

## New CEO of Citibank NA Bangladesh



Mamun Rashid has been appointed chief executive officer for Citibank NA's Bangladesh operations, says a press release.

He joined the bank as the chief operating officer in Bangladesh last year.

Prior to his joining Citibank, Rashid was the head of Corporate and Institutions for the Standard Chartered group in Bangladesh. With a banking career spanning over 17 years, he has worked in Treasury, Institutional Banking, Debt Restructuring and Recoveries and Corporate Banking.

The outgoing CEO David Rees has spent almost 4 years in Bangladesh during which the Citibank Franchise has experienced strong growth.

In a significant career move, he is joining Saudi American Bank in Riyadh, a Citibank affiliate and the largest private sector bank in Saudi Arabia.

"Commenting on Mamun's appointment, David Rees said, "We are very pleased that he has become the first Bangladeshi to lead our business in this country."

## New MD of Southeast Bank



Syed Abu Naser Bukhtear Ahmed joined Southeast Bank Limited as President and Managing Director on Thursday, says a press release.

Prior to joining Southeast Bank Limited, Ahmed was with Prime Bank Limited as acting managing director.

Ahmed joined the State Bank of Pakistan in Karachi as a Grade-1 Officer. After the independence of Bangladesh, he joined the Bangladesh Bank where he worked in the Banking Control Department and in the Board Secretariat Department.

Ahmed left the Bangladesh Bank in September 1974 and joined the UAE central bank in Abu Dhabi. He held various positions in the Foreign Exchange Department, Internal Audit Department, Bank Supervision and Inspection Department in Abu Dhabi, Dubai and Sharjah.

Ahmed has had over 32 years of diversified banking and auditing experience including positions at the central banks and two leading private commercial banks in Bangladesh -- Arab Bangladesh Bank Limited and Prime Bank Limited.

Ahmed is the vice president of the Institute of Business Administration Alumni Association and a life member of professional body MBA Association.

## BCBL's New MD



Md Nurul Islam Khan has joined Bangladesh Commerce Bank Limited (BCBL) as its Managing Director, says a press release.

Before joining BCBL as Managing Director, he was Deputy Managing Director of Bangladesh Krishi Bank.

He worked in the field level banking and at headquarters of different banks for 28 years.

Khan attended many national and international seminars on project loan.

# BB seeks PCB suggestions to extend large loan limit

SHAHRIAR KARIM

On plea from the private commercial banks (PCBs) to extend the limit for sanctioning large loans, the central bank yesterday sought unified written suggestions from them by July 3.

The request was placed at a meeting between the managing directors of the PCBs and the Bangladesh Bank (BB) Governor Dr Fakhruddin Ahmed and other central bank officials yesterday.

The chief executives of the PCBs said they will form a committee headed by the Pubali Bank MD Khondker Ibrahim Khaled and submit its report by July 3, according to meeting sources.

Under the existing rule, any loan that crosses 15 per cent of the paid up capital of a bank is considered a big loan and the bank has to take approval from the central bank in sanctioning those loans.

Against the backdrop of increasing number of complaints about non-payment of documentary credits or L/Cs by the country's banks the BB governor asked the PCB chiefs to be extra cautious and fulfill their commitments in time.

In case of failing to pay, a central bank deputy governor said it might be compelled to make payments of the documentary credits from the funds of the banks kept at the central bank, the meeting source said.

The chief executives of the PCBs also asked the central bank to make a guideline regarding division of power of the board and management of the banks as done for the nationalised commercial banks (NCBs).

Their request came on the heels of different PCB boards' interference on the affair of the management.

In this context, the BB governor asked the PCBs to send their opinion regarding this by June 15.



PHOTO: JANATA BANK

Janata Bank holds a view-sharing meeting with Chittagong Stock Exchange at the bank's head office in the city yesterday. Janata Bank Managing Director Murshid Kuli Khan, Managing Director of ICB Ziaul Haque Khandokar, CSE President Mirza Salman Ispahani and Vice President Sayed Mahamudul Haque, among others, were present on the occasion.

# Iraqi oil exports halted by 'UN's retroactive pricing'

REUTERS, Dubai

Iraq said its oil exports had ground to a halt yesterday and blamed a United Nations retroactive price policy for driving away its customers.

