

Stocks

DGEN
2797.46

4626.43

Asian Markets

MUMBAI 1.74%

TOKYO 3.07%

SINGAPORE 0.53%

4,192.53

SOURCE: AFP

Currencies

	Buy TK.	Sell TK.
USD	68.15	69.15
EUR	99.72	104.12
GBP	132.38	137.39
JPY	0.63	0.66

SOURCE: STANDARD CHARTERED

More News

Construction industry To face ruin

The construction industry will face a ruin on any further hike in the price of iron rod, an important construction material, as apartment prices have already gone beyond the reach of common buyers.

B-3

The Tk 75,000 bed

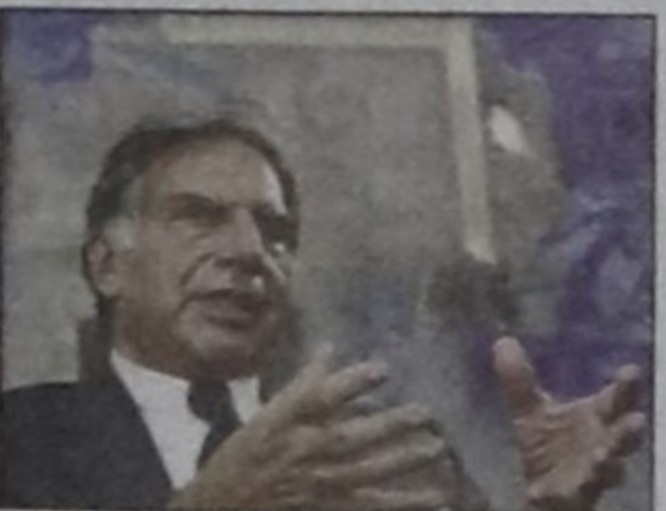
Bangladesh is not a country where you expect to find a Tk75,500 bed, but such items are being produced in Dhaka and are becoming the country's latest export success.

B-4

International

Tata empire eyes Global role

A dozen years ago, many believed that India's Tata Group was a bloated behemoth that would eventually go under. Instead, it has become a powerhouse in the 21st century. The big change came five years ago when the company's Chairman Ratan Tata directed his employees to treat the world as the market.



B-4

Oil hovers around \$100 mark

World oil prices rose to nearly \$100 a barrel in Asian trade Monday.

B-4

Bangla Biz Lexicon

Godown - often used in South Asia and East Asia to describe a warehouse, especially at docksides.

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If you have views on Star Business or news about business in Bangladesh, please email us at business@thedailystar.net

Public, private airlines lock horns over deal with India

RASHIDUL HASAN

A deep rift has emerged between the country's public and private airlines over the new Indo-Bangla air services deal that allows more flights between the countries, but which Bangladeshi flag carrier Biman fears will undermine its longhaul routes.

Hailing the agreement, which was signed in Delhi on February 13, private airlines said the deal offers new business opportunities for Bangladesh's aviation industry.

The pact allows Bangladeshi airlines to operate flights to 18 destinations in India and Indian airline Air India to operate flights from Sylhet for the first time.

Under the deal, the number of weekly flights between Bangladesh and India will be raised to 61 from 30. India also waived a royalty provision. Earlier, Bangladesh Biman had to pay \$100 to Air India for carrying a passenger to any third country destination via India.

Biman Bangladesh officials

however said the agreement will benefit India, not Bangladesh.

Terming the agreement as unwanted, the officials said India will get more advantages from the agreement as more passengers will be carried through India to Europe and the US.

Biman officials also said the increase in the number of flights will not have a positive impact on Bangladeshi airlines, as the deal was not made on the basis of basic air traffic between the countries.

The number of basic air traffic between Dhaka and Kolkata was about 32,000 passengers in 2007 while the basic traffic between Dhaka and Delhi/Mumbai was about 10,000 in the same year, Biman statistics show.

Biman Managing Director Dr MA Momen said the company had earlier requested Australia and Canada to give permission to operate flights from those countries, but they declined saying there were not enough passengers.

Even Japan turned down the

idea of a second weekly flight for Bangladesh giving the same reason, said Momen.

Commenting on the deal, Shahab Sattar, managing director of GMG Airlines, said, "This is one of the best air service agreements." Bangladeshi airlines will get great advantages to operate flights in India, he added.

Terming the agreement as a major breakthrough, Sattar said, "Several obstacles to operating flights to India have been removed after the agreement."

"Everything in the agreement is positive for Bangladeshi airlines," said Muhammad Masud Khan Siddique, MD of Anmole Group, proprietor of A2Air, which will go into operations by March.

"Under the agreement we have got opportunities to operate flights to Kolkata, Mumbai and Delhi or other designated destinations in India," said Tasdirul Ahmed Chowdhury, MD of United Airways.

