

# Indian police fear US tax scam spread across country

AFP, Mumbai

A multi-million-dollar racket that used fake Indian call centres to trick US citizens into paying bogus tax bills may be the tip of the iceberg, with police warning similar scams could be operating across the country.

School leavers or college dropouts would be trained to speak with an American accent, posing as US Internal Revenue Service officials and scare people into believing they owed the government cash, detectives said.

The scheme, which had been operating for over a year, netted more than 10 million rupees (\$150,000) a day, they added.

More than 70 people have been arrested after police this month swooped on call centres in western India, from Mumbai to the Gujarat capital of Ahmedabad, but they suspect the network could stretch even further.

"We believe that the racket is spread across India, including in the north," Parambir Singh, commissioner of police in the Mumbai suburb of Thane, told AFP.

Police from Thane, on the outskirts of India's financial capital,

rounded up at least 770 employees of bogus call centres on October 4.

Most were let go pending further investigations but 72 were arrested while another suspect was detained this week as police try to close in on the 23-year-old alleged mastermind.

It is claimed the accused would berate victims for falsely failing to pay taxes and then threaten them with jail if they did not cough up immediately.

The con artists would use an altered caller ID number that made it look like they were ringing from the United States and often quoted IRS badge numbers to make them appear legitimate.

The fraudsters would trick the victim into sending money, often through pre-paid debit cards that can be purchased at stores like Walmart, or even by buying Apple iTunes gift cards. In both instances transfers are made by the victim handing over the card's registration number.

The iTunes scam has even led Apple to issue a global warning on its website urging people not to give the number to someone they do not know.

The IRS has been warning about identical scams for a few years with

reports in US media that such schemes might have been operating out of India.

In January, the US Treasury Inspector General for Tax Administration said it was aware of more than 5,000 victims who had paid a total of more than \$26.5 million in such scams since October 2013. "It is one of the biggest fraud cases to surface in recent times in Mumbai," Parag Manere, Thane police deputy commissioner, told AFP, adding that the ringleaders found willing recruits.

"Hiring was easy. They just gave out pamphlets about job openings and received applications, mostly from school or college dropouts," said Manere.

Commissioner Singh said ringleaders "lured youngsters with good working knowledge of English and trained them how to speak with an American accent".

Police believe the recruits were paid 30,000-70,000 rupees a month, plus commission. Some made the initial calls while others were employed to "close" deals.

They would work through the night to catch Americans during their day and sometimes left threat-

ening voicemail messages if their targets didn't answer the phone, it is alleged. A victim of a similar-sounding scam told NBC last year the caller had her "so frightened" but felt "embarrassed, guilty and ashamed" when she realised she had been swindled.

Singh said Thane police knew of 2,000 people suspected of involvement in the scam, but the force believes there are more, and is working with their counterparts in neighbouring Gujarat state and the US Federal Bureau of Investigation.

Police in Ahmedabad raided more than half a dozen call centres following the Thane operation, a senior crime branch official told AFP, while searches were also carried out in the Gujarati cities of Bhuj, Surat and Vadodara.

Police are desperate to find alleged mastermind Sagar Thakkar, known as "Shaggy", who is from Ahmedabad but may have fled India, possibly to Dubai.

Thakkar had half a dozen people working for him in the US and was preparing to expand operations, according to the Ahmedabad officer. "He was planning to set up five more call centres by December," he said.

# First Securities Services rebrands as NRB Equity Management

STAR BUSINESS DESK

First Securities Services Ltd, one of the leading merchant banks in Bangladesh, has recently renamed itself as NRB Equity Management Ltd as part of rebranding.

Half a dozen of non-resident Bangladeshis, some businessmen and seasoned professionals are now working behind the company to take it to a new dimension.

The renaming is "an important step in our journey to completely rebuild the company as an innovative one that truly cares for its customers", said Md Kamrul Hassan, vice chairman of the company.

On October 5, 2016, Bangladesh Securities and Exchange Commission formally approved the new name of the company. The current paid-up capital of the

company is Tk 25 crore and its shareholder equity is Tk 36 crore.

The company has recently signed IPO advisory service agreements with Kattali Textile Ltd, RK Spinning Mills Ltd, Lub-ref (Bangladesh) Ltd, B Brothers Garments Ltd and e-Generation Ltd.

