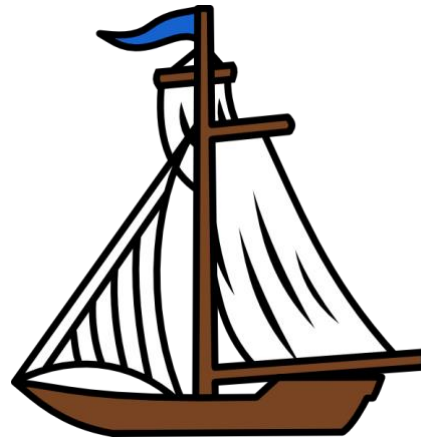




GURKHA INTERNATIONAL
[Website: gurkha.com.hk](http://www.gurkha.com.hk)



NEWSLETTER

Number 201 for May 2014

THE LAST MONTH IN BRIEF

I am rather sad to announce this month the closure of our United Kingdom company, Gurkha International Manpower Services (United Kingdom) Ltd. GIMS (UK) was our first company and in August 1994 started us off on the road to today. In our early days, when I lived in Nepal and then when I moved to Hong Kong, GIMS (UK) handled all our offshore business, particularly our crewing agency work. It handed this over to GIMS (BVI) in the middle '90s, since when it has done no business.



I would like to thank the Directors of GIMS (UK), who have now stepped down, for their advice, support and services to the Company over all these years: Major Alan Hobbs, 6GR, who was our Company Secretary; Captain John Taylor, Master Mariner, Director; and myself, as Managing Director. All of us will, I hope, remain associated with our mission and activities for a long time to come.

Our current operations remain unaffected.

We publish this month a photograph of **Ventuva**.

If you have pictures or postcards of your ship, please send them in to us for future Newsletters.



SHIPPING COMPANIES AND SHIPS LINKED TO US

We are working with 21 shipping companies, and have 744 men and 138 women on ships, a total of 882 crew and staff under management.

We welcome:

Star Cruises

Santa Kumar Tamang
Indra Bahadur Rana
Aman Subedi
Shovan Gautam
Rastra Budha Magar
Bikash Jung Malla
Surya Prakash Shah
Dashrath Gautam
Prem Thapa

Norwegian Cruise Lines

Naveen Gurung
Indra Kumar Ghale Gurung
Sipika Rana
Pujan Bista

CONGRATULATIONS

WORLD SECURITY

Economics – The growing problem with debt in China is causing concern, coupled with a slowdown of the economy. India seems set for expansion with the new government of Narendra Modi and the BJP, who was elected this month in a landslide. The Euro area is slipping into deflation and the United States economy is still not firing on all cylinders.

Nuclear – Negotiations have reached the final stage in regarding the nuclear programme in Iran, with no firm results so far. There is no news about the North Korean nuclear programme.



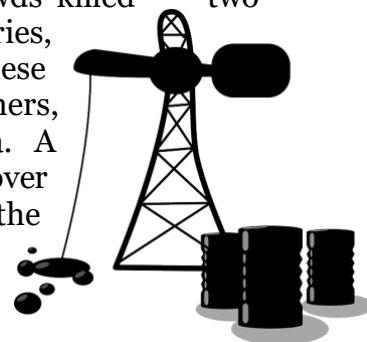
The Arab World – The Syrian Government seems to be gradually winning the civil war that has devastated the country. Accusations that it has again used chemical weapons on its people have surfaced. Iraq's internal conflict between majority Shia and minority Sunni Muslims factions continues with hundreds killed every month. In Egypt, the military government continues its assault on the Muslim Brotherhood, hundreds of whose members have been sentenced to death in mass trials. Bahrain continues to be tense due to the oppression of the Shia population. Yemeni government forces have retaken the towns and strongholds seized earlier by al Qa'eda. In Libya, military forces have assaulted parliament and seem intend on destroying Islamist factions powerful in the state.



Palestine – Peace talks between Israel and Palestine ended when Israel refused to honour a pledge to release a final batch of prisoners and continued to build settlements on occupied Palestinian land. The two factions of Hamas, the PLO of the West bank and Hamas of Gaza announced that they were uniting, something unacceptable to Israel as Hamas calls for the destruction of the Israeli state. The Palestinian President, Mahmoud Abbas, has initiated applications to a variety of UN bodies to grant Palestine membership as a state, something opposed by Israel and the US.

Afghanistan and Pakistan – Afghanistan's presidential election has reached a second round. Pakistan continues to experience acts of violence by extremist Muslim groups.

Asia – Relations between Japan and China remain strained. China's initiation of oil drilling near the Paracel Islands in the South China Sea in an area claimed by Vietnam has led to increased tension at sea, with ships of both nations jostling each other and using water cannon. Violence followed in Vietnam, where crowds killed two Chinese, injured many more and attacked over 300 factories, destroying some and damaging many. Ironically, only 14 of these were owned by Mainland Chinese firms, the rest by others, particularly Taiwanese. China has evacuated its nationals by sea. A second dispute is simmering over the South China Sea over Scarborough Shoal and the Spratly Islands, claimed by the Philippines and China. The Philippines have taken the case to the UN Tribunal on the Law of the Sea, which China does not recognise, and ships continue to jostle each other in these areas.



India – India's Congress Party suffered its biggest defeat since Independence and Narendra Modi's Bharatiya Janata Party won sufficient seats to form a government without needing a coalition.

