



Chief Adviser Prof Muhammad Yunus holds a views-exchange meeting with the leaders of Gonoforum at the State Guesthouse Jamuna yesterday.

PHOTO: PID

TK 1,13,245CR LAUNDERING CID launches probe into S Alam, associates

STAFF CORRESPONDENT

The Criminal Investigation Department (CID) has launched an inquiry into the alleged laundering of Tk 1,13,245 crore (approximately USD 10.7 billion) abroad by Saiful Alam, the owner of S Alam Group, and his associates.

The Financial Crimes Unit of the CID launched the investigation under the Money Laundering Prevention Act, 2012, according to a press release issued yesterday.

Since the ouster of the Awami League government, a slew of reports of corruption and money laundering have emerged against the S Alam group in the media.

According to CID, S Alam and his associates are accused of engaging in fraudulent activities, including invoice manipulation, under-invoicing, over-invoicing, and conducting illegal hundi transactions, leading to the illicit transfer of approximately Tk 1,13,245 crore abroad.

Citing various sources, the CID said the accused are suspected of laundering money from Bangladesh to countries such as Singapore, Malaysia, Cyprus, and various parts of Europe. They are also accused of using these funds to purchase assets and operate businesses in their names and those of their associates.

How Islami Bank was taken over 'at gunpoint'

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To Mannan, the DGFI office "felt like hell". When he said it was a difficult decision for him to resign, the DGFI chief said the "higher authorities" wanted Mannan to leave the bank.

"I felt so bad inside the DGFI office that they measured my blood pressure several times."

Mannan, who had been the bank's managing director since 2010, alleged that he was "taken hostage and forced to resign at gunpoint". And many top officials of the Bangladesh Bank had stayed in their offices until late at night to accept his resignation. It all happened on the then central bank governor Fazle Kabir's watch.

The debate over the ownership of the Sharqi-based bank, which was formed in 1983, goes as far back as 2006 when law enforcers arrested terrorist group leader Siddiqul Islam aka Bangla Bhai. They found around 32 chequebooks from different banks, including the Islami Bank, in his possession. At the time, media reports focused sharply on the bank.

"A lot of reports tied Islami Bank to terror financing without facts and figures," said Mannan, who worked at times as a spokesman for the bank and responded to media queries.

Islami Bank suffered another major reputational damage in 2011 after the then state minister for home affairs Shamsul Hoque Tuku alleged that the bank had spent around 8 percent of its profit on terror financing.

"That was the most irresponsible statement from a very responsible person and I think the government should have sacked him for this comment."

"The minister realised his mistake and said it was a slip of the tongue when I visited his house," Mannan said.

But the damage had already been done.

Tuku's accusation "hugely impacted" Islami Bank's ability to execute transactions through corresponding banking, an essential service in payments for global trade.

Pressure on the bank intensified again in 2013 when protesters campaigned at Shabbagh for the execution of Jamaat-e-Islami leaders for crimes against humanity in the 1971 Liberation War.

As protests continued, an economist alleged that up to Tk 1,700 crore funds were funnelled out of the bank for terror financing.

"All of them branded the Islami Bank as a Jamaat-e-Islami bank. And talk of a takeover spread far and wide," Mannan said.

In truth, 70 percent of the bank's shares were held by foreign investors, including the Islamic Development Bank (IDB), 15 percent by local investors, 5 percent by the government and 10 percent were floated as public shares, according to Mannan.

Mannan said Atiur Rahman, who served Bangladesh Bank as governor from 2009 to 2016, tried to shield the

bank from takeover. "That was a great support for us," he added.

The ownership of the bank started to change for the worse in 2016 when different groups piled pressure on the government to shut the bank or take it over.

Four independent directors had been appointed to the bank at the government's bidding, a telltale sign that the bank was quickly being taken over.

The four independent directors were Shamim Mohammad Afzal, former director general of the Islamic Foundation, Syed Ahsanul Alam, professor of Chattogram University, Helal Ahmed Chowdhury, former managing director of Pubali Bank, and Islami Bank's founding managing director M Azizul Haque.

That was the initial stage of a backdoor takeover of the bank by S Alam Group, sending an alarm to foreign investors.

"The shareholders from Saudi Arabia and Kuwait were kept in the dark about the boardroom coup, and complained bitterly about it," the London-based Economist magazine reported in 2017.

One of them, the Jeddah-based IDB, pointed out that it was only given three days' notice of the board meeting in January 2017, and therefore was not able to send anyone to attend it. The IDB later sold all of its shares in the Islami Bank.

With the takeover completed that month, Arastoo Khan, regarded as

one of the country's most effective bureaucrats, was appointed as the chairman of the bank. His reign lasted a little more than one year. His sudden departure shocked other directors and employees, with one director saying more changes were afoot.

