

Wrongs under probe

FROM PAGE 1
The morning and another with high-ups of the central bank and the Securities and Exchange Commission (SEC). "We introduced the book building system with a hope that the stock market will benefit from it. But the system did not work as expected. We have suspended the system and it will be redesigned," he said.

The RAK Ceramics was listed on the Dhaka Stock Exchange since introduction of the book building system, and there is no complaint against the company. "Two other companies are in the pipeline to complete the IPO process under the book building method -- the plans have been postponed," said the finance minister without mentioning the names of the two companies.

According to stock market disclosures, Mobil Jamuna Ltd and MI Cement Ltd have already completed their IPO subscriptions, and now wait for the regulator's approval to hold IPO lotteries. The two companies were at the heart of the debate over the new method.

Other companies including GMG Airlines, Unique Hotel and Resorts that owns the Westin hotel, PHP Float Glass and Ananda Shipyard have either completed the institutional bidding or IPO roadshows.

Of them, GMG Airlines drew attention of many participants at yesterday's meeting between the finance minister and the stakeholders. The once-troubled airline got a financial lifeline after leading businessman Salman F Rahman bought a 50 percent stake in the company.

The government will examine the balance sheets of the companies eager to enter the stock market under the book building method following allegations of fraudulence, said some stakeholders present in the afternoon meeting.

Muhith ruled out the rumour that a huge amount of money was siphoned from the stock market. "He however admitted that some money had been taken out of the market, and they are looking into the matter.

"It is a stupid talk that money has been taken out of the market. Only a handful of money might have gone out," he said.

The finance minister said the regulator is now better equipped to detect stock market manipulators. "Cases have been filed against some people in 1996, but we could not prove the allegations against them for lack of evidence and witnesses. But this time we have the CDBL record."

The government decided to discontinue the circuit breaker on share indices and ask the banks to reinvest in the market a portion of their profits from stock trading.

The minister said the merchant banks have made substantial profits from the market. "A source present at one of the meetings said the central bank had been asked to find a mechanism of how a portion of the profits can be reinvested in the stock market."

Muhith said the market reopens tomorrow to give it some time to keep pace with the latest decisions that take effect the same day.

"To restore confidence to the investors, we want to adopt some regulations and practices that will take effect from Tuesday. I hope the market will remain stable on its resumption," he said.

Muhith said all stakeholders including the government, the SEC, two stock exchanges, merchant banks, institutional and general investors had a "special role" behind the stock market crisis.

"I only spoke about the SEC and us yesterday [Saturday]. There is enough to look at the way stock exchanges, merchant banks, institutional investors and general investors had behaved. It is fortunate that there is still enough scope to look at it," he said.

"Thanks to CDBL, we will be able to see how transactions have been made. We can easily find the accounting of book building method. It is likely that many things will come to light following the probe."

He said there might be a lack of coordination in running the market. "The Bangladesh Bank, SEC and stock exchanges regularly hold talks, but the frequency and intensity of the discussion should go up at the moment."

"The SEC advisory board that has not been effective enough needs to sit more frequently to revamp the market," he said.

Muhith said the board will be restructured in a week or two for playing a robust role. He said they plan to prepare a reform package in various areas such as private placement but that will take time.

"We do not have adequate regulations about private placement."

On the margin loan, he said it will be up to the lender and the receiver. "The SEC will only fix the margin loan ratio but won't intervene beyond that," Muhith said.

About the circuit breaker on share indices, the minister said they will discontinue the index circuit breaker for lack of software to put the system in place.

The government also considers altering the companies law and introducing the buyback system for the companies that see their prices fall in a certain period after listing.

The minister said adequate importance was not attached to the PE ratio while following the book building method. Rather, the people concerned spent too much time on the market.

The system will remain suspended until it is redesigned properly, he said.

Lending his support to the SEC, the minister said, "The market regulator's workload has increased over the last two years. We have decided to double its manpower."

He said appointment of a central bank representative in the SEC will be made mandatory for a better coordination between the two.

Muhith said the central bank will be flexible to merchant banks' exposure to the stock market.

He urged retail investors to be cautious before investing in the market. "It is not that kind of market where you invest Tk 10 and expect Tk 15 the following day."

"I think many still do not know the face value of the shares they are investing in. They have to be careful. Stock exchanges, bankers, merchant banks, institutional investors and regulators have to make them aware."

Given the limited number of shares with strong fundamentals, the PE ratio of 23 is not extremely high, he said.

"We see the same type of ratio in neighbouring countries. The PE ratio might seem higher here since we have a small market."

"The PE ratio of 23 is tolerable but not ideal. Of course, there is risk in the market," he said in reply to a query.

