How a family grabbed multiple banks

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central bank dismantled the board of the Islami Bank to ensure good governance after the new interim government launched its efforts to fix the troubled sector as part of a broader reforms plan.

Alam is the chairman of First Security Islami Bank's board while his wife Farzana Parveen is a director. Their son Ahsanul Alam, daughter Maimuna Khanam, and son-in-law Belal Ahmed control the boards of Islami Bank, Global Islami Bank and Social Islami Bank respectively. Alam's brothers, sisters, and other relatives also sit on the boards of several banks.

The law bars a person with a significant shareholding in a bank from buying a substantial stake in another bank. The same rule applies to their family members and companies.

Alam, however, grabbed Islami Bank and Social Islami Bank in 2017 despite having significant shares of First Security Bank, and Union Bank.

A top official of the Bangladesh Bank confirmed that Alam's family received the central bank's approval to buy the stakes despite the banking regulator's obligation to block the process.

The law states that not more than three members of a family are allowed to hold the directorship of a bank. A family and their firms cannot acquire more than 10 percent of shares jointly.

However, besides the 30 percent stake in Islami Bank, Alam's family members and their firms together own about 22 percent of Social Islami Bank shares, 28 percent of First Security Islami Bank, and 30 percent of Global Islami Bank, according to the shareholding reports of the banks.

They also have 5 percent shares in each of Al-Arafah Islami Bank and Northern Insurance, and more than 70 percent in Aviva Finance and Union Bank each.

Shareholding data of Bangladesh Commerce Bank could not be obtained but the website of S Alam Group claims it owns the bank.

Toufic Ahmad Choudhury, director general of Bangladesh Academy for Securities Markets (BASM), described the control of Alam's family over the banks as "totally unacceptable".

Although legal restrictions were put in place to stop the family control in banks, S Alam had been allowed to wield its control over the banks for its own benefit, Choudhury said, referring to the loans taken by the Alam family and their relatives.

"The banking business is quite different. Depositors are the real owners of the banks," said Choudhury, also a former director general of the Bangladesh Institute of Bank Management (BIBM).

An analysis of Islami Bank's financial reports shows that the Shariah-based bank provided about Tk 25,000 crore loans to Alam's relatives. Social Islami Bank showed nearly Tk 5,000 crore loans to them in its financial reports.

The other banks followed in the footsteps of these two banks. Officials of these banks, who requested anonymity, said the loans given to Alam's relatives were bigger than what official data shows.

The total amount could be above Tk 75,000 crore from Islami Bank alone, one of the officials said.

A top official of a bank said many directors abused their power to save themselves from becoming loan defaulters by rescheduling loans year after year. So the criteria for directors should be changed in such a way that will not allow them to have their loans rescheduled when they face a default.

Data also showed how the S Alam family's presence on the board affected the banks, all of which except Al-Arafah Islami Bank remain in the yellow zone – meaning their financial health is between "good" and "fragile".

Fahmida Khatun, executive director of the Centre for Policy Dialogue, said this is "the best example of how a single family controls the banking sector".

As the regulatory body, the Bangladesh Bank is responsible for allowing this to happen while the government gave S Alam a free rein over the banks by amending the laws, she said.

Despite repeated requests from analysts, parliament allowed the increasing presence of families on a bank's board. It doubled the number of members of a family allowed on a bank's board to four before reducing it to three amid huge pressure from analysts. On top of that, a director was allowed to remain on the board for 12 years.

"This is absurd," said Fahmida.

When many family members remain on a bank's board, they can influence the board for the benefit of people or organisations linked to them. In some cases, directors with a much lower stake also obtain such benefits.

For instance, Alam's relatives received loans above Tk 25,000 crore from Islami Bank officially while their contribution to its paid-up capital was around Tk 300 crore, according to the financial report of the bank.

It shows how high their gain is compared to their investment in the bank, Fahmida said.

The economist recommended amending the law further to allow only one member of a family on a bank's board and limiting a bank director's tenure to six years.

A top official of a leading private bank, who preferred not to be named, questioned the Bangladesh Bank's role in allowing the S Alam family to control so many banks. "What did the central bank do when the family was grabbing the banks? It was their responsibility to stop the family," he said.

