

Hi-tech scanners for Ctg port, Biman to prune frill wings

ICD to check containers

Govt to spend Tk 400cr to install five scanners

STAR BUSINESS REPORT

The government has decided to set up five hi-tech scanning machines to check containers at Chittagong Port and inland container depot (ICD) at Kamalapur in Dhaka aiming to prevent tax evasion as well as make export and import safer.

Total cost for importing the five large scanning machine and their installation has been estimated at Tk 400 crore and the price of each unit may range between Tk 60 crore and Tk 70 crore, officials said.

Setting up of at least three scanning units -- two at Chittagong Port

and one at ICD Kamalapur -- will be completed by December this year.

The decision was taken at a high-level meeting in Dhaka yesterday with Finance and Planning Minister M Saifur Rahman in the chair. Shipping Minister Akbar Hossain, secretaries of finance and shipping, chairmen of the National Board of Revenue and Chittagong Port Authority were present at the meeting.

"We have decided to set up scanning machine for increasing our revenue income and also detecting security risks," Saifur Rahman told reporters after the

meeting.

He said engaging pre-shipment inspection (PSI) companies will not be required after setting up such scanners. "These machine will help us make sure that illegal goods are not exported or imported."

Presently, three PSI companies check imported goods on random basis. However, there are allegations of flaws in the system that ultimately contribute to tax evasion and increasing security risk, meeting sources said.

"With terrorism intensifying globally, the US will not accept

goods that are not scanned," said an official adding, "We will have to ensure that our goods being exported to the US market are scanned."

"If we don't make arrangements for scanning goods in our country, we'll have to do it in Singapore which would make things complicated," said an NBR official.

A four-member committee has been formed headed by NBR Chairman Shoeb Ahmed to complete tender process for purchasing the scanning machines and their installation, meeting sources said.

Workshop for Transcom Electronics technicians starts

STAR BUSINESS REPORT

A two-day training workshop for technicians of Transcom Electronics Ltd, a concern of Transcom Group, began at the central service centre of Transcom Electronics in Dhaka yesterday.

Executive Director of Transcom Electronics Obaidur Rahman Khan inaugurated the programme titled "Transcom Service Workshop 2003".

A total of 54 representatives from as many service centres of the company are participating in the workshop. Four best technicians will be awarded in the programme on the basis of their performances.

The Transcom Electronics executive director said the workshop has been organised to increase the referral sale of all the brands marketed by the company as well as to increase the skills of the technicians.

"It will help us provide smooth and prompt service to the customers," he said, adding that such workshops would be arranged once in every four months.

Abdul Baki Bhuiyan, service manager of Transcom Electronics Ltd, is conducting the technical sessions of the workshop.

Rahimafrooz achieves 25pc sales growth

Rahimafrooz Distribution Limited achieved a 25 per cent sales growth in the year 2002-2003.

This was stated by Mudassir Moin, chief operating officer of the company, while presenting its business plan for the next year at the annual dealers' convention in Dhaka recently.

Feroz Rahim, managing director and CEO of Rahimafrooz Group, inaugurated the conference, says a press release.

M Ismail, managing director of Rahimafrooz Distribution Limited, narrated the company's objectives.

The company launched two new products in its product ranges -- Dunlop radial truck tyre from Japan and Spark battery for taxi-cabs and commercial vehicles.

Annual incentive and prizes were also distributed to the dealers.

Afroz Rahim, chairman of Rahimafrooz Group, and Munawar Moin, Chief Operating Officer of Rahimafrooz Batteries Limited, also attended the convention.

More than 140 dealers from across the country attended.

Lankan tea prices mixed

REUTERS, Colombo

Sri Lanka tea prices were mixed at the latest auction Wednesday, with a low-grown tea falling for a third week while high grown rose on seasonal demand.

The anticipated gross sales average was 150.50 rupees per kg compared to 149.04 rupees per kg last week, Forbes and Walker Tea Brokers said in a statement.

"Prices were better for some on the Uvas on seasonally high quality," said Yishan Fernando at Forbes and Walker, referring to high-grown tea.

But Udapussellawas were lower by between five rupees to eight rupees per kilo, he said.

