

EC fines three AL candidates for violating polls code

STAFF CORRESPONDENT

The Election Commission yesterday fined three Awami League candidates between Tk 20,000 and Tk 1 lakh for violating the electoral code of conduct. They are nominees for Cumilla-6 AKM Bahauddin Bahar, Barguna-1 Dharendra Debnath Shambhu and Faridpur-1 Abdur Rahman.

After holding a hearing at the EC office, the commission yesterday evening fined Bahar Tk 1 lakh and Shambhu Tk 50,000. While in Faridpur, a mobile court led by Executive Magistrate Md Khairuzzaman fined AL presidium member and Faridpur-1 candidate Abdur Rahman Tk 20,000 for illuminating a campaign office at night in Shibpur rail gate area of Boalmari, which is a violation of the polls code.

After yesterday's hearing, EC Additional Secretary Ashok Kumar Debnath told reporters that Bahar and Shambhu will have to pay their fines within three days.

On Sunday, the EC decided to file cases against two AL contenders — Mostafizur Rahman of Chattogram-16 and Abdul Hye of Jhenaidah-1 — for breaching the rules.

The EC summoned the two, who are also incumbent lawmakers, to explain allegations that they had violated the polls rules.

The commission made the decision as the election enquiry committees found the allegations of breaching the polls code against them to be true after investigations. Besides, a probe committee formed by the returning officer found that Bahar had violated the electoral rules.

Bahar was accused of misbehaving with a television reporter on December 20 and threatening opposition activists to break their hands and legs on December 18.

Shambhu violated the electoral rules on November 28, December 7 and 9 by taking out a motorcycle procession and holding rallies.

On Sunday, the EC also decided to file cases against two AL contenders — Mostafizur Rahman of Chattogram-16 and Abdul Hye of Jhenaidah-1 — for breaching the rules.



Traders have piled up timber on the footpath and part of the road in Dhaka's Dolaipar area, causing inconvenience to motorists and pedestrians. The photo was taken yesterday.

PHOTO: AMRAN HOSSAIN

POLITICAL VIOLENCE 29 more BNP-Jamaat activists jailed in 3 cases

They were sued between 2015 and 2018

COURT CORRESPONDENT

The sentencing of BNP-Jamaat leaders and activists continues as 29 more were handed down different prison terms yesterday in three cases filed years ago over political violence in Dhaka.

With this, at least 1,342 BNP-Jamaat men have been jailed since November 7 this year in 78 cases lodged between November 2010 and December 2018 on charges of illegal gathering on the streets, rioting, damaging properties, arson attacks on vehicles, vandalism, and assaulting police personnel and obstructing them from discharging duties.

In a case filed with Khilkhet Police Station in September 2018, six BNP men, in absentia, were sentenced to two years imprisonment by a Dhaka court yesterday. Dhaka Metropolitan Magistrate Rajesh Chowdhury delivered the verdict.

Six prosecution witnesses testified in the case.

Among the convicts are Akter Hossain,

organising secretary of Dhaka north city BNP, Mizanur Rahman Renu, joint general secretary of Khilkhet BNP, and Mobarak Hossain Dewan, Jubo Dal's Khilkhet unit president.

According to the case documents, a group of leaders and activists of BNP-Jamaat and their front organisations illegally gathered on the north side of 300 feet road in Khilkhet on September 27, 2018, demanding release of BNP Chairperson Khaleda Zia.

They then threw brick chunks at police and prevented them from carrying out duties. Sub-inspector Saiful Islam lodged the case with Khilkhet Police Station.

The same court also jailed three BNP activists for three years for violence in Kotwali area in January 2015.

None of the convicts were present in the courtroom yesterday. Chhatra Dal Joint Secretary Jewel Mridha is among the convicts.

Eight prosecution witnesses gave depositions before the court.

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JOYPURHAT-2 Independent, 4 others hurt in clash with AL pick's supporters

STAR REPORT

At least five people, including an independent aspirant for Joypurhat 2, were injured in a clash between the supporters of the Awami League nominee and the independent candidate in Joypurhat's in Khetlal upazila on Tuesday night.

