

Citibank area head due in city today



Nanoo G Pamnani, Chief Executive Officer (CEO), India and Area Head of Bangladesh, Sri Lanka, and Nepal Citibank NA, arrives in the city today on a two-day visit to Bangladesh.

Pamnani will be accompanied by Sanjay Nayar, Global Corporate & Investment Bank head for India, Bangladesh, Sri Lanka and Nepal.

During his visit, he will meet senior government officials, esteemed clients and review the bank's activities in Bangladesh, says a press release.

Pamnani joined Citibank in 1967 after graduating from London School of Economics. He handled successive management assignments in operations between 1967 and 1981.

In 1982, he took over as Chief Executive Officer covering all of Citibank's operations and businesses in India, Sri Lanka, Nepal and Bangladesh.

In 1985, he was assigned overseas as Chief Executive Officer covering Citibank, NA's businesses in the Philippines. In 1989, he was promoted to a Division Head, based in Singapore, covering Citibank's Private Banking businesses in Singapore, Hong Kong, Taiwan, Indonesia, Thailand and Australia, and for non-presence locations in all other countries across Asia-Pacific.

In 1995, he was appointed Head of Operations and Technology for Citibank's businesses in over 70 countries, based in London. He was given the charge of establishing a technology roadmap for Citibank's Corporate banking businesses in emerging markets, also ensuring upgradation of its operations processes, controls and standards in all these countries across the globe.

After these senior head office appointments, Pamnani returned to India in 1997 for personal reasons and was appointed Chairman of Citicorp Finance (India) Ltd. In August 1999 he was named the Chief Executive Officer, Citibank NA, India. From August 2001, he has been designated CEO-India and Area Head Bangladesh, Sri Lanka and Nepal.

Citibank NA has been operating in Bangladesh from 1987 and has a successful growth business providing wholesale banking services to various banking and non-banking financial institutions, government undertakings as well as national and international corporations.

China sees 33.5pc rise in FDI in January

AFP, Beijing

Foreign direct investment in China surged 33.5 per cent in January from the same month last year, state media reported Tuesday.

Total direct investment during the month was 2.97 billion dollars, the Xinhua news agency reported, citing the foreign trade ministry.

In the same month, contracted investment, which gives an indication of future investment inflows, rose 48 per cent to 7.19 billion dollars, the report said.

The investment boom in China is driven partly by the expected benefits of market opening efforts that China has committed itself to in order to become a member of the World Trade Organization, analysts said.

Chinese co starts new fuel storage at Colombo airport

AFP, Colombo

A Chinese firm Tuesday began work on a new oil storage facility at Sri Lanka's only international airport following the Tamil Tiger rebels' suicide bomb attack there last year.

The new storage facility will fit into a master plan for the development of the Bandaranaika International Airport and meet higher safety standards, local officials said.

China Huanqui Chemical Engineering Corporation is building the new storage area and the contract is worth 4.5 million dollars.

Indigenous *Parua* hits electric product market

STAR BUSINESS REPORT

Frequent power failure, a common problem in the country, is about to hit again with the advent of summer. But this time the students don't have to worry much because an emergency reading light, innovated by local experts, is now available in the market.

Parua, the reading light, has been especially designed so that the light does not come straight to the eyes, a common problem observed in most of the imported charger lights and irritates everybody.

Two types of *Parua* reading lights, run on battery, are available in the market. One with 10-watt bulb, which gives extra-bright light and run for two hours once its battery is charged. The other 6-watt bulb is perfectly suitable for reading and runs for five hours.

This is a product of Grameen Bitek and has been innovated by a team led by Dr K Sidique-e-Rabbani of Dhaka University.

The most important thing is that Grameen Bitek assures five-year warranty for the product and one-year warranty for the battery, which the people will not get for the foreign products available in the market.

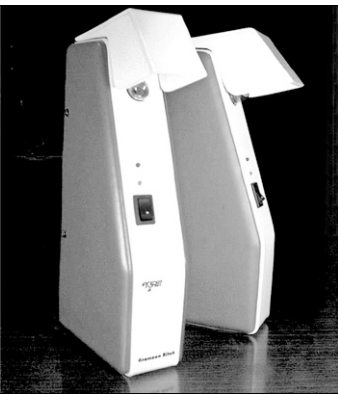
The price of *Parua* is Tk 950. But Grameen Bitek is offering a special price of Tk 890 if anybody buys it from its stall (No. 170) at Dhaka International Trade Fair (DITF) or from its sales centre at Panthapath (20/2 West Panthapath, telephone: 9117538, 9126974).

