Biman flight catering keeps Dhaka won't compromise courting profits

M ABDUR RAHIM

Beleaguered national airline's flight catering centre emerged as its most profit-making wing thanks to regular order from five foreign airlines operating in Bangladesh.

Biman Flight Catering Centre (BFCC) earned Tk 5 crore profit in fiscal year 2002-2003, sources in the national flag carrier said.

Apart from supplying food regularly to Biman Bangladesh Airlines, British Airways, Qatar Airways, Dragon Air, Uzbekistan Airways and Iran Air, the BFCC gets casual order from all 18 international airlines operating in Bangladesh.

The United Nations charted flights also order meals from the BFCC.

On average, the five foreign airlines take 25,000 meals and Biman 1.70 lakh meals a month from the catering centre. The other international airlines also place unscheduled orders for 1,500 meals a month, sources said.

Started its operation in October 28, 1989 as a subsidiary of Biman, the only in-flight food producer and supplier in Bangladesh saw first profit In fiscal year 2002-03, the BFCC's

Tk 5 crore was profit. The profit made in 2001-02 was Tk 3 crore However, Biman continues

total earning was Tk 15 crore of which

incurring losses in its flight operations, specially on international

The cost of an economy class meal ranges from \$8 to 10 and a business class meal about \$20. Manned with 550 skilled people, the catering centre has a daily capacity of producing 6,000-7,000 meals.

"The chefs and their helpers are imparted overseas training and asked to maintain the highest hygienic standard to maintain reputation," a high official of BFCC told The



A worker seals a box containing foods for a flight at the Biman Flight Catering Centre (BFCC) at Kurmitola in Dhaka. The catering centre has emerged as the airline's most profit-making wing.

Daily Star yesterday

For its quality food, BFCC earned "Excellent Quality" award from British Airways recently, he said.

Although the BFCC was established to produce and supply food for Biman, it started getting regular orders from international airlines from ctober last year, he added.

It also supplies water, soft and hard drinks to Biman and other international airlines. Biman serves BFCC foods in all two-way 26 international flights excluding the longest

routes -- Dhaka-New York and Dhaka-Brussels, the official said.

BFCC consumes 90 per cent of eggs and boneless chicken produced in Biman Poultry Farm which is another profit-making wing of Biman,

Besides meals, BFCC also supplies medical items, blankets, reading materials, children's games and gifts to passengers during flights. It also supplies cutlery, linen, baby towel, crockery, pillows and toiletries,

Everyday the ingredients and prepared foods undergo random testing by BFCC microbiologists to meet hygienic requirements of international airline clients, he said.

As the number of international airlines operating to Dhaka keeps growing, the Biman management is planning to increase capacity of the catering centre and introducing electronic food checking, he said.

HC rule on hand raising system in FBCCI polls

New leadership takes over today

STAR BUSINESS REPORT

As the new leadership of the FBCCI takes over today, High Court yesterday issued a rule upon persons concerned asking them to show cause in four weeks why the hand raising system in apex trade body election process should not be declared illegal.

A bench comprising Justice Amirul Kabir Chowdhury and Justice Syed AB Mahmudul Hague issued the rule but did not pass any order to cancel the election or stay formally publishing the results of the polls held on August 27.

The bench issued the rule on the Director of Trade Organisation of Ministry of Commerce and members of FBCCI Election Board, Election Appellate Board and Election Tribunal.

Challenging the hand raising system in second phase of the election process, Mohammad Ali, an elected director and vicepresident candidate, and Md Helal Uddin, also an elected director, jointly filed the writ peti-

The petitioners argued as per clause 15 (B) (IX) of the SRO (statutory regulatory order) No. 373 dated 01-01-2003 and Rule 17(7) of the Election Procedures the second-tier election of the FBCCI was to be held through secret ballots.

Abdul Awal Mintoo of Bangladesh Association of Banks was elected president while Kamaluddin Ahmed of Cox's Chamber and Abul Kashem Haider of Bangladesh Sewing Thread Manufacturers' and Exporters Association were elected first vice-president and vice-president for 2003-2005

Dr Kamal Hossain with Ramjan Ali Sikder appeared for the petitioners and Advocate Khondker Mahbubuddin Ahmed moved for the FBCCI and Attorney General AF Hasan Arif moved for the govern-

Mintoo-led leadership takes FBCCI (Federation of Bangladesh Chambers of Commerce and Industry) helm at annual general meeting of the trade body today. All general body members including newly elected 38 directors are expected to attend the meet.

