City Bank to raise authorised capital to Tk 3,000cr

STAR BUSINESS REPORT

City Bank has approved a proposal to raise its authorised capital from Tk 2,000 crore to Tk 3,000 crore.

To increase the capital, the private bank will amend its Memorandum and Articles of Association, two foundational legal documents that define a company's constitution, scope, and internal management rules, it said in a disclosure on the Dhaka Stock Exchange (DSE) website yesterday.

Shares of City Bank remained unchanged at Tk 31.20 on the DSE.

As a result of the increase, the total number of authorised ordinary shares will rise to 300 crore from 200 crore. The face value of each share will remain the same at Tk 10, according to a decision taken by the bank's board on August 13.

City Bank also plans to increase the maximum number of board directors, excluding independent directors, from eight to 10.

The move follows a BB directive barring banks with paid-up capital below Tk 2,000cr from declaring cash dividends

The move follows a Bangladesh Bank directive barring scheduled commercial banks with paid-up capital below Tk 2,000 crore from declaring cash dividends.

By raising its authorised capital ceiling, City Bank is preparing to increase its paid-up capital above the Tk 2,000 crore threshold, ensuring continued eligibility to pay dividends in the coming years.

The bank's paid-up capital currently stands at Tk 1,749 crore, according to DSE data. It provided a 15 percent cash dividend and a 15 percent stock dividend last year.

City Bank plans to convene an extraordinary general meeting on October 4, 2026, via a digital platform to seek shareholder approval for the capital increase and board expansion. The record date for shareholder eligibility has been set for September 6, 2026.

The proposed increase remains subject to shareholder approval at the EGM, as well as consent and regulatory clearance from Bangladesh Bank and other relevant authorities.

Burimari reels as Indian stone import halt drags on

An Indian measure limiting trucks to around 25 tonnes has disrupted supplies, traders say



Stone imports from India have remained disrupted at Burimari land port in Lalmonirhat since May 24 this year. Trucks carrying cargo from India are seen at the port recently. PHOTO: S DILIP ROY

S DILIP ROY

A halt in stone imports from India, now in its third month, has disrupted trade at Burimari Land Port, pushing up prices and hitting traders, contractors and thousands of workers who depend on the business for their livelihoods.

The disruption began on May 24, after Indian authorities introduced a measure allowing trucks to carry a maximum of around 25 tonnes of stone, down from 60-70 tonnes, traders said.

"The quantity that was previously transported in one truck now has to be sent in three trucks. The increased transportation cost has made stone exports unprofitable," said Chandan Das, an exporter at Changrabandha land port in India.

He said the measure followed the formation of a new government in West Bengal, and that talks with the relevant authorities were continuing.

"We have therefore temporarily stopped exporting Indian stones," Chandan said, adding that continuing business through the land port would be difficult without a workable arrangement.

Meanwhile, the disruption has pushed up the price of stone in Bangladesh by as much as Tk 15 per cubic foot, to Tk 125-130 from Tk 110-115 previously, said Pavel Rahman, a contractor from Rangpur.

"This has significantly increased the cost of our projects," he said, adding that this has led to rising costs on fixed-price government contracts, risking losses if projects are to be completed on time.

"Neither Bangladeshi nor Indian traders are benefiting from the business under the current circumstances," said Mahmudunnabi Munna, a stone importer at Burimari land port.

Imports from Bhutan, another major stone supplier to Bangladesh, are continuing even though transport costs have also risen from there.

"Since Bhutanese stones are duty-free, we can still make a small profit," Munna said.

Traders note that the imports from Bhutan are not enough to make up for the shortage. "Indian stones are cheaper, and buyers prefer them. But our stocks are running low. We are now crushing and selling stones that were imported several months ago," said Manzur Ali, a stone trader at Burimari.

The disruption began on May 24, after Indian authorities introduced a measure allowing trucks to carry a maximum of around 25 tonnes of stone, down from 60-70 tonnes

The slowdown has hit workers hardest.

Around 25,000 people work at the land port across loading, unloading and stone-breaking, said Fazlul Haque, president of the Burimari Land Port Loading-Unloading Workers' Union. "About 7,000 are now idle, and the rest are earning far less."

