

STOCKS	
DSEX ▼ 0.49% 5,008.96	CSCX ▼ 0.39% 9,247.43

COMMODITIES	
Gold \$1,510.90 (per ounce)	Oil \$61.87 (per barrel)

ASIAN MARKETS			
MUMBAI ▲ 0.44% 37,145.45	TOKYO ▲ 0.56% 21,318.42	SINGAPORE ▲ 0.06% 3,146.33	SHANGHAI ▲ 0.84% 3,024.74

CURRENCIES			
\$ USD	€ EUR	£ GBP	¥ JPY
BUY TK 83.50	91.07	101.60	0.76
SELL TK 84.50	94.85	105.40	0.80



BUSINESS

DHAKA TUESDAY SEPTEMBER 10, 2019, BHADRA 26, 1426 BS starbusiness@thedailystar.net

Banks' capital base strengthens

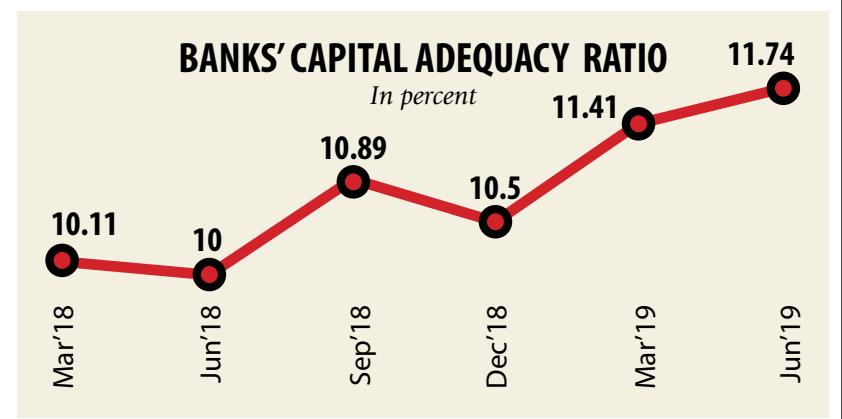
AKM ZAMIR UDDIN

The banking sector's capital base strengthened on paper in the second quarter of the year after some banks were allowed to keep their provisioning against default loans in phases.

Besides, some lenders also recovered a good amount of fund from defaulted loans, which has made their capital base stronger than a quarter earlier.

As of June this year, banks' capital adequacy ratio (CAR), which determines the adequacy of banks' capital in keeping with their risk exposure, stood at 11.74 percent, up from 11.41 percent three months earlier and 10.11 percent a year earlier, according to data from the central bank.

But the country's banking sector



has failed to maintain CAR as per the roadmap set by the central bank for implementation of Basel III this year, said a central bank official with strong knowledge on the matter.

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11

banks, including seven state-owned lenders.

The banks are: Sonali, Janata, Agrani, Rupali, Basic, Bangladesh Krishi, Rajshahi Krishi Unnayan, AB, Bangladesh Commerce, ICB Islamic and National Bank of Pakistan.

They collectively faced a capital shortfall of Tk 16,001.49 crore.

"These banks will face trouble in conducting business with foreign banks in the days ahead unless they increase their CAR," the BB official said.

CAR has to be maintained to safeguard the interests of depositors and promote financial stability.

READ MORE ON B3

From the first quarter of the year, banks were asked to maintain CAR at 12.50 percent in line with the global best practices.

But the banking sector has failed to achieve the global benchmark for CAR thanks to 11