

WorldCom files for bankruptcy protection

## Largest corporate failure in US

AFF, New York

Telecommunications giant WorldCom -- faced with a mountain of debt and a growing scandal over accounting irregularities -- has filed for bankruptcy protection in the largest corporate failure in US history.

WorldCom president and chief executive officer John Sidgmore planned a press conference at 9:00 am (1300 GMT) Monday at a New York hotel to discuss the bankruptcy filing.

The Clinton, Mississippi-based company filed late Sunday for protection under Chapter 11 of the US bankruptcy code, which allows it to continue operating while it works out a plan to pay its debts.

The failure is twice as large as the record-breaking bankruptcy filed by Enron just last December. In the bankruptcy petition, WorldCom listed assets of 107 billion dollars as of March 31, against debts of 41 billion dollars. By comparison, Enron listed 63.4 billion dollars in assets when it sought bankruptcy

protection, sinking in a morass of accounting scandals.

But Sidgmore vowed in a statement late Sunday that WorldCom would bounce back.

"Chapter 11 enables us to create the greatest possible value for our creditors, preserve jobs for our employees, continue to deliver top-quality service to our customers and maintain our role in America's national security." "We will use this time under reorganization to regain our financial health and focus, while operating with the highest integrity. We will emerge from Chapter 11 as quickly as possible and with our competitive spirit intact," he said.

WorldCom, the nation's second-largest long-distance telephone service provider, admitted in late June it had improperly accounted for 3.9 billion dollars in operating expenses over more than a year to hide losses.

Phone and Internet service to the company's more than 20 million customers is expected to continue uninterrupted, officials said.

Proper accounting would have

forced WorldCom to report a net loss in 2001 and for the first quarter of 2002, the company admitted in late June.

Instead, WorldCom claimed profits of 1.4 billion dollars in 2001 and 130 million dollars for the first quarter of 2002. Final numbers for those five quarters are awaiting another audit.

In connection with the bankruptcy filing, WorldCom, MCI, a unit of the company, and their affiliates announced they have received up to two billion dollars in new secured financing from JPMorganChase Bank, Citibank, and GE Capital Corporation.

Together with cash generated from ongoing operations, the funds will be more than sufficient to restructure and emerge from bankruptcy in tact, the companies reassured the public.

"Our time frame is to be through the bankruptcy process in nine to 12 months," said WorldCom spokesman Brad Burns.

It has been a hard fall for the company and a disaster for

WorldCom shareholders, all but erasing their equity in the company whose stock already had plunged to pennies after the accounting irregularities were disclosed.

The stock once was valued at more than 60 dollars per share in 1999 during the height of the high-tech investment boom.

WorldCom's employees also have borne the brunt of the company's meltdown: some 17,000 of the firm's 80,000 workers have gotten pink slips so far.

Jeffrey Kagan, a telecom analyst based in Atlanta, said more layoffs are likely during the coming financial reorganization.

"The first part of this story was a shock when they announced the accounting problems," said Kagan. "But this is the part where the pain really rolls in."

The company emerged from obscurity in 1997 with a 37-billion-dollar takeover of long-distance provider MCI, and quickly became one of the major success stories of the 1990s economic boom.

But WorldCom's public woes began with the April 30 resignation of chief executive Bernie Ebbers as the company sank under a mountain of debt and faced a government inquiry into its finances.

Federal regulators were already investigating the firm's accounting practices, especially the way in which it covered 360 million dollars in loans to Ebbers for stock margin calls.

The US Securities and Exchange Commission filed fraud charges June 26 against WorldCom, a day after the company announced officials had misrepresented 3.8 billions of dollars in expenses for 2001 and the first quarter of this year.

The news sent the company's stock price plummeting to as low as six cents a share, leading to its delisting from the Nasdaq exchange.

Earlier this month, congressional investigators revealed WorldCom executives had repeatedly brushed off warnings about shady accounting practices.

## NYSE chief for jail time for corporate fraud

AFF, New York

The New York Stock Exchange chief talked tough Sunday, arguing that jail time was appropriate for perpetrators of corporate fraud, while urging investors not to bolt as share values slide.

