Global green standards put exporters under pressure

Say business leaders at a dialogue

STAR BUSINESS REPORT

Bangladesh's exporters are facing growing pressure to meet global environmental standards as international buyers demand cleaner energy and greater use of recycled materials, business leaders said at a dialogue in Dhaka yesterday.

They called for tax incentives, easier access to climate finance and policy reforms to help factories adopt greener production methods without losing competitiveness.

The dialogue, titled "Climate Change and Realignment of Economy", was organised by Bangla business daily Bonik Barta at Pan Pacific Sonargaon Dhaka.

Sharif Zahir, chairman of United Commercial Bank PLC, called for a 1 percent tax incentive for factories certified by Leadership in Energy and Environmental Design (LEED). He said businesses invest heavily to meet environmental standards but do not receive higher prices from buyers in return.

He also said global brands such as Nike and Adidas were not coming to Bangladesh because the country lacked enough factories that met their requirements.

Fahmida Khatun, distinguished fellow at the Centre for Policy Dialogue, said small and medium-sized factories struggled to shift to greener production because of high initial costs and limited access to finance.

She said climate change should be treated as an economic issue, as its effects on productivity and industry could slow economic growth. Bangladesh needs $230 billion to implement its National Adaptation Plan for 2023-2050, she added.

Mohammad Mustafa Haider, group director of TK Group, warned that policy gaps could put garment and textile exports at risk as global buyers increasingly demand recycled fabrics and renewable energy whose sources can be verified.

He said regulatory barriers were discouraging investment in clean energy and recycling. Industrial policies must be aligned with global climate goals, he added.

Mustafa also highlighted TK Group's investments in rooftop solar power, biomass energy and recycling.

He called for policy reforms to help manufacturers meet stricter sourcing requirements as Bangladesh prepares to graduate from least developed country status.

Mostafa Kamal, chairman and managing director of Meghna Group of Industries, said the company planned to open seven new factories soon. Their rooftops are expected to generate 110 megawatts (MW) of solar power next year, taking the group's capacity well above its current 65MW.

Qingfeng Zhang, country director of the Asian Development Bank, said investment in renewable energy and climate-resilient infrastructure was essential to protect economic growth. Clear regulations and viable projects are needed to attract private investment, he added.

SM Monirul Islam, managing director of Infrastructure Development Company Limited, said climate risks were already hurting agricultural productivity and livelihoods, highlighting the need for greater investment in adaptation.

Abdul Awal Mintoo, minister for environment, forest and climate change, called for stronger adaptation measures and more investment to reduce climate-related losses and protect jobs.

Md Saimum Parvez, special assistant to the prime minister for environment, forest and climate change, highlighted the economic implications of the global shift from fossil fuels to renewable energy.

The session was moderated by Dewan Mohamad Hanif, editor of Daily Bonik Barta. Other speakers included Shafiqur Rahman, managing director of HAMS Group; Fazlul Kader, managing director of Palli Karma-Sahayak Foundation; and Sultana Jesmin, MP.

Banks need stronger risk governance to ensure stability, say experts

STAR BUSINESS DESK

Bangladesh's banking sector needs stronger board-level oversight, independent chief risk officers (CROs) and credible asset-quality management to safeguard financial stability, experts, regulators and bankers said on Thursday.

They made the call at a seminar, titled "Risk Governance in Banks: Assessing Its Impact on Financial Stability", organised by the Bangladesh Institute of Bank Management (BIBM) at its office auditorium in Mirpur, Dhaka, according to a press release.

Addressing the session as the chief guest, Md Sarwar Hossain, deputy governor of Bangladesh Bank, underlined the critical role of robust risk governance in sustaining overall financial stability across the banking system.

Chairing the event, Md Ezazul Islam, director general of BIBM, urged stakeholders to move beyond diagnostic assessments towards actionable reforms with defined implementation timelines for both commercial banks and the central bank.

"Sound risk governance is not merely a compliance exercise; it is an institutional discipline."

"Banks must ensure that risk is understood at the board level, owned by business units, independently challenged by risk officers, and verified through credible internal audit and supervision," he added.

Prof Mohammad Tazul Islam, director of training at BIBM, presented the keynote paper, highlighting that long-term stability cannot be achieved without rectifying core institutional weaknesses that undermine credit discipline and accountability.

