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Editorial Office

76 Purana Paltan Line, 3rd Floor
Dhaka-1000. Contact : 09611656102
E-mail: dailybdexpress94@gmail.com
www.thebangladeshexpress.com

News & Commercial Office

15 New Baily Road, (Building-2),
Dhaka-1217

Editor

FARUK AHMED

Managing Editor

Shamim Ara

Special Correspondents

K Masum Ahsan

Anok Ali Hossain Shahidi

UK Correspondents

Farhan Ishrak Ahmed

Robina Yasmin

BJFCI Project Head

PR Biswas

Contributors

BJFCI Members

Graphic Design

Md. Morsalin Rahman

Abul Monsur Manik

Production & Circulation

Mostafa Kamal

Sheik Md Shamim Miah

Mohammed Ali

From the Desk of the Editor

Need a campaign for digital remittance

Money transferred by Bangladeshi expatriates from the US to home was the highest \$1 billion in the first quarter of the current fiscal year. One of the main reasons is that more Bangladeshi people working in the USA are using mobile financial services (MFS) and other digital remittance apps in sending remittances to their family members. As most migrants working in the USA and other western countries are students, skilled professionals and educated people, the inflow of remittance through digital channels is rising day by day. This time remittance decline from the United Arab Emirates shows a drastic fall of 41% - which is more than the overall count. Remittances from Japan - which is in 18th place in the remittance ranking - fell by nearly two-thirds in September compared to August. In August, more than \$13 million came from the country in remittances that dropped to \$5 million in September. The reason is that most Bangladeshi workers living there are poor and they send their hard-earned foreign currency through unofficial channels influenced by hundi agents.

Industry experts say digital payments in the USA and Western countries have a high level of interest for consumers, particularly for those who are younger or have financial difficulties, and a sizeable portion are willing to pay or transfer FIs in exchange for this option. This factor is expected to drive the growth of digital remittance. Industry experts say Bangladesh can push up remittance inflow through MFS channels significantly. The government should launch a campaign for digital remittance in Middle East countries where low-educated people are working in remote areas.

Mobile technology simply makes our lives easier, allowing us to pay at a store quickly and conveniently without pulling out a card. In Bangladesh, MFS makes a much bigger difference in people's lives by providing access to basic financial services they would not otherwise have. Access to financial services is key to reducing economic inequality, as are the cross-border remittances that support many families and communities in low and middle-income countries. Now we can use this tool to cut hundi and push up remittance which desperately need for Bangladesh.

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to Drive Growth*



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Together we can do better

Banks spend 73pc of CSR funds in disaster management in 6-months

Banks spent 73.33 pc of their total corporate social responsibility expenditure on disaster management. Islami Bank Bangladesh disbursed the highest, Tk 202.19 crore.

DF Report

Banks spent 73.33 per cent or Tk 461.5 crore of their total corporate social responsibility expenditure in disaster management in the January-June period, according to a Bangladesh Bank report.

The total CSR spending by the bank in the period was Tk 629.4 crore. Of the Tk 629.4 crore spent, banks spent the highest, Tk 461.5 crore, in disaster management, Tk 80.01 crore in education and Tk 50.02 crore in health and Tk 13.66 crore in sports and cultural sectors in the period. Most portion of the expenditure in disaster management was provided to the Prime Minister's relief fund as donation, according to the BB data.

Banks spent Tk 134 crore in January-June 2021 and Tk 132.23 crore in July-December 2021 in disaster management. Of the total expenditure, 73.33 per cent money was spent in disaster management due to floods in various districts, especially in Sylhet and Sunamganj. Moreover, some fund was allocated as food and relief among the flood-affected people while some fund was used in distributing blankets among the poor and cold-hit people in the country's north.

The total spending by the banks increased to Tk 629.4 crore in the January-June period of 2022 against Tk 461.42 crore spent in the first half of 2021.

Islami Bank Bangladesh Limited disbursed the highest, Tk 202.19 crore, in the period under consideration.

The Bangladesh Bank report also showed that Bangladesh Commerce Bank, Bengal Commercial Bank, Citizens Bank, Community Bank, Rajshahi



Krishi Unnayan Bank, Bangladesh Krishi Unnoion Bank and National Bank of Pakistan Limited did not spend any CSR fund in this period.

CSR expenditure of Bangladesh Development Bank, ICB Islamic Bank, Commercial Bank of Ceylon, Habib Bank and Woori Bank was very minimal in this period.

The state-run banks spent Tk 9.88 crore and eight out of nine foreign banks spent only Tk 9.57 crore in the January-June period.

Out of 43 private commercial banks, 39 banks spent total Tk 609.85 crore, which is 96.9 per cent of the total CSR expenditure.

CSR spending by non-bank financial institutions also increased slightly to Tk 4.36 crore in the January-June period of 2022 against their spending of Tk 3.13 crore in the same period of the previous year.

In January-June 2022, 14 out of 34 NBFIs spent money on CSR programmes whereas 13 NBFIs spent money for the purpose in the same period in the previous year.

bKash donates 50,000 books for underprivileged students

To spread the ideals of the great leader Bangabandhu Sheikh Mujibur Rahman among the students, bKash also distributed 20,000 copies of the graphic novel 'Mujib' in 500 Bengali and English medium schools across the country in the year of Mujib's birth centenary and the golden jubilee of the independence of Bangladesh.

DF Report

To cultivate the habit of reading various books alongside textbooks among the underprivileged children, this year bKash has distributed 50,000 books to 74 organisations including schools, voluntary organisations working for underprivileged and disadvantaged children.

bKash collected a part of these books from visitors, writers and readers at Bangla Academy Book Fair, super shop outlets of Agora and Meena Bazar, corporate and media organisations, all bKash customer care, customer care centres and bKash office premises. Rest of the books have been added by bKash's own fund and all 50,000 books were distributed through non-profitable organisation Obhizatrik Foundation, reads a press release.

These books have been distributed to various non-profitable organizations and libraries such as: Nirvoy Foundation, Odommo 19, Charulata, Alor Dishari School, Ignite Foundation, Alor Dhara School, Dream School, Alor Bhubon Library, Khilgaon Pathshala, Sobar Pathshala, Hate Khori Foundation, Taqwa Foundation, Station Library, Help School and Obhizatrik Foundation's schools.

bKash has been continuing its book collection initiative since 2020. Under the initiative, 72,500 books have been distributed till now.

Expressing his joy, 8th grade student Shoaib, said, "Book means a lot to me. Though I love reading science fiction and novel, bKash has gifted books of all genres. These books will enlighten us."

Roushan Ara Begum, Principal (acting) of Hicare School, said, "These books will help our children develop their mental and intellectual growth. It will also hone their imagination and inspire them to write and tell stories".

Ahmed Imteaz Jami, the founder of Obhizatrik Foundation, said, "We have been collecting books for



three years and distributing those among the underprivileged children. This year, we have distributed books to schools and libraries of all 8 divisions of the country. We will continue our endeavors in future."

Mir Nawbut Ali, Chief Marketing Officer of bKash, said, "bKash always tries to be associated with creative and impactful initiatives. We will continue our efforts so that the underprivileged children can flourish themselves by reading all sorts of books."

The relationship of bKash with books is remarkable. As a responsible corporate organisation of the country, bKash is engaged with Bishwo Shahitto Kendro's book reading program since 2014.

Till now bKash has provided 253,600 books to 2.6 million students of 2,900 educational institutions across the country to nurture the habit of reading books among next generation.

