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From the Desk of the Editor

Digital Credit: Regulators need to be prepared with adequate tools

Bangladesh is going to enter in a new era with digital credit to help people access to finance quickly to meet their urgent needs in the form of small loans. After a successful pilot project, City Bank and bKash is going to launch this digital credit programme for the first time in Bangladesh. Ant Group, Chinese e-commerce giant Alibaba's payments arm and the stake holder bKash, will be the technology partner undertaking credit assessment on potential borrowers for this project. To obtain loan, no paperwork is required. No need to visit bank branch. No need any collateral. Approval in minutes, not weeks. Its a revolutionary step to pull up the people from the bottom of the economic pyramid. DIGITAL FINANCE in this issue has shed light on this digital credit innovation, which is no doubt a revolutionary step in the country's financial landscape.

Inadequate access to finance remains a major obstacle for many aspiring entrepreneurs in Bangladesh. Particularly unbanked people find it difficult to manage loans to meet their urgent needs for lengthy process, high cost and onerous terms and conditions. They are often compelled to take loans from informal sources at high interest rates to meet emergency needs - such as health crisis or financial loss caused by natural disasters - or even to engage in small trade. This is hindering economic growth and consequently perpetuating poverty. The digital credit of City Bank will help small value businesses, micro merchants, service holders and the people living at the bottom of the economic pyramid to get cash as loan instantly to meet their urgent needs. And thus it will boost financial inclusion and drive poverty reduction and economic growth.

Digital credit is fast, private and convenient. It also is potentially risky. So, regulators should fully be prepared with adequate supervision and oversight tools. Regulators need to identify how to optimize synergies between digital finance and microfinance for financial inclusion, such as consumer protection for DFS, KYC, credit risk management, data privacy, innovation, reporting, financial education and other areas. Regulators can address this problem by setting up a minimum threshold for mandatory credit bureau reporting of all digital loans that excludes the smallest-value, first-time loans. This approach would facilitate compliance with credit reporting requirements without excluding good borrowers, who often take subsequent, larger loans that would be reported to the credit bureau.

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BJFCI
Working for people



Message from CHAIRMAN

BJFCI demands steps to withdraw increased bus fares

The government has increased vehicle fares in response to the demands of bus and launch owners without considering the interests of passengers following a 27% hike in bus fares and 35% hike in launch fares in the wake of strikes by launch and bus owners after the government hiked diesel prices by 23%. After the increase in bus fares, human haulers, auto-rickshaws, and taxi-cab owners are also realising extra fares from passengers, the statement added. The most concern is that bus and launch owners are realising more fare than the government fixed one, inflicting sufferings on low-income and jobless people.

The grave concern is that the government has increased vehicle fares in response to the demands of bus and launch owners without considering the interests of passengers. Earlier, on May 31, the bus and minibus fares of inter-district and long routes (Dhaka, Chittagong cities and adjoining areas) was raised by 60% in order to compensate the bus owners as they are carrying 50% less passengers to maintain social distancing to prevent the transmission of coronavirus. Without protecting the interests of passengers, the fixing of extra fares has plunged the lower- and middle-income people of the country into a deeper crisis. The way bus fares have been increased in the Dhaka-Chittagong metropolitan areas can be called oppression.

BJFCI demands the government take necessary steps to withdraw the increased bus fares and reset that at the previous ones. We hope Prime Minister Sheikh Hasina will take necessary steps to fix up fair bus prices for the interest of common people after returning home from the Climate Summit in UK.

Bangladesh Journalists' Foundation For Consumers & Investors (BJFCI) is the largest platform of senior journalists working in leading dailies of Bangladesh. It's members are working as Editors, Executive Editors, Economic Editors, Business Editors, News Editors, Chief Reporters, Special Correspondents and Senior Reporters/Sub Editors and committed to protect the rights of consumers and interest of inclusive investors through media interventions. BJFCI raises voice for the rights of consumers and promotes growth finance sector, digital innovations and mobile financial services in line with its vision to build a fair financial society for a better Bangladesh with inclusive growth.

Editor's Pick

DIGITAL NANO CREDITS

Meeting Urgent Cash Needs. Loan Sanction In Minutes.

FARUK AHMED

When micro credit failure episodes are now being discussed on the table, a digital finance innovation- Digital Nano Credit is going to hit the credit landscape of Bangladesh within a few days to make money truly responsible meeting the urgent cash need of people and low valued businesses.

Following a successful pilot project, City Bank, a leading private commercial bank and bKash, the leading mobile financial service (MFS) provider is going to launch this digital credit programme for the first time in Bangladesh with the view to help people access to finance as small amount of loans quickly to meet their urgent needs.

Nano-credit refers to the teeny-tiny loans that the poorest of the poor can obtain for days or weeks through their phones. Artificial intelligence determines their creditworthiness and the loan provider disburses the sanctioned amount to the borrower's account within a couple of minutes without any human involvement.

The reasons for such credit demand are: No paperwork required. No need to visit bank branch. No need any collateral. Approval in minutes, not weeks. Customers can get this loan instantly through their bKash accounts and refinance from anywhere anytime.

"It's really a revolution and a new wave of digital finance-for the better", said a senior central bank offi-

bkash- City Bank Making Money Truly Responsible



Ant Group, Chinese e-commerce giant Alibaba's payments arm, will be the technology partner undertaking credit assessment on potential borrowers for this project. The company, which has a 20 per cent stake in bKash, offers advanced AI-based credit assessment facilities for digital loans offered in different countries, including China, India and the Philippines.

An automated credit scoring system will give an instant decision on whether a user of bKash has qualified for the loan. This means City Bank will give loans to client based on their past financial track record with bKash.

Digital lending is the process of offering loans that are applied for, disbursed, and managed through digital channels, in which lenders use digitized data to inform credit decisions and build intelligent customer engage-

ment. "This credit innovation will improve the lives of the common people and pulling up the poor from the bottom of the economic pyramid delivering cash liquidity to their hands instantly through their bKash accounts".

In countries like Bangladesh, unbanked people find it difficult to manage loans to meet their urgent needs as well as to repay those loans for lengthy process, high cost and onerous terms and conditions. But the initiative taken by City and bKash will help clients sweep aside the roadblocks.

Digital credit is fast, private and convenient. It also is potentially risky. Since 2012, millions in East Africa have borrowed small amounts with a quick tap on their



mobile phones, making the region the first to achieve high penetration rates for digital consumer credit.

Kenya has seen remarkable progress on financial inclusion in the past decade. This has largely been fueled by the mobile money revolution that has expanded the access to and use of financial services beyond payments. Digital credit products, such as M-Shwari and KCB-M-Pesa from MNO-facilitated banks are already popular in the market.

In the past two years, the number of digital loans issued has approximately doubled¹. Between 2016 and 2018, 86% of the loans taken by Kenyans were digital in nature. This trend continues with traditional players, such as banks.

Now, approximately half of the loans issued are digital. The potentiality of digital credit is enormous in Bangladesh as the digital financial transactions in the country witnessed impressive growth over the years months thanks to revolutionary role of mobile financial service (MFS) operators led by bKash. Central bank data shows the MFS transactions is surging day by day due to rising demand from customers fuelled by pandemic situations, higher MFS adoption among people of all ages.

Access to affordable formal credit has been a challenge for many segments in Bangladesh, particularly small businesses, sole proprietors, and smaller entrepreneurs. The costs for banks to effectively lend to these groups are high due to which they are often excluded from

mainstream credit channels.

