DHAKA MONDAY OCTOBER 25, 2010

**1.10%** 

7,699.68

1.20%

14,362.11

▲ 0.47%

7,463.57

Sell Tk

71.00

101.27

113.65

Stocks

**DGEN** 

CSCX

IDLC 50

IDLC Index

Currencies

**EUR** 95.50

**Buy Tk** 

70.00

Muhith fears

STAR BUSINESS REPORT

rise in inflation

Finance Minister AMA

Muhith fears a rise in infla-

tion, despite measures to

contain its impact through

expansion of the safety net

Speaking at a discussion

on 'State of the Economy',

organised by Economic

Reporters' Forum (ERF) at

the National Press Club

auditorium yesterday,

Muhith also said 70 big

projects will closely be moni-

tored and the shares of 26

state-owned enterprises

(SoEs) be offloaded in three

inflation persists. I spoke to

the agriculture minister and

the food minister in this

regard. I hope we'll succeed

Inflation is on the rise

mainly because of increas-

ing food prices, buoyed by

price spirals in international

markets. To ease inflationary

pressures, the allocation for

subsidies will be increased

in the budget, the minister

On implementation of

the Annual Development

Programme (ADP), he said

sluggishness prevails.

However, to expedite imple-

mentation, 50 to 70 big pro-

jects will be closely moni-

In response to queries on

the capital market, Muhith

said: "I'll not say that it's

over-heated, it's lttle bullish

though. However, we're

constantly taking steps to

stabilise it. We're also taking

initiatives to offload govern-

The minister hoped that

the situation in share market

would not resemble the 1996

He said the economy is

progressing as per projec-

tions made in this year's

budget. The minister said

the policy taken in the bud-

get is also being pursued.

World Bank and Interna-

tional Monetary Fund have

accepted the policy and will

provide \$2 billion over a

Presenting the import

and export data of capital

machinery and raw materi-

als, the finance minister

pointed to the peak in

investments. In the current

fiscal year, investment

compared to GDP is likely to

cross 24 percent for the first

Muhith also said the

power situation is the most-

discussed topic. "The crisis

will be over by 2012 but the

availability of power will not

be at par with the increasing

On realising transit fees

from India, the minister said

India has been using Bangla-

desh's river route since 1960

and paying fees. However,

new transit fees have been

imposed from this fiscal

year, which follow interna-

Hossain and General

Secretary Abu Kawsar were

also present.

ERF President Monwar

tional practices, he added.

demand."

period of three years.

tored, he said.

ment shares."

catastrophe.

in containing it."

"The apprehension over

programme.

months.

## Govt to take over land port operations

JASIM UDDIN KHAN

Bangladesh Land Port Authority (BLPA) decided to operate six land ports on its own, due to its unpleasant experience with some private operators.

......

Of the ports, Bibir Bazar in Comilla, Birol in Dinajpur, Bhomra in Satkhira, Akhaura in Brahmanbaria, Burimari in Lalmonirhat and Tamabil in Sylhet will come under BLPA management.

The BLPA has been running the prime land port, Benapole, for long and recently took over Akhaura.

Bibir Bazar in Comilla and Birol in Dinajpur were at the final stage to go to the private operators but the BLPA scuttled the handover.

Panama Port Link was awarded licences to operate Hili Land Port and Sonamasjid Land Port for 25 years and it received around Tk 22 crore loans from Infrastructure Development Company Ltd (IDCOL) and other banks at reduced rates to develop the infrastructure of the ports.

But the company diverted the money to other ventures instead of developing the infrastructure of the ports, BLPA officials alleged.

"Panama Trading (the parent company of Panama Port Link) was awarded both the projects to operate on BOT (build, operate and transfer) basis for 25 years. But they did nothing to develop infrastructure of the ports in line with the contracts," said Irtiza Ahmed Choudhury, member (traffic) of BLPA.

