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পঞ্চানন-উর্ধ্ব সিনিয়র সিটিজেনদের জন্য। ১৮-উর্ধ্ব মহিলারাও এই হিসাবটি খুলতে পারবেন।

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Star BUSINESS

DHAKA THURSDAY OCTOBER 4, 2018, ASHWIN 19, 1425 BS • starbusiness@thedailystar.net

S Alam now sets sights on insurers

It buys 45pc stake in Padma Islami Life Insurance

JEBUN NESA ALO

After taking over a number of banks and financial institutions in the past few years, Chattogram-based S Alam Group has now set its sights on the insurance sector.

As part of the plan to increase its influence on the insurance sector, the group has recently bought nearly 45 percent stakes in Padma Islami Life Insurance Company at an estimated cost of Tk 45 crore.

S Alam Group Chairman

Mohammed Saiful Alam will hold 2.52 percent shares in his own name in Padma Islami Life Insurance, his wife Farzana Parveen 2.71 percent and his son Ahsanul Alam 4.75 percent, according to the Insurance Development and Regulatory Authority, which signed off on the transaction.

The remaining 35 percent of the shares will be bought under the name of five companies -- Unitek Petroleum, Unitek LP Gas, Pavilion International, Affinity Assets and Crest Holdings -- with affiliation with S Alam Group.

The business group, which stirred huge controversy recently for grabbing ownership of two Islamic banks, plans to purchase stakes in two more Islamic insurance



companies, said market insiders.

Currently, Alam is a director of Northern General Insurance. He is also the chairman of First Security Islami Bank. His group has stakes in seven more banks.

Padma Islami Life Insurance was going through a cash crisis, said ABM Zafar Ullah, its former chairman.

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Bangladesh to be 26th largest economy

HSBC report says the country will be the biggest mover in global GDP ranking in 2030

MD FAZLUR RAHMAN

Bangladesh is likely to be the biggest mover in the global gross domestic product rankings in 2030, becoming the 26th largest economy in the world from 42nd now, according to the latest report of HSBC Global Research.

The report -- The World in 2030: Our long-term projections for 75 countries -- showed Bangladesh's economy would jump 16 notches, the highest by any country, between 2018 and 2030.

Bangladesh would be followed by the Philippines, Pakistan and Vietnam and Malaysia on the list of the biggest risers.

"The starting point for a country is a key part of its potential growth. It is very clear that a country such as Bangladesh has far more potential for growth than one like Norway, which is far richer," said the report, which was published recently.

HSBC's long-term growth model

PROJECTED RANKING CHANGES BY 2030 COMPARED WITH 2018

BIGGEST ECONOMIES (IN 2030)		BIGGEST RISERS	
COUNTRY	RANKING CHANGE	COUNTRY	RANKING CHANGE
China	+1 (2 to 1)	Bangladesh	+16 (42 to 26)
US	-1 (1 to 2)	Philippines	+11 (38 to 27)
India	+4 (7 to 3)	Pakistan	+10 (40 to 30)
Japan	-1 (3 to 4)	Vietnam	+8 (47 to 39)
Germany	-1 (4 to 5)	Malaysia	+5 (34 to 29)

SOURCE: HSBC ESTIMATES AND PROJECTIONS

projections showed that the real GDP growth of Bangladesh would be 7.1 percent per year up to 2030, the highest among the 75 countries included in the report.

The country is projected to grow 7.3 percent from 2018 to 2023, 7.0 percent from 2023 to 2028, and 7.2 percent from 2028 to 2033.

Bangladesh will be a \$700 billion economy in 2030 from \$300 billion now, according to the report.

The research refreshed HSBC's long-term forecasting framework to make model projections for 75 developed, emerging and frontier economies to assess growth potential and changes in global rankings by 2030.

The report said China is set to continue to be the single biggest contributor to global growth over the next decade and by 2030, will have become the world's largest economy.

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Banks' capital base weakens further

Social Islami enters negative territory for the first time after ownership change

AKM ZAMIR UDDIN

The banking sector's capital base weakened further in the second quarter this year on the back of deteriorating asset quality of banks, as per the Bangladesh Bank's latest data.

As of June, banks' capital adequacy ratio (CAR), which determines the adequacy of banks' capital keeping in their risk exposures, stood at 10 percent, down from 10.11 percent a quarter earlier.

