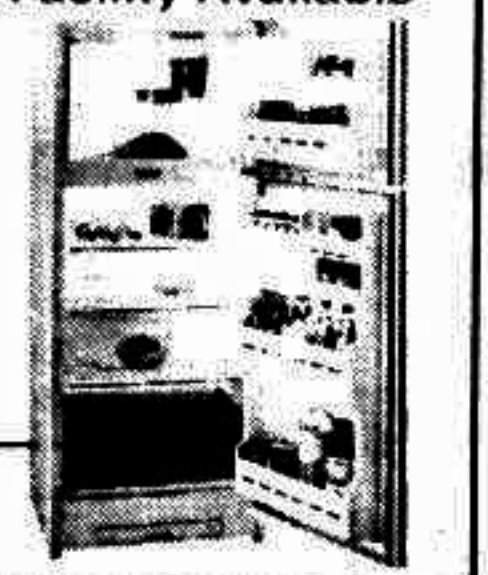


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# The Daily Star BUSINESS

DHAKA, FRIDAY, FEBRUARY 5, 1999

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## Tofail, Holzman discuss trade ties

US Ambassador in Dhaka John C Holzman called on Commerce and Industries Minister Tofail Ahmed at his office in the city yesterday, says UNB. They discussed matters relating to mutual interests, particularly the strengthening of bilateral trade and investment relations between the two countries.

The Commerce Minister informed the US envoy about the sincere steps of the government to establish an investment climate in the country.

"Our priority is the economic development of the country and we are putting relentless efforts to speed up the overall economic activities," Tofail told the US envoy.

## Modi Mundipharma medical products launched

**Star Business Report**  
The launching ceremony of medical products of reputed Indian company Modi Mundipharma in the local market was held at a city hotel yesterday.

City Overseas Ltd, a local entrepreneur, took the initiative to introduce a range of medical products of the company, already renowned for their effectiveness in asthma, burn injuries and cardiac diseases.

The products include Unicontin for treating asthma and nitrocont, montocin and dilcontin for cardiac diseases. Betadine, another product of the company, was launched in Bangladesh two years back. Betadine Germicides are used to treat bacterial infections, vaginitis and burn injuries.

Modi Mundipharma is a joint venture with a Switzerland-based company Mundipharma AG.

Among others, S R Ghosh of City Overseas Ltd and S K Chopra, V K Modi and U K Modi of Modi Mundipharma and Paul Manners of Mundipharma Operations, Switzerland attended the launching ceremony.

## Govt to help export cottage, milk products

LGRD and Cooperatives Minister Zillur Rahman has said that the government would provide all assistance to the cooperative societies to create market abroad for cottage and milk products, says UNB.

He said this while visiting stall of Bangladesh Rural Development Board (BRDB) and Milk Vita in the Dhaka International Trade Fair here yesterday, said a press release.

Milk Vita, a cooperative-based milk producing organisation, has earned a net profit of Tk 4.77 crore from domestic market in the last fiscal year.

Its products have also created interest among foreign nationals in the trade fair, the press release said.

Cooperatives Secretary Ahab Ahmed, BRDB Director General Azizur Rahman, milk vita officials and leaders of various cooperative organisations were present during the visit.

## Renata posts 19pc growth in '98

The Annual Sales Meeting of Renata Limited was held Wednesday at a city hotel. The meeting was inaugurated by Dr Sarwar Ali, Managing Director of the company, says a press release issued yesterday.

It was disclosed at the meeting that Renata's business registered a 19 per cent growth over its 1997 sales reports. The company's pharmaceutical business grew by 17 per cent.

Animal health therapeutic business, where Renata is the market-leader, grew by 27 per cent. BOC medical devices, which are marketed by Renata also registered 44 per cent growth.

Renata has also entered animal health nutritional business with sales amounting half a million in 1998.

The meeting expressed optimism for faster growth rate as, like many other companies, Renata is on the threshold of the new millennium.