How It Works

With the advent of mobile financial service innovation, another revolution is under way- one that promises not just to make finance more secure for tax payers but also better for neglected constituency: its customers.

bKash customers who have good transactions history and need money to meet their urgent needs will be able to get City bank's loan instantly within few minutes through bKash App. The AI system of Ant Financial set in the credit sanction process will read the previous financial bKash transactions-deposits, withdrawals, mobile recharge and so on-and complete loan approval process within a few seconds.

To avail the digital loan, bKash customers need not to visit bank branch and fill up any papers or show any collateral. bKash users will have to click the 'Loan' icon on the bKash app and enter the desired loan amount within the loan limit approved by City Bank, as well as accept the loan terms and conditions. Users will also have to give consent to share their KYC information, available with bKash, with City Bank before availing the Digital Loan.

City Bank will closely monitor users' loan payment behaviour and determine whether users will be eligible for loans in the future, along with fulfilling City bank's regulatory obligations to report any loan defaulters to the Bangladesh Bank.

The process - from beginning the application to unconditional approval - is designed to take about 10 minutes. In pilot phase, an approval was granted in eight minutes and 45 seconds. "It is actually the world's fastest process," said Md Mozammel Hossain, a fish trader at Malibagh Bazar in the city who enjoyed digital loan of Tk 5000 recently to meet his urgent needs.

bKash customers will have to pay back the loan within three months by way of three equal monthly instalments (EMI). The EMI will be deducted automatically from the user's bKash account on fixed due dates. The user will also be able to pay the EMI before their due dates and save money as the bank will associate early repayment with lower interest costs.

Interest on the loan will be charged on a daily basis according to the guidelines of Bangladesh Bank. That means in case of early settlement, the interest will be charged based on the number of days the loan has been taken for and not for the whole three months. In addition, users will be notified through a text message and app notifications before every due date for EMI.

Making Money Truly Responsible

With the advent of mobile financial service innovation, another revolution is under way- one that promises not just to make finance more secure for tax payers but also better for neglected constituency: its customers.

The City Bank-bKash Digital Nano Credit is such an innovation. It enables easy access to working capital requirements for farmers, self-employed individuals,



Mashrur Arefin
MD & CEO of City Bank

THE ISSUE

2 BILLION PEOPLE are unbanked'



Most common reason for not having an account: lack of money to use it

street hawkers, and home-based workers. It also works as an effective tool in creating financial literacy by incentivizing positive credit behavior through access to better borrowing terms.

Digital transformation in the lending industry is only the tip of the iceberg, Mashrur Arefin, MD & CEO of City Bank told DIGITAL FINANCE, a monthly special of the national daily THE BANGLADESH EXPRESS. "We are not putting digital lipstick on top of broken processes", he said.

He said the journey of this digital nano credit starts with the idea of how we can deliver money urgently to the right people with more convenience so that they can use it according to their needs. "People living at the bottom of economic pyramid are often compelled to take loans from informal sources at high interest rates to meet emergency needs- such as health crisis or financial loss caused by natural disasters- or even to engage in small trade", he said.

As technology continues to develop, so too do the opportunities to harness innovation for financial inclusion. And this technology is constantly transforming the consumer loan industry by providing users and borrowers with more simplicity, efficiency, and transparency.

"We are trying to engage more customers using technology innovations like bKash app and make money truly responsible. Our goal is to get closer to the customers particularly common man and women who has no access to formal loans or banking services, micro merchants, low value business owners and small entrepreneurs" Mashrur Arefin, the CEO of City Bank said.

The relatively high cost of bank lending is linked to the absence of reliable financial data that allows for effective credit risk profiling and pricing of loans. Banks tend to rely on historical data - bank account statements, cash flow analysis and past earnings as indicators of financial health when determining eligibility for loan products.

Financial services are the most critical cog of an economic gear, facilitating individuals and businesses to save, invest, and mitigate themselves against potential risk. Today, in most third world economies, majority of individuals and small businesses are confronted by inaccessibility to primary savings and credit products,



Kamal Quadir
CEO of bKash Limited

hindering economic growth and consequently perpetuating poverty.

An estimated 1.7 billion adults lack access to a transaction account and are excluded from the formal financial system. Enhancing financial inclusion can improve resistance to economic shocks, boost productivity of businesses, facilitate female empowerment and help eradicate extreme poverty and increase shared prosperity.

The good news is that two thirds of the unbanked, (approx.. 1.1 billion) have access to a mobile phone, which can be leveraged to gain access to financial products and services. Financial technologies and digital financial services offer great promise to accelerate financial inclusion, by meeting the financial needs of poor and unbanked consumers.

Kamal Quadir, CEO of bKash Limited the Digital Loan project of City Bank exemplifies how banks can bring new and creative services to improve the lives of the common people. It broadens the scope of financial inclusion by using bKash's platform and leveraging our robust customer base. "We believe this collateral-free, instant digital loan will bring transformative impact on marginalized people, micro entrepreneurs, and students to meet their emergency personal or business needs," the CEO of bKash said.

He said the lending sector depends on data. Small business owners do not always have such historical finan-

cial data. This has led to a significant credit gap among small businesses and entrepreneurs. In the City bank's digital credit process through bKash app, a robust AI of Ant Group is set properly to make money truly responsible.

"AI can help it scale new heights through simplification, up-gradation at the administrative level, and giving direct value like enhancing customer satisfaction. It can bring about a revolution in fraud management and can protect the lending space from massive losses of capital and profit", he said.

Meeting Urgent Cash Needs

Necessity compels. Needs must, when the Devil drives. Shah Alom, 45, a small fish trader has learned this harsh truth through a bitter experience when his son was rushed to hospital after severe pain in belly recently. Doctors advised him to manage Tk 20,000 immediately as the cost of operation, which is urgent for survival of his only son.

Shah Alom managed Tk 1200 from his relative- not enough for the treatment cost. When he was upset and moving to and fro in front of the hospital, one bKash agent who knew him since long suggested him to take loan from City Bank through bKash app.

Suddenly he saw the light at the end of the tunnel. After submitting loan application on bKash app with the help of bKash agent, Shah Alom was too anxious whether loan would be disbursed or not within a few hours. After a few minutes, surprisingly he received a message- dear customers Tk 8000 has been deposited to your bKash account.

"It was like a magic and an exciting experience in my life. When I saw message sent from bKash that Tk8000 has been deposited, I thought Allah directly sent this money to save my son, Shah Alom said. " I thanked city Bank and bKash".

The city bank and bKash disbursed this tiny amount of loan under a 12-months pilot programme where Tk 5.1 crore has been disbursed among bKash users. Recovery rate is more than 95%, the bank officials said. Shah Alam was familiar to bKash as he regularly used bKash payment tool to receive cash from his retail clients who preferred not to visit market due to Covid pandemic and pay to wholesale merchants against fishes purchased from them.

Shah Alam is not alone. Many low income people particularly micro merchants, small vendors, shop keepers and women entrepreneurs took city bank's micro loans through bKash during the pilot programme, said a city bank official.

Sanjida, an women entrepreneur at Khilgaon area under the capital city Dhaka has a happy memory having instant digital loan of Tk 10,000 from City Bank



through bKash app which allowed her to enjoy a hefty profits .

" I got some exciting orders to make school dresses at time when I had no cash to buy cloths as per order from a school. I had vast experiences with bKash app with good transaction history and took loans instantly within a few minutes", he said.

"I earned a hefty profit from this business thanks to instant digital loan through bKash app," sanjida told Digital Finance.

