



PHOTO: STAR

DHAKA'S UNEXPECTED TRANSFORMATION

From chaos to community

RBR

During the recent protests, the amount of people demanding to rebuild our country again were many. For good and bad, a lot has changed for Dhaka and its residents since then, and a new chapter in history was written. Just as the nature of any revolution, it was achieved through bloodshed and mindless atrocity.

Even as the dust settles, with an interim government in place, we are witnessing a renaissance, regarding societal, and mindset change.

We are no longer accepting autocracy or extremism in any form. Dhakaites now know who their neighbours are, and find strength in unity.

Let's see how Dhaka is now a better place because of it.

Our men in uniform

These men obey orders; however, there is no reason to forget their early actions against protesters, or forgive them for it. Then again, I realised the importance of our police force. The minute they went on strike, I felt defenceless and exposed to a hoard of serious crimes that had put my security at stake. I never thought I would say this, but when I saw police officers back in active duty on their bikes and standing at street corners, I was genuinely relieved.

Citizens did a laudable job in protecting their own, but in all seriousness, the job of a police officer cannot be undertaken by ordinary citizens.

Traffic woes sorted

You know, I have always seen that when our ordinary public vehicles and personal cars enter the cantonment area, they instinctively abide by traffic rules, for the fear of fines and punishments that are in place there.

Unfortunately, out in the real world, things are different. Even my car, on any other road, would change lanes without indicators, block the left lane, and take a U-turn just like that. Motorbikes would dance through the traffic chaos, rickshaws would stick out their front wheel in front of a moving car, or a pedestrian would lift a hand and start crossing a busy road. We have been at it for so long that this kind of behaviour felt as the norm.

However, it was our students who showed us how bad our traffic mannerisms are. They made sure foot-over bridge and zebra crossings were used, lanes were maintained and if anyone broke the rules, they put the guilty on traffic duty as a punishment. What an ingenious way to teach them traffic rules!

Clean Dhaka

When we travel abroad, we keep

their cities clean, but do not show the same care when in Dhaka. But we have seen that the students have cleaned Dhaka's alleys, thoroughfares, debris, and garbage. Just the other day, I wanted to throw my banana peel on the island as plant food, but refrained from doing so for fear of being chewed out by youngsters!

I loved how the kids placed garbage boxes, and dustbins at road corners, how they picked up trash and kept Dhaka clean. I hope these basic civic duties are carried forward by the rest of the populous.

Without the Internet: Dhaka's unplugged resilience

If nothing else, the forced detox from our obnoxious online addiction did us good. Young and old, rich or poor, we were all stuck to posts/reels on our social media profiles. We were in a toxic relationship with social media.

Having said that, we do need the internet for work and all sorts of financial transactions. The pre-paid electric meter conundrum was very real for many of us. The fear of our electric connection from DESCO being cut off, our meter showing bills in the minuses, the DESCO office being closed, and online money transfer services being disabled was exasperating. ATM booths had their shutters down and banks were closed, so life with no cash at

hand and with no cashless card service, was upsettingly dreadful.

Now that internet has been restored, if nothing else, it has taught us to always keep physical cash on hand at home in case of emergencies like this.

The show of patriotism from Gen Z

Hats off to these spirited young individuals who proved how much they love Bangladesh and its future. Their movement, which started from demands of quota reforms, are now trying to reform the culture of our bad politics. We, who always say that we saw the War of Liberation or we fought for our country, actually believed that we were the sole saviours of the state. We have always stayed silent when we saw the misuse of power by any political party. We were stuck in a vicious cycle of political corruption practised by all political parties; we turned a blind eye to their aggression, and remained a pawn to their ruinous policies. We never demanded clean politics.

With a fair election on the cards, I plead that no undeserving person stand up as our future leader. These students have lit the fire of patriotism in us. So, now, someone with a good heart and true love for the country should give this nationalism and loyalty a real chance. Let no one encash this spirit for personal gain.

Prof Yunus assures Modi

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the minorities have been exaggerated", according to a press release of the chief adviser's press wing.

"The chief adviser has told Prime Minister Narendra Modi that his government is committed to safeguarding every citizen of the country including the minorities when the Indian prime minister raised the issue of the protection of the minorities," said the release. "Prof Muhammad Yunus said the situation in Bangladesh has been brought under control and life is becoming normal across the country," it said.

The chief adviser told the Indian PM that his government is committed to making all state apparatus fully functional and effective and ensuring human rights for every citizen of the country.

During the conversation, Modi felicitated Prof Yunus on his new role. He also expressed his desire to work closely with the interim government, said the release.

