

BB to sue Rizal bank over heist

STAR BUSINESS REPORT

Bangladesh Bank has decided to sue the Rizal Commercial Banking Corporation of the Philippines for its role in the cyber heist of \$81 million from the central bank's account with the Federal Reserve Bank of New York in 2016.

"We will file a case against RCBC in two to three months' time with a New York Court," Abu Hena Mohd Razee Hassan, a deputy governor of the central bank, told reporters at a briefing held at the BB headquarters yesterday.

A proposal has been sent to SWIFT and the New York Fed in this regard but they are yet to respond.

"If SWIFT and New York Fed do not join us, we will go ahead with the case," he said, adding that the central bank is now working to prepare the supporting documents to file the case against the bank.

Based on other countries' experience, it might take 5-13 years to get back the money under the 'Stolen Asset Recovery' process, he said.

On February 4, 2016, hackers



A security guard is seen outside a branch of Rizal Commercial Banking Corporation in the Philippines.

broke into the BB's systems and generated 70 fake payment orders for the NY Fed to draw about \$1.94 billion.

While the NY Fed's security system flagged the payment orders, five of them fell through, and \$101 million against them was released. Of the amount, \$81 million was wired to the Philippines (RCBC branch in Manila) and \$20 million to Sri Lanka.

Sri Lanka sent back the entire sum immediately and the Philippines just \$15 million in November 2016.

Of the \$67 million yet to be retrieved, the Philippines authorities could trace \$52.50 million, which is now in possession of several individuals and companies.

The matter is now pending with different courts and authorities, he said, adding that holders of the remaining \$14.50 million could not be traced.

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GP fined Tk 2.67cr for illegal towers in border areas

MUHAMMAD ZAHIDUL ISLAM

The telecom regulator has decided to impose a fine of Tk 2.67 crore on Grameenphone for establishing several mobile phone towers in border areas without its approval.

In a meeting last week, Bangladesh Telecommunication Regulatory Commission (BTRC) decided to slap the fine on the market leader.

GP has been accused of setting up 17 towers within three kilometres of the zero line between January 2014 and December 2016.

A BTRC official yesterday said a letter would be sent to the operator next week instructing it to pay the fine.

"We are very clear in this position and there will be no way to evade the fine," said a commissioner who attended the meeting.



The fine is based on the estimated earnings from the towers, said the senior official.

In a statement yesterday, GP said, "We are not aware of such a decision by the BTRC and so we can't comment further at this point in time."

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Govt plans to bail out Farmers Bank

STAR BUSINESS REPORT

The government plans to inject capital into Farmers Bank through Investment Corporation of Bangladesh (ICB) and state-owned Sonali, Janata, Agrani and Rupali banks in order to save the private commercial lender from failing.

The five lenders will buy shares worth Tk 1,100 crore of the fourth-generation bank, which had been given the licence on political consideration and is now struggling to survive amid a huge cash crunch caused by loan irregularities.

A move has been taken to save Farmers Bank, said Finance Minister AMA Muhiith.

However, it is still under discussions, he told reporters at the secretariat yesterday.

Muhiith said the government can't allow a bank to fail. "Bank failure is a horrible thing for any country," he said.

A meeting of the board of ICB was scheduled to be held on Tuesday where the investment issue was to be discussed.

The chief executives of the state-owned banks went to the ICB headquarters to attend the meeting as board members. But the meeting didn't take place after the members of the collective bargaining agent of ICB opposed the investment plan.

"The situation was not conducive to holding the meeting," said Shams-ul-Alam, managing director of Agrani Bank.

The investment issue is still at a very initial level. Even no formal proposal came from the respective bank, he said.

A few months back, the board of Farmers

Bank decided to raise capital amounting to Tk 1,100 crore by offloading shares through private placement. But it didn't get the expected investors, said a senior executive of the bank.

Under these circumstances, the central bank advised the state-owned banks to invest into the scam-hit bank as part of a bail-out package, he said.



The four-year old bank has already received approval from the central bank to raise Tk 500 crore by issuing bonds.

Between September and November 2015, the BB conducted special inspections at three branches of the bank in the capital's Gulshan, Motijheel, and Shyampur and found gross violations of banking rules in disbursing loans of about Tk 400 crore.

The BB found some of the bank's former directors, including its then Chairman Muhiuddin Khan Alamgir and then Audit Committee Chairman Md Mahabubul Haque Chisty were allegedly involved in sanctioning these loans violating credit rules.

StanChart senior official visits Bangladesh



Michael Gorritz
STAR BUSINESS DESK

Michael Gorritz, group chief information officer of Standard Chartered, arrived in Dhaka on Tuesday on his first official visit to the country.

During his daylong trip, he met senior government officials and leaders of the bank, the bank said in a statement yesterday.

Central to discussions was how technology is transforming the business landscape and how the bank can harness this to continue to aid Bangladesh's economic growth and the development of its financial sector.

"Michael's visit reiterates the group's sustained commitment to Bangladesh," said Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh.

Gorritz joined the bank as group chief information officer in 2015. He is responsible for banking operations, systems development and technology infrastructure, which underpins StanChart's client services, and defines and implements the bank's digital and innovation agenda.

Brands show off might at India's auto expo

REFAYET ULLAH MIRDHA, from Greater Noida, India

The 14th edition of the Auto Expo, the largest automotive show in Asia, started yesterday on the outskirts of the Indian capital amid much enthusiasm among brands.

The biennial event, which will continue until February 14, will see participation from global household names like Maruti, Honda, KIA, Renault, Hyundai, Suzuki, Piaggio, Hero MotoCorp, Yamaha, Kawasaki, TVS, Tata, Mercedes Benz, Ashok Leyland, SML Isuzu, JBM, Toyota, Mahindra, BMW India and so on.

