

India soars above global average in hiring female airline pilots

REUTERS, New Delhi

When Shweta Singh wanted to become a pilot in India 20 years ago, she had to first persuade her parents to let her pick an uncommon profession for women, then deal with unwelcoming male colleagues in the cockpit.

Today, she says, it would be a much easier career to embrace. More Indian women want to become pilots, and more benefits await them: union-mandated equal pay, a safe workplace, day care services and a booming aviation sector.

India has the highest proportion of female commercial pilots in the world at 12 percent, despite the country's patriarchal society, which typically frowns on women in such jobs. "It was difficult," Singh said, recalling her early days of being a pilot. "It was a male-dominated area and not easy to break into."

But society is changing, said Singh, a senior trainer at Jet Airways Ltd on temporary assignment to India's aviation regulator as deputy chief flight operations inspector.

The percentage of female pilots in India is twice as high as in most Western countries, including the United States

and Australia. Globally, less than 5 percent of pilots are women, according to the International Society of Women Airline Pilots.

Demand for pilots globally is surging. Planemaker Boeing Co estimates a need for 790,000 new pilots globally over the next 20 years, double the current workforce, as air travel rises.

India is the world's fastest-growing aviation market, with domestic capacity growing 22 percent in the first half of the year, so airlines there are under particular pressure.

Recruiting more women is an obvious way to help solve the pilot shortage, but social constraints have worked against that, said Maria Bucur, a professor of history and gender studies at Indiana University.

"The training and stressful work needed to become and work as a pilot require choices of women that go against most of the gendered expectations our society has of them at that age: to have babies," she said.

Because pilot pay is based on seniority and flying hours under union agreements, it is one of the rare professions in India where there is no gender pay gap.

Emirates announces 'special' global fares

STAR BUSINESS DESK

Emirates has recently come up with "special" fares for over 150 destinations, saying it was to inspire travellers into visiting renowned cities and exploring new places.

Economy class all-inclusive fares start at Tk 99,600 to the Americas, Tk 66,151 to Europe, Tk 124,002 to Africa and Tk 49,385 to Dubai.

Business class all-inclusive fares start at Tk 335,071 to the Americas, Tk 220,531 to Europe, Tk 316,977 to Africa and Tk 112,714 to Dubai.

Customers have to book the tickets by September 13 this year for travels between September 16 and next year's March 15, the Dubai-based airline said in a statement yesterday.

Further information is available with travel agents, Emirates offices in Dhaka, Chittagong, Sylhet and www.emirates.com/bd/.

Emirates presently operates thrice daily from Dhaka and via Dubai connecting to 160 destinations in five continents.



Telecom and ICT Minister Mustafizur Rahman visits Canon Image Square after inaugurating the flagship showroom at BCS Computer City at IDB Bhaban in capital's Agargaon yesterday. Alex Chan, director of image communication department of Canon in Singapore, and Abdullah H Kafi, managing director of JAN Associates, the authorised distributor of Canon in Bangladesh, were present.

Dhaka stocks see slight rise

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According to the consortium, it has 11,000 institutional investors and many of them may get interested to invest in the Dhaka stock market.

The government is also taking some plans to make the market more investor-friendly, stakeholders said.

The finance ministry is thinking of raising the timeframe of close end mutual funds which have to be liquidated within 10 years. If there is any increase in the liquidation timeframe, the market would not face any sales pressure for at least 5 years.

Tension over the upcoming parliamentary election, inactiveness of the Investment Corporation of Bangladesh (ICB) and stock brokers being dissatisfied with the higher gain tax on share sales at the DSE are bothering the market, said a CEO of a brokerage firm seeking anonymity.

The Anti-Corruption Commission (ACC) has recently arrested three persons, including a serving and a former official of ICB, in connection with a misappropriation case. Moreover, it has filed 12 more cases against 15 ICB officials over the alleged misappropriation of about Tk 62 crore of the ICB.

The CEO said ICB officials were inactive as they were both angered and in apprehension of their colleagues' fates. Inactiveness of a big player like ICB alone has affected the market badly, he added.

Some other brokers are unhappy as they have to pay a 15 percent gain tax on the money they get from selling shares.

Capital gain tax is only 5 percent for listed companies and, as the DSE is not yet listed, shareholders will have to pay a 15 percent gain tax.

