

Rubio invites Modi to US amid strain in relations

AFP, New Delhi

US Secretary of State Marco Rubio yesterday invited Indian Prime Minister Narendra Modi to Washington, reaffirming the importance of a relationship that has come under growing strain, a week after the United States held a warm summit with China.

After joining President Donald Trump in Beijing a week ago, Rubio – visiting both Asian powers for the first time – flew to New Delhi and saw Modi for more than an hour, inviting the premier to visit the White House soon.

Rubio “underscored the strategic importance of the US-India partnership, rooted in our shared democratic, profound economic and commercial opportunity and the strong personal ties” between Modi and Trump, State Department spokesman Tommy Pigott said, glossing over last year’s friction between the world’s two largest democracies.



Farmers threshing and cleaning paddy in their courtyards in Kakonhat area of Godagari upazila, Rajshahi. Harvest is in full swing across the Barind region, with 60 percent of paddy still standing in the fields.

PHOTO: AZAHAR UDDIN

Tk 60,000cr stimulus for private sector

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smaller loans may carry slightly higher rates because of administrative and operational costs. Detailed implementation guidelines will be issued through upcoming circulars, the central bank said.

A major portion of the refinancing fund – Tk 20,000 crore – has been allocated for reopening closed factories, making it the single largest allocation. Another Tk 10,000 crore has been earmarked for agriculture and rural economic activities.

The cottage, micro, small and medium enterprise (CMSME) sector will receive Tk 5,000 crore, while Tk 3,000 crore each has been allocated for export diversification and the North Bengal Agricultural Hub initiative.

The Tk 19,000 crore BB-funded portion will support 10 targeted schemes, including pre-shipment export financing, CMSME support, overseas employment financing, startup funding, and youth-focused employment programmes.

This is the largest stimulus package since the then government provided Tk 2,37,679 crore under 28 separate programmes to ensure a quick economic recovery from the fallout of the Covid-19 pandemic.

According to the governor, the latest package is expected to generate more than 25 lakh jobs across industries, SMEs, agriculture, exports, startups, and youth employment initiatives.

Mostaqur said Bangladesh's GDP growth has slowed significantly over the past three years, falling from 5.8 percent to 4.2 percent and likely declining further to around 3.7 percent.

He attributed the slowdown to disruptions in industries including garments, textiles, steel, ceramics, information technology, and broader manufacturing.

He also pointed to mounting stress in the financial sector, including a sharp rise in classified loans, declining depositor confidence, and high borrowing costs that have discouraged SME expansion.

The governor further cited capital flight and alleged illicit financial outflows, saying financial irregularities had weakened the banking system and intensified liquidity pressures.

Despite the central bank's optimism, bankers and economists have expressed concern over the package's design, funding structure, implementation feasibility, and possible inflationary impact.

Mashrur Arefin, chairman of the Association of Bankers, Bangladesh (ABB), described the package as “an excellent plan” but said effective

implementation would be crucial.

He questioned the sourcing of the fund, arguing that banks’ surplus liquidity is already largely invested in treasury bills and bonds. He also noted that banks need to maintain some idle funds for day-to-day operations, limiting their ability to participate.

Mashrur suggested that instead of relying solely on bank deposits, Bangladesh Bank could inject liquidity by lowering the repo rate against treasury bills and bonds or reducing the cash reserve ratio (CRR).

According to him, such measures would make the package more workable and allow banks to lend at the intended 4 percent spread.

He also acknowledged that the initiative could fuel inflation, but said boosting employment and economic activity was also necessary under current conditions.

Syed Mahbubur Rahman, managing director of Mutual Trust Bank, also supported the intent but warned that implementation would be difficult.

He said banks are unlikely to lend to closed or failed factories because of the high risks involved. Restarting such units would require operational restructuring, management changes, workforce rehiring, and resolution of underlying financial and operational problems.

If revival efforts fail, banks risk losing their funds entirely, he said.