SEC Chairman Ziaul Haque Khandkar said the country's stock market index grew by almost 80 percent last year, the highest in the world.

"As a result, we took decisions every now and then to control the market," he said. "We will now take mid and long-term policies, and give directives to merchant banks on margin loans. But we will not intervene in their implementation process."

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Lower courts

FROM PAGE 20
According to sources, over 16 lakh cases are pending with the lower courts across the country while there are only 1,256 judges for dealing with the cases. Moreover, 200 posts of judges are now vacant.

After the vacant posts are filled the number of lower court judges will be increased gradually, Law Minister Shafique Ahmed told The Daily Star.

Earlier, Chief Justice ABM Khairul Haque told a function of judicial officials on December 4 last year, that the number of judges should be doubled to deal with the huge backlog of the cases and reduce sufferings of litigants.

The present government has appointed 207 assistant judges and judicial magistrates to the lower courts in 2009. In 2008, the then caretaker government appointed such 394 judges following the separation of the judiciary from the executive.

PM flies

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with his wife will receive Sheikh Hasina at Heathrow International Airport Wednesday morning.

The premier will attend a programme at the House of Commons on the day. The following day, she will address a discussion on World Peace organised by the Oxford Union at Frewin Court.

The Oxford Union, founded in 1823, is a debating society in Oxford, UK. It is Britain's second oldest university union which has gained a worldwide reputation for providing a valuable training ground to politicians across the world.

Many renowned British prime ministers and US presidents addressed the society before.

On Friday, the prime minister is scheduled to give interviews to BBC and The Daily Telegraph. Ethnic Bangla media will also interview her. IMO Secretary General Efthimos Mitropoulos is due to meet her in the afternoon.

Sheikh Hasina on Saturday will attend a council session of UK chapter of AL at Hotel Hilton where Bangladeshi expatriates will also accord a reception to her in the afternoon.

Hasina will lead a 40-member delegation including 18 officials from the Prime Minister's Office and the foreign ministry, 11 security personnel and eight media men.

Foreign Minister Dipu Moni, Mayor of Sylhet City Corporation Badaruddin Ahmed Kamran and Ambassador at Large Mohammad Ziauddin, among others, will accompany her.

The premier will leave London on January 30 and arrive in Dhaka next afternoon.

5 judges

FROM PAGE 1
Justice Moeenul Islam Chowdhury and Justice Hasan Fayeze Siddique of the High Court Division are other members of the committee.

The chief justice has formed the committee on his own to find out the reasons and the remedy to people's harassment by the judiciary, said a source at the Supreme Court.

Justice Khairul Haque formed the committee to protect the image of the judiciary, even though there was no specific information in the recent Transparency International Bangladesh (TIB) survey report that showed the judiciary as the most corrupt service sector.

The chief justice will take appropriate steps against the people involved in corruption and harassment in the judiciary on the basis of the findings and recommendations of the committee, according to the source.

Meanwhile, Bangladesh Judicial Service Association (BJS) yesterday expressed its concern and demanded exemplary punishment of TIB officials involved with publishing false and baseless survey reports on the judiciary, said a press release.

BJS President Mohammad Jahangir Hossain and its Secretary General Abu Saleh Sheikh Mohammad Zohirul Hoque in a joint statement said TIB had earlier published false and baseless survey reports implicating the judiciary without proper information.

There are 167 permanent and 600 temporary workers in the factory, they said.

The GM, however, said the workers were staging demonstration illogically, and police swung into action when they vandalised two units of the factory.

Syed Alamgir, executive director of ACI Group, said they received the workers' demand in writing on Saturday.

"We are in negotiations. And the dispute would have been solved by February 8," he said.

He also expressed shock over the death of the worker. The factory will pay for the treatment of all the injured workers and will consider compensating the family of the deceased, he added.

Alimgir said yesterday's incident happened over absence of a casual worker for 11 days. When the worker came to rejoin, the factory administration sought a written explanation. But he informed his colleagues that he was suspended, which led to the unrest.



Family members of the sailors of the hijacked Bangladeshi flagged ship MV Jahan Moni break into tears while visiting the shipowner at Agrabad in the port city yesterday.

Hijacked Bangladeshi ship

FROM PAGE 20
about their sufferings. They asked their family to urge the government and the owner to take immediate steps for their rescue.

Wife of a crewman wishing not to be named told The Daily Star that her husband called her on January 19 and said many of the hostages were suffering from skin disease, as they had to use seawater for bath.

Besides, the crewmen could not change for over one and a half months as pirates robbed them of all their possessions after the hijack on December 5 last year.

Mother of another hostage said, "My son told me last week over the phone that the pirates are giving them boiled potatoes and some plain rice, and water purifying tablets to use seawater for drinking. He gets stomach ache whenever he drinks the water."

