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ORIENTAL BANK SCAM

Fictitious accounts, unaccounted loans

Tk 300cr loans given to shell companies

SARWAR A CHOWDHURY and MD HASAN

With help from some high officials of Oriental Bank, a few unscrupulous persons using false identities obtained about Tk 300 crore in loans from the problem infested financial institution, reveals an investigation conducted by The Daily Star.

Banking sources suspect many of these fictitious borrowers might be the bank's directors themselves. Besides, 'close friends' and business partners of the directors have borrowed heavily in excess of their limits.

There are at least 100 cases of such fraudulent practice, banking sources said. However the actual number of such cases cannot be confirmed before the Bangladesh Bank concludes its investigation of the irregularities in Oriental. The investigation was initiated back in June.

The Daily Star probed eight

cases of Oriental Bank's lending and found that seven of the borrowers are non-existent while only the eighth one exists.

Besides, data reveal that the bank lent in excess of approved amounts to many borrowers.

According to information of the Central Information Bureau (CIB) of Bangladesh Bank on unclassified loans, out of 317 business houses that received loans from Oriental Bank, 161 received unauthorised loans of over Tk 200 crore in excess. Out of these 317 loans, 180 were approved in 2005 and this year.

Oriental Bank was originally founded as Al Baraka Bank in 1987. It was identified as a problem bank in 1994. It became Oriental Bank in 2002. Its ownership changed hands three times. However in its lifetime, this bank has always been known as a den of corruption. In recent times since 2003, the level of corruption peaked till the central bank took over its affairs in June this year.

Presently, the major share of Oriental Bank is held by Obaedul Karim and his family. Owner of Orion group, Karim, has been blessed with many large projects

Board dissolved, MD removed

REJAUL KARIM BYRON

The Bangladesh Bank (BB) finally dissolved the board of directors and removed the managing director of the Oriental Bank from office for a year yesterday for failure to run the bank.

The central bank yesterday sent the order to the Oriental Bank's board of directors, saying that the decision has been taken to prevent unlawful activities and to safe-

guard the interest of the depositors. The members of the dissolved board and the managing director, however, can appeal against the decision to the BB board.

Top officials of different private commercial banks, however, were not happy with the central bank's action.

They said it should have dealt out exemplary punishment, given that there had been gross

misconduct. They said it should have dealt out exemplary punishment, given that there had been gross

Latifur Rahman finally moves out of govt residence today

STAFF CORRESPONDENT

Former chief adviser to a caretaker government, Justice Latifur Rahman, finally moves out of a government residence today, which was allocated to him under 'special considerations' by the prime minister after his term in the interim government had ended over four and a half years back.

"Yes, I will leave the house tomorrow (Monday)," Latifur Rahman, also a former chief

advocates Asaduzzaman Siddique, Akas Uddin Bhuiyan and Mujibur Rahman filed the petition on behalf of the human rights organisation.

The petition said that "surprisingly from the very first day, the activities of Rab were neither within the limits of the constitution nor within the bounds of any law of the land."

The petitioners also said, "Their (Rab) action in respect of killing the arrested persons in the name of crossfire has denied the right of every citizen to enjoy the protection of law, to be treated equally before the law and deprived them of their inalienable rights to be treated in accordance with law and only in accordance with law."

They submitted a list of the people killed in the name of

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HC ISSUES RULE

Why should Rab, cops not protect arrested persons

STAFF CORRESPONDENT

The High Court (HC) yesterday issued a rule nisi on the government, police and Rab to explain why they should not be directed to ensure protection of the people arrested or detained in custody as per the law.

An HC division bench passed the order following a writ petition filed by Human Rights and Peace for Bangladesh (HRPB) challenging the failure of the Rapid Action Battalion (Rab) to protect the lives of the arrestees or detainees in its custody.

The respondents, who have been asked to reply within three weeks, are home secretary, inspector general of police, and director general of Rab, directors of Rab-1, Rab-2, Rab-3, Rab-4 and Rab-10.

HRPB Chairman Syed Arif Niazi, Natwar, who had to give up the post of external affairs minister nine months ago after being named a beneficiary in the oil deals

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TK 400CR TENDER

Arrestees say JCD leaders asked them to create obstacles

COURT CORRESPONDENT

Four arrestees told a metropolitan magistrate yesterday that two Jatiyatabadi Chhatra Dal (JCD) leaders engaged them to create obstacles to the tender process at the Construction Maintenance Management Unit (CMMU) of the health ministry at Motijheel on July 30.

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Expert issues warning about e-passports

AP, Las Vegas

Electronic passports being introduced in the US and other countries have a major vulnerability that could allow criminals to clone embedded secret code and enter countries illegally, an expert warned.

SEE PAGE 15 COL 2

ATTACK ON LEBANON

PM to send letter to UN soon

UNB, Dhaka

Prime Minister Khaleda Zia will send letters to the five permanent members of the UN Security Council with a call for immediate and unconditional ceasefire in Lebanon.

Foreign Minister M Morshed Khan announced this at a press conference yesterday, saying the draft of the letter is now at the final stage and it would be sent in two or three days.