The company is also negotiating with a few more companies for issue management.

The company offers different services including takeover, merger and acquisitions, advisory service, discretionary or non-discretionary operation of accounts, underwriting and corporate advisory services on capital raising.

Md Maniruzzaman Chowdhury, chairman of the company; Shajahan Mina, chief adviser; Md Kamrul Hassan, vice chairman, and expatriate Salman Haider Chowdhury are at the helm of the company.

# China wins WTO ruling against US dumping rules

REUTERS

China won the bulk of its complaint against the United States in a ruling on Wednesday by a World Trade Organization dispute panel, after challenging US rules on "dumping" of goods.

China brought the complaint in December 2013, one of a string of disputes taking aim at Washington's way of assessing "dumping", or exporting at unfairly cheap prices.

Some points of China's argument were rejected by the WTO panel, and either side could appeal the ruling within 60 days.



Mokbul Ahmed, manufacturing director of Singer Bangladesh, opens the three-day Singer Furniture Fair at Wari in Dhaka yesterday.

# Foreign airlines cut flights to Abuja as currency crisis deepens

REUTERS, Dubai/Lagos

Two international airlines have announced plans to suspend flights to the Nigerian capital Abuja by next month due to falling demand as a currency crisis in Africa's top economy deepens.

Emirates Airline on Wednesday became the latest to suspend its four times weekly service between Dubai and Abuja starting Oct. 30, a company spokesman said.

The decision to stop flights to and from Abuja was made "after a review of the airline's operations to ensure the best utilisation of its aircraft fleet for its overall business objectives," the Emirates' spokesman said.

Domestic and international carriers

operating in Nigeria have struggled with the plunge in the local currency that has made their jet fuel bills in dollars ever more expensive and also hurt their profitability as their passengers pay in naira.

Nigeria is facing its first recession in 25-years brought on by low oil prices, which has cut government revenue and created chronic dollar shortages. The situation has seen many firms halt operations and lay off workers, compounding the economic crisis.

On Friday, Kenya Airways said it will suspend some destinations as part of a route restructuring including flights to Abuja from Nov. 15. A spokesman said this reflected demand.

Both Emirates and Kenya Airways

will continue to serve Nigeria from the country's most populous city, Lagos.

However, United and Iberia both stopped services to Nigeria earlier this year. Limited access to foreign currency has contributed to some businesses pulling back from Nigeria due to difficulties repatriating income.

The Emirates announcement comes just a day after its President Tim Clark said the airline could reduce the frequency of flights to Africa or cut them altogether because of persistent financial challenges on a continent that has seen steep currency declines.

Emirates, which had already cut its daily flights to Lagos and Abuja to one a day from two, said last month it had started refuelling its daily flight to Abuja in Accra, Ghana.

# Saudi Arabia draws \$67b demand for first international bond

REUTERS, Dubai/London

Saudi Arabia attracted massive investor demand of about \$67 billion on Wednesday for its first international bond offer, as the world's top crude exporter allayed concern about the impact of low oil prices on its finances.

A source familiar with the offer said order books had come close to the \$69 billion record for an emerging markets bond issue that was set by Argentina in April this year.

Saudi Arabia is expected to raise up to \$17.5 billion through its bond offer, which involves five-, 10- and 30-year tranches, the source said. Argentina set the current record for an emerging market sovereign bond sale in April, selling \$16.5 billion.

The huge size of demand for Saudi debt was partly due to low global interest rates and funds' frustration with a lack of high-yielding assets around the world.

But Wednesday's debt sale also marked a success for Saudi Arabia in reassuring investors that it could stabilise state finances and reduce its dependence on oil. In the days before the sale, senior Saudi officials held a series of meetings with top investors in London and the United States.

Riyadh ran a record budget deficit of \$98 billion last year - 15 percent of GDP - and is struggling to cut the gap this year. It turned to the international markets to

finance part of its deficit this year, easing pressure on its foreign reserves, which it has been drawing down to pay its bills.

The Saudi issue is expected to set a benchmark for the kingdom and pave the way for further international issues by the government in coming years, as well as bond sales by a string of big Saudi companies.

