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DHAKA, MONDAY, FEBRUARY 8, 1999

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JS body discusses irregularities in purchasing WASA generators

The Parliamentary Standing Committee on LGRD and Cooperatives Ministry at a meeting yesterday discussed the alleged irregularities in purchasing 160 kv generators of WASA for water supply during emergency, reports UNB.

The meeting, held at Jatiya Sangsad Bhaban with committee chairman Abdul Mannan in the chair, also discussed organisational structure, manpower, mode of work and overall activities of the country's municipalities and various development projects undertaken in 1997-98 and 98-99 fiscal.

Committee members LGRD and Cooperative Minister Zillur Rahman, Advocate Mohammad Rahmat Ali, State Minister for Relief and Disaster Management Talukder Abdul Khaleq, Whip Mohammad Mujibul Huq, Dr Mohammad Ruzman Ali Farazi, Barrister Nazmul Huda and Mohammad Shahjahan were present.

Local Government Division Secretary A H M Abul Hye and other high officials attended the meeting.

Indian Airlines cancels today's Dhaka-Calcutta flight

Indian Airlines will not operate its Dhaka-Calcutta flight today because of Bangla bandh (strike in West Bengal), a press release of the airlines said today, reports BSS.

Concerned passengers have been requested to contact Indian Airlines office or its agents here for alternative bookings, the release added.

BB T-bill auction held

The 23rd auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year Treasury Bills were held in the city yesterday, says UNB.

Of them, Tk 629.00 crore, Tk 155.50 crore, Tk 19.00 crore, Tk 105.00 crore, Tk 78.60 crore and Tk 5.00 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year bills.

These, Tk 606.50 crore, Tk 160.00 crore, Tk 16.00 crore, Tk 8.00 crore and Tk 24.00 crore of 28-day, 91-day, 182-day, 364-day and 2-year bills were accepted respectively.

The weighted average prices against the 28-day, 91-day, 182-day, 364-day and 2-year bills were Tk 99.42, Tk 97.90, Tk 95.60, Tk 91.20 and Tk 82.72 per 100 Taka respectively.

The corresponding yields are 7.59 per cent, 8.60 per cent, 9.20 per cent, 9.65 per cent and 10.44 per cent per annum.

New Sadharan Bima GM

Shah Abul Kashem is the new General Manager of Sadharan Bima Corporation.

He took over the charge of Underwriting Division of this Corporation recently, says a press release.

Kashem joined the Markentile Insurance Company in 1972. He held the responsibility of Common Services, Local Office in Sadharan Bima Corporation.

Novartis animal health confce held

A four-day long annual conference '98 of Animal Health Sector, Novartis (Bangladesh) Limited, was held in a local hotel in Cox's Bazar recently.

The members of the sector were accompanied by their families.

In his opening address, the sector head, Sayem ul Haq reviewed the successful year '98 and gave special emphasis in developing professionalism in the job to face the challenges of the new century.

The conference was concluded with an enjoyable family evening and a fun-filled day on the beach.

LPG scarcity turns acute in Barisal

BARISAL, Feb 7: Liquefied Petroleum (LP) gas scarcity has turned acute in the town causing untold sufferings to the consumers, reports UNB.

The consumers alleged that the LP gas is being sold at Tk 700-800 in the black market against the fixed rate of Tk 252 at Port Road, Bandu Road, Steamer Ghat and Bangla Bazar areas.

They also alleged that a section of unscrupulous dealers in collusion with black marketers are doing the brisk business.

The black marketers are lifting LP gas from the depots showing legal licence of the dealers and selling it to the consumers at exorbitant price.

Local consumers also alleged that the local administration failed to take proper action against the dealers who are responsible for creating artificial crisis of LP gas here.

BB bid to remove defaulting bank directors hits snag

Star Business Report

The central bank is deterred by court orders from executing its decisions to bring discipline in the banking sector. The situation has gone to such extent that in many cases the Bangladesh Bank's role to look after the health of the banks has become marginalised.

