

# Embattled bike-sharing firm told to refund customer deposits

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Embattled bike-sharing firm oBike must refund customers' \$4.6 million

deposits, authorities have warned, after the company quit operating in Singapore last month leaving some 14,000 bicycles strewn across the city.

In the latest clash between Singapore authorities and oBike, an official this week said it was "possible" the government may take [legal action](#) against the firm if it does not refund money owed to some one million users.

"I would like to emphasise again that it is oBike's responsibility to have a concrete plan to refund user deposits and remove its bicycles from public spaces," senior minister of state for transport Janil Puthuchearry said in response to a parliamentary question.

oBike suddenly wound up operations in the city-state last month citing difficulty in complying with new regulations, which includes controlling its fleet size and ensuring bicycles are parked in designated areas.

The company, headquartered in Singapore, later revealed it had gone into liquidation, leaving customers scrambling to recover mandatory deposits of between Sg\$19 (\$14) and Sg\$49.

Since then, it has missed deadlines to remove its fleet of silver and yellow bicycles and when threatened with a fine, said the penalty could eat into funds to repay customer deposits, a move the Land Transport Authority slammed as "deeply disappointing".

While it has wound up operations in Singapore, the company said its service would still be available in other markets.

"This decision will not affect oBike's operation in anyway in countries outside of Singapore," the [company](#) said in a statement posted on its Facebook page without going into further details.

But oBike has also faced challenges in Europe.

In Switzerland and Germany, bikes were vandalised and dumped in car parks.

Liquidators in Singapore are now working with the authorities to provide refunds, the consumer protection association said in a statement.

Dockless [bicycle](#) sharing—which allows customers to rent a bicycle with the tap of an app—has quickly gained popularity in cities for its convenience and cheap pricing.

But it has also threatened to turn into a menace with indiscriminately parked bicycles and some ending up at the bottom of canals, victims of vandalism.

Space-starved Singapore has promoted the use of bicycles and public transport in a bid to reduce car usage, even as the subway system had been hit by repeated delays and breakdowns.

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