

# Flipkart ties up with Mumbai dabbawalas



Delivery boys ferry lunch containers on carts to their customers in Mumbai.

REUTERS  
India's biggest e-commerce company, Flipkart, has tied up with Mumbai's lunchbox delivery men, famous for navigating cramped and confusing streets, as it tries to smooth the often difficult last stretch of its delivery to customers.

Dabbawalas have for decades collected hot lunches from customers' often distant homes and, using a complex delivery system and overlaid bicycles, carried them to offices and schools across the city.

"Their unique delivery system has been smooth, reliable and has survived the test of time - even under extreme conditions," Neeraj Aggarwal, senior director for last mile delivery at Flipkart said in a statement on Thursday evening.

Under the deal - part of a plan by the e-commerce firm to explore new delivery channels - dabbawallas will make deliveries assigned from a Flipkart hub while collecting hot meals from customers' homes.

Privately held Flipkart leads India's e-commerce industry, selling everything from cellphones to suitcases and competing with Amazon's India unit and other home grown rival Snapdeal for a chunk of the fast growing industry.

Online retailing is growing at a breakneck pace in India, which has the world's third-largest population of Internet users even with only a fifth of its population online.

Mumbai's dabbawalas - often semi-literate deliverymen from rural Maharashtra, the state where Mumbai is located - deliver about 200,000 "tiffin", or lunch, boxes every day, according to their website.

Their coding system has been recognised with the Six Sigma level of accuracy, meaning they make only one mistake in 6 million chances, attracting them admirers from Britain's Prince Charles to entrepreneur Richard Branson.

Flipkart said the dabbawalas had undergone training at the company's delivery centres and would start with a paper-based tracking system, moving on to apps and wearable technology.

# Russian middle class slowly stirred to action by economic crisis

REUTERS, Moscow

It was when her nine-year-old son said he wanted to be ill to keep her home that Ekaterina Chatskaya knew the cuts at her Moscow clinic had gone too far and she was working too many hours.

The 33-year-old Russian gynaecologist said her work burden became unbearable when management announced new job losses in November. Unable to cope, she and dozens of other doctors in Moscow started a "work-to-rule" action - refusing to work beyond their official contract hours - to try to protect a health service they say is being driven to ruin.

Their action is a rare display of discontent in Russia, where resurgent patriotism over the annexation of Crimea last year has largely eclipsed frustration over job cuts, rising prices and lower wages in an economic crisis deepened by Western sanctions over Moscow's role in Ukraine and a weak oil price.

But despite feeling the squeeze more than most, Russia's nascent middle class is reluctant to blame President Vladimir Putin and his policies, scared of what they see as their individual battles against the system becoming "political".

"It was simply because of the increasing burden. At first it was more or less tolerable, then it snowballed," Chatskaya said, listing the rise in responsibilities and patients, and cuts in jobs, at her clinic on the outskirts of Moscow that accelerated over the last six months as the government cut spending.

When her own health suffered - she was diagnosed with high blood pressure due to stress - and her son clung to her one morning after not seeing her for days, Chatskaya did something out of character: she got in touch with a union and agreed to work to rule.

But sitting over a cup of tea in one of Moscow's identikit suburbs of row upon row of grey apartment blocks, Chatskaya is reluctant to be drawn on whether the economic crisis threatens the gains made by the people who became Russia's middle class after the Soviet Union collapsed in 1991.

Her wage, which averaged 40,000-47,000 roubles (\$790-930 at the current rate) a month last year, is stretched by a food bill that has almost doubled to 10,000 roubles every one or two weeks. Still she sees herself as "far removed from politics".

It is a stance many of Russia's teachers, doctors, business owners and IT experts share - leave politics to the politicians, or as doctor Maria Gubareva, who is also participating in the work-to-rule action, puts it: "What should the government do? That's a question for government leaders."

For Vladimir Petukhov, head of the centre for



Left, Russian President Vladimir Putin listens to CEO of Sberbank German Gref during their meeting at the Novo-Ogaryovo state residence outside Moscow on Friday.

social research at the Russian Academy of Sciences, it means that any protests are easily extinguished, making any repeat of mass demonstrations in 2011-2012 that shook Putin unlikely.

"Those who thought the middle class would be the driver of change ... have been disappointed," he said. "But now it is more dangerous because the crisis is hitting people in their pockets."

