

Surprise junk rush JS gets graft details

Two private banks turned shares of a risk category company all too lucrative

SARWAR A CHOWDHURY

The company was in the red for at least three consecutive years. It did not give dividend even for once in the period. It was far from being a hotcake company on the bourses. And because of its lacklustre performance, it was bracketed in the Z category at Dhaka Stock Exchange.

Z category is the group where all under-performing errant companies are placed, so that investors may easily understand that those have very weak fundamentals, and are risky to bet on.

Yet a curious thing happened to the company. Suddenly one fine day, two private banks thought the company was a kind of a gem, and started buying its shares in huge quantities. In four days, the banks bought about 95 lakh shares.

Everybody was surprised, thinking the banks were committing hara-kiri.

After the buying binge of four days, the mystery was cracked. The Z category company surprised the market by declaring a 10 percent bonus share, meaning if you possessed 100 shares of the company you would get an extra 10.

On April 30 this year, the company's board of directors recommended 10 percent stock dividend for 2008. The company said it declared the dividend out of reserves following a revaluation of its lands, buildings, plants, and machinery as of December 31, 2008.

The valuation, issued by SF Ahmed & Co, chartered accountants and a valuer, showed an aggregate depreciated current cost of Tk 1,174.13 crore resulting in 'revaluations surplus aggregating Tk

338.12 crore'.

The news sent the share prices of the weak company to a dizzying height taking the company out of the Z category straight to the A category, and the banks also made a windfall through the deal.

A smart move, the banks said, claiming the move was the result of their foresight. But market players cried insider trading, saying that kind of gambling was simply just not possible without previous information. A nice way to rip off the market!

And what are the names of the company and the banks? Beximco Textiles known as Bextex on the bourses, and AB Bank and IFIC Bank. There are some interesting past and present links among the three. Bextex is owned by Salman F Rahman, private sector development

SEE PAGE 6 COL 1

Probe body recommends stripping Sircar of MP status, recovering Tk 2.5cr from the BNP trio, taking legal action against them for undermining parliament

SHAKHAWAT LITON and RASHIDUL HASAN

A parliamentary body investigating irregularities during the tenure of former speaker Jamiruddin Sircar asked the House yesterday to strip Sircar of his MP status and recover around Tk 2.50 crore he, his deputy and the then chief whip took illegally as medical bills, additional fuel allowances and other facilities.

The all-party probe body yesterday submitted its report, the first of its kind in the history of the country's parliament, and recommended taking legal actions against Sircar, the then deputy speaker Akhtar Hamid Siddiqui and the then chief whip Khandaker Delwar Hossain.

The report says the three undermined



Sircar Akhtar Delwar

the dignity of the House, indulged in widespread corruption and misuse of power.

The probe body has charged them with contempt of parliament for not appearing before the parliamentary committee

despite being invited and asked the House to initiate contempt proceedings against them.

"It is the inherent power of a parliament to scrap membership of an MP for

SEE PAGE 6 COL 4

Dhaka conveys Tipai concerns to Delhi

India assures Bangladesh of 'no harm' as Dipu Moni meets Krishna

OUR CORRESPONDENT, New Delhi

Bangladesh yesterday conveyed its concerns to India over the Tipaimukh power project while New Delhi assured Dhaka that nothing would be done to harm the interests of Bangladesh.

The assurance was given to Foreign Minister Dipu Moni by Indian External Affairs Minister SM Krishna during a meeting at the South Block here in the afternoon, diplomatic sources said.

Dipu Moni raised the issue of Tipaimukh in the wake of growing concerns in Bangladesh over the possible impact of the project, which is

proposed to come up in North Eastern Indian state of Manipur, on availability of water of Barak river to the lower riparian country.

Krishna is understood to have told Dipu Moni that India would not do anything or take any decision which would harm Bangladesh's interests.

After the meeting with Krishna, Dipu Moni held another meeting with Indian Finance Minister Pranab Mukherjee in the latter's Parliament office.

This was the first high-level political contact

SEE PAGE 15 COL 5

TIPAIMUKH DAM BNP to start international campaign

STAFF CORRESPONDENT

BNP has decided to send letters to the government of different states and international organisations for creating public opinion against the Indian plan to build Tipaimukh dam.

The standing committee of the party took this decision at a meeting, chaired by party Chief Khaleda Zia at her Gulshan office, Wednesday night.

"Country's environment will be affected seriously if the

SEE PAGE 15 COL 7

PM sees ill intent in TIB report

JS budget session prorogued

STAFF CORRESPONDENT

Prime Minister Sheikh Hasina yesterday came down heavily on Transparency International Bangladesh (TIB) for its recent report saying that it was ill motivated and a machination to undermine the parliament.

"Conspiracy is going on against the parliament. TIB's report is very much biased and ill-motivated," Hasina, also leader of the House, said at the windup of the second session of the ninth parliament.

Hasina, also Awami League chief, called upon the opposition to return to parliament and make it effective in the greater interest of the nation and democracy so that any unconstitutional clique cannot usurp the state power.