Stock brokers say they were bound to sell their shares before they got listed as per the demutualisation act 2013.

So they are bargaining to get the same opportunities as a listed company, as the DSE will have to be listed very soon as well.

Of the traded issues, 156 advanced, 131 declined and 49 closed unchanged on the premier bourse.

Khulna Power dominated the turnover chart with 65.69 lakh shares worth Tk 60.14 crore changing hands, followed by United Power Generation, The Peninsula Chittagong, Unique Hotel and Aman Feed. Oimex Electrode was the day's best performer with a 9.93 percent gain followed by The Peninsula Chittagong, Eastern Housing, The IBN SINA Pharmaceuticals.

SEML Lecture Equity Management Fund was the worst loser, shedding by 9.21 percent, followed by Provati Insurance, CAPM BDBL Mutual Fund and Janata Insurance.

Chittagong stocks soared yesterday with the bourse's benchmark index, CSCX, increasing 47.76 points or 0.46 percent to finish the day at 10,386.00.

Losers beat gainers as 111 advanced, 95 declined and 41 finished unchanged on the Chittagong Stock Exchange.

SEBI will review tighter norms on foreign funds

REUTERS, New Delhi

The Securities and Exchange Board of India (SEBI) on Wednesday said it would review an order tightening rules on foreign funds ownership by entities of Indian origin, after some fund managers said it could lead to massive dollar outflows.

The SEBI said in a statement that a panel headed by a former central bank deputy governor had held consultations on various issues and would give its recommendations.

"Based on these inputs, SEBI would review the matter and shortly take a holistic view," the statement said.

In its order on know-your-customer norms issued in April, SEBI said a company majority owned by non-resident Indians or persons of Indian origin would not be allowed to invest as a foreign portfolio investor in the country.



Naser Ezaz Bijoy, CEO of Standard Chartered Bangladesh, and Runa Khan, founder and executive director of non-government organisation Friendship, exchange signed documents of an agreement at the former's head office in Dhaka recently for providing eye care to marginalised people of char communities in northern Bangladesh to tackle avoidable blindness.

Private credit growth hits 18-month low

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The central bank's decision to slash the loan-deposit ratio by 1.5 percentage points to 83.5 percent was one of the main reasons for the declining credit growth, bankers and experts told The Daily Star.

The central bank took the decision on January 30 and instructed banks to implement the new ratio by March next year.

Many banks have adopted the "go-slow" policy at the turn of the year, when their loan-deposit ratios were way higher than the central bank's permissible ceiling, said Syed Mahbubur Rahman, chairman of the Association of Banks, Bangladesh, a platform of private banks' managing directors.

Some banks have already adjusted their loan-deposit ratio through their cautious approach to disbursing loans, said Rahman, also the managing director of Dhaka Bank. The decision taken by banks to bring down the lending rate to a single digit has also put an impact on the credit growth, he said.

On June 21, the Bangladesh Association of Banks, a forum of directors of private banks, decided to lower the interest rates on lending and deposit to 9 percent and 6

percent respectively from July 1.

Banks are also lending cautiously keeping in mind the upcoming national polls, which is scheduled to be held in December this year, Rahman added.

Shafiqul Alam, managing director of Jamuna Bank, also echoed Rahman's view. He said a majority of the banks disbursed loans at a slow pace to adjust their respective loan-deposit ratio.

A number of banks have been facing a liquidity crunch in recent months which has forced them to lower lending, said Ahsan H Mansur, executive director of Policy Research Institute.

The deposit growth in the banking sector is hovering at 10 percent for long which weakened the banks' lending capability, he said. "The banks have been facing a crisis in adjusting their loan-deposit ratio, that clearly indicates a liquidity crisis in the banking sector," he said.

Higher yield of national savings certificates than rates offered by the banks for their deposit products is one of the causes of the liquidity crisis, Mansur said.

The negative net foreign asset of balance of payments is also responsible for the cash shortage in banks, he added.

Local airlines upset despite travel boom

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The airline plans to carry more in the coming months by increasing capacity. "We are going to double the flights on Dhaka-Saidpur and Dhaka-Jessore routes as we are adding a Dash-8 aircraft this month," Meraj said, adding that weekly flights to these northwest and southwest destinations would increase to 14 from the present seven.