Brokers said low-grown volumes had still not recovered after floods that battered the south of the island in May.

"Low grown saw bit of a dip which is a correction after gaining steeply," Fernando said.



A man arranges tiffin carriers containing 'economy lunch' before supplying to offices in commercial areas in Dhaka. Some people are doing the business of supplying lunch in tiffin carriers to different offices. The Tk 12-15 lunch is popular with middle-class office staff.

EU warns Taiwan over jet engine deal with US

AFP, Brussels

The European Commission expressed concern Thursday over a reported decision by Taiwan's state-controlled China Airlines (CAL) to buy jet engines from a US rather than European producer, warning the deal could have a major impact on Taipei-EU ties.

The European Union executive arm cast doubt over whether the CAL decision on the multi-million dollar contract was being made on entirely commercial grounds, and it was seeking clarification from Taiwan over the deal.

"We are concerned about the decision-making process concerning the placing of the order for these engines. We are not certain that the decisions were taken purely on commercial grounds," said commission spokesman Michael Mann.

"This decision, going against a European producer, could have a major impact on relations between the European Union and Taiwan. We're quite concerned and we want clarification from the Taiwanese side," he added.

He noted that Taiwan was bound by an agreement on the General Agreement on Tariffs and Trade (GATT) saying such deals should be made only on the basis of competitiveness on price, quality and delivery.

"As far as we are concerned, Rolls Royce made an offer which

was actually superior to that of GE, both in commercial and technological terms," its spokesman said.

"And Rolls Royce was also initially led to believe that its engines were favoured by CAL."

Newspaper reports in Taiwan last week said Rolls Royce lost the deal to supply engines for 18 new CAL passenger planes after a political tug-of-war between the United States and Britain.

According to Taiwan's United Daily News, Rolls Royce lost the contract after the British government failed to grant a stopover to the Taiwanese president.

The China Times reported that contracts would be awarded to the two US firms in exchange for stopovers in the US by Vice President Annette Lu during her current two-week trip to Latin America and by President Chen Shui-bian, who is expected to travel overseas in October.

A CAL spokesman, however, said the deal had not been finalised.

The Brussels commission indicated there was still some hope it could be won by Rolls Royce.

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Bid to save Tk 23cr a year

M ABDUR RAHIM

In a bid to recover from weak financial condition, Biman Bangladesh Airlines has come up with a number of austerity measures which would save Tk 23 crore a year, officials at the national flag carrier said.

Biman management has asked

all departments to discard luxurious

projects and check wastage by

maintaining austerity.

The austerity measures include

adjustment in manpower, reducing

operational costs as well as expen-

ditures for maintenance, procure-

ment and training, and engaging

private management in running

canteens.

Sources said manpower of eight

out of 26 overseas stations will be

trimmed off to the minimum level

and sales and marketing activities of

those stations will be handed over to

general sales agents (GSAs).

Size of the manpower in rest of the

stations would be curtailed by 25

per cent which is expected to save

Tk 2 crore a year, sources added.

The D-check of Biman's F28 aircraft is presently carried out abroad which needs a lot of foreign currency. "From now on, it will be done by our own engineers at Zia International Airport which would save Tk 6.82 crore a year," said an official.

Moreover, the D-check expendi-

ture of DC10-30s has been reduced to \$2.68 million from around \$4 million by floating open international tender. This will save \$1.32 million (approx. Tk 7.65 crore).

Biman officials said they have also introduced open tender system for procuring fish and vegetables for flight catering centre, further cutting costs of about Tk 2 crore a year.

Besides, the national airlines is aiming to save Tk 2.50 crore annually by revising the lease agreement with Singapore Airlines for two Boeing 737 aircraft.

To cut cost in training purpose, Biman is now replacing expensive foreign trainers by local ones.

Besides, the accommodation cost of crew in overseas hotels has been brought down through negotiation with hotel management.

Biman has handed over its canteens to private management which is also contributing to reduce cost by Tk 2.11 crore.

The Board of Directors of Biman earlier this year decided to stop expensive promotional activities including publishing and running advertisements in overseas media.