Locals said independent Golam Mahfuz Chowdhury, also the joint general secretary of Joypurhat district AL, along with his supporters was campaigning at Itakhola Bazar.

At one stage, they came face to face with the supporters of AL nominee Abu Syed Al Mahmud Swapon MP.

The two groups clashed after an altercation, leaving five people from both sides injured, said witnesses.

Mahfuz, who was receiving treatment at a local hospital last night, alleged that followers of the AL candidate attacked them.

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Suspect found hanging in police station

Family claims foul play

STAR REPORT

A young man was found hanging in a room at Baniachong Police Station in Habiganj on Tuesday night, hours after police detained him on suspicion of theft, police and family members said.



Golam Rabbani

Police said victim Golam Rabbani, son of Mihir Uddin of Nandipara of Baniachong upazila, hanged himself from the ceiling of the room around 7:30pm.

He was taken to Baniachong Upazila Health Complex where doctors pronounced him dead. Family said he was 17, although police said he was 25.

Delwar Hossain, officer-in-charge of the police station, said they picked up Rabbani from Boro Bazar area on Tuesday afternoon, after his name came up during two theft investigations.

Rabbani's brother Moin Uddin said the police claim about his brother's involvement in thefts was false. He also said his brother was just 17 and had no cases against him.

"Police took away my brother, saying they will release him upon interrogation in relation to a case over the theft of an auto-rickshaw," he said.

He alleged police killed him and then hanged his body. He also said his brother's body bore injury marks.

OC Delwar refuted Moin's allegations. He said a magistrate prepared his inquest report and he did not find any marks of torture.

The Daily Star could not independently verify either of the claims.

Resident Medical Officer Dr Nazma Akhter of Habiganj Sadar Hospital where the body was sent for an autopsy hung up the phone when she was asked about the alleged injury marks.

Her phone was later found switched off. Moin said his mother went to the police station to look for her son around 7:00pm on Tuesday, when police said Rabbani was admitted to a hospital with chest pain.

"Though Rabbani died by 7:00pm on Tuesday, we were allowed to see his body at 2:00am yesterday," Moin said.

266 died from AIDS this year, 1,276 identified: DGHS

STAFF CORRESPONDENT

The number HIV/AIDS infections and deaths is increasing in Bangladesh, a DGHS study said.

According to it, a total of 1,276 new AIDS patients were identified in the country this year. Of them, 266 have died.

This is the highest number of HIV infections and deaths reported in Bangladesh in a year.

The study was disclosed at a programme, organised by the TB-L & AIDS /STD Program of the DGHS, in Dhaka yesterday, marking World AIDS Day which was on December 1.

In his keynote speech, Md Mahfuzur Rahman Sarkar, programme director, presented the statistics. Of the newly infected, 1,118 are Bangladeshi citizens and 158 are Rohingya living in Cox's Bazar, the study shows.

Last year, 947 new AIDS patients were reported across the country, of them 232 people died.

Rules broken, yet IPO goes ahead

FROM PAGE 1

The insurer has invested Tk 131.98 crore in the stock market out of its total assets of Tk 181.29 crore, according to its financial report for 2022.

That means the company has injected 72.8 percent of its funds into the stock market. Insurance rules allow an insurer to invest a maximum of 25 percent of its funds in stocks.

Surprisingly, out of the Tk 131.98 crore, some Tk 131.29 crore, or 99.9 percent of the total, were invested in NBL.

But more rules were violated. IDRA rules stipulate that a non-life insurance company cannot invest more than 5 percent of its assets in a single stock. Sikder Insurance's investment in NBL stands at more than 72 percent.

On the other hand, it invested only Tk 2.5 crore in government treasury bonds, which is 1.37 percent of the assets. It should be at least 7.5 percent as per the rules.

In its observation sent to the BSEC about the listing proposal, the Dhaka Stock Exchange also pointed out the insurance company's failure to meet the criteria for treasury bond investments.

The company's financial statement shows that it put Tk 56 lakh as of December 31, 2021, in the worker's profit participation fund as per the Bangladesh Labour Act 2006. However, it did not distribute the money among the employees, according to the DSE.