Meherul Karim, general manager of the ship's operating firm, Brave Royal Ship Management, told The Daily Star that the pirates on January 15 agreed to lessen the ransom amount demanded earlier.

Chairman of the owning firm Shahjahan reiterated his commitment to bring back the crewmembers alive.

He urged the family members to have patience and faith in them.

And thousands of people were seen on the rooftops of buildings, on open fields and roads nearby.

President Zillur Rahman, Prime Minister Sheikh Hasina, Leader of the Opposition Khaleda Zia, ministers and political leaders joined the concluding prayers.

Hasina took part in the prayers from the rooftop of Polwel Convention Centre at Abdullahpur in Uttara.

Khaleda was at Atlas Bangladesh Ltd building. Thousands of people from the capital and nearby districts started moving towards Tongi by buses, trucks and trains, and many more walked for miles to join the concluding prayers.

Several square km areas around the Ijtima venue were crowded by 1:00am yesterday.

Devotees from 33 districts of the country attended the Ijtima. The districts include Gazipur, Narsingdi, Mymensingh,

Pressure mounted in Ireland yesterday for an election to be held before the planned date of March 11, after Prime Minister Brian Cowen quit as leader of the ruling party but vowed to stay in office.

Four candidates have thrown their hats in the ring to replace Cowen as Fianna Fail leader in a vote Wednesday, but opposition lawmakers condemned the situation as "complete madness" and demanded an immediate election.

The Green party, which shares power in the Fianna Fail-led coalition government, said it was meeting yesterday "to consider the situation" following Cowen's shock resignation on Saturday afternoon.

If the Greens announce they are pulling out, Cowen will have no choice but to call an election. If they stay in, the government must still face a confidence vote in parliament next week tabled by the Labour party.

Cowen had been under pressure for months over his handling of the debt crisis that brought Ireland to its knees and forced it to accept an international bailout in November -- the second in the eurozone, after Greece.

He survived a leadership challenge by foreign minister Micheal Martin last week, but an attempt to use Martin's subsequent resignation and five other apparently coordinated cabinet resignations to force a reshuffle backfired.

The Green party vetoed any new reappointments and pressured Cowen into announcing the election date of March 11. Two days later he quit as leader of his party, which he has led since becoming premier in May 2008.

Martin is now the frontrunner to take over Fianna Fail, although he will be up against Finance Minister Brian Lenihan, Defence Minister Eamon O Cuiv and Trade Minister Mary Hanafin, who all declared their candidatures Saturday.

BGB starts journey

FROM PAGE 20
The paramilitary force has its roots in Ramgarh Local Battalion (1795-1860) that evolved through Frontier Guards (1861-1890) and Bengal Military Police (1891-1919).

EPR soldiers took up arms against Pakistan occupation force during the 1971 Liberation War.

Two of the seven Bir Shrestha accolades, the supreme honour of Bangladesh, were awarded to the force's Lance Naik Nur Mohammad Sheik and Lance Naik Munshi Abdur Rouf.

Authorities initiated a radical reorganisation of the force after 74 people, including the then BDR DG and 56 other army officers, were massacred at Pilkhona and a mutiny spread from the headquarters to other units across the country in February 25-26, 2009.

As part of plans for the reforms, a law was enacted in December last year.

Hasina said cashing in on the tragic event some quarters have tried to push the country into a civil war.

"Had the government made a small mistake in taking decision that time [during mutiny], there would have been piles of bodies not only at Pilkhona but also elsewhere in the country," she said.

After the mutiny, it was Hasina's first visit to Pilkhona. A day before the mutiny broke out on February 25, 2009, the premier went to attend the then director general Shakil Ahmed's Darbar (conference).

Hasina said her party Awami League solves problems in the force whenever it comes to the power.

Home Minister Sahara Khatun and State Minister Shamsul Haque Tuku, Secretary Abdus Sobhan Sikder and BGB Director General Maj Gen Rafiqul Islam were also present on the dais.

Lt Gen M Mainul Islam, chief of general staff, Bangladesh Army, who was appointed as BDR DG immediately after the mutiny, was invited along with some other former BDR director generals.

A few government policy makers and ministers also attended the ceremony.

On her arrival, the premier was offered a guard of honour by BGB troops.

Moudud's contempt

FROM PAGE 20
that the report published by The Daily Star was correct, and his statement on January 20 had been a part of the court proceedings.

Moudud said the bench had not sent a notice to him earlier to place the statement, so the statement he made that day could not be considered a part of the court proceedings.

He said when he appeared before the bench for moving a different case that day, the bench asked him to place his statement about the execution of Taher, as he had written a book titled "Democracy and the Challenge of Development", in which he had discussed the issue.