Mohieddine Kronfol, chief investment officer for Middle East fixed income at major asset manager Franklin Templeton Investments, said the debut issue would invigorate Saudi financial markets.

"Not only could the bond help develop the Kingdom's debt markets by introducing a more sophisticated type of investor, but there are also positive ripple effects for Gulf Cooperation Council fixed income as well as more global investors to take a closer, and longer-term, look at the region."

The five-year tranche was expected to be priced later on Wednesday at 140 basis points over U.S. Treasuries plus or minus 5 bps, the source said. That is cheaper than initial price thoughts of U.S. Treasuries plus 160 bps.

For the 10-year tranche, guidance tightened to 170 bps plus or minus 5 bps from a starting point of the plus 185 bp area. For the 30-year, Saudi Arabia set guidance at 215 bps plus or minus 5 bps; initial price thoughts were around 235 bps.

# Canada central bank keeps key lending rate at 0.5pc

AFP, Ottawa

Canada's central bank maintained its key lending rate at 0.5 percent Wednesday, saying domestic growth is likely to be weaker than expected this year despite a projected up-tick in the global economy.

"Looking through the choppiness of recent data, the profile for growth in Canada is now lower" than it had projected back in July, the Bank of Canada said in a statement.

After a weak first half of the year, the economy is expected to regain momentum through the next two years, but at a slower pace than previously forecast.

The central bank downgraded its economic outlook for 2016 by two percentage points to 1.1 percent.

In 2017 and 2018, it anticipates 2.0 percent growth, down from an earlier forecast of 2.1 to 2.2 percent.

The bank cited a slowing of housing resale activity after mortgage lending rules were recently tightened and a tax on foreign buyers introduced in Vancouver, Canada's hottest real estate market.

The Bank of Canada also said exports continue to climb but not as fast as expected in order to offset "lost ground" earlier this year.

In 2017 and 2018 exports are forecast to be slower due to lower than expected global demand, the bank said.

Investment in the energy sector, which has been hit hard by low prices and a temporary shutdown of oil sands facilities because of wildfires, the bank noted, "appears to be bottoming out."

# Solar panel makers battered by cheap Chinese imports

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The government will buy electricity from these plants based on power purchase agreements, according to power division.

"If they can make quality panels, the opportunity will grow in the coming days," Zobair said.

He said the government is now working to set up a testing facility, which is expected to be up and running within six months.

"We will go for framing regulations as the testing facility is ready -- we have to ensure standardisation."

Rahman of Parasol said the Chinese government provides incentives to solar panel makers there. "Our government should also give incentive and support local manufacturing," he said, while demanding at least 20 percent higher duty on the finished products than the raw materials.

# GP's net profit jumps on data service

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Biometric verification might be a factor behind the growth, he said.

Dilip Pal, the operator's chief financial officer, said although it is a multiple SIM-user market, Grameenphone is the main choice for customers.

Customers, who previously had multiple SIMs, are now using only Grameenphone, he added.

"The third quarter brought the highest revenue for Grameenphone, along with double digit growth."

The operator's gross revenue recorded 11.2 percent growth in the third quarter, reaching Tk 2,940 crore. The earnings-per share for the period

stood at Tk 4.78.

"We have delivered a solid bottom line from this accelerated revenue growth and controlled operating expenditure. We believe the encouraging growth in voice and data use that we are experiencing is a reflection of our continued investments in network and market," Pal said.

Not only in revenue and profitability, the company also recorded significant improvement in all business indicators.

In the last seven consecutive quarters, voice minutes, average revenue per customer, and data use per customer also recorded significant

growth, according to the report.

However, Grameenphone's subscription witnessed negative growth as the operator had to block 31 lakh SIMs by the end of August due to customers' failure to reregister.

Declining by 3.3 percent, Grameenphone's total subscription stood at 5.5 crore at the end of September.

Currently, the operator has more than 95 percent 3G demographic coverage, while 2.29 crore of its customers use the internet.

Its market share improved from 42.4 percent in the fourth quarter of 2015 to 43.7 percent as of July 2016.

People visit a stall of the Implementation Monitoring and Evaluation Division under the planning ministry, at the Digital World 2016—an exposition of digital products and services—at International Convention City Bashundhara in Dhaka yesterday.



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