

Rejoinder, our reply

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imputations concerning myself as well as statements regarding Oriental Bank, Orion Group which were not accurate and correct.

We are setting below our subject-wise comments on your reports with a request that you will publish the same in your daily in order, for your readers to have the benefit of knowing our views and the position on the matter, or else we stand to be condemned unheard by your readers who had the advantage of reading your reports.

1. Involvement of Orion Group with Oriental Bank: That on August 4, 2004, three members of our Group purchased shares of Oriental Bank and subsequently became Directors of the Bank with effect from November 2004. As such, events which took place before November 2004 were obviously outside of the control of the members of the Group. Hence, it would be incorrect to state that we have been involved with the Bank since 2003 and have been misappropriating money from the financial institution since then.

First of all, all allegations of misappropriating, siphoning money from the financial institution are vague and untrue. Then, it is important to note that our Group members became directors of the Bank with effect from November 2004.

2. Adjustable Block Account (ABA): As regard the statement, that Orion Group had misappropriated huge amounts of money using an adjustable block account, it is to be noted that this very ABA was opened in 2001 under approval of Bangladesh Bank. As such, clearly the allegation of creating such an account by me and misappropriating the financial institute's money is vague and incorrect.

Furthermore, it is stated in the report published by your daily that the Bangladesh Bank investigation suggests that the "money shown in the ABA is not unearned profit, rather an outstanding amount of money that was misappropriated and deliberately and craftily shown as the Bank's loss to erase this money from the Bank's account."

Whereas, on the contrary the audit report as published by the Bangladesh Bank mentions that BDT 165.97 crore was charged as cumulative loss. The audit report further states that, the amount of BDT 165.97 crore came from the unrealized income for the period of 1997-2001. Details concerning this amount can be obtained from Page 16, audit report of the Bangladesh Bank.

3. Central Bank's Report: The report of the central bank which is being referred to by your daily was never made available to us. Previously, also the media referred to a report of the central bank but that report was also not provided to us. Although, we made a request to attain the same report, quite interestingly such report was never provided to us.

4. Inter Branch Debit Advice (IBDA): It has been mentioned that huge amount of money have been misappropriated between the period of 2003 to June 2006 using a mechanism of Inter Branch Debit Advice (IBDA). As regards to this allegation, we would like to first state that all such statements are vague and false. It was also mentioned in the media reports published by another daily that 29 accounts originating from the Bangshal Branch were used to carry out these IBDA. We would now like to highlight pertinent information relating to the aforementioned accounts.

Thirteen of these accounts namely M/s Mahmud Construction, Mahmud Trading, Chowdhury Electronics, Vinka Traders, Kamal General Store, Kazi Traders, Shishir Traders, Noor Traders, Banu Traders, Lutfar Traders, Topon Traders, Kashef Traders, Mumu Traders are owned by Mr Chowdhury Mugis Uddin Mahmud and his family.

Furthermore, Mr Mahmud has accepted liability of Tk 23.08 crore and has applied for rescheduling of this loan. Although, he has accepted liability of Tk 23.08 crore, huge amounts of money were misappropriated from these 13 accounts and later charged in the ABA.

It is to be noted here that we have no connection whether it be personal or professional with Mr Mahmud and neither do we know when the money was provided to him. Hence, in no way could we have been involved with these 13 accounts and could have misappropriated money from them.

Another such account is the account of Meghla Fashion. This account was held by a company which was previously a proprietorship. Trade license for this company was attained in the year 2002-2003. It was later transferred into Private Ltd. Company on August 16, 2003 and details of the company.

We have no connection with the above mentioned account and account holder and have no knowledge as to when and how much money was misappropriated through this account.

Another five accounts namely Flaz Trading, Polash Enterprise, United Agencies, Auto define, Masud Trading are owned by a person named Wahidur Rahman.