Before the "boardroom coup" by S Alam, the bank held a third of Bangladesh's Islamic banking assets. With a balance sheet of \$10 billion, it handled more than a quarter of the inward remittances. All came as a big appeal to S Alam.

The Chattogram-based conglomerate deployed various proxy investors to buy a large number of shares and build stakes in the Islami Bank.

"We realised that S Alam Group was going to take over the largest private sector bank. Previously, we were not familiar with the companies that were buying a large number of shares of Islami Bank," Mannan said.

Since 2016, the bank's classified loans have increased by 193 percent to Tk 6,918 crore (\$578.9 million). In the stock market, it lost the top spot as the most valued company.

After taking control of the board, the Chattogram-based conglomerate, owned by Mohammed Saiful Alam, and its associated companies took Tk 74,900 crore loans from the bank, which is 47 percent of Islami Bank's total outstanding loans as of March this year, according to documents of the bank.

Many pharmas forced to halt production

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"But the workers are in no mood to listen to us. Rather, they want to force us to fulfil their demand," said Muktadir, also chairman and managing director of Incepta Pharmaceuticals.

As a result, production had to be stopped in big factories in the Gazipur area, he added.

"They gave us just 24 hours to fulfil their demands," said M Mohibuzzaman, managing director at ACI Healthcare.

The contractual workers are leading the movement in a bid to make their jobs permanent, while the permanent workers are demanding a pay rise.

ACI fulfilled the logical demand of the permanent workers and increased their salaries significantly.

But the company had to meet the demands of its 550 contractual workers.

Since pharmaceuticals is a specialised industry, a certain level of knowledge is required. Until the workers reach that level, they have to work on contract, Zaman said.

"The work of the pharma industry is critical. We make life-saving drugs," said Mohammad Ali Nawaz, chief financial officer of Beximco Pharma.

At least a secondary school certificate is required for workers in the pharmaceuticals sector so that

they can read labels and have some basic knowledge of pharmaceuticals, he said.

Around 2,000 contractual workers out of the total workforce of 10,000 at Beximco Pharma's factories are involved in the movement.

The permanent workers demanded a 30 percent increment on their basic salaries every two years and two days off every week, which the company cannot meet, he said.

Subsequently, Beximco Pharma's factory has been shut for two days.

The factory management was later able to convince the workers through discussions to go back to the work.

"We fulfilled their logical demand," Nawaz added.

Razekuzzaman Ratan, president of the Socialist Labour Front, said he observed the workers' movement in the pharmaceuticals sector for over a week.

The workers in this sector thought demands could always be realised through movement, and they assumed their wishes would materialise. It is unwise to leave no room for discussion when they raise their demands suddenly. It does not bring good results for the industry."

Ratan suggested holding a discussion between the workers and owners.

Cops tell family

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Vehicles Importers and Dealers Association (BARVIDA), of which Aslam is a vice-president, said they believed enforced disappearances ended with the fall of the previous regime, but Aslam's "abduction in a similar manner" shocked them.

Aslam is the owner of CarSelection, an automobile importer and dealer, and he has been recognised as a Commercially Important Person (CIP) several times.

Regarding the incident, Pallabi Police Station OC Mohammad Nazrul Islam told The Daily Star yesterday that they heard Cantonment Police Station OC Abdul Alim told him that they had information about Aslam and asked Tarek "not to worry".

Complainant Tarek told this newspaper that Cantonment Police Station OC Abdul Alim told him that they had information about Aslam and asked Tarek "not to worry".

Turn them

FROM PAGE 1

"So, the people across the country have to remain cautious and alert against such moves," he added.

The BNP secretary general once again said his party would give the interim government a "logical time" to create an atmosphere for holding a free and fair.

"The interim government has only sworn in 20-22 days ago. We're holding discussions with the government. They are trying to create a conducive environment to hold a fair national poll. We have to give them time.... If we can hold a good election and can hand over power to the government elected by the people, the trust of the people in government mechanism will return," he said.

BNP chairperson's adviser and former lawmaker Md Monirul Haque Chowdhury presided over the function.

Constitution must ensure checks and balances

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"There is no alternative to rewriting the constitution -- around one-third of the clauses relating to the basic structures of the constitution are not amendable," Riaz added.

Amending the constitution or formulating a new one is subject to discussion that would ultimately lead to democratic reforms, said AF Hassan Arif, an adviser to the interim government. Arif participated in the discussion in his capacity as a Supreme Court advocate.

"The constitution is a living document -- not a dead one -- and various strategies can be adopted to improve its health," he said, adding that discussions will help the democratic reconstruction of the country.