To spread the ideals of the great leader Bangabandhu Sheikh Mujibur Rahman among the students, bKash also distributed 20,000 copies of graphic novel 'Mujib' in 500 Bengali and English medium schools across the country in the year of Mujib's birth centenary and the golden jubilee of the independence of Bangladesh.

In addition, bKash has been offering cashback at 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 last four years.

Editor's Pick

MOBILE REMITTANCE NEEDS MORE FOCUS

● FARUK AHMED

When the economy is sparking red light with spiralling inflation and falling foreign exchange reserve then news from the western front is sparking a light at the end of the tunnel. Money transferred by Bangladeshi expatriates from the US to home was the highest \$1 billion in the first quarter of the current fiscal year, according to Bangladesh Bank data.

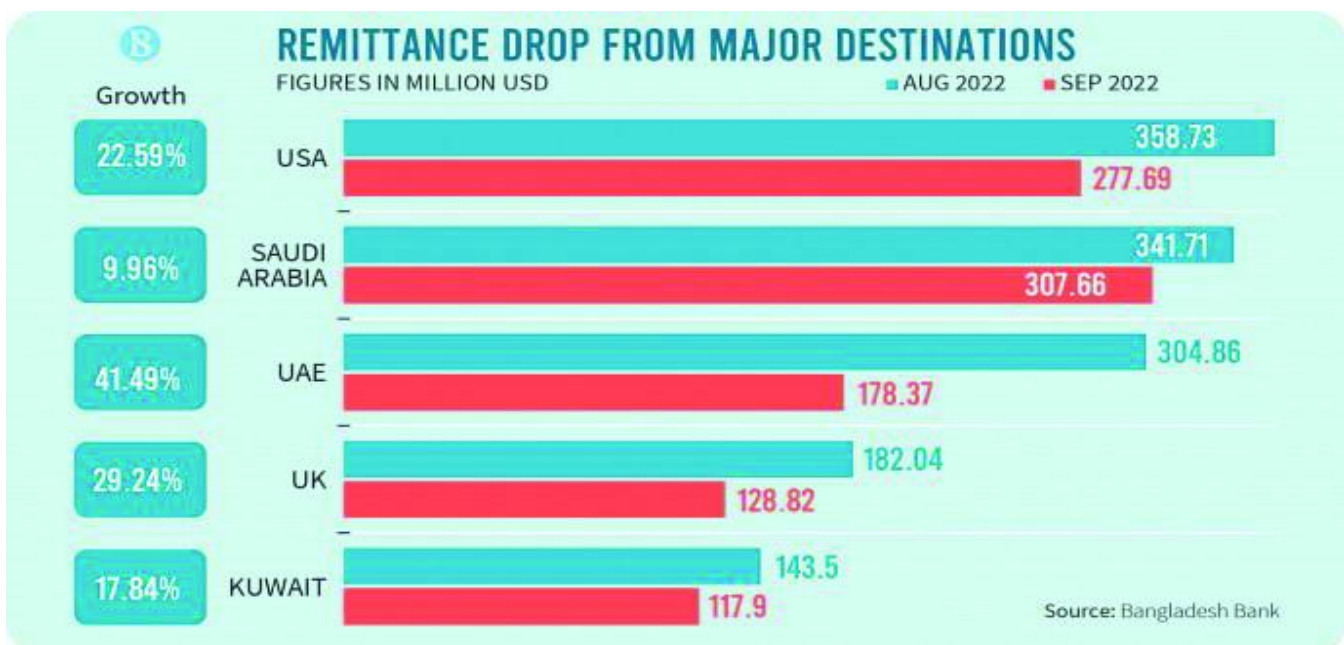
One of the main reasons is that more Bangladeshi people working in the USA are using mobile financial services (MFS) and other digital remittance apps in sending remittances to their family members. As most migrants working in the USA and other western countries are students, skilled professionals and educated people, the inflow of remittance through digital channels is rising day by day.

Digital payments in the USA and Western countries have a high level of interest for consumers, particularly for those who are younger or have financial difficulties, and a sizeable portion are willing to pay or trans-

fer FIs in exchange for this option, industry experts say. "This factor is expected to drive the growth of digital remittance", Major General Sheikh Md Monirul Islam, Chief External and Corporate Affairs Officer, bKash Limited said.

Saudi Arabia has been the largest source of foreign remittance to Bangladesh or sending money to Bangladesh. For the last two years, the US had been in the second position in Bangladesh's remittance outlook. "If we can launch a campaign for digital remittance in Middle East countries where low-educated people are working in remote areas, Bangladesh can push up its remittance through MFS channels significantly", Monirul Islam said.

More than 14000 migrant workers are sending Tk 11 crore daily on an average through bKash channel. They sent a whopping Tk2,427 crore through bKash in 2021, giving a testament to the growing popularity of the alternative payment/remitting channel among expatriates, he noted.





Central bank officials said the remittances sent by the expatriates from more than 70 countries are instantly reaching their relatives' bKash accounts through 75 Money Transfer Organisations (MTO) via settlement in 12 commercial banks in

Bangladesh. As a result, remittance disbursement through bKash shot up by 111% year-on-year in 2021, up from Tk1,151 crore in 2020.

"And it is continuing to surge as the demand from consumers for real-time payments is growing. These modifications support consumers' increasing comfort with real-time payments", said a central bank official.

bKash is the leading MFS operator in the country with nearly 6 million customers across the country and plays the pivotal role of remittance inflow as the last mile delivery solution of banks. Currently, bKash has a partnership with 16 banks for our cash management.

Investment opportunities in the US before the permanent residency permit have shrunk, giving a boost to money transfers back home. Besides, many Bangladeshi students who migrated to the country for study are also sending dollars home, eventually contributing to the remittance earnings.

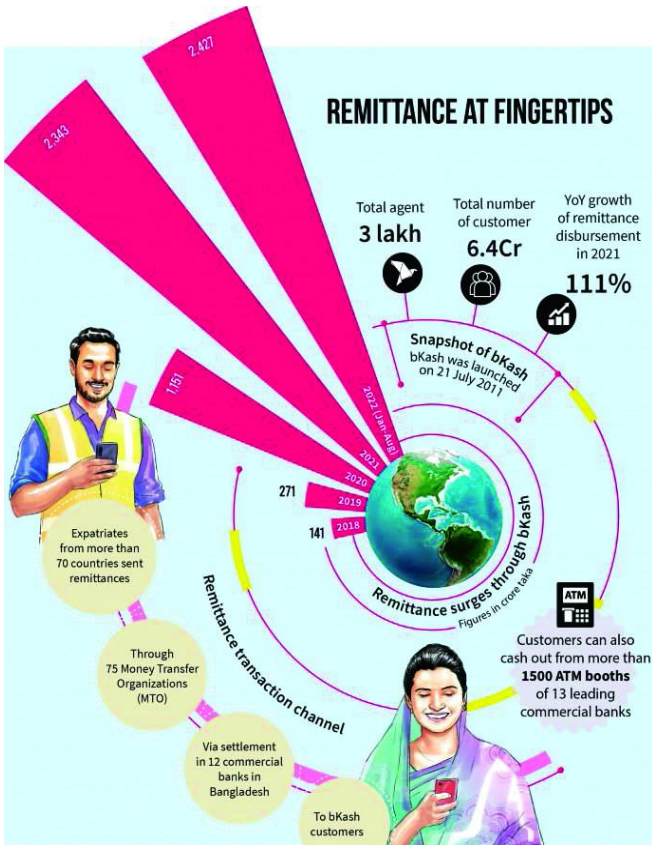


However, according to the central bank data remittance inflow from the US dropped 23% in September compared to August. Remittance from Saudi Arabia also dropped in September compared to August. But the decline is below the 10%-mark, as the overall remittance fall in September is more than 24% compared to August.

