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BUSINESS

“We expect a turnover of about \$2 billion in next seven or eight years,” said Sabbir Hasan Nasir, executive director of ACI Logistics, which owns Shwapno.

Interview on B4



Bangladesh to get first ‘green’ residential project with Tk 1,080cr investment

JAGARAN CHAKMA

Ananta Group, one of the top garment exporters, is going to build Bangladesh’s first environment-friendly residential complex in the capital city with an estimated investment of Tk 1,080 crore.

The project – Ananta Terraces – will be the first LEED (Leadership in Energy and Environmental Design) Platinum-certified gated community under the residential category in Bangladesh. The recognition comes from the United States Green Building Council.

Under the project in Madani Avenue, nine 21-storey towers will be constructed, said Sharif Zahir, managing director of Ananta Group.

LEED-certified homes are designed to provide clean indoor air and ample natural light and use safe building materials to ensure comfort and good health.

This type of residential buildings help reduce energy and water consumption, thereby lowering utility bills, among other financial benefits.

“Using the strategies outlined in LEED, homeowners will have a net-positive impact on their communities,” the entrepreneur said.

In Bangladesh, several commercial buildings have also received LEED certification.

Zahir said the idea came to his mind during his university life.

“I have seen gated communities in the developed countries. Since the purchasing power of the people has increased and the economy has developed, there is a demand for this type of flats.”

The project is expected to be implemented within the next three years.

Zahir said the project cost may go up to



PROJECT COST

- Total cost of the project Tk 1,080cr
- Syndicated loan Tk 500cr
- Equity Tk 580cr

OTHER DETAILS

- Total area of the project 43 bighas
- There will be nine residential towers (21-storied)
- There will be a shopping mall of 2 lakh square feet

APARTMENT PRICE

- (Per square foot)
- Will be Tk 10,000 less than that in Gulshan and Baridhara

Tk 1,400 crore due to the upward trend of the price of construction materials.

Nine local banks have arranged a syndicated term facility of Tk 500 crore for Ananta Real Estate Ltd to implement Ananta Terraces.

Dhaka Bank PLC is acting as the lead arranger and agent of the transaction and will provide Tk 100 crore for the project.

Tk 400 crore will be provided by the remaining eight banks, namely Al-Arafah Islami Bank, Bengal Commercial Bank, Mutual Trust Bank, NRB Bank, Prime Bank, Pubali Bank, Shahjalal Islami Bank, and Social Islami Bank.

This means the

financiers are coming up with 46 percent of the cost while the rest will come in the form of equity.

“We are financing the project for two major reasons: the location and the reputation of the builder,” Md Monirul Alam, a senior vice-president and head of syndications and structured finance of Dhaka Bank.

“The project will be commercially viable.”

Spanning over 43 bighas of land on Madani Avenue, the project has engaged global consultants.

“This will be the largest condominium project in Dhaka city,” Alam said.

The site is located within two kilometres of Gulshan-2 and close to the Baridhara diplomatic zone.

The area is rapidly developing, with many establishments already

there, including United International University, Sir John Wilson School, Chef’s Table Courtside, United City, and Jolshiri Abashon.

Many more projects are either being implemented or in the pipeline.

“From this point of view, the project will be lucrative for customers,” he said.

Despite being located near Baridhara, the price of flats will be significantly lower than in the posh areas, he said.

According to Alam, 64 percent of the project will have green space.

It will feature one shopping mall, retail stores, upscale eateries, supermarkets, and multiplex movie theatres.

Referring to an assessment, Alam said the flats would be booked before the project is completed. Already 16 apartments have been sold.

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IDRA rolls out policyholder protection measures

STAR BUSINESS REPORT

For the first time in Bangladesh, the Insurance Development and Regulatory Authority (IDRA) issued insurance policyholder protection guidelines yesterday to protect the interests of policyholders.

Now, every insurance company must have consumer protection and complaint settlement committees comprising members of their board of directors, according to the guidelines.

The committees will ensure the settlement of complaints related to insurance claims and take effective measures to protect the interests of policyholders, it said.

IDRA has issued the guidelines at a time when payments against claims of around 10 lakh policyholders are hanging in the balance as 29 life insurers are not clearing the dues owing to a liquidity crisis.

The unsettled claims involve Tk 3,050 crore in the four years to the second quarter of 2023, data from IDRA showed.

Currently, there are 35 life insurance and 46 non-life insurance companies in Bangladesh.

As per the guidelines, the insurance plan or product must be approved by IDRA and sales cannot be made without the approval.

At the sales stage, the actual benefits and conditions of the proposed product should be clearly informed to the customer in understandable and simple language, the guidelines said.

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Regulator to audit Teletalk and BTCL

STAR BUSINESS REPORT

The Bangladesh Telecommunication Regulatory Commission (BTRC) will audit Teletalk and Bangladesh Telecommunication Company Limited (BTCL) to unearth the amount of dues owed to the regulator by the state-run telecom companies.

Companies in the telecommunication sector share revenues for services with the BTRC, which later transfers the proceeds to government coffers.

“We will conduct audits of these companies to see whether they are sharing the revenue with the BTRC properly. Then we will issue a demand note,” said Md Mohiuddin Ahmed, chairman of the BTRC.

According to the telecom regulator, it is owed Tk 1,848.63 crore by Teletalk Bangladesh, including due payments for licensing fees, revenue sharing, and spectrum fees alongside payments to the social obligation fund.

On the other hand, the BTCL owes over Tk 1,100 crore to the BTRC, which includes the regulator’s share of revenue and different fees.

Ahmed was speaking at a view exchange meeting with journalists at the BTRC building in Dhaka.

He said the Bangladesh Telecommunication Act 2001, under which the BTRC operates, has been amended twice.