NBR directive to expedite revenue collection

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has made a 14-point directive to all customs commissi-onarates asking the officials concerned to put their best efforts to achieve the revenue target set for the current fiscal

The major directives include streamlining the system of realising outstanding taxes and deferred payments, expediting settlement of bank guarantees and preventing unscrupulous importers from siphoning off foreign currency.

Issuing the directives on Saturday to all 19 customs commissionerates. the board asked the respective commissioners and other officials to follow latest instructions as a means to boost revenue collection, NBR sources said.

The customs officials have also been asked to report to the board on weekly and monthly basis on the developments and their perfor-

The government has fixed Tk 27,750 crore revenue collection target (NBR portion) for the 2003-2004 fiscal, which is 16.84 per cent higher than the target of the previous

The target is Tk 13,805 crore in import duties, according to NBR They said a good number of

government agencies and corporations defaulted in payment of import duties and taxes worth about Tk 1, 000 crore during the past three years. These defaulters often defer

payments at the time of releasing the imported items and never feel urgency to make the payment in time, an official said. In the latest instructions of the

NBR the customs officials concerned have been directed to remind the defaulters about the pledged amounts and make efforts to realise

It was learnt that a good number of private sector importers also defaulted in payment to the NBR

In case of any dispute over valuation, the importers normally get their consignments released submitting bank guarantee. "But the settlement of bank quarantee sometimes takes couple of years," a high official in the NBR said.

He attributed the delay to the unwillingness of importers concerned and lack of seriousness on the part of custom officials and said the officials have been instructed to be serious in quick settlement of the bank quarantee.

NBR sources said a section of unscrupulous importers have been siphoning off foreign currency through overvaluation of the imported items which enjoy zero

Presently, around 300 items have zero tariff facilities

The NBR asked the customs officials to monitor the declared values of the items imported under zero tariff facilities. If any gross irregularities are detected, the officials will have to inform the Bangladesh Bank.

The latest instructions also include updating audit management system, accurate valuation under the bond system and strengthening customs management relating to realising taxes and duties

Trust Bank, Lafarge Surma sign deal

The Trust Bank Limited will act as underwriter for the public issue of Lafarge Surma Cement Limited.

An agreement to this effect was signed by Trust Bank Managing Director (Current Charge) Iqbal U Ahmed and Lafarge Surma Cement Managing Director Yong Ngai Chan in Dhaka on Wednesday.

The bank will underwrite to the extent of Tk 50 million out of the total public issue for Tk 200 million, says a press release

Trust Bank Company Secretary AFM Asaduzzaman, Vice President Md Masoom and Swadesh Investment Management Limited Chief Executive Officer Ziaul Quddus were also present at the signing ceremony.

BATB gets 'Golden Leaf Award'

British American Tobacco Bangladesh (BATB) was recently awarded the 'Golden Leaf Award' by British American Tobacco plc.

Martin Broughton, chairman of British American Tobacco plc (BAT), handed over the award to Golam Mainuddin, deputy managing director of BATB, at an internal ceremony during his recent visit to Bangladesh, says a press release.

The 'Golden Leaf Award' has been introduced by BAT to recognise each year real life examples of business excellence across the 180 countries where it has a market

BATB was selected to receive the first ever 'Golden Leaf Award'.

SRGB, Bengal Ceramics sign deal

SRG Bangladesh Ltd (SRGB) has signed an agreement with Bengal Fine Ceramics Ltd (BFCL).

M Saidul Haq, president of SRG Bangladesh Ltd, and Rashed Mowdud Khan, managing director of BFCL, signed the deal in Dhaka on Thursday, says a press release.

Under the deal, SRGB will provide technical assistance to Bengal Ceramics for implementation of cleaner production and energy efficiency under Green House Gas Emission Reduction from Industry in Asia and the Pacific (GERIAP).

LDC concerns at WTO

Commerce minister leaves for Cancun

Commerce Minister Amir Khosru Mahmud Chowdhury yesterday left for Cancun with the determination that Bangladesh won't compromise at the fifth WTO ministerial any of the LDC concerns already addressed in the meet's draft declaration.

"It's difficult to tell in advance what is going to happen. Everything will depend on the development of negotiations," he told newsmen at the Zia International Airport before flying for the Mexican city.

"We'll stand on the Dhaka Declaration and take decision on the emerging situation through discussion among the LDC-member countries," he said, explaining the strategy charted for effective trade negotiations at the meet, beginning Wednesday.

The minister is leading a 17member Bangladesh delegation to the five-day conference. Bangladesh will coordinate the 49-nation bloc of world's least developed countries, trying to address the LDC concerns over the WTO trade regime.