## Russia, Iraq try to boost trade

BAGHDAD, Feb 4: Iraqi Vice-President Taha Yassin Ramadan met Russian Ambassador Nikolai Kartousov yesterday to discuss Baghdad's trade relations with Moscow and ways of promoting cooperation, the Iraqi News Agency (INA) reported, says Reuters.

INA said the two officials focused on "the means that help in activating the work of Russian companies and establishments in Iraq in the future."

INA made no mention of any projects discussed during the meeting.

An Iraqi weekly said on Sunday that a Russian experts had arrived to help restore a power station in the southern city of Nasiriyah.

Another newspaper, Al-Ittehad, said last week that Baghdad has signed contracts worth 3 billion dollars to develop Iraq's sanctions-battered transport sector.

## Forum-Parishad panel levels corruption charges at BGMEA President

# 'Quddus misused office, his firm on quota forgery list'

**Star Business Report**

Placing issues of transparency and accountability in the fore, leaders of Forum-Sammilita Parishad, one of the two contesting panels in the February 25 election of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), accused the incumbent President, Mostafa Golem Quddus of misusing the association office for his personal business rather than looking after the interest of the country's major export sector.

They said that BGMEA activities has been rendered stagnant and the association chief was involved in many 'corruption' for reaping own benefits.

"The BGMEA needs a leadership with more concrete plans and professional attitude for boosting business and protecting the interest of the garment sector," said Anisur Rahman Sinha, leader of Forum-Sammilita Parishad panel at a press conference in city yesterday.

RMG exports declined in recent times and the number of foreign buyers has also come

down significantly, he said without providing any data.

A leader of Sammilita Parishad and the present Senior Vice-President of BGMEA Nurul Haque Sikder, Secretary of the joint panel Reazat Ali Bachchu, Forum Secretary General Anisul Huq and Chairman of the joint panel election committee Mahmudur Rahman Manna were present in the press conference.

Nurul Haque Sikder said that the Export Promotion Bureau (EPB) had prepared a list of the factories involved in GSP quota forgery. The name of Chung Hing Sweater of Mostafa Quddus was at the top of the list.

He said BGMEA president returned in the first phase some quotas of other categories, the market price of which was only 20 cent, while the market price of the quota which Quddus took was about \$37 per dozen. Finally, he returned the quota which he took, but only on December 31, 1998, when it was of no use.

Moreover, Quddus received bank loans amounting to

around Tk 52 crores of which a significant amount was overdue.

"He spends the bulk of his time in sorting out personal problems with banks and has very little time to spend for BGMEA. How could he run an association like BGMEA?" Sikder asked.

When contacted last night, BGMEA President Mostafa Golem Quddus, however, refuted the allegations levelled at him.

About the allegation against his company Chung Hing Sweater, Quddus said that it was closed five years back. So, the question of corruption does not arise at all.

"It is not true that the incident happened in 1997," he said. "In 1993, there were some problems in adjusting quota figures, which were later solved by surrendering some quota."

Quddus also denied the allegation of having any overdue loans with any bank. "Anyone can check it out with the central bank. I had overdue loans and those were rescheduled."

"I was offered to share the BGMEA presidency with Quddus every alternate year. But I did not accept the proposal in the interest of the association," he said.

The local industries have been seriously affected as GSP quotas were not properly used, he said, adding that many quotas finally lapsed.

Anisur Rahman Sinha said that the BGMEA leadership had totally ignored the issue of developing backward linkage industries.

He said: "We are not preparing ourselves to face the challenges of 2005 when all quotas will be abolished."

"We initiated different measures during our term in the BGMEA leadership, but the present leadership did not follow these up."

Besides, measures should be undertaken to reduce the cost of production, he said. "Charges by banks, insurance companies and others should be reduced to strengthen the competitiveness of our products."