This time remittance decline from the United Arab Emirates shows a drastic fall of 41% - which is more than the overall count. Remittances from Japan - which is in 18th place in the remittance ranking - fell by nearly two-thirds in September compared to August. In August, more than \$13 million came from the country in remittances that dropped to \$5 million in September.

The US remittance still performances helped slip Saudi Arabia, who had been in the first position for years, to the second position in FY23. Mainly unskilled Bangladeshi labourers are the main source of remittance earnings from the country located on the Arabian Peninsula.

"The UAE acts like a Hundi hub," said Towfiqul Islam Khan, senior research fellow of the Centre for Policy Dialogue (CPD), pointing the finger at Hundi - an informal money transaction channel for expatriates.



Many migrant workers especially those who work in Middle East countries particularly Saudi Arabia, Qatar, Kuwait, Oman and Bahrain are sending money to their family members in Bangladesh through some agents of international remittance service providers connected to Bangladesh mobile financial services (MFS) while others send through hundi channels.



Remittances from Japan - which is in 18th place in the remittance ranking - fell by nearly two-thirds in September compared to August. In August, more than \$13 million came from the country in remittances that dropped to \$5 million in September.

To push up remittance inflow, industry experts say, Bangladesh should build its mobile remittance app, particularly for workers in Middle East countries so that they can send money instantly from their workplaces. More study is needed to explore more possibilities.

Despite increasing the cash incentives to 2.5 per cent from 2 per cent in the current fiscal year (2022-23), the reserve is falling day by day and stood at \$35.98 billion



this month from \$46.19 billion a year ago and an all-time high of 2598.21 USD Million in July of 2020. To encourage remittance through legal channels, the government has raised the rate of incentives by 0.5 per cent to 2.5 per cent

from January 2022.

Inward remittances into the country dropped over 15 per cent in the fiscal year (FY) 2021-22 over the previous fiscal, according to Bangladesh Bank. The remittance inflow declined by around 5.0 per cent in June alone compared to that of the previous month (May).

Industry experts say the actual volume of formal remittance to the country is supposed to be much higher than the official figure. The missing volume is coming



through Hundi - a traditional informal channel that deprives the National Exchequer of the legitimate deposition of foreign currency earned and sent by hard-working Bangladeshi expats.

Their preference for Hundi emanates from a few advantageous reasons - a) the commission rates for transferring money through hundi or hawala are quite low b) the exchange rate is higher c) easy as no requirement of disclosure of the source of income and d) delivery of money instantly to the respective recipient.

Every year, around 1.2 million Bangladeshis leave the country to work and live abroad contributing 15 per cent of GDP through sending hard-earned remittances. From the migration process to remitting money to their families living in rural areas, the expatriate Bangladeshis have a feeling of being exploited and their frustration leads them to illegal Hundi for a better rate, lower fees and convenient remittance transactions.

If they find an alternative way to get better exchange rates and quick delivery at lower rates, they will refrain from being the victims of hundi traders who are exploiting them using the logo of mobile financial service (MFS) which is very familiar to them, industry experts say.

Bangladeshi expatriates living in Australia, Italy and London have expressed their dissatisfaction over the performances of exchange houses operated by commercial banks and the rates offered by them. After the tie-up of bKash with WorldRemit, most of them send



money through bKash and other MFS operators which helped push up remittance inflow to its record highest high of \$22.07 billion in 2021.

But the volume of remittance inflow to middle east countries through official MFS channels is not significant as workers who at most times stay in remote areas do not use MFS channels. If they can send money from their accounts with bKash or other operators instantly from their workplaces, the volume of remittance would be higher.

Lower exchange rates and some incidents of delay in cash delivery driven by cash shortage in some bank branches allow migrant workers to use unofficial channels which ensure the quick and safe delivery of cash in remote areas, they observed.



As the remittance is falling, the foreign exchange reserve has come under severe pressure in recent days which has created an uncomfortable situation for the government to meet import demand that has forced the government to beg for a multi-billion US dollar loan from IMF and more from other multilateral donors. The government is now on the table with the visiting IMF mission to discuss the loan.

Mobile Remittance Needs More Focus

Most economists see the upcoming days are very gloomy for Bangladesh due to spiralling inflation and falling foreign exchange reserve when the Covid-hit global economy is poised to enter into an era of recession driven by the Russia-Ukraine war and rising food prices driven by energy costs, supply-chain disruption and climate change. So, Bangladesh should focus more on mobile remittance as it can attract more formal remittance by trimming down Hundi inflow facilitating low-income migrant low-cost delivery channels.

According to The World Bank, banks remain the most expensive type of service provider, with an average cost of 10.64 per cent. After the introduction of mobile remittance apps, the

cost of sending remittances reduced significantly over the years. Globally the average cost of sending \$200 was 6 per cent in the fourth quarter of 2021, double the SDG target of 3 per cent, according to the Bank's Remittances Prices Worldwide Database. It is the cheapest to send money to South Asia (4.3 per cent) and the most expensive to send to Sub-Saharan Africa (7.8 per cent).

The GSM Association (the trade association of mobile operators) released a study on the cost of remittances sent over mobile phones in Africa, finding that mobile technology cut remittance costs in half. The key is digital and mobile technology enabling efficiency and cost savings for senders and receivers of remittances.

Not only cost, but mobile remittance can also accelerate and boost financial inclusion. Many banks continue to offer convoluted cross-border payment options with expensive wire transfer fees and slow, opaque transaction processes. Plus, the majority of those financial institutions require access to a bank account to be able to send money.

According to the World Bank, 1.4 billion adults globally are unbanked which means that this requirement leaves numerous families around the globe without essential funds when they need them most. To address that pivotal gap in access, inclusive cross-border solutions are being provided largely by mobile remittance

apps.

What determines a migrant's choice of payment channel when remitting money abroad?" A study by the EU shows that bank transfers are used less often for small remittances because of relatively high fixed fees. The results indicate a strong effect on a person's living environment. In general, people living in urban areas are more likely to use MTO services or one of the other non-bank remittance options.

A survey conducted by the central bank of Kenya in 2021 established that the Kenyan diasporas prefer digital service providers due to convenience, efficiency in terms of speed / prompt service and ease of access. On average, recipients receive the funds sent on the same day, reflective of the high efficiency of these channels.

The world of modern money transfers has made it incredibly easy, and safe, to move money from one

place to the next. While in the past one has to go to the bank or a local post office to move money, these days one of the most effective ways to transfer hard-earned remittance is via a mobile app. This development in the industry has opened up a world of possibilities for all kinds of opportunities, but in

A study on the cost of remittances sent over mobile phones in Africa found that mobile technology cut remittance costs in half. The key is digital and mobile technology enabling efficiency and cost savings for senders and receivers of remittances.

particular, it is a game changer for those who work in distant places and are looking to send money home.

And with a mobile remittance app, one can really look forward to the fast transfer of money. With the best apps, money can be sent within seconds. There is no paperwork to go through and no downtime when it comes to organising the transfer. Bangladesh can reverse the falling situation by deploying its own dedicated mobile remittance app, particularly in middle eastern countries.

Realising the potentiality of mobile remittances, many developing countries have developed mobile apps to attract remittances. M-PESA of Kenya is one of them. It has more than 604,000 active agents operating across the Democratic Republic of Congo (DRC), Egypt, Ghana, Kenya, Lesotho, Mozambique and Tanzania. Remittance inflows to Kenya have increased tenfold in the last 15 years reaching an all-time record of USD 3,718 million in 2021.

