ASIAN MARKETS

MUMBAI

2.00%

TOKYO





Business bodies slam insurance regulator

\$84.38

They want amendments to directorship laws

COMMODITIES

\$1,663.70

STAR BUSINESS REPORT

STOCKS

DGEN

............. Business bodies yesterday came down heavily on the chief of the Insurance Development and Regulatory Authority (IDRA), accusing him of being an anti-business element.

"He can't run the regulatory body," said AK Azad, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), after a meeting at Dhaka Club.

The meeting was convened to discuss issues pertaining to the insurance sector. Recently, the IDRA issued a number of circulars that included barring an insurance director from becoming a director in other finance companies, imposing penalties for irregularities and increasing fire and marine tariff

"We'll take up the issues with the finance minister and if necessary, with the prime minister," said Sheikh Kabir Hossain, president of Bangladesh Insurance Association (BIA).

Presidents of Bangladesh Garment Manufacturers and Exporters Association, Bangladesh Textile Mills Association, Dhaka Chamber of Commerce and Industry, Dhaka Stock Exchange and the BIA and chairmen of different insurance companies attended the meeting. Four former FBCCI presidents were also present.

The FBCCI and BIA presidents briefed journalists after the meet-

The other IDRA decisions that irked businesses include prohibition of directors and dependents' business with their respective insur-



AK Azad, president of the Federation of Bangladesh Chambers of Commerce and Industry, briefs journalists after a meeting at Dhaka Club yesterday. Sheikh Kabir Hossain, president of Bangladesh Insurance Association, is also seen.

ance companies and providing hesaid. details of all policies/cover notes and endorsements issued to their directors and their dependants.

Businessmen unanimously agreed that the IDRA should immediately postpone all the circulars it has issued for the sake of the insurance industry.

"These orders have affected the insurance industry and we want those to be postponed immediately," said Hossain.

The FBCCI president said the economy is already facing several challenges and the IDRA's decisions are making matters worse.

Azad also opposed barring an insurance director from being a director in other finance companies, saying it was not discussed with the trade bodies.

"We'll request the government to bring amendments in this regard,"

Though insurance laws prohibited an insurance director from becoming the same in other finance companies, the Banking Companies Act 1991 and Finance Companies Act 1993 allows it.

Shefaque Ahmed, chairman of the IDRA, however denied the allegations.

"The IDRA has done everything according to laws. The circulars were issued recently to protect the interest of the policyholders, shareholders and the overall industry," said Ahmed, also an actuary.

"We didn't raise the fire and marine tariff rates. We've ordered companies not to give discounts and rebates that are generally enjoyed by the influential groups," he said.

There are 62 insurance companies in Bangladesh, of which, 44 are general and 18 life insurers.

GP-BTRC stalemate lingers

STAR BUSINESS REPORT

CURRENCIES

BUY TK

SHANGHAI

V 0.61%

1.06%

STANDARD CHARTERED BANK

€EUR €GBP ¥JPY

75.45 100.11 116.50 0.98

Grameenphone yesterday requested the Bangladesh Telecommunication Regulatory Commission (BTRC) to withdraw its claims that could cost the mobile operator Tk 3,034 crore.

But the regulator said it would go for legal action if GP does not pay the money in unpaid revenue, accumulated interest payment and tax.

The BTRC and GP sat at a meeting

on the audit findings that said the company owes the amount.

After the meeting yesterday, Kazi Monirul Kabir, chief communications officer of GP, reiterated their stance, saying the audit work was done on wrong perception. He said they have not received the audit report yet.

BTRC Chairman Zia Ahmed said GP did not seek the audit report. They may get the report if they want, he said, adding that GP was not prepared to place their arguments and requested the BTRC to sit another day.

However, GP in a statement said a "meaningful discussion" is not possible if the claims are not withdrawn.

Meanwhile, GP issued a legal notice to the audit firm, MA Fazal & Co, asking it to withdraw the report it submitted to the BTRC. The notice said the report caused "pecuniary losses" to GP.

HSBC Amanah USD Term Finance

under the Islamic principle of Diminishing Musharaka of

USD 15,000,000

and

HSBC Amanah Import and Working Capital Facility under the Islamic principle of Goods Murabaha of

BDT 1,350,000,000

for



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Dealers set dollar price at Tk 76

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Bangladesh Foreign Exchange Dealers Association (BAFEDA) yesterday set the US dollar ofdollarorTk76. exchange rate at a maximum of Tk 76 at customer level to avoid volatility in the market.

The rate will be valid for 15 days.

"A technical committee will give a report in seven days for further actions," SM Aminur Rahman, chairman of BAFEDA and managing director of Janata Bank, told BAFEDA office.

According to the meeting decision, no bank will be allowed to offer more for the remittances than the BC (bills for collections) selling rate

Recently, the price of the dollar has been on the rise, riding on the growing demand to meet import bills, particularly for power equipment and fuel oils. Demand for the greenback by Hajj pilgrims has further aggravated the Tk 75.30, up from Tk 74 just a

A dollar was sold as high as at reporters after the meeting at Tk 76.40 at customer level on Sunday. The rate was nearly two market.

percent more than that of a

month ago. According to a senior Bangladesh Bank official, last year's import bills for petroleum were \$3.6 billion, which is estimated to be \$6.8 billion

this year. The dollar was selling at Tk 79 yesterday at different exchange houses and in the kerb market.

The inter-bank rate also rose to month ago. The price of the US dollar is more than Tk 2 in the informal (kerb) market than the formal

Chittagong, Bangladesh

Singapore, Singapore

Port Klang, Malaysia

TUE

SUN

MON

SAT

SUN

IDCOL to set up 1.5 lakh biogas plants in 5 years

STAR BUSINESS REPORT

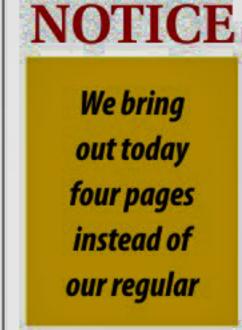
Infrastructure Development Company Ltd (IDCOL) plans to set up 1.5 lakh biogas plants by 2016 to ensure access to clean fuel for cooking, said a senior official of the company.

of chemical fertiliser worth \$13 million.

IDCOL now implements the national domestic biogas and manure programme with assistance from the Netherlands Development Organisation, said SM Formanul Islam, IDCOL director for legal affairs.

Forty partner organisations are The non-bank financial company implementing the programme where installed 20,000 plants till June. It helped IDCOL provides 90 euro per plant as save 40,000 tonnes of firewood worth grant to subsidise the price of the plants, around \$1.02 million and 16,150 tonnes said Islam at a meeting at the National Press Club in Dhaka yesterday.







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