A total of 100 exhibitors are taking part in the show, up from 88 in the previous expo.

The expo is co-organised by the Society of Indian Automobile Manufacturers (SIAM), Confederation of Indian Industries and Auto Component Manufacturers Association of India.

"There are many events happening for the first time, including motorsports, auto gaming arena, future decoded (virtual reality zone) and autonomous vehicle display which will show what the future would be like," said SIAM President Abhay Firodia.

On the first day of the expo, Suzuki Motorcycle India unveiled its new flagship scooter named Burgman Street, a 125cc advanced luxury scooter, and the new Apex Predator named GSX-S 750 for the Indian market.

"India is an important market for Suzuki Motor Corporation globally. Not only is it one of the biggest markets for two-wheelers globally, but also one that is the fastest-growing and with maximum-potential in segments that Suzuki has expertise in," said Masahiro Nishikawa, executive general manager of Suzuki Motor



Models pose alongside the Kia SP SUV Concept car after its launch at India Auto Show 2018 in Greater Noida, India yesterday.

Corporation, at the inauguration.

Honda Cars India unveiled three models -- Next Generation Honda Amaze, All New 5th Generation Honda CR-V and 10th Generation Honda Civic.

"In 2017, Honda provided our products and joys to over 30 million customers around the world. The automobile products accounted for 5.3 million of our global sales and India was a great contributor," says Takahiro Hachigo, president and representative director of Honda Motor Company Ltd.

Honda Car India, the Indian operation of Japanese company Honda, saw its sales grow 15 percent year-on-year in 2017, said Yoichiro Ueno, president and chief executive officer of Honda Car

India Limited.

"With the upcoming new launches, we are confident to grow further in the new fiscal," he added.

Hero MotoCorp unveiled its 200cc adventure motorcycle 'XPULSE' and 'Maestro Edge 125'.

The future of personal and shared mobility is on the cusp of a major shift, said Pawan Munjal, chairman and managing director of Hero MotoCorp.

"We are working on developing new technologies and solutions that will match our future aspirations. Our inherent capabilities in frugal engineering, aligned with a youthful approach will surely excite and engage our global customers," he added.

South Korean automobile

maker Kia made its debut in the Indian market through the auto expo this year.

Over the last few years, sports utility vehicles have become the vehicle-of-choice among Indian buyers, said Peter Schreyer, chief design officer of Kia Motors Corporation.

"Combining the comfort and space of a sedan with the ability to tackle all kinds of terrain, we intend to storm the market with an SUV that will set new parameters in motoring," he added.

Hyundai Motor India Limited unveiled the 2018 Elite i20', global EV, IONIQ cars.

YK Koo, managing director and CEO of Hyundai Motor India, said the Elite i20 has been a global success, with over 400,000 customers since its launch in 2014.

Foreign investors want to buy 25pc stake in DSE

STAR BUSINESS REPORT

Three separate consortiums from China and India have showed interest in acquiring 45 crore shares or 25 percent ownership of the Dhaka Stock Exchange and becoming a strategic partner of the premier bourse.

The DSE has a total of 180 crore shares, the face value of each is Tk 10.

A consortium of the Shanghai Stock Exchange and the Shenzhen Stock Exchange proposed buying 45 crore shares -- which is 25 percent of DSE's shares -- at Tk 22 each. They will also provide technical support of \$37 million, which is about Tk 300 crore.

But the Chinese investors also demanded a seat at the DSE board.

The National Stock Exchange of India proposed Tk 15 for each share of the DSE through two different consortiums, one in partnership with the American Nasdaq and another with the private equity fund Frontier Fund Bangladesh.

All three proposals were placed at the DSE's board meeting held on Tuesday at its headquarters.

Most of the members of the board agreed to accept the proposal of the Chinese consortium as they have the experience about stock exchange investment, said a board member.

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Janata management asked to recover AnonTex loans

STAR BUSINESS REPORT

Janata Bank's board yesterday asked its management to recover loans from AnonTex Group as it has been given a large amount of credit from the bank in violation of rules.

A board meeting of the state-owned lender was held at its head office in the capital where the management placed the latest credit situation of the group, a board member of Janata Bank told The Daily Star.

The bank's management was asked to recover the loans from the group on a regular basis, he said.

The board instructed the management to extend its cooperation to the group to operate its business so that it can pay instalments in due time, the board member said.

It also gave a directive to the management to take an initiative to transfer the loans to other banks with a view to reducing AnonTex's credit volume with the bank, he said.

As much as Tk 5,504 crore was disbursed in loans to AnonTex Group between 2010 and 2015 breaching the single borrower exposure limit.

Paramount to build 200MW plant

STAR BUSINESS REPORT

Paramount BTrac Energy Consortium is going to set up a 200-megawatt power plant in Sirajganj.

The cabinet committee on purchase approved the associated Power Division proposal yesterday.

The proposal says the government would purchase electricity at Tk 19.96 per kW/h from the diesel-based power plant.

The tenure of the plant will be five years. The sponsor company will purchase the land and construct the transmission line and sub-station at its own cost.

If the power plant is built on Power Development Board's (PDB) land, the company has to pay PDB Tk 1.92 lakh for every acre per year.

If commercial operations do not begin by the schedule, it would provide compensation at \$200 per megawatt for each day.

In another development, the tenure of a 34.5MW rental power plant in Bhola set up by Venture Energy Resource Ltd has been extended by three more years. The cabinet committee has approved the extension of the tenure and new tariff.

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