



## New CEO of Citibank NA

Citigroup recently announced William (Bill) R Rhodes as the president and chief executive officer (CEO) of Citibank NA and president of Citicorp Holdings Inc, both of which are wholly owned subsidiaries of Citigroup Inc.

Rhodes will continue to serve in his current roles as senior vice chairman of Citigroup Inc, chairman and CEO of Citicorp Holdings Inc, and chairman of Citibank, NA. He is also a member of Citigroup's Operating and Management Committees, says a press release.

Rhodes is the senior international officer for Citigroup with specific responsibilities for client relationships around the world, as well as for relationships with governments and other official institutions.

## Three-gigabyte memory cellphone set

AFP, Seoul

South Korea's Samsung Electronics Sunday launched a cellular phone with a three-gigabyte memory, the world's largest data storage capacity ever applied to mobile handsets.

The SPH-V7900 handset can hold up to three digital movies or 700 music files in its built-in memory chip, which also functions as a portable hard disc for computers, Samsung said in a statement.

# Spending on IT up 9pc in 2004: Study

JASIM UDDIN KHAN

Bangladesh's domestic information technology market is growing as a study reveals spending on IT amounted to \$235 million in 2004, an increase of 9 percent over the previous year.

The study, conducted recently by Sri Lanka-based Springboard Research, said the IT market in Bangladesh is heavily dependent on hardware, which represents more than 75 percent of the total IT spending.

The software market is stifled by the early state of market development and prevalent piracy, which exceeds 90 percent in the consumer market,

the study added.

"Although software export is yet to gain momentum, the domestic IT market is growing due to rapid increase in IT use in local business ventures," Secretary General of Bangladesh Association of Software and Information Services (BASIS) Forkan Bin Kashem said.

The export-oriented industries such as readymade garment units, frozen food processing plants, leather and pharmaceuticals companies are aggressively using IT to enhance their competitiveness, he said.

But the software industry fails to get its desired international market share, thanks to lack of financing and appropriate guidelines, he lamented.

"Amid natural disasters, economic

setbacks, political instability and social unrest, the nascent Bangladesh IT market has managed to continue moving forward," said Dane Anderson, vice president of the Springboard Research, in a publication.

Former president of BASIS Habibullah N Karim said the country fails to attract foreigners by placing any benchmark software as the government and most of the private organisations in the country are using foreign software.

He said software export of the country also increased to US\$11.44 million in 2004-05 fiscal year against \$7.19 million in the previous fiscal year.

# EU seeks united front as WTO crunch talks loom

AFP, Brussels

EU foreign ministers will try this week to smooth over threatening cracks in their common position on high-stakes world trade negotiations, as a crunch December deadline looms.

Emergency talks have been called in Luxembourg Tuesday after France accused EU trade chief Peter Mandelson of overstepping his brief to negotiate in the name of member states when he recently proposed big cuts in farm subsidies.

Dismissing such criticism, Mandelson vowed Friday that he would only bargain with the full support of all EU member states.

"I support the calling of this meeting as a welcome opportunity to continue to provide transparency to the member states and to reassure

them that the conduct of the negotiations... is within the mandate," he said.

Mandelson was on the defensive after French President Jacques Chirac, who has long staunchly defended France's generous farm subsidies, sent a "personal" letter to European Commission President Jose Manuel Barroso calling for negotiations to be carried out in close contact with the members states.

"What the president of the republic is asking is that the negotiations take place in transparency and in close negotiation with the commission and member states," his office said.

French ire stems from a proposal Mandelson has made in World Trade Organization negotiations to cut EU farm subsidies by 70 percent and to reduce EU customs duties on farm

goods by 60 percent.

Mandelson had to put his chips on the bargaining table after Washington also proposed making deep cuts in its farm subsidies.

The Luxembourg meeting, which comes ahead of high-level talks at the WTO in Geneva on Wednesday and Thursday, will give Mandelson a chance to explain his proposal to his critics as the negotiations get tougher ahead of the Hong Kong meeting in December.

An accord on cutting farm aid is broadly considered to be pivotal for an overall deal at the Hong Kong ministerial gathering, where members are to approve the broad outlines of a global trade liberalization deal that was called for by WTO ministers in Doha, Qatar in late 2001.

## Banglalink mobile phone fair extended

STAR BUSINESS REPORT

The Banglalink mobile phone fair that started on Saturday at Bashundhara City shopping mall in Dhaka has been extended for another two days.