In this accounts as well, Mr Rahman has accepted liability of Tk 33.02 crore and has made an application to the financial institution for rescheduling the financial facility on July 11, 2006. We have no connection with the aforementioned account and account holder and have no knowledge as to when and how much money was misappropriated through this account.

Another account which was named in the media reports is that of M/s Gazi Enterprise owned by Mr Osman Goni Chowdhury. We have no connection with the aforementioned account and account holder and have no knowledge as to when and how much money was misappropriated through this account.

In view of the above-mentioned facts, it is clear that accounts which were mentioned in the media report as the ones through which the IBDA's were conducted have no relation with Orion Group. More information could be provided on all the accounts if we were provided access to the report of the central bank.

5. False Accounts: It was mentioned that 17 false accounts were opened in the Bangshal Branch and Tk 25.66 crore was misappropriated through these accounts. However, 13 of the aforementioned accounts are the very accounts of Mr. Chowdhury Mugis Uddin Mahmud and his family which were mentioned in article no. 4. Mr. Mahmud has also accepted liability of Tk 23.08 crore and huge amounts of money were misappropriated through these accounts. Hence, these accounts cannot be false accounts and we have not misappropriated money from these accounts.

6. Judicial Enquiry: In view of above mentioned statements made under article no. 4 and no. 5, we made earnest requests to carry out judicial enquires into the crisis surrounding Oriental Bank and to bring to justice the person/s involved with it. It is quite clear from the information provided that we have no connection whatsoever with the accounts which were used to carry out the misappropriation and in many cases the account holder has accepted liability of the outstanding amounts and have placed applications for rescheduling of their loan. If a Supreme Judicial Enquiry could be carried into the crisis then it could be probably discovered as to why and how the money was misappropriated. It may also be noted here that a government directive instructing the concerned authority to carry out a judicial enquiry into the crisis surrounding the Oriental Bank was also received but quite mysteriously the instruction was not implemented.

7. Anti-Corruption Commission (ACC): It has been mentioned that the Anti-Corruption Commission (ACC) has left out myself and has charged cases against others deliberately. As regards to this allegation, I would like to categorically state that such allegations are vague and untrue.

In fact, the reason for which ACC did not file any case against me is clearly stated in the statement of ACC's Chairman Justice Sultan Hossain Khan. He mentions in your report that "Why the central bank did not send the report on time I can't say. But our investigators did not find Obaidul Karim guilty in their investigation. I will examine whether his name was dropped deliberately."

However, the report in your daily has been drafted in a manner that a reader gets exactly the opposite understanding and hence pose a feeling that the case was dropped deliberately. We feel that such assumptions should not be made and a person should not be termed as swindler or culprit unless proper proof is at hand.

8. Effects on Orion Group: Orion Group is a long established business entity with interest in diverse industries. The Group's employment structure ranges from 16,000-18,000 dedicated persons and its contribution to the national exchequer amounts to approximately BDT 100 crore. The Group also has partnership with many renowned business entities of the world. Reports such as these are seriously affecting our image, business institutions and all our employees, directors.

We hence feel that it would not be justified to publish such reports unless a proper investigation is made. Furthermore, we would state that it would not be right to term someone as swindler, criminal or culprit before a proper enquiry is made and the matter is proved and justified. Rather, we feel that encouragement should be made so that a judicial enquiry is made into the crisis and those involved are brought to justice.

Moreover, we would like to draw your attention to the paragraph of the report whereby it was mentioned that an officer of the Group called The Daily Star office and proposed measures by which the story/report could be killed. We would like to categorically state that our officer never mentioned such a thing but we merely suggested to publish the report after having discussion with us and after we could have placed the above mentioned information in front of the reporters.

OUR REPLY

The Daily Star reports were based on an investigation report of the Bangladesh Bank (BB). The BB investigation categorically names Oriental Bank's majority shareholder and chief of Orion Group Obaidul Karim for misappropriating huge amount of money in connivance with some officials of the bank in the period from 2003 to June 2006. As per the report's recommendation, the BB has already asked the Oriental Bank to file criminal and civil cases against Obaidul Karim and officials concerned to realise the money.

