

Ghost expenses put IT firm under SEC fire

M SHAMSUR RAHMAN

Two and a half years after allowing an IT firm to raise funds from the capital market, the Securities and Exchange Commission (SEC) has found the company management allegedly skimmed off at least Tk 80 lakh through fictitious expenditures.

The SEC on Wednesday directed the company management to deposit the amount within three months or face legal action. "You are also advised to rewrite the accounts of the company on the basis of actual expenditure," according to the SEC letter to three directors of the company.

The company in August 2000 raised Tk 1 crore through public subscription and another Tk 1.5 crore through private placement.

Initially, the SEC allowed the company to raise the fund from the market, but later the issue was suspended for six weeks following a report in The Daily Star headlined "IT firm charged with skimming funds". The report said Rasmit might have overvalued its assets.

The SEC had also ordered special audit of the company. Rasmit was allowed to pick its own auditor and the special audit report confirmed the earlier audit following

which the SEC allowed the initial public offering (IPO).

The SEC then referred the prospectus to the Bangladesh Computer Council (BCC) for its opinion and the council also cleared it. The company was allowed to continue with its subscription.

But later, an investigation did not find the trace of Tk 80 lakh in assets of the company. It found that although the company did not install a 'Compaq Alpha Server DS-20' it was supposed to do.

The investigation committee found only 16 telephone connections in place of 100 for which the company claimed to have spent Tk 81.88 lakh.

The company claimed to have spent Tk 18.80 lakh on demand notes for the 100 phone lines, another Tk 16 lakh on road digging, Tk 9.40 lakh on filling roads with sand, Tk 7.5 lakh on cable laying, Tk 29.25 lakh on road repairing and Tk 1.33 lakh on miscellaneous expenses.

Based on the findings, the SEC called the chairman, managing director and a director of the company to a hearing and they were asked to submit various documents from the Dhaka City Corporation and the Directorate of Roads and

Highways in support of their claimed expenditures.

"But other than the demand notes for the 100 phones, the company failed to submit the rest documents, leading us to believe that the directors have siphoned off funds from the company," an SEC official said.

"There is no evidence to justify the expenses stated by the company management. So, you (chairman, managing director and director) are directed to deposit Tk 62 lakh against the claimed telephone installation and Tk18 lakh against the Compaq Alpha Server DS-20, or face legal action," the SEC letter said.

The directors of the company could not be reached for comments. However, Mohammad Mohiuddin of the company's public relations department told this correspondent that they have not yet received the SEC letter.

He also said the directors have submitted some documents to the SEC and if required, they would submit more documents in support of the expenditure.

AL hartal on January 16

STAFF CORRESPONDENT

The Awami League has called a countrywide dawn-to-dusk hartal on January 16 in protest at a recent government decision to increase fuel prices.

The AL made the call at an impromptu press conference last night at its Bangabandhu Avenue central office in the city.

Earlier the main opposition withheld the hartal call at its Mukhtangan rally in the afternoon, as talks continued with like-minded parties for a joint programme.

However, as the talks remained unresolved, AL General Secretary Abdul Jalil announced the hartal

SEE PAGE 11 COL 4

Muntasir freed

STAFF CORRESPONDENT

Professor Muntasir Mamun was released from the Dinajpur Jail yesterday after one month in prison.

Muntasir, also a columnist, was received at the jail gate by his friends and family members at 11.00am.

He visited the Dinajpur Shaheed Minar and gave a brief speech to the people there.

Muntasir was arrested on December 8 under Section 54 with

SEE PAGE 11 COL 7

DHAKA AT NOON



PHOTO: STAR

With the mercury dipping to 10.7 degrees Celsius in Dhaka yesterday, a fine mist hangs over the capital blurring vision and the hibernating sun did not lift the spirt either. This picture was taken at 12 o'clock yesterday.

7.5 kg gold haul at ZIA

STAFF CORRESPONDENT

Customs at the Zia International Airport yesterday seized a consignment of gold chains weighing 7.5 kg and worth about Tk 55 lakh.

Tipped off, a customs team headed by customs inspector Wazed Ali carried out a raid inside Thai Airways Flight 321 at about 12:00 noon and seized a packet containing the gold chains from the possession of sweeper Bhanu Podo Nath.

The same customs team also
SEE PAGE 11 COL 1



PHOTO: STAR

Customs officials pose with Bangladesh Biman sweeper Bhanu Podo Nath after seizing 7.5 kg gold chains from a flight yesterday at Zia International Airport.

Vietnam to reopen mission in Dhaka

STAFF CORRESPONDENT

Vietnam has decided to re-open its mission in Dhaka after 23 years, Foreign Secretary Shamsur Mobin Chowdhury disclosed yesterday.

"Charge d'affaires of the country is expected to arrive here later this month," he told journalists at the foreign ministry, calling the Vietnamese move is "very positive one".