Mahbubur said credit growth has slowed to around 4.7 percent not because of a liquidity shortage, but due to a lack of viable borrowers. He also cited structural bottlenecks – including inadequate infrastructure, weak law enforcement, and energy shortages – as major constraints on investment.

Even operational factories are struggling because of gas shortages and rising electricity and energy costs, he said, adding that unresolved Covid-era stimulus loans continue to burden the banking sector.

He warned that because Bangladesh Bank would eventually recover refinance funds from commercial banks when schemes mature, the package could add further pressure on lenders already grappling with high default rates.

Responding to journalists’ questions at the briefing, the governor clarified that the package does not involve printing new money, but rather reallocating idle liquidity already present within the banking system.

He said some banks have excess liquidity while others face shortages, and the objective is to channel idle funds into productive sectors through refinancing mechanisms.

Mostaqur also said Tk 6,000 crore from the Tk 19,000 crore central bank allocation had already been deployed from BB's surplus funds. He said the central bank earns around Tk 20,000 crore annually in profit, allowing it to finance the initiative without triggering inflation through money creation.

The governor also acknowledged weaknesses in previous stimulus programmes, particularly during the Covid-19 period, when a small number of large business groups reportedly received a disproportionate share of funds.

He said stricter monitoring and safeguards would be introduced this time to prevent concentration of benefits and improve accountability.

Mostaqur further admitted the depth of the banking sector crisis, saying a significant amount of banking funds had been lost through irregularities, loan scams, and financial mismanagement.

Many of these bad loans, he said, were not traditional defaults caused by business failure, but funds siphoned off without adequate collateral.

As part of the overall package, Bangladesh Bank also announced a Tk 500 crore fund from corporate social responsibility (CSR) resources to support creative industries. Unlike the stimulus loans, this fund will not require repayment.

Economists, however, remained cautious.

Abdur Razzaque, chairman of Research and Policy Integration for Development (RAPID), said the package appeared well-intentioned but lacked sufficient evaluation and consideration of alternatives.

He argued that controlling inflation should remain the top priority and warned that such stimulus measures could intensify price pressures and increase public hardship.

He also noted that stimulus alone does not guarantee improvement in underperforming sectors and that global experience shows such measures can sometimes fuel inflation and create additional macroeconomic imbalances.

Zahid Hussain, former lead economist of the World Bank's Dhaka office, described the package as a countercyclical measure typically suited to periods of weak demand and low inflation.

However, he said Bangladesh currently faces a more complicated situation, with slowing growth alongside persistently high inflation.

Under such conditions, he warned, additional stimulus may not necessarily increase output and could instead push prices up faster than production if supply-side constraints remain unresolved.

In Faridpur, a case was filed against Md Khayer Dai, 35, on charges of attempting to rape a nine-year-old yesterday.

The incident took place around 2:00pm in Saltha upazila.

The victim's mother filed the case, alleging that her daughter went to Khayer's house to collect mangoes.

Khayer, a father of two, then allegedly held the child at knifepoint and took her to a nearby orchard to rape her.

Hearing her screams, locals rescued the girl, but Khayer managed to flee.

Police are trying to find and arrest the accused, said Md Babulur Rahman, OC of Saltha Police Station.

In Dhaka, Ashrafur Huda Rubel, 63, was arrested in the capital's Kalabagan yesterday for allegedly raped an eight-year-old girl in the presence of another child on Friday.

The victim's mother filed a case the same day.

According to the case statement, the victim and her friend were playing in a field near Rubel's house when he allegedly lured them into his home with chocolates and then raped one of them.

After the children began crying, the accused opened the door and the girls ran away and informed their families of the incident.

The victim's brother, upon hearing of the incident, gathered with locals and confined Rubel inside his home. Kalabagan police later reached the spot and arrested him.

The child was later sent to hospital for a medical examination.

