

Strong asset quality and a secure portfolio: Pubali Bank maintains NPL at 2.20%

STAR BUSINESS DESK

Despite a challenging global and domestic economic environment, Pubali Bank PLC delivered strong performance in 2025, driven by robust financial growth, sound asset quality, technology-driven services and greater financial inclusion.

Speaking at the bank's 43rd annual general meeting (AGM), Managing Director and CEO Mohammad Ali highlighted its achievements, shareholder value creation and future strategic priorities, according to a press release issued by Pubali Bank PLC.

"Over the past three years, Pubali Bank has not only achieved significant business growth but also created substantial value for its shareholders," Ali said.

He noted that the bank's share price, which ranged between Tk 16 and Tk 20 in 2022, has risen to more than Tk 37. Through successive stock dividends, paid-up capital increased by around 56 percent, from nearly Tk 1,000 crore to Tk 1,560 crore.

"As a result, the market value of a long-term investor's investment has increased more than threefold compared to 2022, underscoring the bank's financial strength, sound governance, market confidence and sustainable growth," he added.

Ali thanked shareholders, customers, employees, business partners, media representatives and board members for

their continued support.

He said the bank has continued to create value despite economic headwinds through prudent risk management, strong governance and customer-centric innovation.

According to him, Pubali Bank has undertaken a long-term transformation programme focused on technology, digital banking and financial inclusion. By integrating its branch-based banking strengths with modern digital platforms, the bank is building a "Phygital Banking Ecosystem" that enables customers to access services securely and conveniently through their preferred channels.

The bank's PI Digital Platform reached 528,276 active users by the end of 2025, with 18.6 million transactions completed during the year. Active users increased by 78 percent year-on-year, while transaction volume surged 115 percent, reflecting growing confidence in digital banking services.

Pubali Bank also expanded its digital payment infrastructure. The number of merchant POS terminals reached 25,525, while more than 145,000 Bangla QR codes were deployed nationwide, making cashless transactions more accessible for businesses and customers.

Its physical network remains a key pillar of this transformation. By the end of 2025, the bank operated 517 branches, 274 sub-branches, 22 Islamic Banking Windows and 901 ATM/CRM



Mohammad Ali
Managing director and CEO

booths nationwide. Self-service banking and digital onboarding facilities further enhanced customer convenience and service delivery.

The bank maintained a strong financial position during the year. Total assets rose 20.25 percent to Tk 118,013 crore, while deposits reached Tk 89,519 crore and loans and advances increased to Tk 71,140 crore. Consolidated operating profit stood at Tk 2,907 crore and net profit reached Tk 1,079 crore.

Earnings per share (EPS) stood at Tk 8.30, while return on equity (ROE) and return on assets (ROA) were 15.51 percent and 1.00 percent respectively. The capital to risk-weighted assets ratio (CRAR) remained at a strong 15.34

percent, comfortably above the regulatory requirement.

In terms of asset quality, Pubali Bank continued to outperform the industry. Its non-performing loan (NPL) ratio stood at only 2.20 percent at the end of 2025, compared with the industry average of around 30.60 percent. The bank attributed the performance to prudent lending practices, data-driven monitoring and effective recovery mechanisms.

The bank also maintained a strong presence in foreign trade and remittance services. During the year, it handled export business worth Tk 38,664 crore and import business worth Tk 47,314 crore, while inward remittances rose to Tk 11,362 crore.

Alongside its digital transformation, Pubali Bank continued to advance its ESG and sustainability agenda. Nearly 30 percent of its loan portfolio qualified as sustainable finance by the end of 2025.

The bank expanded solar power use across 411 branches and 453 ATM/CRM booths, financed 37 LEED-certified factories, adopted IFRS sustainability standards and implemented a decarbonisation policy aligned with its Net-Zero 2050 vision.

Under its Strategic Plan 2026-2028, the bank plans to launch a year-long "Cashless Banking Campaign in 2026" and further expand financial inclusion through its branch network, digital platforms and Bangla QR infrastructure.

Prime Bank retains highest AAA and ST-1 ratings

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Prime Bank PLC has retained the highest credit rating of AAA (Triple A) for long-term creditworthiness from Credit Rating Agency of Bangladesh Limited (CRAB).

The bank has also retained the short-term rating of ST-1, reaffirming its strong financial fundamentals, prudent risk management and sustained business performance for another consecutive year, according to a press release.

