

Biman flight catering keeps 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 chartered 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 1993.

In fiscal year 2002-03, the BFCC's total earning was Tk 15 crore of which Tk 5 crore was profit. The profit made in 2001-02 was Tk 3 crore.

However, Biman continues incurring losses in its flight operations, specially on international routes.

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 October 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, he said.

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, he mentioned.

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.

Dhaka won't compromise LDC concerns at WTO

Commerce minister leaves for Cancun

UNB, Dhaka

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 17-member 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

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 markets.

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 developments.

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

He said the Cancun meet is a mid-term 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 unimplemented," he said.

The Singapore issues include investment policy, trade and competition policy, transparency in govern-

ment procurement, and trade facilitation.

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 issues 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 from private sectors and NGOs.

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

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 appreciated the present government's reform measures as well as courageous steps for boosting economic and development activities.

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 organisations were present.

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

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 Medexpo-2003

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 their 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.

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 Haque 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 vice-president candidate, and Md Helal Uddin, also an elected director, jointly filed the writ petition.

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 term.

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 government.

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.

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 presence.

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 Saiful 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).

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 performances.

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 fiscal.

The target is Tk 13,805 crore in import duties, according to NBR sources.

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 them.

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

In case of any dispute over valuation, the importers normally get their consignments released submitting bank guarantee. "But the settlement of bank guarantee 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 guarantee.

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

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.