A representative from Sikder Insurance is a nominated director at NBL, according to the NBL's financial report.

When an insurance company invests majority of its assets in the stock market, it ultimately raises concerns about its viability, a professor at the Department of Banking and Insurance at Dhaka University said, asking not to be named.

"It has kept people's funds in a risky investment tool for their own interest and to ensure a higher stake in National Bank," the teacher said.

"If the stock price falls or if it fails to provide dividends, the company's

liquidity stream will be squeezed. Then, the company will be in trouble."

NEGLECTIBLE INCOME FROM STOCK INVESTMENTS

Sikder Insurance's realised gains on share investment were zero in 2021 and 2022. The dividend income was nil also in 2021, while it saw a dividend income of Tk 10,833 in 2022.

However, this dividend income did not come from NBL. Rather, it was from less than Tk 1 lakh investments in Silco Pharmaceuticals Ltd and Sea Pearl Cox's Bazar Beach Resort & Spa, according to financial reports.

NBL could not provide any dividends in 2021 and 2022 as it was struggling under huge losses — Tk 1,123 crore in the first nine months of 2023 and Tk 3,260 crore in 2022.

Sikder Insurance also kept most of its fixed deposits in the ailing bank. Of Tk 18.9 crore in total fixed deposits, the insurance company deposited Tk 10.95 crore in the bank.

WHY WAS NBL PREFERRED?

Four members from the Sikder family held seats on the board of the bank before the central bank reconstituted it on December 21 this year to ensure corporate governance following a recommendation from the BSEC.

The new Bank Company Act allows three members from a single family to be on the board simultaneously. So, the bank was asked to bring it down to three during the annual general meeting scheduled this month.

Preferring anonymity, a top official of a non-life insurance company said Sikder Insurance's assets were used to retain the family's control in the bank.

"No company will put funds in such a weak bank without being compelled by the board."

A financial analyst described the investments as a related-party transaction.

"When an insurer invests its major assets in a company that is struggling with huge losses, it can't happen without the influence of directors."

Although Argus Credit Rating Services Ltd said in its detailed report that the insurer has huge investments in the equity market, it upgraded its long-term rating to "A+" from the previous year's "A" based on the

audited financial statements up to December 2021.

When contacted over the phone, an official of the credit rating agency asked this reporter to email queries. Accordingly, the email was sent on December 20, but no reply came.

In a questionable action, the auditor, G Kibria & Co, did not object to the areas where the insurer broke the IDRA rules.

Mohammad Showket Akber, partner of G Kibria & Co, did not respond to The Daily Star's emailed request for comment.

Contacted, BSEC spokesperson Mohammad Rezaul Karim said the regulator analyses whether a company complies with the securities rules before approving the IPO.

"Since Sikder Insurance complied with all the securities rules and secured a no objection certificate from its primary regulator IDRA, we issued the approval," he said. "It was the primary regulator's responsibility to spot any breach of rules before giving the NoC."

Investing most of the funds in a weak bank is not a breach of the securities rules. Rather, it is the violation of IDRA rules, Karim pointed out.

Mohammad Jainul Bari, chairman of the IDRA, said the regulator had sought investment-related documents from all the insurance companies and many of them have already submitted the papers.

"We are analysing whether anyone has broken rules and we have already ordered some of them to follow the rules."

Bari said some companies did not submit their investment-related data yet. "Therefore, without looking into the documents, I can't say what Sikder Insurance has done."

"As far as I know, it did not take any NoC from me. I don't know whether it received the NoC before I joined," he added. Bari joined the IDRA in the middle of 2022.

M Mosharrar Hossain, who was at the helm of the IDRA from 2020 to 2022, did not receive a phone call.

Abdur Razzak, company secretary of Sikder Insurance, asked the reporter to email the queries, but

he did not respond to the email. Md Mayen Uddin, chief financial officer of Sikder Insurance, requested the reporter not to write a report about the subject.

The issue manager, Sonar Bangla Capital Management, did not reply to the email seeking comments.

