Finance ministry to release funds for liquidating 6 NBFIs in July: BB governor

Bangladesh Bank Governor Md Mostaqur Rahman has said he expects to receive funds from the finance ministry in July this year to liquidate six non-bank financial institutions (NBFIs).

He made the remarks at A meeting with senior journalists at the central bank on Sunday. "We expect that the funds required to liquidate the six financial institutions will be received from the finance ministry in July this year," he said.

A senior central bank official told TBS, "The finance division has informed us that the money will be released in two phases. In the first phase, Tk2,600 crore will be provided. Then, by June, another Tk3,000 crore will be released in the second phase."

Keep updated, follow The Business Standard's Google news channel

He added, "As soon as we receive the first tranche, we will appoint administrators to the institutions concerned. Their primary task will be to repay depositors in the private sector. We will first settle individual depositors' funds and then apply to the court for liquidation of the institutions."

Earlier, on 27 January, the Bangladesh Bank board decided to liquidate six institutions. In the same meeting, three institutions were given three to six months' time.

The six NBFIs are FAS Finance, Premier Leasing, Fareast Finance, Aviva Finance, People's Leasing, and International Leasing.

The three institutions given time are Bangladesh Industrial Finance Company, GSP Finance Company, and Prime Finance and Investment Limited.