TIB in its report titled 'Parliament Watch-2009' last Saturday said like the previous eighth parliament, the ninth parliament

SEE PAGE 15 COL 1

Law amended for war crime trials

Law minister hopes trial starts in a month

STAFF CORRESPONDENT

The House passed a bill unanimously yesterday incorporating a number of new provisions into the International Crimes (Tribunal) Act, 1973 to try any individual or group of individuals on charge of war crimes in 1971.

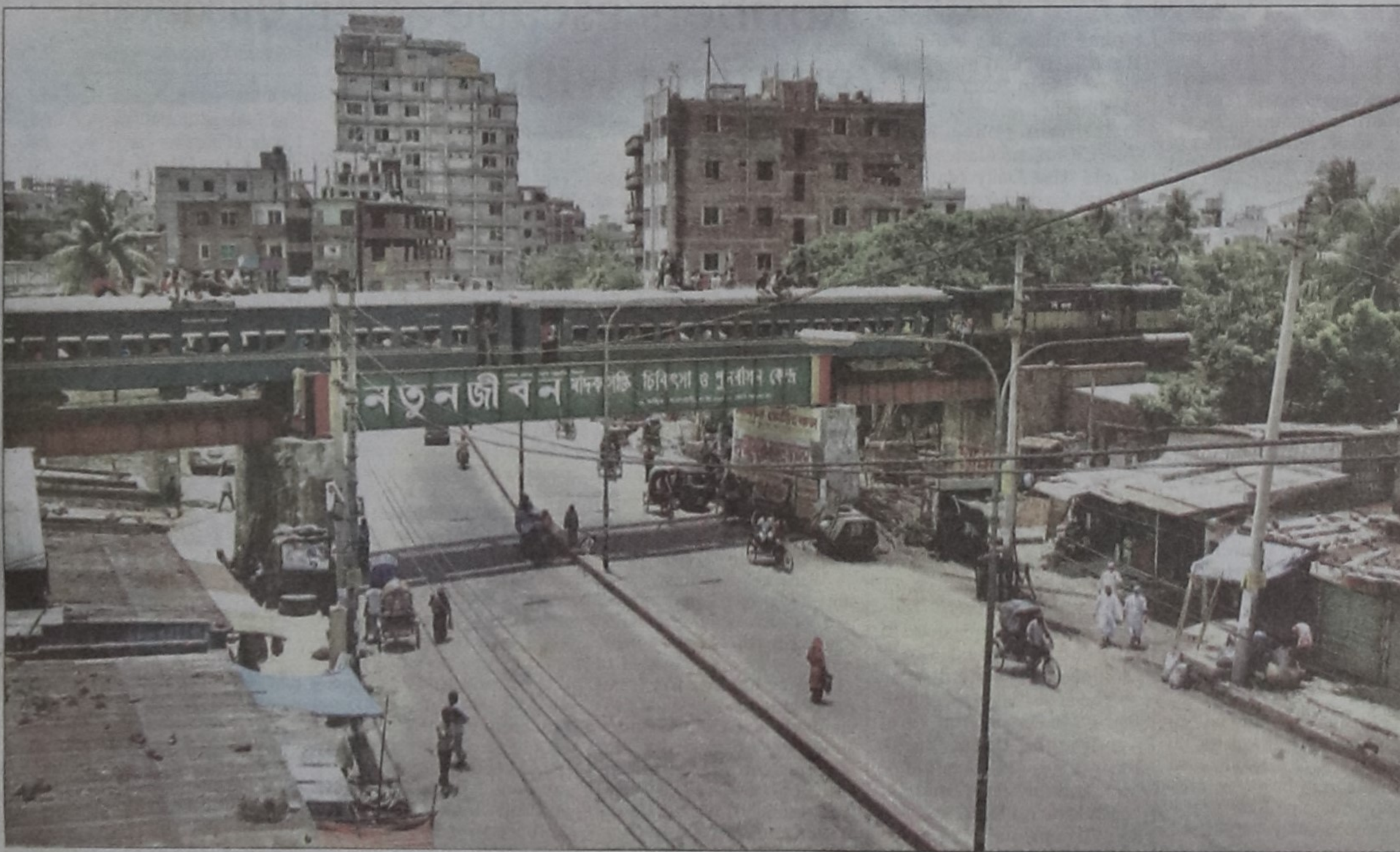
Legal experts say with inclusion of the new provision, trial of a political party that worked against the liberation of Bangladesh could also be held on the same charge.

As the bill is passed, the trial of war criminals may begin in a month, according to Law Minister Shafique Ahmed.

There are provisions for trying members of the armed forces and their auxiliary forces under the 1973 Act.

Another new provision included in the Act also empowers the government to file appeals with the Appellate Division against

SEE PAGE 15 COL 7



Train crosses a bridge across the road in Dayaganj in the capital leaving no impact on the traffic movement. The government considers setting up such bridges at every level crossing in the city.