The company also failed to pay the government a share of profit --Tk 4.6 crore -- and discontinued communication with the BLPA. The



A truck offloads goods at Banglabandha land port in Panchagarh.

**LAND PORTS THAT** WILL COME **UNDER PRIVATE** MANAGEMENT

- O Bibir Bazar in Comilla
- O Birol in Dinajpur
- Bhomra in Satkhira
- Akhaura in Brahmanbaria
- O Burimari in Lalmonirhat

Tamabil in Sylhet

lender, IDCOL, also scrapped the contract with it for Sonamasjid Land Port operations and appointed Major (retd) Md Jahangir as the designee for the port.

Panama also failed to pay the government a Tk 1.8 crore share of profit from Hili Land Port. BLPA Chairman AKM Yahea

Chowdhury said the BLPA will operate the rest of the ports which are not given to the private opera-"Our experience with the pri-

vate operators is bad. The BLPA is doing well in operating the ports," Yahea said. Moniruzzaman Chowdhury,

proprietor of Panama Trading, could not be contacted for comments despite several attempts.

Sonamasjid, Hili, Teknaf and Banglabandha are the four land ports that were handed over to the

private management to streamline border trade with Bangladesh's neighbouring countries, mainly India.

Agreements bind Sonamasjid and Hili to pay the BLPA a 49 percent share of their gross revenue earnings. A 28.09 percent share of the earnings is for Teknaf and 31.26 percent for Banglabandha land

Irtiza Ahmed Choudhury alleged that Panama Port Link had bad intention as it bid for a 49 percent share, which is not commercially viable. The government initiated the

BOT arrangement for the land ports to gear up cross-border trade with neighbouring countries -- India, Myanmar, Nepal and Bhutan.

Banglabandha in Panchagarh district is not functioning properly because of the absence of a tripartite agreement involving Bangladesh, India and Nepal, according to the port authority officials. The 10-acre Banglabandha port was handed over to a private operator in October 2005.

Birol land port, which was brought under private management in 2006, remained fully unutilised for trade because of the absence of a road link and broadgauge rail route.

Bibir Bazar is not working because the Indian authorities are yet to issue pass for the loaded trucks.

"We have written to the NBR (National Board of Revenue) that progress yet," said a BLPA official.

#### has requested the foreign ministry to place the issue before the Indian authorities. But there is no visible jasim@thedailystar.net

# Chittagong to get Persona makeover

MD FAZLUR RAHMAN

Leading beauty salon Persona will open an office in Chittagong in December to cater to the growing market in the port city.

"We have a strong customer base in Chittagong. As we don't have any branch there, many fly to the capital in the morning, take service throughout the day and fly out in the evening," said Kaniz Almas Khan, managing director of Persona.

The makeover artist said whenever there is a big marriage ceremony in Chittagong, a Persona team flies there. "It costs the party and the company a lot."

Kaniz said the new branch may open on December 26 if everything goes right.

The branch to be set up at Prabartak More, one of the plush areas in the port city, will take the number of its branches to 11. A building with an area of 15,000 square feet has already been leased, apart from 3,000 square feet on the same building for offices.

Decoration will start soon as the planning has been confirmed, said Kaniz, who pioneered beauty industry in Bangladesh and made Persona the most popular brand.

The Chittagong branch will be the company's first venture outside Dhaka. It has seven branches for women and three for men in the capital.

Launched in 1990 under the brand name of Glamour with only nine beauticians, Persona now employs around 2,000 people, 99 percent of them are women.

Kaniz said: "Nowadays both female and male customers regularly visit us. Beautification is not a luxury now."

On an average, 4,000 customers visit Persona outlets daily. Of them, around 5 percent are men.

She said the industry has evolved so much that now women do not hesitate to take beautification business as a profession. "Everyday our CV bank fazlur.rahman@thedailystar.net



receives a couple of applications,' Kaniz said.

There are over 2,000 beauty parlours and salons across the country.

The company has also launched Persona Institute of Beauty and Life Style to help build career as beauty specialists.

