

# Shared bikes grind Shanghai's gears

Shanghai has impounded thousands of brightly coloured bikes placed on city streets by cycle-sharing companies, in the latest sign of impatience with an explosion of the haphazardly-parked two-wheelers. The bike-sharing sector has become one of the fastest-growing industries in the country, with users typically renting the bicycles for short periods by first unlocking them through the use of mobile phone apps. Costs can be as low as 1 yuan (15 US cents) per hour and the bikes can be left anywhere for the next user to come along. While hailed as a way to fight road traffic and pollution, the phenomenon has become viewed as a nuisance in some communities, with bikes often parked outside of designated parking areas, left in the middle of sidewalks or even on freeways. Row upon row of mostly orange and silver bikes from the company Mobike sat collecting dust in a massive parking lot in Shanghai's Huangpu district near the city's famed riverfront Bund area. They had been rounded up by a private

firm hired by the government to oversee bicycle parking. The bikes began to accumulate over the past month, said a woman whose balcony overlooks the crowded storage lot, declining to give her name. A Huangpu district government spokeswoman said shared bikes are not exempt from parking rules. "Any vehicles that violate parking regulations will be impounded. It's the same for everyone," she said. Mobike said in a statement that it was in touch with authorities and seeking to clarify what it called a "misunderstanding" by the company hired to round up the bikes. The bike-share concept has attracted huge amounts of venture capital investment for key players Mobike and Ofo, who have funnelled that money into placing hundreds of thousands of bikes in dozens of Chinese cities. China's state-run Xinhua news agency said Thursday that over the past two years more than 29 different providers have sprung up, placing more than three million bikes on streets around the country.

## Sri Lanka's legal process, lack of approvals delay FDI

Long delays in Sri Lanka's legal process and a lack of speedy approvals from government institutions have delayed foreign direct investment (FDI), the head of state-run investment body chief said on Friday. The government said last month FDI slumped 54 percent to \$450 million last year compared with \$970 million in 2015. Upul Jayasuriya, head of the Board of Investment (BOI), said the island nation has seen strong interest for investment from many countries, but approvals have been long delayed. Environmental issues, lack of electricity approval, delays by local authorities and some government agencies, and public harassment of investors have caused "concerns to some of the investors".



Shah Syed Abdul Bari, deputy managing director of National Bank, attends a business review meeting of the bank yesterday.

## Deutsche Bank board to discuss capital hike today

Deutsche Bank's supervisory board will meet on Sunday to discuss plans for a potential capital increase of around 8 billion euros (\$8.5 billion), two sources familiar with the matter said on Saturday. Germany's biggest bank said on Friday it was preparing a capital increase and was examining several strategic measures, including an initial public offering of a minority stake in its asset management business as well as retaining its Postbank unit and integrating it into its other German retail business. Deutsche Bank declined to comment on the meeting. The capital raising will allow Deutsche Bank to strengthen its balance sheet and free up funds for strategic investments after years of restructuring, a move welcomed by one investor on Saturday.

## State banks' rescheduled loans turn bad again

FROM PAGE B1 "If we look at different indexes of Sonali Bank, there is not much scope for optimism," Finance Minister AMA Muhith had said at the bank's annual conference on February 5. Last year, Sonali Bank's default loans rose 26 percent compared to the previous year. More than a third of the bank's total loans are non-performing. "Sonali has a large scale capital deficit. Its default loans and loss-making branches are more than one-fourth of the total. These indexes do not instill much hope. However, we have to be hopeful," Muhith added. At the same function, State Minister for Finance and Planning MA Mannan said, "The country's banking sector saw many developments, but the public sector banks do not seem to enjoy too many positive opinions." In 2016, bad loans in the private banks rose by Tk 2,297 crore to stand at Tk 23,057 crore. Officials of private banks said although the overall situation is good, the condition of some banks is grave, and the central bank has deployed observers there. A central bank official said the banks where ownership is bad have experienced the worst situations. Many of these owners are influential; hence, the central bank faces

