

Pioneer Ins okays 13pc dividend

Pioneer Insurance Company Ltd has declared a 13 percent dividend for its shareholders for the year 2004.

The dividend was approved at the ninth annual general meeting (AGM) of the company Wednesday in Dhaka, says a press release.

AKM Rahmatullah, chairman of the company, presided over the AGM, which was attended by other senior officials.

Videocon Group acquires Thomson's CPT business

PALLAB BHATTACHARYA, New Delhi

In yet another Indian firm going global, the Videocon Group has announced acquisition of the international colour picture tube (CPT) business of French electronic giant Thomson at a price of 240 million euros (about Rs 1272 crore).

This would be the single largest overseas acquisition by an Indian company in consumer electronics sector.

The acquisition, which will see management control of Thomson's four CPT plants in China, Poland and Mexico passing on to Videocon by September this year, will mean the exit of the French company from consumer electronic business worldwide. Thomson's colour television business was bought by Chinese electronics major TCL last year.

The documents for the acquisition of Thomson's CPT business were exchanged between Videocon Group Chairman V N Dhoot and Thomson CEO Frank Dangeard at a function here on Wednesday.

The four plants of Thomson, employing nearly 12,000 people, have a combined capacity to manufacture 19 crore colour tubes and four million colour picture tube glass units per year. Videocon plans to pump in \$500 million in the next three years into the new venture including the acquisition which will be funded through domestic and international debt and equity market.

The total annual sales turnover of Thomson picture tube business is around 850 million euros in a year.

Fry crisis may hit shrimp export

ABU AHMED, from Sathkira

Shrimp export in the coming months may face a major setback as production is set to suffer heavily due to price hike of fry.

Shrimp cultivators are now unable to release fry in their enclosures as fry price went up unusually high due to poor supply.

According to industry sources, fry is now selling between Tk 600 and Tk 650 per thousands, which ranged between Tk 250 and Tk 300 early this year.

"Price of tiger mother shrimp went unusually high due to poor supply," said Badal Das, managing director of Shapla Hatchery.

Besides, production of fry has gone down substantially as shrimp mothers are spawning less, he added.

Shrimp production may dip by more than half of the target in the region this year as most of the enclosures have hardly utilised 50 percent of their total capacity.

It is feared that around 70 percent of the shrimp cultivators will face huge losses this year due to price hike and poor quality of fry.

Hatcheries are failing to meet the fry demand due to non-availability of full growth mother shrimp collected from sea and rivers.

Shrimp cultivators have to

depend on the fry produced at 48 hatcheries located in Cox's Bazar, Chittagong and Khulna.

According to the Department of Fishery sources, there are now about 12,068 shrimp enclosures on 47,576 hectares of land.

Earlier, shrimp cultivation was affected alarmingly, thanks to outbreak of the viral disease, 'White Spot', in almost all enclosures in Sathkira district following a severe hot spell in mid June.

Several thousands shrimp cultivators incurred Tk 200 crore losses following the outbreak of the viral disease, according to an unofficial estimate.

Software export lags on connectivity lack

Alcatel's South Asia MD tells *The Daily Star*

MUSTAK HOSSAIN

Bangladesh is lagging behind in its preparation to enter the global software market due to lack of its connectivity with the information superhighway, says a top official of French telecoms giant Alcatel.

"Bangladesh could earn a huge amount of foreign currency every year by exporting software, but it is being deprived of such opportunity in absence of connectivity with the information superhighway," Managing Director and President of Alcatel South Asia Ravi Sharma told *The Daily Star* in an interview.

Sharma also said Bangladesh should better get prepared for the global software market before the country is connected with the SEA-ME-WE4 network.

State-owned Bangladesh



Ravi Sharma

Telegraph and Telephone Board (BTB) has joined a consortium of 13 countries, SEA-ME-WE4, to

hook up its telecommunications network to the transoceanic submarine cable system by September 2005.

Alcatel has completed its work for the submarine cable landing station in Cox's Bazar to connect the country with the information superhighway.