“However, it’s a commission, not a

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M&A transactions amounted to at least \$2.5b in 18 years

SOHEL PARVEZ

Bangladesh registered at least \$2.5 billion in funding from investors for mergers and acquisitions (M&A) of firms since 2005, according to a recent study, which says there is room for growth in terms of M&A in Bangladesh although the volume is modest in comparison with regional counterparts.

Between 2005 and 2023, around 22 deals took place, with the fast-moving consumer goods (FMCG) sector witnessing three deals amounting to \$1.5 billion.

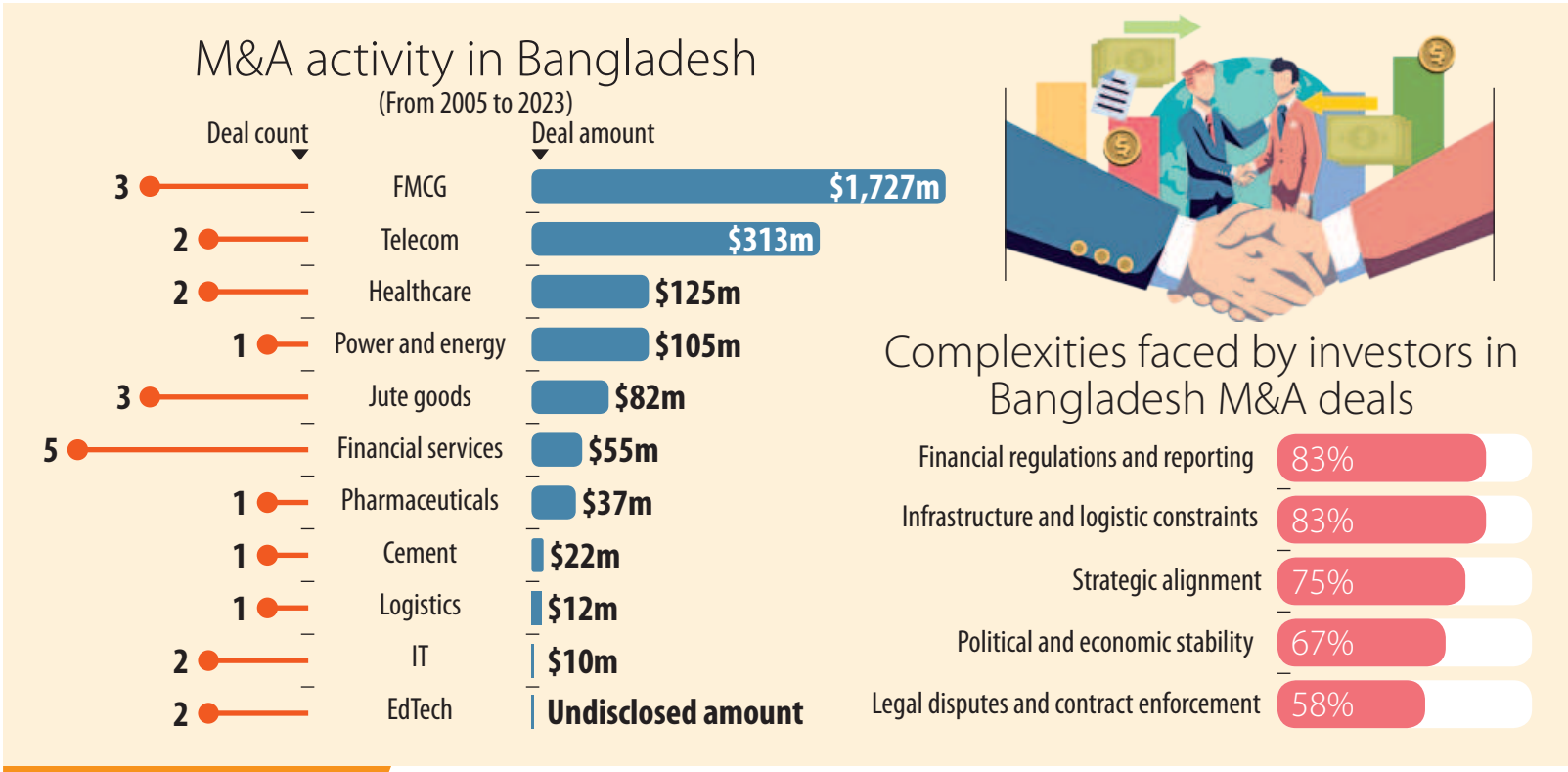
The telecom and financial service sectors secured \$312 million and \$55 million in investment respectively, according to a report titled “Beyond Transactions: Reflecting on 10 Years of M&A in Bangladesh and What Lies Ahead”.

EDGE Research and Consulting Ltd and LightCastle Partners jointly prepared the report.

Bijon Islam, chief executive officer of LightCastle, said the report is perhaps the first of its kind in the country.

The organisations prepared the paper in order to attract foreign investment in Bangladesh, which is expected to be the ninth-largest consumer market by 2023, driven by steady economic growth over the two decades.

The country has a growing



middle and affluent class while a young, tech-savvy demographic drives consumption, offering opportunities for growth and investment, according to the report.

The study said the pharmaceutical sector attracted approximately

\$36.89 million through four deals, indicating a strategic focus on healthcare.

Asif Khan, chief executive officer at EDGE Research, said they collected data from various sources and interviewed people involved

in the M&A process to understand challenges and barriers.

He said the data was compiled based on deals disclosed in the media. In some cases, they did not disclose the terms, he added.

“Not all transactions are reported

and for this, some numbers are not available. So, actual numbers would be higher,” Khan said.

The first M&A mentioned in the report was the acquisition of Aromatic Cosmetics by Marico

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