



DSE
From left, Shakil Rizvi, managing director of Shakil Rizvi Stock; Khwaja Ghulam Rasul, managing director of Khwaja Equity Services; Md Shahjahan, managing director of Jahan Securities; and Sharif Anwar Hossain, managing director of Md Shahidullah Securities, were elected directors to the demutualised Dhaka Stock Exchange yesterday.

Four directors elected to new DSE board

STAR BUSINESS REPORT

FOUR shareholders were elected directors to the first board of the demutualised Dhaka Stock Exchange yesterday.

Md Shakil Rizvi of Shakil Rizvi Stock bagged the highest number of votes: 184 out of 213 valid votes.

Md Shahjahan of Jahan Securities won the second highest—152 votes—followed by Khwaja Ghulam Rasul of Khwaja Equity Services with 147 and Sharif Anwar Hossain of Md Shahidullah Securities with 140.

The two other contenders for the post were Ahmad Rashid of Rashid Investment Services and Lailun Nahar Ekram of ASENZ Securities.

Md Shamsul Hoque, chairman of the election commission for the DSE

polls and a retired district and sessions judge, named the winners.

Of the total 242 votes, 217 were cast. The election commission had cancelled four ballots.

The new directors were elected from the bourse's existing shareholders in line with the demutualisation scheme, which was approved by Bangladesh Securities and Exchange Commission on September 26 last year.

An annual general meeting will be held today to adopt the newly-elected directors and hand over duties to the newly-formed DSE board.

A 13-member new board including the four elected directors will be formed for the demutualised stock exchange.

The remaining nine directors will include seven independent directors,

one from strategic investors' category and the bourse's chief executive officer, who would have voting rights. One independent director will be selected as chairman of the board.

A law on demutualisation was passed in parliament on April 29 last year with a promise to bring transparency to the stockmarket.

Demutualisation is a way of separating the management of the bourses from ownership. It transforms a stock exchange into a profit-oriented company owned by shareholders and ensures alternative business models and operational efficiency.

Bangladesh's stock exchanges were non-profit cooperative organisations owned by the exchange members who are usually stockbrokers.

PepsiCo, Transcom Beverages launch Aquafina

STAR BUSINESS DESK

PEPSICO and Transcom Beverages Ltd yesterday announced the launch of Aquafina in Bangladesh.

Aquafina, a drinking water brand from PepsiCo, is one of the leading drinking water brands in the US and is currently sold across the world.

Launched nationally, a half litre pet bottle of Aquafina will be priced at Tk 15 while each 1.5-litre bottles will cost Tk 25.

"We are delighted to bring such a universally renowned brand to Bangladesh that has already proven its worth in international markets," said Golam Quddus Chowdhury, managing director and CEO of Transcom Beverages Ltd.

With its unique attributes of the seven-step purification process, international brand image and widespread distribution, Aquafina has the potential to become one of the leading brands of bottled water in Bangladesh, Chowdhury said.

The brand will leverage PepsiCo's production, distribution and cooling

infrastructure to give consumers, reliable chilled water within arm's reach to quench their thirst, he said.

"Our research shows that market for packaged drinking water in Bangladesh is growing, and the launch will give an impetus to the



growth of category and bring in more consumers into the PepsiCo's fold," said Prateek Sabharwal, country manager for PepsiCo Bangladesh.

"With Aquafina, PepsiCo aims to meet a long-standing consumer need for water they can trust, at affordable price."

The purification process of Aquafina's water begins with the pre-filtration stage, where water enters the static mixer and particles

are removed followed by the activated carbon purifier, which isolates trace elements, PepsiCo said in a statement yesterday.

"At the third step of polishing filter, smaller particles are caught and removed. The water then moves under high intensity UV lights which eliminate organic matter."

Under the special reverse osmosis process, water is processed through five different membranes made of polymers and synthetics working in series at a particular pressure maintained by high-pressure pumps, it said.

Reverse osmosis is followed by ozonisation, which ensures there is zero chance of microorganisms remaining in the water. Ozonisation is followed by a polishing filter.

