

ANONTEX LOANS

# Janata in deep trouble as BB digs up scams

The state-run bank waived Tk 3,359cr in breach of rules

MD MEHEDI HASAN

Bangladesh Bank has ordered Janata Bank to cancel the Tk 3,359 crore interest waiver facility the lender had allowed to AnonTex Group, after an audit found forgeries and scams involving the loans.

Scam-hit Janata will also have to classify Tk 6,528 crore AnonTex owes to the state-run bank as defaulted loans in line with the BB order given on April 1.

It will take Janata's total bad loans to over Tk 23,000 crore, putting it in deeper trouble, said a senior Janata Bank official on condition of anonymity.

According to the findings of a recently-completed functional audit, Janata approved the Tk 3,359 crore interest waiver facility for the company and recorded the

- BB asks Janata to cancel the waiver
- Janata also directed to classify Tk 6,528cr, including interest
- BB instructs the lender to keep provisions against the bad loans
- Janata's total bad loans now Tk 17,501cr

company's loans as regular in June 2022. The audit also unearthed forgeries and scams involving the principal loans approved over a decade ago.

As per central bank regulations, loans sanctioned through irregularities and scams cannot be rescheduled and their interest cannot be waived.

By recording the AnonTex loans as regular borrowing, Janata essentially reduced its defaulted loans artificially, although it will now have to reverse the decision in line with the BB instruction.

In its April 1 letter to the Janata Bank managing director, the regulator also asked the lender to classify the loans and keep appropriate provisions against it, and then report back to the Credit Information Bureau (CIB) of Bangladesh Bank. Janata has also been asked to take steps to recover the loans.

Janata will have to keep 100 percent provision against the Tk 6,528 crore, although the bank's board has yet to approve it, a senior Janata Bank official said.

Contacted, Bangladesh Bank Executive Director and Spokesperson Md Mezbaul Haque said the BB gave the instructions after a functional audit found the loans were approved through forgeries.

After five years of insistence from the central bank, Janata Bank in July last year appointed audit firm Ahsan Kamal Sadeq & CO to look into the alleged loan scam.

Janata Bank Managing Director and CEO Md Abdul Jabbar declined to comment on the BB instruction to  
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OH, RELIEF! ... A tiger finds some respite from the searing heat as it takes a dip in the water reservoir in its cage at the Chattogram zoo. Humans and animals have been suffering immensely due to a severe heatwave sweeping across the country. The photo was taken yesterday afternoon.

PHOTO: RAJIB RAIHAN

ENSURING ROAD SAFETY

# Lowest outcome from highest committees

TUHIN SHUBHRA ADHIKARY

The government has three high-powered committees to ensure roads are safe. These committees meet infrequently, and when they meet, they make almost identical decisions. And those decisions rarely come to fruition.

To sum it up, these committees make little difference to the efforts to bring discipline in the road transport sector. And meanwhile, crashes continue to claim hundreds of lives and leave many others with life-changing injuries every month.

As is the case whenever major crashes happen, these committees seem to have woken up after 29 people died in two accidents last week.

Different government agencies have also intensified their drives against errant motorists and risky vehicles.

Road safety campaigner Ilias Kanchan said, "These committees make decisions. But there is no dedicated body to implement those or monitor how the decisions are implemented. As a result, most of the decisions collect dust while roads remain unsafe."

On Tuesday, a head-on collision between a

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bus and a pickup in Faridpur claimed 15 lives. Five of the victims were of a family. The bus had no route permit, fitness certificate and tax token, while the pickup carried people illegally.

On Wednesday, a truck ploughed through several vehicles in Jhalakathi, killing 14 and injuring 12 others. The man driving the truck did not have the licence required for heavy vehicles.

Road crashes and deaths saw a 60.28 percent and 40.33 percent rise in the first three months

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# Democracy sliding, institutions barely functioning

Says Rehman Sobhan

STAFF CORRESPONDENT

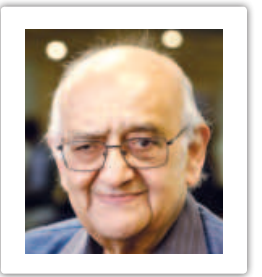
The quality of democracy in the country has been deteriorating over the years and institutions like Election Commission and Anti-Corruption Commission barely function, eminent economist Prof Rehman Sobhan said yesterday.

He said that from 1991 to 1996, free and fair elections were held under a caretaker government system, which was later replicated in Pakistan and Nepal. The democracy during that period was in a good shape and balanced.

"The party that was on the streets for two years fighting for the caretaker government system threw the caretaker system into the dustbin... and the consequences have been seen over the years, which may be a good reason why the elections were not properly contested here..." Prof Sobhan added.

He made these remarks in a discussion on a book titled "Fifty Years of Bangladesh: Economy, Politics, Society and Culture," which he jointly edited with Prof Rounaq Jahan.

British publisher Routledge published the book. The discussion was organised to unveil the book at the Centre for  
ECONOMY PROGRESSES, CHALLENGES EMERGE AS WELL - BI SEE PAGE 2 COL 4



# 89 children die after becoming sick in heat

A total of 250 children have so far received treatment for common cold complications at Shishu Hospital. With a heat wave sweeping across the country, children and elderly people have been rushing to hospitals over the last few days, with symptoms including breathing difficulty, fever, cough, pneumonia, and diarrhoea, said doctors.

According to Bangladesh Meteorological Department, the heat wave is likely to continue throughout the rest of the month across the country.

STORY ON PAGE 3



PHOTO: ANISUR RAHMAN

Two locally-made three-wheelers plying the Buriganga bridge-2 in the capital's Badamtali yesterday afternoon. In 2015, the government banned all three-wheelers on 22 major highways, and many committees at different times devised several plans to enforce it, but to no avail. Three-wheelers, including Nosimon and Korimon, have now become a common sight on this bridge.

# World's largest election begins

102 constituencies in 21 states to vote in first phase

OUR CORRESPONDENT, New Delhi

Polling booths across India was set to open today for the first leg of world's largest general election, with voting to be held in 102 constituencies across 21 states and union territories.

The first vote in the seven-phase election will be cast today, with results set for June 4, as Prime Minister Narendra Modi looks set to win a historic third term in the face of a straggling opposition challenge.

The Election Commission has set up more than 1 million polling stations for the nearly two-month duration, with 15 million officials and security personnel fanning out for the task. Nearly 970 million voters are eligible to cast their ballot in the polls.

Constituencies in the states of Uttar Pradesh, Jammu and Kashmir, Madhya Pradesh, Rajasthan, Chhattisgarh, Bihar, Tamil Nadu, Assam, Manipur, Meghalaya, Mizoram, Tripura, and West Bengal will be among the ones to go to polls in this first phase.

The election is set to be held in seven phases, ending on June 1.

Elections will be held for 543 seats in the lower house of parliament, called the Lok Sabha, for a term of five years. To rule, a party or a coalition needs a simple majority of 272 seats. Bharatiya Janata Party (BJP) won 303 seats the last time, followed by 52 for the main opposition Indian National Congress (INC).

In addition to the contested seats, India's president can nominate up to two Anglo-Indians to the Lok Sabha.

The high-voltage campaign for the first phase of Lok Sabha polls  
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