Although Alcatel has finished its task, Bangladesh has to wait until the completion of the entire work to link Cox' Bazar with Chittagong through a fibre optic network. BTB is now in the evaluation process to select a vendor to complete the linking work before September, when the network will be live.

The size of the country's software market is Tk 170 crore. The country exported software worth \$7.2 million in the fiscal year 2004-05 while software export during the first six months (until December) of the outgoing fiscal stood at \$5.29 million.

The Alcatel president said the level of talent of the Indians and the Bangladeshis is almost the same and the Bangladeshis are doing well.

Bangladesh is sitting on the threshold of growth and it has every potential for doing better in software, Sharma said adding that Bangladesh only lacks the connectivity, which is now a matter of time to get.

Sharma said expansion of broadband, which will also provide voice, data, cable television and internet facilities through one connection, could be a solution to the lack of connectivity.

Referring to the expertise of Alcatel in DSL (Digital Subscriber Line) and ADSL (Asymmetric Digital Subscriber Line), he said the company produces ten DSL and ADSL ports in every second.

"Bangladesh should move faster and roll out broadband network," suggested Sharma, an engineer who has vast experience in telecommunications.

Referring to the benefits of telecommunications in GDP, he said it contributes six times higher in GDP than any other sectors.

Focusing on tremendous demand for cellular telephone in the country, Sharma said Bangladesh's cellphone sector would grow further beyond the estimates.

Regarding the market share of Alcatel in the country, he said Alcatel enjoys 50 percent market share in fixed line telephony.

GP-GP call tariffs cut to half Fridays in July

All GrameenPhone subscribers will enjoy a 50 percent reduction in airtime tariff on voice calls made to any other GP numbers on every Friday during the month of July.

According to this promotional campaign, this offer is applicable for all GP Regular, GP National, Easy, Easy Gold, djuice, Anytime 300 and Anytime 500.

Subscribers can also enjoy the special rate with My Easy, My Time, My Choice, Friends and Family, and Easy Hour features.

GP Regular tariff on Fridays during July will be reduced to Tk 0.75 per pulse from the existing Tk 1.5 per pulse for the first minute and for the second minute the tariff will be reduced to Tk 0.375 per pulse from Tk 0.75 per pulse.

Tariff during Easy Hours will be reduced by 50 percent. For example, the call charge will come down to as low as Tk 0.75 per pulse while calling to a My Easy number for the first minute and to Tk 0.50 per pulse from the second minute onwards on Fridays during the month of July.

All other existing tariffs for calling other operators, value added services and incoming from BTB will remain unchanged.

Mercantile Ins declares 10pc dividend

Mercantile Insurance Company Ltd has declared a 10 percent dividend for its shareholders.

The dividend was approved at the ninth annual general meeting of the company in Dhaka on Tuesday, says a press release.

Abdul Haque, chairman of the company, presided over the meeting, which was also attended by Kamal Uddin, chairman of executive committee, Md Solaiman, and Abdul Mannan Majumdar, vice chairmen, and Nuruzzaman Khan, managing director.

Canada blasts US, EU farm subsidies ahead of G8

AFP, Ottawa,

Canadian Prime Minister Paul Martin condemned the European Union and United States Wednesday, ahead of G8 talks next week, for maintaining high agricultural subsidies that make it hard for poor countries to compete.

"As far as Africa's concerned, I think we all understand that foreign financial aid is crucial. To that extent, Canada is doubling its aid to Africa by the year 2008," Martin said.

"But foreign aid is more than simply straight money. It's about trade. And within this context, especially given the difference of opinion that took place about 10 days ago between the United Kingdom and France, I would very much hope that the European common agricultural policy, US subsidies to its agriculture, would be a subject of discussion," he said.

French President Jacques Chirac rejected this month any linkage between Britain's contested EU rebate and British demands for reform of the bloc's farm aid system.

Britain has insisted that any discussion of its rebate can only take place in the context of a wider discussion of the long-disputed Common Agricultural Policy (CAP), which gives generous subsidies notably to French farmers.

Brac Bank eyes major stake in remittance business

Installs online system in 300 Brac outlets

STAR BUSINESS REPORT

Brac Bank Limited hopes to be a major player in remittance business as it has already developed a strong network covering rural areas across the country.