The Indian PM said he had known him for a long time. He hoped that Prof Yunus' vast experience and leadership qualities would bring positive results to the people of Bangladesh.

The Indian PM also invited Prof Yunus to join the "Third Voice of Global South Summit" to be hosted virtually by New Delhi on August 17. The chief adviser agreed to join the summit virtually from Dhaka.

Prof Yunus told the Indian premier that his interim government took over as a result of the student movement. "This is the second revolution in Bangladesh and his government will fulfil the desire of the democratic

aspirations of the students and people," said the press release.

The chief adviser thanked Modi for the telephone conversation and the tweet he posted immediately after he was sworn in. He also congratulated the Indian leader and the Indian people on the country's Independence Day, celebrated on August 15.

According to a readout issued by the Indian PMO on the conversation, Modi conveyed India's commitment to supporting the people of Bangladesh through various development initiatives.

During the call, Modi "reaffirmed India's support for a democratic, stable, peaceful and progressive Bangladesh. He emphasised India's commitment to supporting the people of Bangladesh through various development initiatives," according to the readout.

The two leaders also discussed ways to take the bilateral relationship forward in line with the respective national priorities, said the readout.

Sharing the information on social media handle X (previously known as Twitter), PM Modi said they exchanged views on the prevailing situation.

"Received a telephone call from Professor Muhammad Yunus, @ChiefAdviserGoB. Exchanged views on the prevailing situation. Reiterated India's support for a democratic, stable, peaceful and progressive Bangladesh. He assured protection, safety and security of Hindus and all minorities in Bangladesh," Modi tweeted.

Hindus constitute about 8 percent of Bangladesh's 170 million people.

UN calls for protection

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investigating human rights violations amid the recent violence and unrest.

Haq said, "The high commissioner is deeply committed to aiding the interim government and the people of Bangladesh in

a successful transition that enhances the protection of human rights.

"I can certainly confirm that we remain willing to support the government and people of Bangladesh as needed," he added.

Tk 45,000cr stuck in shady loans

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following the orders of the directors, and bank officials had nothing to do, according to three mid-level bankers at Islami Bank, Social Islami Bank and Exim Bank.

Requesting anonymity, they said several banks lent some companies large sums, in many cases multiple times their annual sales.

"So how will they repay the loans?" said one of the three bankers. His view was echoed by the two others.

'UNDUE BENEFITS'

Data show Islami Bank and Social Islami Bank started engaging in reciprocal lending in 2016 when these two banks were taken over by S Alam Group.

Exim Bank, National Bank, and IFIC Bank have already been involved in such lending practices for years, but on a limited scale. The size of such loans multiplied over the last 10 years.

When banks lend to relatives of their directors, they put the banks at risk since the financial strength of the borrowers is not seriously considered while sanctioning these loans, experts say.

"These borrowers usually get undue benefits in taking loans, and repayment. Several banks are already facing risks because of such lending."

The financial statements of the companies in question should be analysed to see whether their assets and liabilities support the lending, Bangladesh Bank spokesman Mezbaul Haque told The Daily Star.

"If it is over-lending, the central bank will take action," he said.

EXIM BANK

Exim Bank provided Tk 8,115 crore, the highest amount of reciprocal loans, to several firms owned by directors of other banks. Of the amount, Tk 3,982 crore went to three companies owned by S Alam Group, whose chairman is Mohammed Saiful Alam, also chairman of First Security Islami Bank.

For its part, First Security Islami Bank lent Nassa Group, whose outstanding loan at the bank was Tk 734 crore at the end of 2023. Nazrul Islam Mazumder, chairman of Exim Bank, himself took loans from most of these banks in the name of Nassa Group, which he owns. Nassa Group also secured loans from Islami Bank, where S Alam's son Ahsanul Alam is the chairman.

Exim Bank lent Tk 801 crore to Unitez Spinning and its associates, whose managing director Belal Ahmed is the chairman of Social Islami Bank (SIBL).

Nassa Group's outstanding loan to SIBL stands at Tk 651 crore.

Beximco and its various concerns' loan outstanding at Exim Bank was Tk

661 crore at the end of 2023. Beximco's Vice chairman Salman F Rahman is also chairman of IFIC Bank. To IFIC Bank, Nassa Group's outstanding loan is Tk 637 crore.

Exim Bank lent Tk 2,671 crore to PowerPac Mutiara Keraniganj Power Plant, a sister concern of Sikder Group, controlled by Rick Haque Sikder and his brother Ron Haque Sikder. They had also directorships at the National Bank before they were forced out by the regulator.

