

WEEKLY NEWS HIGHLIGHTS

BANGLADESH ENTERPRISE INSTITUTE (BEI)

| Brief Highlights on Current Issues of South Asia |

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BANGLADESH



BANGLADESH BANK TO INJECT MORE LIQUIDITY INTO NATIONAL BANK TO REPAY DEPOSITORS

Bangladesh Bank will inject fresh liquidity into troubled National Bank Ltd (NBL) to help it repay depositors and maintain normal operations. The decision followed a meeting between the central bank and NBL's board, as the bank has faced severe financial difficulties, including nearly Tk 9,000 crore in losses since 2022. NBL recorded a Tk 2,430 crore loss in 2025, while its non-performing loan ratio reached 59.69 percent. Bangladesh Bank Governor Md Mostaqur Rahman said protecting depositors would remain the regulator's priority and instructed all NBL branches and ATMs to maintain sufficient cash from

October 15. NBL has previously received Tk 10,568 crore in liquidity support from Bangladesh Bank. Overall, the central bank had provided Tk 76,000 crore in liquidity support to weak banks by early June 2026.

Source: <https://www.thedailystar.net/business/news/bangladesh-bank-inject-more-liquidity-national-bank-repay-depositors-4293566>



BANGLADESH-INDIA JOINT WORKING GROUP MEETING BEGINS TODAY: WHAT WILL BE DISCUSSED ON TRADE

QatarEnergy has suspended LNG deliveries to **Bangladesh, Pakistan and several other Asian countries until November**, citing disruptions caused by the two-day Bangladesh-India Joint Working Group meeting began in New Delhi, focusing on reducing the trade deficit, removing barriers to imports and exports, and strengthening bilateral trade and economic ties. Bangladesh's key priorities include easing restrictions at land ports, reviewing India's duties on Bangladeshi jute products, and restoring normal trade operations. India's new anti-dumping duties on Bangladeshi jute yarn, twine, hessian fabric and jute sacks, along with Bangladesh's restrictions on Indian yarn imports, are expected to receive particular attention. Trade through land ports has declined amid restrictions, with exports

through Benapole falling from 381,440 tonnes in FY2024–25 to 189,358 tonnes in FY2025–26, although export earnings remained nearly unchanged. Business groups are also seeking removal of non-tariff barriers, reopening of border haats, improved land-port capacity and restoration of transshipment facilities.

Source: <https://en.prothomalo.com/bangladesh/xqyricao1h>

NEW GANGES WATER TREATY TO BE SIGNED AHEAD OF DEADLINE, HOPES MINISTER ANEE

Water Resources Minister Shahiduddin Chowdhury Anee expressed hope that Bangladesh and India will sign a new Ganges water-sharing treaty before the existing 30-year agreement expires on 12 December 2026. He said restoring the guarantee clause included in the 1977 agreement is one of Bangladesh's key priorities and that discussions are continuing through the Joint Rivers Commission. Anee also said Bangladesh is optimistic that the new treaty can be finalised before the deadline. Alongside the treaty, he highlighted the Padma Barrage and Teesta Master Plan as major projects, saying they could benefit around one-third of Bangladesh's population. Work on the Padma Barrage is expected to become visible between January and March next year, while the feasibility study for the Teesta multipurpose project is expected to begin soon, with main construction targeted for 2027.

Source: <https://www.tbsnews.net/bangladesh/new-ganges-water-treaty-be-signed-ahead-deadline-hopes-minister-anee-1566336>



CONSTITUTIONAL REFORM COMMITTEE: BNP FOCUSING ON ITS POLLS PROMISES

The special parliamentary committee on constitutional reform is expected to consider BNP proposals alongside the July National Charter, according to ruling party committee members. Key proposals include restoring “Absolute trust and faith in Almighty Allah” as a fundamental state principle, limiting a person’s total tenure as prime minister to 10 years, introducing a vice-president, and allowing the prime minister to also serve as party chief. The BNP also opposes involving the judiciary and president in the caretaker government system and has proposed a 100-member upper parliamentary chamber, changes to Article 70, stronger judicial independence, and greater opposition participation in parliamentary committees. Other proposals include establishing an Ombudsman,

strengthening local government autonomy, creating a police commission, and introducing an independent criminal investigation service. Some BNP positions differ from provisions agreed by other parties in the July Charter.

