unable to move around properly.

Following the fall of the Awami League-led government in August 2024, the central bank dissolved the board, which had been heavily influenced by controversial conglomerate S Alam Group, and formed a new one that included Maj (Retd) Haque as a director.

However, he was absent from most meetings due to his health condition.

Maksuda Begum, an independent director appointed by the BB after the political changeover, said Maj (Retd) Haque attended meetings occasionally but was unable to stay for long due to illness.

Md Zabedul Alam Chowdhury, a former shareholder and one of the applicants to reclaim the bank, said they had applied in line with regulations.

"We have applied according to the rules. We will fulfil all the conditions. If we get the bank back, we will bring in new investors," he told The Daily Star.

He added that the

bank would operate more effectively if the application were approved.

IRREGULARITIES LED TO THE MERGER

The five banks were brought under the merger process after forensic audits following the political changeover in 2024 found extensive loan irregularities and financial mismanagement.

The lenders faced acute liquidity shortages and were unable to repay depositors, prompting emergency intervention by the interim government.

The banks had been controlled by politically connected groups.

EXIM Bank was previously under Nazrul Islam Mazumder, former chairman of the Bangladesh Association of Banks, while the other four were linked to family members of Mohammed Saiful Alam, chairman of S Alam Group.

Allegations of large-scale irregularities and fund embezzlement during the previous government led to a sharp deterioration in their financial health.

As of September 2024, the combined outstanding loans of those five banks stood at Tk 1,92,787 crore, while total deposits were Tk 1,58,918 crore, according to BB data.

Advertisement for Bangladesh Planning Institute (BPI) regarding a tender for a road project. Includes contact information, address, and details of the project.

65% of healthcare

FROM PAGE B1

Prof Wahiduddin Mahmud, former planning adviser to the interim government, criticised the Ministry of Health for failing to understand actual demand and execute projects.

"Even though the budget for health is relatively small, the authorities are often unable to spend it. This indicates a profound lack of institutional capacity," he said.

Prof Rashed Al Mahmud Titumir, the prime minister's adviser on finance and planning, said the government views healthcare not merely as a service but as a fundamental right.

"While there is often a trade-off in resource allocation, our rights-based approach compels us to prioritise essential care," he said.

Cabinet clears

FROM PAGE B1

For HSD-based generation, the tariff was set at US cents 19.298 per kilowatt-hour, equivalent to Tk 23.698 per unit.

The committee also approved electricity purchase from the 410 MW Bheramara Combined Cycle Power Plant, established by NWPGL, under a re-determined levelised tariff structure.

A proposal to purchase 163 vehicles for the Rapid Action Battalion at an estimated cost of Tk 122.27 crore was also cleared by the committee.

Meanwhile, the Cabinet Committee on Economic Affairs also

According to him, the government is considering mandating at least three critical services across all 250-bed hospitals: cardiac coronary units (CCUs) to address rising heart-related emergencies, kidney dialysis to ensure accessible treatment for chronic kidney disease, and complex gynaecological and obstetric care to safeguard maternal health.

"To prevent waste and enhance efficiency, we are introducing the e-Health Card project. Digitalising health records will streamline service delivery," the PM's adviser also said.

Nutrition programmes are also central to the government's strategy, as unaddressed deficiencies place the wider healthcare system under continued strain, he added.

power import subsidies at its 13th meeting yesterday.

The committee gave in-principle approval to the draft Bangladesh Offshore Model Production Sharing Contract (PSC) 2026, proposed by the Energy and Mineral Resources Division.

"It also granted partial in-principle approval to a proposal from the Power Division to include electricity imports — from joint ventures, the Adani Power Jharkhand project, and other sources in India and Nepal — in the government's subsidy list, with the aim of ensuring uninterrupted power supply.

Government of the People's Republic of Bangladesh. Office of the Executive Engineer, RHD. Jhalakati Road Division. Invitation of RHD Quotation for Ferry Toll Collection (6th Call). Includes table with quotation details and contact information.

Robi's Q1 profit jumps 85% on AI-driven offers

STAR BUSINESS REPORT

Robi Axiata posted a sharp rise in profit in the first quarter of 2026, as AI-driven personalised offers and disciplined cost management cushioned the impact of adverse economic conditions.

The country's second-largest mobile operator's profit after tax rose 85 percent year-on-year (YoY) to Tk 232.3 crore in the January-March quarter, the company said in a statement released yesterday.

Revenue reached Tk 2,531.2 crore, up 8.1 percent YoY. Earnings per share stood at Tk 0.44, up 85.2 percent, it added.