Now the fair will conclude on October 19 instead of October 17 to meet the growing response from the visitors, said an official of Banglalink.

A total of eight dealers of Banglalink are offering mobile phone sets along with Banglalink's 'Ladies First' connections at the fair. Some dealers are also giving free SIM (subscriber identity module) cards with handsets.

However, Ladies First package is selling at Tk 300 with free talk time equivalent to Tk 200.

Like Saturday, a huge number of visitors, especially youths flocked to the fair venue yesterday.

The fair will remain open to all from 10am to 10pm everyday with an entry fee of Tk 10. The proceeds from ticket sales will be donated to Ahsania Mission Cancer Hospital.

## Foreign buyers bring buzz to S'pore property market

AFP, Singapore

Singapore's tallest condominium project will only be ready in 2009 at the earliest but that has not stopped Asian buyers from joining the rush for one of the most prestigious addresses in town.

At least 30 percent of the buyers at the soft launch of Tower 2 of the Sail at Marina Bay were from the region, especially China, Hong Kong, Indonesia, Taiwan and India, according to developer City Developments Limited (CDL).

Fewer than 30 apartments remain unsold in the 430-unit Tower 2 where the price of a one-bedroom unit measuring 57-72 square meters (613-775 square feet) can set a buyer back by at least 620,000 Singapore dollars (366,864 US).

But even that is seen as a bargain by some regional investors.

Property analysts said the recovery in property prices here has lagged that of neighbouring economies by 40-60 percent since the region was hit by the Severe Acute Respiratory Syndrome (SARS) health epidemic in 2003.



Prime Minister Khaleda Zia presides over a meeting of the National Economic Council (NEC) in Dhaka yesterday. The NEC approved the Poverty Reduction Strategy Paper (PRSP). PHOTO: PID

# Tata an icon of industrial harmony

## No strike in its 87 concerns since 1928

RAFIQ HASAN, back from Jamshedpur

The Indian conglomerate Tata has set a record of 77 years of industrial harmony as none of its 87 concerns faced any strike since 1928.

The group's various welfare programmes for the workers and employees refrained from calling strike or work stoppage programmes even during the turbulent period of socialistic movement throughout India. Tata officials told visiting Bangladeshi journalists recently.

They said Tata Steel first introduced an eight-hour working hour in a day in the first quarter of the last century, much earlier than the western countries adopted it.

It was the Tata workers union who also foiled government's attempts to nationalise the industries during 50's, when all the coal mines in India were nationalised except Tata coal mine at West Bokaro.

The last strike in 1928 continued for around five months and nationalist leader Netaji Subhas Chandra Bose was the chief negotiator for resolving the dispute. He was the president of Tata workers union then.

The strike was called off following an agreement signed between the company management and the

workers union. A powerful three-tier consultation committee was formed and it was decided that all the workers-related disputes would be resolved through discussion at the committee meetings.

The company has been following this agreement strictly for the last 77 years saving the conglomerate from labour unrest and production disruption. The consultations committees at every level hold regular meetings for resolving any disputes.

"A positive attitude towards the workers is the main reason behind the industrial harmony in the group," said RBB Singh, president of Tata workers union. Although there are four workers unions in the group, Singh represents the support of 98 percent workers.

The managing director of the group and the president of the workers union alternatively head the highest tier of the consultation committee for one year.

Besides many other facilities such as free housing, healthcare and various allowances, a worker gets handsome amount every year as profit bonus. Last year, the average amount of profit sharing bonus was Rs 19,000.

A worker even got Rs 61, 000 in profit sharing bonus for a single year, Singh told the journalists.

The minimum salary of an unskilled worker is Rs 6,500 per month. They also get Rs 700 to Rs 1000 as transport allowance per month.

The company bears the treatment cost of an employee, his or her spouse, children, parents and grandparents. The 1000-bed main hospital at Jamshedpur run by Tata provides all types of treatment except cardiac operation and kidney transplantation, said Dr Monoj Prosad, head of Tata's main hospital.

He told the reporters that Tata spends around Rs 45 crore annually only to run this hospital. Treatment as well as medicine is completely free here for Tata workers and their relatives, he said.

According to the company regulations, if a worker dies while on duty, the family will get four lakh rupees in compensation and his or her son or daughter will get a job in the group. If the son/daughter is not aged enough for the job or not interested in the work, he will get the basic salary of his parent for 40 years.