Similarly, In the Philippines, Kabayan Remit provides a unique approach to helping Filipinos who work hard overseas send money to their loved ones back home. To increase financial inclusion among Syrian refugees in Jordan, GIZ teamed up with Dinarak, a licensed payment service provider in Jordan, to explore digital solutions for increasing access and usage of remittances and financial services.

MFS accounts go past 18cr mark in Bangladesh



DF Report

The number of total users in Bangladesh registered with 13 mobile financial service (MFS) providers reached 18.11 crore in July this year, up more than 16 per cent from 15.60 crore in July last year, according to data from the Bangladesh Bank.

In the month, 18.11 crore users were registered with 13 MFS providers, up more than 16 per cent from 15.60 crore in July last year, data from the Bangladesh Bank showed.

Over Tk 89,169 crore were transacted through the accounts in July in the form of cash-in, cash-out, person-to-person transfer, merchant payment, government-to-person transfer, salary disbursement, talk-time purchase, and utility bills payment, an increase of 15 per cent from Tk 77,645 crore in the same month in

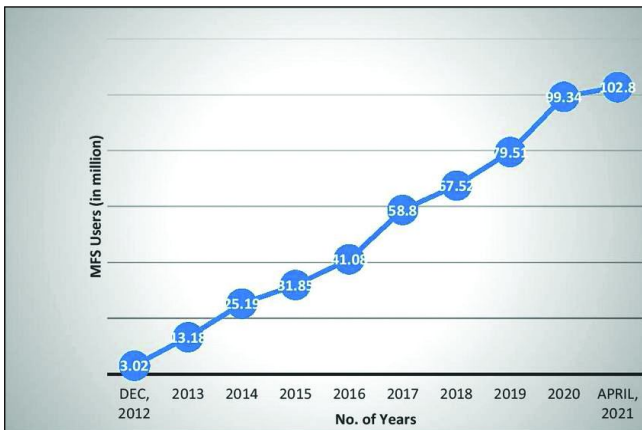
2021.

One of the most important drivers of the MFS advancement in Bangladesh has been the rural population. Of the users, 10.07 crore are in rural areas versus 8.04 crore in urban centres.

Gender-wise, 10.43 crore males use the service, against 7.64 crore females, according to the BB. There are 15.26 lakh MFS agents across the country.

The MFS providers are Rocket, bKash, MYCash, Islami Bank mCash, Trust Axiata pay (tap), FSIBL FirstPay SureCash, Upay, OK Wallet, Rupali Bank SureCash, TeleCash, Islamic Wallet, Meghna Bank Tap 'n Pay, and Nagad.

Similarly, the number of agent banking accounts rose more than 31 per cent year-on-year to 1.63 crore in July. Of the accounts, 80.96 lakh are owned by males



and 79.60 lakh by females.

The account-holders transacted Tk 52,784 crore in the month, against Tk 32,523 crore in the same month last year. Of the amount, Tk 487 crore was disbursed as loans, more than four times than Tk 109 crore lent through the agent banking system one year ago. The amount of remittance that was sent home by the migrant workers employed abroad, however, slowed slightly to Tk 3,144 crore from Tk 3,159 crore earlier.

In Bangladesh, there were 14,412 agents and 19,861 outlets in the first month of the financial year, up from 13,086 and 17,332, respectively. The amount of deposits in the accounts stood at Tk 28,583 crore in the month. It was Tk 20,671 crore in July last year.

Agent banking was introduced in Bangladesh in 2013, with the central bank awarding 28 agent banking licences with an aim to provide a secure alternative delivery channel of banking services to the underprivileged and under-served population who live in remote locations.

Bank Asia introduced the country's first agent banking service in 2014. Other banks with a notable presence in the segment include Islami Bank Bangladesh Ltd, Dutch-Bangla Bank Ltd, Brac Bank, City Bank, Mutual Trust Bank, Al-Arafah Islami Bank, Agrani Bank, NRB Commercial Bank, and Modhumoti Bank.

Transactions through agent banking accounts rose 43 per cent year-on-year to Tk 5,64,844 crore in the last fiscal year as a growing number of people are now using the new banking window.

Bangladesh's progress in the MFS and agent banking sectors has won praise over the years.

International Monetary Fund Deputy Managing Director Antoinette M Sayeh recently said the use of mobile phones for financial transactions is commonplace in Bangladesh.

"People are accustomed to digital financial services, agent banking, branchless banking, and mobile money," she said in a virtual seminar on "Fintech and Financial Inclusion and the Case of Bangladesh: Peer-Learning Series".

Internet banking transactions threefold in two years

Banks have introduced various products to draw more customers to their online banking system. Almost all banks have introduced mobile applications. A growing number of internet users and the availability of smartphones facilitated Internet banking to expand largely.

DF Report

More people especially the young generation, are now using online platforms to carry out banking activities. As a result, the number of internet banking users has been rising tremendously in recent months soared by 285 per cent to record Tk 26,145 crore in August 2022 from Tk 6,800 crore in August 2020.

According to data from the Bangladesh Bank, the number of internet banking transactions shot up to near 60 lakh in August of this year against 20.28 lakh in the same month in 2020. In August 2021, the number of internet banking transactions was 36.11 lakh which was equivalent to Tk 15,281 crore. In the first couple of months in FY23, the number of users jumped by 3.61



lakh to reach 57.16 lakh in August from 53.55 lakh in June.

The number of internet banking users was 39.12 lakh in August 2021 and 29.20 lakh in August 2020.



The number of internet banking users is continuously rising as the adoption of technology has reached its peak amid the Covid-19 outbreak in the country.

After the Covid-19 outbreak in 2020, people have become more cautious and they are trying to maintain physical distancing in their activities including banking activities that accustomed them to internet banking.

Gradually, more and more people found it as a safe and easy way to execute banking activities.

Banks have introduced various products to draw more customers to their online banking system. Almost all banks have introduced mobile applications. A growing number of internet users and the availability of smartphones facilitated Internet banking to expand largely.

Prompted by the increase in transactions through internet banking, the BB in September 2020 raised the interbank daily online transaction limit, including a fivefold increase in the limit for institutional users.

For individuals, BB raised the limit of inter-bank fund transfers or IBFT to Tk 5 lakh per day from Tk 2 lakh.

It also raised the ceiling of a single transaction to Tk 1

lakh from Tk 50,000 and allowed customers to settle maximum 10 transactions per day from five in the past.

The daily transaction limit for institutional users was set at Tk 10 lakh executed through a maximum of 20 transactions using internet banking while the highest limit for a single transaction was set at Tk 2 lakh.

Earlier, there was no separate limit for institutional and individual users. The highest daily IBFT limit for both institutional and individual users was Tk 2 lakh.

Under both the criteria, a maximum of five transactions were allowed in a day with the highest limit for a single transaction set at Tk 50,000.

The IBFT is executed through the BB's National Payment Switch Bangladesh.

Bangladesh Real Time Gross Settlement and Bangladesh Electronic Funds Transfer Network of Bangladesh Bank have also boosted internet banking.

Customers can settle transactions of large volumes instantly through the RTGS while the BEFTN helps them carry out retail transactions within a day.

Remittance through bKash doubles in 2021

DF Report

Migrant workers and Bangladeshis living abroad sent a whopping Tk2,427 crore through bKash in 2021, giving a testament to the growing popularity of the alternative payment/remitting channel among expatriates.