Source: <https://www.thedailystar.net/news/politics/news/constitutional-reform-committee-bnp-focusing-its-polls-promises-4292526>



PM CHAIRS MEETING ON DHAKA'S PUBLIC TRANSPORT MANAGEMENT

Prime Minister Tarique Rahman chaired a meeting on October 8 to discuss public transport management, road safety and disorder in Dhaka’s transport system. The meeting, held at the Cabinet Division of the Secretariat, brought together senior officials from the road transport, local government and law enforcement sectors. Discussions focused on improving the management of public transport, ensuring road safety and addressing existing problems in the capital’s transport system. Among those attending were Road Transport and Bridges Minister Shaikh Rabiul Alam, State Ministers Mir Shahe Alam and Habibur Rashid, the Prime Minister’s Principal Secretary ABM Abdus Sattar, senior officials from the Local Government Division and Road Transport and Highways Division, the Dhaka Transport Coordination Authority, and Dhaka Metropolitan Police.

Source: [https://www.dhakatribune.com/bangladesh/government-](https://www.dhakatribune.com/bangladesh/government-affairs/421600/pm-chairs-meeting-on-dhaka-s-public-transport)

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INDIA



Source: <https://www.bbc.com/news/articles/c5j9kngz3j1go>

INDIA'S FIRST BANK RATE HIKE SINCE 2023 SIGNALS GROWING INFLATION CONCERNS

The Reserve Bank of India (RBI) has raised its benchmark repo rate by 25 basis points to 5.5%, marking its first rate hike since February 2023 as rising energy prices and geopolitical tensions fuel inflation concerns. RBI Governor Sanjay Malhotra said further rate increases or maintaining the current rate remain possible, while the central bank raised its 2026–27 inflation forecast to 5.2% from 5%. Higher borrowing costs are expected to affect consumer spending, housing demand and corporate investment. At the same time, the RBI upgraded its economic growth forecast to 7.1%, reflecting stronger-than-expected economic performance. The decision comes as crude oil prices remain above \$100 per barrel and the rupee trades near record lows against the US dollar, increasing India's import costs.

GAZA WAR SPED UP INDIA'S SHIFT TOWARDS ISRAEL UNDER MODI

India's ties with Israel have deepened significantly under Prime Minister Narendra Modi, with the Gaza war further strengthening the relationship even as several traditional Western allies have taken measures against Israel. India has expanded defence, intelligence and economic cooperation with Israel, while Modi has openly condemned the October 7, 2023 Hamas attack and maintained close ties with Israeli Prime Minister Benjamin Netanyahu. Analysts say the partnership reflects both India's security interests and ideological alignment between Modi's Hindu nationalist politics and Israel's security approach. Although New Delhi continues to support a two-state solution and humanitarian access to Gaza, critics argue that India has been reluctant to strongly condemn Israel's military actions and settler violence. The shift marks a significant departure from India's historically strong support for the Palestinian cause and its recognition of Israel only in 1992.



Source: <https://www.aljazeera.com/news/2026/10/8/how-gaza-war-spel-up-indias-shift-towards-israel-under-modi>

INDIA DEFENDS SATELLITE INTERNET APPROVAL PROCESS AFTER ELON MUSK JAB

India has defended its satellite internet approval process after Elon Musk accused unnamed entities of blocking Starlink to protect their monopolies. India's Ministry of Communications said the regulatory framework was fair and non-discriminatory, noting that three companies are at broadly similar stages of the approval process and undergoing security assessments. Starlink has been seeking approval to operate commercially in India since 2022 and has already received key licences from the communications ministry and space agency. The issue comes amid competition from Reliance Jio and Bharti Airtel, which are also pursuing satellite internet services. Security concerns have additionally emerged after Starlink devices were reportedly found during drug seizures and military operations in India.

Source: <https://www.aljazeera.com/news/2026/10/8/india-defends-satellite-internet-approval-process-after-elon-musk-jab>

PAKISTAN



PAKISTAN, TURKIYE AND SAUDI DETERRENCE AGAINST HOUTHIS: WHAT THAT MEANS

Pakistan and Turkiye have agreed to deploy forces to Saudi Arabia under the Mecca defence pact, as Riyadh intensifies its military campaign against Yemen's Houthis. Pakistan says its role is defensive, focusing on reconnaissance and protecting Saudi territory, while Saudi forces conduct combat operations in Yemen. Analysts expect Pakistan and Turkiye to contribute mainly through air and missile defence, intelligence, drones, electronic warfare and other specialised capabilities. However, the distinction between defending Saudi Arabia and supporting offensive operations in Yemen remains unclear. Pakistan has previously maintained neutrality in the Yemen conflict, and Iran has warned that any Pakistani involvement in attacks against the Houthis could escalate tensions. Analysts say Islamabad will need to establish clear limits on its military role, particularly if Saudi-backed forces expand their

campaign towards Sanaa.