(Our correspondents from Narayanganj, Benapole, Jhenaidah, Patuakhali, Savar and Faridpur contributed to the report.)

Charge sheet likely today

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Division yesterday, the government has appointed Supreme Court lawyer Advocate Mohammad Azizur Rahman Dulu as a special public prosecutor to ensure a swift and effective trial.

On May 19, Ramisa was found beheaded in the house of her neighbour, Sohel Rana, 31, after she was raped and killed. Sohel fled shortly after the incident, while his wife, Swapna Akhter, 26, was arrested from the scene.

Sohel was arrested from Narayanganj's Fatullah later that evening. The next day, he made a confessional statement before a magistrate, who then sent him to jail. Swapna was sent to jail by another

Dhaka court as an accomplice in the crime.

Speaking at a programme at the capital's BRAC Centre yesterday, Law Minister Mohammad Asaduzzaman said the formal trial proceedings would begin after Eid, adding that filing the charge sheet without the DNA report could have raised questions about the trial later.

The minister also addressed delays in High Court approvals of death sentences. “After a trial court delivers a death sentence, the case goes to the High Court for approval, where preparing the paper book often takes a long time, delaying the final verdict. The government is now working to speed up the process and make it more efficient.”

Remain alert to anarchy attempts

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fires and creating tensions here and there. Those who are doing these things are obstructing the rule of law,” he added.

The prime minister said similar tragic incidents had occurred during the tenure of the interim government, when BNP leaders, lawyers and doctors stood beside victims’ families.

Yesterday, at another programme in Trishal marking the 127th birth anniversary of National Poet Kazi Nazrul Islam, Tarique vowed to ensure justice for Ramisa within a month.

“The current government will in no way tolerate this kind of child abuse

or violence against women. And the current government will, InShaAllah, ensure the maximum punishment for Ramisa’s killer within the next one month. That maximum punishment is the death penalty,” the premier added.

He said the punishment would serve as a deterrent so that no one would dare commit such crimes against children or women in future.

Emphasising the need for a safe and humane state, Tarique said, “We must revive the country's long-standing religious, social and cultural values in our national life. In this regard, the life and works of Poet Kazi Nazrul Islam are relevant.”

Tk 21cr spent, no final report yet

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services for customers.

But the commission has yet to finalise the results despite carrying out several drive tests across the country.

Official documents show the regulator conducted at least three major tests in different regions. The findings, however, differed largely from the data submitted by mobile operators, leading the companies to dispute the results.

The BTRC now says it is working with operators to standardise testing methodologies and publish conclusive findings.

Telecom regulators around the world routinely conduct the “quality of service” tests to evaluate mobile operators and ensure customers receive reliable services. The tests usually assess call drops, voice quality, internet speed and network coverage.

The monitoring also helps regulators enforce service standards, encourage competition and identify areas where operators need to improve networks.

Before buying the new system, the BTRC regularly published call drop reports on its website several times a year.

Acknowledging the differences between BTRC findings and reports by the mobile operators, BTRC Chairman Major General (Retired) Md Emdad Ul Bari said, “We want to reach a consensus so that we can finalise a conclusive report.”

PERFORMANCE GAPS

The first major drive tests using the system were carried out between February 14 and June 5, 2024, across Dhaka city corporations, Narayanganj, Keraniganj and Savar.

The tests measured 40 key performance indicators.

Robi, which has 5.74 crore subscribers out of Bangladesh's total 18.60 crore mobile users, failed in five indicators. Grameenphone, with 8.55 crore subscribers, failed in six indicators, while Banglalink failed in 14 and Teletalk failed in 26 indicators.

Teletalk, which has around 68 lakh subscribers, was the only operator that failed to meet internet service benchmarks.

In Dhaka, Banglalink crossed the regulatory limit for call drop rates. In Keraniganj and Savar, all operators

struggled with call setup times and service quality, with failures recorded in both 2G and 4G voice performance indicators.

