DHAKA MONDAY JULY 11, 2005 E-mail: business@thedailystar.net

Dollar hits record Tk64.30 Monopoly on medical of

STAR BUSINESS REPORT

Demand for dollar continued soaring, reaching all time high at Tk

64.30 per unit in the inter-bank foreign exchange market yesterday. Adjusting the price with new rates, the privately run commercial banks sold dollar at the highest Tk 65.80 for imports, sources in banks

Exporters and remitters, on the other hand, will get more money as banks adjusted their buying rates as

"The present high trend in dollar price will push import cost further up. Essential prices will go up as ou

meet the growing demand," said a banker at a nationalised commercial bank (NCB).

However, economists hope that such small depreciation of taka will have positive impact on the country's economy.

Bangladesh Bank has already sent an advice for adjusting the import bill of \$350 million to Asian Clearing Union (ACU), sources

Normally, Bangladesh has to pay around \$200 million in ACU bill every two months. But due to a huge rise in import, the government will

As a result, the foreign exchange reserve will go down substantially from \$3 billion mark. The foreign exchange reserve as on Saturday was US\$3, 116.7 million.

Bangladesh, Bhutan, India, Iran, Myanmar, Nepal, Pakistan and Sri Lanka are members of ACU. The foreign exchange reserve has been under pressure following an unusual rise in opening letters of credit (L/Cs).

According to BB sources, LCs worth more than one billion-dollar is being opened every month. The value of L/Cs opening during July-

amounted to US\$ 13.01 billion, up by 17.22 percent over the same period during FY2003-04.

Dismissing dollar crisis, Finance and Planning Minister M Saifur Rahman recently blasted some banks for opening huge number of L/Cs on speculation. "There is no dollar crisis in the country. We have adequate reserve," he said.

The central bank, according to BB sources. has injected around US\$ 500 million from January to the first week of July in the market and pumped around \$130 million in June

migrant workers

PORIMOL PALMA

GCC-Approved Medical Centres' Association's (Gamca) authority to send an aspirant migrant worker to its enlisted specific centres for medical check-up before applying for visas has created a web of monopoly and extortion, victims and recruiting agencies alleged.

Even five years ago, the recruitng agencies were allowed to apply for visa from the Embassy of Saudi Arabia before sending recruits to the embassy-enlisted medical centres for check-up, the fee of which was Tk 1,200.

However, the situation changed since the formation of Gamca with 28 Gulf countries in 2000 with the approval of the Gulf Co-operation Council (GCC) health ministers.

Soon afterwards, Gamca with tacit support from the Saudi embassy gave itself the authority to specify where a recruit must have his medical check-up done. It also made it mandatory for the recruits to have a medical check-up before submitting applications for visa, and raised the fee to Tk 1500.

The Bangladesh Association for International Recruiting Agencies

(Baira) alleges that such practices have created a monopolistic regime in the medical check-up process for recruits, foiling the true purpose of the system and burdening prospective migrants with unnecessary

"As a result, a recruit is left with no choice but to have his check-up done from the particular centre assigned by the Gamca," said Baira President Md Mosharraf Hossain. "This gives that particular centre a monopolistic attitude to extort the

Adding to this monopolistic scheme, 18 recruiting agents directly or indirectly own almost twothirds of the Gamca medical centres, said Baira executive committee member Abdul Alim. Ownership of both a recruiting agency and a medical centre by one is a powerful means to monopolise the trade, he

With this advantage, most of the enlisted medical centres perform a wide range of unnecessary medical activities including X-ray and blood test several times, Mosharraf, also a lawmaker, noted. These centres also ignore reports from institutions like the Combined Military Hospital

or the International Centre for Diarrhoeal Diseases Research, Bangladesh if the reports contradict their own findings, he added.

The recruits are also forced to "purchase" the medical certificate declaring them fit from the Gamcaprescribed medical clinics for employment in Saudi Arabia at whatever price, Alim alleged.

"The recruits have to incur all these expenses without knowing if their visa papers are genuine," Abdul Alim said. This practice only ensures the profit of Gamca, he observed.

When contacted, Gamca President Jahangir Alam said all the problems have been solved and Baira and Gamca will co-operate each other on the issue as per the expatriates' welfare minister's direction in a recent meeting. He. however, could not say what the minister had directed to settle the problem and declined to talk further.

"It is very difficult to find the victims--who would dare to complain against the medical centres when overseas employment is much more important for them, even if in exchange of some 'extra money',"Alim said.