GENERAL INVESTORS AT RISK

"Since Sikder Insurance's financial reports show that it violated rules, the breach should have been identified by the auditor," said Al-Amin, an associate professor of the Department of Accounting and Information Systems at Dhaka University.

"At least, the stock market regulator should have been asked because the insurer has invested in a bank whose financial health is not good. This is because such investments will create risk for general investors."

Sultan-ul-Abedin Mollah, a former member of the IDRA, said the IDRA should monitor whether companies are following rules to ensure that they don't assume higher risk by investing in the speculative market.

AB Mirza Azizul Islam, a former chairman of the BSEC, said the stock market regulator should postpone the IPO process first to protect the interest of stock investors, and then consult with the IDRA.

Attack, threat in Faridpur-3

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Contacted, Faridpur Returning Officer and Deputy Commissioner Quamrul Ahsan Talukder said, "I have received the complaints from AK Azad. We started arresting the suspects based on specific evidence. We will continue to take action against those who stand in the way of holding a fair election."

At a separate press conference at Faridpur Press Club, AL nominee Shamim said, "I told my supporters to stay calm. If I wanted, he would not even be able to be present in the area."

Shamim, the president of Faridpur AL, alleged that his supporters were attacked by Azad's men.

Top 10pc have 40pc of income

FROM PAGE 1

executive director of the South Asian Network on Economic Modelling.

"The ruling Awami League yesterday in its election manifesto ahead of the January 7 polls pledged stern action against irregularities and corruption. It means this is the reality."

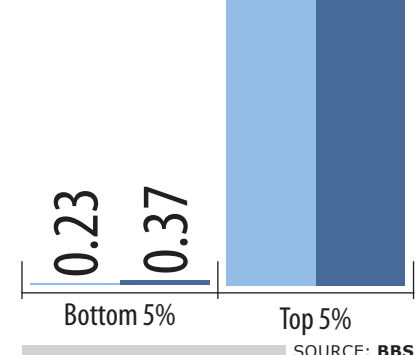
The wealth of many candidates increased enormously in a short period, which is surprising as well as indicative of why society faces

SHARE OF INCOME

in %

■ HES 2016

■ HES 2022



SOURCE: BBS

inequality.

"Because of such irregularities and corruption, a large section of the society is deprived of the benefits of economic growth," said Raihan, also a professor at the University of Dhaka's economics department.

One reason behind increasing inequality amid economic growth could be the lack of job creation, said Hossain Zillur Rahman, executive chairman of the Power and Participation Research Centre, at the launch event for the report.

To reduce such inequality, reform initiatives and proper economic policies are required, Raihan said.

Although poverty declined between 2016 and 2022, the decline in poverty rate during the period was not as high as it was between 2010 and 2016.

In 2022, the poverty rate was 18.7 percent, down from 24.3 percent in 2016.

The rate of poverty reduction between 2016 and 2022 was 0.93 percentage points each year, according to the latest survey.

Between 2010 and 2016, poverty declined by 1.2 percentage points each year.

The latest BBS report shows poverty rate is highest in Barishal (26.9 percent) and remained almost stagnant (26.5 percent in 2016) among the eight divisions.

In the earlier survey, the highest poverty rate was found in the Rangpur division (47.2 percent) followed by Mymensingh (32.8 percent).

However, the latest survey shows the poverty rate in the two divisions has declined significantly and stood at 24.8 percent in Rangpur and 24.2 percent in Mymensingh.

In Chattogram, the poverty rate declined to 15.8 percent in 2022 from 18.4 percent in 2016.

In Khulna, the poverty rate stood at 14.8 percent in 2022. In 2016, it was 27.5 percent.

However, the poverty rate both in Dhaka and Sylhet divisions increased in the latest survey.

In Dhaka, the latest poverty rate is 17.9 percent, which was 16 percent in 2016. In Sylhet, the latest poverty rate is 17.4 percent, which was 16.2 percent in 2016.

One reason behind the increased poverty rate in Dhaka could be that many poor people migrated to the capital from elsewhere, Raihan said.

Also, the government's social safety net programme is mainly implemented in rural areas than urban areas while pandemic-induced economic shocks were more apparent in Dhaka, he added.