The Daily Star tried to contact Saiful Alam via text message, but he did not reply. BB spokesman Mezbaul Haque did not receive phone calls for comment.

Lack of logistics key obstacle

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and baby food worth Tk 35 lakh and another Tk 35 lakh for fodder.

Shahina Akhter, deputy commissioner (DC) of Feni told The Daily Star confirmed that she had received the relief materials but could not reach the remote areas. "Initially we could not distribute the materials in the remote areas as it was hard to reach the villages. But from today (Tuesday) we plan to distribute rice in every ward."

"We have already sent instructions to all UNOs accordingly," she said.

Tania Bhuiyan, the Upazila Nirbahi Officer (UNO) of Fulgazi sub-district under Feni confirmed receiving about 250 tonnes of rice, 500 sacks of dry food and Tk 7.5 lakh as relief from the DC office. "We have been facing difficulties in sending relief to remote areas. But the army and navy are trying their best."

Apart from the government relief initiatives, armed forces air dropped around 48,000 packets of food among destitute people. Also, private volunteers distributed an estimated 60,000 packets of food, she said.

Considering that both government agencies and non-government organisations as well as volunteers were engaged in distributing disaster relief materials, the ministry directed deputy commissioners of the flood affected districts to coordinate efforts with units of the anti-discrimination student movement, army, navy, fire service and civil defence, medical teams and other volunteer units.

Local government officials of Noakhali and Laxmipur districts also said they were facing difficulties to distribute relief in remote areas.

Kabirhat UNO Mohammad Sarwar Uddin, under Noakhali district, said he received 96 tonnes of rice and Tk 4.5 lakh in cash for two lakh people affected by the flood. "But we are not able to distribute that in the remote areas due to a lack of boats," he told The Daily Star.

Subarnachar UNO Md Al Amin Sarkar said they had received 76 tonnes of rice and Tk 3.5 lakh. "We are trying to reach the remote areas," he said.

Lakkhipur Sadar UNO Arifur Rahman said they have so far received 126 tonnes of rice and Tk 4 lakh for people of 21 unions.

Raipur UNO Imran Khan said the government allocation was inadequate. "We are not getting relief from any non-government sources here. And we are not able to reach remote places away from roads because we don't have boats," he said.

Contacted, Fatikchhari UNO Mozammel Haque Chowdhury said flood waters receded in most of the areas in the upazila on Tuesday, adding, "Only two unions—Suabil and Harualchhari—are still under water."

While water had receded in many localities, some low laying areas still remain inundated, said Yamin Hossain, additional deputy commissioner of Cox's Bazar.

The Flood Forecasting and Warning Centre (FFWC) said that overall flood situation was improving as water level is receding in all major rivers in eastern and northeastern Bangladesh.

Petition filed for reviewing SC verdict

FROM PAGE 12

system was introduced through political consensus and thus became a part of the constitution's basic structure, which cannot be scrapped.

The Appellate Division verdict, which cancelled the 13th amendment, is self-contradictory as the court in its short verdict said that the next two national elections (10th and 11th parliamentary polls) could be held under the caretaker government system, but this was not mentioned in the full judgement, the lawyer said.

Replying to a question, he said if the Appellate Division grants the review petition after holding a hearing, the caretaker government system will be reinstated.

On Sunday, Appellate Division Chamber Judge Justice Md Ashfaqul Islam allowed the five citizens to file the review petition.

The chamber judge passed the order after the petitioners filed an application seeking permission to lodge the review petition.

The four other citizens are Tofail Ahmed, M Hafizuddin Khan, Md Jobirul Hoque Bhuiyan and Zahrah Rahman.

The petitioners in the review petition said that the sole purpose of the 13th Amendment Act was to ensure democracy by holding free and fair elections under a nonparty caretaker government which would be in charge for only 90 days, and accordingly, the 13th Amendment became an essential part of the basic structure of the constitution.

They said that the right to vote in public elections is a fundamental feature of the constitution, which cannot be curtailed by a judgment of the Appellate Division; and furthermore, free and fair elections are a part of the basic structure of the constitution and democracy. Hence, the impugned SC judgment, which declared the 13th Amendment Act void and ultra vires the constitution, is liable to be reviewed.