That means remittance disbursement through bKash shot up by 111% year-on-year in 2021, up from Tk1,151 crore in 2020.

The remittances sent by the expatriates from more than 70 countries are instantly reaching their relatives' bKash accounts through 75 Money Transfer Organisations (MTO) via settlement in 12 commercial banks in Bangladesh.

In continuation of the last few years, the remittance disbursement through bKash is also increasing this year as well and is poised to reach a new milestone. In the first eight months of this year, Tk2,343 crore remittances were disbursed through bKash.

The service, sending remittances through Mobile Financial Services (MFS) like bKash, has gained immense popularity in a short period of time thanks to its hassle-free process which allows expatriates to send money to their loved ones without wasting their valuable time.

Meanwhile, receiving remittances through bKash is also convenient for relatives as they get the opportunity to use the remittances in their bKash account whenever they want. Besides, the facility of receiving remittances anytime from the comfort of the home gives additional relief to the relatives as they can avoid the hassle of withdrawing money from a bank branch during banking hours or from the ATM booth.

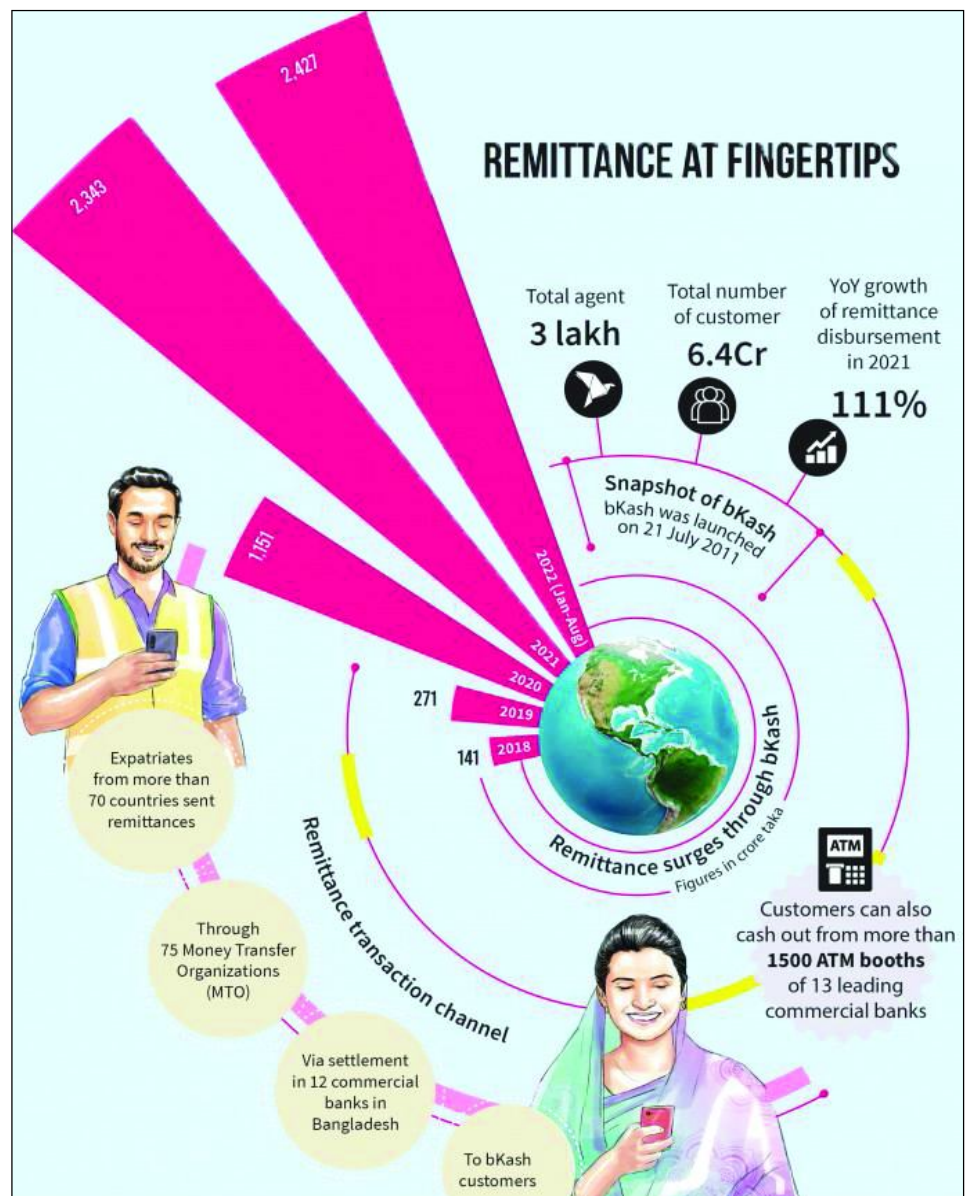
"Earlier, my son used to send money to the bank from abroad. It would cost time for him to send money through the

bank and it was time-consuming for me as well, as I have to visit a bank branch to withdraw money," said Chattogram's Siddiquir Rahman. "But, now whenever I need money my son sends it immediately to my bKash account."

"bKash is now a trusted platform for me to get the money sent by my son from abroad," added Rahman.

The remittance disbursement service through bKash started a few years ago. It has been rapidly expanding by developing partnerships with leading MTOs in many Bangladeshi diaspora countries.

As a result, the volume of inward remittances through bKash has increased significantly within a short period of time.



Five years ago, in 2018, bKash disbursed remittances amounting to Tk141 crore and it increased to Tk271 crore in 2019.

bKash enlisted some reputed money MTOs so that expatriates can send money easily in a more time-efficient way. Some of those are Remitly, Taptap Send, WorldRemit, Wise, Ria, Merchantrade, Gulf Exchange, Bahrain Financing Company (BFC), Sonali Exchange, CBL Money Transfer, Agrani Exchange, and NBL Exchange.

Apart from exchange houses or bank counters, expatriates can send money from any place at any time using mobile apps and online platforms. And relatives of expatriates in Bangladesh are getting money in their bKash accounts. The transactions are being settled in foreign currency through 12 commercial banks in the country. The money is transferred from abroad to the country instantly. There is no need for the expatriates or their relatives to have a bank account to get money through bKash.

Ali Ahmmed, chief commercial officer at bKash, said the remittances sent by expatriates are enriching not only their families but also the country's economy.

"The hard-earned money of expatriates is also playing

an important role in boosting Bangladesh's reserves in these difficult times of the global economy," he said.

He said MFS makes remittances transfer to home easy and instant.

"Keeping these benefits in mind, initiatives should be taken to make it more convenient to bring remittance in Bangladesh," he added.

bKash is not only facilitating easy remittance disbursement, but it has also given a 1% incentive at various times in addition to the 2.5% from the government. The customers can use the money received through bKash as per their needs. One can spend that money by sending money to another bKash account, paying utility bills, school fees, shopping, doing mobile recharge, ticketing, and many other purposes. Credit card bill payments and paying monthly instalments of "Savings" schemes to financial institutions can also be done through bKash. If necessary, one can also "Cash Out" from the agent points or ATM booths.

The relatives of expatriates can withdraw money from around 3 lakh bKash agents spread across the country like human ATMs. Besides, they can "Cash Out" from more than 1,500 ATM booths of 13 leading commercial banks.

bKash to offer 200 customers Tk2000 by winning cricket quiz

DF Report

On the occasion of T20 World Cup, bKash brings the opportunity for cricket fans to win cash prizes by playing quiz.