Inadequate access to finance remains a major obstacle for many aspiring entrepreneurs, particularly in developing countries like Bangladesh. According to a UNCDF study, almost 2 million people are involved in the micro-merchant retail sector in Bangladesh who transact more than \$18,42 billion annually and interact with millions of customers every day.

According to the study, their businesses are most commonly small neighbourhood kiosks, shops or stores with monthly sales ranging from \$436 to \$3,195. Almost all micro-merchants have mobile phones but are still deprived of getting digital financial facilities.

Policymakers are increasingly concerned that the benefits produced by financial intermediation and markets are not being spread widely enough throughout the population and across economic sectors, with potential negative impacts on growth, income distribution and poverty levels, among others.

The Sustainable Development Goal (SDG) Agenda 8 (10) urges for capacity building of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all. The Vision 2021 reaffirms Bangladesh government's commitment to providing financial services at the doorsteps of the citizens in an easy, fast and low-cost manner.

Since Bangladesh is looking forward to transforming itself into a developed economy by 2041, ensuring financial services for everyone, irrespective of status, can contribute to achieve the target of SDG Agenda and Vision 2021. The government should prioritise the inclusion of micro-merchants and other micro, small and medium enterprises in the formal financial sector



to accelerate sustainable and inclusive economic growth.

Most poor households still operate almost entirely through a cash economy. To borrow money in an emergency, they must turn to moneylenders who charge notoriously high interest rates. Digital Nano Credit might be a unique addition to the effort to boost financial inclusion and drive economic growth.



The Bottom Line

Digital credit has a great potential to increase financial inclusion. But if it is not carefully managed, digital credit runs a great risk to exclude, over-charge, and create over-indebtedness. A review of millions of loans and two large-scale customer surveys of digital borrowers reveal troubling issues with transparency and responsible lending that contribute to high delinquency rates, harming both consumers' credit histories and lenders' business profits.

In 2019, a study conducted by The Smart Campaign and the Social Performance Task Force (SPTF) calls for increased public awareness campaigns about how credit bureaus work and the consequences of default so consumers will better understand the risks involved in borrowing.?

The other concern is that regulators often pay inadequate attention to this industry because it is of low value and thus does not present a systemic risk. However, experts say there are ways to improve the customer experience, and to deliver better results for the business by employing some innovative approaches.

5 Factors To Be Keep In Mind When Applying For An Instant Digital Loan



Kazi Zahidul Islam (Amol)

The advent of fintech firms has transformed the lending scenario. These companies grant approvals within minutes by digitally verifying customers' credit credentials.

Their eligibility norms require minimal documentation, and any required documents can be uploaded digitally. This is unlike traditional lenders, which may provide you with a long list of documents to be submitted in hard copy and require multiple visits to their branch offices. Moreover, customers' basic details are verified instantly online to expedite the loan disbursement process.

Evaluate Diligently

Despite the easy availability of digital loans, it's crucial to avail of such loans wisely to improve your financial situation rather than simply buying things you want and later struggling to pay the EMIs.

Therefore, the first step before applying for a digital loan is to evaluate all your monthly expenses and needs carefully. Your two main questions should be: "How much do I need?" and "How much can I afford?".


Your affordability criteria will depend primarily on the debt-to-income ratio. In simple terms, it refers to the amount of monthly income that goes towards servicing your various debts. Be clear about when you need the funds, for what purpose and how you will repay the loan during the given tenure.


Plan Restraint

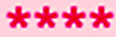
If necessary, draw up a monthly budget to streamline your spending and avoid unwanted or frivolous expenses. A planned budget encourages you to live reasonably well within your means. On the other hand, unplanned spending can increase your debt levels even before you realise what's happening.


Planning your repayment wisely is vital, be it any type


DIGITAL LOAN THROUGH BKASH APP


Click the 'Loan' icon on bKash app 

Enter desired loan amount within the limit approved by City Bank 

Enter PIN **** 

The amount will be instantly disbursed in bKash account 

Loan can be repaid in 3 EMIs automatically deducted from bKash account on fixed due date 

One can initially get a loan of up to Tk10,000 through the app 

of loan. Simply use an online personal loan monthly instalment (EMI) calculator to know the monthly instalments by filling in the relevant interest rate and the amount required.

Knowing the EMI one needs to pay can be most helpful since it will help you understand and plan your budget carefully. If the EMI seems too high to repay comfortably, you have the option of taking a lower loan amount that falls within your comfort repayment zone.

Understand one thing clearly: the lower the EMIs, the longer the tenure and greater the interest and net outgoings. In other words, you will end up paying more if the tenure is longer. For instance, five years instead of three years. In essence, the faster you repay, the better.

Consider Carefully

Furthermore, avoid ticking "I agree" on every box. Instead, read the terms and fine print closely before ticking each box. Such an approach will prevent unwanted stress at a later stage.

For example, be aware in advance of the interest payable, the repayment date and the specific penalties for late payment and any third-party charges, if these are applicable. Also note prepayment or foreclosure charges, loan cancellation charges, fees for bounced EMIs and sundry legal costs.

While instant loans may be widely available, never fall for gimmicks or schemes where interest rates are too low. Currently, digital lenders have to keep their interest rates relatively higher to hedge the risk of offering unsecured loans, unlike home or gold loans where there is collateral.

Also, avoid time-bound low-interest loan offers, which could be a ruse to lure you into taking these loans without due thought. Ignoring such warning signs before applying for an instant loan could land you in trouble later.

Note that instant loan providers can charge a small amount as a processing fee, depending on the loan specifications.

Credit Score

Meanwhile, before applying for any loan, do ensure you have a healthy credit score. Usually, lower interest rates are offered for higher credit scores. Conversely, a weak credit score would mean a loan at a higher rate of interest to offset the greater risk for the lender.

At this point, it's imperative to understand what a credit score is all about. A three-digit number, it can range from 300 to 900 and indicates your creditworthiness as a loan seeker. As stated earlier, the higher the score, the better the chances of potential lenders approving your loan.

Simply put, lenders get to know about your credit history via these numbers. This is why, whenever a customer approaches any lender or bank for a loan, the first thing that is checked is the credit score. Once this is known, the lender instantly comprehends the level of risk or lack of it.

Besides loans, credit scores are used to assess a customer's eligibility for other offerings, including credit cards. That is because a credit score reflects the borrowing history, the total level of debt, types of credit availed, outstanding debt, repayment history and allied factors.

It's always good to maintain a healthy credit score. For this, you need to keep checking it regularly and making sure it never falls below a certain level. This can be done by always paying EMIs on time and clearing credit card dues every month. As far as possible, keep your credit card utilization below 30%.

Additional Factors

Fintech firms do not depend only on the credit bureau score, more commonly known as the credit score. Instead, they also use alternative avenues such as mobile records and bill payments of utilities or service providers to gauge repayment ability. Timely payments of phone, electricity and other bills denote better creditworthiness.

Consequently, digital loans can be approved faster for multiple purposes. These include healthcare emergencies, unexpected family or festive expenses or funds for children's higher education.

Bottom Line

Do not simply opt for the first digital loan offering that you come across. Just as lenders check your creditworthiness as a loan seeker, you must ascertain the credentials of any prospective lender so that you do not end up taking a loan from unscrupulous sources.

Another important point is knowing when to say "no". An excellent credit score may lead a lender to offer you a higher loan. You may be tempted to accept the offer so that some alluring item you have been dreaming about for months can be purchased earlier.

bKash honours auto driver Sajib's honesty

A cheque of Tk 50,000 was handed over to Sajib at the head office of bKash in the capital

DF Report

A passenger left a bag with Tk61 lakh cash in a battery-run auto-rickshaw in Chandpur.

