

Idra seeks revival plans from six troubled life insurers

SUKANTA HALDER

The Insurance Development and Regulatory Authority (Idra) has asked six troubled life insurance companies to submit their plans for addressing prolonged failures in settling claims as policyholders continue to suffer due to corruption and irregularities.

The regulator's move aims to ensure greater accountability and protect consumer rights in the sector.

The companies facing regulatory scrutiny are Baira Life Insurance, Fareast Islami Life Insurance, Sunlife Insurance, Sunflower Life Insurance, Padma Islami Life Insurance, and Golden Life Insurance.

Meanwhile, Golden Life Insurance is in turmoil, with its headquarters currently shut down amid ongoing financial struggles.

Data from the Idra showed that six life insurers are required to settle more than 9 lakh policyholders' claims worth Tk 2,887 crore. The unsettled claims accumulated in five years until the third quarter of 2024 are 98.37 percent of the total claims in this period.

Md Solaiman, spokesperson of the Idra, told The Daily Star that the six companies have failed to comply with various regulatory parameters, particularly in settling policyholder claims.

He also added that prolonged corruption and irregularities within these companies have led to their ongoing challenges and the companies are in dire financial condition.

Therefore, the insurance regulator has held meetings with the chairpersons and chief executive officers of these companies recently, asking them to submit a three-month action plan by April 15, outlining how they intend to address the issue, he added.

According to the latest Idra data, except for Sunlife Insurance, the remaining five



Company name	Total claim	Settled claim (Tk)	Policyholders
BAIRA Life Insurance	Tk 66cr	Tk 1cr	32,558
FareastslamiLifeInsurance	Tk 2,345cr	Tk 35cr	447,995
Sunlife Insurance	Tk 63cr	Tk 7cr	111,971
SunflowerLifeInsurance	Tk 145cr	Tk 2cr	59,601
PadmamlamiLifeInsurance	Tk 231cr	Tk 2cr	245,739
Golden Life Insurance	Tk 37cr	Tk 1cr	15,400
Total	Tk 2,887cr	Tk 48cr	913,264

companies have a claim settlement ratio of less than 5 percent.

"If the insurers' proposed solutions are not satisfactory, the regulator will take maximum intervention to resolve the issue," Solaiman said.

Amzad Hossain Khan Chowdhury, chief executive officer of Golden Life Insurance, told The Daily Star that they have been trying to resolve the crisis.

The company, established in 1999, is now in turmoil, with its headquarters closed, many key officials absent and around 18,000 policyholders waiting for their dues.

The closure followed a confrontation between frustrated policyholders and company staff after the insurer failed to settle claims totalling Tk 34.95 crore.

Meanwhile, the board of directors of Padma Islami Life Insurance has decided

to sell its property, particularly land, to settle claims from policyholders, the company said in a disclosure.

The Idra has already approved the sale, according to the disclosure posted on the Dhaka Stock Exchange website.

The 20 decimal land, located in Cumilla, would have a sale price of Tk 1.9 crore.

According to the latest data, Padma Islami Life Insurance received claims worth Tk 226 crore over the past five years, while approximately Tk 221 crore of these remain unsettled.

A top official of Sunlife Insurance said that, of the Tk 63 crore in claims, they have already paid Tk 33 crore. Currently, 19,000 policyholders are still owed Tk 30 crore.

It is possible to resolve the current issue by selling new policies and they will

officially inform the regulator of this, the official added.

This reporter also tried to contact the top official of Padma Islami Life Insurance, Baira Life Insurance, Fareast Islami Life Insurance, and Sunflower Life Insurance. However, they did not respond by the time this report was filed.

Idra spokesperson Solaiman said the companies have been directed to sell assets, reduce staff, and inject funds to address the issue.

The regulator has offered them one final chance before resorting to any drastic measures, he said.

Also, they have been asked to provide a logical and practical plan as the companies are facing endless problems. It is not possible to resolve all the issues at once, he added.

Md Main Uddin, a professor of banking and insurance studies at the University of Dhaka, said addressing the prolonged claim settlement failures is crucial for restoring trust in the life insurance sector.

The regulator's intervention is a necessary step in ensuring that these companies adopt a clear and actionable plan to resolve outstanding claims, he said.

The mounting issues of corruption and irregularities need to be tackled head-on, and a transparent approach to policyholder compensation will be vital for both policyholder protection and the stability of the industry, he added.

However, he further said that it would have been better if the government had taken this regulatory measure earlier. Nevertheless, the fact that they have realised the importance of this issue, even if late, is still significant.

Meanwhile, those responsible for the current situation of the companies must face exemplary punishment, which will serve as a warning for many, Main Uddin added.