According to sources, there are even recent instances where the courts have issued orders on matters which are exclusively meant to be the commercial banks' own affairs.

The courts are often issuing stay orders against BB's actions on defaulters or bank directors who have been found violating various clauses of the Bank Company Act (BCA). The stay orders are then stretched for indefinite periods leaving BB actions in the wilderness.

Moreover, it is neither able to take punitive actions against violators of the Act, nor can protect the interest of the depositors.

As a glaring example of such lingering of court cases, sources pointed out the BB orders since 1995 to remove 37 directors of different banks under section 17 and 46 of the BCA.

All of them went to the court and obtained stay orders against BB actions. Till December, 1998, 34 directors continued in their posts as their cases were pending with different courts.

Section 17 of the BCA says

that the BB can remove a director for being a loan defaulter while Section 46 is applied when a director is found to be involved in activities against the interest of the bank.

Removals of directors under these clauses can be made effective for up to three years.

Of the total 37 directors, only two were served with removal notices under section 46. The rest were served with notices under section 17.

Court Cases Relating to Directors Of Private Banks						Position on 31/12/98
Name of Director	Name of Bank	Date of Removal Order/Issue of Notice	Date of Issue of Court's Stay Order and Period	Subsequent Extension of Stay Order Date and Period	How Long Stay Order Continued	Present Status
Shafi Chowdhury	Pubali Bank Ltd	19/08/95	11/09/95 Stay Order till hearing	-	03 Years 03 Months & 20 Days	Pending before High Court
Ibrahim Mia	The City Bank Ltd.	05/05/96	12/05/96 Stay Order till hearing	-	02 Years & 07 Days	High Court discharged rule on 19/05/98
Serajul Islam Chowdhury	UCBL	27/07/95	High Court's Stay Order from 19/09/95. High Court discharged Rule on 01/07/97. Civil Petition filed before Appellate Division which also allowed Stay Order	26/02/98 Extension of Stay till 08/03/98	2 Years 07 Months & 10 Days	Appellate Division dismissed Leave Petition on 29/04/98
Abdul Gaffar Chowdhury	UCBL	23/08/95	High Court's Stay Order from 31/10/95. High Court discharged Rule on 01/07/97. Civil Petition filed before Appellate Division which also allowed Stay Order	Do	02 Years 05 Months & 28 Days	Do
KZ Mahmood	NCCBL	23/08/95	High Court's Stay Order from 31/10/95. High Court discharged rule on 1/7/97. Civil Petition filed before Appellate Division which also allowed Stay Order	26/02/98 Extension of Stay till 08/03/98	02 years 05 Months & 28 Days	Appellate Division dismissed Leave petition on 29/04/98
Habibur Rahman	Pubali Bank Ltd.	23/08/95	High Court's Stay Order from 23/10/95. High Court discharged Rule on 01/07/97. Civil petition filed before Appellate Division which dismissed Leave petition on 29/04/98. Another Writ Petition was filed on 02/11/98.	02/11/98 stay for 3 months	03 Years 02 Months & 08 Days	Pending Before High Court.
Md. Yakub	Pubali Bank Ltd.	23/08/95	High Court's Stay Order from 23/10/95. High Court discharged Rule on 01/07/97. Civil Petition filed before Appellate Division which dismissed Leave Petition on 29/04/98. Another Writ Petition was filed on 22/11/98.	22/11/98 Stay for 3 months	03 years 02 months & 08 Days	Do
Bazal Ahmed	UCBL	23/08/95	High Court's Stay Order from 31/10/95. High Court discharged Rule on 01/07/97. Civil petition filed before Appellate Division which dismissed Leave Petition on 29/04/98. Another Writ petition was filed on 01/11/98	01/11/98 Stay till hearing	02 Years 05 Months & 28 Day.	Do
Moazzem Hossain	National Bank Ltd.	07/09/95	High Court's Stay Order from 05/11/95. High Court discharged Rule on 01/07/97. Civil Petition filed before Appellate Division which dismissed Leave petition on 29/04/98. Another Writ Petition was filed on 20/09/98.	20/09/98 Stay till haring	03 Years 01 Month & 26 Days	Pending before High Court.