"It's a reflection of our looking
SEE PAGE 11 COL 5

NGOs say no to sharing grants with govt

STAFF CORRESPONDENT

Representatives of non-governmental organisations (NGOs) reached a consensus with the government on all but two proposals at a meeting yesterday.

The two points they did not agree on are payment of one per cent service charge from the grants and collection of certificates from the district and upazila administrations to get money from the NGO Affairs Bureau.

Both sides came to a conclusion at the discussion over the 17-point proposal set by the government earlier to formulate a national policy on NGO affairs.

Local Government, Rural Development (LRD) and Cooperatives Minister Abdul Mannan Bhuiyan, who presided over the meeting, assured the NGO leaders that the government would not restrict NGO activities, rather help facilitate them.

The NGO leaders assured the government that they would not

involve in any political activities, nor would the NGO money be used for political purposes, meeting sources said.

The points they agreed on include the government offers on liberalisation of the F.D. law, NGOs' commercial activities, formation of association, management of various funds and their management, foreign NGO activities, policies on purchase, appointment and education, evaluation of NGO activities and institutional development of the NGO bureau.

The minister told the meeting that the proposals would be finalised soon and forwarded to the prime minister after two more meetings on the issues.

"We will definitely sit with the donors before finalising the proposals," the minister was quoted as saying.

On the points of disagreement, the NGO leaders said that giving o n e
SEE PAGE 11 COL 4

5,000 UP polls complaints pour into EC

STAFF CORRESPONDENT

Over 5,000 complaints have poured into the Election Commission (EC) from the contenders running the forthcoming Union Parishad (UP) elections, although it is hardly capable of resolving those problems.

The complaints include rejection of nomination papers for silly reasons, harassment of the candidates at the hand of returning officers,

SEE PAGE 11 COL 8

Goswami murder case

Court orders attachment of movable property of 4 accused

COURT CORRESPONDENT

The Chief Metropolitan Magistrate's Court, Dhaka, yesterday accepted the charge sheet in the schoolteacher Swapna Kumar Goswami murder case.

Magistrate Mamun-Al-Rashid, after scrutinising the case diary (CD) and other relevant documents, issued the order.

Turkish Airlines crash kills 75, five survive

4 die as military planes crash

AFP, Diyarbakir, Turkey

Experts were seeking yesterday to discover what caused a Turkish Airlines plane to crash in thick fog in Diyarbakir, southeastern Turkey, as the media criticised alleged technical deficiencies at the airport there.

Five people survived Wednesday's crash, local governor Cemil Serhadli told NTV television, but 75 passengers and crew including eight foreigners were burnt to death when the aircraft came down in heavy fog.

While the nation was still reeling from the tragedy, two army planes crashed in the neighbouring province of Malatya during a training exercise, again in thick fog.

The four airmen aboard the military planes all died in the crash yesterday morning.

The Diyarbakir catastrophe occurred as the airliner from Istanbul was about to land at

Diyarbakir. The airliner plunged to the ground and burst into flames some 200 metres away from the runway in a military section of the airport, which is used both for military and civilian air traffic.

Both Diyarbakir and Malatya are home to major military facilities, which the United States is asking the Turkish government to use in a possible war against neighbouring Iraq.

A 34-year-old man who survived the crash said he thought war had broken out with Iraq and that the plane had been downed in an enemy attack.

But Deputy Prime Minister Abdullatif Sener said bad weather conditions appeared to be the most likely cause of the crash.

"There has been heavy fog in Diyarbakir in the past few days... All indications point to the fog as the

SEE PAGE 11 COL 7

14 more listed criminals in army dragnet

STAFF CORRESPONDENT

The joint forces arrested 52 people, including 14 listed criminals, from different parts of the country in the last 24 hours ending 8:00am yesterday.

They also seized three revolvers, one pipe gun, one shotgun and a rifle along with nine bullets, according to a home ministry press release.

The latest spate of arrests pushed the number of people rounded up since the start of the anti-crime crackdown on October 17 to 11,245 including 2,482 listed criminals. The joint forces have so far seized 2,028 firearms and 29,754 rounds of ammunitions.

Our Kushtia correspondent reports that the joint forces arrested

SEE PAGE 11 COL 3

	Sun Rises	Sun Sets
Jan 10		5-29 pm
Jan 11	6-44 am	

Prayer Timings		
Jan 10		
	Azan	Jamaat
Fajr	5-30	6-00
Juma	12-15	1-20
Asr	3-55	4-10
Maghrib	5-35	5-41
Esha	7-30	7-45

Source: Islamic Foundation

THE WORLD OF IRON RAIN

This artist's concept obtained on Tuesday shows the farthest known planet ever discovered. Astronomers from the Harvard-Smithsonian Center for Astrophysics (Cfa) in Cambridge, MA, announced that they have detected the most distant extrasolar planet ever found. The planet, in the constellation Sagittarius, whizzes around its star every 29 hours and is shrouded in clouds made not of water droplets but of iron atoms. This is a world of iron rain.

PHOTO: AFP

