

BCCI fraud : Clinton admn reprimanded

\$1.5b lawsuit an outrageous collection of lies: Defence

WASHINGTON, Dec 10: The Chairman of the House Banking Committee criticized the Clinton administration Thursday for not sending officials to testify about the ruler of Abu Dhabi's request for immunity in the BCCI banking fraud case, reports AP.

At a congressional hearing, a court-appointed trustee in the case called the Abu Dhabi ruler, Sheikh Zayed bin Sultan Al-Nahyan, a "perpetrator." An attorney representing Zayed said his client was a victim of the BCCI scandal and called a 1.5 billion dollar civil racketeering lawsuit against him "an outrageous collection of lies and slander."

The trustee warned that if the State Department grants sovereign immunity to Zayed, it would "further a cover-up" by Abu Dhabi and "eliminate the last best chance to finally reveal the truth in the world's most notorious banking scandal."

J Virgil Mattingly, general

counsel of the Federal Reserve, said giving immunity to Zayed could undermine civil enforcement proceedings that the central bank might take against him.

Rep Henry B Gonzalez, D-Texas, the banking committee's chairman, said the State Department and Justice Department showed a "lack of leadership" by not sending representatives to Thursday's hearing.

The sheik is both the ruler of oil-rich Abu Dhabi and president of the United Arab Emirates, a group of seven states that includes Abu Dhabi. The emirates are longtime allies of the United States.

Zayed has asked the State Department to grant him immunity, as a head of state, from the racketeering lawsuit, which was filed last June in US District Court in Washington by the directors of First American Bankshares Inc.

The suit alleged that Zayed,

who was the majority shareholder of the Bank of Credit and Commerce International, participated with BCCI in its conspiracy to illegally acquire Washington-based First American in 1982. Abu Dhabi has denied the charges.

BCCI was shut down two years ago by banking regulators in the United States, Britain and several other countries amid allegations of massive fraud and support for drug traffickers. Auditors have estimated worldwide losses of 10 billion dollar from the scandal. Zayed and his family are reported to have been major losers.

BCCI forfeited 550 million dollar in 1991 to US authorities to settle charges it broke banking laws when it secretly gained control of First American.

Harry W Albright Jr, the court appointed trustee for First American, told the hearing that First American, once the largest

bank holding company in the Washington area, was "severely damaged by the BCCI scandal and its value was impaired."

"Sheik Zayed and others were not duped but were knowing participants," Albright said. "They were not victims of the scandal, but in my opinion, and that of the board of First American, clearly were perpetrators."

Albright said Zayed is not entitled to immunity because he was acting as a commercial investor, not a head of state.

But Middleton Martin, a Washington attorney representing Zayed and his family, said failure to grant Zayed immunity "would send a devastating message to friendly nations and their leaders around the world."

He called First American's 1.5 billion dollar lawsuit against Zayed "an outrageous collection of lies and slander directed at a highly respected leader of a friendly foreign government."

Delhi launches latest phase of reforms

BOMBAY, Dec 10: India has launched the latest phase of its financial sector reforms with the first stock market flotation of one of its state owned financial institutions, bankers said today, reports Reuter.

The Industrial Finance Corporation of India (IFCI) launched a 5.25 billion (167 million US dollar) equity issue, representing 45 per cent of its capital, on Tuesday.

The partial privatisation is the first of a series of planned issue by India's overmanned and undercapitalised banks to boost their strength and efficiency.

Nationalised banks and financial institutions are raising funds to meet global capital adequacy standards as part of India's market-oriented economic reforms, started in July 1991.

"These issues would be successful as most investors will lap up bank shares, being divested for the first time, a senior banker said.

The biggest will be a 22.4 billion rupee (714 million US dollar) offer of shares and bonds on December 15 by the State Bank of India (SBI), the country's largest commercial bank.

SBI expects to divest around 31 per cent of its equity. SBI's constitution does not permit it to dilute the Reserve Bank of India (RBI)'s stake below 55 per cent. RBI currently holds 98 per cent.

Many more banks are expected to raise funds from the market before the end of the current financial year in March.

As part of the reforms to increase the financial sectors' efficiency, India's central bank recently permitted eight private sector banks to begin operations the first in more than 20 years.

These banks will have to raise at least 50 per cent of their paid up capital from the public, a banker said. Bankers expect them to issue shares early next year.

The central bank will allow foreign financial institutions to own up to 20 per cent of the shares in the private banks.