difficulties taking action against those banks, the official added. "Many borrowers, especially the influential borrowers and wilful defaulters, place unethical requests and create pressure on banks to regularise their problem loans by rescheduling, without proper justification to do so," said the BIBM study. The government, judicial authority, central bank, law enforcement agencies, political parties, trade associations and the media should work to restrain bad borrowers from unethical practices, it added. The rescheduling of delinquent loans is actually a deferral process of accumulating default loans. The move puts immense pressure on the bank's capacity to recover the loans, which are not only 'toxic assets' but will go on to become irrecoverable in the long run. The study shows that the recovery of rescheduled loans is small and realisation of funds from large borrowers even smaller. On December 31, 2016, default loan as a percentage of total outstanding loans was 9.23 percent, which was 8.79 percent one year back. However, compared to September 30, 2016, the default loan declined slightly in December. On September 30 last year, it was 10.34 percent.



Chairman of Social Islami Bank Md Rezaul Haque and CEO (current charge) Ihsanul Aziz attend a business review meeting of the bank at its corporate head office in Dhaka.

## Euro zone private sector business growth near 6-year high

Euro zone private sector business activity rose at its quickest pace in nearly six years in February, accelerating across all major economies with job creation reaching its fastest in almost a decade, surveys showed on Friday. The data, which came alongside news on Thursday that euro zone inflation had just surpassed the European Central Bank's target, could pose a challenge to policymakers in how to explain leaving monetary policy unchanged even as the economy picks up sharply. IHS Markit's final composite Purchasing Managers' Index - seen as a good overall growth indicator - rose sharply to 56.0 in February from 54.4 in the previous month. It has not been higher since April 2011 and was unchanged from

a flash estimate. While separate official data showed German retail sales unexpectedly dropped in January, the PMIs showed that February private sector services activity in Europe's four largest economies Germany, France, Italy and Spain all improved. "The PMIs tell you that the economy is on a reasonably solid footing, obviously the economy is not roaring away to the extent that some of the other Anglo-Saxon economies have done over the course of recent years, but it is a pretty good place to be," said Peter Dixon, economist at Commerzbank. The reports suggest that rising concerns about potential upsets in coming euro zone elections, particularly the prospect of far-right leader Marine Le Pen posing a serious challenge for the presidency in France, are being shrugged off by the economy.

## Uber used secret tool to evade authorities

Ride services company Uber Technologies Inc for years has used a secret tool to avoid authorities in markets where its service faced resistance by law enforcement or was banned, the company confirmed on Friday. The New York Times first reported the existence of the program, called Greyball, which uses data from the Uber app and other methods to identify and circumvent officials who aimed to ticket or apprehend drivers in cities that opposed its operations. Rides hailed from a location near a city enforcement agency suspected of launching a sting to trap Uber drivers could be ignored or canceled, for instance, the Times report said. The tool allowed Uber to show images of "ghost" Uber cars on the app or show that no cars were available, according to the newspaper, in order to deceive authorities. Officials in certain cities without a legal framework for ride services have aimed to ticket, tow and impound the cars. A spokeswoman for Uber said Greyball was still in use, though scaled back. It grew out of an effort to protect the app from disruption by competitors and drivers from abuse and, in more rare cases, was also used where there were enforcement stings, she said. Meanwhile, Uber's best-known security researcher and vice president of product and growth resigned on Friday, without giving reasons. It was unclear if the departures were connected to Greyball. Revelations about the Greyball program come after a series of events bringing Uber's practices into doubt that has raised customer and investor concern. Those include allegations of sexual harassment that prompted an internal investigation at the company, a video of Chief Executive Travis Kalanick arguing with an Uber driver that led him to make a public apology and pledge to "grow up", and a lawsuit by Alphabet Inc's self-driving car unit, Waymo, accusing Uber of stealing designs for technology for autonomous cars.