Tension over election of Shipping Agents Association

Pro-BNP group pushes for selection

DWAIPAYAN BARUA

Tension surrounds the upcoming biennial election of the Bangladesh Shipping Agents Association (BSAA), scheduled to be held next month, as a group of outsider pro-BNP business leaders are allegedly pressuring for the selection of an unelected committee comprising their chosen members.

Anxiety grips the candidates and members of the business association over such an ill move, which they term as 'undesirable,' especially during the nation's democratic restoration journey in institutions following the July uprising.

In January, the process began for holding elections for the 24-member Board of Directors of the BSAA for the term from April 29, 2025, to April 28, 2027.

The election is set for April 13, when a total of 226 voters will choose the new committee.

By the last date of submission on March 9, a total of 28 candidates submitted nomination papers to vie for 16 director posts under the General category, while 17 candidates submitted nominations for 8 director posts under the Associate category.

Two nominees submitted nominations for both categories, bringing the total number of nominees to 43.

The last date for withdrawal of candidature or nomination papers was yesterday, while the final list of candidates will be published on March 27.

Sources in BSAA said a group of outsiders, led by the recently elected president of the Chattogram Customs Clearing and Forwarding Agents Association, SM Saiful Alam—a BNP leader—has been pushing for the selection of an unelected committee, accusing a few top leaders in the current Board, including Chairman Syed M Arif, of being associates of the ousted fascist regime.

The group has formed a shadow committee, naming former director Shahed Sarwar of Crown Navigation Co. (Pvt) Ltd as its new chairman.

To form the shadow committee, the group held meetings at the residence of Amir Humayun Mahmud Chowdhury, a pro-BNP business leader and former president of the Chittagong Chamber of Commerce and Industry (CCCI) and director of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

In January, the process began for holding elections for the 24-member board of directors of the association for the 2025-2027 term

CPA, shipping ministry staff to get Tk 60,000 bonus For handling record cargo

STAFF CORRESPONDENT, Ctg

The shipping ministry has approved a special incentive bonus of Tk 60,000 for all categories of employees of the Chittagong Port Authority (CPA) and the ministry for achieving record cargo and container handling at the port.

The ministry shared the information through a notice issued on March 23 regarding the approval, which was granted on the condition that the total amount, Tk 30.69 crore, would be spent from the CPA fund.

CPA Secretary Md Omar Faruk said the incentive was approved following demands from CPA staff for their contribution to achieving record cargo and container handling last year. Employees will receive the bonus by tomorrow, he added.

Chattogram port recorded a 7.42 percent growth in container handling and a 3.11 percent growth in overall cargo handling in 2024, marking the highest volume of containers and cargo handled in a single year.

The port processed 3,275,627 TEUs (twenty-foot equivalent units) of containers, including imports, exports, and empty containers, up from 3,050,793 TEUs in 2023—posting a 7.42 percent growth.

Overall cargo handling reached 12.39 crore tonnes in 2024, up from 12.02 crore tonnes in 2023, reflecting

Govt inks Tk 6,700cr loan deals with Jica

STAR BUSINESS REPORT

The interim government has signed two loan agreements with Japan International Cooperation Agency (Jica) for Japanese Official Development Assistance (ODA) loans worth 85,819 million yen (approximately Tk 6,700 crore) for two projects.

The agreements were signed at the Economic Relations Division (ERD) yesterday.

Around two-thirds of the funds will go towards the Matarbari Ultra Super Critical Coal-Fired Power Project (VIII) while the rest will be used for the Food Safety Testing Capacity Development Project.

Md Shahriar Kader Siddiky, secretary of ERD, and Ichiguchi Tomohide, chief representative of the Jica Bangladesh Office, signed the agreements in the presence of Japanese Ambassador to Bangladesh Saïda Shinichi.

Under the Food Safety Testing Capacity Development Project, Jica will collaborate with the Bangladesh Food Safety Authority (BFSA) to enhance food safety testing

capabilities in Dhaka, Chattogram and Khulna.

The initiative includes constructing a food safety reference laboratory, training facilities, and office buildings alongside capacity development measures.

The loan carries an interest rate of 1.85 percent for construction and 0.55 percent for consulting services, with a 30-year repayment period, including a 10-year grace period.

The Matarbari Ultra Super Critical Coal-Fired Power Project (VIII) aims to strengthen Bangladesh's energy security through a 1,200MW ultra-supercritical coal-fired plant, transmission lines, roads, and a deep-seaport with an 18.5-metre draft.

The project also includes community development initiatives such as electrification, education, healthcare, and job creation.

The loan has an interest rate of 1.95 percent for civil works and 0.55 percent for consulting services, with similar repayment terms.