The petitioners also argued that direct consequence of the abolition of the nonparty caretaker government system through the impugned judgment was three consecutive failed elections in 2014, 2018 and 2024. This not only destroyed the foundation of democracy, but also led to the politicisation and manipulation of the judiciary. Accordingly, the circumstances that have emerged as a result of the student-mass revolution leading to the overthrowing of the government on August 5, 2024, warrant a review of the impugned judgment to ensure a democratic transition and a peaceful handover of power.

A seven-judge full bench of the Appellate Division, headed by then chief justice ABM Khairul Haque, by a majority view on May 10, 2011, declared the 13th amendment null and void.

Modi's tweet and a question

FROM PAGE 1

Admittedly, there were attacks on Hindus immediately following the fall of Sheikh Hasina's autocratic regime on August 5. The minority groups had unfortunately fallen victim to bigots and brigands who exploited the brief absence of law enforcement agencies. That was immediately addressed, with citizens' groups including madrassa students and Muslim clerics -- in the temporary absence of the police -- coming forward to guard places of worship and homes of fellow Bangladeshis, whether Hindu or Buddhist, in a show of communal harmony that has done us proud.

Furthermore, these attacks targeting religious minorities subsided within a few days of the flare-up and there has not been a single such incident reported over the last week. But the attacks should never have happened in the first place and we must make our utmost effort that it never occurs again.

The timing and context of the Indian premier raising it with the US president makes it difficult to understand his rationale for doing so. India is perceived to be one of Sheikh Hasina's chief enablers in legitimising rigged elections and strengthening her misrule. As such, anti-India sentiment runs rather high among Bangladeshis at the moment.

More recently, Bangladesh's eastern districts along with India's Tripura and Assam, have been facing one of the worst floods in decades. It was also on August 26 that there was news of the Farakka Barrage opening all its gates to let the water through, which is reportedly normal procedure.

It was in this context that Prime Minister Modi raised his concerns over a religious minority before even recognising the plight of millions of people affected by the floods. This can only create further misunderstanding between neighbours at a time when we desperately need to improve relations with each other.

বাংলাদেশ পেট্রোলিয়াম এক্সপ্লোরেশন এন্ড প্রোডাকশন কোম্পানী লিমিটেড (বাপেক্স)

Bangladesh Petroleum Exploration & Production Co. Ltd (BAPEX)

Foreign Purchase Department, Administration Division

BAPEX Bhaban (Level-4), 4, Kawran Bazar C/A, Dhaka-1215, Bangladesh

"শিল্পে প্রাকৃতিক গ্যাস গৃহস্থলীতে বিকল্প জ্বালানী"

"বিদ্যুৎ ও জ্বালানি নিরাপত্তা সর্বোচ্চ অগ্রাধিকার"

Invitation for Tender (IFT)