Uber has said Waymo's claims are false. In an email, Uber said the Greyball program "denies ride requests to fraudulent users who are violating our terms of service - whether that's people aiming to physically harm drivers, competitors looking to disrupt our operations, or opponents who collude with officials on secret 'stings' meant to entrap drivers." The tactic had been scaled back considerably as the company won the right to operate in more places, a spokeswoman added. She said that Uber's legal department had approved the practice in locations where Uber was not clearly banned, and that Uber's terms of use required riders use the ride hailing app for personal, not commercial, reasons and to not cause "nuisance" to drivers. The program is still being used when drivers are under threat of arrest or other legal punishment in some cities within 15 US states without clear ride-sharing laws, she said, adding that she did not know

in which other countries the system is being used. A source earlier on Friday had told Reuters that the program had not been in use in the United States for more than a year. The New York Times said Uber used the methods to evade authorities in cities including Boston, Paris and Las Vegas, and in countries such as Australia, China, Italy and South Korea. Once the Greyball tool was put in place and tested, Uber engineers created a playbook with a list of tactics, which included looking up city officials on social media and obtaining phone numbers of cheap phones that Uber calculated enforcement officials were likely to buy, the Times said. Local officials on Friday expressed concern about Uber's practices but stopped short of saying they would take action. "We take any effort to undermine our efforts to protect the public very seriously," Dylan Rivera, a spokesman for the Portland, Oregon transportation bureau, said in a statement. "We will closely examine the

evidence presented in this investigation to see if it warrants changes in our approach to consumer protection." Boston police Lieutenant Mike McCarthy said his department would also review the allegations and Philadelphia Parking Authority spokesman Martin O'Rourke said his agency was aware of Uber's attempts to evade local inspectors and the activity was covered by a settlement agreement that the authority and the company signed last year, in which Uber paid a \$350,000 fine. Greyball, which began as early as 2014, was part of a program called "Violation of terms of service" (VTOS), aimed at finding people the ride-hailing company thought were using the app improperly, the New York Times reported. Two high-level departures on Friday added to Uber's woes. Ed Baker, Uber's vice president of product and growth, is leaving the company after nearly four years, an Uber spokeswoman said, declining to provide a reason.

## Hasina urges UK to lift cargo ban

FROM PAGE B1 The prime minister raised the Rohingya issue and sought support of the international community and particularly of Britain for the refugees' temporary relocation in a safe and hygienic environment. Hasina informed Sharma that around four lakh documented and undocumented Myanmar nationals are now living in Bangladesh in an inhumane condition. "The international community should come forward to extend support to resolve the problem," she said. Hasina reiterated her government's "zero tolerance" stance against terrorism. The government has proved its ability to effectively combat the militants, especially

after the terror attack on a Gulshan café on July 1 last year, she said. "The supplier of the arms and ammunition to the terrorists of the Holey Artisan attack has already been arrested." The press secretary said the premier and the British minister expressed satisfaction over the excellent bilateral relations, expecting the ties to be strengthened more in future. PM's International Affairs Adviser Gowher Rizvi, Principal Secretary Kamal Abdul Naser Chowdhury, Bangladesh's High Commissioner to Britain Md Nazmul Quamain and British High Commissioner in Dhaka Alison Blake attended the meeting.

## Banglalink's revenue goes up 3.4pc

FROM PAGE B1 However, 1.49 crore of the operator's connections are used for data services, which is an increase of 6.9 percent from the previous year. Banglalink has also continued to expand its 3G rollout, which now effectively covers 59 percent of the country's population. At the end of 2015, its 3G coverage was only 33 percent. The operator's capital expenditure was

Tk 1,070 crore last year, growing around 2 percent year-on-year, reads the report. With network expansion and rising smartphone penetration, data usage also rose 192 percent year-on-year to 391MB a month per user at the end of December. This led data revenue to grow 51.2 percent year-on-year to Tk 490 crore. "Data is the new emerging revenue source and we are happy to see the positive trend," said Aas.



Drivers of Uber and Ola walk next to their parked vehicles during a protest in New Delhi.