

Enron sacks two senior executives

AFP, Houston

Bankrupt US energy group Enron said Thursday it had sacked its chief accounting officer and chief risk officer as the result of a probe into its collapse.

Enron was reviewing an internal investigation, which found an elaborate partnership scheme allowed senior executives to inflate reported earnings by nearly one billion dollars and pocket millions in the process.

"In connection with that review, Enron announced today that the company has terminated Richard A. Causey, formerly executive vice president and chief accounting officer, and Richard B. Buy, formerly executive vice president and chief risk officer, effective immediately," Enron said in a statement.

Acting chief executive and chief restructuring officer Stephen Cooper said he was determined to resuscitate the company, which filed for Chapter 11 court protection from its creditors on December 2 last year.

"The board and I, together with the many hard-working employees of the company with whom I have met, are dedicated to restructuring this company and emerging from Chapter 11 as an operating business," Cooper said in the statement.

Eastern Lubricants Blenders declares 20 pc dividend

Eastern Lubricants Blenders Ltd has declared a 20 per cent dividend for the shareholders for the year 2000-2001, says a press release.

The dividend was recommended at 33rd annual general meeting of the company held in the city on Thursday.

AR Khan, Additional Secretary of Energy and Mineral Resources Division, presided over the meeting.

The chairman told the meeting that the company earned Tk 55.15 lakh as profit before tax for the year 2000-2001 and deposited Tk 26.50 lakh to the govt. exchequer.

The Executive Director of the company, Md Nazrul Islam, other directors, company secretary and a large number of shareholders attended the meeting.

It may be mention that the company is a subsidiary of Bangladesh Petroleum Corporation.

UK firm buys Enron's Indian oil, gas assets

AFP, New Delhi

British Gas Plc said Friday it had bought out Enron Oil and Gas India's assets for 350 million dollars, 38 million dollars lower than the figure negotiated in October before Enron's bankruptcy.

The assets include a 30 per cent stake in the Tapti gas field and the Panna-Mukta oil and gas field, as well as a 62.6 per cent stake in an oil exploration licence.

"Completion of this acquisition enables BG India to move ahead with its plans to become further involved in the country's energy industry and in India's growing natural gas sector," British Gas India's chief executive, Nigel Shaw, said.

"It underpins our commitment to India and forms an important part of our long-term future in the country."

The BG Group said in October that it had agreed to buy the business for 388 million dollars cash, but the subsequent bankruptcy of Enron prompted a re-negotiation.

Enron also needed clearance from bankruptcy courts which came through on Thursday night, officials here said.

The state-run Oil and Natural Gas Corporation has a 40 per cent share in the Tapti and Panna-Mukta gas and oil fields, while Reliance Industries holds another 30 per cent stake.

The commercially recoverable reserves from Panna-Mukta and Tapti oil and gas fields are estimated at 783 billion cubic feet of natural gas and 43 million barrels of crude oil.

Enron whistle-blower exposes culture of accounting laxity

AFP, Washington

Enron vice president and whistle-blower Sherron Watkins on Thursday revealed to Congress a company culture of corporate accounting laxity and intimidation aimed at keeping its stock price inflated.

But Watkins, who as early as August had alerted then Enron chairman Kenneth Lay that the energy trading giant was in deep trouble due to questionable financial transactions, exonerated the company head.

Instead she calmly and squarely put the blame on Enron's former chief financial officer Andrew Fastow and Enron chief executive Jeffrey Skilling, and a corporate veil

of silence that allowed the transactions to flourish.

"It was like an off-limits subject," Watkins told a House panel, dismissing the suggestion that top-level executives did not know about the financial partnerships that ultimately drove Enron into bankruptcy.

Watkins, who began working for Fastow in June 2001 and was charged with reviewing sales of assets, said it only took her three to four weeks to realize that the numbers did not add up regarding assets hedged with an entity known as Raptor.

"I think they were very easy to discover," she said at the House Energy and Commerce subcommittee hearing. "The facts were not

really hidden."

"It appeared that Raptor transactions had been going on for a number of years and Mr Skilling had known about them for years," she added. The Raptor special purpose entities were owned by LJM, a partnership run by Fastow who made millions out the deals.

"The saying around Enron was heads, Fastow wins, tails, Enron loses," Watkins said.

Fastow, called in earlier to speak before Congress on his role in Enron's spectacular collapse that left thousands unemployed and wiped out the life savings of thousands more, has invoked his constitutional right not to testify before the House.



PHOTO: ELB

AR Khan, Additional Secretary of Energy and Mineral Resources Division, presides over the 33rd annual general meeting of Eastern Lubricants Blenders Ltd (ELB) in the city on Thursday.

Singer opens showroom at Mohammadpur

Singer expanded its sales activities by opening its 76th showroom-cum-sales centre at Mohammadpur in the city on Thursday, says a press release.

Director General of the Department of Environment, Mohammad Hedayetul Islam Chowdhury, inaugurated the shop.

Manufacturing Manager, Mosharraf Hossain, Marketing Manager, M A Siddiqui, Marketing Services Manager, Hamim Rahmatullah, Human Resources Manager, Mukhlesur Rahman and Plant Manager Mokbul Ahmed of Singer Bangladesh Limited were present in the occasion.