Between August and September, it provided free training to 27 women from different parts of the country. She said these women will now be able

to set up their own beauty parlours in their hometowns and create jobs for others. The company also plans to open

branch in Sylhet. No timeline has been set yet, said Kaniz, also the editor of fashion magazine Canvas, a sister concern of Persona.

Persona Adams is a joint venture beauty care centre between Persona and Indian beauty care specialist Jawed Habib. It also has a spa named Persona

#### **Automated clearinghouse** grinds to a halt

STAR BUSINESS REPORT

Bangladesh Bank's automated clearinghouse came to a halt yesterday due to technical faults, said a top official of the central bank.

"The automated system did not work after the server system acted up," Das Gupta Asim Kumar, executive director of BB, told The Daily Star.

The server went out of order, probably because of faults with the chilling system of the air conditioner, said Asim Kumar.

"We have asked the banks to settle their cheques manually for the time being," he said.

The system is expected to get back on stream on Tuesday The central bank had launched the system to settle payments among 1,100 branches of all 47 scheduled banks initially in Dhaka.

At the same time, it kept the manual settlement system open as a 'stand-by' solution, said Asim Kumar.

## Passengers in the lurch as Biman pilots continue protests

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STAR BUSINESS REPORT

Hundreds of passengers continued to suffer for a third day as Biman cancelled or delayed several flights to different destinations after pilots baulked at flying planes.

The airline authorities served notice on four pilots for holding a press conference last week, defying an official

Biman cancelled a Dhaka-Chittagong flight yesterday after failing to persuade any pilot to fly the F-28 aircraft, officials said. In Dhaka and Chittagong, 160 passengers had to cancel their travel plans.

Failure to get pilots to fly delayed a flight to Kathmandu from Dhaka by two and a half hours yesterday.

Also, a Dhaka-Bahrain-Kuwait flight was delayed for more than two hours. To maintain flights on the route, the airline lined up one of its old fuel guzzlers, DC-10 aircraft.

Biman also put another DC-10 plane in place to carry Kuala Lumpur-bound travellers after the designated pilots refused to fly planes, insiders said. The Kuala Lumpur-bound flight was scheduled to depart

as 153 passengers had been stranded since Friday in Dhaka and Kuala Lumpur. It was the third day of agitation being staged by Bangla-

Dhaka at 10pm yesterday to transport passengers. As many

desh Pilots Association (BAPA), which disrupted a number of flights of the national carrier, causing inconveniences to travellers.

Biman insiders said most flights disruptions were caused by the designated pilots reporting sick. Pilots' protests started since October 22, as they

demanded the airline authority withdraw an order on service age ceiling enhancement from 57 years to 62, leaving the pilots conditionally out of insurance and rehabilitation benefits during the extended period of service. Referring to an agreement between BAPA and Biman, the

pilots said they would not fly more than 70 hours a month and more than two consecutive nights. They demanded eight holidays a month.

Pilots usually fly less than 70 hours a month, according to Biman data.

Prior to the protests, pilots had worked for Biman without adhering to the provisions of the agreement. Biman insiders fear that if the protests continue, the

national carrier will be forced to cancel many flights in the coming days. To pacify pilots, the Biman management yesterday served

notice on four pilots for holding a press conference despite restrictions. The conference focused on retirement age enhancement, an issue now pending with the Supreme Court. The pilots who face notices are: BAPA acting President

Captain Zakir Hussain, General Secretary Captain MA Basit Mahtab, BAPA Executive Committee member first officer Shahrier M Farazi and its member Captain AM Maqsood Ahmed.

The pilots have 96 hours to explain reasons.





### AB Bank Congratulates

Mr. A.S.M. Mohiuddin Monem, Chairman ServiceEngine Limited & Deputy Managing Director, Abdul Monem Limited on being awarded the prestigious CIP (Commercially Important Person) status.

AB Bank wishes him continued success.

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