To achieve this, the government as well as the exporters should think about short-term, mid-term and long-term plans.

Around 300 garment factories were shut down as the owners could not manage finances after suffering losses during the 1996 "non-cooperation movement", he said, adding that more factories have been closed down since then pushing the number up to between 800 and 1,000.

Forum leader and Chairman of Mohammadi Group Anisul Huq said the country's apparel sector is going through a very tough time.

For the first time, Forum and Sammilita Parishad have united on the election issue, he added. "The main reason behind this is to make the garment sector more vibrant."

He also stressed the need for proper leadership in the BGMEA.



Anisur Rahman Sinha, leader of the Forum-Sammilita Parishad panel contesting the upcoming BGMEA election, addresses a press conference at a city hotel yesterday. Mahmudur Rahman (L), chairman of the panel's election committee, and Nurul Haque Sikder (R), leader of Sammilita Parishad, are also seen. —Star photo

## 'High fuel price keeping many airlines at bay' ZIA to have sophisticated fuel hydrant system soon

**Star Business Report**

Zia International Airport (ZIA) is soon to have sophisticated fuel hydrant system to refuel aircraft on the tarmac for ensuring better delivery and safety standards, Mike John Farmery an official of Shell Aviation, London, said in city yesterday.

He said the new system will further upgrade the status of ZIA, but expressed his surprise at the high prices of aviation fuel, costing 48 US cents per litre. He observed that such high fuel price is keeping many airlines off ZIA.

The system is going to be operational before the monsoon, he told reporters at the Padma Oil Company premises at ZIA.

adding that the old equipment still being used by the company meet the international standards at per with London and Frankfurt airports.

Farmery was in Dhaka as part of the company's annual inspection of the facilities of Padma at ZIA and also to mark the golden jubilee of its operation as the supplier of aviation fuel.

Padma General Manager Mominur Rahman told reporters that the company had been consistently meeting the standards of aviation fuel for airlines using ZIA. He added that vintage equipment are being phased out to cope with the growing demand.

The demand is rising by 15

per cent annually, he said, adding that last year the company supplied 127,000 tonnes of Jet A-1 aviation fuel to customers including Bangladesh Biman and the Air force and flying clubs.

He denied that there had been impurities in the Mogas or HOBC or high octane supplied to the recently-crashed Cessna aircraft of Air Parabat Flying Academy in Farraea Lara and co-pilot Rafiqul Islam were killed on September 27 last year.

Earlier, Sirajuddin Mollah, the oldest employee of the company who started the aviation fuel supply in 1948 from Tejgaon airport, cut a huge golden jubilee cake.



Dr Sarwar Ali (middle), Managing Director of Renata Limited, addresses the Annual Sales Meeting of the company at a city hotel yesterday. — Renata photo

## UK, Sweden on way to euro

BRUSSELS, Feb 4: Britain and Sweden are well on track to meet the main qualifying conditions for joining the euro, the European Commission said yesterday, reports AFP.

Both countries, which opted not to join the single currency at its launch on January 1, are on course to fully comply with the requirements of euro participants to maintain strict budget discipline and have low inflation rates, according to commission reports on their convergence with the euro-zone.

In contrast Italy, one of the euro founders, was told Wednesday it had to revise its economic plans for 1999-2002 because of concerns its budget deficit could run out of control. Britain and Sweden were

warned that, despite their sound economic fundamentals, they would have to ensure their currencies remained stable against the euro for two years to qualify.

The commission said it expected Sweden in due course to link the krona to the euro within the revamped European Exchange Rate Mechanism (ERM).

Britain has ruled out a return to the ERM, which the pound left ignominious circumstances in 1992, but does not believe this should prevent it from joining the euro if it decides to do so.

This interpretation was disputed by Finance Commissioner Yvest Hibault De Silguy. "If Britain decides to join the euro it will have to comply with

the same conditions as the first wave countries in particular concerning exchange rate stability."

