



Loan scams ate up Tk 92,261cr in 15 years: CPD

The think tank calls for big reforms in the banking sector

STAFF CORRESPONDENT

As much as Tk 92,261 crore have been siphoned out of the banking sector through 24 major loan scams since 2008, according to the Centre for Policy Dialogue – in damning evidence of the extent of erosion of corporate governance in the sector.

“The amount is around 12.1 percent of this fiscal year’s total budget and 1.8 percent of the country’s GDP size – it is huge and so is its impact,” said CPD Executive Director Fahmida Khatun at a media briefing yesterday to share the think-tank’s observation on the state of Bangladesh’s economy in fiscal 2023-24.

The figure, which was arrived at by compiling media reports on bank scams between 2008 and 2023, includes the major loan scams such as the Hall-Mark Group’s embezzlement of Tk 4,357 crore from Sonali Bank, siphoning out of Tk 4,500 crore from BASIC Bank and the recent embezzlement of Tk 2,320 crore from Islami Bank.

“Already, major banking indicators are deteriorating, she said, adding the banks are not making adequate contribution to the economy for their weak financial health.

Defaulted loans soared to more than Tk 156,040 crore from around Tk 22,000 crore in 2008, said Mustafizur Rahman, a distinguished fellow of the CPD.

However, the actual volume of bad loans would be much higher if loans in special mention accounts, loans with court injunctions and rescheduled loans were included, the CPD said.

The defaulted loans are still unchecked, threatening the health of the financial system, it said, adding it is a problem not only affecting the state-run banks but also the private banks.

Excess liquidity in the banking sector has declined from Tk 169,556 crore in October 2022 to Tk 158,432 crore in October 2023.

This fall in excess liquidity has been mainly driven by the liquidity crisis in five of the ten Islamic banks plagued by poor governance since the ownership changes of the banks, the CPD added.

Defaulted loans soared to more than Tk 156,040 crore from around Tk 22,000 crore in 2008: CPD



WINTER WOES ... While some strike luck and find discarded or donated pieces of clothing, others have only sacks or bags to wrap themselves in to stay warm. People on the streets are the worst sufferers during winter, as they have to resort to the cold footpaths under the open air to spend their nights. The photo was taken in the capital’s Farmgate area yesterday.

PHOTO: AMRAN HOSSAIN

Will halt vote if we get even one complaint: CEC

STAFF CORRESPONDENT

Chief Election Commissioner Kazi Habibur Awal yesterday said that if the EC receives any complaint of vote rigging at a polling centre, voting will be immediately suspended there.

“If we receive the news of a single incident of vote rigging, polling will be instantly suspended at that centre. Whenever it happens, at 8:00 or 9:00 in the morning, we will suspend voting,” he



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12 hurt in pre-polls violence in 4 dists

STAR REPORT

At least 12 people were injured, and an election camp was vandalised in electoral violence in four districts between Friday night and yesterday.

In Munshiganj, supporters of an independent aspirant allegedly vandalised the election camp of the AL candidate in Gazaria upazila yesterday afternoon.

Independent Faisal Biplab, however, denied the allegation and said none of his supporters were involved in any attack.

Gazaria Police Station OC Razib Khan said they were investigating the incident.

In Patuakhali, at least six AL activists were injured in an attack by rival group members in Bauphal upazila on Friday night.

Of the injured, Rezaul Karim, 50, former president of Boga

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AL allowed all its aspirants to make polls participatory

Says Hasina, addresses six rallies thru video conferencing

AGENCIES

Awami League President Sheikh Hasina has said her party has allowed its aspirants to contest the national election so people can participate.



Addressing six public rallies in as many districts simultaneously through videoconferencing from Dhaka yesterday, she asked all candidates to go door-to-door to seek votes, reports BSS.

Those who will win people’s votes will be the MPs, Hasina said, joining the programme from the Dhaka district AL office in Tejgaon.

The prime minister said her party wants to secure democracy because if democracy prevails in a country, it advances rapidly.

Blasting the BNP for boycotting the election, she said, “The BNP does not take part in the polls. But they have unleashed arson attacks in the name of resisting elections like they did in 2013 and 2014.”

In this connection, Hasina mentioned the recent incidents of setting trains on fire and uprooting railway tracks.

She questioned the leadership of the BNP as its Chairperson Khaleda Zia and acting chairman Tarique Rahman have been convicted by courts in different cases.

The AL chief alleged that Tarique is giving orders from London and the BNP leaders are killing people in Bangladesh, adds UNB.

Terming the BNP a terrorist party and Jamaat-e-Islami a party of war criminals,

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