However, one victim in his written complaint last year said he secured a medical certificate declaring him fit from a Gamca-enlisted centre as a general client, but a week later, the centre declared him unfit when he had the check up done as an aspi-

rant migrant worker.

"The centre demanded extra money for declaring me 'fit' and, when I refused to pay the money, directed me to consult with the recruiting agency concerned," he

A number of recruiting agencies admitted of the widespread monopoly, but said they can do nothing unless the higher authorities look into the matter. When contacted. State Minister

for Expatriates' Welfare and Overseas Employment Major (retd) Quamrul Islam said he held meetings on the issue with all the authorities concerned and has sent a letter to the foreign ministry to settle it in consultation with the GCC, particularly with Saudi Arabia.

About 2.72 lakh people migrated for overseas employment last year alone, the highest number in recent years. Sixty percent of them went to

GMG increases Kolkata flights

GMG Airlines has announced weekly six flights to Kolkata effective from 13 July, says a press release.

In the new schedule, the airline will operate thrice a week -- every Wednesday, Friday and Sunday on Dhaka-Kolkata-Chittagong-Dhaka route. The flight will leave Dhaka at 0950 hrs, reaching Kolkata at 1020 hrs. From Kolkata the flight will depart at 1050 hrs reaching Chittagong at 1235 hrs and depart Chittagong at 1300 hrs reaching Dhaka at 1350 hrs.

On every Monday, Thursday and Saturday the airline will operate flights on Chittagong-Kolkata-Dhaka-Chittagong route. The flight will leave Chittagong at 0830 hrs, reaching Kolkata at 0915 hrs. From Kolkata the flight will depart at 0945 hrs reaching Dhaka at 1115 hrs and depart Dhaka at 1140 hrs reaching Chittagong at 1230 hrs.

Reservations can be made through all outlets of GMG Airlines or through the nearest travel

Emirates, Hertx sign deal on online car rent

Emirates has recently signed a partnership agreement with Hertx, a leading car rental company.

Until December 31, customers can go to www.emirates.com and link seamlessly to the Hertz online reservations system where they will receive special rates for hiring a

This agreement with Hertz makes it more convenient for our online customers during this vacation season to book their flight and car at the same time on the one website, said Ghaith Al Ghaith, Emirates executive vice president (commercial operations world-



Md Zakir Hossain (2-L), secretary of Bangladesh Supermarket Association (BSA), speaks at a press conference in

Supermarket operators want uniform tax policy

STAR BUSINESS REPORT

Leaders of Bangladesh Supermarket Association (BSA) vesterday urged the government to make a uniform tax policy for collect-

The supermarket operators usually pay a 1.5 percent VAT (value added tax) as per the government policy but a section of tax officials sometimes insist on providing 15 percent VAT treating the supermarkets as fast food shops,

If the government recognises the supermarkets as service providers,

this sector can spread across the country, said Niaz Rahim, president of BSA and managing director of chain

Around 64 supermarkets started operations in the last six vears serving a substantial number of customers with quality products.

superstore Agora, at a press confer-

ence in Dhaka

BSA Secretary Md Zakir Hossain said, "We are just product sellers, not producers or manufactures. But sometimes Bangladesh Standards and Testing Institute (BSTI) officials charge the supermarket operators with selling date expired low quality

He asked BSTI to take action against those who are involved in producing such products.

Demanding quality product import facilities for supermarkets, the BSA secretary also urged the governmen to stop import of chemical mixed food, which are available in the local market. M Salimullah, chairman of Best Buy

Supermarket, Md SH Choudhury, general manager of Nandan Mega Shop, Kazi Jamil Islam, executive director of Meena Bazar, among others, spoke at the press confer-

London's stock market ended

The capital's FTSE 100 index of

leading shares -- which slumped by

nearly 200 points or 3.0 percent on

Thursday -- closed up 1.43 percent

to 5,232.20 points on Friday.

the week in positive territory after

distraught City workers defiantly

returned to their desks Friday for

business as usual.

SEC orders action against shareholder for fraud BDNEWS, Dhaka

The Securities and Exchange Commission (SEC) yesterday ordered seizure of 100 primary shares of Exim Bank Ltd from a person, as he used two names to ouy the stocks

The person --Syed Md Anowar Hossain with same address and same signature -- used two different spellings of his name to apply for two lots of the Exim Bank shares, SEC He won the lottery in both names

Syed Md Anowar Hossen and Syed Mohammad Anowar Hossain and also got allotment of the shares by the bank.