EBITDA (earnings before interest, taxes, depreciation and amortisation) reached Tk 1,350.3 crore with a 53.3 percent margin, reflecting 21.6 percent YoY growth. The EBITDA margin expanded 5.9 percentage points over the same period.

According to Robi, the EBITDA growth indicates the company's high level of discipline in cost management, producing desired results.

The operator's active subscriber base during the period stood at 5.74 crore

Capital expenditures stood at Tk 349.5 crore at the end of the quarter. Total payments to the government exchequer reached Tk 2,073.6 crore, accounting for 82 percent of quarterly revenue.

The telecom operator's active subscriber base during the period stood at 5.74 crore. Data and 4G subscribers numbered 4.45 crore and 4.03 crore respectively.

Average monthly data consumption per user rose 15.4 percent YoY to 8.95 GB, and 6.1 percent quarter-on-quarter.

The operator stated that it had over 19,300 4G sites at the end of Q1, covering 98.98 percent of the population.

Quarter-on-quarter, revenue dipped 2.1 percent, which the company attributed to fewer calendar days during the period.

"We have registered 8.1 percent YoY growth under very adverse socio-economic conditions intensified by the war in West Asia [Middle East]," said Managing Director and CEO Ziad Shatara.

"Our AI-driven personalised offers, supported by sustained investment in network improvement, are producing the desired result," he added.



PHOTO: MD ASADUZ ZAMAN

Workers operate in organised rows at Barendra Rajshahi Textile Limited, formerly Rajshahi Textile Mills, revived by PRAN-RFL Group under a public-private partnership, creating thousands of local jobs and producing export-oriented goods. The photo was taken recently.

Thousands get jobs as PRAN-RFL revives abandoned mills

MD ASADUZ ZAMAN, back from Rajshahi

A few years ago, Champa Begum moved from Rajshahi to Gazipur for factory work, leaving behind her young daughter. Today, the 30-year-old no longer has to make that choice.

Begum now works at a factory barely 12 km from her home in Paba upazila, Rajshahi. The move back home has reduced living costs and allowed her to rebuild her daily life with family.

Her story reflects a broader change underway. PRAN-RFL Group has restarted three idle state-owned factories in Rajshahi, including Rajshahi Textile Mill and Rajshahi Jute Mill, under a public-private partnership (PPP) model. The initiative has already employed many locals, with plans to scale up, reducing the need for migration to major cities.

Workers say the opportunity to work close to home has brought both economic relief and personal stability.

Export goods — non-leather footwear and luggage — are being produced at the revived factories. Officials said utilising idle state-owned mills and land could boost foreign exchange earnings despite sectoral constraints.

A NEW LIFE

Nearly 2,500 workers have secured jobs following the revival of the once abandoned Rajshahi Textile Mill, which began operations in 1979 but shut down in 2003 due to mounting losses. After more than two decades of inactivity, the factory has resumed production under a private-sector initiative to revive idle facilities through PPPs.

The factories now produce non-leather footwear, luggage, backpacks, trolleys, and women's handbags. Over the past two years, RFL has invested approximately Tk 325 crore in the footwear and luggage sectors, with another Tk 200 crore planned this year and a further Tk 800 crore targeted over the next three years.

PRAN-RFL has already created 4,500 jobs across the three Rajshahi factories and plans

to expand to more than 11,000. Nationwide, the company has generated around 12,000 jobs in footwear and luggage over the past two years and aims to create an additional 30,000 over the next three years.

Currently producing around 48 lakh pairs of shoes per month, the company plans to scale up to 1.5 crore pairs within three years to meet growing global demand. Rising production costs in China are prompting buyers to shift sourcing to Bangladesh, particularly for non-leather footwear.

The global footwear market is valued at \$400 to \$500 billion. In FY2024-25, Bangladesh exported footwear worth \$1.19 billion, with non-leather footwear contributing \$522 million — growing over 25 percent year-on-year, according to the Export Promotion Bureau.

Nearly 2,500 workers have secured jobs following the revival of the once-abandoned Rajshahi Textile Mill

JOBS WHERE THEY ARE NEEDED

For workers like Champa Begum, the impact of such an initiative is immediate and personal.

"If we work far away, the child's education suffers," she said. "It's much better when jobs are available locally," she said.

Others share similar experiences. Rajshahi University graduate Sultana Khatun, 32, said the opportunity to work locally came at the right time.

"Amid higher inflation, this has somewhat reduced the burden on us."