Morshed said the United Nations should act immediately to stop Israeli aggression in Lebanon

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100pc basic govt salary for non-govt teachers declared

AL-backed associations to continue strike; community teachers start fast unto death

STAFF CORRESPONDENT

The government yesterday announced 100 per cent basic government salary for the non-government teachers and staffs who had been observing agitation programmes keeping their high schools, colleges and madrasas under lock and key for about a month.

The non-government teachers

and staffs have so far received 90 per cent of the basic salaries from the government exchequer.

"Now the government will provide 100 per cent basic salary from the public coffers, which was the principal demand of the striking teachers," Education Minister Osman Farruk told a press briefing at the ministry.

The announcement takes retrospective effect from July 1, the

beginning of the current financial year.

Following the announcement, ruling BNP-backed platform Shikkhak-Karmachari Oikya Jote led by Selim Bhuiyan yesterday called off their strike while another faction of the Jote led by Prof Shariful Islam postponed their programme for one month.

Two opposition Awami League-

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School students hired to update voter list

OUR CORRESPONDENT, Cox's Bazar

School students, who are not even old enough to vote, have been engaged in updating the voter list in Moheshkhali upazila under the district.

Assistant Registration Officer (ARO) Md Moazzem Hossain, a teacher of Hoyanok Primary School, has involved Soma, 14-year-old class seven student of Dailahgona village under Hoyanok union of the upazila in updating the voter list, said the student's father, Maruf.

Romiz Uddin, another parent of the same village, also alleged that

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Bangladesh Shikkhak Karmachari Oikya Parishad holds a rally at Muktangan in the capital yesterday to press home their 10-point demand.

BoI chief calls CPD 'shameless liar, conspirator'

STAFF CORRESPONDENT

Energy Adviser Mahmudur Rahman yesterday blasted Centre for Policy Dialogue (CPD) for 'trying to portray a negative image of the country with political and purposive motive.'

Branding the civil society think tank as 'conspirator and shameless liar,' Mahmud said the CPD is maligning the country and making Bangladesh's economic development 'complex.'

Mahmud, also executive chairman of the Board of Investment

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\$5b investment plan pending for polls

Mahmudur Rahman says

STAFF CORRESPONDENT

Energy Adviser and Board of Investment (BoI) Executive Chairman Mahmudur Rahman yesterday said investment proposals of worth \$5 billion are pending for the upcoming general elections.

The proposals of \$3 billion of Tata Group, \$1.5 billion of Asia Energy and \$500 million of Kingdom Group are in negotiation stage and hanging for political

decision.

"It is the country's misfortune that politicians are doing politics with economic development and investment," Rahman said in his presentation on 'FDI and Private Investment in Bangladesh during 2001-05' in the Meet the ERF Members programme held at the VIP lounge of the National Press Club.

Rahman said the country has attained a sustained and rising

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Updated voter list may contradict census report

STAFF CORRESPONDENT

The voter list is likely to have about nine crore people after being updated, while the Bangladesh Bureau of Statistics' (BBS) latest census report shows 8.02 crore people as eligible for being registered as voters.

Earlier, a draft voter list published by the Election Commission (EC) enlisting 9.13 crore voters triggered an enormous controversy in May this year because of an unusual rise in the number of voters on that list.

The BBS report shows that the number of people of the voting age of 18 years and above should stand at a maximum of 8.02 crore if none of them had died since 2001 and if every eligible person was listed.

The calculation is based on the BBS 2001 census report completed soon after the last voter list had been prepared ahead of the last

election. The report showed 8.02 crore people to be 13 years of age and above. Those who were 13 in 2001 should reach the voting age this year.

Considering the progress in updating the voter list, Secretary to the EC Secretariat Abdur Rashid Sarkar, yesterday said the total number of voters on the updated list will be around nine crore.

As the much talked about draft voter list was cancelled by the Supreme Court, the EC started updating the existing voter list, claiming to obey the Supreme Court's verdict, from July 1. In the beginning the task was confined in different offices, but the EC started sending its officials for door to door visits to get the job done from July 21.

Since then, about one crore people applied to register as voters

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Nafees century restores some pride for Tigers

SPORTS REPORTER

Opener Shahriar Nafees notched his first one-day international century to steer Bangladesh safely to a face-saving eight-wicket victory against Zimbabwe in the fifth and final match at the Harare Sports Club ground yesterday.

The win served as a consolation for the Tigers after the Zimbabweans had taken a decisive 3-1 lead in the five-match series winning the fourth one-day by seven wickets at the same venue on Friday.

The left-handed opener scored an unbeaten 118, the highest individual score by a Bangladeshi batsman in one-day cricket, as the

visitors chased down the home side's 197 with more than five overs to spare. His 148 balls undefeated knock was studded with a dozen boundaries hit to most parts of the ground.

He became the fourth Bangladeshi to score a hundred after Mehrab Hossain (101), Mohammad Ashraf (100) and Rajin Saleh (108 not out).

Nafees played steadily and was particularly harsh on anything short and outside off-stump. Uncharacteristically, He was also keen on hitting the ball down the ground.

The southpaw shared a 99-run opening wicket stand with

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এগিয়ে যাবার এইতো সুযোগ

প্রথমা ঋণ

SME BANKING

Women Entrepreneur Cell
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