The auto-rickshaw driver Sajib has set a rare example of honesty by returning the money to the owner and to recognize such an act of morality, the country's leading MFS provider bKash has honoured Sajib.

A cheque of Tk 50,000 was handed over to Sajib at the head office of bKash in the capital on Wednesday, according to a press release.

bKash took the initiative last year to recognize his honesty, but due to the pandemic, could finally hand over the reward officially now.

Last year, a bKash agent withdrew an amount of Tk61 lakh from a bank in Chandpur Sadar. Mistakenly the agent left the money in Sajib's auto-rickshaw.



After finding the money, Sajib waited a while there, and then returned home and later, he shared the matter with his mother and brother-in-law Abul Kashem, upon which his mother advised him to return the money to

the owner. Sajib and his brother-in-law discussed the matter and called the officer-in-charge of Chandpur Model Thana immediately.

With the help of the police, the money was then handed over to the rightful owner.

The story of Sajib's honesty also went viral on social media.

Sajib, who lives in the Puran Bazar area of Chandpur Sadar, said: "I am delighted to get this honour. I have a dream of doing something on my own. The reward will help me fulfil my dream".



Sajib receiving the keys and papers of his new battery-run auto-rickshaw from the hands of bKash agent, Alamgir Hossain Jewel, whose money he returned, and Jahed Pervez Chowdhury, additional superintendent of Chandpur Police (Sadar Circle) in Chandpur on Wednesday, June 24, 2020.



bKash distributes graphic novel 'Mujib' to 45 schools in Mymensingh

DF Report

As part of distributing 20,000 copies of graphic novel 'Mujib', bKash has distributed the graphic novel to the students of 45 schools in the Mymensingh division to inspire them with the ideals of Father of the Nation, Bangabandhu Sheikh Mujibur Rahman.

The initiative of distributing graphic novel series to 500 schools across the country has been taken marking Bangabandhu's birth centenary and the golden jubilee of Bangladesh's independence, bKash officials said.

Bishwo Shahitto Kendro (BSK) has been distributing the graphic novel 'Mujib,' which is published in eight series by the Center for Research and Information (CRI) based on Bangabandhu's autobiography 'Oshomapto Attojiboni' ('The Unfinished Memoirs').

After the publication of the next editions of the graphic novel, bKash will further expand the program to more schools and the existing ones.

Mohammad Enamul Haque, Deputy Commissioner of Mymensingh and Humayun Kabir, Head of Regulatory and Corporate Affairs of bKash, handed over the books to the school representatives at Mymensingh Shilpakala Academy Auditorium recently.

Presided over by renowned cultural personality Khairul Alam Sabuj, Mymensingh City Corporation Secretary Rajeeb Kumar Sarkar and Joint Director (program) of Bishwo Shahitto Kendro Mesbah Uddin Ahmed Sumon were also present at the event.

The graphic novel 'Mujib' depicts the experiences of

Bangabandhu's childhood, adolescence, and social and political activities in a format suitable for both children and adolescents with a vibrant combination of dialogues, stories, and illustrations.

Through this event, 5 sets of the graphic novel have been given to each of the 45 schools of Mymensingh, which means a total of 1800 books have been distributed. As a result, 40 students will get the opportunity to read the book from a school library at the same time. Earlier, 5,400 copies of the graphic novel were distributed to 135 schools of Dhaka, Rajshahi, and Barishal division.

The relationship of bKash with book donation is notable from its inception. As a responsible corporate organization of the country, bKash has distributed 253,600 books among students from 2,900 educational institutions since 2014 to cultivate the habit of reading books among the next generation. These books have benefited 2.6 million readers till now.

In addition, bKash has collected books from readers, writers, and visitors of the Bangla Academy Book Fair in the last two years. Combining the books collected from this and also donated by bKash itself, bKash has distributed 22,500 books to the organizations and libraries for underprivileged children and general readers.

The MFS provider has been offering cashback at the book fair for the last eight years to encourage people to buy books. bKash has also been working with Bangla Academy as the key sponsor of Ekushey Book Fair for the previous four years.

Financial transactions through digital channels gaining momentum

DF Report

Internet transactions in Bangladesh grew 59 per cent to Tk 108.25 billion in August 2021 when cards (local and foreign) increased by 53.5 per cent and MFS transactions swelled over 50 per cent to Tk 622.3 billion, according to Bangladesh Bank data.

Central bank officials said the digital financial transactions in the country witnessed impressive growth over the months thanks to rising demand from customers fuelled by pandemic situations and higher MFS adoption and rising card uses by people of all ages.

"Overall digital banking witnessed a phenomenal growth of 85 per cent in a segment last August", a central bank official said. "Bangladesh is switching over fast to digital financial transactions from the conventional banking system mostly through mobile banking channels".

The transactions processed through Bangladesh Bank's large-value payments segment, known as Real Time Gross Settlement (RTGS), recorded a growth of 85 per cent by the number of transactions in August over the same period a year before.

The number of internet bank users increased by 31 per cent to 3.8 million in the month. Bankers say this growth was achieved on the back of coronavirus pandemic that forced the clients to stay home, and prompted quick digitization of economic activities, notably supply chains and financial devices as well medical services.

As the demand is rising, many banks are offering app-based banking alongside other entities offering innovative payment solutions for accepting digital transactions.

Bangladesh Electronic Funds Transfer Network

(BEFTN) transactions surged 23 per cent by the number of transactions. By volume the dealings spiked by 68 per cent during the period under review.

Transaction by cards (local and foreign) increased by 53.5 per cent by number and 36.4 per cent by volume, the central bank statistics showed.

Mobile Financial Service or MFS all transactions by volume also swelled over 50 per cent to Tk 622.3 billion in August. All transaction means cash-in, cash-out and salary payments etc. But its accounts registered both in urban and rural areas by more than 11 per cent.

Bangladesh Bank did shut one mechanism of the digital settlement systems named RTGS (real-time gross settlements) in April, at a time when the economy almost halted.

Shamsuddin Haider Dalim, head of corporate communications at bKash, a popular MFS in Bangladesh, said that the Covid situation forced many to go onto digital platforms.

He said the remittance inflow, talktime purchase, utility bill payments were the transactions in the MFS.

"This rising trend would increase further in the days to come," he noted.

Like in many developed and developing countries, the Internet in Bangladesh has witnessed significant growth in recent years facing many constraints in expanding access and use.

The total number of internet subscribers reached 125.46 million at the end of August 2021. Mobile internet users stood at 115.41 million while ISP plus PSTN at 10.05 million.

In February 2018, Bangladesh started the 4G network services to add up speeds and dimensions to the information superhighway facilitating activity in the fastest-growing sector of economy and lifestyle.



Japan's SoftBank to buy 20pc stake in bKash

DF Report

Japanese multinational conglomerate SoftBank Group Corporation is going to buy a 20 per cent stake in bKash, which could give a further push to the fast-expanding mobile financial service industry in Bangladesh.

bKash, the largest MFS operator in Bangladesh, said investment from SoftBank Vision Fund 2 is to promote financial inclusion by building a digital financial ecosystem.

The Fund will make both primary and secondary investments in the operator to buy the shares on a fully diluted basis.

The investment will provide support to bKash's existing platform, increase digital adoption and help users experience the best technology available in the world, said the MFS operator in a statement.

The investment by the renowned foreign firm was viewed positively by analysts and MFS operators as it shows the potential of the MFS industry, which recorded around Tk 2,100 crore transactions daily in July, up 115 per cent three years ago.

