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**Maslin**  
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## ADP Set for BDT 490 Billion Downsize

### ADP SET FOR MAJOR DOWNSIZING

FY25 ADP	REVISED ADP
<b>Total outlay Tk265,000cr</b>	<b>Plans to reduce Tk49,000cr</b>
▶ Govt fund TK165,000CR	▶ Cut from govt fund: TK30,000CR
▶ Foreign aid TK100,000CR	▶ Cut from foreign aid: TK19,000CR



## External Debt Rises Slightly

- Bangladesh's external debt rose 0.93% to **\$104.36 billion** in September 2024
- Government loans increased 3.31% to **\$73.4 billion**, while public sector debt fell 6.23% to **\$11.05 billion**
- Private sector loans dropped 3.18% to **\$10.73 billion** due to banking issues
- Short-term loans declined to **\$1.9 billion** (from \$2.8 billion), and long-term loans rose slightly to **\$9.2 billion** <sup>2</sup>

01

## BDT 4,500 Crore Pipeline Planned to Feed Bhola Gas to Energy-poor South

- Government plans **BDT 4,500 crore** Bhola-Khulna pipeline for national gas integration
- Pipeline to add **180** mmcf/d gas to national grid by 2029
- Bhola holds **2.047** tcf gas reserves; **1.432** tcf recoverable
- Khulna region expected to see industrial growth with local gas supply
- Petrobangla plans **150** new wells by 2029 to increase reserves <sup>3</sup>

## Power Production Below 25% of Capacity

### Key Highlights:

#### ❑ 2023-24 Winter:

- Total Capacity: **26,504** MW
- Daytime Peak Hour Generation: **8,914** MW (**33.36%** of capacity)
- Evening Peak Hour Generation: **10,286** MW (**38.81%** of capacity)

#### ❑ 2024-25 Winter:

- Total Capacity: **27,566** MW
- Daytime Peak Hour Generation: **6,665** MW (**24.17%** of capacity)
- Evening Peak Hour Generation: **10,043** MW (**36.43%** of capacity)

**Observations:** Generation in 2024-25 winter is significantly lower compared to 2023-24 despite increased capacity. No load-shedding is reported in 2024-25 due to lower demand <sup>4</sup>

# VENTURE CAPITAL

## Startups Show Hope of Raising \$1.5 Billions in Years

- ❑ Key initiatives like National Startup Policy and Shark Tank are fueling growth.
- ❑ Startups raised **\$989 million** since 2013, with **\$435 million** in 2021.
- ❑ 2024 funding dropped **36%** to **\$35 million**, due to political challenges.
- ❑ Leading sectors:
  - logistics & mobility (**\$13.5M**), financial services (**\$7.6M**), energy & climate (**\$3.3M**), software & tech (**\$3.3M**)
- ❑ A 2025 investment summit, potentially with Elon Musk, may attract new funding <sup>5</sup>

## Top 5 Healthcare startups in Bangladesh <sup>6</sup>

### Praava Health

- ❑ Founded Year: 2014
- ❑ Stage: Series A
- ❑ Funding: **USD 10.6 million**

### Beximco Pharma

- ❑ Founded Year: 1976
- ❑ Stage: Public

### Square Pharmaceuticals

- ❑ Founded Year: 2012
- ❑ Stage: Seed
- ❑ Investors: IFC

### The Ibn Sina Trust

- ❑ Founded Year: 1980
- ❑ Stage: Unfunded

### Evercare Hospital Dhaka

- ❑ Founded Year: 1976
- ❑ Stage: Public

03

## Regulator Suspends Doer Services' Share Subscription



- Paid **44,400%** stock dividend in FY23, raising capital from **BDT 10 lakh** to **BDT 44.40 crore**
- FY24: Revenue of **BDT 77 crore**, net profit of **BDT 21.10 crore** (27.34% profit margin)
- Heavy reliance: **82%** revenue from Agrani Bank, **17%** from IDRA
- Planned fund use (**BDT 5 crore**): **BDT 3.28 crore** for product development, **BDT 51 lakh** for cloud computing, and others
- Concerns over inflated profits, rising receivables (**BDT 5 crore** to **BDT 36 crore**), and lack of client contract details <sup>7</sup>

## Monno Ceramics Sells Entire Monno Fabrics Stake for Revival



- Monno Ceramics sold **1.12 crore shares** (9.79% stake) in Monno Fabrics at **BDT 16.30/share**, earning **BDT 18.38 crore**
- Monno Fabrics' share price rose **9.94%** to **BDT 17.70** after the announcement
- Revenue fell **50%** to **BDT 30.27 crore**; net profit increased **34%** to **BDT 1.46 crore**
- FY22 revenue was **BDT 90.41 crore** (profit **BDT 3.89 crore**), FY18 revenue peaked at **BDT 107 crore** (profit **BDT 7 crore**)
- FY24 revenue reached **BDT 158 crore**, profit was **BDT 1.06 crore**, with a **1%** cash dividend <sup>8</sup>

# BANK AND NBFIs

## Record High Default Loans in NBFIs

- BB will now appoint independent directors for NBFIs
- Independent directors must report any irregularities to BB
- NPL in NBFIs surge to record 26,163.19C, 35.52% of their total disbursement
- 12 finance companies out of 35 behind 73.5% of NBFIs' bad loans
- Of the 12, bad loans in 7 companies crossed 90% of their total disbursed loans <sup>9</sup>

## Businesses Seek Relaxed Loan Classification Rules

- Industrial production down 30-40% due to high interest rates, rising energy costs, and inflation
- Private credit growth limited to 7.66%, with LC restrictions worsening conditions
- Business leaders demand 15-year repayment plan with 1-year grace, reduced down payments, and no interest accrual
- 2019 exit policy: 10-year repayment with 2% down payment <sup>10</sup>

05

# BANK AND NBFI

## BB Arming Itself with New Law

- New law empowers central bank to regulate bank ownership changes
- The "Bank Regulation Act" draft grants merger and acquisition authority
- Proposed rules specify board restructuring during bank mergers
- Special law targets ownership tied to past alleged fraud cases
- Separate institution planned to oversee bank ownership transitions <sup>11</sup>

## Banks See Rising Deposits for Higher Interest Rates

- Bank deposits rose 7% YoY to **BDT 18.25 lakh crore** in Q3 24
- Interest rates on deposits increased from 4.55% to **5.88%**
- Private commercial banks, including Islamic banks, hold **68%** of total deposits.
- Loans and advances increased by **10%** YoY, reaching **BDT 16.19 lakh crore** by September 2024 <sup>12</sup>

06

## Pran to Invest BDT 600 Crore More in Poultry Portfolio



- Existing farm in Habiganj produces 5 lakh eggs daily
- **BDT 400 crore** for egg farms, **BDT 200 crore** for breeder and broiler farms
- Breeder farm to start chick production this year; broiler farm to begin next year
- Bangladesh consumes **4.5 crore** eggs/day
- Construction of breeder farm and broiler sheds will create **2,000** jobs
- Pran competes with other major poultry producers like Paragon Group, Kazi Farms, and CP Bangladesh <sup>13</sup>

## BDT 2,300 Crore Irregularities Detected in Nagad



- Probe underway to uncover Nagad's irregularities
- Cenbank wants to ensure good governance in Nagad
- Subsequently new investments expected
- It aims to take the MFS provider to the top <sup>14</sup>

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