

Google ties up with Indian lenders in bid to woo new users

REUTERS, New Delhi

Alphabet Inc's Google said on Tuesday it is partnering with a handful of Indian banks to bring quick loans to the masses, as it aims to woo tens of millions of new internet users in the country to its digital payments services.

At an annual Google event in New Delhi, Caesar Sengupta, the Vice-President of Google's Next Billion Users initiative and its Payments said the move would make banking services accessible to tens of millions of Indians.

Google launched payments app Tez, meaning fast in Hindi, in India last year integrating it with the state-backed unified payments interface (UPI) as it sought to gain a foothold in the South Asian nation's digital payments space which, according to Credit Suisse, will grow five-fold to \$1 trillion by 2023.

On Tuesday, Google rebranded the app as Google Pay and said it was partnering with four Indian banks, Federal Bank, HDFC Bank, ICICI Bank and Kotak Mahindra Bank to provide instant loans to the app's users.



Caesar Sengupta, Google's general manager of payments and vice president leading the Next Billion Users initiative, poses for a picture after an interview with Reuters in New Delhi.

"We're talking to a lot of banks, we're completely open with who we work with in terms of banking partners," Sengupta said in an interview on the sidelines of the event.

"Banks bring their financial capabilities, their understanding of the user, their customers. We bring our user experience, our ability to

make complex processes extremely simple and very fast."

Google's ambitions could potentially pose a challenge for homegrown Paytm, backed by Japan's SoftBank and China's Alibaba and US conglomerate Berkshire Hathaway Paytm's founder Vijay Shekhar Sharma and its parent One97 Communications

run a payments bank and the payments firm also plans to expand to selling financial products such as insurance and mutual funds in India - the world's fastest growing internet services market.

Sengupta said Google was open to collaborating with other Indian payments firms.

"We are huge of fans interoperability ... when a product like Tez does well it creates more value in the network for everyone," he said.

Tez has over 22 million monthly active users, according to Google.

Sengupta said Google also expects the KaiOS mobile operating system, in which the company has invested \$22 million, to do well in Africa and parts of South East Asia.

KaiOS is a low-cost phone operating system which, among others, has been used by Indian billionaire Mukesh Ambani to sell his Jio telecom venture's low-cost internet enabled phones.

"Countries like India, which are mobile first have so many people coming online for the first time, just generate an incredible amount of opportunity for innovation," Sengupta said.

Emirates revamps offerings in premium classes

STAR BUSINESS DESK

Emirates has refreshed its premium offerings with new luxury products in first and business classes for a more comfortable travel experience.

The new products stem from collaborations with Byredo skincare, Bowers & Wilkins and Emirates' longstanding partnership with Bulgari for its refreshed amenity kits, the airline said in a state-

ment yesterday.

First class customers will find the Byredo travel wellness range of skincare in their private suites.

The allergen-free and Chamomile collections were exclusively created for Emirates for a relaxing and hydrating inflight experience.

Products included in the Byredo for Emirates Wellness kit are Cleansing Face Towelette, leaving a clean base to enjoy the maximum benefit from skincare.

India's Mahindra says Fiat Chrysler files patent complaint in US

REUTERS

India's Mahindra and Mahindra Ltd said on Wednesday Fiat Chrysler Automobiles US LLC filed a patent violation complaint with the US International Trade Commission against the company. As per the complaint, certain design features of Mahindra's off-road utility vehicle ROXOR infringed intel-

lectual property rights of Fiat's Jeep design, Mahindra said in a statement. Mahindra said the complaint was "without merit."

The company and its unit Mahindra Automotive North America have filed a public interest statement with the trade commission and have begun proceedings in a Michigan court to enforce a design agreement that it had executed with Fiat in 2009.

IT firms seek time to relocate

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Because of the different time zones, many companies have to provide round-the-clock service, but commercial spaces won't allow them to work 24/7, she said. "Software and ITES-related works are solely dependent on

human brains and require quiet environments. This kind of firms never create any noise or disturb their neighbours," said Rahman.