Myanmar – Reports have surfaced in the American press that Myanmar possesses chemical weapons. This has been denied by the Myanmar military.

Thailand - The political situation in Thailand has worsened. The caretaker Prime Minister Yingluck Shinawatra, sister of the exiled former Prime Minister Thaksin Shinawatra, was forced to leave office when Thailand's constitutional court ruled that



she had corruptly moved a senior civil servant from post. The election commission has now ordered that the planned election be cancelled. The caretaker government remains in power but the conservative opposition is seeking to bring it down on the streets. Government supporters have vowed to fight off any such attempt and to oppose an army coup, which is feared. Several deaths have occurred from factional violence in Bangkok. The Muslim insurgency in southern Thailand, near the Malaysian border, continues.

Somalia – There are no new reports of piracy at present.

Malacca Straits – There are no new reports of piracy at present.

Africa –Islamic militants have begun to cause havoc in northern Nigeria, where the Islamic fundamentalists Boko Haram captured and supposedly sold into slavery 200 Nigerian girls. International efforts including troops and advisers from the United States of America and United Kingdom are underway but Nigerian forces are ill-equipped for counter insurgency and have begun to mutiny. The problem is spreading to neighbouring countries in the wilderness of the sub-Sahara region, particularly Niger. The security situations in the Central African Republic, Mali and South Sudan remain bad.

Ukraine – Russia continues to destabilise Eastern Ukraine. A separatist-organised ‘referendum’ voted for merging with Russia, but has been denounced by all observers. The Ukraine government has lost control of several eastern provinces. The situation remains grave and very dangerous.

The Americas – Venezuela continues to see violence with protests against the government of President Nicolás Maduro.



GI (HK) BUSINESS

We are providing security services for Hong Kong 31 Clients and have 97 security staff employed.

Our employment agency placement service found Bodyguard/Driver post position over the last month.



HONG KONG MATTERS

2 May: The Inland Revenue Department received \$243.5 billion in tax revenue in 2013-14, setting another record high after the 2012-13 collection year. The duty collected represents an increase of \$1.4 billion, or 1%, on 2012-13. Revenue from salaries tax grew 10% to \$55.6 billion. Revenue from profits tax fell 4% to \$120.9 billion, while that from stamp duty dropped 3% to \$41.5 billion. The Inland Revenue Department forecast total revenue of about \$242.7 billion in the year ahead. The department is sending out 2.37 million tax returns for this year, and reminded taxpayers to return them by June 3.

8 May: Hong Kong's official foreign currency reserve assets stood at US\$317.8 billion at the end of April, up US\$900 million over March, the Monetary Authority announced today. There were no unsettled foreign-exchange contracts at the end of April, or at the end of March. The reserve assets represent more than seven times the currency in circulation, or about 51% of Hong Kong dollar M3.

21 May: The overall Comprehensive Social Security Assistance caseload in April dropped to 258,649, down 0.3% on March, the Social Welfare Department announced today. Low-earnings cases fell 1% to 8,529, and unemployment cases fell 1.3%, to 20,264. Ill-health and old-age cases both dropped 0.2%, to 25,052 and 150,840. Permanent-disability cases fell 0.1%, to 18,352. Single-parent cases increased 0.5%, to 29,999.



NEPAL MATTERS

29 Apr: Average income of each Nepali is expected to grow by 13.77 per cent to Rs 71,305 this fiscal year. Preliminary figures released by the Central Bureau of Statistics show that the gross domestic product will expand by 5.15 per cent this fiscal. The CBS growth estimate is lower than the government's economic growth forecast of 5.5 per cent but higher than the prediction of 4.5 per cent made by the International Monetary Fund, the World Bank and the Asian Development Bank. If CBS's GDP growth projection comes true, the growth rate would surpass five per cent mark for the first time since 2007-08 when the economy had expanded by 5.8 per cent. The CBS came up with this fiscal's growth estimate based on prediction that the GDP will hit Rs 1.93 trillion, meaning the country is likely to produce goods and services worth Rs 1.93 trillion this fiscal, as against Rs 1.69 trillion in the last fiscal. Since the agriculture and forestry sector makes one of the biggest contributions to the GDP, slight change in outputs tends to affect GDP.

29 April: A total of 765 Nepali workers have died in Saudi Arabia in the last 33 months. According to Nepal's embassy in Saudi Arabia, it has registered 765 death reports of Nepali workers in the gulf country between mid-June 2011 and mid-March 2014. The embassy also rescued 948 Nepali women workers from Saudi Arabia and sent them back to Nepal during this period. Most of the women rescued from the gulf nation were under the age of 30. The root cause of such problems can be traced back to Nepal. During the 33-month period, the embassy also settled 1,728 complaints related to the Nepali workers. The embassy also facilitated settlement of the compensation worth Rs 16.81 million (652,000 Saudi Riyal) in case of death and injury during the period. The embassy also helped in freeing 13,227 Nepali workers from the different Saudi jails. The embassy helped 28,000 Nepali working illegally in Saudi Arabia last year when the gulf country announced the 'amnesty' to all the illegal workers to exit the country without facing punishment. Seven thousand other workers were helped to correct their legal status during the amnesty period.

CONCLUSION

We need to watch the disturbing situations across the world at the moment and ensure that they do not affect us in our work. Be careful of any persons or items from areas in conflict and keep your ears open for any talk about them. Be vigilant!

A handwritten signature in black ink, appearing to read 'Nigel Collett', with a stylized flourish at the end.

Nigel Collett
Managing Director