Nassa Group's loan outstanding to National Bank was Tk 1,632 crore at the end of 2023.

Exim Bank's financial reports show Mazumder and his family contributed around Tk 250 crore to the paid up capital of Exim Bank by holding 25 crore shares.

Under central bank rules, he is eligible to secure only Tk 125 crore (50 percent of the share value) of loans from the bank.

"This is a concentration of lending and this type of lending creates risks for a bank though this loan has not become defaulted yet," said Muhammad A (Rume) Ali, a veteran banker.

"If any big borrower defaults, it would make the bank vulnerable. A good bank usually does not allow this type of lending due to such concerns," he said.

To avoid the loan concentration, the central bank rolled out a rule of a single exposure limit. But these banks have systematically dodged the rule by taking loans in the name of several firms.

"From the banking side, it is not difficult to find out who is the ultimate beneficiary of the loans, so they should be careful," said Ali, a former deputy governor of Bangladesh Bank.

SOCIAL ISLAMI BANK
Social Islami Bank (SIBL) provided loans of Tk 1,700 crore to directors of other banks, and its Chairman Belal Ahmed took loans from their banks. For instance, it lent Tk 1,049 crore to several firms of Infinita Group whose chairman is Ahsanul Alam, also chairman of Islami Bank.

In return, Islami Bank lent Tk 2,221 crore to two firms of Unitez Group whose managing director is Belal Ahmed.

Apart from these reciprocal lending, SIBL lent Tk 3,199 crore to several firms and sister concerns of S Alam Group. SIBL Chairman Belal Ahmed and S Alam Group's Saiful Alam are relatives.

Unitez Group holds around 4.5 crore shares in SIBL. This means the company's contribution to the paid-up capital of the bank is less than Tk 50 crore. Several relatives of S Alam also hold shares at the bank and their

combined contribution to the bank's paid-up capital is around Tk 230 crore. **ISLAMI BANK**
Islami Bank reciprocally lent Tk 4,333 crore to directors of other banks.

Apart from this, the bank's lending to S Alam Group's several firms alone stood at Tk 14,167 crore.

In Islami Bank, Ahsanul Alam, who is the bank chairman, and his relatives hold shares equivalent to Tk 350 crore of the bank's paid-up capital.

Since S Alam Group did not invest in Islami Bank in its own name, the bank has no legal binding in lending to the Group's companies.

OTHER BANKS

Similar practices were widespread at National Bank, IFIC Bank, First Security Islami Bank, Global Islami Bank and Union Bank.

National Bank for example lent Tk 7,080 crore to several companies whose owners are also directors of other banks. These loans were provided to Beximco Group, Nassa Group, and S Alam Group.

Sikder Group, in return, received loans from IFIC Bank, Exim Bank, and First Security Islami Bank.

Similarly, IFIC Bank lent Tk 1,075 crore to Nassa Group and Sikder Group. In return, Beximco Group got loans from Exim Bank and National Bank.

IFIC Bank provided loans of Tk 1,020 crore to Sreepur Township Ltd, where Beximco is a joint venture partner.

Salman F Rahman and his son Ahmed Shayan Rahman hold 4.11 percent or 7.51 crore shares of the bank worth Tk 75 crore.

First Security Islami Bank provided those types of loans amounting Tk 2,442 crore.

Global Islami Bank and Union Bank's reciprocal lending to each other was Tk 1,618 crore.

Several relatives of S Alam hold 30 crore shares at Global Islami Bank, meaning their investment is around Tk 300 crore in the bank. In Union Bank, S Alam Group holds shares worth Tk 570 crore.

The Daily Star first contacted most of these banks on June 15 and followed up with them on August 12-13. Representatives from National Bank, First Security Islami Bank, IFIC Bank, and Exim Bank did not respond or declined to comment.

Zafar Alam, chief operating officer at SIBL, said they sanctioned all loans in line with banking rules, and that the borrowers, including S Alam Group, are eligible for big loans.

Islami Bank CEO Mohammed Monirul Molla said they have been investing in Nassa Group and S Alam Group since the 1990s, and that the two groups' performance was excellent.

Jahangir new home adviser

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government bodies under "special circumstances".

Of the seven advisers, Nahid Islam and Asif Mahmud, two key organisers of the recent student movement that led to the fall of Sheikh Hasina's government, were given the additional charges of the information and broadcasting ministry and labour and employment ministry respectively.

Nahid is the adviser to the post, telecommunications and information technology ministry while Asif is at the helm of the youth and sports ministry.

Wahiduddin Mahmud, an adviser to the 1996 caretaker government, was given the charge of the planning and education ministries while Ali Imam Majumdar, who was appointed as special assistant to the chief adviser on Monday, was attached to the Chief Adviser's Office.