Parua is not the only product that Grameen Bitek is offering. There are many other products ranging from IPS to volt-guard and UPS to electric lamp holder and all are the brainchild of Dr K Sidique-e-Rabbani, who is now the Director in-Charge of Grameen Bitek.

Professor Sidique-e-Rabbani has been striving hard to set up indigenous technology-based small industry that would produce 'locally engineered



Volt-Guard



Parua

products' since he returned home from abroad in 1978 after obtaining a Ph.D in Micro-electronics.

For the last 24 years, his endeavour was to set up an example that could bring about changes in national psyche.

Talking to The Daily Star, Professor Sidique-e-Rabbani explained how he conceived the idea of developing the volt-guard.

In 1981 when all the electrical appliances in his house were damaged due to high voltage he tried and succeeded in developing a volt-guard. Then he tried to convince many business people and organisations to provide financial support for commercialisation of his innovations.

But he didn't get any response. He also approached different financial institutions, but couldn't get loan as he didn't have any collateral to offer, he said.

At last, he borrowed money from some of his relatives and started own company Bitek that went into commercial production of Volt-Guard. Later, in 1998 he reached an agreement with the Grameen Fund and formed a company --Grameen Bitek. Now the company employs about 35 people at its factory in Mirpur and 10 others are working at its office in Panthapath.

Based on his own experiences Rabbani thinks, "Technology innovators have to become entrepreneurs. Otherwise technology-based industries will not flourish in the country."

"There is a saying that small industries form the backbone of a country. But, in our country the policies are designed in a way that small industries would find it difficult to survive," said Rabbani.

He thinks the indigenous technology-based industries have good prospects provided that the government designs proper policy.



PHOTO: DBBL

Photo shows Bazle Mawla, President and Managing Director of Dutch-Bangla Bank Ltd, and Qazi Shawkat Hossain, Chairman of M/s Sunny Breeders Ltd, signing an investment agreement on Equity and Entrepreneurship Fund of Bangladesh Bank in the city recently.

Indian flower exporters enjoy boon on Valentine's demand

AFP, New Delhi

Indian flower exporters have been swept by a huge surge in overseas demand for Valentine's Day, as prices of stems and bouquets have plunged amid a global recession, industry officials said Tuesday.

Prices are down by a third from last year, but total sales are up by more than 40 per cent.

"What we did not expect is that this downward price movement would result in a jump in total volumes," S. Ramakrishna, executive committee member of the Southern India Floriculturist's Association (SIFA), told AFP.

SIFA accounts for nearly 70 per cent of the total flowers grown in India, which are shipped overseas to countries such as Holland, Germany and Britain.

Ramakrishna said he expected

the two weeks before Valentine's Day to end with nearly 350 tonnes of flower exports -- equal to 12 fully laden Boeing 737 planes -- compared with 250 tonnes last year.

The increase in volumes has coincided with a shift in purchase patterns as a number of overseas firms are now ordering directly from Indian suppliers rather than buying from flower auction centres.

In the peak season of September to March, European markets account for 90 per cent of all Indian flower exports -- mainly roses -- grown in floriculture centres like Bangalore, Calcutta, Pune and New Delhi.

Indian flower exporters said political instability in rival nations like Kenya and Zimbabwe had helped their sales, while the current military standoff on the Indo-Pakistan border had no real impact.

"We had our flight paths marked out to show foreign buyers that we are not overflying Pakistan. Thankfully, we were not asked anything," Ramakrishna said.

The demand for flowers had also risen sharply in the domestic market.

"Even an average florist is picking up 2,000 roses for Valentine's. Usually, they pick up 300 to 400 rose stems," Ramakrishna said, adding he expected the sales to top one million, or around 30 to 35 tonnes.

"Today's market price was about 60 per cent higher than last year on the same day," he said.

Domestic prices still fetch about half of the international price, which is why the bulk of India's floriculturists target the export market.

BoJ eyes export-led recovery

AFP, Tokyo

The Bank of Japan (BoJ) retained a grim assessment of the world's second largest economy Tuesday as slack demand ate into corporate profits, but said hope was growing for an export-powered recovery.

Also successful efforts of Japan Inc. to slash payrolls and cut production were reducing stock-piles, but at the expense of Japanese consumer spending.

"Japan's economy continues to deteriorate," the BoJ said in its monthly report for February, keeping its overall assessment unchanged for the second straight month.

"With regard to exporting conditions, the synchronized inventory adjustment in IT-related goods worldwide is coming to an end. As a consequence, there seem to be signs that exports and production of the East Asian economies have stopped declining," it said.

Last month, the central bank was

less clear about when inventory adjustments would end, pointing at around spring.