Brac Bank, which holds 51 per cent stake in bKash, said its board approved the execution of the share purchase and subscription agreement amongst bKash and its existing shareholders, including Money in Motion LLC, the International Finance Corporation, the Bill & Melinda Gates Foundation, Alipay Singapore E-Commerce Private Ltd, and the bKash Employee Share Option Plan Trust, and the proposed investor SoftBank. Brac Bank shares rose 9.93 per cent to Tk 48.7 on the Dhaka Stock Exchange yesterday.

"This latest investment round validates our dedication and relentless efforts over the last 10 years and places its trust on the potential of a well-regulated fintech space," said Kamal Quadir, founder and CEO of bKash.

"It is a significant vote of confidence on the current and

future growth trajectory of bKash. It also paves the way to attract global investment for other entrepreneurs and innovators of Bangladesh by showcasing the successful digital transformation of our country and its economy."

Launched in 2011 by Brac Bank and Money in Motion, bKash gained popularity within a short time. Fifteen MFS providers are operating in the country.

In the statement, Greg Moon, managing partner at SoftBank Investment Advisers, said broadening access to financial services could be critical to building a robust economy.



"We believe that bKash is strengthening Bangladesh's financial system by providing a safe and convenient way for people to adopt digital payments."

"We are excited to partner with Kamal Quadir and the bKash team to help support the company's vision to achieve greater financial inclusion in Bangladesh through affordable, reliable

and accessible services."

SoftBank is engaged in a variety of businesses in the telecommunications and information technology industry. Its Vision Fund has an investment in Arm Holdings, Sprint Corporation, Alibaba, Yahoo Japan, Ola Cabs, HYKE, Paytm, and WeWork.

"SoftBank is one the prestigious investment banks in the world, so it's a good initiative for the country," said Arif Khan, vice-chairman of Shanta Asset Management.

"It has an investment in many renowned companies in the world. So it is a positive development."

SoftBank's total investment fund is bigger, Khan said. "So, it will portray a positive image of Bangladesh in terms of an investment destination."

Shahidul Islam, CEO of VIPB Asset Management Company, said as the Japanese investment bank was the world's top technology investor, the investment was very positive for Bangladesh.

"It shows that renowned companies are optimistic about us. It will create a positive impression among other foreign investors."

SoftBank logged profits of \$4.94 billion for the financial year ended on March 31, 2021, according to its financial statement.

However, SoftBank Group Corp slumped to a quarterly loss recently, as its Vision Fund unit took a \$10 billion hit from a decline in the share price of its portfolio

companies and as China's regulatory crackdown on tech firms weighed, reported Reuters.

With 5.6 crore registered customers, bKash's net loss rose to Tk 81.4 crore in 2020 from Tk 62.5 crore in 2019.

With SoftBank investment, bKash's valuation will increase to around \$2 billion, equivalent to more than Tk17,000 crore.



Tk10 charge set for internet banking fund transfer

DF Report

Bangladesh Bank has set a maximum charge of Tk10 on fund transfers through internet banking with the view to encourage people use internet banking, central bank officials said.

Many banks charge more than Tk10, with some banks even charging less than Tk10, or even no charge for transfers, which was previously allowed in the interest of the consumers. Besides, many banks were uninterested as there was no charge for internet banking fund transfer but the new rate will push banks on adopting digital transaction process.

Meanwhile, different banks took different amounts of charges for point of sale (POS) transactions, which the central bank has fixed at 1.6% for the convenience of the customers.

Transactions through digital platforms of banks, payment gateways as well as mobile financial services that rely on the National Payment Switch Bangladesh (NPSB) have been brought under a uniform rate.

Bangladesh Bank's payment systems department issued a circular on Monday in this regard which came into effect immediately, for the online platforms of banks, mobile financial services, and payment service providers and operators that execute transactions.

The central bank has also fixed the cost to settle transactions through Bangla QR (quick response).

The acquiring company will charge 0.7% merchant discount rate (MDR) per transaction in the case of Bangla QR transactions for micro merchants.

From this, 0.4% will be paid to the card issuing bank for Interchange Reimbursement fee (IRF).

Banks, FIs fail to implement stimulus package for small businesses

DF Report

A large number of banks and financial institutions are failing to implement the second phase of the stimulus package for the CMSME sector as clients struggle to repay the loans secured under the first round.

The majority of clients in the cottage, micro, small and medium enterprises (CMSME) sector have recently asked lenders to renew loans as their businesses are still struggling to recover and return to pre-pandemic levels even though the crisis has waned, bankers and businesspeople say.

In April last year, Bangladesh Bank unveiled a stimulus package worth Tk 20,000 crore for the CMSME sector to protect it from the impacts of the coronavirus pandemic. Of the sum, 77 per cent was disbursed.

As per rules, the funds, which are given in the form of working capital, have to be paid back within a year from the disbursement date.

The tenure of the first round of the stimulus loans expired in June. The central bank has allocated another Tk 20,000 crore for the current fiscal year as the economy is yet to return to normalcy from the slowdown. The stimulus programme will continue for three years. Sixty-three banks and non-bank financial institutions signed a participation agreement with the central bank



BANKERS AND BUSINESSES SAY

- >> Businesses failed to repay loans due to prolonged slowdown
- >> Lenders are in uncertainty about achieving 2nd round target
- >> BB should extend timeframe of loan repayment
- >> Govt should provide interest subsidy for more than 1yr

SME STIMULUS SITUATION

- >> Lenders disbursed **77%** of Tk **20,000cr** from 1st round
- >> Only **7.75%** of another Tk **20,000cr** disbursed in 2nd phase
- >> **59** lenders failed to meet quarterly targets
- >> BB issued letter to banks to speed up disbursement



to give the loans.

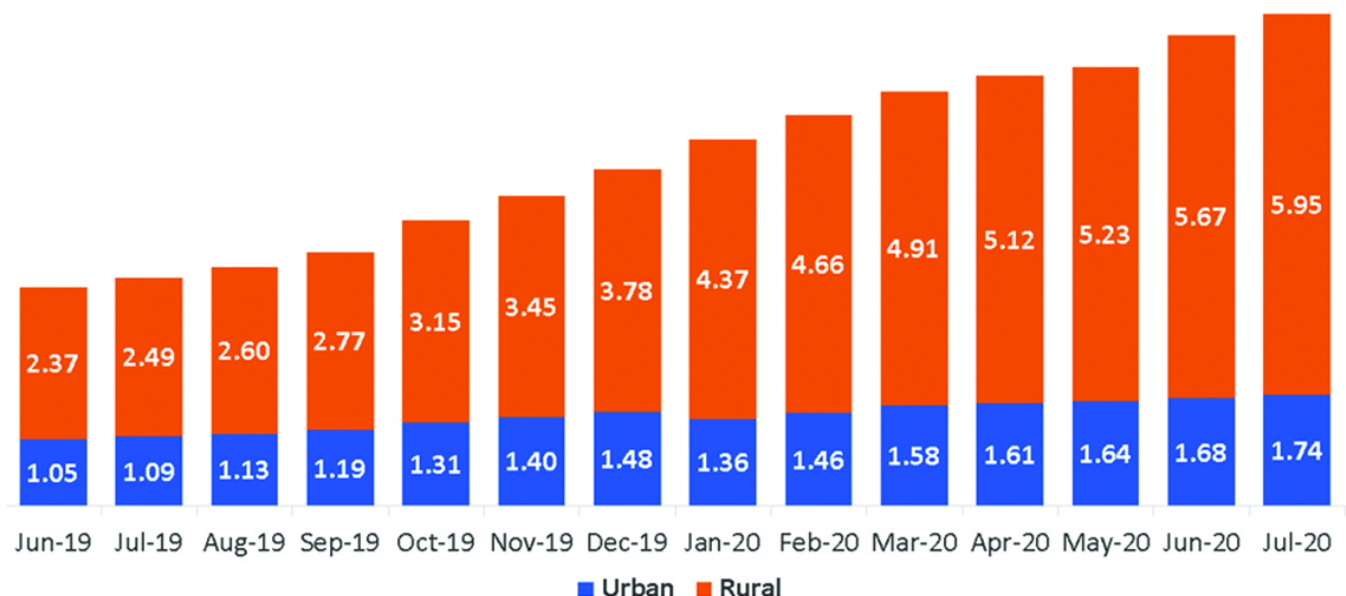
They lent out only Tk 1,555 crore between July 1 and October 23 under the second round.