"There is nothing loading today and it is all because of the UN's retroactive pricing," a senior Iraqi oil official told Reuters. "The situation is very serious. Our customers cannot load their oil without knowing the price."

The official said the last ship to load left the Turkish port of Ceyhan on Sunday. He was hopeful a tanker would arrive on Tuesday to load again at Ceyhan, but Western industry sources have said the next liftings might be several weeks away.

Iraq and its customers have

warned that UN oil sales, which ran at 1.5 million barrels per day (bpd) in the second half of May, were likely to slow to a trickle this month.

The break in exports came just days into a new six-month phase of the UN oil-for-food deal.

Baghdad has long complained that retroactive pricing, initiated by Washington and London to block illicit fees the UN alleges are paid to Iraq on oil sales, has cut export flows by at least 500,000 bpd from capacity of 2.2 million bpd.

Oil traders are also reluctant to rush for cargoes given rising speculation that Baghdad may be about to drop its illicit surcharge of 25 to 30 cents per barrel.

Pressure is mounting on Iraq to abandon its 18-month surcharge

fee, as UN officials say the oil-for-food programme is more than \$2 billion in arrears and customers appear fed up with retroactive pricing and on-off supplies.

The Iraqi oil official said state oil marketer SOMO had signed contracts for the new 12th phase, but that the top priority was to secure loadings.

"We are still waiting for nominations," he said.

Iraq sells crude under the UN oil-for-food programme which allows Baghdad to buy food, medicine and a host of supplies to ease the impact of sanctions imposed after Iraq's invasion of Kuwait in August 1990.

# OPEC won't raise output in upcoming summit

AFP, Tehran

Outgoing OPEC Secretary General Ali Rodriguez said here Sunday that the cartel would not raise oil output during the upcoming summit in Vienna, the state IRNA news agency reported.

"OPEC's current oil output will be preserved during the summit" on June 26, Rodriguez, who arrived in Tehran earlier in the day, was quoted as saying.

"Sometimes, some oil consumers pressure OPEC (to raise or reduce oil output), but OPEC members base their decisions on the member states' interests," Rodriguez added.

Upon his arrival, the secretary general of the Organisation of

Petroleum Exporting Countries said he would discuss the Vienna summit, environmental issues and his successor, with Iranian officials during his stay.

Rodriguez, who arrived from Saudi Arabia on a regional tour, is scheduled to meet with Iran's Oil Minister Bijan Namdar Zangeneh later in the day. He will also see President Mohammad Khatami on Monday.

OPEC slashed production by 1.5 million barrels per day from January for a period of six months, under an agreement with leading non-OPEC oil exporters to haul prices out of a steep post-September 11 slump.

But the 11-member cartel is under pressure from consumer countries to increase output amid

concern that high oil prices could hinder the recovery of the global economy.

Last week, Iran's Deputy Oil Minister Mohammad Mir-Moezi said Tehran sees no need for the OPEC oil cartel to raise production.

"Evaluating the situation in the market, we see it is stable," he told reporters in Masjid-Soleiman, southwestern Iran.

"We have a margin of two to three dollars per barrel, due to the political situation in the Middle East," Mir-Moezi said. "The price of 20-22 dollars is a reasonable one. There is no need to increase the production."

Oil prices currently stand at between 25 and 26 dollars a barrel, and experts predict they will move lower amid an easing of Middle East tensions.

# Panel proposes outsourcing govt work to prop up Japan economy

AFP, Tokyo

The Japanese government's key economic panel unveiled a proposal Monday to prop up the recession-weary economy, including measures to expand the private sector by outsourcing work from the government.

The Council of Economic and Fiscal Policy, chaired by Prime Minister Junichiro Koizumi, said it aimed to develop six priority areas to revitalise the nation including human resources, technology and

management resources.

It said it also hoped to boost regional economies, encourage the development of new industries and create growth opportunities through globalisation.

"We must expand the private sector by shifting the backbone of economic activities from the public sector to the private sector," the panel said in its proposal, which will now be discussed by other government groups.

Under the 30-point action plan, the panel suggested giving greater

autonomy to public universities to increase their international competitiveness and improve the nation's higher education.

The deregulation of industries was also on the agenda, along with giving greater authority to local governments from the national level.

The proposals encouraged the formation of free trade agreements with other nations to encourage globalisation and create new opportunities for Japanese companies.

The panel said it wanted to attract skilled foreign workers and foreign

investment to Japan through deregulation.