The group has over 2.20 lakh workforce in its 87 concerns covering sectors like steel, cement, motors, tea, chemicals, coal mines, information technology and services.

# Airlines on alert over bird flu scare

AFP, Paris

With a potentially lethal bird flu virus causing worldwide anxiety as it spreads from Asia to Europe, the world's airlines have gone on special alert, while cautioning against over-reaction.

Air traffic suffered a serious blow from a previous epidemic, SARS

(severe acute respiratory syndrome), two years ago which led to a drop in business.

SARS has left 700 people dead and cost 30 billion dollars in economic damage around the world since it broke out in 2003.

So far there has been no similar panicked reaction among air travellers to the threat of bird flu.

"To date we have not noticed any reduction in reservations for flights to areas designated as dangerous," said Jean-Cyril Spinetta, head of Air France-KLM, speaking last Friday.

He recalled that SARS did not cause any deaths in Europe and said he hoped health authorities would manage the present situation more calmly than during the SARS scare.

# Indian co to buy tea business of Britain's Premier Foods

PALLAB BHATTACHARYA, New Delhi

After Tata Tea, the Kolkata-based Appejay Surendra Group has firmed up a deal to acquire the tea business of Britain's Premier Foods Plc for 80 million pound (about \$140 million) in an all-cash deal.

The world's second largest branded tea company Tata Tea's subsidiary Tetley US Holdings on Thursday announced signing of an agreement for acquiring US speciality tea brand Good Earth for an undisclosed amount.

As part of the deal, group company Appejay Tea would buy Premier Food Plc's entire tea business, including the century-old Typhoo brand, Britain's third largest packet tea brand, London Fruit and Herb.

"We want to place ourselves as a leading retailer of tea since it lends a great deal of stability to the business. By acquiring these premier tea brands, we have moved ahead in our quest," Karan Paul, chairman of Appejay Surendra Group said.

Premier Food's tea business had reported a net sale of just over 70 million pound in 2004 to which the contribution by Typhoo was significant.

This was the Appejay Surendra Group's first overseas acquisition and the eighth largest transaction abroad by an Indian firm.

Interestingly, two of the largest selling team brands in Britain, which is one of the biggest tea consuming countries in Western Europe, trace their ownership origins in India. Tetley, the second largest tea brand after Unilever's Lipton, is owned by Tata Tea, which had acquired the British brand in 2000.

With the acquisition of Premier's tea business at an estimated payment of nearly Rs 630 crore, the Rs 600 crore Appejay Surendra Group almost doubled its turnover, Paul said.

The Appejay Group is the third largest exporter of tea with an estimated total tea crop of 21 million kilograms from 17 gardens in Assam. It is the second Indian tea company to make overseas acquisition.

## CURRENCY

Following is Sunday's (October 16, 2005) forex trading statement by Standard Chartered Bank

TT/OD	BC	Currency	Buy		
			TT Clean	OD Sight Doc	OD Transfer
66.7200	66.7500	USD	65.7000	65.6781	65.6343
81.4251	81.4617	EUR	78.5181	78.4919	78.4396
118.8750	118.9285	GBP	115.3166	115.2782	115.2013
51.2209	51.2440	AUD	48.6509	48.6346	48.6022
0.5930	0.5932	JPY	0.5723	0.5721	0.5717
52.5396	52.5632	CHF	50.6671	50.6502	50.6164
8.8526	8.8565	SEK	7.9812	7.9786	7.9733
56.7926	56.8182	CAD	54.8277	54.8094	54.7728
8.6213	8.6251	HKD	8.4507	8.4479	8.4423
40.3581	40.3762	SGD	38.8252	38.8123	38.7864
18.3156	18.3238	AED	17.7452	17.7393	17.7275
17.9249	17.9329	SAR	17.3754	17.3696	17.3581
11.2458	11.2508	DKK	10.2195	10.2161	10.2093
225.0293	225.1327	KWD	223.8317	223.7594	223.6149

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Norwegian	NZ dollar	Malaysian ringgit
44.795	59.72	101.525	40.835	6.4723	0.6962	3.77

**Local Interbank FX Trading**  
Local interbank FX market was subdued on Sunday. USD remained steady against BDT.

money rate was unchanged and ranged between 5.50 and 6.50 percent.

**International Market**

**Local Money Market**  
Money market was active on Sunday. Call

International market was closed on Sunday.

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