Source: <https://www.aljazeera.com/news/2026/10/6/pakistan-turkiye-join-saudi-deterrence-against-houthis-what-that-means>

AFGHAN TALIBAN SAYS PROBLEMS WITH PAKISTAN CAN BE RESOLVED THROUGH DIPLOMACY

Afghan Taliban Foreign Minister Amir Khan Muttaqi has said problems between Afghanistan and Pakistan can be resolved through dialogue and diplomacy, while accusing Pakistan's military of relying on military pressure rather than political engagement. Speaking at the Moscow Format Consultations on Afghanistan, Muttaqi said Kabul considers self-defence against aggression a legitimate right. Pakistan, however, urged the Taliban to end what it described as the continued operation of militant groups from Afghan territory, amid longstanding accusations that Kabul harbours fighters responsible for cross-border attacks. The Taliban denies the allegations and considers militancy a domestic Pakistani issue. The contrasting positions highlight persistent tensions between the neighbouring countries, with diplomacy remaining a potential avenue for addressing security concerns and preventing further escalation.

Source: <https://www.reuters.com/world/asia-pacific/afghan-taliban-says-problems-with-pakistan-can-be-resolved-through-diplomacy-2026-10-05/>



CHINA BORDER SHUTDOWN PUTS FESTIVE SUPPLIES AT RISK

Nepal's festive-season supply chain is facing disruption after the country's three major overland trade routes with China—Tatopani, Rasuwagadhi and Korala—were shut following landslides, flooding and infrastructure damage. The closures have disrupted imports of garments, footwear, electric vehicles, smartphones, laptops, machinery, apples and walnuts ahead of the Dashain and Tihar festivals, which account for an estimated 40–70% of annual retail sales. Traders warn that prolonged disruptions could cause shortages and higher prices, with similar disruptions last year driving clothing and footwear prices up by 15–30% and freight costs by 20–40%. Tatopani and Rasuwagadhi together handled more than Rs 93 billion in imports last fiscal year. Nepal is seeking diplomatic engagement with China to reopen Tatopani, while working to rehabilitate damaged routes and address the limited capacity of the Korala crossing.

Source : <https://thehimalayantimes.com/business/china-border-shutdown-puts-festive-supplies-at-risk>

WHY PASSIVE NEUTRALITY WON'T TAKE NEPAL ANYWHERE

The Nepali Army has continued rescue, relief and infrastructure restoration operations in Nepal's flood- and landslide-affected districts following flooding in the Kali Gandaki basin. Army personnel have been evacuating residents from vulnerable settlements, delivering relief supplies and working with local authorities to restore damaged infrastructure. In Myagdi, troops cleared a landslide blocking the Anand Bagar–Lamgara road and, with local residents, repaired a drinking water pipeline in Beni Municipality-6, restoring water services. The Army is also assisting with repairs to the Maldhunga bridge in coordination with the Division Road Office. Restoration work is underway on roads and bridges across Parbat, Myagdi and Baglung, with authorities coordinating through district disaster management committees and security agencies to re-establish transportation links and essential services.



Source: <https://thehimalayantimes.com/nepal/nepali-army-restores-roads-water-supply-in-flood-hit-districts>

BHUTAN



HOW BHUTAN ECOLOGICAL SOCIETY IS BRINGING E-COOKSTOVES AND EFFICIENT SPACE HEATING TO RURAL HOMES

The Bhutan Ecological Society (BES), in partnership with US-based MicroEnergy Credits, has launched a clean energy initiative to reduce rural households' dependence on firewood and liquefied petroleum gas (LPG). Under the Bhutan-Singapore Carbon framework, the project aims to distribute 100,000 subsidised electric cookstoves and high-efficiency space heaters to rural and low-income households. A pilot programme has already distributed 300 appliances across six districts. The initiative seeks to reduce household fuel consumption while improving indoor air quality, protecting forest resources and reducing the time and financial burden associated with collecting and purchasing traditional fuels. Bhutan's households consumed nearly 200,000 tonnes of firewood in 2022, while LPG consumption reached around 9,200 tonnes, almost all of which was imported. The project aims to leverage Bhutan's hydropower resources to support a cleaner and more sustainable transition in domestic energy use.