Worker Sirajul Islam said he now finds work only about three days a week. "I used to earn around Tk 700 a day on average. Now I cannot even earn Tk 300."

The disruption has sharply curtailed activity at the port as stones account for around 95 percent of goods imported through it, according to Farooq Hossain, president of the Burimari land port C&F Agents Association.

"Stone is the lifeblood of Burimari Land Port. As stone imports decline, the port is gradually losing its vibrancy," he said. "We are regularly communicating with Indian traders regarding the situation at Changrabandha."

Mahmudul Hasan, assistant director of Bangladesh Land Port Authority at Burimari, said monthly imports, mainly stones, had averaged around 226,000 tonnes in previous fiscal years but fell to about 144,000 tonnes in July 2026.

Monthly revenue, which averaged around Tk 4.5 crore in previous fiscal years, has now fallen below Tk 3 crore, he said.

The number of trucks in the yard has fallen from 500-550 to 200-250 over the past two and a half months, he added.

"Matlabur Rahman, assistant commissioner of customs at Burimari, said customs revenue, which is based on duties, fell from an average of around Tk 7.5 crore a month to below Tk 2 crore in July."

As most of the custom's revenue from the port traditionally comes from Indian stones, he said, "If Indian stone imports remain suspended for another two or three months, revenue could fall to an extremely low level."

He added that poor road connectivity and import restrictions on other goods have already discouraged traders from using the port, and warned it could become inactive without better facilities and connectivity.

The port faced a similar disruption in February last year, when Bangladeshi importers halted stone imports for 23 days over pricing disputes, also slowing trade and cutting government revenue.

Tk 10,000cr media opportunity needs level playing field

TARIQ ALAM

Bangladesh has the potential to build a robust media and entertainment industry worth more than Tk 10,000 crore. Capturing that opportunity requires a regulatory framework that recognises the respective roles of the Ministry of Information and Broadcasting (MoIB) and the Bangladesh Telecommunication Regulatory Commission (BTRC). Television and broadcast content fall within the regulatory domain of MoIB, while BTRC regulates telecommunications networks, connectivity and Internet Service Providers (ISPs). Against this backdrop, BTRC is reportedly considering allowing ISPs to bundle domestic and international OTT and streaming services with broadband packages. But if the framework is not carefully structured, it risks creating regulatory bypass and uneven competition, undermining the formalisation and monetisation of the media and entertainment industry. A licence to provide internet connectivity should not, by itself, give the authority to aggregate and commercially distribute such content.

A MoIB-licensed television platform invests in content rights, technology and infrastructure. It must secure legitimate distribution rights, comply with copyright and content requirements, and meet regulatory and tax obligations. If an ISP can aggregate television, streaming, sports and other content into its broadband proposition without equivalent obligations, both may compete for the same household and consumer spending under materially different regulatory conditions. There is also a growing gap between the existing regulatory framework and market practice. Some domestic OTT platforms already carry linear television channels without the applicable licence or broadcasting authorisation, while some ISPs are involved in the unauthorised retransmission and distribution of television channels and premium content. The same principle must apply to digital platforms operating from outside Bangladesh but targeting Bangladesh consumers. Content rights cannot substitute for the regulatory authority required to distribute that content in Bangladesh. Without the required authorisation, such activity is unauthorised distribution and should be subject to enforcement by MoIB and BTRC.



Licensed broadcasters and platforms lose the ability to monetise audiences, while the government loses substantial revenue from taxation, licensing and fees when Bangladesh content rights and consumers are monetised outside the regulated broadcasting and fiscal framework. Attracting foreign direct investment into the media and entertainment and creative economy requires regulatory certainty, a level playing field and credible enforcement. Investors need confidence that regulations will be consistently applied and that licensed operators will not be disadvantaged by unlicensed competition and unauthorised services.

BTRC-licensed ISPs should be encouraged to partner with appropriately MoIB-licensed broadcasting platforms. ISPs can provide connectivity, market bundled packages, acquire customers, undertake billing and participate in revenue sharing. The MoIB-licensed operator should remain responsible for content aggregation, rights, copyright compliance, subscriber entitlement and service delivery. A large and investable media and entertainment industry cannot be built if MoIB-licensed operators bear the costs of content rights, licensing and taxation while equivalent content services reach consumers without comparable obligations. Regulation should follow the activity, not the technology used to deliver it. Whether television and broadcast content reaches consumers through satellite, cable, broadband, mobile or the public internet, its commercial aggregation and distribution should remain subject to the appropriate MoIB regulatory framework.