PepsiCo is a global food and beverage leader with net revenues of more than \$65 billion and a product portfolio that includes 22 brands, generating more than \$1 billion each in annual retail sales.

PepsiCo's main businesses are: Pepsi-Cola, Frito-Lay, Quaker, Tropicana and Gatorade.

H&M to open first store in India in 2014

REUTERS, Stockholm

HENNES & Mauritz will open its first store in India this year, it said on Wednesday, as the world's second-biggest fashion retailer becomes the latest to take advantage of the opening of Asia's third-largest economy to foreign investors.

H&M, which said last year it plans to spend around 100 million euros on an initial 50 stores in India, received final approval in December from the Indian government to invest in the country.

"We are very excited to open our first store in India. It is one of the

most exciting countries in the world right now, with so much potential," H&M CEO Karl-Johan Persson said in a statement.

H&M has not yet decided where the first store will be opened and is looking at several big cities and locations, but can act fast now it has government approval, a spokeswoman said.

The Swedish retailer has almost tripled store numbers over the past decade to over 3,100 outlets in 53 countries, but it has lagged bigger rival Inditex in expanding in fast-growing emerging markets.

H&M still makes about 80 per-

cent of sales in Europe, while Inditex, with over 6,000 stores in 86 countries, makes about 20 percent of sales in Asian economies versus 6 percent for H&M.

H&M said last month it planned to open 375 new stores worldwide in 2014, including 80-90 in China. It also plans to enter Australia and the Philippines this year.

A flurry of international retailers, including Swedish budget furniture chain IKEA, are looking to expand into India after its government moved in 2012 to allow foreign firms to set up wholly-owned subsidiaries in the country. Inditex is already in India



REUTERS

A Kingfisher Airlines aircraft is seen parked at the airport in New Delhi May 30, 2013. Grounded Kingfisher Airlines, which has not flown in more than a year and once was India's no 2 carrier headed by flamboyant liquor baron Vijay Mallya, said net loss was 8.22 billion rupees for its fiscal third quarter to end-December, compared with a loss of 7.55 billion rupees a year earlier.

Australia, Toyota at odds over manufacturing halt

AFP, Sydney

THE Australian government and Toyota were at loggerheads Wednesday over why the auto giant was halting car manufacturing in the country, with the Japanese corporation rejecting Canberra's claims.

Toyota on Monday cited high production costs, a strong local dollar and a small domestic market as reasons for stopping car manufacturing in 2017, killing off Australia's 66-year-old auto manufacturing industry with Holden and Ford having already made the same decision.

But conservative Treasurer Joe Hockey on Wednesday was quoted as saying that, in a private conversation with Toyota Australia president Max Yasuda in December, he was told workplace conditions at the company's Melbourne plant was the key reason.

The claim was made in the Australian Financial Review, with Hockey later confirming the story.

"The fact is they were very concerned about the conditions that existed at Toyota in Australia," he said, adding that this included "militancy" at the Australian Manufacturing Workers' Union (AMWU).

He cited the example of the Australian plant closing for 21 days over Christmas

with Toyota unable to supply its biggest market, the Middle East.

Hockey claimed that when Toyota asked workers to instead have a 10-day shut down, the union intervened and took the auto-maker to court.

But Toyota had a different version of events, directly contradicting the treasurer.

"Toyota Australia has never blamed the union for its decision to close its manufacturing operations by the end of 2017, neither publicly or in private discussions with any stakeholders," the company said in a statement.

The Australian Manufacturing Workers Union called the Toyota statement a "blow to the government's credibility", while Labor opposition leader Bill Shorten blasted Hockey's "pathetic attacks on these workers".

Unions fear Toyota's departure will see 50,000 jobs lost along the supply chain, mostly in components manufacturing and transport, and Labor has blamed the government for not doing enough to prevent Toyota from walking away.

The decision to halt manufacturing follows Mitsubishi shuttering plants five years ago, Ford halting production in 2016 and US giant General Motors announcing in December that its Holden offshoot would cease making cars locally in 2017.