Banks are required to keep at least 11.817 percent CAR including capital conservation buffer as per roadmap set by the central bank to implement Basel III, said a

BB official.

"But the banking sector fell short of maintaining the regulatory requirement."

He went on to call for immediate measures from the central bank to stave off the brewing tension.

"The banking sector has become a matter of concern," said AB Mirza Azizul Islam, a former adviser to the caretaker government.

The World Bank too expressed concern about the state of the banking sector while unveiling the Bangladesh Development Update report on Tuesday, he said.

The government though would not take any measures to address the situation because of the upcoming

general election.

Islam went on to criticise Finance Minister AMA Muhith's initiative to prepare a roadmap for his successor in the next government to salvage the ailing banking sector.

"Why did the minister not do anything to protect the banks from the ongoing situation?"

In a further indication of the progressively precarious state of the banking sector, ten banks, including seven state-owned ones, ended up with a capital shortfall of Tk 25,143 crore at the end of June.

The banks are: Sonali, BASIC, Rupali, Janata, Agrani, Bangladesh Krishi Bank, Rajshahi Krishi Unnayan Bank, Bangladesh

CAPITAL SHORTFALL IN JUNE
In crore taka

BKB	8,010
Sonali	6,602
BASIC	3,106
Janata	2,195
Agrani	1,419
Rupali	1,293
ICB Islamic	1,525
RAKUB	645
BCBL	302
SIBL	46

SOURCE: BB

Commerce Bank, ICB Islamic Bank and Social Islami Bank.

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Focus more on manufacturing to create jobs: analysts

STAR BUSINESS REPORT

The government should focus more on the manufacturing sector in order to create more jobs and reduce poverty faster, analysts said yesterday.

Bangladesh's economy is dominated by the services sector, which accounted for more than 56 percent of the gross domestic product in the last fiscal year, followed by the industrial sector 30.17 percent and the agriculture sector 13.82 percent.

The manufacturing sector should dominate the economy in order to create jobs and cut poverty, said Bangladesh Bank Governor Fazle Kabir.

"Now, we are going for a double-digit GDP growth rate and a manufacturing-

dominated economy where job creation will get a boost."

The governor said Bangladesh is working hard for poverty alleviation, so the budget size is increasing every year. Within a very short time, the budget size has doubled, he said.

Finance Minister AMA Muhith said poverty has reduced in the last 10 years but still the country has 3.5 crore poor people.

"So, we should target to reduce the poverty rate by 2 percent every year."

Their comments came at a seminar on "The economic development of Bangladesh: achievements and potentialities". Notre Dame University Bangladesh organised the programme at its auditorium in Dhaka.

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Kazi M Aminul Islam, executive chairman of Bangladesh Investment Development Authority, speaks at the fourth Joint Chambers' Luncheon Meeting of CanCham Bangladesh at Four Points by Sheraton Dhaka yesterday.

Engage people from private sector to strengthen Bida

STAR BUSINESS REPORT

A group of local and foreign investors yesterday urged the government to engage people from the private sector to strengthen Bangladesh Investment Development Authority (Bida) for the sake of the investors.

Bida has been trying to introduce a One Stop Service (OSS) centre for the last two years but it failed because of the noncooperation of different government agencies and departments.

As a result, both local and international entities have been facing difficulties in obtaining government approval for opening businesses in Bangladesh, the investors complained.

They also expressed frustration over the perennial poor services at Hazrat Shahjalal International Airport in Dhaka.

So an advisory body involving private sector people may be constituted by Bida to accelerate the reform process and make the OSS effective, said Masud Rahman, president of the Canada Bangladesh Chamber of Commerce and Industry (CanCham).

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Reforms underway for green industries

Amu says

DIPLOMATIC CORRESPONDENT

The government has undertaken widespread reforms towards greening of the existing and future industries in Bangladesh, including the leather and readymade garment industry, along with prioritising a low-carbon economy, Industries Minister Amir Hossain Amu said.

"Our government has set up 100 eco-friendly special economic zones with government sponsored green industrial standards for ETP (effluent treatment plant) and water treatment plants," he said.

"We are also pursuing a green financing and green banking policy to finance low-carbon and resource-efficient small and medium enterprises and the supply value chains of our RMG industry."

Amu spoke while addressing the "Fifth Green Industry Conference for Sustainable Development" in Bangkok under UNIDO-UNESCAP joint collaboration.

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