Fifty-nine lenders have failed to hit at least 25 per cent of their disbursement target in the first quarter of the current fiscal year.

Twenty-five lenders disbursed less than 5 per cent of their target, according to data from the BB.

The dismal lending performance prompted a majority of lenders to inform the central bank at a meeting in the first week of October that it was difficult for them to

Number of accounts (in millions) associated with Agent Banking



disburse the new loans as many clients are not paying back their previous loans.

On October 20, the central bank ordered the lenders to lift the disbursement rate to at least 50 per cent by December.

Md Al Amin, focal person of the CMSME stimulus package at United Commercial Bank, said the sector had missed several businesses opportunities during cultural and religious festivals in recent months due to the restrictions on movement.

"So, they have failed to make their businesses vibrant. Most of the clients are requesting banks to renew loans to avoid falling into the default zone," he said.

The loans are provided at a 9 per cent interest rate. Of the cost of the fund, 4 per cent are borne by the borrowers and 5 per cent by the government.

Clients do not qualify for the interest subsidy facility after the renewal of loans.

"Given the existing situation, it is challenging for lenders to disburse the loans efficiently as finding new and capable clients is a difficult task," Amin said.

Emranul Huq, managing director of Dhaka Bank, said that a good number of clients had recently informed the bank that they were now in a difficult condition in ensuring the desired return from their businesses.

"Dhaka Bank now disburses new loans to the clients if

they repay the previous loans. Some clients are repaying the old loans to manage a new one."Because of the higher non-repayment, non-performing loans (NPLs) in the SME sector may increase a bit in the coming months. The ratio of bad loans in the CMSME sector is already higher than in other areas.

CMSMEs are the worst-affected sector due to the coronavirus pandemic.

The higher NPL of the stimulus loans would put lenders in a difficult situation because the central bank deducts the money from the current accounts of the lenders maintained with the BB if clients fail to pay back.

The stimulus fund is operated as a refinance scheme. Under the package, banks initially disburse loans among borrowers, and the BB reimburses the lenders.

"Both banks and businesses are afraid of the pandemic as the infection has started to rise in some countries. And the vaccination programme in Bangladesh has not completed to a large extent," said the CEO of a leading commercial bank.

The loan recovery from the stimulus package is not satisfactory. Both parties are closely observing the situation, he said.

The maximum repayment tenure of the loan is one year, but the scars of the pandemic have run so deep that CMSMEs are struggling to pay back.

IFC in to help build digital banking, financial inclusion

DF Report

The International Finance Corporation is in for creating a secure digital banking structure and accelerating financial inclusion of all segments of Bangladesh's population under a deal signed recently.

Officials said the IFC, World Bank's soft-lending window, signed a cooperation agreement with Bangladesh Financial Intelligence Unit (BFIU) for implementing and scaling up electronic Know Your Customer (eKYC) project.

"Under the agreement, IFC and BFIU will work together to develop and adapt eKYC infrastructure, which is a foundational regulatory arrangement for conducting customer due diligence during new client on boarding process for collecting and veri-

fyng customer data electronically," according to a statement on the deal and its objectives.

An efficient digital on-boarding infrastructure is billed one of the major building blocks for the fast-tracking of financial inclusion in Bangladesh.

Under the existing KYC protocol for opening new accounts, customers need to present their national identity (NID) cards in person and financial institutions (FI) must authenticate and keep a record manually photocopying and printing the NID.

"The process is time-consuming, costly, and inconvenient for both clients and FIs," the statement says about the merit of transition from the traditional to the oncoming high-tech banking and financial dealings that aims to involve all



of unbanked people.

Moreover, in-person account opening has become more difficult amid the Covid- pandemic and the development of eKYC will help in social distancing while facilitating all-weather banking.

Once in place, the eKYC infrastructure will not only cut time and cost of client on boarding but also help reach more customers digitally, thus, reducing the number of unbanked people, particularly the underserved such as small business owners and women entrepreneurs.

The project will contribute to the financial-inclusion agenda of the government of Bangla-desh as well as IFC's target of including an additional 30 million unbanked adults in the country by 2030.

BFIU, an independent government agency charged with investigating suspicious transactions and money laundering, is also the central agency for ensuring KYC/eKYC compliance, meant for thwarting fraud and various pecuniary crimes.

Under the IFC cooperation deal, the BFIU is expected to issue a comprehensive eKYC regulatory guideline for the financial sector by December 2024.

Alongside establishing a regulatory infrastructure, the eKYC project will also deliver data analytics, case studies, knowledge creation and dissemination and awareness building on the financial market.

The IFC estimates that 500,000 people will be covered by the e-KYC system by end of the project-implementation period in 2025.

"Financial sector, especially financial institutions, is experiencing a drastic process of digitization. This digital transformation enables easy access of customer, even from the remote location, into the financial services," said Md. Masud Biswas, Executive Director and Deputy Head of BFIU.

He thinks this may pose some underlying risks of money laundering, terrorism financing and related criminal activities by abusing financial institutions and services.

"To minimise such risk of financial sector, e-KYC can be one of the most optimal solutions," he said on the occasion of agreement signing.

"Promoting financial inclusion is one of the priorities for IFC's work in Bangladesh," said Qamar Saleem, IFC's Regional Manager, Advisory Services, for Financial Institutions Group in Asia and the Pacific.

He hopes the implementation of eKYC infrastructure will offer seamless experience for end-users and support the financial sector to reach out to last-mile customers in Bangladesh, significantly increasing access to financial services.

The IFC helps advance financial inclusion through investments in the financial sector, advisory services to investment clients and other private-sector clients, and through advisory services to stakeholders in financial infrastructure.

Earlier, for conversion from manual KYC to digital eKYC, BFIU ran a small-scale testing by opening 1,500 accounts using eKYC technology, such as biometrics, and the results confirmed its effectiveness.

KNOW YOUR CUSTOMER



Agent banking raises financial inclusion of women

DF Report

Financial inclusion of women has increased significantly because of agent banking in one year, from a little over 2.20 lakh female accounts in 2019 to nearly 40.76 lakh in 2020, according to the Bangladesh Financial Inclusion Forum.

The number of male account holders in the agent banking system was about 29.78 lakh in 2019, which also increased to 52.82 lakh accounts in 2020.

The agent banking system has played a vital role in the financial inclusion of rural women, experts said at a discussion on "Accelerating women participation in financial services through women financial inclusion policies" on Monday.

Quoting Bangladesh Bank data, Shahanj Pervin, central bank's joint director for the financial inclusion department, said by 2020, the number of mobile financial services (MFS) accounts for women was 4.76 crore, which a year ago was 3.92 crore, while for men the number rose to 5.15 crore from 4.03 crore of a year ago.