Every day, 2000 bKash customers participating in the quiz can get Tk50 daily prize each by answering three simple cricket related questions correctly and making a transaction from bKash app during the campaign period, said a press release.

Besides, at the end of the campaign, 200 participants can win Tk2,000 as mega prize. Customers can participate in this quiz competition from bKash app till 13 November.

To participate in the quiz, customers have to visit: <https://quiz.bkash.com/>. They need to start by entering bKash account number. They can also access this link by tapping on 'bKash Quiz' icon from the 'Suggestions' section of bKash app. Terms and conditions are included in the 'Quiz Rules' icon of the quiz platform.

To get Tk50 Taka daily prize, customer has to answer all the questions correctly as quickly as possible and they also need to make a transaction from any of these services from bKash app during the campaign: pay bill, send money, cash out, mobile recharge, payment and card to bKash.

Customers can participate in the quiz as many times as they wish and a participant can win the daily prize only once. At the end of the campaign, the top 200 participants giving the correct answers in the fastest time will be selected for the mega prize of Tk2000 Taka each.

To win the mega prize, a customer must win the daily prize once and

also make any three transactions through bKash app during the campaign period: pay bill, send money, cash out, mobile recharge, and cash in/card to bKash.

Each day's winner list will be updated in quiz platform on the next working day by 2pm. Winners will get the reward in their bKash wallet within two working days.



USAID launches cybersecurity campaign



Participants at the inauguration ceremony of USAID's Digital Safety for Business campaign are seen discussing the programme's goals at The Daily Star Center in the city recently. The campaign aims to raise awareness about cybersecurity among around one million SMEs in the country.

DF Report

The US Agency for International Development (USAID) recently launched a new digital commerce cybersecurity campaign that will provide businesses with the information and tools needed to counter potential cybersecurity risks in e-commerce.

With the slogan, "Digital Safety for Business," the campaign will instil digital best practices among small-and-medium enterprises (SMEs), and provide them with online learning materials and tools to protect against cybersecurity threats.

Over the next eight months, this campaign will reach around one million micro, small and medium enterprises to enhance their knowledge regarding cybersecurity threats and preventive measures, USAID said in a press release.

Md Mafizur Rahman, managing director of the SME Foundation, Aklima Haque, USAID's regional digital initiative project lead for South Asia, and Md Najmul Islam, additional deputy police commissioner of the Counter Terrorism and Transnational Crime unit of the Dhaka Metropolitan Police, were present at the inauguration ceremony at The Daily Star Center.

The project is being implemented by DAI Global and

is working with governments and private sector partners in South Asia to improve digital connectivity and economic development in the region.

It aims to strengthen the digital capacity of SMEs, raise awareness around critical cybersecurity issues, and foster opportunities to engage in digital and information communication and technology policy issues.

"With Bangladesh's rapid transition towards a higher income country by 2041, e-commerce related regulations and oversight must evolve along with the digital commerce ecosystem," said USAID's Haque.

Md Mafizur Rahman invited the campaign team to collaborate with the SME Foundation to spread this important message using their extensive network, especially during the upcoming SME FAIR 2022.

Special guest Dewan Mohammad Humayun Kabir, project director of Aspire to Innovate (a2i), said cybersecurity awareness needs to be incorporated in education from the primary level so that it can be embedded into people at a younger age.

"We must establish nationwide cyber police units across all districts of Bangladesh," said Additional Deputy Police Commissioner Islam.

With Bangladesh's rapid transition towards a higher-income country by 2041, e-commerce-related regulations and oversight must evolve along with the digital commerce ecosystem

bKash facilitates WE Summit-2022



DF Report

bKash recently facilitated the WE Summit-2022, where the biggest mobile financial service provider in Bangladesh advised women entrepreneurs on how to open personal retail (PR) accounts, accept payments and various other facilities offered by their app.

bKash and the ICT Division co-sponsored the two-day event, where Women and e-Commerce (WE) facilitated training, workshops, discussions and start-up support for women entrepreneurs to make them more efficient and successful in doing business. WE is the largest platform for women entrepreneurs doing business with Bangladeshi products, having around 400,000 members.

bKash provided participants of the summit with numerous services and essential instructions on receiving payments through their PR account.

As the account can be opened without a trade license, it allows small-and-medium entrepreneurs to expand their business by facilitating payments, sending money and cashing out at a lower charge.

The PR accounts can be opened with just a National Identification Number and registered SIM.

Online or f-commerce based women entrepreneurs can get an additional limit facility while receiving payments through their PR account.

So, this retail account is strengthening the country's digital payment ecosystem by reducing cash dependency. Besides, transactions between customers and sellers are becoming easier and safer.

Nishat Rahman, chief customer service officer of bKash, said the PR account is an attempt to facilitate technologically smart solutions to make the financial transactions done by women entrepreneurs convenient and secure.

"bKash is proud to offer such a service to women entrepreneurs," she added.

PR accounts also feature a QR code that facilitates transactions while there is no hassle of having to keep change and customers can easily pay for their products from a distance.

As a result, both buyers and sellers are benefited from payments through PR accounts. Interested entrepreneurs can visit <https://www.bkash.com/personal-retail-account> to open their account and also see the terms and conditions, limits and other details.

bKash partners with wagely to facilitate earned wage access to RMG workers



DF Report

Financial wellness platform Wagely Bangladesh Ltd (wagely) in cooperation with bKash will provide Earned Wage Access (EWA) to garment workers who receive salary through bKash's payroll solution.

With this facility, employees will be able to take advantage of receiving already worked-for wages before payday through their bKash account, which will help them manage their emergency finances, according to an MoU between bKash and wagely recently, said a press release.

Ali Ahmed, chief commercial officer of bKash, and Tobias Fischer, chief executive officer and co-founder of wagely, signed the MoU in the presence of wagely's Head of Strategy and Interim Country Amrita Vir, Head of Channel Partnerships Sagir Ahmed Robin, bKash Head of Payroll Business ATM Mahbub Alam and other officials.

As the pioneer of EWA in Bangladesh, wagely's mis-

sion is to create a holistic financial well-being platform for workers by facilitating access to earned wages. Completing one year of operations in Bangladesh, wagely has been able to impact the lives of 1,00,000 workers through their solution and has contributed to reducing worker migration, improving productivity, and increasing business savings.

More than 800 companies in the country's garment industry use bKash's digital payroll solution to pay salaries and allowances to their employees. Besides enabling receiving salaries digitally, bKash is working towards creating a sustainable financial ecosystem for the employees and workers of this sector.

Workers at present get an opportunity to improve their financial management by using the developed digital payroll system. Together, wagely and bKash will continue to improve the financial wellness of garment workers in Bangladesh through their integrated offerings.

Bank Asia launches Bangladesh's first ATM booth for women



DF Report

Bank Asia has launched Bangladesh's first ATM booth for women at Sonakanda in Keraniganj, on the outskirts of the capital Dhaka. Adil Chowdhury, President and Managing Director (CC), of Bank Asia inaugurated the ATM booth recently at the premise of Bank Asia DPO Agent Outlet at Sonakanda.

With support from Bill & Melinda Gates Foundation, the bank set up the Women ATM Booth aiming to facilitate financial inclusion activities by reinforcing women's empowerment in Bangladesh with a two-year grant-based digital financial inclusion project.

In his address at the inaugural programme, Mr Adil Chowdhury said that Bank Asia has a commitment to bring more unbanked people into the banking network to help achieve sustainable economic development by boosting financial inclusion across the country.