At the time, Robi and Banglalink said the results generated by the BTRC's newly procured tools differed from those obtained through their own testing in several parameters.

The operators raised their concerns through the Association of Mobile Telecom Operators of Bangladesh (AMTOB).

“We are hopeful of reaching an acceptable conclusion regarding the drive test results,” Robi said in a statement at the time.

In a statement, Grameenphone said, “The AMTOB, the BTRC and drive test vendors are working together on a unified methodology for calculating the KPIs, as significant differences have been observed between the operators’ drive test results and those of the telecom regulator.”

MEASUREMENT DISPUTE

Even after two more rounds of testing, however, the regulator and operators failed to reach a consensus.

During a drive test late last year, BTRC inspectors found major gaps between operators’ claimed 4G coverage and actual service quality in several parts of the country.

Inspection teams reported weak or non-existent 4G coverage, frequent call drops, poor indoor coverage and network outages during load-shedding in both urban and remote areas of Tangail, Bogura, Gaibandha, Habiganj, Moulvibazar, Sylhet, Cumilla, Noakhali, Chattogram, Mymensingh, Jamalpur and Sherpur.

Operators also failed several regulatory benchmarks during those inspections.

In the latest drive test, conducted on April 15 and 16 this year, Grameenphone, Robi and Banglalink each recorded a call drop rate of 2.70 percent, significantly above the regulatory threshold.

Teletalk, meanwhile, recorded zero percent call drops despite historically performing worse than its competitors in network quality assessments.

Asked about the identical call drop results, BTRC Chairman Maj Gen (Retd) Bari said the regulator is examining why the figures appeared so similar.

SITAKUNDA CHILD MURDER

Police likely to press charges by May 30

DNA report links neighbour accused in attempted rape, killing of 7-year-old

STAFF CORRESPONDENT, Ctg

Sitakunda police are set to press charges by May 30 against the accused in the murder case of a seven-year-old child, whose throat was slit after a rape attempt on March 1.

The child, Jannatul Naima Era, was found wandering in the Sitakunda Eco Park with her throat slit. She was rescued from a hill inside the park by a group of labourers and rushed to the upazila health complex.

The incident sparked nationwide outrage.

Era was later transferred to Chattogram Medical College Hospital, where she succumbed to her injuries while undergoing treatment on March 3.

That same day, police arrested Babu Sheikh, 45, a neighbour of the victim, after scrutinising CCTV footage in connection with the rape attempt and subsequent murder.

He was later produced before a court, which sent him to jail.

Speaking to The Daily Star, Mahinul Islam, SEE PAGE 8 COL 3

10 held in 2 days over rape

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35, for allegedly attempting to rape a three-year-old child.

According to police and the victim's family, Alam lured the child into a room by offering her fried snacks and tried to rape her on Friday morning.

Hearing the toddler's screams, locals rushed in and rescued her. Alam had fled the scene by then.

The child's father filed a case, after which police arrested the accused the same day, said Maruf Hossain, officer-in-charge of Sharsha Police Station.

In Magura, three youths were arrested on Friday over the alleged rape of a 14-year-old girl and the circulation of a video of the incident on social media on May 4.

The arrestees are Anik, 19, Nayan Sheikh, 19, and Rana Biswas, 20. All are residents of Sreepur upazila.

The victim's mother filed a case with Sreepur Police Station on Friday, naming five accused, said Ataur Rahman, inspector (investigation) of the police station.

According to the case statement, the five abducted the child from the Sreepur tempo stand, raped her and recorded the assault on mobile phones. Later, the video was circulated on social media.

The remaining two accused are currently absconding, the inspector said.

In Patuakhali, a mosque imam was handed over to police after being beaten by a mob over the alleged rape of a seven-year-old boy early yesterday.

The accused, Md Bellal Hossain, 28, was an imam in Kalapara upazila.

The victim's father filed a case yesterday noon, said Md Shamim Hawlader, officer-in-charge of Mohipur Police Station.