1	Ministry Division	:	Ministry of Power, Energy & Mineral Resources/ Energy & Mineral Resources Division.
2	Agency	:	Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)
3	Company	:	Bangladesh Petroleum Exploration & Production Company Limited (BAPEX).
4	Procuring entity name	:	General Manager, Administration Division, BAPEX
5	Procuring entity district	:	Dhaka.
6	Invitation Ref. No	:	BAPEX/ADMIN/INT/TEN-1257/2024, Dated 25-08-2024
7	Invitation for	:	Procurement of Mechanical Spare Parts for ZJ50DBS Rig for Zakiganj-1 Work Over Well.
KEY INFORMATION			
8	Procurement method	:	One Stage Two Envelope Tendering Method (OSTETM), International Competitive Tender (ICT).
FUNDING INFORMATION			
9	Budget and source of funds	:	BAPEX Own fund, Under Cash Foreign Exchange.
PARTICULAR INFORMATION			
10	Division name/project name	:	Engineering Division
11	Last selling date of tender	:	14-10-2024 at 15.00 hrs (BST).
12	Place of tender selling	:	a) Bangladesh Petroleum Exploration & Production Co. Ltd. (BAPEX), Accounts & Finance Division (Level-3), BAPEX Bhaban, 4, Kawran Bazar C/A, Dhaka-1215. b) Petrobangla, Petrocenter, 3, Kawran Bazar C/A, Dhaka-1215. c) Titas Gas T & D Company Ltd. 105, Kazi Nazrul Islam Avenue, Kawran Bazar C/A, Dhaka-1215.
13	Date & time of selling of tender document	:	Tender documents will be available from 29-08-2024 to 14-10-2024 between 10.00 hrs to 15.00 hrs. BST on all working days (except government holidays).
14	Tender closing date & time	:	15-10-2024 at 11.00 Hrs. (BST).
15	Tender opening date & time	:	15-10-2024 at 11.30 Hrs. (BST).
16	Place of tender receiving & opening	:	Foreign Purchase Department, Bangladesh Petroleum Exploration & Production Co. Ltd. (BAPEX), BAPEX Bhaban (Level-4), 4, Kawran Bazar C/A, Dhaka-1215.
INFORMATION FOR TENDERER			
17	Eligibility of tenderer	:	i) Manufacturer must have at least 6 (six) years experience and relevant ISO/API Certificate. ii) Bonafide Suppliers having minimum 6 (six) years experience of supplying similar items (at least 3 (Three) consignments of similar goods for last 5 (Five) years) to IOC or any other well reputed Oil & Gas Exploration related Companies Locally/Internationally. iii) Suppliers/Manufacturers of the countries which have no diplomatic relation with Bangladesh are not eligible for this tender.
18	Brief description of goods	:	Lot-1: Spare Parts for DW, RT, HPU, Pneumatic control system & others. Lot-2: Spare Parts for Caterpillar & Volvo Engine. Lot-3: Spare Parts for solid Control Equipment. Lot-4: Spare Parts for National Mud Pump.
19	Price of tender document	:	Bangladeshi Taka 5,000.00 or USD 45.00 (non-refundable).
20	Procuring entity details	:	General Manager (Administration, BAPEX (Level 5), BAPEX Bhaban, 4, Kawran Bazar C/A, Dhaka-1215.
21	Address of the official inviting tender	:	General Manager (Administration) BAPEX (Level 5), BAPEX Bhaban, 4, Kawran Bazar C/A, Dhaka-1215.
22	Special instructions	:	a) Tender must remain valid for 120 (one hundred twenty) days from the date of closing of the tender.
			b) Time for completion of delivery 120 (one hundred twenty) days.
			c) Mode of Shipment: By Sea
			d) Amount of tender security for Lot-1: USS 1,750.00 or BDT 2,06,000.00, Lot-2: USS 1,160.00 or BDT 1,37,000.00, Lot-3: USS 1,700.00 or BDT 200,000.00, and Lot-4: USS 4,100.00 or BDT 483,000.00 or any equivalent amount of freely convertible currency in the form of Bank Guarantee or Pay Order issued by a scheduled bank in Bangladesh or from any reputable foreign bank duly endorsed by a scheduled bank in Bangladesh located in Dhaka with full obligation and liabilities.
			e) The tender security must remain valid for 148 (one hundred forty-eight) days from the date of closing of the tender.
			f) If tender opening day happens to fall on any holiday or any unavoidable circumstances such as strike, civil commotion, Govt. holiday etc. tenders shall be opened at the same hours on the first subsequent working day.
			g) This tender notice will also be available at Bapex website: www.bapex.com.bd and Petrobangla website: www.Petrobangla.org.bd and CPTU website. www.cptu.gov.bd
23	This tender will be conducted as per The Public Procurement Act-2006 & Public Procurement Rules-2008.		
24	The procurement entity reserves the right to accept or reject in part or full of any or all tenders at any stage without assigning any reasons whatsoever.		

GD-272

General Manager (Admin.)

Bangladesh Bank

Common Services Department-2
(Mechanical Engineering Wing)
Head Office, Dhaka-1000.