"Moreover, the yen has been depreciating recently. Under these conditions, exports are expected to stop decreasing and to turn up toward the middle of this year," it said.

"However, exports will recover only modestly, while the recovery in overseas economies is weak and final demand for IT-related goods worldwide remains stagnant for the time being."

The BoJ remained cautious about a recovery in the United States, despite a growing number of indicators suggesting the economy would soon hit the bottom.

"Developments in overseas economies continue to require close scrutiny," it said.

At home, the BoJ commended businesses for reducing stock piles of goods, using more optimistic tones than last month.

"Inventory adjustment is pro-

gressing in many industries including electronic parts as a result of the large production cutbacks to date. Reflecting this development, the rate of decline in industrial production is contracting," it said.

But a slump in household spending was highlighted as a cause for concern.

"The severity of employment and income conditions of households is rather intensifying, with unemployment continuing to rise and winter bonuses having decreased distinctly," the BoJ said.

In January the weakness in spending by households had merely become "noticeable."

Data released Friday showed Japanese household spending in December plunged 6.6 per cent from a year earlier, marking the steepest drop in almost 28 years, while unemployment over the month rose to a new post-war high of 5.6 per cent.

DBBL, Sunny Breeders sign investment agreement

Dutch-Bangla Bank Limited (DBBL) has signed an investment agreement with M/s Sunny Breeders Ltd on behalf of Bangladesh Bank, says a press release.

Bazle Mawla, President and Managing Director of Dutch-Bangla Bank Limited, and Qazi Shawkat Hossain, Chairman of M/s Sunny Breeders Ltd, inked the accord on behalf of the respective organisations in the city recently.

Among others, Managing Director of Sunny Breeders Ltd, Senior Executives of Dutch-Bangla Bank Limited were present on the occasion.

Bangladesh Bank extended equity support of Tk 10.0 million to the company from Equity and Entrepreneurship Fund for setting up a modern poultry hatchery unit at Valuka in Mymensingh with an estimated cost of Tk 49.30 million.

Besides, DBBL is extending Term Loan of Tk 24.50 million and Working Capital Loan of Tk 4.00 million of the project.

After completion of the project, 2.70 million pieces of one-day old chicks, 200,000 eggs and 60,000 kg meat will be produced every year while net foreign exchange amounting US\$ 7.63 million will be saved during the operating life of the project.

This project will contribute Tk 21.93 million to GDP and generate employment opportunity for 54 persons while its internal Rate of Return will be per cent.

UK inflation overshoots official target

AFP, London

Underlying British inflation has spiked above the government's target of 2.5 per cent, official figures showed Tuesday, fueling concern that interest rates might be hiked later this year.

The underlying rate, which strips out volatile effects of home-loan repayments, fell by 0.1 per cent in January from December, giving an annual rate of 2.6 per cent, the Office for National Statistics said.

The annual figure was above the central target of 2.5 per cent set by the British government for the Bank of England, despite recent speculation that inflation could actually drop through the bottom of a target range of 1.5-3.5 per cent.

Inflation had slowed sharply in recent months in Britain. In November underlying inflation fell to 1.8 per cent -- the lowest since records began in 1975.

The general inflation rate meanwhile rose to 1.3 per cent in January, with consumer prices falling by 0.1 per cent in January from December.

The statistics office attributed the rise in annual underlying inflation to higher petrol prices, lower than usual price discounts in the high-street winter sales, and an increase in seasonal food prices owing to bad weather.



PHOTO: STAR

LGRD Minister Abdul Mannan Bhuiyan addresses the post AGM dinner and cultural programme of Bangladesh Association of International Recruiting Agencies (BAIRA) at the Pan Pacific Sonargaon Hotel in the city on Monday.

Bangladesh to participate in Dubai Shopping Festival

STAR BUSINESS REPORT

Bangladesh will participate in the forthcoming Dubai Shopping Festival, billed as the largest retail fair and consumer festival in the Middle East, for the second consecutive year.

A total of 300,000 Bangladeshi visitors are expected to visit the annual month-long fair which will begin on March 1. The organisers of Bangladesh pavilion are setting up 32 stalls for exhibiting and promoting Bangladeshi goods and services. Each stall will comprise a space of 12 square metre. The construction of the venue is in full swing and is in its final stage, according to a press release.

It said that the participants have already booked a good number of stalls. "Many companies have confirmed their participation at the

Bangladesh Pavilion and some others are in the negotiation process with us," said Saifur Rahman, Chief Coordinator of Bangladesh Pavilion Organising Committee (BPOC).