After identifying the fraud the SEC issued an order to seize the stocks as well as the money deposited with bank for the purchase.

The SEC also instructed the Exim Bank to sell the shares at market price and deposit money with the 'Investors Protection Fund of both Dhaka and Chittagong stock exchanges after reduction of the cost involved in their sales.

Under the existing rules and regulations, an applicant can submit only two applications, one in his/her own name and the other in joint names, for subscription of primary

City Bank launches 4 new savings products

The City Bank Ltd has recently introduced four new savings products The products namely Junior

Savers Scheme, Lakhpati Savings Scheme Three Stage Savings Scheme and Monthly Benefit Scheme are expected to meet the needs of individual customers.

Abbas Uddin Ahmed, managing director of the bank, at a function in Dhaka inaugurated the products handing over customer coupons to the customers, says a press release.

Thais want to invest in agro-processing plants

Thai envoy meets agriculture minister

Thai investors are interested to invest in Bangladesh's agroprocessing sector as an accord on co-operation in the field is lying with Thai government for vetting.

Thai Ambassador in Dhaka Suphat Chitranuroh apprised Agriculture Minister MK Anwar of Thai investors' investment plan when he called on the minister in Dhaka yesterday.

Underlining the importance of signing a bilateral framework agreement for agricultural cooperation followed by a plan of actions, the minister mentioned

Bangladesh and Thailand on cooperation in agriculture has now been awaiting Thai government's "Once it is signed, co-

standing (MoU) between

operation in specific areas will be strengthened," he told the envoy.

The minister also sought Thai government's support in agriculture, post-harvest and agroprocessing technology as Bangladesh is lagging in these

The ambassador assured the minister all sorts of co-operation in agriculture sector development in Bangladesh.

He mentioned that the Thai

government has offered duty-free access of 239 Bangladeshi items to Thailand and said Bangladesh can select five agro-items in initial stage for duty-free export to

"Thailand has wide experience and expertise in this field," the envoy said.

Besides, as members of BIMSTEC, both the countries also have ample scope for strengthening bilateral trade relations and making investment.

The ambassador also said Thailand is willing to exchange technical co-operation in the production of rice, sugar, vegetables

China, India growths to push world prosperity: Madrid forum

China and India, with combined populations of 2.3 billion, are the growth "elephants" driving world growth and they will lead a drive towards prosperity for decades to come, contributors to a Madrid forum on the world economy said this week.

An economic adviser to the Indian government between 1998 and 2001, Nand Kishore Singh, and businessman John L Chan who is the author of China Streetsmart, a guide to doing business with China, said that both countries would rise to the huge developmental challenges facing

"India is a picture of contradictions belying generalities of any kind," said Singh, who said that the

"can it contribute to global peace and security" or would it be "a drag on human society and a detractor from growth?"

Singh, noting the penchant of skilled Indian youth for information technology, fondly recalled a visit he once made to US software group Microsoft where he noticed the teeming presence of compatriot software personnel.

"Bill Gates said: 'So are you in the US or in Bangalore?' Almost every floor had piles of Indians."

Singh said that India, with growth averaging upwards of six percent in the past four years and given a medium-term prognosis of seven to eight percent, could rightly assert that "all economic engines are firing", with manufacturing growth topping eight pecent and

A strong technological sector, coupled with deregulation, was bolstering the process in a country where a mushrooming middle class was snapping up gadgets such as mobile phones at a rate of 1.5 million units per month

This was "the power of connectivity -- integrating the Indian economy into the mainstream," said Singh, who nonetheless warned that industry had to undergo a "cultural change" to wean itself off traditional reliance on state subsi-

Since India's exploding population set to see the country surpass China's by 2050, Singh said that the demographic data were on Delhi's

UK economy set to shake off effects of blasts on the economy tends to be small AFP,London and short-lived," Capital Economics The British economy will deflect analyst Roger Bootle said. economic fall-out from the deadly "In particular, whilst the timing and pattern of economic activity can bombings that struck London, with be affected, the effects on its overall the capital's stock market already shrugging off the apparent terrorist levels are normally limited."

outrage, analysts said.

Four explosions tore apart three

underground railway trains and a

bus during Thursday morning's

rush-hour, killing at least 50 people

and injuring 700 others. The attacks

froze the transport network and

attacks... suggests that any impact

"A look at previous terrorist

briefly rattled global markets.