The constitution should be amended but not scrapped altogether, said ZI Khan Panna, chairperson of Ain o Salish Kendra.

"If we cancel it now, after 10 or 20 years there can be another call for cancellation of the constitution," he said, while calling for amending the laws that have existed since the colonial period.

Only the parliament has the power to amend any provision of the constitution, said Borhan Uddin Khan, a professor at the University of Dhaka's law department.

"There is emotion and logic regarding the 1972 constitution but that doesn't mean that we will not be dynamic. We have to save the state. There is now a will to change the constitution," he added.

The 1972 constitution was progressive for that time, said Manzoor Hasan, executive director of the Centre for Peace and Justice at the BRAC University.

"But it became unworkable and difficult to implement due to different amendments over the last five decades. Amendment has undermined the spirit that the constitution is the solemn expression of the will of the people."

Rather, it has become the will of a small coterie of politicians.

The constitution should incorporate the will of the people and the spirit of the mass uprising.

"If needed we can form a new constituent assembly. If this happens in a consultative manner and it is inclusive, it will avoid any kind of debate," Hasan added.

There is already a consensus in society that there should be checks and balances in the power of the president and the PM and limiting the PM's tenure, said Nurul Kabir, editor of the English daily New Age.

"If a constitution empowers one person to enjoy so much power, then even the most democratic person in the world will become tyrants over time. If the judiciary remains 10,000 percent neutral, they will be bound to listen to that person."

There are loopholes in the constitution as it talks about equality but there is an absence of legal compulsion to enforce that.

"We have seen the manifestation of partisan thought in the name of making a nation into a state," he said, adding that the interim government should keep in mind that power is not infinite and for an indefinite period.

More constitution experts will need to get involved in the discussion on the constitution, said Sara Hossain, a Supreme Court advocate.

"It is easy to destroy anything but it is difficult to make a new thing," she said.

The interim government should take the decision on whether there will be amendments to the constitution or a constituent assembly will be formed to create the new constitution, said Badiul Alam Majumdar, secretary of Shushashonner Jonno Nagorik.

The current constitution is static and a new constitution is a "must", said Habibul Rahman, a former student of DU.

The new constitution can be made in two ways. One is through a national convention composed of political parties and other stakeholders who supported the student-led mass upsurge and a referendum can be held on that.

The other way is through an election to elect the constituent assembly, he added.

The creation of a new constitution through constituent assembly can take a long time, said Dilara Chowdhury, a former professor of Jahangirnagar University.

"If it is done through national convention, it will require less time," she added.

Non-recognition of indigenous people forced them to walk out from the constituent assembly in 1972, said Raja Devasish Roy, chief of the Chakma Circle.

"New Bangladesh should accommodate all indigenous groups, minorities and others to be a truly democratic country," he said.

There is not much difference between the will of the people in 1971 and 2024, said Mahbuj Alam, special assistant to the chief adviser of the interim government.

"If the constitution has to be rewritten, you should do it as a continuation of the people's will in 1971 and the proclamation of independence. The stories of people from different sections of the society should be heard while doing that."

If the will of the people is not reflected in the constitution, then there is no need to rewrite the constitution just by changing a few things, he added.

Bangladesh Supreme Court Bar Association President Mahbub Uddin Khokon, Fair Election Monitoring Alliance Chair Munira Khan, former judge Ikteder Ahmed, lawyer Dilruba Shorin, and others spoke at the programme.

CGS executive director Zillur Rahman conducted the discussion.

QUOTA REFORMS PROTEST

Police file final reports in 650 cases

EMRUL HASAN BAPPI and MOHAMMAD JAMIL KHAN

Police have dropped charges of committing violence and cybercrimes countrywide against all the accused in around 650 cases, said a high official at the Police Headquarters.

Several top BNP and Jamaat leaders were among the accused.

Most of these cases were filed between July 17 and August 5 during the quota reform protests, according to case documents.

Investigators of these cases submitted the final reports to different courts over the last two weeks, praying them to relieve the accused of the charges, said the police official.

Mohammed Shah Jalal, additional deputy inspector general (crime range) of the PHQ, said they instructed all the police units to submit the final reports of those cases which were found to have been filed against innocent people.

"The investigation officers concerned will now submit the final reports after analysing the merits of the cases," he told The Daily Star yesterday.

Regarding the murder cases, Shah Jalal said the IOs of those cases have been given similar instructions so that no innocent people face harassment.

"However, since murders have taken place, the IOs need to analyse and investigate why those crimes were committed and who were behind those."

"If the name of any accused was not included in the First Information Report, then the name should be included following an investigation. The IOs has jurisdiction over that," he said.