He has also been made one of the three co-vice chairmen of the meet, being participated by 146 countries

NAZRATUN NAYEEM MONALISA

The Securities and Exchange

Commission (SEC) has so far issued

licences to three companies to

operate as participants to the central

depository system (CDS) which is

expected to go live in December this

Financial Consultancy and Securities

Limited and Imtiaz Hossain and

depository participants while

Standard Chartered Bank has been

permitted to provide depository

trading under the present automated

Chittagong bourses. All the paper

certificates will be dematerialised

and kept at a vault while shares will

be transacted and settled electroni-

The Central Depository

Bangladesh Limited (CDBL) will

The CDS will operate scripless

ling system in both Dhaka and

Company --

custodial service

Two brokerage houses -- Mona

got the licences as

who are members of the World Trade Organisation.

Khosru welcomed the incorporation of the LDCs' demand in the Cancun Declaration for temporary movement of natural persons, flexible rules-of- origin, and duty-free-and quota-free access to developed

But the binding clause, depicting timeframe for market access, was not addressed in the text. The issue would be put on the negotiating table, said the minister, who sees a very positive sign in the recent develop-

"It's not that we'll compromise on other issues in exchange for the achievements," he said

He said the Cancun meet is a midterm review and the position of Bangladesh at the meet would be to review and implement the issues initiated in the Doha agreement.

"We're not willing to discuss the Singapore issues at this stage, because it'll be an added burden on us as other issues like Doha agreement still remained unimplenented," he said. The Singapore issues include

investment policy, trade and competi-

tion policy, transparency in govern-

SEC gives go-ahead to

extend the service through the

depository participants who will be

cost of share trading and do away

with the necessity of maintaining a

full-fledged share department in each

of the listed companies. Besides, it

will eliminate the risks of fake shares.

manage accounts of the investors.

An investor will need to open an

account with a depository participant

(DP) and credit his shares to the

broker through whom he intends to

dealers, banks, financial institutions

or even limited companies may

The depository participant will just

need a PC and a telephone line to log

into the CDS system through dial-up.

investors to the bourses on the third

day from the trading day and collect

the money on the fifth day. The broker

A broker will deliver shares of his

Apart from brokerage houses, the

ify to be depository participants

sell his shares, an SEC official said.

The depository participants will

The system is expected to reduce

accountable to the CDBL and SEC.

3 participants for CDS

ment procurement, and trade facilita-

He said developed countries were bringing the issues in the forefront to arrest corruption. "Even then, our position is not to entertain the issues."

The commerce minister, however, said he would discuss the Singapore ssues with his colleagues in other LDCs to determine the strategy.

Agriculture would be a very strong debating issue at the meet, said Khosru, who is scheduled to return home on September 17.

Meanwhile, Bangladesh has formed 15 negotiating groups from among the delegation members to face the negotiating challenges at the WTO ministerial. The groups comprise officials and representatives rom private sectors and NGOs.

Issues of Bangladesh, as also of other LDC concerns, to be discussed in the Cancun meet include nonagricultural market access, agriculture, special and differential treatment, services, TRIPS and public health, rules, dispute settlement, trade-related capacity building, and

will then credit the collected amount

to the account of his client against the

shares to the listed company con-

cerned and submit for verification.

"Upon verification the company will

deduct the shares from the folio

account of the investor and issue a

receipt to the investor. The company

will also credit the shares against the

The investor will then be able to

sell those dematerialised shares

through his broker whose account

will be credited by the DP as per

eliminated. And the listed companies

will see their expenses reduced as

they would hardly need full fledged

share departments to handle

Through such trading mecha-

number of dematerialised shares,

said the SEC official.

instruction of the client.

accounts of investors.

sm, the risk of fake sl

The investor will have to take his

sold shares

US assures **BEPZA** of cooperation

UNB, Dhaka

US Ambassador Harry K Thomas Jr assured all possible cooperation and assistance of USA in the development pursuit by the Bangladesh **Export Processing Zones Authority** (BEPZA)

The assurance came when the American envoy paid his maiden visit to the executive office of BEPZA here yesterday.

Thomas Jr, who joined the US Embassy in Dhaka earlier last month, on his first diplomatic assignment as ambassador, said he would work for "strengthening the existing excellent bilateral relations further and bringing the two friendly nations yet closer". He lauded the role played by the BEPZA in the economic development of Bangladesh, saying that he would like to work closely with the Bangladesh EPZ Authority in its quest for more foreign investment and thereby help strengthen the economic base of Bangladesh.

