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Institutions should work together to combat graft: analysts

STAR BUSINESS REPORT

A multi institutional approach is needed to combat corruption effectively, speakers said yesterday.

They said strengthening the judiciary, National Board of Revenue, Office of the Attorney General, Bangladesh Bank and Anti-Corruption Commission was an urgent necessity to effectively dent on the widespread practice of corruption.

If those institutions can function in a coordinated way, corruption

can be reduced significantly, they said, adding that the role of parliament in prevention of corruption has been overlooked.

The speakers also suggested the ACC focus on some major selective corruption cases for quick completion of the legal process.

The comments came at a seminar styled "Urgent steps necessary to effectively control corruption", organised by The Daily Star at the newspaper's office in Dhaka.

The digitisation of the administration, establishing of the rule of law and decentralisation of power can reduce the scope of corruption, said Akbar Ali Khan, a former caretaker government adviser.

Khan suggested the ACC reduce the burden of cases.

"Choose only 350 cases on big corruption instead of 3,500 and ensure 100 percent conviction. If you can do it, a precedent will be established. People will get the confidence."

He suggested for forming a police commission comprising people from different services to monitor the activities of police.

Khan suggested for the parlia-



Analysts take part in a discussion -- Urgent steps necessary to effectively control corruption -- at The Daily Star Centre in the capital yesterday.

mentary hearing for the recruitment of judges for the high court and other regulatory bodies and annual evaluation of the judges' performance.

The central bank should look into the scams in the banking

sector rather than the ACC, he said.

Khan also said the government should not have so many banks. "The government can have only one bank for its transactions."

Wherever economic transactions take place, there is corruption

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Misuse of political power renders BB toothless: survey

STAR BUSINESS REPORT

Misuse of political power in banking business results in Bangladesh Bank (BB) facing impediments in taking decisions independently along with punitive measures against large scams, says a survey.

In a few cases, the central bank could not immediately take punitive measures for the sake of national interest, says the survey report titled "Internal Control and Compliance of Banks" conducted by the Bangladesh Institute of Bank Management (BIBM).

Professor Md Mohiuddin Siddique, a director of the BIBM, presented the study at a workshop held at the BIBM auditorium in the capital yesterday.

The report observed that there was a common perception that the BB fails to respond to large scams due to a lack of foresightedness.

"It cannot be denied that BB is not independent to take decision at all times," the report stated.

PADMA RAIL LINK

Govt panel gives nod to \$2.6b Chinese loan

STAR BUSINESS REPORT

The hard-term loan committee of the government yesterday approved \$2.6 billion financing for the Padma rail link project, paving the way for the signing of a deal with the Exim Bank of China next month.

A meeting of the committee was held at the conference room of the Economic Relations Division (ERD) with Finance Minister AMA Muhiith in the chair. Chinese Exim Bank will provide the loan at an interest rate of 2 percent with a repayment period of 20 years, including a six-year grace period.

A finance ministry official said the loan agreement was likely to be signed in Beijing in the middle of next month. A high profile team from Bangladesh may attend the signing ceremony. The Chinese State Council, the highest policymaking body of the East Asian nation, last month gave consent for providing the loan to the project.

Of the 26 projects committed by China during its president's visit to Dhaka in 2016, the rail link is the most pressing one, receiving the highest amount of loan.

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Take steps to rein in rod prices or face strike

Contractors' assoc threatens govt

STAR BUSINESS REPORT

The Bangladesh Association of Construction Industry (BACI) yesterday threatened to suspend work in all development projects from April 15 if the government does not take steps to contain the spiralling prices of construction

materials.

"If the prices of rod and cement do not come down immediately, we will have to incur huge losses," said Munir Uddin Ahmed, president of the platform of contractors and engineers.

In the last seven months, prices of billet—the key raw material for



rod production—fell 6.25 percent to \$525 a tonne, but a syndicate of manufacturers increased prices of 60-grade rod by 50 percent to Tk 72,000 a tonne, he said.

Ahmed was speaking at a press meet at Dhaka Reporters' Unity in the capital.