"We have so far installed online system in 300 Brac outlets, out of 1,400 across the country, for offering remittance services to rural areas. We will also bring another 150 outlets under the network by the end of this year," M Ehsanul Haque, managing director of the Brac Bank, told a press briefing Wednesday in Dhaka.

Brac Bank has already extended the services of Western Union through its network at the village level so that people can get their money without visiting the banks operating in cities, he told the briefing, organised to mark live money transfer from UK, the first of its kind in Bangladesh.

Habibul Bashar, captain of Bangladesh cricket team, and Mohammad Ashraf, a cricket star, transferred money Wednesday via videoconference to their brother and father in Dhaka from Southall, UK.

Service charge of Western Union is very competitive now, he said adding that in 90 percent of the cases, people can get the money

within 10 to 15 minutes. Whereas in case of some other service providers, it takes two to three days to get the money.

"Providing remittance service is a major business of Brac Bank. Our business growth in remittance is as high as 295 percent on month-to-month basis and average growth was over 100 percent in the last five months," Haque pointed out.

Presently, around four million dollars is coming through Brac Bank every month, he added. "We have started our business just one and a half years back. We hope to be a major player in remittance business within a couple of years."

The MD said Brac Bank hopes to grab a major portion of remittance business of the nationalised commercial banks (NCBs) in a couple of years using its strong network and identifying the weaknesses of the NCBs.

Remittance inflow will see a major boost in the coming years as global migration is a big issue now, he said and the bank is also planning to launch a campaign against hundi, an illegal system of sending money.

Naushad Hussain, head of Transaction Sales & Secure Remittance Service, and other officials of Brac Bank were also present at the press conference.

Speaking at the briefing, Naushad said Western Union, operating in around 200 countries across the world, has the largest network in Bangladesh through Brac Bank.

Someone can receive the money through Western Union within minutes, he said adding that an individual does not need a credit card or bank account to send money through Western Union.

A person can get the money no matter where he lives -- in rural area or in the city. If an individual gets the money transfer number from the sender abroad over phone, he or she can receive the money from Brac outlet in rural area, Naushad mentioned.

He said the Western Union is authorised by Bangladesh Bank. In addition to Brac Bank, Western Union's other agents in Bangladesh are National Bank and Arab Bangladesh Bank.

"Bangladesh has a remittance market of US\$ 7 billion per year. Our objective is to provide fast, reliable and convenient money transfer services for Bangladeshis all over the world," said Anil Kapur, regional vice president (South Asia) of Western Union Financial Services Inc, in a statement.



Abdul Matin, father of Bangladeshi cricket star Mohammad Ashraf, draws money from the Brac Bank's Gulshan-1 branch in the capital Wednesday after the player sent the money from Southall, UK to the bank in Dhaka via videoconference under the bank's remittance service.

S'pore, India sign historic trade pact

ANN/THE STRAITS TIMES

Singapore and India signed a landmark economic pact on Wednesday, setting the stage for the republic's accelerated involvement in the world's second-fastest growing major economy.

The agreement, hailed as historic by leaders of both countries, would help enable a big leap in bilateral cooperation.

Emerging from talks that lasted 45 minutes, Prime Minister Lee Hsien Loong and Prime Minister Manmohan Singh inked the 739-page Comprehensive Economic Cooperation Agreement (Ceca) at New Delhi's Hyderabad House, the former Nizam's palace.

"Ceca is a historic agreement which will take our economic rela-

tionship to a new plane," Mr Singh told *The Straits Times* in an interview. "It opens doors for a quantum jump in trade and investment flows between us."

Speaking at a banquet hosted by Mr Singh in his honour later in the day, Mr Lee noted that India is undergoing its biggest transformation in its history and Singapore is keen to engage this New India.

He said the reforms initiated by Mr Singh as finance minister in 1991 are unshackling India from bureaucratic controls and opening it up to the world economy.

While on his last trip here, he had witnessed the vibrancy, dynamism and confidence of Indians, this time, he could sense in them a growing confidence and optimism about the future.