AKM Abu Taher	Do	23/08/95	High Court's Stay Order from 31/10/95. High Court discharged Rule on 01/07/97. Civil petition filed before Appellate Division which dismissed Leave petition on 29/04/98. Another Writ petition was filed on 20/09/98.	Do	03 Years & 02 Months.	Do
Abdul Awal Mintoo	do	07/09/95	High Court's Stay Order from 05/11/95. High Court discharged Rule on 01/07/97. Civil petition filed before Appellate Division which dismissed Leave petition on 29/04/98. Another Writ petition as filed on 20/09/98.	Do	03 years 01 month 26 days	Do
Abu Taher Mia	Do	07/09/95	High Court's Stay Order from 23/11/95. High Court discharged rule on 01/07/97. Civil petition filed before Appellate Division which dismissed Leave petition on 29/04/98. Another Writ petition was filed on 30/09/98	30/09/98 stay till hearing	03 Years 01 Month & 08 Days.	Pending before High Court.
Abdul Hadi	The City Bank Ltd	23/04/95	High Court's Stay order from 11/06/95. High Court discharged Rule on 01/07/97. Civil Petition filed before Appellate Division.	26/02/98 Stay Order till 08/03/98	02 Years 08 Months & 27 Days.	Pending before Appellate Division
MA Hashem	The City Bank Ltd.	23/04/95	29/08/95 Injunction until further order	-	03 years 04 Months & 02 Days.	Pending before 5th Sub-Judge Court, Dhaka.
Abdul Alim	National Bank Ltd.	23/08/95	26/10/95 Next hearing 21/04/98	01/09/96 Status quo for 30 days	03 Years 02 Months & 05 Days	Do
Abul Khair Chowdhury	UCBL	17/09/96	03/11/96 Stay Order till hearing	-	02 years 01 Month & 28 Days.	Pending before High Court
Sultana Hashem	UCBL	24/03/97	19/05/97 Stay Order for 8 weeks.	08/07/98 Stay till hearing	01 years 07 Months & 06 Days	Do
Hazi Yunus Ahmed	UCBL	24/03/97	19/05/97 Stay Order for 8 weeks	18/05/98 extension of Stay for 6 months	01 year 07 Months & 12 Days	Do
Mr. Shafi A Chowdhury	Pubali Bank Ltd.	08/07/97	21/08/97 Stay Order till hearing	-	01 year 04 Months & 10 Days.	Do
Kazi Monirul Alam	NCCBL	13/03/97	15/06/97 Stay Order till hearing	-	01 year 06 Months & 16 Days.	Do
Moulana Abdul Jabar	IBBL	21/09/97	11/12/97	10/02/98 Extension of Stay for 4 weeks	05 Months & 20 Days	The rule abates on 01/06/98 following expiry of the director
MA Khaleque	Prime Bank Ltd	16/06/97	22/01/98 Stay Order till hearing	-	11 month & 09 Days	Pending before High Court.
Abdul Malek Mollah	Al Arafah Bank	30/07/97	24/09/97 Stay order for 4 weeks	15/07/98 Extension of Stay for 4 months.	01 year 03 Months & 07 Days.	Do
MN Amin	SIBL	26/08/97	16/11/97 Stay Order for 2 months	24/08/98 Extension of Stay for 6 months.	01 Year 01 Month & 15 Days.	Do
Dr JH Gazi	SIBL	26/08/97	18/11/97 Stay Order for 2 months	24/08/98 Extension of Stay for 6 months.	01 Year 01 Month & 13 Days.	Do
Mohammed A. Awwal	National Bank Ltd.	26/08/97	16/11/97 Stay Order for 2 Months	13/01/98 Extension of Stay for 2 months	01 year 01 Month & 15 days	Do
Aminul Huq Chowdhury	IFIC Bank	26/10/97	11/01/98 Stay Order till hearing	-	11 Months & 20 Days.	Do
Khushi Akhter	Prime Bank Ltd	21/10/97	07/01/98 Stay order till hearing	-	11 Months & 24 Days.	Do
MA Hashem	The City Bank Ltd.	06/11/97	18/01/98 Stay Order till hearing	-	11 Months & 13 Days.	Do
Ibrahim Mia	The City Bank Ltd.	06/11/97	18/01/98	-	11 Months & 13 Days.	Pending before High Court
ASF Rahman	IFIC Bank Ltd	12/02/98	16/02/98 Stay Order for 10 weeks	23/04/98 Stay for 6 Months	10 Months & 15 Days	Do
Salman F. Rahman	IFIC Bank Ltd	12/02/98	16/02/98 Stay Order for 10 weeks	Do	10 Months 15 Days	Do
Iqbal Ahmed	AB Bank Ltd	12/02/98	16/02/98 Stay Order for 10 weeks	Do	10 Months & 15 Days	Do
Ramjul Seraj	AB Bank Ltd	06/11/97	04/02/98 Stay Order till hearing	-	10 Months & 27 Days	Do
M. Aynul Huque	SIBL	02/12/97	15/02/98 Stay order till hearing	-	10 Months & 16 Days	Do
Kazi Enamul Huq	UCBL	24/3/97	25/5/97 Stay Order for 8 weeks	9/3/98 Extension of Stay Order for 4 months	1 years 7 months & 6 days	Do
M A Kashem	AB Bank	12/2/98	16/2/98 Stay Order for 10 weeks	Do	10 month & 15 days	Do