Source: <https://thebhutanese.bt/how-bhutan-ecological-society-is-bringing-e-cookstoves-and-efficient-space-heating-to-rural-homes/>

SRI LANKA



SRI LANKA'S EX-FIRST LADY ARRESTED OVER ALLEGED MISUSE OF CHILDREN'S HOSPITAL DONATIONS

Sri Lanka's former first lady Shiranthi Rajapaksa has been arrested over allegations that a charity linked to her misused 10 million Sri Lankan rupees (about \$30,300) donated for a specialised scanner at Colombo's Lady Ridgeway Children's Hospital. Anti-corruption authorities allege the funds were collected by the Siriliya Saviya charity despite the scanner already having been donated by the Chinese government. Rajapaksa has denied wrongdoing, while her family spokesperson said the money remains in the charity's accounts and that no fraud occurred. Her arrest comes as President Anura Kumara Dissanayake's government revives corruption investigations involving the Rajapaksa family, which dominated Sri Lankan politics for years. Her husband, former President Mahinda Rajapaksa, served from 2005 to 2015, while their sons Namal and Yoshitha have also faced recent corruption-related investigations and arrests.

Source: <https://www.bbc.com/news/articles/ck0e0n3xzvp4o>

AFGHANISTAN



PLANNED ARMED ATTACK ON UNAMA WAS FOILED, SAYS TALIBAN Taliban police said they arrested four men in Kabul who allegedly planned an armed attack on the UN Assistance Mission in Afghanistan (UNAMA). According to Taliban authorities, the suspects, from Panjshir and Kapisa, were detained in three areas of Kabul with military equipment and explosives and had planned to target UNAMA and its staff. The Taliban claimed the detainees identified themselves as members of the National Resistance Front (NRF) and showed purported confessions in a video. The NRF rejected the allegations, calling the detainees Taliban intelligence operatives and the video intelligence propaganda intended to damage its relations with the international community. The circumstances surrounding the arrests and statements remain unclear, while no independent evidence establishing the suspects' links to the NRF has been presented. The UN has previously documented allegations of torture and forced confessions during Taliban detention and interrogation. *Source:* <https://www.afintl.com/en/202610080971>

BEI WEEKLY UPDATES



BEI ENGAGES BARISHAL STAKEHOLDERS ON BANGLADESH'S EMERGING FOREIGN POLICY

As part of its research project, “Shaping Creative Diplomacy in Bangladesh,” the Bangladesh Enterprise Institute (BEI) held two stakeholder consultations in Barishal on 6 and 7 October 2026. The consultations brought together teachers from the University of Barishal, civil society representatives, journalists, and other distinguished stakeholders to share their perspectives on the study’s emerging findings and recommendations. Ambassador M. Humayun Kabir (Retd.), President of BEI, delivered the welcome remarks, while Md. Alif Ifteker Seaum, Research Officer at BEI, presented the study’s key findings. The discussions offered valuable insights into public perceptions of Bangladesh’s foreign policy and highlighted the importance of a more inclusive, people-informed, and responsive approach to shaping the country’s foreign policy priorities.



ABOUT BEI

Bangladesh Enterprise Institute is a non-profit, non-political research center. Established in October 2000, the Institute has established for itself a reputation for excellence in its research and advocacy work focusing on the growth of private enterprise in Bangladesh. The Institute promotes issues of importance to the private sector and seeks to initiate essential measures and influence policy for the development of a market-oriented economy. Through the promotion of sustainable growth in domestic trade, commerce and industry, BEI hopes to address the enormous challenge for Bangladesh in securing a fair share of the global market.

BEI has a particular interest in the support and growth of Small and Medium-Sized Enterprises (SMEs), which have the potential to be the engine of economic growth in Bangladesh. BEI also undertakes research and policy advocacy work focusing on the issues of foreign policy and security, particularly those of terrorism impacting Bangladesh and South Asia.

Being conscious of the enormous challenge to securing a fair share for Bangladesh in the global market as well as to address issues of trade and investment promotion, the Bangladesh Enterprise Institute (BEI) was established under the initiative of some leading business personalities of the country.

M Humayun Kabir, former Ambassador, has been working as the President and Chief Executive of the institute.

The institute is registered with the Registrar of Joint Stock Companies, Bangladesh, under the Societies Registration Act.

DISCLAIMER

In compiling this weekly news update, BEI has attempted to include the most relevant news accounts from the past week concerning South Asian Region. From time to time, news beyond South Asia has also been included if it finds relevance on any issues to the region. We recognize that some developments may have been overlooked, and that some sources may not be viewed by all as credible or balanced. Inclusion of a news story and its summary does not constitute any kind of endorsement or position taken by BEI, and the text and positions included in the above are solely extracted from various news articles published in the print media in various countries in South Asia and beyond. If you have any comments or feedback for us regarding this digest, please email at bei@bol-online.com. For more information about BEI and our work, please visit <https://www.bei-bd.org/>]

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