

Report On

**Verification processes undertaken by mobile financial services (bKash)
during pandemic situation in order to know their customers.**

By

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16304157

An internship report submitted to the BRAC Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

BRAC Business School
Brac University
September 2020

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Jawad Mahmud Chowdhury

16304157

Supervisor's Full Name & Signature:

Ummul Wara Adrita

Lecturer,

BRAC Business School, BRAC University

Letter of Transmittal

To,

Ummul Wara Adrita

Lecturer

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of report on Internship in bKash.

Dear Ma'am,

I am honored to let you know that I have successfully completed my internship report entitled "Verification processes undertaken by mobile financial services (bKash) during pandemic situation in order to know their customers." and would like to thank you for your constant guidance and support that has been provided throughout my internship period.

I was assigned as an Intern at bKash. This report consists a brief summary of the pros and cons of outsourcing accounting services for any business and how this can evolve in Bangladesh in upcoming years. I have tried my level best to obey the directions you sent me and I hope this work fulfills your standards. Thank you.

Sincerely yours,

Jawad Mahmud Chowdhury

16304157

BRAC Business School

BRAC University

Date: October 5th, 2020

Non-Disclosure Agreement

This agreement is made and entered into by and between bKash and Jawad Mahmud Chowdhury at BRAC University to prevent unauthorized disclosure of confidential information.

Acknowledgement

I am pleased to extend my sincere thanks and dedication to my esteemed faculty member, Ummul Wara Adrita, whose valuable guidance and encouragement has been a great inspiration for me to execute this project efficiently.

My heartfelt thanks go to my supervisor, Mehmud Ashique Iqbal, serving as a Deputy General Manager of Commercial Sales Division at bKash, for monitoring me and supporting me in my project structurally.

I would also like to express my thanks for the opportunity provided to me by BRAC Business School at BRAC University and also for this project, which has greatly helped me grow.

Finally, I would also like to thank all my regional colleagues who have supported me during my internship at bKash, directly and indirectly.

Executive Summary

This internship report has been prepared for the course Bus400. It contains all the details I came across during my internship period at bKash which I started on September st,2020.

This internship report contains all the details starting from the overview of the organization, my contribution to bKash, what I learned from this internship with my supervisors and other colleagues from the company. Moreover, this report also contains the difficulties I faced during my internship period and the solutions to those, and how this experience has influenced me for my career plan.

Finally, the report contains the KYC and how it is important in the financial mobile banking sector. Not only does it ensure the efficient way for new clients to try out the services of bKash, but it also makes the whole process secure.

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List of Acronyms

- KYC (Know Your Customer)
- IFC (International Finance Corporate)
- AFG (Ant Financial Service Group)
- CS (Customer Service)
- QC (Quality Check)
- YTD (Year to Date)
- GP (Grameenphone)
- HR (Human Resources)

Chapter 1: Overview of Internship

1.1 Student Information: Name, ID, Program and Major/Specialization

NAME	Jawad Mahmud Chowdhury
ID	16304157
PROGRAM	BRAC Business School
MAJOR/SPECIALIZATION	Marketing
E-MAIL	Jawadmahmud102@gmail.com

1.2 Internship information

1.2.1 Period, Company Name, Department/Division, Address:

START DATE	01/09/2020
END DATE	31/12/2020
COMPANY NAME	bKash
DEPARTMENT	Business Sales (Commercial Division)
ADDRESS	7 ভিআইপি সড়ক, Dhaka 1206

1.2.2 Internship Company Supervisor's Information: Name and Position:

SUPERVISOR	Mehmud Ashique Iqbal
DESIGNATION	Deputy General Manager
CONTACT NUMBER	+8801911310480
E-MAIL	mehmud.iqbal@bKash.com

1.3 Company Overview:

More than 70 % of the population of Bangladesh lives in rural areas where it is difficult to access formal financial services and where less than 15% of Bangladeshi are associated to the formal banking systems. Yet, these 70 per cent of the population need these programs most, whether to obtain funds from remote areas or access financial instruments to boost their economic situation. However, figures have shown that about 68% of our population have cell phones, which can not only chat, but can also be used for more practical tasks. bKash therefore came up with the concept of using these mobile phones and the service provided to provide these underserved inhabitants of this country with financial services. bKash, the country's first mobile financial service provider, launched in the mid-2011, is a fast start for mobile financial services. This is the second largest organization in the world to have achieved praiseworthy success in just seven years. Muhammad A (Rume) Ali, chairman of bKash Ltd. told Financial Express during an interview. "bKash with a stronger customer base in Bangladesh is now aiming to overtake 'most profitable mobile financial services provider' operating in Kenya.