The bench in reply told Moudud that the court has the authority to take up any matter any time, if that is on the day's hearing list, and the court never does anything out of the proceedings.

The bench also said the matter of Col Taher's trial and execution was on the hearing list on January 20.

On that day, Moudud read out some lines to the court from his book where he said late president Ziaur Rahman had to try and execute Taher under tremendous pressure from some army officers who had been repatriated from Pakistan after the country's independence.

The bench, the same day, asked Moudud whether he had talked to Ziaur Rahman about Taher's execution, and Moudud confirmed that he had.

Moudud said Zia told him that he had no alternative to executing Taher due to pressure from the repatriated army officers.

Additional Attorney General MK Rahman was present when Moudud Ahmed placed the statement before the HC bench on January 20.

The Daily Star on January 20 talked to Moudud Ahmed about the statement, and the next day published his claim that the statement had not been a part of the court proceedings.

Moudud yesterday also requested the HC to issue a contempt of court rule against a Bangla newspaper as well, on charge of publishing a "false" report about the same statement.

The court said a portion of the Bangla daily report could be corrected.

Worker killed in clash

FROM PAGE 1
around 400 workers started demonstration on the factory premises at Godnail around 9:00am demanding a pay hike and regularisation of their job.

The agitating workers hurled brickbats and bottles at police as they took position to avert any untoward incident, Alam told The Daily Star.

They also kept confined the company's General Manager (GM) Ishtiaq Ahmed inside the factory, ransacked two medicine units and vandalised at least 12 vehicles.

The workers later beat up the GM who was rushed to Dhaka Medical College Hospital.

The clash ensued around 11:30am when police fired rubber bullets to disperse the workers. The OC said they fired 30-40 teargas shells and around 100 rubber bullets.

Injured workers said they urged the authorities to increase the daily pay of temporary workers from Tk 120-140 to Tk 250 and regularise their job. But police charged truncheon on them on orders of the general manager.

They also claimed that the authorities sacked workers whenever they raised their demands.

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The GM, however, said the workers were staging demonstration illogically, and police swung into action when they vandalised two units of the factory.

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Akheri Munajat

FROM PAGE 1
Eminent Islamic scholar, Moulana Jobayerul Hasan from Delhi led the 20-minute munajat that began at 12:33pm.

The three-day Ijtima held on the bank of the Turag river is considered one of the biggest Islamic congregations in the world.

Second phase of the Ijtima, also for three days, begins on January 28 at the same venue.

The Biswa Tablig Jamaat has been organising the annual congregation since 1967.

The gathering of devotees of all ages spilled over to the roads and areas around the Ijtima venue as Akheri Munajat started. Pin-drop silence prevailed at the virtual sea of humanity with the prayers offered using loudspeakers.

People who could not reach the venue joined the prayers over the cell phone.

Many devotees had to walk around 20km to reach near the venue while many others stopped on Dhaka-Mymensingh highway.

A number of devotees said they could not join the munajat as loud speakers were installed only at Ijtima venue while the crowd spread up to around 10 km from it.

And thousands of people were seen on the rooftops of buildings, on open fields and roads nearby.

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Kishoreganj, Sherpur, Faridpur, Rajbari, Shariatpur, Chittagong, Khagrachhari, Rangamati, Bandarban, Chandpur, Sylhet, Habiganj, Rajshahi, Natore, Sirajganj, Dinajpur, Rangpur, Khulna, Bagerhat, Jessore, Narail, and Kushtia.

A three-tier security system was in place to ensure peaceful holding of the congregation.

About 1,000 members of intelligence agencies were deployed at and around the venue. Law enforcers also kept a close watch on the venue using closed circuit TVs.

Movement of vehicles on Dhaka-Mymensingh highway and Tongi-Kaliganj road remained suspended for hours for the concluding prayers.

Shahinur Reba, 35, and her sister Rabeun Begum, 15, reached Dhaka from Joyuphat at 7:00am yesterday and then started walking towards the Ijtima venue from Mohakhali as the authorities stopped movement of buses beyond that point.

"We are ready to walk as we want to join Akheri Munajat anyhow," said Shahinur on her way.

Four other women -- Fatema, Inu Begum, Lutfia Begum and Sufia Begum -- came to the Ijtima from Keraniganj walking over 10 km.

According to BSS, four devotees including a Malaysian national died of heart attack at the Ijtima venue yesterday.

Abu Bakar N Mansur, 62, a resident of Penang City of Malaysia, died in the morning, officials said.

The three others are Farid Uddin, 60, from Halishahar in Chittagong, Musa Miah, 70, of Gowainghat in Sylhet and Azizullah, 66, from Lalmohon upazila in Bhola.

Pressure mounts in Ireland for snap election

AFP, Dublin
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