Across multiple phases, Jica has provided a total of 712,430 million yen for the project.

Gold edges up

REUTERS

Gold prices edged higher on Tuesday amid persistent uncertainty over impending reciprocal US tariffs and their impact on the global economy.

Spot gold rose 0.3 percent at \$3,021.24 an ounce, as of 0928 GMT. US gold futures firmed 0.3 percent to \$3,025.

Spot gold hit a record high of \$3,057.21 on March 20.

US President Donald Trump said not all of his threatened levies would be imposed on April 2 and some countries may get breaks. The market expects Trump's tariffs to hinder economic growth.

"Expectations that the Federal Reserve will cut rates again soon, along with fears of a slowdown in the economy, continue to support gold prices," said Ricardo Evangelista, senior analyst at brokerage firm ActivTrades.

"I expect gold prices to remain supported above the key psychological level of \$3,000, with traders likely to view any dips as buying opportunities. However, the upside may be constrained by a resurgence in risk appetite, creating significant resistance around the highs of \$3,056 reached last week."

India eyes tariff cut on over half of US imports to shield its exports

REUTERS, New Delhi

India is open to cutting tariffs on more than half of US imports worth \$23 billion in the first phase of a trade deal the two nations are negotiating, two government sources said, the biggest cut in years, aimed at fending off reciprocal tariffs.

The South Asian nation wants to mitigate the impact of US President Donald Trump's reciprocal worldwide tariffs set to take effect from April 2, a threat that has disrupted markets and sent policymakers scrambling, even among Western allies.

In an internal analysis, New Delhi estimated such reciprocal tariffs would hit 87 percent of its total exports to the United States worth \$66 billion, two government sources with knowledge of the matter told Reuters.

Under the deal, India is open to reducing tariffs on 55 percent of US goods it imports that are now subject to tariffs ranging from 5 percent to 30 percent, said both sources, who sought anonymity as they were not authorised to speak to the media.

In this category of goods, India is ready to "substantially" lower tariffs or even scrap some entirely, on imported goods worth more than \$23 billion from the United States, one of the sources said.

India's trade ministry, the prime minister's

office and a government spokesperson did not reply to mail seeking comments.

Overall the US trade-weighted average tariff has been about 2.2 percent, data from the World Trade Organization shows, compared with India's 12 percent. The United States has a trade deficit of \$45.6 billion with India.

During Prime Minister Narendra Modi's US visit in February, the two nations agreed to start talks towards clinching an early trade deal and resolving their standoff on tariffs.

New Delhi wants to strike a deal before the reciprocal tariffs are announced and Assistant US Trade Representative for South and Central Asia Brendan Lynch will lead a delegation of officials from United States for trade talks from Tuesday.

The Indian government officials warned that cutting tariffs on more than half of US imports hinges on securing relief from reciprocal tax.

The tariff cut decision was not final, with other options under discussion such as sectoral adjustments of tariffs and product-by-product negotiations rather than a wide cut, said one of the officials.

India is also considering wider tariff reform to lower barriers uniformly, but such discussions are in early stages and might not figure immediately in talks with the United States, said one of the officials.

Even though Modi was among the first leaders to congratulate Trump on his election victory in November, the US president has continued to call India a "tariff abuser" and "tariff king", vowing not to spare no nation from tariffs.

New Delhi estimated increases of 6 percent to 10 percent in tariffs on items such as pearls, mineral fuels, machinery, boilers and electrical equipments, which make up half its exports to the United States, due to reciprocal tax, both sources said.

The second official said the \$11 billion worth of pharmaceutical and automotive exports may see the most disruptive impact due to reciprocal tariff, given their dependence on the US market.

The new tariffs could benefit alternative suppliers like Indonesia, Israel and Vietnam, the official added.

To ensure political acceptance by Modi's allies and the opposition, India has set clear red lines for the negotiations.

Tariffs on meat, maize, wheat and dairy products that now range from 30 percent to 60 percent, are off the table, a third government official said. But those on almonds, pistachio, oatmeal and quinoa may be eased.

New Delhi will also push for phased cuts in automobile tariffs, now effectively more than 100 percent, a fourth official said.

India's tightrope walk on the matter was highlighted by comments its trade secretary made to a parliamentary standing committee on March 10 and remarks by US Commerce Secretary Howard Lutnick.

India did not want to lose the United States as a trading partner, Sunil Barthal told the committee, but vowed at the same time, "We will not compromise on our national interest," according to two people who attended the closed-door meeting.



US President Donald Trump and Indian Prime Minister Narendra Modi shake hands as they attend a joint press conference at the White House in Washington, DC on February 13.