The keynote paper, co-authored by BIBM professors Prashanta Kumar Banerjee and Mohammad Mohiuddin Siddique and Bangladesh Bank Director of Research Mohammad Monirul Islam Sarker, focused on the need for early corrective action, transparent connected-party lending practices and technology-enabled regulatory supervision.

Prof Md Shihab Uddin Khan, director of research, development and consultancy at BIBM; Md Ali Hossain Prodhania, supernumerary professor; Mosleh Uddin Ahmed, managing director of Shahjalal Islami Bank PLC; and Md Main Uddin, professor in the Department of Banking and Insurance at the University of Dhaka, also spoke at the event.

RMG exporters

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issue and withdraw an order by the revenue board.

In that order in the first week of September, the NBR suspended the bond facility for imports of 10 to 30-count cotton yarn. This range usually covers coarse yarn mostly used in making knitwear items.

BGMEA and BKMEA said their members are facing difficulties clearing the imported yarn from Chattogram port despite the commerce ministry's subsequent move to withdraw the requirement for bank guarantees for imports of 10 to 30-count yarn.

"Yes," BGMEA President Mahmud Hasan Khan said in a WhatsApp message yesterday when asked whether the associations have sent the letter to the prime minister.

The Daily Star has seen a copy of the letter where BKMEA President Mohammad Hatem signed it on behalf of the knitwear trade body.

In the letter, apparel manufacturers said that garment exports could be significantly affected if the 10 to 30 count-yarn consignments remain stuck at the port and the previous facility for duty-free imports under the bonded warehouse system is not restored promptly.

They also said that international retailers and brands could lose confidence in Bangladesh if exporters fail to deliver garments on time because they could not obtain the raw materials needed for production.

The dispute centres on the conditions for clearing yarn imported under letters of credit (LCs) opened before September 7, when the NBR issued its order withdrawing the bond facility for 10 to 30-count cotton yarn.

Following the order, customs officials began requiring bank guarantees for the release of such consignments, including yarn imported under LCs opened before the new rules took effect.

Supreme Court

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administrator for 120 days under the Trade Organisations Act, 2022.

According to the ministry's order, the appointment was made to ensure continuity in FBCCI activities and support the country's trade and industrial sectors. Fazlul Hoque was tasked with holding a free and fair election within 120 days and handing over responsibilities to an elected committee.

Alauddin Al Masum later filed a writ petition challenging the legality of the appointment.

On August 17, the High Court issued a rule and ordered that if Fazlul Hoque failed to hold the election within the stipulated time, the director of trade organisations under the commerce ministry would take charge of FBCCI and arrange an election within four months.

The commerce secretary subsequently appealed against the High Court order.

Explaining the latest order, Ruhul Quddus said the High Court could not issue an interim directive requiring a government authority to take steps it was not legally bound to take.

He said the stay order allows the government-appointed administrator to continue discharging his duties and make preparations for the election in accordance with the law.

The government also has the legal scope to extend the administrator's tenure, up to a maximum of one year, subject to applicable provisions, he added.

The attorney general said the chamber judge had directed Alauddin to appear before the Appellate Division and explain his conduct over previous writ petitions, which could amount to misleading the court and, in some instances, contempt of court.

Govt restores

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The move reverses a provision introduced in the national budget for fiscal year 2026-27 that allowed businesses to submit VAT returns after every three tax periods instead of monthly.

The National Board of Revenue (NBR) decided to reverse the change after field-level officials raised concerns over monitoring difficulties, operational complications and the risk of delayed revenue collection.

VAT collection, which accounts for nearly 38 percent of the NBR's total revenue, fell about 21 percent year-on-year in the first two months of the current fiscal year, according to provisional data reported earlier.

Md Azizur Rahman, member of the NBR's VAT Policy Wing, said the quarterly system created complications in ensuring the timely deposit of revenue into the government treasury.

Under the previous arrangement, many businesses delayed depositing VAT until the end of the three months instead of paying it monthly, he said.

The quarterly system also created complications involving VAT rebates, adjustments and refunds, making a return to monthly filing preferable, he added.

Meanwhile, the NBR has extended the deadline for submitting online VAT returns for July-September 2026 to October 25, allowing businesses to file without interest or penalties.