Obaidur Rahman Khan, Executive Director of Transcom Electronics Limited, formally inaugurates the Philips Service Week '99 at its Kawran Bazar service centre on Saturday while Abdul Baki Bhuiyan, Service Manager, and other officials look on. — Philips photo

Thailand hails easing of KL border trade regulations

BANGKOK, Feb 7: Thailand on Sunday welcomed Malaysia's decision to relax currency controls in border trade and hoped it would lead to similar moves in other areas, deputy foreign ministry spokesman Kitti Wasinondh said, reports AFP.

Thailand hopes Malaysia will decide on further relaxation in other issues including tourism which will benefit the two countries, he told AFP.

Malaysia's central bank said Friday it had relaxed the import and export of the ringgit currency with immediate effect for cross-border trade with Thailand.

Bank Negara said the amount of ringgit border traders can have in their possession at any one time, had been increased 10-fold to 10,000 ringgit (2,632 dollars).

SEC forms body to probe Quasem Silk manipulation

Star Business Report

The Securities and Exchange Commission (SEC) has formed an inquiry committee to probe the reported manipulation in the trading of Quasem Silk Mills Ltd shares by brokerage firm SPM Ltd and others.

The three-member SEC committee including Corporate Accountant Khairul Anam Khan, Deputy Directors Shuvra Kanti Chowdhury and Farid Ahmed will examine whether there had been any trade or price manipulation, insider trading, and irregularities or violation of SEC laws in the November, 1998 trading of Quasem Silk (QS) stocks.

The committee will submit its report to the SEC within a month.

A DSE surveillance team unearthed the manipulation in QS shares last year after widespread allegations about excessive trading in certain stocks.

The preliminary investigation by the DSE found that SPM Ltd made share prices inflate, dealing as much as 72 per cent of the volume of total trade in the company's shares on November 3, 1998.

After the surveillance, the DSE formed a six-member committee which confirmed the findings that SPM Ltd traded huge volumes of QS stocks on behalf of a particular client and inflated its prices to make gains from it.

BUET seminar on village building technology

Experts seek ways to devise low-cost rural housing

International housing experts at a seminar in Dhaka yesterday discussed ways to devise low-cost, safer and better abodes for rural poor, reports UNB.

They also talked about ways and means to extend the longevity of existing rural and coastal homes, and make them more resistant to flood, cyclone and earthquakes.