bKash is a private company specially formed to offer financially excluded and banked citizens in Bangladesh secure, convenient and simple ways of making payments and transfer services through mobile telephones. It also brings together a diverse community of stakeholders. bKash is a member of the BRAC Group and a unit of BRAC Bank. Money in Motion LLC, a US company founded by Iqbal and Kamal Quadir, brothers with an interest in mobile technology-driven innovation, is the first investor. Later, in April 2013, the IFC, a member of the World Bank Group, became a shareholder. The Bill and Melinda Gates Foundation became the company's investor in April 2014. Alipay operator recently announced a strategic alliance in April 2018 between bKash and the Ant Financial Services group (Ant Financial), to facilitate greater financial inclusion for the non-banked and banked communities of Alipay. In addition

to its investments, Alipay will carry the best payments technology and the expertise that bKash will use to extend its technical capabilities through a major transformation.

Actually, bKash has 18,50,000 operatives; and over 25,000 traders with 3,000,000 accounts.

Some of Bangladesh 's leading MFS undertakings are:

1. Rocket (Dutch Bangla Bank)
2. bKash (BRAC Bank)
3. Rocket (Dutch Bangla Bank)
4. Mobile Money (Trust Bank)
5. Easy Cash (Prime Bank)
6. My Cash (Standard Chartered Bank)

Overview of the market:

(The Growth of Mobile Financial Services in Bangladesh) - As of March 2012

Banks licensed to offer financial services	Mobile Operator Partners	Launch Date	Registered Customers	Agents	Cumulative Transaction (\$ millions)
Trust Bank	Teletalk	Aug ,,10	1,104	329	0.02
Dutch Bangla Bank	Airtel, Citycell, Banglalink, GP	May ,,11	1,72,020	3,181	11.0
BRAC Bank/BKash	Banglalink, Robi, GP	July ,,11	23,7423	5,383	14.8
Marcentile Bank	GP	Feb ,,12	1,392	170	12.5
Bank Asia	None	Mar ,,12	0	30	0.01
			4,42,289	9,093	25.9

Figure 1 The Growth of Mobile Financial Services in Bangladesh) - As of March 2012

1.3.1 Mission:

bKash aims to expand net financial inclusion with fast, affordable and efficient financial services. With the support of a highly scalable Mobile Money platform, bKash aims to provide such a mobile financial services platform, which will allow Bangladeshi people to send and get money safely via mobile devices.

Slogan:

bKash has a slogan: " PROYOJON E PASHE bKash"

Current No. of Users: Currently, over 30 million users are strongly tied to bKash.

Region of bKash:

For market, bKash categorized Bangladesh into ten regions. They are:

1. Dhaka-North
2. Dhaka-South
3. Chittagong
4. Sylhet
5. Barisal
6. Bogra
7. Rangpur
8. Khulna
9. Cumilla &
10. Mymensingh

1.4 Function Division of bKash:

We know bKash's past history begins its journey with 12 people. Now there are various divisions and branches under these divisions.

A department has its department head (HOD). There is the General Manager, Deputy General Manager, Supervisor, Assistant Manager, Senior Officer and Supervisor. Other than that, there is basically a business associate from HR.