Chief Executive Officer of the Oriental Bank Asaduzzaman Khan yesterday told The Daily Star that the bank is considering legal steps as per the BB direction. We stand by our reports.

City walkways

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income was very low. How will I provide food for my family of four now?" questioned Mohammad Selim, an evicted street vendor from Gulistan. He requested the government to introduce alternative source of income to the evicted vendors.

Abul Kalam Jewel, organising secretary of the Parishad, demanded rehabilitation of the street vendors of the city, around one lakh total, as around 10 lakh dependents live on their incomes. This eviction drive is likely to affect a section of the law enforcers, local unit political leaders, Dhaka City Corporation (DCC) staff and the organised criminals that collect tolls from the illegal street vendors, sources said.

Each street vendor had to pay a toll ranging from Tk 10 to Tk 200 to these elements and they would be driven out otherwise, added the sources.

A few months back, a DMP deputy commissioner (DC) seeking anonymity told The Daily Star that police could not evict illegal street vendors due to political interference, particularly by the ruling party. "I had to abandon a hawker eviction drive at Farmgate halfway through due to pressure from BNP leaders."

A Daily Star investigative report carried out a few months back revealed that lower tier leaders and activists of the then ruling party were collecting huge tolls from street vendors.

Vendors on the sidewalks and foot over bridges in Farmgate, Gulistan and New Markets areas pay around Tk 5 lakh in illegal tolls everyday.

Around 50 per cent of the tolls go to local political kingpins' pockets, 15 per cent to party activists, 15 per cent to police and the rest to the "linemen" -- the ones employed to collect the tolls for their bosses. A large number of corrupt DCC staff frequently collects tolls from the street vendors as well.

Also, political party leaders are said to be involved in 'selling possession' of spots on sidewalks in busy areas like New Market, Farmgate and Gulistan for Tk 75,000 to Tk 1 lakh, depending on the business prospects of the particular spot. Vendors having 'possessions' do not have to pay the daily tolls, according to The Daily Star investigation.

BSF

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opened fire on Anwar of Kholra village when he was working on his cropland at around 7:30am. He died instantly.

Immediately after the killing, the BSF men entered Bangladeshi territory and took away the body.

Local BDR Commander Lt Col Abdul Hamid Sardar confirmed the incident. BDR sent a letter to its Indian counterpart demanding return of Anwar's body. The BSF did not return the body as of 6:00pm yesterday.

Iajuddin

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decision at this point is to keep the portraits where they are.

"Why are you so concerned with portraits? This is not our priority," she said adding, "our priorities are to introduce voter ID cards and carry out the tasks for holding a free and fair election."

She made a request to the reporters not to make the changing of portraits an issue.

Controversial

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Scrutinising of the projects will start from next week, he added.

"We will take strong measures against the bill-defaulters," Tapan said adding that the government organisations, including the city corporations, are some of the biggest defaulters.

As these organisations do not clear their dues, the gas companies remained unpaid, he noted.

Regarding the current gas crisis, the energy adviser said that it would be over within a few days.

Meanwhile, Industry Adviser Geetara Safiya Choudhury observed that the current fertiliser crisis has emerged due to smuggling and hoarding.

"We have already instructed the authorities concerned to take strong actions against the culprits," she said adding that they will monitor the situation daily.

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Regarding the current gas crisis, the energy adviser said that it would be over within a few days.

Geetara Safiya Choudhury told reporters, "It is difficult at this moment to speculate when the election will be held," and that the government will give emphasis to people's expectations for a free and fair poll.

Asked about the political parties' demand for holding the election soon, she said, "We will do everything that a free, fair and peaceful election requires."

