



**P5** Iftar delicacies: Ramadan sweets of the north



**P7** Biden's rebuke enough to change US policy on Israel?



**P11** 'Liverpool must cause problems for United'



**B1** Call money market stable ahead of Eid

## Govt to go tough on KNF

Home boss leaves door open for talks; ministers make conflicting statements

FM MIZANUR RAHAMAN and MONG SING HAI MARMA, Bandarban

Amid widespread fear in the hills of Bandarban following last week's bank robberies and attacks on security personnel, the government has said it will be tough on the regional armed group Kuki-Chin National Front.

Home Minister Asaduzzaman Khan yesterday said the army was given a detailed outline to lead a combined operation against the outfit better known as KNF.

"The state cannot remain silent on the matter. We will not tolerate armed extortionists on our land," he told reporters after attending a meeting with security and law enforcement officials at the Bandarban Circuit House.

"They committed heinous crimes... They are the enemy of the state," he said.

The armed criminals wearing uniform and holding firearms carried out the recent attacks to let people know about their presence, he added.

He, however, left the door open for peace talks with KNF.

Last week's violent attacks happened as a Peace



PHOTO: RASHED SHUMON

The Kamalapur Railway Station in the capital has been a hive of activity of late as people head toward their hometowns, eager to spend the Eid and Pahela Baishakh holidays with their families. The photo was taken yesterday. Story on page 12.

## BAILEY ROAD FIRE

### Leaking gas, shorted electric kettle to blame

Finds fire service probe

DIPAN NANDY and MOHAMMAD JAMIL KHAN

The deadly fire at the Green Cozy Cottage shopping mall on the capital's Bailey Road, which claimed 46 lives on February 29, originated from a short circuit in an electric kettle on the ground floor café named "Cha Chumuk".

According to the findings of a fire service investigation, the fire later spread to the entire building because of a leak in the café's cooking gas cylinder.

The investigation report was recently submitted by the five-member probe body, led by Lt Col Tajul Islam, director (operation) of the Fire Service and Civil Defence, which was formed on February 29.

Speaking to The Daily Star, Tajul Islam said, "We've completed our investigation and found that the fire originated from the electric short circuit at the ground floor café. Later, the fire spread throughout the entire building due to a leak in a cooking gas cylinder there."

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**"KNF is robbing banks and carrying out other terrorist activities with the help of terrorists from a neighbouring country."**

Foreign Minister HASAN MAHMUD



**"We don't think anyone from other side of the border will give backing to this separatist and terrorist group [KNF]."**

Awami League General Secretary OBAIDUL QUADER



## KNF gets arms, support from other side of border

Says security analyst M Sakhawat Hossain

SHARIFUL ISLAM and MONG SING HAI MARMA

The strong influence of armed group Kuki-Chin National Front (KNF) in Chin and Rakhine states of Myanmar and Mizoram and Manipur states of India has led to its creation in Bangladesh, said security analyst Brig Gen (ret'd) M Sakhawat Hossain.

"Kuki-Chin has a strong influence in these areas. In Chin state, the National Defence Force [NDF] is fighting against the Myanmar government. Most of the NDF members are Kuki-Chin. Many Kukis have also gone to Mizoram from here. Unrest has been created there over this issue also," the former army official, who once served in the Chattogram Hill Tracts area, told The Daily Star.

"In Manipur, we see serious clashes between the Meitei and the Kuki. The movement and activities of the Kuki-Chin on the other side of the border led to the creation and activation of KNF here."

KNF gets arms and support from there, he said. He said the CHT region is almost close to becoming a major drug route. Drugs emerge at the scene of any armed unrest, he said, adding that the narcotics trade is basically a means to earn money to procure arms.

"They [Kuki Chin] are now demanding autonomy for a large area in Bandarban. However, they are yet to mention the Kuki-Chin controlled areas on the other side of the border in this connection."

The distance between Ruma, Thanchi, and Alikadam is not insignificant. The recent attacks in these three upazilas within a short span of time indicate that KNF members divided themselves into several groups and carried out the attacks in a well-planned manner. Their show of strength indicates that they want to "turn the area into a battlefield", he observed.