The extension is intended to give taxpayers additional time to submit their returns while the NBR makes the necessary changes to its electronic VAT filing system.

AI boom is making

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followed by the latest disruption from the AI boom.

Industry insiders estimate that monthly laptop and desktop sales now stand at around just 20,000 units.

Global forecasts point to similar pressures. International Data Corporation (IDC), a technology research firm, forecast in June that worldwide PC shipments would fall by 11.3 percent in 2026, while average selling prices would rise by 18.3 percent.

IDC said the memory shortage is likely to persist until the end of 2027, with no meaningful relief expected before then.

HIGHER PRICES PUT COMPUTERS OUT OF REACH

Al Amin Mollah, a student at Independent University, Bangladesh, bought his laptop for Tk 60,000 three years ago. He now works part-time at an office in Uttara and recently decided to buy another laptop for his job, with his employer covering the cost.

A week ago, he visited Multiplan Centre, a computer market in Dhaka, to look for a laptop. But he was shocked by the prices. Retailers quoted Tk 90,000 for the same model he had bought three years earlier.

"It has become too expensive for me and exceeded the budget my office had. I returned home without buying it," said Al Amin.

For businesses, rising computer prices mean higher cost for setting up offices, expanding operations and replacing ageing equipment.

Steel manufacturer Rahim Group, for example, had planned to buy a large quantity of computers and other IT equipment for a new office. But the conglomerate put the plan on hold after finding that IT costs had risen alongside borrowing costs.

"Due to the higher prices, we had to put our expansion plans on hold for now," said Asaduzzaman Shawon, head of IT at the group.

Students are also feeling the impact, particularly those who need computers for university assignments, online learning, programming, research and professional training.

At BCS Computer City in IDB Bhaban, one of Bangladesh's largest computer retail hubs, The Daily Star spoke to two customers on Tuesday. Both said laptop prices have become prohibitively high, making it difficult to find devices with the specifications they need within their budgets.

"It is very difficult to find a laptop with the configuration I need within my budget," said Rayhan Ahmed, a Dhaka resident.

Bangladesh Computer Samity said import duties of 15-20 percent had previously applied to computer and laptop components. The government withdrew those duties entirely in the national budget for fiscal year 2026-27.

Without the tax cuts, prices would have been even higher.

Computer Samity President Zahirul said the government has done its part by cutting duties, but global supply constraints are likely to keep computer prices high at least until 2027.

TCB enrolls nearly 80 lakh beneficiaries

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Its modern digital treasury and direct warehouse-to-dealer supply system save the agency around Tk 80 crore in operating costs annually. Of this, Tk 60 crore comes from collecting payments directly from dealers via bank APIs, and Tk 20 crore from managing its own warehouses, she said.

Interest costs on commercial loans have also dropped sharply. They are projected to fall from Tk 533 crore in fiscal year 2023-24 (FY24) to about Tk 106 crore in FY27, she added.

According to the report, the TCB's Tk 8,000 crore procurement plan for FY27 targets lower purchase prices and an 83 percent rise in total sales revenue. This would allow the per-beneficiary subsidy to be cut by 17 percent, she mentioned.

To make its services easier to access, the TCB has launched a smart app called "Upokari". Beneficiaries can use it to locate the nearest sales point and receive notifications about product availability without leaving home, she said.

They can also collect goods by scanning an encrypted QR code and paying online or in cash, she added.

The agency has also made its dealings with suppliers more transparent and straightforward. It has made e-GP mandatory for all tendering and procurement, opens tenders publicly, and uses digital systems to return security deposits and settle bills quickly.

Brigadier General Mohammad Foyshol Azad, chairman of the TCB, said the TCB aims to deliver essential goods at subsidised prices every month to one crore low-income families across the country.

By adding profitable items such as soap, detergent, salt, tea, flour and spices to its product list and selling them on the open market, the agency has found a new way to offset its subsidy costs, he said.

Looking ahead, the TCB plans to integrate other social safety net benefits into the smart card, use artificial intelligence to monitor market prices round the clock, and expand its own warehouse capacity, he added.

The goal is to make the agency fully self-reliant and free of subsidies, he mentioned.