The American envoy appreci ated the present government's reform measures as well as courageous steps for boosting economic

Dhaka Sheraton, StanChart sign deal

Dhaka Sheraton Hotel will offer free access to Balaka business class lounge at Zia International Airport to gold credit card and priority cardholders of Standard Chartered Bank in Bangladesh.

A memorandum of understanding (MoU) to this effect was signed between the two organisations in Dhaka recently, says a press release

David Fletcher, chief executive officer of Standard Chartered Bank, and Tremor MacDonald, general manager of Dhaka Sheraton Hotel, signed the deal.

M Sajidur Rahman, head of Consumer Banking of Standard Chartered Bank, A T M Hafizullah, director of Sales & Marketing of Dhaka Sheraton Hotel, and other senior officials of the two organisa-

tions were present. Under the deal, Dhaka Sheraton Hotel will also offer free access to immediate family members of these cardholders of Standard Chartered

Furthermore, the hotel will also offer a 20 per cent discount at Balaka restaurant for the priority cardholders and gold/silver credit cardholders of the bank.

Novo Cargo C&F agent of

Novo Cargo Service Ltd has become one of the co-sponsors and the official clearing and forwarding (C&F) agent of Medexpo-2003, an international medical equipment and service exposition, to be held from October 3 to 5.

A memorandum of understanding (MoU) to this effect was signed on Saturday with Triune Exhibition and **Event Management Services** (TEEMS), organiser of the exposition, says a press release.

TEEMS Chief Executive Officer Kazi Wahidul Alam and Novo Cargo Service Managing Director SM Rahman signed the deal on behalf of heir respective sides

Taka under pressure against US dollar

BSS, Dhaka

The Bangladesh taka remained under pressure against the US dollar in thin inter-bank trade yesterday even though the volume of trade was very low due to holiday in the international markets, dealers said.

The dollar traded at Tk 58.4300-58.4500 yesterday, compared to its previous rates at Tk 58.4350-58.4500 on Saturday, foreign exchange dealers of leading commercial banks said.

Dealers said the demand for the US dollar and other foreign currencies was very low due to holiday in most international markets.

"Importers and traders could not deal with their foreign trade partners as most international foreign exchange markets remained closed and so the volume of trade was also very low," dealers said. They said only a few amount of

dollar was traded against local currency while the cross currency trade was almost nil today.

Sentiment on taka was also bearish as the money market experienced huge liquidity, they added.

Bangladesh-Myanmar border trade resumes

Trust Bank Managing Director (current charge) Iqbal U Ahmed and Lafarge Surma Cement Managing Director Yong

Ngai Chan exchange documents after signing an underwriting deal on behalf of their respective sides held at the

They alleged the members of BDR

OUR CORRESPONDENT, Cox's Bazar

bank's head office in Dhaka on Wednesday.

The border trade with Myanmar through Teknaf resumed yesterday after six days of deadlock.

The stalemate ended on Saturday following a fruitful negotiation between the parties concerned at a joint meeting at Cox's Bazar. The government has been deprived of at least Tk 1.20 crore in duty during the six-day suspension of trade, sources said.

Border traders said that they imported huge amount of fish, food grains, onions, spices, shoes and umbrella yesterday through Teknaf from Myanmar. The border trade came to a halt on

Monday when a joint body of import-

ers, exporters, C&F agents and truck

owners in Teknaf enforced the strike

protesting 'extortion and harassment'

by police and BDR.

and from Teknaf at those points on Teknaf-Cox's Bazar road. It was decided that all necessary checking will be done by the police-

customs officers would not stop the

trucks carrying export-import goods to

BDR joint forces at Teknaf and not elsewhere, sources said. The meeting attended by repre-

sentatives from all trade bodies in Cox's Bazar and Teknaf, and the police, BDR and truck owners also agreed in principle to consider the 10point demands of the traders, sources

Bazar, following a directive by the and police in the name of checking State Minister for Communications documents and contraband goods Salahuddin Ahmed, convened the often harass them at border and on meeting to end the deadlock that badly several points on the Teknaf-Cox's Bazar road while transporting goods. affected the border trade. After discussion, the joint meeting The government had been incurdecided that the law enforcers or the

ring a revenue loss of Tk 15 to Tk 20 lakh daily following the suspension of border trade, sources said. Importers-Exporters, C&F Agents

Deputy Commissioner of Cox's

and Truck Owners Oikya Parishad alleged the BDR forces use to intercept trucks at Damdamia, Marichya, Leda, Hwaikong and Balukhali points on Teknaf-Cox's Bazar road and demand extortion.

Goods like food grain, shoe, sandal, onion, spices, umbrella and fish are imported everyday from Myanmar through Teknaf Border.

Medexpo-2003