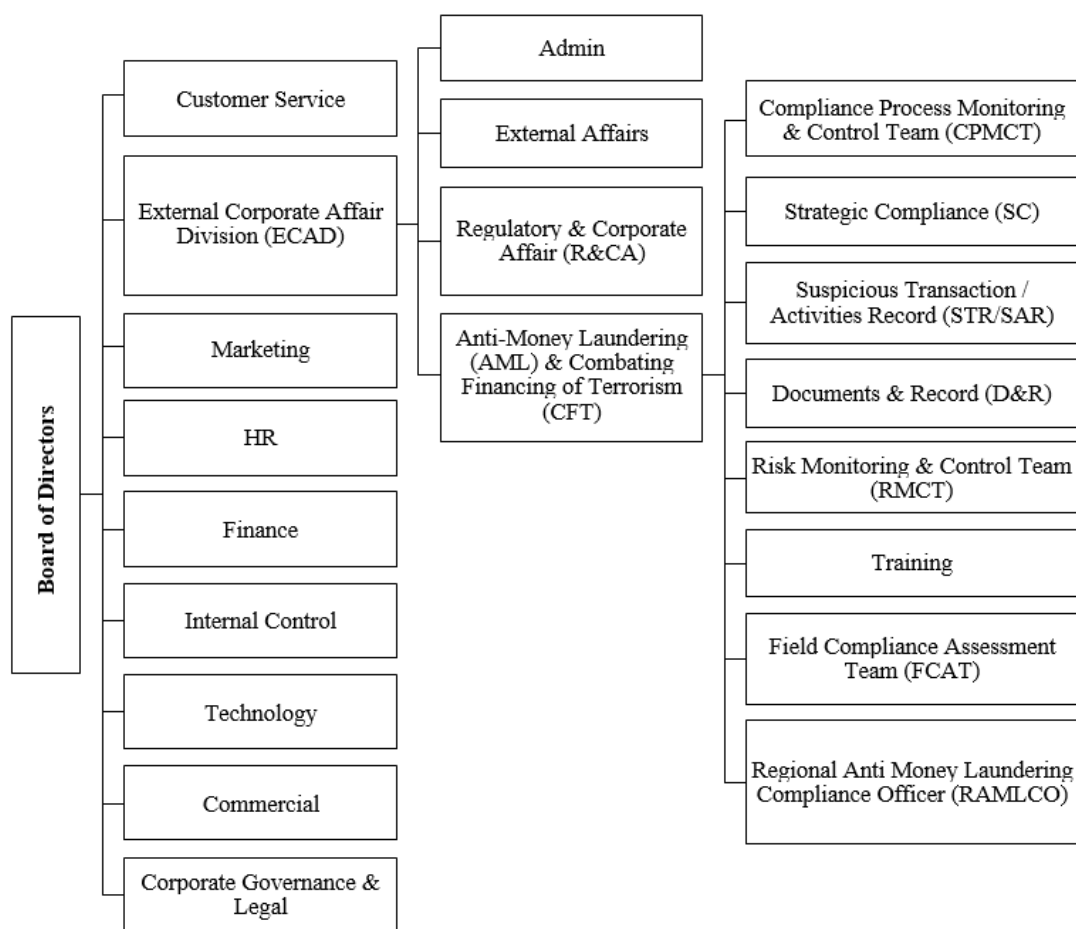


Figure 2: Organogram of bKash Ltd.

1.5 bKash Partners:

Some other organizations / companies work directly with bKash.

They're:

1. IFC: International Finance Corporate (IFC), a World Bank Group member, was integrated into 2013 as a shareholder.

2. Bill & Melinda Gates Foundation: Bill & Melinda Gates Foundation became investor in 2014.

3. BRAC Bank: bKash is BRAC Bank's subsidiary and began a joint venture with it.

4. Ant Financial: bKash limited and Ant Financial Service Group (AFG) operators announced a strategic partnership to help Bangladesh unbanked communities achieve financial inclusion on 26 April 2018 however. This collaboration with bKash improves its technical capabilities and offers greater comfort and security to MFS in Bangladesh. Alipay, Chinese mobile payment giant for the Alibaba Group, will soon buy 20% bKash.

1.6 Position in Fortune Magazine:

Fortune Magazine is an American magazine for business. Fortune ranked 23rd on Fortune 's third annual "Transform the World," the largest mobile financial services firm in Bangladesh, identifying the 50 largest businesses to change the world by addressing various societal problems.

1.7 How to open bKash Account:

First, a person needs to open a bKash account to use bKash. After setting up an account, bKash customers are named. In this case, a person wants a bKash account with his / her NID and telephone number. One can only use one National Identification Card for each bKash account.

There are PIN codes and accessible password for security, whereby the customer can transit money through the account.