Under the Maastricht Treaty, currencies which join the euro are expected not to have been stable for two years before entry but whether or not this requires ERM membership, or simply an absence of devaluation, is unclear.

Britain's convergence programme envisages a budget surplus this year and budgets close to balance for the next two years.

The ratio of public debt to output would fall to less than 50 per cent this year and to 40 per cent in 2003-2004 the euro-qualifying target under Maastricht is 60 per cent.

## First class on Emirate flights between Dubai, Johannesburg

Emirates introduced first class cabin service on board the airline's daily flights between Dubai and Johannesburg from the first of this month. These flights are operated with Airbus A310-300 and A300-600R.

The introduction of first class service four years after Emirates launched flights into Johannesburg, and is in direct response to market demand, says a press release.

In both aircraft types, first class cabins seat 18 passengers in a 2x2x2 configuration. Seats are pitched up to 62 inches apart and convert to roomy sleepers with electronically controlled leg rests and seat-back-recline up to 38 inches.

Shoaib Khoory, Emirates' Senior General Manager, Commercial Operations (Gulf, Middle East, Africa & CIS), said: "Emirates' flights between Dubai and Johannesburg are averaging very good load factors above 85 per cent. We have also seen a surge in business travellers and which has led to the increase in demand for Business Class seats. This indicates to us that the time is right to put on the first class product."

Each Emirates First Class seat has a personal video system with individual video-cassette player and touch screen controls. Passengers have access to a video library of 50 films, six video and eight audio channels.

Inflight telephones and a centralised fax machine are also available, with transmission charges at an attractive US\$ 6.50 per minute.

Emirates flies non-stop between Dubai and Johannesburg every Monday, Tuesday, Wednesday and Friday, and via the Com.ecs every Thursday, Saturday and Sunday.

Emirates, just named Airline of the Year 1999 at the OAG Travel Awards, now serves 47 destinations in 37 countries.

## New office-bearers of Airline Pilots' Association

Captain Mofidul and Captain Arif have been elected President and General Secretary of Bangladesh Airline Pilots' Association (BAPA) for the year 1999, says a press release.

Other office-bearers of the Association are Captain Shahid, Vice President; F/O Sajjad, Joint Secretary; F/O A Rahman, Joint Secretary and Captain Hafeez, Treasurer.

The newly-elected executive members of the organisation are Captain Mahmud Hussain, Capt'n Rafiqul, F/O Ayub and F/O P-rvaz. The election was held in the city recently.



Shoppers look at shoes through a store window displaying a sale in Rio de Janeiro Wednesday. Although it is the end of the season, more price reduction sales than normal are appearing at shops in Brazil after the recent devaluation of the real. — UNB/AP photo

## ACI, Proagro strike deal on hybrid rice seed production

Advanced Chemical Industries (ACI) yesterday signed a conditional cooperation agreement with Proagro seed company of India for production and marketing of hybrid rice seeds in Bangladesh, reports BSS.

Addressing the newsmen after signing the agreement at Sheraton Hotel, ACI Chairman M Anis Ud Dowla said the agreement covers complete transfer of technology for development and multiplication of hybrid rice seeds locally.

He said, under a memorandum of understanding signed between the ACI and Proagro in 1996, field trials of various varieties of hybrid rice seeds were carried out in 40 districts under different agro-ecological conditions.

He said that after successful completion of trial production they received government approval for marketing seeds of

hybrid rice Aalok-6201 with a condition of producing hybrid seeds locally in three years' time. Two other hybrid varieties were still awaiting approvals, he added.

The ACI chairman said that they had a target of marketing 1,000 tonnes of hybrid rice seeds in 1999, followed by 1,500, 2,000 3,000 and 5,000 tonnes in the year 2,000, 2,001, 2,002 and 2,005 respectively.