Mustafa K Mujeri, executive director of the Institute for Inclusive Finance and Development, welcomed the move to open up state-owned mills for private sector acquisition and reopening.

"Such measures are urgently needed to address the country's unemployment challenge," he said.

Amid persistently high inflation, the government should strike a balance between strengthening social protection and actively supporting the private sector to expand job creation, he noted.

Without a stronger push for employment generation, he warned, macroeconomic pressures could further deepen labour market vulnerabilities.

DECENTRALISING INDUSTRIAL DEVELOPMENT

PRAN-RFL operates eight footwear and luggage factories across Narsingdi, Rajshahi, Rangpur, and Pabna, with two more facilities in Chattogram under renovation.

The group exports to 45 countries, with the United States and Europe as key markets. Export earnings from non-leather footwear and luggage rose to Tk 177 crore in FY25 from Tk 92 crore the previous year — an increase of over 90 percent.

"We are receiving strong purchase orders, but failure to deliver on time means losing opportunities. Reviving closed factories is our fast-track solution," said Kamruzzaman Kamal, marketing director at PRAN-RFL Group.

He added that utilising idle government jute mills and unused land nationwide could significantly boost foreign exchange earnings.

RFL's Rahat Hossain Roni said Bangladesh's large rural workforce gives it a competitive advantage over rivals such as Vietnam and Cambodia, which are well-positioned to absorb production shifting out of China.

On wages, he said the company complies with national minimum standards and offers productivity-linked incentives.

"The fixed salary is just the entry-level; beyond that, earnings increase with performance," he said.

He also noted that workers returning from Dhaka benefit from higher purchasing power in smaller cities.

"If someone comes from Dhaka to Rajshahi at the same wage, they've already gained roughly 30 percent in purchasing power."

The price of saying no

MAHTAB UDDIN AHMED

There is an old corporate truth in Bangladesh: everyone admires integrity until it begins to disturb someone important. As long as an honest chief executive is improving numbers, tightening discipline, and speaking politely in board meetings, he is praised. The moment he blocks a favoured appointment or refuses to bend rules for a powerful recommendation, he suddenly becomes immature, inflexible, and poor at "stakeholder management". In our banking sector, character is often celebrated in speeches and punished in practice.

Recently, I met a young acting chief executive of a financial institution. He was bright, humble, energetic and full of ideas. He wanted to transform the institution with new rigour. Yet I sensed tension in his body language. Later, I understood why. Pressure was mounting on him to accommodate an appointment he did not believe was right. He resisted. In doing so, he stood up for principle. In Bangladesh's financial sector, that is sometimes a touching but costly habit.

He probably believed his board, satisfied with his performance, would support him. That was his first lesson. In difficult moments, the first institution to discover flexibility is often the board itself. Directors who praise professionalism in the afternoon can become admirers of compromise by evening. A chief executive may think performance is his shield. In reality, that shield often melts under the first serious phone call from the right quarter.

I have written before about why chief executives do not stand together when one of them comes under pressure from a board or powerful owners. The answer is painfully simple. They are too busy surviving. There are nearly a hundred chief executives across banks and non-bank financial institutions, yet if one is



cornered for doing the right thing, nobody truly stands beside him. Some offer private sympathy. Some gently mock him for being foolish. Others suggest he should have been more practical, which in our corporate language often means less honest. The lesson lands only when the pressure shifts to their own door.

I do not recall bankers' associations becoming a memorable defender of such professionals either. They are visible at seminars, policy dialogues, gala dinners and group photographs. But when a professional banker is squeezed for resisting interference, the hall suddenly falls silent. Silence remains one of the safest leadership strategies in the country.

This is not merely a sad story about one executive. It is a warning about the sector's health. It tells every chief executive that the real job is not banking but balancing integrity against pressure. It tells internal auditors, compliance officers and risk managers that their reports matter less than influence. It tells depositors that governance is often decorative in annual reports, while decisions are made elsewhere. Most dangerously, it signals to corrupt owners and enablers that the machinery protecting them is still intact.

The damage goes beyond a single appointment or resignation. It weakens institutional confidence. Honest professionals learn that courage can end careers. Boards learn that convenience is easier than principle. Young bankers learn that silence is safer than judgment. The result is predictable: weak governance, timid management, compromised oversight, and ultimately public loss.