IMF calls

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He made the remarks to journalists after meeting IMF Deputy Managing Director Nigel Clarke on the sidelines of the annual meetings. Khosru said the IMF's observations included weaknesses in the banking sector and the low tax-to-GDP ratio.

The minister said talks with the fund on a new lending programme would continue over the coming months. He did not disclose the proposed loan size or terms.

Asked whether the IMF had questioned the credibility of Bangladesh's reforms, Khosru said it had not. Any programme would come with conditions that Bangladesh would have to meet, although some could be negotiated.

Sonali said Bangladesh's authorities had requested a new IMF-supported programme in May after deciding not to pursue further disbursements under the previous arrangement.

An IMF staff mission visited Dhaka in July to discuss reform measures that, according to Sonali, closely mirrored those outlined in this year's Article IV consultation, the IMF's regular review of a member country's economy.

"We are closely engaged with the authorities," she said, adding that the IMF looked forward to supporting Bangladesh as it embarked on what she described as much-needed reforms.

Bangladesh entered a $4.7 billion IMF programme in January 2023. The interim government later increased the programme to $5.5 billion, of which the country received $3.8 billion in five tranches.

In May, the BNP-led government withdrew from the programme eight months before its scheduled expiry and applied for a fresh package.

Bangladesh Lamps PLC.

Head office : House-22, Road-4, Block-F, Banani, Dhaka-1213

1st Quarterly Financial Statements (July-September 2026)

STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 30 SEPTEMBER 2026

	As at 30 September 2026 Taka	As at 30 June 2026 Taka
ASSETS		
Non-current assets		
Property, plant and equipment	209,737,468	220,479,072
Intangible asset	39,647,243	40,873,786
Capital work-in-progress	7,893,176	7,452,000
Right-of-use asset (ROU)	58,478,885	61,945,417
Investment in shares at fair value:	**650,030,213**	**675,759,105**
Investment at cost	88,527,133	88,527,133
Fair value adjustment	561,503,080	587,231,972
Investment in fixed deposits	17,500,000	17,500,000
Loans and deposits	4,357,029	4,412,233
Total non-current assets	**987,644,014**	**1,028,421,613**
Current assets		
Inventories	708,762,991	802,162,649
Trade and other receivables	363,875,283	328,631,241
Advance, deposit and prepayments	75,142,275	29,122,350
Advance income tax	544,551,994	538,461,392
Cash and cash equivalent	18,741,420	23,614,720
Total current assets	**1,711,073,963**	**1,721,992,352**
TOTAL ASSETS	**2,698,717,977**	**2,750,413,965**
EQUITY & LIABILITIES		
Capital and reserves		
Share capital	105,278,770	105,278,770
Reserves and surplus:	515,621,677	537,147,477
Fair value reserve	477,277,618	499,147,176
Accumulated retained earnings	38,344,059	38,000,301
Shareholders' equity	**620,900,447**	**642,426,247**
Non-current liabilities		
Deferred liability - gratuity payable	27,745,537	22,845,537
Deferred tax liability	69,399,917	75,434,815
Lease liabilities- Net off current portion	57,617,401	61,416,703
Total non-current liabilities	**154,762,855**	**159,697,055**
Current liabilities		
Lease liabilities- Current portion	14,718,204	14,404,500
Short term finance	1,358,818,114	1,397,912,678
Trade and other payables	236,655,197	259,143,963
Other liabilities	45,646,340	16,111,401
Unclaimed dividend	671,707	672,364
Provision for tax	266,545,113	260,045,757
Total current liabilities	**1,923,054,675**	**1,948,290,663**
TOTAL EQUITY & LIABILITIES	**2,698,717,977**	**2,750,413,965**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD FROM JULY TO SEPTEMBER 2026