He also said, "Bank Asia has been working relentlessly to provide services to all segments of society, including rural masses and marginalized people living in the remotest parts of Bangladesh."

Mr Chowdhury expressed his optimism that the new ATM booth for women would play a pivotal role in encouraging the women segment to digital banking

transactions. Later, the president & managing director inaugurated a Women's Corner inside Sonakanda Agent Outlet.

Mr Mohammad Ziaul Hasan Molla, Deputy Managing Director of Bank Asia; and Mr Jason Lamb, Deputy Director; and Ms Snigdha Ali, Senior Programme Officer of the Bill & Melinda Gates Foundation were present.

"An ATM booth for women is the first of its kind initiative in Bangladesh as well as in the world probably. I never saw it before," Mr Jason Lamb explained.

The bank officials said they launched the ATM booth, dedicated to women, with an aim to encourage females' access to digital transactions and improve financial management. The programme turned into a festive mood in the presence of a huge number of female clients and locals.

Under the same project, three more Women's ATM Booths have started operation at Begum Badrunnesa Govt. Girls' College, Kodomtola and Paris Road City Digital Centre Agent Outlets in Dhaka city to encourage women, clients. Besides, another six women ATMs will be set up in different places of the country under the project.

Janata Bank to launch mobile remittance app for UAE expats



DF Report

Janata Bank, the state-owned financial institution of Bangladesh, will launch mobile remittance apps very soon to facilitate expatriate Bangladeshis to send remittances to the country easily and quickly from the United Arab Emirates.

On the occasion of the inauguration of Janata Bank's new office in Dubai, the bank authorities announced this at a gathering of customers in the UAE.

"Remittances sent by expatriates are playing a significant role in Bangladesh's foreign exchange reserves along with export earnings," Mohammad Abu Jafar, Ambassador of Bangladesh to the UAE, said while addressing the event as chief guest.

"Various initiatives, therefore, have been taken by the government for the remittance senders through the legal route," he added.

He urged the expatriates to increase the flow of remit-

tances through the legal route for the sake of their own interest and the country amid this global recession.

Mohammad Abdus Salam Azad, Managing Director and Chief Executive Officer of Janata Bank, said, "In the recent past, initiatives have been taken to introduce mobile apps to increase the flow of remittances and simplify the process to overcome the global crisis".

He hoped to provide banking services to the doorsteps of the expatriates along with the Bangladesh Mission.

BM Jamal Hossain, consul general of Bangladesh in Dubai, Abdullah Al Amin, Chief Executive of Janata Bank in the UAE, some expatriate CIPs and community personalities spoke at the event.

Expatriate Bangladeshis, customers of Janata Bank in the UAE, have long been demanding several facilities including international standard digital banking services, increasing manpower, opening ATM booths, and improving technology to send remittances quickly.

City Bank launches 'Islamic DPS Savings' scheme through bKash



DF Report

The City Bank launched a Shariah-based savings scheme "Islamic DPS Savings" through their bKash app Monday.

City Bank customers can fully avail themselves of the savings scheme through their bKash app from anywhere in the country, says a press release.

Customers can open the scheme of different tenures and amounts from the comfort of their homes in just a few minutes, avoiding the hassle of paper documents or forms.

Aziz Al Kaiser, Chairman; Dr. Md. Anwar Hosain Molla, Chairman of Shariah Supervisory Committee; Mashrur Arefin, Managing Director & CEO of City Bank and Kamal Quadir, Chief Executive Officer of bKash along with senior officials of both the organisations were present at the event.

Following the collaboration, customers will no longer need to visit the bank and open a new account to save money for future financial security and needs. As a result, everyone including the banked and unbanked population can now easily avail Islamic Shariah-based savings service. This will encourage savings and con-

tribute to the economy.

To open Islamic savings account of City Bank, customers need to click on the 'Savings (in bank and financial institution)' icon from the home screen of the bKash app, then select the savings tenor, type and follow a few easy steps. They can avail the savings schemes in monthly installments of TK500, Tk1,000, Tk2,000, and Tk3,000 starting from a minimum period of two years to a maximum of four.

After the maturity of the scheme, customers can Cash Out the entire amount including profit from their bKash account without any charge.

The savings installments will be transferred automatically from bKash account to City Islamic account on a specific date of each month. The customer will be notified before each due date to keep sufficient balance in the account. Customers will be able to see all the important information anytime directly from the bKash app, including total savings amount, savings period, and profits.

Any customer, who is currently registered through e-KYC, can avail this Islamic Savings service using bKash app. Customers can also update their account information through bKash app anytime.

Tk100 discount coupon on bKash payment through QR Code

DF Report

On the occasion of the T20 World Cup, bKash is offering a discount coupon of Tk100 on payment of Tk1,000 or more through QR code scanning with the bKash app.

The offer will be available on payment at more than 300 thousand merchant points across the country till November 13, 2022, reads a press release.

The coupon can be used for shopping at more than 1,400 outlets of Apex, Bata, Lotto, Anjan's, Artisan, Infinity Mega Mall, Kay Kraft, Le Reve, Lubnan, Persona, Pizza Hut, SaRa Lifestyle, Richman, Sailor, Easy, Ecstasy, Shoishob, Star Kabab, Twelve Clothing and TastyTreat.

Customers will receive the coupon within two working days upon payment. To avail of the discount, they have to use the coupon within 7 days.

A minimum payment of Tk1,000 is required to redeem the coupon. A customer can enjoy up to Tk200 discount in the campaign period while they can use one coupon

in a day.

Payment method through the bKash app is very easy. Customers need to tap on the 'Make Payment' icon from the home screen of the bKash app and the next step is to select the 'Tap To Scan QR Code' option.

Or, they can easily make payments by tapping the 'Scan QR' button directly at the bottom of the home screen. To avail of this Tk100 coupon offer, the customer needs to scan the QR code directly without typing the merchant number.

Currently, customers can seamlessly send money, recharge their mobile numbers, pay utility bills, pay education fees, purchase tickets, make various online registrations and make payments at more than 300 thousand

merchant points after doing 'Cash In' from around 300 thousand agents spread across the country or through 'Add Money' from 38 leading banks anytime.

bKash payment is becoming more popular day by day as the scope of spending digital money digitally is widening for 64 million customers.



bKash to give 10pc cashback at shopping festival

DF Report

A group of e-commerce platforms is going to jointly organise an online shopping campaign named "The 10-10 Festival" that will kick off on Monday.

Some 30 Bangladeshi e-commerce platforms will take part in the festival.

Participating organisations made an announcement of the festival at bKash head office in Dhaka on Thursday.

The online shopping festival will continue till October 25, a press release said.

Customers can avail up to Tk 150 per day and a maximum of Tk 300 during the festival.



They can purchase a variety of products and services including clothes, footwear, electronics, lifestyle and daily essentials from Ajkerdeal, Sheba.xyz, Bata E-com, Star Tech, Pathao Ltd, SaRa Lifestyle, Dorjibari and Bangla Shoppers etc at affordable price through bKash payment.

Mir Nawbut Ali, chief marketing officer of bKash, Fahim Mashroor, chief executive officer of AjkerDeal and chief coordinator of the 10-10 Festival, Imlul Haque Sajib, chief operating officer of Sheba.xyz, along with other senior officials of the organisations were present at the event.

City Bank announces 2% additional incentive on remittance from Malaysia



DF Report

Now non-resident Bangladeshis working in Malaysia can get additional 2% incentive on top of government given 2.5% incentive while sending money through City Bank's fully owned subsidiary remittance company CBL Money Transfer Sdn Bhd to City Bank in Bangladesh.