	Invitation for Tender (Goods & related works) through Web.	
01.	Procuring Entity	Common Services Department-2, Bangladesh Bank, Head Office, Dhaka- 1000.
02.	Procurement Method	Open Tendering Method (OTM)
03.	Invitation ref. No. & Date	CSD-2(MES): 11/2(lift)/2024-40 Date: 27/08/2024
04.	Source of Funds	Bangladesh Bank's own fund.
05.	Name of the work	Supply, Installation, Testing and Commissioning of 1000 Kg Capacity 01 (One) No. Passenger lift including all other accessories at Bangladesh Bank, Rajshahi Office, Rajshahi.
06.	Address of the web for submission e-tender.	From web: www.bangladeshbank.org.bd www.bangladeshbank-bank.org (e-Tender)
07.	Last date & time e-tenders through web	15/09/2024 on or before 3:00PM.
08.	Last Date & Time and Name & Address of the office for receiving Original tender security and other documents	15/09/2024 on or before 3: 15 PM. Director (Engineering-E/M), Common Services Department-2 (7th floor of 30th storied Building), Bangladesh Bank, Head office, Dhaka-1000.
09.	Tender opening Date & Time	15/09/2024 at 3:30 P.M.
10.	Name & Address of the office Opening Tender.	Director (Engineering-E/M), Common Services Department-2 (7th floor of 30th storied Building), Bangladesh Bank, Head office, Dhaka-1000. (intending tenders or their authorized representatives are allowed to attend the tender opening).
11.	Eligibility of the Tenderer	(a) Tenderer shall have at least 07(Seven) years of overall business experience in the supply and installation of mechanical machineries. (b) Tenderer shall have a sole agent/ distributorship of the proposed lift. (c) Tenderer shall have specific experience for supply, Installation, Testing & Commissioning of the proposed brand lift installed in any Govt./ Semi-Govt./ Autonomous organization worth not less than Tk. 50(Fifty) Lac, in a single contract in the last 05(five) years. (d) The minimum amount of liquid asset i.e. working capital or credit line(s) of the Tenderer shall be Tk. 55(Fifty Five) Lac only. In case of credit facilities, Bank shall ensure that the above mentioned credit limit will be given if the said work is awarded to the contractor. (e) The Tenderer shall have to furnish the certificate in this respect from an officer not below the rank of Executive Engineer or equivalent and shall meet all other criteria, terms & conditions as specified in the tender documents without which the tender will not be considered.
12.	Tender Security	Tender Security amounting BDT 1,50,000 (Taka One Lac Fifty Thousand) only will be required in the form of Pay Order/ Bank Draft/ Bank Guarantee in favour of Director (Engineering-E/M), Common Services Department-2, Bangladesh Bank, Head Office, Dhaka.
13.	Work's completion Time	06(Six) months from the date of Award of Contract.
14.	Address of Official Inviting Tender	Sudhangshu Kumar Sarker, Director (Engineering-E/M), Common Services Department-2 (7th floor, 30th storied Building), Bangladesh Bank, Head office, Dhaka-1000.
15.	Contact details of Official Inviting Tender	Phone: 88-02-9530490, Fax: +88-02953032.
16.	Special Instructions	(i) The Tenderer shall submit the tender through Bangladesh Bank Website (e-Tendering) & shall have a valid e-mail address for participating in e-Tendering. (ii) Original PO/BD/BG as Tender Security has to be send to Director (Engineering-E/M), Common Services Department-2 within stipulated date and time of TDS. (iii) Scanned copy of the Tender Security shall be submitted with the tender through web. (iv) Tenderer shall submit the documentary evidence etc. (attested or original whichever necessary) at the time of Tender opening or when required, failing which the Tender may be considered as non-responsive. (v) Tenderer shall duly fill in the Form PG-1 (Tender Submission Letter) and Form PG-4 (Tenderer Information sheet) as per format given in Tender Document. (vi) PG-1 form will be completed and signed by the Authorized Signatory on the Letter-Head Pad, attached by scanning during submitting tender and original will have to send to Director (Engineering-E/M), CSD-2 at scheduled time as per TDS. (vii) Furnishing of any false, misleading documents shall result in rejection of the tender and may lead to action under Rules 127 of PPR 2008. (viii) All sorts of Security and Safety measures shall be carried out by the Contractor during execution of the work. (ix) Bangladesh Bank reserves all right to accept or reject any or all the tender without assigning any reason whatsoever. No claim will be entertained in this regard.

DCP : 48/2024-2234
Date : 27-08-2024

ব্যাংকিং ও আর্থিক সেবা পেতে হয়রানির শিকার হলে কিংবা কোনো অভিযোগ থাকলে ১৬২৩৬ নম্বরে ফোন করুন।

(Sudhangshu Kumar Sarker)
Director (Engineering-E/M)
Common Services Department-2
Phone:- 9530490

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