"Those who've misused the public's trust, I think they've got to go to jail," Richard Grasso, chairman and CEO of the NYSE, told NBC television.

"The public's confidence has been tested, (but) our economy is strong," he said, nonetheless adding that "public trust and confidence need to be returned to the marketplace."

Grasso said he believed

President George W. Bush has "laid out a long-term plan to restore the public's confidence. We've got to wage a war against terrorism in the boardroom, against misleading the shareholders. It's a long-term project, and I think it's being successfully deployed."

"I think history has proven that individuals are the most patient. I think they're going to continue to be patient and willing to invest. ... You've got to look beyond what happens to the market beyond (Monday)," Grasso said.

"Please be patient," he implored. "Don't do something that emotionally feels good but in the long run is a mistake."



A meeting of the Board of Directors of Islami Bank Bangladesh Limited was held at the boardroom of the bank in the city on Sunday with Shah Abdul Hannan, chairman of the bank, presiding over.

## CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling	Currency	Buying
TT/OD	BC	TT Clean
58.5500	58.5800	USD
59.9552	59.9859	EUR
92.9715	93.0192	GBP
32.9168	32.9337	AUD
0.5075	0.5078	JPY
40.9612	40.9822	CHF
6.3546	6.3579	SEK
38.1135	38.1331	CAD
7.5136	7.5175	HKD
33.9637	33.9811	SGD
14.0724	14.0804	AED
15.7371	15.7452	SAR
		TT Transfer
		OD Sight/Doc
		OD Transfer
		57.6000
		57.4308
		57.3621
		57.1968
		57.0288
		56.9605
		89.6890
		89.4255
		89.3185
		31.4323
		31.3400
		31.3025
		0.4912
		0.4907
		39.3658
		39.3187
		6.1257
		36.9758
		36.9315
		7.3775
		7.3559
		7.3470
		33.0271
		32.9876
		15.5109
		15.4924
		15.1929
		15.1748

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.74	59.56	96.025	40.350	7.3531	0.4850	0.55595

The local interbank foreign exchange market was active on Monday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call was steady and the call rate ranged between 4.00 and 4.5 per cent for the day.

Dollar traded in a thin range on Monday against the euro and yen despite the massive fall in Wall Street stock prices on Friday. The failure of the single European currency to sustain the 1.02 level led the traders to sell euro. Japanese finance minister threatened to intervene in favour of a weaker yen. The dollar steadied by the combined effect of these two events.

## SHIPPING

### Chittagong port

Berth position and performance of vessels as on 22.7.2002

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Imprt disc
J/1	Bolong Gang	Sugar (P)	Tuti	CCNL	27/6	26/7	X
J/2	Elmwood	GI/GL	Pipa	RML	11/7	23/7	X
J/3	Jat na Mu	Sugar(P)	Sing	USL	8/7	24/7	X
J/4	J. Lucky	Sugar(P)	Bang	Mutual	14/7	26/7	X
J/5	Ilgan(72)	GI(HR.C)	Yang	H&S	21/7	25/7	X
J/6	Min Jiang	GI	P Kel	BD Ship	16/7	26/7	X
J/7	Win Song	GI (BIT)	B. ABB	RK Ship	5/7	28/7	30
J/8	Nand Sriшти	C Clink	Sikka	BSL	6/7	26/7	X
J/9	Orient Queen	C Clink	Sing	Unique	25/6	30/7	-
J/10	Xuan Cheng	Sugar(P)	Bank	MSA	15/7	27/7	X
J/11	Jaya Mars	Cont	Haid	Everbest	19/7	25/7	(37641)
J/12	QC Lark	Cont	Pkel	QCSL	18/7	23/7	-
J/13	Kota Cahaya	Cont	Sing	Pil (BD)	18/7	23/7	82/X
CCT/1	Banga Bijoy	Cont	Col	Baridhi	19/7	24/7	(26841)
CCT/2	Xpress Manaslu	Cont	P Kel	RSL	19/7	25/7	452/40
CCT/3	Jaami	Cont	Col	Everbest	18/7	23/7	54/X
RM/14	Khaleda	IDLE	Sant	AMBL	18/6	26/7	-
CCJ	CS Valiant	C Clink	TARJ	BSL	6/7	23/7	-
GSJ	Banglar Robi	Repair	Sing	BSC	14/7	22/7	-
TSP	Ja Gang	R Phos	Col	Litmond	14/7	25/7	-
RM/3	Monalisa	CPO	Indo	Seacoms	21/7	24/7	-
DOJ	Banglar Jyoti	C Oil	K Dia	BSC	19/7	23/7	-
DD	Banglar Kallol	Repair	yang	BSC	13/6	25/7	-
RM/9	Banglar Gourab	C Clink	Krabi	OWSL	22/5	28/7	-
RM/10	Supreme	Repair	Sing	Uniship	6/7	25/7	-
BB	Pai Hai Jun No.2	Ballast	Taiw	Transglobal	6/7	-	-