Dhaka Stock Prices

Weekly comparison: At the close of tradings on December 2 and December 9, 1993

Company	FV/ML*	Dec 2		Dec 9		
		Taka	Taka	Taka	Taka	
BANKS (12)						
Al Baraka Bank	1000/1	880.00	875.00	950.00	800.00	
A.B Bank	100/5	173.00	168.00	200.00	160.00	
City Bank	100/5	291.00	291.00	355.00	268.00	
Eastern Bank	100/20	110.00	110.00	110.00	105.00	
IDLC Ltd	100/20	215.50	216.00	242.00	200.00	
LFLC	100/5	154.00	150.00	198.00	150.00	
Islami Bank	1000/1	1370.00	1362.00	1750.00	1300.00	
National Bank	100/5	125.00	125.00	130.00	85.00	
Pubali Bank	100/5	100.00	100.00	100.00	85.00	
Rupali Bank	100/10	86.00	90.50	91.00	65.00	
U.C.B.I.	100/5	100.00	105.00	120.00	80.00	
Uttara Bank	100/5	103.00	103.00	103.00	87.00	
INVESTMENT (08)						
ICB	100/5	110.00	110.00	110.00	85.00	
1st ICB M.Fund	100/5	410.00	420.00	415.00	340.00	
2nd ICB M.Fund	100/5	168.00	163.33	186.00	160.00	
3rd ICB M.Fund	100/5	142.00	140.00	162.00	140.00	
4th ICB M.Fund	100/10	144.00	146.00	160.00	140.00	
5th ICB M.Fund	100/10	99.00	96.75	102.00	86.00	
6th ICB M.Fund	100/10	73.50	73.75	75.50	66.00	
Unit Certificate	113.00					
Sales Price	108.00	114.00	116.00			
Re-purchase		109.00	111.00			
INSURANCE (04)						
BCCI	100/10	184.00	180.00	230.00	147.25	
Green Delta	100/10	211.00	211.00	285.00	152.00	
Peoples	100/10	303.00	301.00	350.00	172.00	
United	100/10	199.38	198.00	237.00	170.00	
ENGINEERING (18)						
Atfab Automobiles	100/5	189.00	170.00	200.00	165.00	
Atlas Bangladesh	10/50	45.71	45.00	57.00	40.00	
Aziz Pipe	100/5	230.00	230.00	256.00	212.00	
Bangladesh Autocars/05	45.00	44.89	74.00	44.00		
Bangladesh Lamps/05	380.00	380.00	400.00	150.00		
B.That Alumintum/10	84.00	84.00	96.00	74.00		
Bengal Carbide	100/5	271.00	271.00	275.00	210.00	
Bengal Steel	10/50	20.00	20.00			
Eastern Cables	100/5	71.33	71.33	72.00	65.00	
Howlader PVC	100/10	115.00	109.22	116.00	91.00	
Karim Pipe	100/5	57.00	57.00	97.00	54.00	
Metalex Corp.	100/5	28.00	28.00	49.00	26.00	
Morino Staffers	10/05	200.00	200.00	200.00	145.00	
Morino Jutebox	100/5	503.00	503.00	503.00	220.00	
National Tubes	100/10	58.50	58.00	75.50	58.00	
Panther Steel	10/50	8.00	8.00			
Quasem Drycells	10/50	10.70	10.20	11.70	8.90	
Renwick Jajneswar	100/5	84.00	83.00	88.00	66.00	
Singer Bangladesh/05	998.33	1013.65	1600.00	775.00		
FOOD & ALLIED (28)						
A.B Biscuit	100/5	200.00	199.00	200.00	200.00	
Alpha Tobacco	10/50	55.00	55.00	55.00	43.00	
Aman Sea Food	100/5	63.67	100.00	100.00	15.00	
Apex Food	100/5	900.00	930.00	930.00	650.00	
Aroma Tea	100/5	60.00	60.00	75.00	55.00	
Bangladesh	100/5	143.00	143.00	150.00	120.00	
B.D Plantation	100/5	500.00	500.00	550.00	500.00	
Bengal Food	100/5	113.75	114.30	160.00	111.00	
B.L.T.C.	100/5	800.00	800.00	800.00	615.00	
B.T.C.	10/50	100.00	95.00	100.00	50.00	
Civ Vegetable	100/10	65.00	64.00	82.00	61.90	
Dhaka Vegetable	100/5	62.00	60.00	94.00	60.00	
E.L. Cennella	100/5	1040.00	1040.00			
Froglet Export	10/50	2.20	2.20	3.00	2.00	
Gemini Sea Food	10/50	35.00	35.00	100.00	35.00	
Hill Plantation	100/5	550.00	550.00			
Modern Industries	100/5	335.00	335.00	335.00	185.00	
N.T.C.	100/5	240.00	245.00	250.00	190.00	
Rabeya Flour	10/500	NT	NT			
Rupam Oil	100/100	3.80	3.70	5.00	3.70	
Talip Dairy	100/10	70.00	70.00	78.00	40.00	
Yagor Flour	10/50	NT	NT			
Zeal Bangla Sugar	10/50	6.60	6.47	9.90	5.80	
FUEL & POWER (04)						
BD Oxygen	10/50	125.76	130.50	135.50	62.00	
Eastern Lignite	10/50	14.00	14.00			