Bangladesh first needs a comprehensive Broadcasting Act that establishes a consistent framework for content licensing, aggregation, distribution and enforcement across technologies. Such a framework should define the respective roles of MoIB and BTRC, protect content rights and enable new distribution models. Crucially, it must be backed by effective enforcement against piracy, unauthorised content distribution and platforms operating outside the applicable licensing framework. The objective should be to bring more viewers, content and revenues into the economy, attract foreign investment and unlock the full potential of the media and entertainment opportunity, not inadvertently suppress it.

The writer is a strategic consultant across technology, media and infrastructure industries

India sets targets for oil companies to boost cooking gas output

REUTERS

India has set a maximum daily cooking gas production target of 63,810 metric tons for state-run and private refineries to ensure domestic supplies and build buffers after US-Israeli war against Iran disrupted supplies of the essential fuel, according to an August 13 government order.

Companies are required to maintain adequate infrastructure for storing and transporting liquefied petroleum gas (LPG), either directly or through railways and road tankers, to meet specified quantities.

The federal government will update the targets every January and July to reflect new production and additional output from existing refineries.

India was buying about 90 percent of its cooking gas imports from the Middle East before the war on Iran disrupted supplies from March due to the blockade of the Strait of Hormuz.

India has set production targets for individual refiners with Reliance Industries Ltd's domestic-market-focused refinery tasked to produce 18,000 tons a day of LPG.

State-run explorers Oil and Natural Gas Corp and Oil India Ltd, and gas utility Gail India Ltd are expected to contribute 10 percent of the nationwide target.

Europe's heatwaves expose insurance gap as business losses mount

REUTERS, *London/Milan*

For more than a century, cafes in the Italian city of Padua have welcomed customers for an early evening drink, or aperitivo, encouraging them to sit outside and socialise before dinner.

As Europe bakes under its fifth heatwave of the year, the traditional 6-7 p.m. slot has all but disappeared as people seek air-conditioning indoors, cutting sales for many hospitality businesses.

Adding to the pressure, extreme heat often falls outside traditional business interruption insurance, exposing a growing protection gap for companies across Europe.

Moody's has published estimates that last summer's European heatwaves cost €43 billion ($50 billion) in lost economic output while generating only about €500 million of insured payouts.

In Padua, aperitivo often now starts later, "which means that the outdoor seating areas, the terraces, the spaces outside ... are left unused and empty," said Federica Luni, president of hospitality association APPE Padova.

According to a survey of about 600 hospitality businesses in the city and its province, more than 80 percent reported turnover declines of around 20 percent during the recent heatwave. "A 20 percent decline wipes out your margin," Luni said.

Heatwaves are increasingly taking a toll on Europe's economy, reducing productivity, curbing consumer spending and raising operating costs.

For insurers, such losses can be difficult to cover because they often stem from indirect operational disruption rather than property damage.



Tourists queue to fill their bottles at a public fountain displaying still and sparkling refrigerated water for free during a heatwave at the Colosseum in Rome. PHOTO: AFP/FILE

"Heat in itself is not a traditionally insured risk," said Swenja Surminski, managing director for climate and sustainability at Marsh.

"Extreme heat rarely causes catastrophic physical damage the way a flood or a storm does, but the financial operational disruption that it triggers can be just as severe."

A 2023 survey of 9,000 small and medium-sized firms for Europe's insurance regulator found 28 percent held business interruption cover as part of their property insurance, while 17 percent had non-damage business interruption protection covering events such as strike action.

The protection gap is widening as the economic costs of extreme heat mount.

Trains are delayed, agricultural yields fall and factory cooling costs rise, while workers often struggle to maintain productivity during prolonged spells of extreme temperatures.

Companies that flagged a hit from hot weather or warned about its potential future impact when reporting second-quarter earnings included Swedish shop-fitting provider ITAB Group, Italian cement producer Buzzi and French payments firm Worldline.

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