Fouzul Kabir, an economist and the founding chief executive officer of Infrastructure Development Company Limited (IDCOL), was given the responsibility of three ministries — power, energy and mineral resources, road transport and bridges, and railway.

Jahangir, the new home adviser, will also hold the portfolio of the agriculture ministry. He served as the director general of the erstwhile Bangladesh Rifles (BDR) from January 21, 2003 to February 18, 2006.

Then quartermaster general of Bangladesh Army, Jahangir headed a 20 member army probe committee to investigate the carnage at the BDR's Palkhana headquarters on February 25-26 in 2009 that left 74 people, including 57 army officers, dead.

The service of Jahangir was placed in the foreign ministry in December 2009. He went into retirement a year later.

Brig Gen (ret'd) Sakhawat hogged the headlines for his various comments after assuming the office of the home adviser. A coordinator of Anti-Discrimination Student Movement criticised him for some comments while BNP and its three associate bodies demanded his resignation.

Sakhawat, also a former election commissioner, on August 11 warned all political parties and said, "Now, if you think you'll take control of the markets and resort to extortion, you can go ahead and do it for a while. But I have requested the army chief

to break your legs... I don't care, go to hell."

The next day, he advised the Awami League leaders and activists not to do anything that may put their lives in danger, and to reorganise the party with new faces.

"No one has banned your party [Awami League]. Banning any party is a bad culture," he told reporters after visiting some injured Ansar members at the Combined Military Hospital in the capital.

Mentioning the contribution of AL to the country, the retired army official said, "We cannot deny it [AL's contribution]. Reorganise the party and participate in the election whenever it is held."

The same day, Hasnat Abdullah, one of the key coordinators of the student protests, at a rally said, "We have seen the advisers talking about rehabilitating the murderers [Sheikh Hasina and other Awami League leaders]. We want to remind those advisers that you have come to power through the student-people uprising. We will not hesitate tooust you the way we made you advisers."

PORTFOLIOS REDISTRIBUTED

Finance Adviser Salehuddin Ahmed was given the additional charge of the commerce ministry while Law Adviser Asif Nazrul was given the responsibility of the ministries of cultural affairs and expatriate welfare and overseas employment.

Industries Adviser Adilur Rahman Khan was given the extra portfolio of the housing and public works ministry, and Environment, Forest and Climate Change Adviser Syeda Rizwana Hasan was given the additional charge of the water resources ministry.

Liberation War Affairs Adviser Farooq-e-Azam, who took oath of office on August 12, will also be in charge of the disaster management and relief ministry.

The portfolios of the other advisers will remain unchanged, said the chief adviser's press wing.

Thirteen advisers of the interim government, led by Prof Muhammad Yunus, took office on August 8 after Awami League President Sheikh Hasina resigned as prime minister and fled the country on August 5. Two more advisers took oath on August 11.

DRAFTS OF FOUR ORDINANCES OKAYED

The advisory council yesterday approved the drafts of the Local

Government (city corporation) Ordinance-2024, Local Government (municipality) Ordinance-2024, Local Government (zilla parishad) Ordinance-2024, Local Government (upazila parishad) Ordinance-2024.

The advisory council felt the necessity of amending the four related acts regarding these local government bodies to ensure seamless services to the people and continue administrative activities for public interest in the current context, according to a press statement of the chief adviser's press wing.

The drafts will be placed before the president for promulgating ordinances.

According to the section 13 (Ka) (1) of the draft of the Local Government (city corporation) Ordinance-2024, in view of special circumstances, the government can remove the mayor and councillors of a city corporation in the public interest if it deems necessary.

The 13 (ka), (2) section of the draft said the authority defined by rule can, by order in the official gazette, make the removal of the mayors and councillors effective.

The government can also appoint "competent persons or officials" as the administrators to the city corporations until further notice, said the draft.

Similar provisions are there in the drafts of the three other ordinances to empower the government to remove the elected representatives of municipalities, zilla parishads, and upazila parishads in the public interest if it deems necessary.

Ex-Padma Bank chairman faces ACC probe

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Nafeez took over the bank in 2018 after Muihuddin Khan Alamgir, a former presidium member of the Awami League, stepped down as chairman. Farmers Bank was renamed Padma Bank in 2019.

In 2021, Muihuddin, founding chairman of the bank, alleged that Nafeez misused Tk 100 crore from the bank.

Nafeez resigned from his post at the bank in January this year.

Burdened by high default loans, Farmers Bank agreed to merge with another bank in March this year.