They can also remit money from their workplace or home by using 'City Remit' Mobile Remittance App of CBL Money Transfer, says a press release.

Bank's Chairman Aziz Al Kaiser made the announcement at the app launching event last night in Kuala Lumpur where Md Golam Sarwar, High Commissioner of Bangladesh to Malaysia was present as the chief guest.

The event was attended also by Mashrur Arefin, managing director & CEO of City Bank and Farooq Sobhan and Dato Gurcharan Singh, both Directors of CBL Money Transfer Sdn Bhd.

Hundreds of Bangladeshis attended the event along with people from press and media.

The announcement of City Bank taking up extra 2% cost and giving that to remitters in the form of incentives came on the heels of slowing down of remittance inflow into Bangladesh, which is contributing further

in the shortage of dollars scenario.

The extra 2% incentive to be paid by the bank will be effective from next Sunday, 23 October and will continue for 3 months, the bank Chairman told the crowd.

'City Remit' is an online money transfer service that will allow migrant wage-earners to transfer money from Malaysia to Bangladesh, India, Nepal, Pakistan, Indonesia, Philippines, Sri Lanka and Vietnam.

Md. Golam Sarwar, High Commissioner of Bangladesh to Malaysia in his address lauded the 2% incentive announcement from City Bank and emphasised on curbing illegal money transfer. He also expressed his hope that the 'City Remit' mobile app will be a very useful tool since it will allow non-resident customers to get the convenience of sending money instantly and securely from his Malaysian Bank account to his country.

To use City Remit, customers need to install the app in their mobile and need to do face to face verification only for the first time. Thereafter, money can be sent to home country from anywhere in Malaysia in just a few minutes, avoiding the hassle of travelling to remittance company branches.

CBL Money Transfer Sdn. Bhd. is a licensed Money Service Business Company in Malaysia and specialized in cross-border remittances.

Concept of fintech keeps on changing with the change of time & technology : Experts

A webinar discussed the general regulatory framework of fintech ecosystem in Bangladesh and the future changes to come

DF Report

Experts at a webinar recently discussed the evolution of fintech law and policy in Bangladesh and outlined the practical challenges involved in the process.

The discussion took place at the eighth installment of the Academy of Law and Policy (ALAP) webinar series “Evolution of Fintech: Law and Policy in Bangladesh”, said a media statement.

The webinar was streamed live from ALAP and Dhaka Tribune’s relevant Facebook pages.

The webinar started with the keynote presentation by Ms Nauriin Ahmed, advocate and senior associate at the Legal Circle.

The esteemed panelists were Mr Ahmed Jamal, deputy governor of Bangladesh Bank, Major General Sheikh Md Monirul Islam, chief external & corporate affairs officer of bKash Limited and Shilpa Mankar Ahluwalia, partner at Shardul Amarchand Mangaldas.

The keynote speech laid out the general regulatory framework governing the fintech ecosystem in Bangladesh and the future changes to come.

During the panel discussion, Ahmed Jamal, deputy governor of Bangladesh Bank said: “The concept of fintech keeps on changing with the change of time and technology.”

Ahmed Jamal further emphasized on the central bank’s view of fintech activism and how the central bank being the regulatory authority can cooperate with fintech stakeholders in bringing up new technology and ensuring financial inclusion in Bangladesh.

He furthermore pointed out that, artificial intelligence is now considered as a driving force for fintech in the present context as technology helps to facilitate financial intermediation, payments and all the other process concerning fintech.

Major General Munir, discussed how bKash has led the fintech evolution in Bangladesh and how it worked simultaneously with the regulatory body from its inception to create a fintech friendly industry. He further elaborated on the data privacy mechanism and the competition framework for fintechs in Bangladesh.



Shilpa Mankar Ahluwalia assenting with the view of Ahmed Jamal regarding the constant emergence and praised the innovation and growth of fintech in India and highlighted few regulatory models of fintech governance.

She said: “Now with mobile payments, QR Code based payments or UPI (United Payment Interface) which is the largest digital payment infrastructure via these payments can be made within 10 seconds now.”

She also discussed about digital lending stating that fintech enabled lending has opened up new avenues of credit access in India.

The webinar was moderated by Barrister Anita Ghazi Rahman, advocate, Supreme Court of Bangladesh and Founder and Managing Partner at The Legal Circle, Founder Trustee & Director of Communication, ALAP.

ALAP is an independent, non-political, non-profit making platform with the main objective of bringing together leading jurists, industry leaders, and development partners to discuss current legal and policy issues and challenges facing Bangladesh, to conduct research into these issues, to formulate concrete law and policy reform proposal to be presented to the policymakers, to engage in advocacy, and to disseminate knowledge.

As ALAP’s first initiative, it launched a Legal Webinar Series comprising thought-provoking addresses and discussions on law and policy issues during the Covid-19 Pandemic.

Fintech will lead to financial revolution: Narendra Modi

DF Report

Indian Prime Minister Narendra Modi said the economy of any country is as progressive as its banking system is strong and that fintech would lead to a financial revolution.

The economic progress of a country is directly linked to the strength of its banking system, he said after dedicating 75 Digital Banking Units (DBUs) to the nation, he said after dedicating 75 Digital Banking Units (DBUs) to the nation via video-conference recently.

Modi attributed India's sustained economic growth to the efforts of the BJP government to replace pre-2014 'phone banking' with 'digital banking'. "The banking sector has become a medium for good governance and better service delivery", he said.

Referring to the previous UPA regime, he said under 'phone banking', instructions were given on phone to banks regarding whom they had to lend to and at what terms and conditions. The economy of any country is as progressive as its banking system is strong," the Indian Prime Minister said.

Modi said before 2014, the banks used to get phone calls to decide their functioning, and added "phone banking politics had made the banks unsafe and made the country's economy insecure by sowing the seeds of thousands of crores of scams."

The Prime Minister further said the present government has transformed the banking system with a focus on transparency. "After bringing transparency in the identification of NPAs, lakhs of crores of rupees were brought back into the banking system. We recapitalized banks, took action against willful defaulters, and reformed the Prevention of Corruption Act," he noted.

Moreover, he added, the enactment of the Insolvency and Bankruptcy Code (IBC) has helped in resolution of the non-performing assets (NPAs) of the banking sector in a transparent and scientific manner.

"A new self-driven mechanism has been created for the banking system through new initiatives like Digital Banking Units and innovative use of fintech2, he said noting that there is as much autonomy for the consumers, there is also the same convenience and transparency for the banks.



Recalling the traditional ways of the past where people had to go to the bank, the Prime Minister said this government transformed the approach by bringing the banks to the people. "We have given top priority to ensure that banking services reach the last mile," he said.

The Prime Minister urged the small business owners from villages to completely move towards digital transactions. He also asked banks to connect 100 merchants with them for going totally digital for the benefit of the country. "I am sure, this initiative will take our banking system and economy to a stage which will be future-ready, and will have the capability to lead the global economy," he said.

The banking system, Modi said, has gone beyond financial transactions and has become a medium of 'good governance' and 'better service delivery'. The combination of technology and economy has helped in eliminating the digital divide as well as corruption, he said, adding the government has transferred Rs 25 lakh crore directly to beneficiaries via the Direct Benefit Transfer (DBT) scheme.

"Digital economy today is a great strength of our economy, of our startup world, of Make in India and of self-reliant India," he said.

"When financial partnerships are combined with digital partnerships, a whole new world of possibilities opens up. A huge example like UPI is before us. India is proud of this as it is the first technology of its kind in the world," he said.