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading por
Banglar Shikha (Cont)15/7	22/7	Sing	BSC	Cont	Sing
Mardios (Cont) 11/7	22/7	P Kel	RSL	Cont	Sing
Kota Berjaya (cont) 10/7	22/7	Sing	Pil(BD)	Cont	Sing
Jurong Bahunia (Cont) 14/7	22/7	-	NOL	Cont	Sing
Pacific Emerald	25/7	Sing	Allseas	GI (Copro)	-
Deep Sea-03	22/7	-	SRL	Fishing Trawler	-
Hartford-10	22/7	-	SRL	Fishing Trawler	-
AA Ventree	24/7	Ind	Cla	GI	-
An Shung Jiang	23/7	Sing	BD Ship	GI	-
Banga Barta (cont) 11/7	24/7	P Kel	BD ship	Cont	Sing
Chennai Polivu	24/7	Krabi	SSA	C Clink	-
Orange Breeze (Roro)24	24/7	-	Everett	Vehi	-
OC Honour (Cont) 12/7	24/7	P Kel	QCSL	Cont	Sing
Bangla Lanka (Cont) 8/7	28/7	Sing	Baridhi	Cont	Col
Banga Borat (Cont) 15/7	27/7	-	Bd Ship	Cont	Sing
Xpress Resolve (Cont) 16/7	25/7	-	Everbest	Cont	Col
Banga Bonik (Cont) 16/7	25/7	CBO	Baridhi	-	-
Asimont (Cont) 18/7	26/7	-	Seaborn	Cont	Sing
Xpress Renown(Cont)21/7	26/7	-	Everbest	Cont	Col
Amalia	27/7	Avon	RSA	ST.Scrap	-
Kota Naga (Cont) 17/7	27/7	Sing	Pil (BD)	Cont	Sing

### Vessels at Kutubdia

Dea Chancellor	-	-	Arafeen	R/A(2/7)
Danat Qatar	C.Oil	JEBE	USS	14/07
Banglar Shourabh	C.Oil	-	BSC	R/A(22/7)

### Vessels at outer anchorage Ready on:

Banglar Birol (Cont)	Cont	Sing	Bdship	20/7
Oriental Patriot(Cont)	Cont	P.Kel	PSSL	21/7
Consistence(Cont)	Cont	P.kel	PSSL	22/7

### Vessels not ready:

Mercs Kirinda	Sugar(P)	Col	RSA	9/7
Weddell Sea	C Clink	Cila	OLM	19/7
Amalfi	GYPLime	Krabi	OLM	19/7
Sakura	CPO	Biyen	MTCL	21/7
Jaladoot	HSD	Mina	ECCL	21/7

The above are shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.



PHOTO: SHAHJALAL BANK

The 14th meeting of the Board of Directors of Shahjalal Bank Limited (SBL) was held at the boardroom of the bank in the city on Sunday. Presided over by the bank Chairman Sajjatuz Jumma, the meeting discussed various issues relating to banking policies, deposits and investment. Chairman of Executive Committee Anwer Hossain Khan, Chairman of Policy Committee M A Mannan, member of the Board of Directors, Managing Director Matin Uddin Ahmed and Adviser Ashfaque U Chowdhury, among others, are seen in the picture.

## STOCK