"Human resources, technology and management resources are 'tools for growth' that would boost industrial competitiveness and supply strength," the panel said in its proposal.

"Development of new industries, regional economy and globalisation are strategies for 'market creation' that would shift our nation's plentiful savings towards investment and consumption," it said.

# ADB plans more funds for power sector

STAR BUSINESS REPORT

Asian Development Bank (ADB) is considering allocation of more funds for power development in Bangladesh as there has been indications of rapid growth of the sector.

S Chander, principal project engineer of the ADB, yesterday disclosed this while talking to journalists in the city. He is leading an ABD mission, which is currently on a weeklong visit to discuss the power sector's reform and finance related issues with the government.

Talking to pressmen S Chander said the country's power sector is all set to yield greater benefits provided some decisive reform steps are taken.

He said the ADB's latest funding was more 200 million dollars for different projects and now it has been considering funding more.

The ADB mission chief said the country's consistent power policies led the ADB to hoping a better future of the country's power sector.

The power sector reform policy approved by the BNP government in 1994 was followed by the subsequent Awami League government. And it is being further followed by the present BNP government.

The country is getting the result of the initiatives taken since 1995, he said. "We hope there will be a notable improvement in the performance by the end of this year."

When asked to make comment on the controversial gas export issue, the ADB official observed Bangladesh should export gas.

"Bangladesh should export at least the amount of gas which would bring foreign currency for making payment for installation of power plants or for paying the international oil companies," he said.

The ADB official, however, admitted the strategy of forming DESA was wrong.

The ADB principal project engineer said the reason for the failure was simple as structural changes were made while forming DESA without changing the rules and

regulations.

Talking about DESCO, Chander said initially DESCO's performance was not good enough as it was given the task to handle areas of DESA with huge systems loss.

"The systems loss in the area was 45 per cent when DESCO took over the responsibility of Mirpur area," he said. "Now DESCO has reduced it to 25 per cent. Besides, the revenue collection has been showing an up trend," he said, claiming the performance of DESCO has improved to a great extent.

When asked about the ADB's observation on level of corruption in the power sector, S Chander admitted there is corruption.

Among others, State Minister for Power Iqbal Hasan Mahmood and Power Secretary Shamsul Alam were present during the opinion exchanging meeting.

Speaking on the occasion, Iqbal Hasan Mahmood said soon after assumption of office the government has been discussing the issue with the ADB for more support in power sector.

## CORPORATE NEWS

### SEC to probe German Bangla Foods IPO

BSS, Dhaka

The Securities and Exchange Commission (SEC) yesterday constituted an enquiry committee to investigate into some irregularities against German Bangla JV Food Ltd, according to sources.

The committee will look into the irregularities against the company in the issuance of Prospectus using Initial Public Offerings (IPO) funds. It will also investigate into the failure of the company in fulfilling some other commitments made in the Prospectus.

The SEC has appointed two of its officers to conduct an enquiry into the affairs of the said issuer company and submit the report to SEC within June 30.

### Ctg Vegetables earns Tk 0.64m net profit

Chittagong Veg Oil Inds Ltd earned Tk 0.64 million net profit after tax during the half year ended December last year. According to an un-audited half-yearly accounts released by the company, the earning per share (EPS) of the company was Tk 0.64.

The accounts of the company released have been calculated on the performances of the agro division of the company. It has been learnt that the oil division of the company has remained closed for the time being as it was making losses for long time, the company sources said.

### Reckitt Benckiser offers 33 pc dividend

The Board of Directors of Reckitt Benckiser (Bangladesh) Ltd has recommended 33 per cent dividend for its shareholders for the year ended December last year.

The announcement of the dividend will be subject to approval of the Annual General Meeting of the company to be held on June 27, according to sources.

### HSBC workshop on euro held

HSBC Institutional Banking department organised a workshop on proper identification of euro notes for Sonali Bank officers recently, says a press release.

A total of 14 officers from different Sonali Bank branches based in Dhaka, Chittagong and Sylhet participated in the workshop.

HSBC has one of the largest branch network in Europe and is amongst the leading banks in euro clearing with direct clearing access to 15 EU countries.

Operating for more than 135 years, the HSBC Group has some 7,000 offices in 81 countries and territories in Europe, Asia-Pacific region, the Americas, Middle East and Africa serving over 29 million customers worldwide.