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## AUDIT AT SONALI LIFE INSURANCE

### Ex-chairman, family pocketed Tk 187cr

SUKANTA HALDER

Sonali Life Insurance Company's former chairman Mostafa Golam Quddus and his six family member directors have embezzled at least Tk 187.84 crore from the company, an audit has found.

The audit was commissioned by the Insurance Development and Regulatory Authority (IDRA) upon allegations from the company's now-suspended chief executive officer Mir Rashed Bin Aman.

Quddus, also former president of apex apparel trade body BGMEA, denied any wrongdoing.

The IDRA had appointed audit firm Hoda Vasi Chowdhury & Co on December 31 last year to investigate 17 claims of irregularities, including that over the appointment of Quddus as chairman in 2023.

Sonali Life subsequently suspended Rashed, who was once married to the eldest daughter of Quddus. Rashed is currently on bail in a case over embezzling money from the company.

In the wake of the audit, Quddus resigned on January 18.

Upon receiving the audit report, the IDRA is now considering appointing an administrator to run the company.



Quddus

"We are taking legal actions in the interest of the company and the policyholders," IDRA Chairman Mohammad Jainul Bari told The Daily Star.

The audit found that Quddus and his six family member directors embezzled funds in different ways, including through issuing shares for themselves, illegal payment to companies owned by Quddus and payment of salary of his family member directors.

Huge money was also pocketed through illegal purchase of luxury cars and payment of additional dividends to the said directors as well as foreign travel and treatment bills. They also made large sums through illegal commissions from group insurance policies.

Dragon Information Technology & Communication Ltd, Dragon Sweater and Spinning Ltd and Imperial Sweater Ltd - all owned by Quddus - received Tk 141.56 crore from Sonali Life in different times to purchase movable assets. Such payments require permission from IDRA, which the company did not take, according to the audit report.

In 2018, Sonali Life sought to increase its paid-up capital by issuing 1.5 crore shares of Tk 10 each, and the plan was approved

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## BUSINESS

### Can mergers heal banking sector's ills?

The merger guideline for banks and financial institutions is being hailed as a major step towards fixing the problem in the financial sector, which has been weighed down by massive default loans and weak corporate governance.

However, risks remain, according to experts and bankers.

For example, if the directors of weak banks are allowed to be included in the acquiring lenders, the same problems that have caused the merged entity to sink in the first place may surface in the acquirer.

STORY ON B1



Shoppers throng the street by Bangabandhu Square in the capital's Gulistan yesterday ahead of the Eid holidays. Braving the crowded thoroughfare, they flock to roadside clothing stalls, drawn by affordable prices.

PHOTO: PALASH KHAN

## UNINTERRUPTED POWER IN SUMMER

### Energy ministry seeks dollars, unpaid subsidy

REJAUL KARIM BYRON

The ministry of power, energy and mineral resources has sought the undisbursed subsidy at the earliest to continue with uninterrupted electricity supply during the summer months.

The Bangladesh Power Development Board is already short in generation against the demand and has started countrywide load shedding, especially in rural areas.

Currently, the government has to conduct around 1,500 megawatts to 1,800MW load shedding due to fuel shortage, which means rural areas have to contend with five to six hours of power outages in a day.

As of 12:00pm yesterday, PDB produced 12,670MW of electricity against the demand of 14,000MW. Of the production, 5,600MW came from gas-based power plants and about 4,000MW from coal-based plants.

The government has earmarked Tk 35,000 crore as subsidy for the power sector in this fiscal year's budget.

As of March, Tk 18,000 crore has been disbursed in the form of bonds or cash. But the power division said the amount was insufficient and sought the rest of the amount before the end of fiscal 2023-24 in June.

Subsequently, on Wednesday, Nasrul Hamid, the state minister for power, energy and mineral resources, met with Finance Minister Abul Hassan Mahmood Ali and sought the release of more dollars and the disbursement of subsidies on time.

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