Local elites and invitee guests were present.

After the inaugural ceremony, formal selling of Singer products started with Singer sewing machine, refrigerator, color television and CD player.

Agrani Bank holds zonal, corporate branch heads' conference

A day-long Agrani Bank Zonal and Corporate Branch Heads'Conference-2002 was held at a hotel in the city on Thursday, says a press release.

Finance and Planning Minister M Saifur Rahman inaugurated the conference as chief guest. Presided over by Chairman of Agrani Bank Board of Directors M Ahsanul Haque, the inaugural function was attended by Finance Secretary Zakir Ahmed Khan as special guest.

Managing Director ASM Imdadul Haque in his welcome speech presented the plans of the bank to computerise all branches gradually, introduction of one-stop-service in important branches and establishment of ATM in big branches in order to achieve success and improve customer service.

Chairman of the bank's Board of Directors M. Ahsanul Haque in the concluding speech gave directives for prompt recovery of classified loans. He advised the bankers to enhance the investment in genuine entrepreneurs.



PHOTO: SINGER

Mohammad Hedayetul Islam Chowdhury, Director General of the Department of Environment, inaugurates a Singer showroom-cum-sales centre at Mohammadpur in the city on Thursday.

Weekly Currency Roundup

February 9-14, 2002

Trading in the local foreign exchange market was moderate. Demand for dollar was steady.

In the weekly treasury bill auction held on Sunday Bangladesh Bank accepted treasury bills worth of BDT 7.27 billion against a maturity of BDT 7.6 billion. Demand for BDT rose in the middle of the week and the call rate was higher than usual. The government accepted BDT 5,970 million at 4.42 per cent for 28-day T-bills, BDT 20 million at 5.15 per cent for 364-day T-bills, BDT 230 million at 6.76 per cent for 2-year T-bills and BDT 1050 million at 9.44 per cent for 5-year T-bills.

In the beginning of the week, yen recouped some gains against dollar ahead of the US President's visit to Japan. The market was disappointed as no discussion took place on currencies in the G7 industrialised countries meeting. Most of the traders opined yen's rebound as temporary, as a generally weaker currency is thought to be the prerequisite for overcoming Japan's spiraling economic problems.

In the middle of the week, dollar was on the defensive amid concerns over US accounting standards, possible downgrade of US banks and Japanese repatriation before the fiscal year end. Euro made some gains against dollar since Germany could escape the warning from European Union on its growing budget deficit. Yen rallied to 132.57 levels, but lost some gains amid talks of down gradation of Japanese domestic bonds by Moddy's Investor Services. Sterling lost ground as Bank of England (BOE) governor dampened the hopes of a rise in interest rates.

Later in the week, yen gained more ground against dollar on hopes of more funds repatriation by Japanese investors and fresh steps by government to tackle deflation. Dollar was not supported much by the better-than-expected January retail sales of 1.2 per cent. A strong rise in January employment data led to a rise in the Australian dollar.

At 1330 hours on Thursday, euro traded at 0.8707/14 against dollar, pound sterling at 1.4285/88 and yen traded at 32.44/50 against US dollar.

This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. No representation or warranty is made or implied that it is accurate or complete. Opinions expressed herein are subject to change without notice. The memorandum has been prepared solely for information purposes and for private circulation and does not constitute any solicitation to buy or sell any instrument or to engage in any trading strategy. Standard Chartered Bank or company within the group, of which it forms part, may have a position in any of the instruments or currencies mentioned in the memorandum.

Southtech gets IBM Business Partner award

Southtech Limited has been awarded IBM Business Partner of the year 2001, says a press release.

The award was given by Thakral Information Systems Ltd, IBM's business partner in the region at a ceremony held on Mary Anderson at Pagla in Narayanganj recently.

The ceremony was attended by representatives of all IBM business partners in the region and senior officials of Thakral and IBM India.

The most important criteria for selection were Southtech's superior technical-support ability with IBM products, commitment to excellent client relations, smoothness of operations and consistent performance.

Southtech was established in May 1996 and became an IBM business partner in 1998 and has emerged as one of the IGT solution providers in Bangladesh.

Lloyds cuts 3,000 jobs

AFP, London

Britain's largest retail bank, Lloyds TSB, said Friday it was axing 3,000 jobs after profits fell eight per cent last year, squeezed by its exposure to the Argentina economic crisis.

Pre-tax profit fell to 3.55 billion pounds (5.8 billion euros, 5.1 billion dollars) in 2001, even though total revenue increased 10 per cent to 9.5 billion pounds.

The economic crisis in Argentina knocked 100 million pounds off the profit figure, while provisions for bad and doubtful debt rose 28 per cent to 692 million pounds.

The bank also announced 3,000 net job cuts, almost four per cent of its global workforce, to try to trim some of the fat from its business. Some 5,000 jobs are to go in central and support areas, while 2,000 jobs are to be created in customer sales and services.

But chief executive Peter Ellwood insisted the business was in good shape.

"Asset quality remains good, our total non-performing debt is at similar levels to that seen last year and we remain well positioned to combat any potential downturn in the economy," he said.

The results nevertheless disappointed investors and shares in the group eased 1.6 per cent to 762.5 pence.