## BUDGEZ QUIPS

"What is deficit financing?"

"When the available resources are allocated 35% for education, 35% for armed services, 25% to civil administration, 25% to roads, highways & irrigation and 10% for fertiliser subsidy."

"But that adds up to 130%."

"That's right."

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"What is tax-net and what is the catch?"

"It is the same as the fishing net. The smaller the loop, the greater is the haul; the greasier the palm of the catcher, the higher is the slippage"

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"Why our bank notes getting smaller with every new print?"

"It is the central bank's subtle way of conveying the message of the reducing purchasing power of money without publicly contradicting the finance minister."

"MMI"

# Indian oil firms up petrol, diesel prices

AFP, New Delhi

Indian oil companies on Monday raised petroleum and diesel prices to reduce losses at state-run oil refiners after the government allowed them to offset increases in international rates following a two-month moratorium.

Petroleum and Natural Gas Minister Ram Naik told a press conference retail gasoline prices in New Delhi would rise at midnight on Monday by 2.50 rupees a litre to 28.94 rupees (59 cents).

Similarly, diesel prices would go up by 1.5 rupees a litre to 18 rupees. There was no immediate hike in the price of liquefied petroleum gas (cooking gas), and kerosene.

India's move to scrap price controls on core petroleum products from April 1 was accompanied by assurances from the government and oil marketing firms that there would be no immediate hike in the price of cooking gas, kerosene, petrol and diesel.

But the recent volatility in the international oil price has severely tested those assurances, with state-run marketing firms having to absorb losses in order to protect the consumer.

While India allowed local refiners

in April to fix retail fuel prices as part of a promise to end two decades of control over the country's 65 billion-dollar oil market, it asked them to hold off from raising prices for three months, now cut to two, to cushion customers from a surge in crude oil prices.

Crude oil prices have risen 27 per cent this year, leaving India's fuel prices at about four rupees a litre below world levels. That has led to losses of 20 billion rupees at state-run refiners, which own all the 19,000 fuel stations in the country.

"They will be compensated for the loss," Naik said, without giving details.

The government tried to balance the effect of the price rise to consumers, who already pay two times as much as US prices, by cutting the excise tax on gasoline to 30 per cent from 32 per cent.

Fuel prices and excise taxes will be revised quarterly, the minister said.

India imports 70 per cent of its oil needs, while natural gas production can only meet 50 per cent of demand.

## AKTEL service launched in Sylhet

STAFF CORRESPONDENT, Sylhet

AKTEL mobile phone launched its full-fledged service in Sylhet yesterday.

Syed Margub Murshed, chairman of Bangladesh Telecommunication Regulatory Commission, inaugurated the service formally at a function.

While addressing the function, Margub Murshed praised the AKTEL's service expansion to Sylhet region.

Managing Director of AKTEL's owning company TM International (Bangladesh) Dato Ezanee AB Aziz said the AKTEL is committed to ensuring a better service for the customers.

## Subastu Property Fair raffle draw held

Raffle draw of the Subastu Property Fair-2002 was held on Saturday in the city, says a press release.

The first prize of the draw -- a Toyota Corolla car -- went to Alamgir Hossain, a trader of Gausia Market.

Subastu Development Ltd Chairman Muhammad Abidur Rahman, Managing Director Akil Akhtar Chowdhury, Executive Director (Marketing) Mahbul Alam, Executive Director (Administration) Salahuddin Ahmed, the Prothom Alo Editor Matiar Rahman, Mutual Trust Bank Executive Vice President Nasiruddin Ahmed and Central Hospital Director Enam Ahmed, among others, were present on the occasion.

At the function, Subastu Development Ltd Managing Director Akil Akhtar Chowdhury handed over a cheque for taka one lakh to Prothom Alo Editor Matiar Rahman for the daily's fund for acid victims.

The fair, which showcased three under construction shopping complexes at Elephant Road and New Elephant Road of Subastu Development Ltd at, ran from April 18 to May 30.



PHOTO: HSBC

Laila F Rahim, banking support executive of HSBC Bangladesh, conducts a workshop on proper identification of euro notes for Sonali Bank officers recently. Humaira Azam, head-Institutional Banking, Muhammad Shohiduzzaman, relationship manager-Institutional Banking, and Tareque Islam, manager-Treasury of HSBC Bangladesh, are also seen in the picture.