Biman has already brought adjustments to some international routes to reduce operational costs.

The stopover for Dhaka-New York-Dhaka flight has been shifted to Dubai from New Delhi. To retain Indian market, Biman has increased its flight frequency in Dhaka-New Delhi-Dhaka route. It is also planning to connect Chittagong with more international flights.

Biman is reducing loss in international flights and for the first time it made profit in domestic operations.

The government has to give Tk 20 crore subsidy every year to domestic operation but last year it earned Tk 67 lakh profit.

Biman now shares 42 per cent air travel market in Bangladesh and 18 foreign airlines occupy the rest.

The national airlines carried 15,03,448 passengers and 39,079 tons of cargo in 2001-2002. During July-December 2002 Biman carried 6,89,527 passengers and 21,001 tons of cargo by operating 6,537 flights.

Biman earned Tk 1,816.55 crore sales revenue in 2001-2002.

The national flag carrier flies to 26 international destinations across three continents. At home, it operates flights to seven points. Biman fleet now consists of six wide-bodied DC 10-30s, four Airbus A-310s, two Boeing 737s, three F-28s and two ATPs.

StanChart, British Council sign MoU

Standard Chartered Bank Bangladesh has signed a memorandum of understanding (MoU) with British Council on the collection of GCE, IELTS, O-Level and A-Level examinations.

David Fletcher, CEO of Standard Chartered Bank Bangladesh, and Charles Nuttall, acting director of British Council, signed the deal on behalf of their respective organisations in Dhaka on Monday, says a press release.

Sajidur Rahman, head of Consumer Banking, and Tanvir Haider Chowdhury, head of Shared Distributions of Standard Chartered Bank Bangladesh, and Saidur Rahman, Examination Services manager, and Mahbubul Abedin, Finance manager of British Council, were, among others, present.

According to the agreement, Standard Chartered Bank in Bangladesh will collect fees for GCE, IELTS, O-Level and A-Level examinations at all its Dhaka branches.

Northern General Ins earns Tk 10cr gross premium income

Northern General Insurance Company Limited (NGIC) has achieved a gross premium income of Tk 10,004 crore in the year 2002.

This was stated at the 7th annual general meeting of the company held in Dhaka on Tuesday, says a press release.

Hamidul Haq, chairman of the company, presided over the meeting.

In the meeting, the audited accounts and directors' report for the year ending December 31, 2002 were unanimously adopted.

The company also earned an underwriting profit of Tk 45.03 lakh in 2002. During the period, the gross claim paid stood at Tk. 4,95 crore.

The company transferred Tk 25 lakh to the reserve for exceptional losses account.

The shareholders also re-elected the retiring directors, Mohd Azam, Hamidul Haq, Foyosal Ahmed Patwary, Mohd Saiful Alam, Thamimah Rahman and Abdus Samad as director for a further term.

Abdul Matin, chairman, Executive Committee, Nasiruddin, chairman, Claim Committee, Parveen Talukder, Khalilur Rahman, Md Saiful Alam, Arshadul Alam, Jafurul Islam Chowdhury, Ayub Ali Chowdhury, Ferdousi Islam, Foyosal Ahmed, Ferdousi Islam, Abdus Samad, Shahriar Khaled, Mohd Azam, directors and Mujibur Rahman, managing director, were also present.

Competition over the engine deal followed the bitter battle between Europe's Airbus and US' Boeing involving diplomatic lobbying earlier this year over a new CAL fleet.

CAL eventually compromised by purchasing 10 Boeing 747-400s, including six passenger and four cargo planes, and 12 Airbus A330-200s.

CAL currently operates a fleet of 57 aircraft, comprising 42 passenger planes and 15 freighters.

The rate of interest against the accepted bid was 3.88 per cent per annum, said a Bangladesh Bank press release.

The DCC last month raised licence fee for garment units to Tk 10,000 from Tk 2,000.

The delegation members said the enhanced fee would put financial burden on ready made garment (RMG) exporters now passing a critical time. They requested the mayor to bring down the licence renewal fee to Tk 2,000.

The mayor assured them of considering their request.

CPA floats fresh tender for four