A decline in real wages, a weak rouble and high interest rates have hurt middle-class people more than most, striking at their ability to travel abroad, invest in housing and in their health and children's education.

Anna, the head of a computer systems company, said that out of 600 projects she was involved in at the beginning of the year, only 250 are left.

Natalia, whose husband oversaw the conversion of a Moscow garage into a commercial space, said there were few takers in a market where office vacancy rates have reached 17.5 percent from 12 percent a year ago.

"The market is bad now. Have you seen how many office buildings and shops are for rent or sale?" Natalia asked.

Neither Anna nor Natalia wanted to give her full name, a sign of concern that they could face retribution if they speak out.

Around 15 percent of Russia's population are firmly middle class, while around another 25 percent are on the periphery, said Svetlana

Mareyeva, senior research fellow at the Russian Academy of Sciences. They are the ones who will have seen their lifestyles most jeopardised by the economic crisis.

Their ability to pay for services like education and healthcare is dropping at the same time as those services are being hit by public spending cuts - moves which have already prompted isolated protests.

About 60 teachers went on strike in a Siberian region last month over salary delays, according to local media, and about 20 ambulance workers are on hunger strike in Ufa, capital of the southern Bashkortostan region, over poor equipment and wages.

Still, such action is still rare.

One of the work-to-rule doctors, Gubareva, said that while she feels support from colleagues, few have so far joined the action "for various reasons, the main one being they are scared of losing their jobs, harassment and threats".

The Health Ministry did not respond to a request for comment.

But for Chatskaya, the gynaecologist, the small successes she has so far wrung from a system she had never questioned before have made her more optimistic about her own future at least.

"I really hope we can unite to talk about problems," she said. "Because then we have a bigger chance that they will listen to us."

# Samsung, Apple clash with rollout of new products

AFP, New York

Apple gave consumers their first hands-on look at its smartwatch Friday pushing into wearable tech just as rival Samsung rolled out its new flagship smartphones.

With the world's two biggest gadget makers vying for consumer attention, Apple scored points by apparently selling out of the Apple Watch as quickly as it opened pre-orders.

Customers ordering the watch, due to go on sale April 24, saw messages saying deliveries now were being pushed back into June or later.

"I really debated if I should buy the thing," said Eric Angelosanto, one of the customers looking to try the smartwatch at a New York Apple store, who indicated that he had already placed an order online. "It's tremendously overpriced, but a treat."

The Apple Watch starts at \$349, with a limited-edition gold version priced at \$12,000.

Angela Ahrendts, Apple's senior vice president of retail and online stores, said she expects "that strong customer demand will exceed our supply at launch."

Some analysts were not so sure about prospects for the new wearable device. "The watch's success is anything but guaranteed," said Roger Kay, an analyst at Endpoint Technologies Associates.

"Most people I've talked with are not ready to buy one. It seems expensive, redundant and perhaps invasive."

In Paris, at the company's flagship store by the Place de l'Opera journalists outnumbered customers, with Apple encouraging customers to place orders online and with stores offering only demonstrations.

Would-be early buyers queued for a "trial fitting" at the Apple store in Tokyo's chic Omotesando area. "I'm very keen to buy it," said Kazuki Miura, a 43-year-old technology writer, as he slipped the device onto his wrist.

Apple's device, which connects to the iPhone to facilitate messaging, calls and apps geared toward health and fitness, is a latecomer to the smartwatch market, and follows launches from Samsung, Huawei, Motorola, LG and others including the crowd-funded Pebble watch.



A customer leans over to view a selection of Apple Watches in Palo Alto, California on Friday.

month luxury Swiss watchmaker TAG Heuer announced it was joining forces with Google and Intel to develop a rival to the Apple Watch.

But because of Apple's devoted customer base, analysts expect the new watch to quickly take the lead and sell millions.

Meanwhile, Samsung's Galaxy S6 and its curved-edge variant, the Galaxy S6 Edge, went on sale in South Korea, home of the electronics giant, as well as Europe, the United States and markets in the Asia-Pacific such as Australia, Singapore and India.

Samsung, laboring under successive quarters of plunging profits and booming sales of Apple's iPhone 6, is hoping the new phone will reverse its fortunes. "Given the response from the market and clients... we expect the S6 to set a sales record for all Galaxy models," Lee Sang-Chul, the vice head of Samsung's mobile unit, told reporters.