The BASIS leaders said they are negotiating with the housing and public works ministry and the Rajuk about the issue.

Aston Martin gears up for London stock market float

AFP, London

Aston Martin on Wednesday said it plans to float one quarter of the British company on the London stock market, as demand rises worldwide for the luxury brand's cars favoured by fictional spy James Bond.

Full details of the initial public offering will be published on September 20, Aston Martin said in a statement, with reports noting that the company could be valued up to £5.0 billion (\$6.4 billion, 5.5 billion euros).

"Today's announcement represents a key milestone in the history of the company, which is reporting strong financial results and increased global demand for its award-winning sports cars," Aston Martin chief executive Andy Palmer said in the statement.

The century-old carmaker, based in Gaydon in central England, is controlled by Italian private equity fund Investindustrial and Kuwaiti investors.

German carmaker Daimler will meanwhile keep its near 5.0-percent stake in the group, Aston Martin said.

Make corporate governance code mandatory for all: experts

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The Bangladesh Securities and Exchange Commission (BSEC) issued the corporate governance guideline in 2006, made it mandatory in 2013 and reissued it under the name "corporate governance code" on June 3, 2018.

The code should be made mandatory for non-listed companies too, Chowdhury said. The Financial Reporting Council can fix a parameter on the size of employee numbers, capital and turnover of a firm so that it can follow the code properly, he said.

The council is formed following the financial reporting act, which was originated in the US 20 years back. The council is now present in 51 countries.

"We should create an environment so that every firm feels inspired to follow the corporate governance code," he added.

"Family governance is more powerful than corporate governance in our (Bangladeshi) companies," said Swapan Kumar Bala, a commissioner of the BSEC.

"India has fixed some parameters

following which the country compels non-listed big companies too to follow the corporate governance guideline."

"Corporate governance is a qualitative thing, not quantitative. Everyone should keep the rules in their head for the sake of their own business," Bala said.

If the internal auditors can play their role actively and independently, then it will be easier for a company to follow corporate governance, he said.

The internal auditors should have a unique character so that they can properly play their roles and the officials of their workplaces feel encouraged to willingly provide them with all necessary audit related information, Chowdhury said.

"Over 20,000 companies are running operations in Bangladesh. Only 305 of them are listed on the Dhaka Stock Exchange," M Nurul Alam, secretary general of the IAB, said at the seminar.

"So we should concentrate more on all the non-listed companies."

K Atique-e-Rabbani, president of the IAB, was also present.

Rice bran oil: exports on the rise

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It takes three to five days to load a truck with 15 tonnes of rice bran. Besides, not all rice bran is suitable for extracting oil, he said, adding that the production of milled rice and rice bran will increase through the modernisation of rice mills.

Hasan said the domestic demand for the edible oil is growing thanks to the expanding middle- and upper middle-income groups. "Export potential is bright if we can ensure quality. But the main challenge is the country's image," he said.

"Building capacity to deliver the item in large quantities and improving the country's image are key to tapping the export market."

Hasan said some buyers are doubtful

about local millers' capacity to deliver a higher volume at a time.

"Our logistics and infrastructure is weak, which affects buyers' confidence," said Hasan, citing that the company could not send a consignment to South Korea on time last month because of the congestion at the Chittagong Port.

Osman Ali of Mim International said his firm exports both rice bran and crude rice bran oil through Benapole land port when it finds higher prices in India.

Refined rice bran oil faces higher tax in India compared to that of crude oil, added Ali. Mim International exported 500 tonnes of crude rice bran oil in 2017.

Majumder called for cash incentives to increase the export of rice bran oil.

Fed to stand by BB in damage claim: Muhith

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The committee also okayed a Tk 38 crore programme for Ansar-VDP Cooperative Society Ltd to publicise 10 special initiatives of Prime Minister Sheikh Hasina and other development activities of the government among people at unions.