If the price trend is taken into consideration, the manufacturers can at best increase rod prices by a maximum of 8 percent and sell a tonne of rod at Tk 51,840, he said.

The country requires 40 lakh tonnes of raw materials, mainly scraps, every day to make billets for manufacturing steel.

Moreover, the government should also adjust contract prices of different development projects considering the increasing prices of raw materials to comply with the Price Adjustment Clause-27.9 of the public procurement rules, Ahmed said.

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Malaysia foils illegal fund transfer attempts

REUTERS, Kuala Lumpur

Malaysia's central bank said yesterday it had detected and foiled an attempted cyber attack and efforts to transfer funds without authorization using falsified SWIFT messages.

Bank Negara Malaysia (BNM) did not suffer any financial loss in the incident, which occurred on Tuesday, it said in a statement.

The bank did not say in the statement if the messages came via the SWIFT global payments network and did not immediately respond to requests for more details on the falsified messages.

"All unauthorized transactions were stopped through prompt action in strong collaboration with SWIFT, other central banks and financial institutions," BNM said.

The attempt at BNM is the latest in a series of cyber attacks on financial institutions.

Unidentified hackers stole \$81 million from Bangladesh Bank's account at the New York Fed in February 2016, using fraudulent orders on the SWIFT payments system. In February, the Russian central bank said unknown hackers stole 339.5 million rubles from a Russian bank last year in an attack using the SWIFT system.

The Malaysian central bank said there was no disruption to other payment and settlement systems the central bank operates, and that it has taken additional safeguards to protect its stakeholders. The bank said it is conducting an investigation in collaboration with local and international law enforcement agencies.

Stocks break losing streak

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Dhaka stocks ended the week in the black yesterday after breaking a three-day losing streak amid active participation by institutional and general investors.

The benchmark index of the premier bourse—DSEX—rose by 108.57 points or 1.97 percent to close the week at 5,597.44.

Institutional investors helped the index to end higher yesterday—the last working day of the first quarter—as the day's share price was crucial for the earnings per share of

banks and financial institutions, said Yawer Sayeed, managing director of AIMs of Bangladesh.

The market should be vibrant in a normal way, where the index will soar or decline slowly, he said. A nearly 2 percent hike of index in a day is not a normal thing at all, Sayeed said.

The index started the day on a positive note that continued till the end of the session driven by the hopes and excitement ahead of earnings declaration, EBL Securities said in its daily market analysis.

Investors were busy in taking fresh



positions in sector specific stocks, especially from bank, pharmaceuticals and chemicals and food and allied sectors, it said.

Turnover, one of the important indicators, increased 70 percent to Tk 470.36 crore with 12.70 crore shares and mutual fund units changing hands on the DSE.

Of the traded issues, 54 declined, 261 advanced and 20 finished unchanged on the premier bourse.

Square Pharma dominated the turnover chart with 5.66 lakh shares worth Tk 17.38 crore changing hands followed by Brac Bank, Beximco, LankaBangla Finance and United Commercial Bank.

Beximco was the day's best performer with a 10 percent gain followed by Green Delta Insurance, Shasha Denims and Takaful Insurance.

Queen South Textiles was the day's worst loser, shedding by 7.19 percent followed by Stylecraft, Eastern Insurance and United Commercial Bank.

Among the major sectors, that of banking increased 2.21 percent in market capitalisation followed by financial institutions that increased 2.05 percent, engineering 1.36 percent and fuel and power 1.13 percent.

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ACC to check if firms submit fabricated financial statements

STAR BUSINESS REPORT

The Anti-Corruption Commission will investigate allegations that listed companies have submitted fabricated financial statements to various regulators and parties, said its Chairman Iqbal Mahmood.

He said these companies submitted one financial statement to the Bangladesh Securities and Exchange Commission, a different statement to banks, and another different one to the income tax department.

Some chartered accountancy firms have prepared these financial statements for the same year, he said.

"I am personally surprised to hear that. How is it possible? It is corruption and it should be stopped," Mahmood said.

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