	1 July to 30 September 2026 Taka	1 July to 30 September 2025 Taka
Revenue	525,952,412	487,921,502
Cost of sales	(398,483,901)	(373,190,525)
Gross profit	**127,468,511**	**114,730,977**
Other income	6,199,163	-
Operating expenses	(88,691,639)	(85,318,167)
Profit before net finance cost	**44,976,035**	**29,412,810**
Finance cost	(40,498,299)	(38,356,062)
Finance income	423,193	23,633
Net finance cost	**(40,075,106)**	**(38,332,429)**
Profit/(loss) before contribution to WPPF & Welfare Fund	**4,900,929**	**(8,919,619)**
Contribution to WPPF & Welfare Fund	(233,378)	-
Profit/(loss) before income tax	**4,667,551**	**(8,919,619)**
Income tax :		
Current tax	(6,499,357)	(4,879,215)
Deferred tax	2,175,564	1,308,539
Net profit/(loss) for the period	**343,758**	**(12,490,295)**
Other comprehensive income/(loss)		
Changes in fair value of shares available for sale	(25,728,892)	116,819,065
Deferred tax income/(expenses)	3,859,334	(17,522,860)
Net other comprehensive income/(loss)	**(21,869,558)**	**99,296,205**
Total comprehensive income/(loss)	**(21,525,800)**	**86,805,910**
Basic earnings per share (par value Tk. 10 each)	**0.03**	**(1.19)**

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD FROM JULY TO SEPTEMBER 2026

Particulars	Share Capital	Fair value Reserve	Accumulated retained earnings				Total equity
			Capital Reserve	General Reserve	Retained Earnings	Total	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 July 2026	105,278,770	499,147,176	2,305,167	18,394,248	17,300,886	38,000,301	642,426,247
Net profit for the period	-	-	-	-	343,758	343,758	343,758
Other comprehensive income	-	(21,869,558)	-	-	-	-	(21,869,558)
Balance as at 30 September 2026	105,278,770	477,277,618	2,305,167	18,394,248	17,644,644	38,344,059	620,900,447
Balance as at 1 July 2025	105,278,770	383,834,345	2,305,167	94,447,068	(65,524,943)	31,227,292	420,340,407
Net loss for the period	-	-	-	-	(12,490,295)	(12,490,295)	(12,490,295)
Other comprehensive income	-	99,296,205	-	-	-	-	99,296,205
Balance as at 30 September 2025	105,278,770	383,130,550	2,305,167	94,447,068	(78,015,238)	18,736,997	507,146,317

STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD FROM JULY TO SEPTEMBER 2026

	1 July to 30 September 2026 Taka	1 July to 30 September 2025 Taka
A. Cash flows from operating activities		
Collection from customers	578,468,086	573,985,230
Payment to suppliers	(312,807,677)	(276,011,571)
Payment to employees	(47,696,219)	(47,215,969)
Payment for services received	(58,863,346)	(69,421,296)
Cash payment of VAT	(76,227,205)	(77,073,446)
	82,873,639	104,262,948
Interest paid	(37,523,906)	(41,648,288)
Income tax paid	(6,507,160)	(8,450,636)
	38,842,573	54,164,024
B. Cash flows from investing activities		
Dividend received	-	2,344,625
Payment for acquisition of property, plant and equipment	(1,178,496)	(259,340)
	(1,178,496)	2,085,285
C. Cash flows from financing activities		
Payment of lease liability- Principal portion	(3,485,598)	(3,197,797)
Dividend paid	(657)	-
	(3,486,255)	(3,197,797)
D. Effect of exchange rate changes in cash and cash equivalent	**43,442**	-
E. Net cash inflows/(outflows) for the period (A+B+C+D)	**34,221,264**	**53,051,512**
F. Opening cash and cash equivalents	**(1,374,297,958)**	**(1,182,897,986)**
Cash and cash equivalents	23,614,720	26,472,005
Short term finance	(1,397,912,678)	(1,209,369,991)
G. Closing cash and cash equivalents (E+F)	**(1,340,076,694)**	**(1,129,846,474)**
Cash and cash equivalents	18,741,420	46,899,399
Short term finance	(1,358,818,114)	(1,176,745,873)

COMPARATIVE STATEMENT FOR INFORMATION OF THE SHAREHOLDERS
FOR THE PERIOD FROM JULY TO SEPTEMBER 2026

	2026 Taka	2025 Taka
Basic earnings per share (EPS)	0.03	(1.19)
Net assets value per share (NAVPS)	58.98	48.17
Net operating cash flow per share (NOCFPS)	3.69	5.14

Company Secretary | Chief Financial Officer | Director

Director | Managing Director & CEO

The detail of the published quarterly financial statements is available in the website of Bangladesh Lamps PLC. The address of the website is www.bll.com.bd