"In Bangladesh, women were lagging behind men in economic inclusion at 29%," she said, quoting a 2017 World Bank study in her keynote speech at the event organised by a2i-UNDP Aspire to Innovate and Bangladesh Financial Inclusion Forum.

In South Asia as a whole, economic inclusion of women is 64% and men 75%, while globally it is 65% and 72% respectively, the central bank official compared.

"For women's economic inclusion we need to have a separate focus on women in each policy measure, and develop women friendly products other than ensuring low risk work environment creation, financial literacy, mass awareness, and regular monitoring of their

progress," she said.

Bangladesh Bank Executive Director Md Abul Bashar said, "Lack of financial awareness, low asset holdings and income, financial illiteracy, and social and religious attitudes are the main barriers to women's financial inclusion."

"Gender gap in financial inclusion will be narrowed down in the country with Bangladesh Bank having set up a unit dedicated to providing financial services to women entrepreneurs", he said.

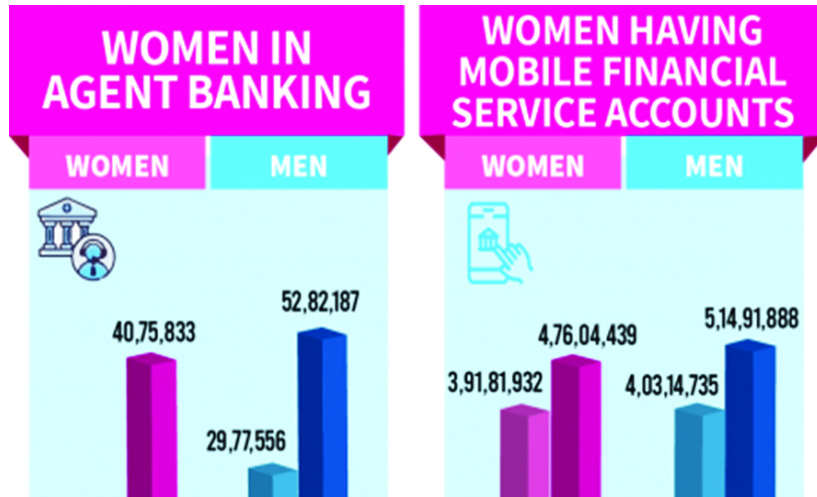
Bangladesh Bank will conduct a baseline survey for the next five years focusing on women's financial inclusion under the existing National Financial Inclusion Strategy (NFIS-B), he added.

Professor of economics at Dhaka University Selim Raihan said, the country must remove institutional gender economic gaps to make progress. "We also have to create structural economic job opportunities like that in the garments sector, otherwise we will not be able to narrow down the economic gender gap."

Senior Director of Brac, KAM Morshed, said, "Recent data based on bank accounts of women do not reflect the true state of economic inclusion. The real inclusion of women in the financial sector is much lower than the number of accounts suggest."

Snigdha Ali, program officer of the FSP (Financial Services for the Poor) Country Team, said, "Agent banking and digital banking in rural areas is helping in the rise of women entrepreneurs in the country. It is playing a big role in giving women strength - economically and socially."

a2i digital financial service lab program manager Tohurul Islam moderated the webinar panel discussion, for which The Business Standard was the media partner.



COMPANY NEWS

EBL wins JP Morgan's elite quality recognition award

DF Report

Eastern Bank Ltd (EBL) has recently been awarded a JP Morgan "US Dollar Clearing MT202 Elite Quality Recognition Award" for exceeding JP Morgan's Straight Through Processing (STP) performance benchmark.

Ali Reza Iftekhar, managing director of the EBL, received the award from Sazzad Anam, executive director of JP Morgan Chase Bank NA Bangladesh Representative Office, at a ceremony in the EBL head office.

"This award is a recognition of the EBL's commitment to high quality performance," said Iftekhar.



Ali Reza Iftekhar, Managing Director and CEO of EBL, received the award in a ceremony at EBL Head Office from Sazzad Anam, Executive Director and Head of JP Morgan Chase Bank N.A Bangladesh Representative Office recently.

The award recognises STP rates above 99.70 per cent and the EBL maintained 99.98 per cent.

JP Morgan has been awarding US Dollar clearing clients who achieved operational excellence by properly formatting their swift payments since 1997.

FSIBL sets lofty goals banking on digital tech

DF Report

First Security Islami Bank Limited (FSIBL) is shifting its focus to small businesses and small deposits through introducing new and innovative products and services using digital technologies, the bank's officials said.

The Shariah-based Islamic bank has also put emphasis on bringing the unbanked people into the banking network in line with the ongoing financial inclusion campaigns of the government.

"We are proud of our FSIBL Cloud, an app-based digital operation," a senior FSIBL officer said.

FSIBL Cloud is a unique banking application - compatible with both Android and iOS - developed by the ICT division of the bank. It has features like fund transfer within FSIBL, fund

transfer through BEFTN and RTG and MFSs, QR pay, mobile recharge, utility bill payment and many more.

The bank has 193 branches, 65 agent banking outlets, 122 sub-branches and 192 own ATM set-ups across the country to serve our clients. Besides, FSIBL has a strong mobile banking and digital banking network to boost the government's financial inclusion programme.

bKash sustains Tk104 crore loss in 9 months

DF Report

bKash, the leading mobile financial service (MFS) provider in the country, has sustained a Tk104 crore loss in the past nine months alone, which is nearly 100% more than that of the same time last year.

bKash officials are saying, the company is spending quite a lot in their effort of expanding overall business and adding new services, which is a contributing factor in the amount of loss it has suffered.

According to the company's financials, bKash has been sustaining losses since 2019. From January- September 2020, its loss stood at Tk52 crore, while the year-on-year loss this year has increased to Tk104 crore.

In the last nine months, bKash made a total earning of Tk487 crore, while it paid employee salaries and Taxes in the amount of Tk519 crore.

While 15 mobile financial service providers are operating in the country, only two-three companies are dominating the sector with bKash leading from the front both in terms of services and scope of operation.

Speaking on the matter a senior bKash official told The Business Standard that the company is increasing its investment in their effort to introduce new technologies in the digital financial services and this is a strategic decision.

"Other than new digital services, which are being added, we are investing in various sectors including training of agents, human resources, infrastructure development and because of this there have been losses for the last few years," he said.

"However, we are already getting good results from the investments that we have made," added the official expressing confidence in making a profit in the near future.

"We publish reports every six months. Ownership, which includes the World Bank and BRAC Bank, in our company is transparent. The owners know the technology well and their choice of investment is a conscious one. They didn't take dividends when the company was in profit, rather they chose to invest the sum," the official revealed.

Although bkash, a mobile financial services company established in 2011, has been profitable from the beginning, it has not seen any profit after 2018. In that year, bKash earned a net interest income of Tk 573 crore, of which the company spent Tk419 crore throughout the year and the net income stood at Tk53 crore.

Since then, both bKash's income and expenditure have increased and the company has been sustaining losses for three years. In 2019, the net loss was Tk 63 crore. The company suffered the same amount of loss in 2020. During the first nine months of this year, the company faced a loss of Tk104 crore.

Requesting anonymity, a senior official at the central bank told The Business Standard, "Valuation of IT sector

businesses are determined based on their growth, not earnings. That is why companies try to focus on their growth more, even when they sustain losses. Because growth in a company is good, it will reap benefits in the future."

He added that considering the average daily transactions of bKash, which is around 1 crore, it seems that they are investing more in the development of systems.

"However, we cannot comment on a particular company. We always see how much the customer's money is protected and whether the money in their account is going otherwise," he added.