The reaffirmation reflects Prime Bank's sustained financial strength, robust capital position, sound asset quality, strong liquidity, prudent risk management practices and consistent business performance.

The AAA rating indicates the bank's exceptionally strong capacity to meet its long-term financial commitments, while the ST-1 rating represents the highest level of certainty regarding the timely repayment of short-term obligations.



CRAB conducted a comprehensive assessment of the bank's financial and operational performance, governance standards, risk management framework and overall business outlook before assigning the ratings.

Commenting on the bank's achievement, Faisal Rahman, chief executive officer of Prime Bank PLC, said, "Maintaining these ratings year after year reflects the strength of our fundamentals, the trust of our customers and stakeholders, and the unwavering dedication of our people."

"While Prime Bank has consistently demonstrated the financial resilience and governance standards expected of a leading institution, we value every reaffirmation as an endorsement of our commitment to sustainable growth, prudent risk management and long-term value creation," he added.

The continuation of the AAA and ST-1 ratings underscores Prime Bank's consistent performance and strong position within Bangladesh's banking industry.

The ratings also reinforce the bank's reputation as a trusted and financially sound institution capable of navigating evolving market conditions while creating long-term value for its stakeholders.

Meghna Bank unveils 5 revamped retail products

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Meghna Bank PLC has relaunched five revamped retail products for its customers.

The products are Sreyoshi, Deposit Pension Scheme (DPS), Meghna Arohi, Meghna Youngster, and Meghna Youngster Plus.

Among these, Sreyoshi is a savings product for women that comes with complementary insurance coverage.

The DPS has been designed to support a secure future, featuring an industry-first facility that allows nominees to continue the account in the event of

unforeseen circumstances.

Meghna Youngster and Meghna Youngster Plus have been designed for students. Meghna Arohi offers Student File Services with instant fund transfer facilities, all aimed at delivering greater value, convenience, and financial flexibility to customers.

Syed Mizanur Rahman, managing director of the bank, inaugurated the products at a programme held recently at the bank's head office in Dhaka, according to a press release.

The bank's senior management team and other senior officials were also present.



Syed Mizanur Rahman, managing director of Meghna Bank PLC, poses for a photograph at the launching ceremony of the bank's five revamped retail products at its head office in Dhaka recently.

PHOTO: MEGHNA BANK

Pragati Insurance declares 30% dividend for 2025



Syed M Altaf Hussain, chairman of Pragati Insurance PLC, presides over the non-life insurance company's 40th annual general meeting, held virtually yesterday. The meeting declared a 30 percent dividend, including a 27 percent cash dividend, for 2025.

PHOTO: PRAGATI INSURANCE

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Pragati Insurance PLC has declared a 30 percent dividend, including a 27 percent cash dividend, for the year that ended on December 31, 2025.

The declaration came at the non-life insurance company's 40th annual general meeting (AGM), held virtually yesterday, according to a press release.

Syed M Altaf Hussain, chairman of the insurance company, presided over the meeting.

Mohd Mushfiqur Rahman, vice-chairman of the insurer; Khalilur Rahman, Mohammed Abdul Awwal, Md Syedur Rahman, Mohammed Abdul Malek, Nasir Latif, Nigar Jahan Chowdhury, Syed Muhammad Jan and Farida Akther, directors, joined the meeting. A large number of shareholders participated virtually from across the country.

Mahbub Anam and Prof Shamsun Naher, independent directors; Md Rezaul Karim, adviser; Sharif Mustaba, acting chief executive officer; Major (ret'd) Sadat Md Musa, deputy managing director and head of administration and human resources; Amar Krishna Shil, chief financial officer; and Mohammad Jafar Ali, company secretary, also attended the AGM.

Budget revises tariffs

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The National Board of Revenue (NBR) has been implementing tariff rationalisation in phases since FY23, following recommendations from a committee formed to prepare the economy for LDC graduation. But economists and trade experts say the changes fall well short of what is needed.

Abdur Razzaque, chairman of Research and Policy Integration for Development (RAPID), said the budget did not provide a clear roadmap for tariff rationalisation ahead of graduation.

"Based on what we have been advocating for LDC graduation, the changes are not significant enough. Some supplementary duties have been adjusted, but it is not enough," he said.

Razzaque acknowledged that Bangladesh could not replicate the sweeping tariff reforms undertaken by countries such as Pakistan, given the size and depth of its domestic manufacturing sector.

A more gradual approach was necessary, he said -- but it had to be structured.