Joo Seung-Bin was one of the first in line to buy an S6 in Seoul on Friday morning.

"It's a great design, and it's just got a great feel," the 23-year-old said. "It's not cheap, but then I'm not one of those people who upgrades their phone every year. There's been a lot of buzz about this model, so I thought I'd check it out," Joo said.

The S6 retails at around 858,000 won (\$800) in South Korea, while the S6 Edge comes in at 979,000 won, broadly in line with their Apple

counterparts. Both models are powered by Google's Android operating platform and, in a break from their plastic-backed predecessors, feature metal and glass bodies.

"Demand for the new Galaxy model is considerable," said a spokeswoman in Germany for Media Saturn, the largest electronics retailer in Europe, although she said stocks had not been sold out.

Samsung has been struggling to stay atop the global smartphone market amid a surge last year from Apple after the release of new large-screen iPhones.

But, despite fierce competition on various market fronts, there are signs that Samsung is beginning to fight back. Earlier this week it released a better-than-expected profit estimate for the first quarter.

Samsung suffered a dramatic slide in profits last year, hit by slowing demand in an increasingly saturated and competitive smartphone market that it had largely dominated since 2011.

The company is seeking to fend off a double challenge from Apple in the high-end market and rising Chinese firms such as Lenovo and Xiaomi in the fast-growing mid and low-end markets.

Samsung rarely discloses handset sales figures but analysts say the Galaxy S4, released in 2013, set the firm's sales record of 70 million units globally.

# HSBC facing French criminal probe over 'SwissLeaks'

AFP, London

British banking giant HSBC said Thursday it is facing a French criminal probe over its Swiss private banking arm, weeks after "SwissLeaks" allegations it had helped clients hide billions from the taxman.

HSBC said in a statement that "it has been placed under formal criminal investigation by the French magistrates in connection with the conduct of HSBC's Swiss Private Bank in 2006 and 2007 for alleged tax-related offences".

The probe is in addition to one launched by French authorities last year into HSBC's Swiss Private Bank.

That unit was caught up in the so-called "SwissLeaks" affair: revelations that the HSBC unit allegedly helped over 120,000 clients to hide 180.6 billion euros (\$193.6 billion) from tax authorities.

The revelations were made in February by international newspapers led by France's Le Monde after they studied stolen documents supplied by former HSBC IT employee Herve Falciani.

They came among growing evidence that pledges by banks to halt illicit or irresponsible activities that led up to the 2008 financial crisis have not been fulfilled.

French magistrates, who have had access to Falciani's data for years, had already launched a criminal probe against HSBC's Swiss Private Bank last November on suspicions it helped clients launder tax fraud proceeds and illegally approaching French clients.

In addition to that distinct case, French magistrates have now launched a probe against the parent company, HSBC Holdings Plc, for complicity in the actions of its Swiss unit.



AZ Azad, chairman of Shahjalal Islami Bank, attends the bank's managers' conference at Radisson Hotel in Dhaka yesterday. Farman R Chowdhury, managing director, was also present.



Nazrul Islam, national president of JCI Bangladesh, poses with the participants of the "Women on the Move" event recently. JCI Dhaka North organised the programme to help the existing and upcoming women entrepreneurs connect with successful professionals. Salima Jahan, official of JCI Dhaka North, was also present.

# GE to sell bulk of finance unit, return up to \$90b to investors

REUTERS

General Electric Co will shed most of its finance unit and return as much as \$90 billion to shareholders as it becomes a "simpler" industrial business instead of an unwieldy hybrid of banking and manufacturing.

The company on Friday outlined a restructuring plan that includes buying back up to \$50 billion of its shares, selling about \$30 billion in real estate assets over the next two years and divesting more GE Capital operations. GE stock jumped 8.5 percent.

"The stock has been under-owned by institutional investors, and that's going to

change now," said Tom Donino, co-head of equity trading at First New York Securities.

The repurchase program, which will be partly funded by \$35 billion through money returned from GE Capital, is the second-biggest in history after Apple Inc's \$90 billion plan. GE, which had 10.06 billion shares outstanding on Jan. 31, said it expected to reduce that by as much as 20 percent to 8 billion to 8.5 billion by 2018.

In all, GE said it planned to shed \$275 billion in GE Capital assets. That includes the previously announced spinoff of its Synchrony Financial credit card unit and the real estate transaction announced on Friday.