Admin politicised

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The backed professional body, Akhtar was serving as a superintendent engineer of the Water Development Board (WDB), which is not even equivalent to the rank of deputy secretary, till 2003.

He never commanded reputation as an outstanding performer. Rather, he was accused of misappropriating various WDB project funds. But he had connections with the family of the then prime minister Khaleda Zia, and his actions in the PDB and the power ministry demonstrated that he was committed to pushing through some flawed projects just to favour some BNP men.

With power load shedding spiralling up to 2,200 megawatt last year from only 200 MW in 2001, he failed as chairman of the PDB, and secretary of the power ministry. In addition, he was found arguing with donors at public forums in favour of not conducting tenders in a transparent manner.

Because of Akhtar's links with the PMO, he could ignore two state ministers for power -- Iqbal Hassan Mahmud and then Anwarul Kabir Talukder. Both had openly expressed their frustration at the interference of the PMO, which had formed a committee headed by the then principal secretary Dr Kamaluddin Siddiqui in April 2005.

This committee failed to ensure generation of more power or to formulate any effective policy for the power sector. From captive power generation to setting up of small power plant, every policy was dictated by the political and the business lobby close to the BNP as opposed to being based on commercial considerations.

Akhtar was reported to have represented the interest of a Bhaban and was holding more power than any ministers due to his direct connections with the bureaucrats and officials of the PMO.

In January last year, the then ruling BNP rewarded him for his services to it with double promotions in less than 24 hours, using the presidential quota twice to make him power secretary. He continued to serve his political bosses and at one point both the Asian Development Bank (ADB) and the World Bank threatened to withdraw funding from the power sector due to the rampant corruption and favouritism.

Anwarul Kabir was ousted not because of his failure in the power ministry but because of his opposition to some corrupt practices of the alliance government. On behalf of the corrupt group, Akhtar took a strong position against him and succeeded.

Soon after, Anwarul was out, Akhtar went ahead to push those who were loyal to him (Anwarul). They included chief of Power Cell BD Rahmatullah. He was demoted by two ranks from the post of director-general to the rank of superintendent engineer, and placed in charge of Comilla Palli Bidyut Samity (PBS) in September last year.

When Akhtar was removed from the post of power secretary by the immediate past caretaker government, and posted to IMED, he managed to overturn the decision in less than 24 hours and retained his original position.

After the new caretaker government took over, he was finally demoted and brought back to his original position of additional chief engineer of the WDB.

Sources pointed out that the case of Akhtar is a classic example of how an ordinary engineer could climb to the highest position of the state administration within a span of less than two years through political lobbying, corruption and toll collection for the vested quarters, and blatant violation of service rules.

Elections unlikely

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opined that it is possible to prepare the voter ID cards within six months.

Both the major political alliances led by Awami League and BNP have mentioned that the caretaker government has set correcting the voter list as one of its priority tasks.

She said the government is preparing a fresh proposal for the political parties in a bid to hold a fair, peaceful and neutral election. The government will sit with the political parties after finalising the proposal, she added.

Sources said the caretaker government in its first meeting has set its priority tasks that include correcting the voter list, neutralising the administration and the Election Commission (EC), and maintaining law and order.

The interim government is planning to go for a recast in the civil administration and reconstitution of the EC to neutralise the field before polls.

Sources said Chief Adviser Fakhrudin Ahmed may address the nation next week outlining his government's plan on holding the elections and the steps it is going to take.

"All the advisers to the caretaker government have already taken oaths and they will sit at a meeting of the council of advisers next week to review the latest political situation," one source in the government said.

Adviser Geetara Safiya Choudhury yesterday told reporters, "It is difficult at this moment to speculate when the election will be held," and that the government will give emphasis to people's expectations for a free and fair poll.

Asked about the political parties' demand for holding the election soon, she said, "We will do everything that a free, fair and peaceful election requires."

"We have already instructed the authorities concerned to take strong actions against the culprits," she said adding that they will monitor the situation daily.

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