Bangladesh University of Engineering and Technology (BUET) and British University of Exeter jointly organised the three-day seminar on 'Affordable Village Building Technology: From Research to Realisation', the second of this kind in Dhaka.

The first such seminar titled 'Dhaka Housing and Hazards International Seminar' was held in 1996.

British Department For International Development (DFID) is financing the project while British Council in Dhaka coordinating the two universities.

Speaking on the inaugural

occasion at its Council Bhaban, BUET Vice Chancellor Prof Nooruddin Ahmed said BUET and the British university jointly had done a significant work in developing appropriate and affordable hazard resistant technologies and improving dissemination of information.

He said researchers were coming up with various simple, effective and low-cost technologies for strengthening non-engineered housing structures for better hazard resistance.

Keynote speaker Prof Jamilur Reza Chowdhury said most houses in rural areas do not last over 10 years even without any natural hazards.

Their longevity can be raised up to 20 years with a little cost, he said, quoting research findings of his own and others.

Mud walls can be made more resistant to flood water by using polythene and straw and an asphalt-kerosene coat, Prof JR Chowdhury said.

To sustain cyclonic storms and tidal surges houses can be built on concrete columns in

coastal areas, where about seven million people live, he suggested.

City Bank holds confce

A day-long conference of the managers and executives of the City Bank Limited was held at a city hotel yesterday.

The conference, bifurcated into two sessions, dwelt at length on the activities of the bank with a focus on future growth, says a press release.

M A Hashem, Chairman of the bank, inaugurated the conference.

The Chairman in his inaugural speech termed the managers as the ever-vigilant sentinels of the hard earned money of the depositors.

Vice Chairman, A K Mehmood, Directors Deen Mohammad, Anwar Hossain, Azizul Haque Chowdhury, Mohammad Hossain addressed conference.



MA Hashem, Chairman of the City Bank Limited, inaugurates the bank's branch managers' conference at a city hotel yesterday. Vice Chairman AK Mehmood, Directors Deen Mohammad, Anwar Hossain, Azizul Haque Chowdhury, Mohammad Hossain and Managing Director Mohammad Faiz are also seen in the picture. — City Bank photo

Russian Central Bank accused of serious financial wrongdoing

MOSCOW, Feb 7: The Russian Central Bank has been accused of serious financial wrongdoing, including the illegal sale of state assets and using a small off-shore company to manage foreign reserves, a newspaper said Friday, reports AP.

In a letter submitted Monday to Russia's parliament, then-prosecutor general Yuri Skuratov said the Central Bank paid a tiny offshore company to manage some \$50 billion in foreign currency reserves and credits from the International Monetary Fund, the Moscow Times newspaper reported.

The Financial Management Company, registered in an off-shore tax haven on the Jersey in the Channel Islands, had a startup capital of \$1,000 when it started working with the Central

Bank in 1993. It managed the bank's money until 1998, according to Skuratov's letter.

Skuratov, who resigned a day after he submitted the report after complaining of heart trouble, has long said the Central Bank was responsible for Russia's Aug 17 financial collapse. On that date, the bank stopped propping up the rouble and the government defaulted on its domestic debt.

Skuratov in particular targeted former bank Chairman Sergei Dubinin, who resigned after the August crash, and promised last month to produce a full report on his and other bank officials' wrongdoing.

Also in the letter, Skuratov said the Central Bank sold state property abroad in direct violation of Russian law and gave its

employees frivolous perks, the ITAR-Tass news agency said.

Central Bank officials denied the claims made in the letter.

Current Chairman Viktor Gerashchenko said that "all the operations were legal and no laws were broken," the ITAR-Tass news agency reported Friday.

Gerashchenko has accused the prosecutor general's office of trying to smear the bank's reputation with what he called unfounded accusations against its top managers.

According to the Moscow Times, Central Bank officials may be questioned about the report when the lower house of parliament's central bank subcommittee convenes Feb 11.