The central bank must act more firmly. Fit and proper tests for directors should be real, not ceremonial. Businesspeople with material conflicts must be kept off boards. Independent directors must be genuinely independent, not familiar names in new roles. Internal audit, compliance and whistleblowing systems must be protected from board capture. Most importantly, accountability must extend not only to owners and directors but also to executives who enable abuse through silence or cooperation.

Until then, the banking sector will continue this tragic comedy. Integrity will be praised at conferences, punished in practice, and quietly pushed to the margins. Good people will resign, or learn quickly how not to be good.

The writer is the founder of BuildCon Consultancies Ltd and BuildNation Ltd

India plans to bolster key export scheme

REUTERS

India is planning to raise spending on its key scheme designed to refund local taxes paid on export goods and extend the programme's tenure by five years, two government officials said, as the Middle East war clouds the county's trade outlook.

The scheme, currently valid until September 30 with a budget of a little over \$1 billion, reimburses exporters for taxes and levies paid to federal, state and local authorities that are not refunded under other programmes, to make export goods more competitive.

But India's annual budget released in February nearly halved financial allocation for the scheme for the fiscal year 2026/27.

Talks to bolster the scheme follow a series of challenges faced by exporters in the Asian nation which are facing cash-flow strains due to prohibitively high freight rates around risk-fraught Gulf routes, after braving US President Donald Trump's steep tariffs for months.

The Middle East conflict weakened trade in March, with India's merchandise exports falling 7.4 percent year-on-year and 24 of 30 major export categories declining. Shipments to key trading partners in the region, including United Arab Emirates and Saudi Arabia, fell sharply.

The share of exports in India's GDP has been increasingly steadily to nearly a fifth.

The nation's finance ministry and commerce ministry are discussing reinforcing the Remission of Duties and Taxes on Export Products (RoDTEP) scheme, the officials said.

Asia's refined fuel exports plunge amid Hormuz closure

REUTERS Launceston

While prices for crude oil futures have surged and slumped in line with the latest headlines about the war between the United States and Iran, the impact of the crisis in physical markets for refined fuels has been worsening.

Another hint of a peace agreement was enough to send Brent contracts down 7.8 percent on Wednesday to a close of \$101.27 a barrel, even though a full and sustained re-opening of the Strait of Hormuz still seems a long way off.

In the meantime, the effective closure of the narrow waterway through which about 20 percent of the world's crude and refined products moved prior to the February 28 attack on Iran by the United States and Israel is cutting volumes of refined products being shipped around Asia.

Exports of refined products such as jet fuel, diesel and gasoline fell to multi-year lows in Asia, the top energy consuming region and destination for about 80 percent of pre-war cargoes through the Strait of Hormuz.

The combined export volumes for these three fuel types in April in Asia was almost 3 million barrels per day (bpd) below the average for the three months prior to the start of the conflict.

Jet fuel remains the part of the barrel most under pressure, with Asia's exports of the fuel slumping to 596,000 bpd in April, down from an average of 1.54 million bpd in the three months prior to the start of the war, according to data compiled by commodity analysts Kpler.

The April figure was the lowest in Kpler

records dating back to 2017 and shows that flows are only about one-third of pre-conflict levels.

The bulk of Asia's exports of jet fuel head to other Asian countries that are importers, with smaller volumes heading to Africa, Europe and North America.

India's exports of jet fuel dropped to

48,600 bpd in April, down from pre-war levels of 141,000 bpd, while China's dropped to 135,000 bpd from about 308,000 bpd.

The United Arab Emirates went from shipping an average of 106,000 bpd of jet fuel in the three months prior to the war to zero in April, according to Kpler.

The paucity of jet fuel cargoes is reflected in prices, with Singapore assessments ending at \$158.91 a barrel on Wednesday, up 70 percent from the close of \$93.45 on February 27, the day before the US and Israel launched their aerial campaign against Iran.

Diesel is another pressure point in Asia, with the price of its building block gasoil ending at \$141.30 a barrel on Wednesday, up 55 percent from the pre-war level.

Asia's exports of the transport fuel dropped to a nine-year low of 2.22 million bpd in April, down from an average of 3.54 million bpd in the three months before the start of the Iran war, according to Kpler.

Among regional exporters, Japan's shipments plunged to 32,600 bpd in April from pre-conflict levels of 148,600 bpd, South Korea's slipped to 451,000 bpd from 507,000 bpd, India's dropped to 371,000 bpd from 494,000 bpd while China's dropped to 22,000 bpd from 126,300 bpd.



A small tanker sails near an oil refinery in the Keihin Industrial Zone in Kawasaki, south of Tokyo. PHOTO: REUTERS/FILE