In reply to a question, he said that the expected yields of hybrid rice Aalok-6201 in the fields were six tonnes per hectare against the yields of five tonnes per hectare of HYV rice BR-29. He also said that 12 kg hybrid rice seeds was required per hectare or 5.6 kg per acre of land and the current price of each kg seed was Tk 198.

Managing director of Proagro SK Kapoor, Executive Director of the ACI FH Ansarey and

International Business Development Director of Proagro Dr JS Sindhu also spoke to the press.

Kapoor said 60 per cent of hybrid rice seeds cultivated in India were supplied by his company and they were testing the seeds in Bangladesh, Myanmar and Vietnam.

China first developed hybrid rice in 1968 and it was introduced for cultivation in 1979. India started the development of hybrid rice in 1970 and introduced it in the field in 1991. Bangladeshi scientists have recently taken up programme to develop hybrid rice.

Hybrid rice seeds are for one-time use only and the farmers cannot use his product as seeds. Everytime, they will have to buy seeds from the company. Traditionally the farmers in our country keep a part of their own product for using as seeds.

## Microsoft outwitted by computer show at trial

WASHINGTON, Feb 4: For all its software genius, Microsoft Corp found itself outwitted in a humiliating computer demonstration at its antitrust trial by two young men barely out of college and a government lawyer so unaccustomed to techno-jargon that he once pronounced "log in" as "lojun," reports AP.

In a second day of high courtroom drama, the government exposed new, embarrassing problems Wednesday with a digital video demonstration prepared by Microsoft to buttress one of its bedrock legal defenses.

Over a four-minute segment, Justice Department lawyer David Boies pointed out software icons that appeared — then disappeared and reappeared — on the screen of a computer purported to have been tested by Microsoft.

US District Judge Thomas Penfield Jackson grabbed his brow and shook his head in exasperation to admonish James Allchin, a Microsoft executive on the witness stand, about the video.

Allchin, a top scientist and a senior vice president, was forced to explain that Microsoft had tested several computers with different software packages, but edited together video segments so it appeared a single computer was being tested during the demonstration. "This wasn't in our lab try-

ing to be incredibly precise," Allchin said.

"How can I rely on it if you can't tell me whether it's the same machine or whether any changes have been made to it?" the judge demanded. "It's very troubling, Mr Allchin."

Later, in a private meeting with lawyers, the judge said he did "not believe that [Allchin] deliberately falsified this, but it does cast serious doubt on reliability of that exhibit altogether," according to a court transcript.

The judge added that Boies "has done a very professional job of discrediting those tapes."

Struggling to recover its credibility following the courtroom fiasco, Microsoft promised to re-create the demonstration overnight Wednesday in downtown Washington with government experts watching. They planned to play the new video for the judge Thursday.

Microsoft had believed its demonstration would be an effective rebuttal of the government's claims that its internet browser software could be easily removed from Windows 98. The video shows its browser running dramatically slower after the government tried to disable most internet functions in Windows.

The issue is central because the government alleges that Microsoft illegally "lied" its browser to never versions of

Windows, forcing consumers who use its popular computer operating system also to use its internet software.

Pitting its technical expertise against Microsoft — with its legions of brilliant programmers — the government hired as consultants Christian Hicks and Peter Creath, both in their early 20s, and their former computer professor, Edward Felten of Princeton University. The three studied Microsoft's demonstration video ever since the company handed over a preview copy to government lawyers just over a week ago.

They noticed a subtle flaw in the video that Boies used to confront Allchin about on Tuesday with Perry Mason-style fanfare, then they discovered new problems when they reviewed the demonstration again Wednesday.

Boies gave credit to his young computer experts. While he's nationally known for his legal skills, Boies has proved less than adept tackling technical issues.

He once mispronounced "log in" as "lojun," and frequently calls the world's largest internet provider "American Online." Allchin had testified he was assured by his "total trust in my team" that Microsoft's tests had been performed using clean computers containing only Windows software with the government's modifications.