The number of flights to Rajshahi and Barisal would also increase, he said.

Meraj said air travel on the domestic routes would be robust in the coming days driven by rising business and investment activities. Yet, from revenue perspective, the contribution of domestic travellers is less than that of international travellers.

Executives of private airlines shared a similar story, saying the growth of travellers has not facilitated an increase in per passenger yield.

"We see a positive trend in air travel. The market is growing but per passenger yield is very low owing to competition among airlines to gain market share. Besides, Biman is also keeping the fares very low," said Mofizur Rahman, managing director of Novo Air, which began flights in 2013.

A year later, US-Bangla Airlines entered the market that served 76.50 lakh domestic and international travellers in 2017.

Today, four local carriers, including Biman, operate flights on the domestic destinations. As a result, the number of flights has increased, prompting the airlines to cut fares and launch promotional offers to attract travellers and gain a market share.

The fare begins from as low as Tk 2,000 offered by Biman for a trip to the port city of

Chittagong from Dhaka. Novo Air and US Bangla charge Tk 2,500 for the same.

"The fare has remained at the same level although oil prices have increased manifold. From our side, it is not profitable even after almost 80 percent load factor," said Rahman.

Fares will have to be adjusted in line with the increased prices of fuel, he said.

Novo Air, which mainly operates flights on domestic destinations, carried 4.80 lakh travellers on local routes in 2017, up 20 percent from a year ago. The six-fleet carrier, which has recently resumed flights from Barisal, carried 4.70 lakh travellers on domestic routes until August this year, according to the airline.

"The growth in air traffic in the domestic market has been remarkable. But it is depressing that the overall fare has dropped," said Imran Asif, chief executive officer of US-Bangla Airlines.

Some 8-9 years ago, one-way fare on the Dhaka-Chittagong route was Tk 8,000-Tk 9,000 whereas it stands at Tk 4,000 at present. Yield per passenger has fallen during the period. "If inflation is adjusted, the real fare would be much lower. From this point, it is impossible to make domestic flights profitable," Asif said.

He said the fare can not be increased because of the risk of fall in the load factor, which will ultimately affect the overall cash flow and the business.

He said US-Bangla's cost per passenger is about Tk 4,000 and it is rising.

"Prices can't be kept at a fair level because of competition. But the outcome of the competition will not be good. None will survive if this continues."

Nitol-Niloy to start assembling Tata pickups this month

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"We will start assembling pickups this month and it will be the beginning of automobile manufacturing in the country," said Ahmad, also a former president of the Federation of Bangladesh Chambers of Commerce and Industry, the apex trade body.

He believes Nitol Motors would be able to introduce a "made-in-Bangladesh" pickup truck in January 2021.

Ahmad said as per international practice at least 25 percent of the components of a vehicle must be manufactured locally to call it a local product.

Nitol Motors would manufacture the chassis, body, pinion, wheel rim and brake components, which would be economically viable. Ahmad said Tata would directly supply the rest of the components to the manufacturing plant.

Nitol Motors started assembling Tata buses and trucks in 1991 and has been Tata Motors' partner since 1988.

Now, it is the largest distributor of Tata Motors in South Asia, and the most dominant player in the country's commercial

vehicle market having over 40 percent of the market share. According to Nitol Motors, it accounts for over two-thirds of the pickup truck market in the country and it has been growing at a double digit rate for the past five years.

Ahmad said Nitol needs to invest around Tk 300 crore in the existing assembling plant to upgrade it for manufacturing pickup trucks and it would need Tk 800 crore to go for manufacturing trucks and buses in the future.

He said assembly of pickup trucks would reduce its present price in the domestic market by Tk 1 lakh per unit.

Nitol-Niloy Group has a diversified profile with exposure to assembling of vehicles, bus body making, after sales support, transport and aviation services, financial institutions, manufacturing industries, real state, properties development and sports promotion.

The group's annual turnover was \$128 million, equivalent to over Tk 1,000 crore, last year, according to its website. It has so far invested around \$260 million and employs 3,170 people.



Anne Maria Hermans, managing director of online real estate marketplace Lamudi Bangladesh, and Mashid Rahman, divisional director of Rangs Properties Ltd, exchange signed documents of a memorandum of understanding for mutual collaboration at the latter's office in Dhaka on Tuesday.