"Earlier, Bangladeshi airlines could operate only 26

flights to Kolkata and four to Delhi/Mumbai," he said, adding that now Bangladeshi airlines will be able to operate more flights to Kolkata.

"The increase in flights will offer more opportunities for Bangladesh," said Farhad Hossein, chief of marketing of Best Air.

A delegation led by Sheikh Altaf Ali, civil aviation and tourism secretary (who has been made OSD later), went to Delhi to sign the agreement with his counterpart on February 9.

Asked about the agreement with India, Ali said India in March 2006 sent the proposal through diplomatic channels and the then government approved the proposal.

"Under a memorandum of understanding (MoU), we have removed several obstacles of Bangladeshi airlines to operate their flights in India," he said.

When asked, Mahubul Jamil, chief adviser's special assistant for civil aviation and tourism, said the air service agreement with India will benefit Bangladeshi airlines.



A man wearing protective gear culls birds at Hen's Garden poultry farm in Savar, Dhaka yesterday.

A slaughter Shahin could not bear

SOHEL PARVEZ, BACK FROM SAVAR

"It's unbearable to see the ruins. Please don't ask me to come," the Hen's Garden owner Nazmul Huda Shahin told The Daily Star over the phone.

He was speaking as the culling workers were digging ditches on his farm in Savar. Shortly after the team of workers moved into the chicken pen and started grabbing the 2500 birds. They were then put in white sacks, still alive, and thrown unceremoniously into the ditches.

It was a sight Shahin simply did not want to face. Fifteen years of work and more than 5 lakh taka of investment have now been put in peril.

"My birds had just started laying eggs. How can I stop my heart aching," said Shahin who along with many others in the village of Rajashan in Savar, had set up the poultry farm to manage the bread for family members.

"I owe about Tk 4.0 lakh to feed suppliers, egg-buyer. Oh no, it's a disaster," he said.

Like Shahin, many poultry farmers are now living under the threat of bird flu that has been sweeping over country's about Tk 8,000 crore worth poultry industry since March last year.

The disease led to the destruction of about one million birds since its outbreak. On

Sunday alone 58,000 birds were destroyed in just eight districts, according to official statistics.

"We are low-income people. It becomes too heavy for us to carry the burden of such big losses," said Milon Rosario, owner of Rabi Poultry Farm at Kamalapur in Savar.

Milon, who brought day-old broiler chicks to recover last year's losses, said some 2500 birds of his farm were killed on February 23. "I incurred a loss of about Tk 60,000 last season. The extent of loss will be similar this time as well," he said.

But Milon was not prepared to give up. "I will start again after three months. I will take the risk. I have to have courage," he said.



Danish Ambassador to Bangladesh Einar H Jensen (R) and other guests are hammering the keel to inaugurate the construction works of two oceangoing ships of Western Marine Shipyard Ltd. in Chittagong yesterday.

Rising prices could force UN to cut food aid: WFP

AFP, London

The United Nations agency in charge of alleviating world hunger will be forced to consider rationing food aid because of rising prices, its executive director said in an interview published Monday.

Speaking to the Financial Times, Josette Sheeran said that if World Food Programme (WFP) donors did not contribute more money, the agency would have to look at "cutting the food rations or even the number of people reached".

According to figures from the UN Food and Agriculture Organisation, food prices globally soared 40 percent in 2007 due to an array of factors,

including rising demand, high oil prices and global warming. "Our ability to reach people is going down just as the needs go up," she said.

Sheeran said that the problem of global hunger was changing, with "situations that were previously not urgent -- they are now."

She told the business daily that the WFP was "seeing a new face of hunger in which people are being priced out of the food market" with hunger now "affecting a wide range of countries", pointing to Indonesia, Yemen and Mexico in particular.

The WFP official added that in some developing countries, families were cutting their daily meal count from three to just one, and others were relying on one staple food.

Consumer protection act within March

Says Mahubul Jamil

STAR BUSINESS REPORT

The long-awaited national consumer protection act will come into force within March, said Special Assistant to the Chief Adviser Mahubul Jamil yesterday.

He told a seminar in Dhaka that the proposed act will be placed before the advisory council within next two weeks for final approval.

Earlier, the draft law was sent to the Chief Adviser's Office, but it was sent back for further review.

Bangladesh Rifles (BDR) in collaboration with Consumers Association of Bangladesh (CAB) has prepared the draft law.

"Presently there is no law in the country that can protect the consumers' right and bring any businesspeople to trial for their ill practices in business," said CAB Chairman Borhan Ahmed at the seminar.

The former BNP-led alliance government in September 2004 approved in principle the draft law on consumer protection.



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