"We are offering a complete package including spaces for stall, two-month visa, airfare, accommodation, transport of goods and resources, clearing, forwarding and warehousing of goods, etc to the prospective traders and other participants," he said.

A well-decorated pavilion with painting, decoration, sufficient lighting and carpet on 750-square metre space will be offered to the Bangladeshi participants.

The organisers have also planned a series of cultural programmes on the sidelines of the festival to facilitate the country's participation in the month-long

event. There will be two major concerts -- one on March 2 and the other on the occasion of Bangladesh Independence Day on March 26. Leading Bangladeshi singers, including Sabina Yasmin, will participate in these concerts.

The cultural programme will also include spot dances at the venue to offer a glimpse of Bangladesh's rich cultural heritage to an international audience, the release added.

This year, the organisers have chosen Ahsan Manzil for frontal fascia, which reflects the deep-rooted Islamic architecture in Bangladesh.

A total of 28 countries including Pakistan, India, Sri Lanka, China, Lebanon, Tunisia, the Philippines, Iran, Egypt, are also setting up their respective country pavilion at the Global Village, the major attraction of the Shopping Festival.

MIDAS trade fair begins tomorrow

The three-day MIDAS trade Fair-2002 will begin tomorrow at MIDAS & IBAS premises at House-5, Road-16 (Old 27) at Dhanmondi in Dhaka says a press release.

Rokia Afzal Rahman, ex-advisor of the caretaker government will inaugurate the fair.

A total 45 enterprises sponsored by women entrepreneurs are participating in this far. A wide variety of traditional and non-traditional items will be available in the fair.

The fair will remain open from 10.00 am to 8.00 pm everyday from

February 14 to 16.

The objective of the fair is to facilitate the marketing of the products of MIDAS & MFI assisted micro and small enterprises owned and run by women entrepreneurs. MIDAS organised 5 such trade fairs previously, at MIDAS premises since 1996.

Established in 1982, MIDAS, is one of the leading companies in the private sector, engaged in the promotion and development of micro and small enterprises to generate employment opportunities on self-sustainable basis. IDAS services include financial assis-

stance, entrepreneurship development, training, project feasibility study, market research, information dissemination. So far, IDAS disbursed more than Tk 700 million loans to about 2000 small and micro enterprises of which more Than 500 are women sponsored.

To provide marketing support to women entrepreneurs MIDAS has set up four sales centers named MIDAS Mini Mart at Dhanmondi, Uttara, Gulshan and Baily Road. These MIDAS Mini Marts, are owned and managed by groups of women entrepreneurs with technical assistance from MIDAS.

OECD urges Russia to reform energy, banking sectors

AFP, Paris

The OECD urged Russia Tuesday to reform its energy and banking sectors and to draft laws promoting small businesses in order to maintain the country's robust pace of economic growth.

Short term prospects for the Russian economy remain "favourable" as long as commodity prices hold up, the Paris based Organisation for Economic Cooperation and Development said in a report on the Russian economy.

But structural reform and a more "hospitable overall environment for business, investment and competition" would be needed in the medium and long term to offset the effect of external factors on the

economy, the OECD said.

Russian economic growth slowed in 2001 to a nippy 5.5 per cent from a swift 8.3 per cent the previous year, the OECD said, without giving a forecast for this year or next.

The organisation lauded Russian authorities for having "resolved to exploit the current favourable trends for the realisation of an ambitious economic reform agenda that seeks to lay the foundations for the future sustainable growth."

Nonetheless, Russians still had little confidence in banks, energy prices were kept too low by subsidies and entrepreneurs still suffered from extortion, the report found.

But it cautioned that implement-

ing reforms could squeeze the poor, requiring the government to assume "much greater federal responsibility for financing social policy, particularly in the support of poorer segments of the population."

The OECD warned: "The gas and electricity markets are the source of some of the most serious and complicated problems for the Russian economy."

The two key industries -- in particular electricity production -- would need to attract large infrastructure investment in the coming years.

But a lack of transparency and reliable information at sector giants such as Gazprom and UES continued to scare off investors and complicate effective regulation.



PHOTO: ICMAB

A delegation of The Institute of Cost and Management Accounts of Bangladesh (ICMAB) led by its newly-elected President, Rafiq Ahmad, calls on Amir Khosru Mahmud Chowdhury, Minister for Commerce, at his office in the city yesterday. Delegation members Md Abdur Rashid, Vice President, AKM Delwer Hussain, Vice President, Ruhul Ameen, Secretary, Md SR Khan Treasurer, Mahammad Nazrul Husain, Executive Director, and Mofazzal Hosain, Additional Director were present in the meeting.