Yahoo buys smartphone diary-app maker Wander

AFP, San Francisco

Yahoo on Tuesday added the startup behind smartphone visual diary-app Days to its list of acquisitions as CEO Marissa Mayer tries to pump new life into the aging Internet pioneer.

Financial terms of the deal to buy New York City-based Wander were not disclosed, but technology news website TechCrunch put the value at more than \$10 million.

The Days app, launched in March of last year, lets people weave images captured at various moments into "visual diaries" of any given days in their lives.

The Wander team will go to work in Yahoo offices in New York City as the California-based company adds more muscle to its efforts to be center-stage on smartphones and tablet computers.

Sink or swim in New York fashion hothouse

AFP, New York

NEW YORK attracts the most promising young designers from all over the planet, but cutthroat competition makes kings of the best and buries the mediocre.

Every year, hundreds of talented young people pour into the city dreaming of becoming the next Alexander Wang or Jason Wu, both stars of the runway before they were 30 years old.

The influx has helped fuel a renaissance in the local clothing industry, which had suffered badly at the end of the 20th century.

"Being a young designer in New York is the place to be. It's where you can get so much exposure," says Jonathan Bowles, executive director of the Center for an Urban Future, which is dedicated to developing the local economy.

New York has it all -- celebrated design schools such as Parsons and the Fashion Institute of Technology, a strong textiles tradition, international brands and biannual fashion weeks.

"Every year we seem to see a number of designers emerge out of almost nowhere and catapult their careers. It's really the place to do that," Bowles told AFP.

But it's a do-or-die atmosphere for those who still work for other fashion houses or even in other industries while waiting to launch their own line.

"It's a paradox," says Adam Friedman, executive director of the Pratt Center for Community Development.

"It is harder to break out, but on the other hand, this is where the talent is. So from a city perspective, you have this incredible concentration."

- 'You need a great product' -

"You need a great product," says Caroline Fuss, a 26-year-old Australian from Zimbabwe who cut her teeth at Proenza Schouler before founding ready-to-wear label Harare.

"You need something that the market doesn't know it wants yet and you need it to be well executed."

Fuss gets most of her fabrics made in small communities in Guatemala and cuts them at her studio in the Garment District, the spiritual home of New York fashion.

"We have amazing seamstresses that work for Thakoon and The Row and Sophie Theallet, so the quality of the make is extraordinary," she told AFP.

The sustainability and ethical aspect of her brand is very important, she says.

"I am a female, I want to continue to support female entrepreneurs and females externally in the world."

Lindsay Mann, the 29-year-old artistic director of Kotoba, a small line launched in the United States in 2012 by Japanese group Shima Seiki, admits that New York can be stressful.

But she feels her label has an edge thanks to its trademark knitting technology -- "wholegarment" -- and because the product is "100 percent made in USA."

"There are still so many small brands out there that are still manufacturing in China and I don't see why. If you're small, you should be manufacturing here," she said.

The machines used by Kotoba knit garments in one piece, making production quicker and requiring fewer staff.



AFP

A model wearing Stephen Khalil walks the runway at the Fashion Palette Australia fashion show during Mercedes-Benz Fashion Week Fall 2014 at Pier 59 in New York City on February 11.

There is "little to no waste," she said, adding that the process is "much more sustainable."

Ethical production has become a higher asset in the wake of tragedies such as the 2012 factory fire in Bangladesh that killed 111 and highlighted appalling safety conditions in the textiles industry.

Ivan Gilkes, co-owner of the Aikaz showroom, said being based in New York made it easier to work with clients and provided a boost to the local economy.

"It's an incredible city and a lot of stuff is getting outsourced from the US all the time and it's really great to support that (sustainability) effort," he told AFP.

Everyone agrees that "Made in NYC" is a very powerful brand for emerging designers, none more than Bob Bland. Bland believes there is a lifestyle shift for customers who want to know more about where their clothes are made and for that, they are prepared to pay a little more.

"Fashion is designed to make people feel good about themselves," she told AFP.

"These tragedies that happen in the production of clothing is absolutely the opposite of making people feel good."