The Ansar-VDP Cooperative Society Ltd is an appropriate body to undertake an outreach programme—Agiye Jacche Bangladesh—to remote areas as it has trained manpower at every union and village, according to an information ministry proposal.

According to the project proposal, a function, promoting the government's development activities, would be organised at schools every morning.

In the afternoon, information on special initiatives of the prime minister, as well as TVCs and films on drug abuse, child marriage and liberation war would be projected there. In April, a meeting of the Executive Committee of the National Economic Council approved a Tk 60 crore project titled "Strengthening the publicity for development of rural people".

Under the project, 65 short films would be made while 21,960 film shows, 9,792 musical programmes and 4,554 outreach programmes would be arranged. Besides, 1,470 women's rallies would be organised.

The project is set to be implemented by the Directorate of Mass Communication by November 2020.

Pharma winning global markets

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The other was the relaxation of the World Trade Organisation's agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which permitted Bangladesh to reverse engineer patented generic drugs.

The relaxation of TRIPS for least developed countries has been extended to 2032. Bangladesh can significantly boost its pharmaceuticals exports on the back of the patent waiver as it is the only LDC that produces pharmaceuticals, according to the National API and Laboratory Reagents Manufacturing and Exports Policy.

In 2015, the US Food and Drug Administration gave approval to Square Pharmaceuticals and Beximco Pharmaceu-

ticals after inspecting the oral solid dosage facilities of the two companies.

At present, oncology drugs are imported but some of the local players like Renata, Beacon and Acme have heavily invested in the segment.

Although the sector has grown fast, the country largely relies on imports for raw materials in the absence of local active pharmaceutical ingredients (API): about 95 percent of the Tk 5,000 crore worth of raw materials needed by the pharmaceutical sector are brought in from abroad.

This had led the government to come up with the policy, which offers a host of incentives to encourage local manufacturing of raw materials for the pharmaceutical sector.

China's bankers have one too many balls in the air

REUTERS, Hong Kong

Chinese loan officers are finding themselves torn between conflicting policy goals. Beijing wants the country's commercial banks to help fund infrastructure spending to support cooling growth, but isn't relaxing a campaign to cut a \$290 billion pile of bad debt. They also need to somehow remain profitable. First-half earnings show the pressure is pushing them headlong into

consumer lending.

For lenders, especially those below the Big Four state-owned heavyweights, 2018 looks likely to get tougher. Chief finance enforcer Guo Shuqing is forcing them to recognise more non-performing loans while exiting lucrative shadow banking business lines. Smaller players are struggling, and consolidation is underway; some may even be allowed to go bankrupt.

A rumbling trade war with the United States has further complicated the outlook. Business confidence has showed signs of softening, and the pace of urban fixed-asset investment hit its weakest rate on record in July. Concerned officials are loosening fiscal purse strings and cutting bank reserve requirements to support infrastructure investment. Unfortunately there's a shortage of viable projects: China has been on a road-and-subway building binge since 2008. Similarly, thanks to overcapacity and price wars, many healthy private companies are wary of using debt to invest; those seeking to borrow are often rolling over bad loans.

Fortunately Chinese consumers have pitched in. Joint-stock banks have cranked up mortgages and credit cards combined to nearly a third of total loans at the end of 2017, a UBS research note showed, up from 17 percent in 2013. Indeed, China Merchants Bank last week reported that nearly half of its loans were to retail borrowers in the first half, producing an annual yield of nearly 6 percent - two percentage points higher than company borrowers. Its peer Ping An Bank cranked up credit card loans by 27 percent in the same period, even as its corporate credit retreated 0.6 percent.

But while mortgages have been reasonably safe in China, consumer loans are less reliable. Assessing individual creditworthiness is relatively expensive, and credit card debt is unsecured. At the same time, consumer borrowing may start to cool too: car sales slowed in July, according to official data, and retail sales missed expectations. Still, lending to real people should help growth more than bridges to nowhere.



A residential building of a pilot rental housing project by China Construction Bank (CCB) and Foshan Jianxin Property Leasing is seen in China.