At present, an average of Tk 2,141 crore is being transacted through mobile banking services every day. As per the August data, the number of registered customers of mobile banking is 10 crore 43 lakh and 64 thousand. Of the total transaction, bKash accounts for 65 per cent of transactions, 19 per cent of transactions are done through Rocket and the rest are done through remaining mobile banking services.

However, although Nagad, in reality, accounts for the second-highest transactions, Bangladesh Bank is not including Nagad in their reports as the company is yet to avail a license.

BRAC Bank currently holds 51% equity shares in bKash. Out of the remaining equity shares, 29% is held by Money in Motion LLC (a company listed in the US), 9.9% is held by International Finance Corporation (IFC), and the rest 10.1% is held by Alipay Singapore.



bKash relaunches digital payroll solution to build a sustainable ecosystem in RMG



DF Report

bKash has relaunched its digital payroll solution to facilitate automated, easy, fast and affordable salary disbursement along with building a sustainable financial ecosystem for RMG workers.

With this new automated system, factory authorities now can disburse salary to the workers directly in a faster and effective way which will make the salary disbursement easier, safer and more transparent, according to a press release.

Not only disbursing salary, bKash is also working on building a sustainable ecosystem for the RMG sector.

As a result, workers will be able to better manage their finances digitally by utilizing the salary received through bKash.

As part of it, bKash has already set up a fair price shop 'Sulov Bazar' at the factory premises where workers can buy daily essentials through bKash payment as well as avail special discounts.

It is also working on installing sanitary napkin vending machines for the female workers in the factories.

bKash has been conducting researches and training programs in association with Business for Social

Responsibility (BSR) to make the workers aware of their financial management.

bKash is also developing its merchant network in and around the labour-intensive areas to facilitate bKash payment for purchasing daily essentials.

In addition, bKash provides special care to the workers by setting up customer care centres in labour-intensive areas and also facilitates services like instant digital loans and savings from banks and NBFIs for the customers who are currently registered through e-KYC.

Recently, Kamal Quadir, CEO of bKash and KM Rezaul Hasanat, chairman and CEO of Viyellatex Group inaugurated the relaunch of the Digital Payroll Solution of bKash at a city hotel in presence of the leading RMG entrepreneurs.

On the occasion, bKash also honoured Viyellatex, a globally recognized Bangladeshi apparel manufacturer, for using its digital payroll solution as the first factory in 2015.

Major General Sheikh Md Monirul Islam (retd), chief external and corporate affairs officer; Ali Ahmed, the chief commercial officer of bKash and Shwapna Bhowmick, country manager of Marks and Spencer, among others, were also present at the event.

BGMEA health fund receives 10L donation from bKash for garment workers

Through the donation, bKash has joined BGMEA's initiative of ensuring health safety and overall health development for garment workers

DF Report

bKash has donated Tk 10 lakh to Bangladesh Garment Manufacturers and Exporters Association (BGMEA) health fund, formed to support garment workers' health safety.

Chief Commercial Officer of bKash Ali Ahmmed handed over the cheque to BGMEA President Faruque Hassan at BGMEA Gulshan office in the city on Sunday.

Shahidullah Azim, BGMEA Vice-president, ATM Mahbub Alam, EVP, Payroll Business of bKash and senior officials of both the organizations were also present.

Through the donation, bKash has joined BGMEA's initiative of ensuring health safety and overall health development for garment workers.

Since 2015, bKash has been playing role in salary disbursement of the garment workers through Payroll



Business Solution.

During the pandemic, it also played key role in opening accounts of the workers and disbursing salaries by government stimulus.

Currently, around 750,000 garment workers are receiving salary through bKash. Upon receiving salary, they can send money to their relatives at home, recharge mobile balance, make payment, pay utility bills and avail other services, according to bKash.

bKash offers 30% cashback on mobile recharge

DF report

Customers can avail 30% cashback on mobile recharge of Tk60 to any number through bKash app.

They can also get 5% cashback on same amount of mobile recharge to own number through dialing USSD code *247#. The offers will be valid till 7 November, reads a press release.

During the campaign, a customer can avail each of these offers once - 30% cashback through app and 5% cashback through USSD.

The cashback will be sent to the initiator's bKash account within the next working day of mobile recharge.

Through bKash, a large number of customers are enjoying uninterrupted service by recharging their own or relatives' mobile balance.

Customers of all mobile operators - Grameenphone, Robi, Banglalink, Airtel and Teletalk can recharge talk-time and data using bKash from anywhere 24/7.



bKash offers 20% cashback at Daraz 11.11 sale

DF Report

Customers can avail 20% instant cashback on bKash payment while shopping at Daraz 11.11 biggest sale festival on 11 November. The maximum cashback limit is Tk200 for the day-long shopping spree.

Daraz is hosting the 11.11 sale festival for the fourth time in Bangladesh. On this occasion, it has added variety of products along with exciting offers for the customers.

Customers can avail the instant cashback on purchasing clothing, footwear, electronics, groceries, digital products, beauty products and many others from Daraz website and app. They need to complete the payment using payment gateway by 11.59pm on 11 November.

To pay through bKash for the first time on shopping from Daraz, customers need to select bKash from pay-



ment option after selecting their desired product from Daraz app or website.

With entering bKash number and verification code, bKash will be added to payment method. Once bKash is added in payment option, customers can do shopping whenever they want from Daraz using bKash PIN only.

bKash holds workshops for agents

DF Report

bKash recently organised workshops with select "Star" agents from around the country to train them on risk management and professional skills development in the financial sector.

The workshops have been arranged in district cities to raise awareness about the technical capabilities of

agents, anti-money laundering and combating the financing of terrorism, business risks and other relevant issues.

The agents are taught to abide by the mobile financial service-related regulations and improve living standards through life and health insurance and scholarships for children, said a press release.



Prime Bank now linked to NBR's digital tax payment system



DF Report

Prime Bank Ltd (PBL) formally connected with the electronic Tax Deduction at Source (eTDS) system of the National Board of Revenue (NBR) yesterday.

Mohammad Jahid Hasan, commissioner of taxes, and Shams Abdullah Muhaimin, deputy managing director for transaction banking at PBL, launched the system at the NBR's tax zone-6 in Dhaka, a press release said.

This system allows users to get the TDS certificate, monthly report, and withholding tax return immediately along with a challan.

Users will be able to get all types of tax deduction information such as salary payments and many more

services by integrating data sharing with the eReturn system.

"Prime Bank is always on the lookout to expand to new avenues of this digital era. By initiating tax deduction services at source, our corporate customers will be able to digitize their tax return process," Muhaimin said.

Md Nururzzaman Khan, additional commissioner of taxes; Ariful Hoque, deputy commissioner of taxes; Kazi Mohammad Ziaul Haque, senior system analyst of the NBR; Mohammad Nur Nobil, executive vice-president of PBL; and Mohammad Farhan Adel, senior vice-president for transaction banking at PBL, were also present.

Brac EPL signs deal for order management system

DF Report

Brac EPL Stock Brokerage Ltd has signed a tri-party agreement with Magnus Corporation Ltd and DirectFN over an order management system at its Dhaka office recently.

The agreement will provide investors a trading platform and enable executing trades more efficiently.



Ahsanur Rahman, chief executive officer of the Brac EPL, Primal Silva, business development manager, Asia of DirectFN, and Arman A Khan, managing director of Magnus Corporation, signed the agreement.

Imtiaz Ahmed, chairman of Magnus Corporation, and Moynul Islam, head of IT at the Brac EPL, were present.