"Given Bangladesh's strong manufacturing sector, we need to move systematically. But we

should have seen a roadmap showing how tariffs would be reduced over the next three or four years," he said.

Without such a roadmap, he warned, future free trade agreement negotiations would become more complicated, and the risk of trade diversion would rise.

"If we maintain high tariff rates while negotiating future trade agreements, the risk of trade diversion will be much higher," he said.

Razzaque also argued that the NBR's tariff decisions remain too heavily driven by revenue considerations.

"The NBR is fundamentally revenue-oriented. It believes that reducing import tariffs will reduce revenue collection, so it tends to focus on protecting revenue rather than improving export competitiveness," he said, adding that LDC graduation should have featured as one of the country's top stated priorities in the budget.

While acknowledging that some sector-specific concessions were justified, Razzaque said political considerations often influence budget decisions.

"Those who can lobby more effectively often secure greater

benefits. That is why budget-making needs clear objectives and a medium-term policy framework," he said.

Trade expert Mostafa Abid Khan said the proposed budget did not signal any major shift in tariff policy, though it introduced incentives for a few selected sectors, including electric vehicles.

"I don't see any major changes in the tariff policy. Some sectors have received support, but overall, there has not been any significant shift in direction," he said.

Khan cautioned that sector-specific concessions were not a substitute for the broader tariff reform Bangladesh needed.

"Industries cannot remain under high protection indefinitely. Protection has to be reduced gradually, and regulatory duties need to be rationalised because, ultimately, we will not be able to retain them forever," he said.

He added that while the budget provides targeted support for specific sectors, it falls short of outlining a clear roadmap for lowering trade protection and improving competitiveness in the post-LDC era.

"The broader direction towards tariff rationalisation is still not visible," Khan said.

Landmark customs bond

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inflows," he said. Economist Hussain echoed the concern. "Unless misuse of bonded privileges is effectively checked, genuine businesses will not receive the full benefits. There is no alternative to automation within the NBR."

Former NBR member Kazi Mostafizur Rahman said the reforms should be accompanied by immediate technological upgrades.

He suggested real-time tracking of bonded consignments from ports to factories, integration of utilisation declaration and utilisation permission into a single digital platform, and automated risk-based audit systems.

"Companies or officials found to be involved in irregularities should face strict legal action," he said.

Trade analysts said the ultimate success of the reforms would depend on the NBR's ability to balance trade facilitation with enforcement.

As Bangladesh prepares for LDC graduation, a modern, technology-driven bonded warehouse regime will be critical to maintaining export competitiveness.

Eastern Bank joins hands with IIX to expand sustainable finance

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Eastern Bank PLC (EBL) has signed a memorandum of understanding (MoU) with Impact Investment Exchange (IIX), a global leader in impact investing and sustainable finance, to collaborate on developing innovative, inclusive and sustainable finance solutions in Bangladesh.

Ahmed Shaheen, additional managing director of the bank, and Prof Durreen Shahnaz, founder and chief

Movement continues to grow in both scale and conviction, and Bangladesh has emerged as one of its most promising chapters."

"With each partner that comes on board, the ecosystem deepens, and the potential to mobilise meaningful capital expands. Eastern Bank PLC brings exactly the kind of institutional weight and market reach that accelerates this work from ambition into action."

"We are confident this partnership will open new pathways for capital to



Prof Durreen Shahnaz, founder and chief executive officer of Impact Investment Exchange, and Ahmed Shaheen, additional managing director of Eastern Bank PLC, pose for a photograph after signing a memorandum of understanding at the bank's head office in Dhaka recently.

PHOTO: EASTERN BANK

executive officer of the global company, signed the MoU at the bank's head office in Dhaka recently, according to a press release.

Speaking on the occasion, Ahmed said, "This strategic partnership marks an important step in EBL's journey to deepen financial inclusion and sustainability."

"By leveraging IIX's global expertise and impact investing ecosystem, we aim to create innovative financing solutions that deliver meaningful social and environmental outcomes while generating long-term value for our stakeholders," he added.

Prof Durreen said, "The Orange

reach the women and communities that sit at the heart of everything the Orange Movement stands for," she added.

Under the partnership, EBL will leverage its strong banking franchise, extensive client network and expertise in sustainable finance, while benefiting from IIX's global leadership in Orange Bonds and thematic impact investment instruments.

The collaboration aims to strengthen EBL's capacity to structure innovative financing solutions, attract global impact capital and channel investments into initiatives that generate measurable social, environmental and economic impact.