National Oxygen	100/10	90.00	75.83	101.00	49.00	
Padma Oil Co.	10/50	45.00	46.00	48.00	38.00	
JUTE (12)						
Ahad Jute	100/10	NT	NT			
Anowara Jute	10/50	NT	NT			
Delta Jute	10/50	8.50	8.50			
Garwisa Jute	10/50	NT	NT			
Islam Jute	100/5	80.41	90.00	90.00	40.00	
Jute Spinner	100/5	80.00	80.00	80.00	71.00	
Mutual Jute	100/5	105.00	105.00			
Northern Jute	10/50	NT	NT			
Shamser Jute	100/5	100.00	100.00			
Specialised Jute	10/50	NT	NT			
Shine Pakur Jute	100/5	120.00	120.00	135.00	105.00	
Sonali Anush	100/5	130.00	128.00	130.00	99.00	
TEXTILE (20)						
Alfa Textile	10/50	NT	NT			
Arbec Textile	112.00	112.00	112.00			
Ashraf Textile	10/50	24.60	24.60	32.50	23.50	
Chand Textile	10/50	NT	NT			
Chand Spinning	10/50	NT	NT			
Desh Garments	100/10	50.00	50.00	55.00	50.00	
Dulaima Cotton	100/10	91.40	90.00	95.00	74.00	
Eagle Star	10/50	10.50	10.00	18.00	10.50	
GMG Ind. Corp.	10/50	10.00	10.00			
Modern Dying	100/5	28.00	25.00	50.00	25.00	
Padma Textile	100/50	1170.00	169.00	180.25	157.00	
Phasacco	10/100	2.40	2.30	3.90	2.00	
Quasem Textile	10/50	3.40	3.00	4.00	3.00	
Rahim Textile	100/5	91.00	95.00	101.00	65.50	
Saham Textile	100/10	85.00	85.00	90.00	62.00	
S.T.M. (ORD)	100/5	50.00	20.00	20.00	20.00	
Styefact	100/5	425.13	425.13	475.00	130.00	
Swan Textile	100/5	8.29	8.29	18.00	8.00	
Talip Spinning	100/10	96.49	99.46	110.00	87.50	
Tamujuddin	100/10	145.00	145.00	180.00	145.00	
PHARMACEUTICALS & CHEM (20)						
Amber Pharma	10/50	10.20	10.10	14.00	10.20	
Bangla Process	100/5	59.00	60.00	63.00	50.00	
Bangladesh Chemicals	100/10	335.00	335.00	350.00	220.00	
Bezinco Infusion	100/5	299.77	331.83	320.00	198.00	
Bezinco Pharma	10/50	600.00	742.68	760.00	420.00	
B. Synthetic	100/20	125.12AL	134.17AL	145.00	116.00	
Glaxo	10/50	125.63	125.00			
I.C.I	10/50	10.00	10.00			
Kolnabor Chemical/05	62.00	62.00	72.00	62.00		
National Polymer	100/20	115.00	110.00	115.00	110.00	
Petro Synthetic	10/50	9.00	9.00	10.50	9.00	
Pfizer	100/5	450.00	460.00	450.00	450.00	
Pharma Aids	100/5	57.73	56.50	57.00	42.00	
Phasacco	100/5	168.43	168.43	191.00	152.00	
Progressive Plastic/05	22.00	22.00	55.00	22.00		
Reckitt & Colman/10	75.00	75.00	95.00	75.00		
Rahman Chemicals/10	32.00	32.00	37.50	32.00		
Therapeutics	100/5	73.00	90.00	86.00	60.00	
The Brinasa	100/10	101.00	101.00	101.00	95.00	
Wala Chemical	100/20	142.00	141.50	144.00	104.50	
PAPER & PRINTING (08)						
Eagle Box	10/50	21.00	21.00	23.00	13.00	
Monosop	100/5	16.00	16.00	56.00	16.00	
Paper Converting	100/5	67.00	67.00	70.00	67.00	
Paper Processing	100/10	16.25	15.00	35.25	15.00	
Padma Printers	10/50	50.00	50.00			
Sonali Paper	10/50	52.00	52.00	52.00	52.00	
SERVICE (02)						
Bangladesh Hotel	10/50	12.00	12.00			
BD Service	10/50	NT	NT	NT	NT	
MISCELLANEOUS (18)						
Apex Footwear	100/20	228.00AL	243.33AL	237.00	172.00	
Apex Tannery	100/5	39.27	41.73	400.00	330.00	
Arasat	10/50	30.00	30.00	30.00	30.00	
Bata Shoe	10/100	77.72	78.97	78.00	33.00	
Bezinco	10/100	25.50	28.32	29.00	16.00	
B.S.C.	100/5	80.00	80.00	80.00	50.00	
C.C. Cement	100/5	196.54	206.05	287.00	170.00	
G. G. Ball Pen	10/50	91.00	99.68	93.00	75.00	
High Speed	100/5	50.00	50.00	55.00	50.00	
Himadri Ltd.	10/100	6.00	6.00			
Milon Tannery	100/5	10.00	10.00	15.00	6.00	
Monro Ceramic	100/5	286.61	281.00	348.00	270.00	
New Dhaka Refractor	100/20	80.00	80.00	99.00	85.00	
Savar Leather	100/5	115.00	115.00	115.00	95.00	
Savar Refractories/05	65.00					