



## \$17M MADONNA AND CHILD

The 450-year-old painting by Italian master Titian sets a new auction record for him

PAGE 7

## CARVING OUT A NICHE

Read how Sharnalata beat the odds to succeed as an entrepreneur

PAGE B8

## CLIJSTERS BREAKS CHINESE HEARTS

The Belgian wins her first Australian Open beating China's Li Na

PAGE 16

## Free ACC

Human chain asks govt not to change anti-graft body act

STAFF CORRESPONDENT

Transparency International Bangladesh (TIB) formed a human chain in the capital yesterday demanding reconsideration of the proposal approved by the cabinet for amendments to the Anti-Corruption Commission (ACC) Act, 2004.

SEE PAGE 19 COL 7

## IJTEMA 2ND PHASE

## Akheri Munajat today

STAFF CORRESPONDENT

Thousands of Muslims from home and abroad will pray seeking divine blessings from Allah on the bank of river Turag as the second phase of Biswa Ijtema ends today with the Akheri Munajat

SEE PAGE 7 COL 1

# Foul play in stockmarket

Analysts at The Daily Star roundtable point to deep collusion that distorts markets

STAFF CORRESPONDENT

Stockmarket analysts yesterday identified deep collusion among market stakeholders as a major setback that distorts the capital market and takes it to dizzying heights in signs of high volatility. The observation came days after the country's stockmarket witnessed a steep downswing, pushing tens of thousands of investors into deep trouble.

In an effort to guide the market out of mess, the analysts suggested that regulators allow the market to come down to the fundamental level and leave it on its own, without intervention.

"There is collusion among the independent actors; collusion between auditors and issuers," said AB Mirza Azizul Islam, a former finance adviser and also former chairman of the Securities and Exchange Commission. He also pointed to collusion between merchant



A woman is being harassed by a stock-loser. The photo was taken on January 19 near Dhaka Stock Exchange.

bankers and issuers, between stock exchanges and issuers and among investors themselves.

The former adviser was speaking at a roundtable on "recent stockmarket situation in Bangladesh and corporate governance in listed companies" organised by The Daily Star. The roundtable pulled in some 20

discussants, including economists, bankers, lawyers, auditors, merchant bankers and stockbrokers.

Aziz said rules are in place, but the question is whether they are enforced properly.

"The main problem is, the SEC does not have sufficient manpower and suffers from lack

○ Collusion between auditors and issuers, bourses and issuers and among investors must be stopped

○ More budget,

of competence in the existing workforce especially at junior level. Market intermediaries are also in need of professionals," he said.

The former adviser said he had initiated a move to set up a capital market institute when he was the SEC chairman. But the institute was launched only a

few days ago. "That shows how long it takes to translate an idea into reality in Bangladesh."

Shakil Rizvi, president of Dhaka Stock Exchange, said many companies with overvaluation in their accounts listed on the market, while weak companies received approval for listings by exercising pressure or influence.

The DSE has an option for making recommendations before listing of a new security but the final listing approval comes from the SEC, he said.

Referring to Mark BD, a shoe company that listed on the stockmarket with fabricated accounts during the 1996 share market scam, he said there is a tendency of accusing the buyers and sellers but "it was never discussed who brought the issues to the market, or who were the auditors and managers to the issues".

Pointing out market flaws like the scope for whitening black money, he said the government should introduce capital gains tax on short-term trading.

The SEC alone should not be blamed for the present state of the market, which is possibly

SEE PAGE 19 COL 4

## Some points to ponder

STAFF CORRESPONDENT

Stockmarket experts yesterday offered a raft of recommendations to help the country's bourses ride out the current crisis and acquire sound health.

They were speaking at a roundtable organised by The Daily Star at its office in the capital.

Reaz Islam, chief executive officer of LR Global Bangladesh, stressed the importance of policy coordination between the finance ministry, Bangladesh Bank, Securities and Exchange Commission and National Board of Revenue.

Pointing out market flaws like the scope for whitening black money, he said the government should introduce capital gains tax on short-term trading.

The SEC alone should not be blamed for the present state of the market, which is possibly

SEE PAGE 6 COL 1

# Crisis grips Egypt

Mubarak names VP, new PM as deadly protests continue

AFP, Cairo

Embattled Hosni Mubarak tapped Egypt's military intelligence chief as his first-ever vice president and named a new premier yesterday, as a mass revolt against his autocratic rule raged into a fifth day.

Fresh riots in several cities yesterday left three protesters dead in Cairo and three police in the Sinai town of Rafah, bringing to at least 51 the number of people killed nationwide since the angry protests first erupted on Tuesday.

As tens of thousands flooded central Cairo demanding Mubarak's ouster, the president late afternoon went into crisis talks with officials, after which it was announced that career army man and Mubarak confidante General Omar Suleiman had been sworn in as his deputy.

Suleiman, 75, is chief of military intelligence and a well-known player on the world scene. He has spearheaded years of Egyptian efforts to encourage an

SEE PAGE 19 COL 1



Risking life, two painters work hanging from ropes at a 14-storey building at Segunbagicha in the capital yesterday.

PHOTO: SHAWKAT JAMIL

# SHIP-BREAKING INDUSTRY Sector in grip of evil genie

Environment state minister tells of its HC role, foreign links working against country's interest

STAFF CORRESPONDENT, Ctg

The country's ship-breaking industry is in the grip of an "evil genie that strolls down the verandas of the High Court," State Minister for Environment and Forests Hasan Mahmud said yesterday.

"You all know the name of the evil genie that has foreign links. Foreign businessmen willing to trade in iron here will be benefited, if the country's ship breaking industry comes to harm," said Mahmud.

He alleged those who demand closure of the country's ship-breaking yards have foreign connections.

SEE PAGE 7 COL 1



## The Digital Revolution Begins...

Our capable team has built the largest IT infrastructure in Bangladesh and enhanced lives of almost 30 million people. Discover how our IT Solutions can transform your business to delight your customers.

Come, Explore your digital future with us

www.gpit.com

info@gpit.com | career@gpit.com | sales@gpit.com



A Grameenphone Company