PHOTO: SHAFIQUE ALAM

Roads made on 10 Dhaka canals

The suicidal decision created scope for water logging

HELEMUL ALAM

Around 10 canals of the city have either been filled up entirely or turned into box culverts to construct roads, aggravating the water logging problems.

Roads were constructed in Rayerbazar, Rajabazar, Gopibagh and Shyampur Kadamtala filling up canals and constructing storm water and sewerage lines.

Segunbagicha canal, Dholai Khal-1, Dholai Khal-2, Debholai Khal and Paribagh canal have been narrowed down for building box culverts. These covered water passages remain clogged due to lack of maintenance.

Part of the Dholpur canal was filled up for constructing road while the rest was turned into a box culvert. A portion of Hajaribagh canal was filled up for a road while other portion is still open for water flow, said an official of Dhaka Water Supply and Sewerage Authority (Wasa).

Dhaka City Corporation and Wasa constructed the box culverts in the 90s and early this decade, said officials of DCC and Wasa.

Architect Iqbal Habib, member secretary of urbanisation and good governance committee of Bangladesh Paribesh Andolan, said construction of box culverts was totally wrong. These culverts remain clogged, as they are not cleaned up resulting in water stagnation. He identified this as a reason for water logging in different city neighbourhoods.

Prof Mujibur Rahman of Bangladesh University of

SEE PAGE 15 COL 4

Rejoinder, our reply

Bangladesh Thai Aluminium contested a report headlined "Magic art of turning Tk 43 into Tk 1,200" published in The Daily Star on July 8, saying the company's share price was never Tk 43 last year as mentioned in the report while the highest price was "much above" Tk 1,199.

The "motivated" report caused "an average loss to our small investors at more than Tk 70 per share", said the company's Chairman and Managing Director Zahid Maleque in a rejoinder.

"Our company has already got an investment of Tk 13.12 crore from GEM Global Yield Fund. Another Tk 3.41 crore is expected once SEC allows. This investment has turned around our company. This only led to share price increase, not any 'magic', the rejoinders said.

It added there is no question of any lobbying by anybody. "Rather, there have been roadblocks by vested quarters at each stage," it said.

SEE PAGE 15 COL 4

BSF kills 4 at Benapole

A CORRESPONDENT, Benapole

Indian Border Security Force (BSF) yesterday shot four Bangladeshi cattle traders dead at Agrobhulot border in Benapole.

The victims are Shibuj, 16, son of Abdus Sattar, Ahmed Ali, 21, son of Jamat Ali, Saddam, 25, son of Idris Ali and Ariful, 18, son of Hossain Ali of Panch Bhulot village.

BDR and family sources of the killed said BSF members of Banyabaria camp shot the four while they were returning to Bangladesh after buying cattle from India around 4:00am. They died on the spot, sources added.

The BSF members dragged the bodies into Indian territory. However, BDR claimed that the number of killed was three while the villagers and family sources said the number of dead to be four.

Around 30 Bangladeshis were killed by BSF in the last six months, according to reports of human rights organisations.

BORDER TALKS BEGIN SUNDAY Smuggling, joint patrol top agenda

STAFF CORRESPONDENT

Strengthening joint patrol and preventing trans-border smuggling of illicit goods, specially drugs, will feature prominently at the director general-level conference of the border guards of Bangladesh and India that begins at BDR headquarters here on Sunday.

Confidence building between the two forces by holding of regular flag meetings and friendly sport matches are also likely to be the agendas of discussion at the three-day meet between BDR and BSF sources at the home ministry said.

The conference will take place against the backdrop of killings of three Bangladeshi cattle traders in Benapole border yesterday. BSF gunned down the traders while they were returning home from India in the morning, fomenting tension along the border.

BDR DG Major Gen Md Mainul Islam will lead a 22-member delegation while BSF DG ML Kumawat an 18-member delegation at the conference. The BSF team will arrive here on Saturday.

Bangladesh will also table the burning issues like killing, injuring and torture of unarmed Bangladeshi nationals by BSF and Indian nationals in bordering areas and pushing-in of Bangla speaking Indian citizens to Bangladesh.

"Defence works in the name of erecting fences along the border, road construction and earth excavation within 150 yards of the border line will come as agendas at the conference," says the list of Bangladesh agenda, adding that Dhaka would also ask Delhi for repatriation of the nationals of the two countries who have completed jail terms.

SEE PAGE 15 COL 6

Grand Opening of our **Gulshan Branch**

Today on July 10, 2009 at 3:30pm

Col. (Rtd.) Faruque Khan
Hon'ble Commerce Minister
May kindly inaugurate the formal opening

Pioneering the exclusive fashion materials

Opening Discount
10% to 30%
(10 to 17 July 09)

ahang
The Fashion Creator

House No. 8/B, Road No. 1, Gulshan-1, Dhaka-1212
Banani Branch:
House N.37, Block-H, Road No. 11, Banani, Dhaka-1213