1.8 Services by bKash:

One can easily use bKash services after opening a bKash account. bKash offers its customers various services. They're:

- Send Money

An individual can transfer money using the bKash account. He can move money to a different account. It's the simplest capital to pass around.

- Cash In

A person can store money in the bKash account of the nearest agent. Agents typically help customers to cash in and out of their funds.

- Cash Out

A bKash user can reach out to an nearby agent to cash out.

- Payment.

Using bKash account, a user can easily make payment. Often bKash gives parentage (percentage) of cash back payment deal using bKash account.

- Loan

In situations, a bKash user can transfer money to their account to another user. With bKash the requested money can be easily obtained.

- Refer a friend

However, a bKash user can use another bKash user's reference code. It simply means payment is due unless the other party has paid the payment after approving the request document.

- Buy Airtime

This is one of the most useful services of bKash. One can easily recharge phone numbers at any time by airtime.

- Games

bKash has introduced a new option where one can play small games to earn points which can later be used to achieve discounts from various partnered stores or services by bKash.

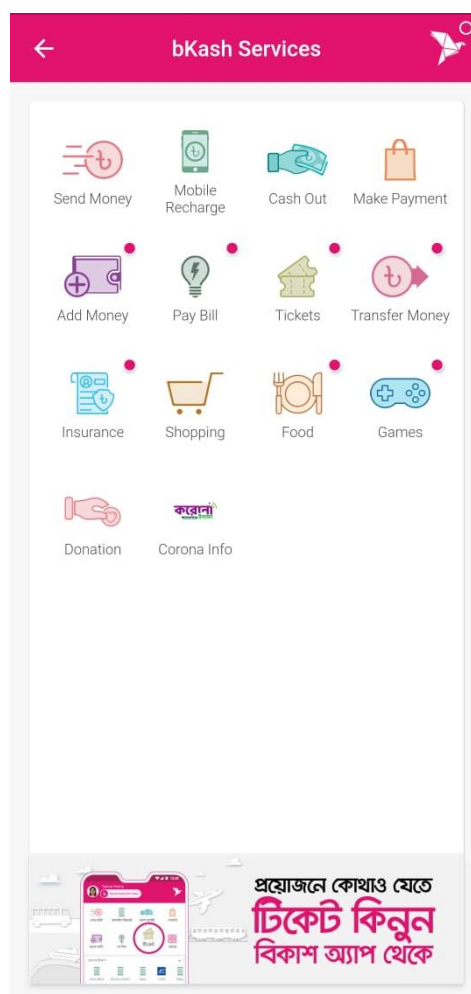


Figure 3: Services of bKash Ltd.

- Add Money

During the Covid-19 pandemic, people were unable to go out of their houses do perform daily chores or buy essential items like food, clothing, etc. Banks were shut down. But people needed

to access the credits stored in the banks. In order to make the lives of the people easier, bKash introduced this feature when one can add money to their bKash account from their respective banks. This has been a revolutionary feature as not every shop accepts cards but almost every shop accepts bKash payments.

- Corona Info

According to a report by the World Bank, around 23 Million people from all walks of life rely on bKash. This is one of the biggest platforms where information can be passed easily. Thus, bKash has taken this opportunity to aware the general people about the Coronavirus pandemic as this feature gives regular updates of the coronavirus, such as tips on how to avoid it, number of people affected and recovered both globally and locally and the steps one should take when one is effected.

- Tickets

A user can now buy train tickets and bus tickets through bKash making the commuting easier.

- Release

Finally, Western Union, MasterCard and bKash have launched a groundbreaking program for Bangladeshi to receive foreign funds conveniently. People will receive money sent from abroad to their bKash account at home through Western Union, 24/7. Money is transmitted through the secured MasterCard network; thus, the efficiency of this new service is strongly guaranteed.

- Payment Bill:

Customers can pay their rural electricity bills, NESCO & DESCO bills through bKash.

- Savings interest:

Customers may get interest in cash-in money.

- Payment online:

Using bKash, customers can pay online bills & purchase tickets.

1.9 Benefits of bKash:

bKash is the quickest financial service which is affordable. It has a national coverage all over the 64 districts in Bangladesh. It is safe and with a booth everywhere, it is convenient as well. The app is available in 2 languages: English and Bangla making it easy for anyone across the country to use. bKash is one of the fastest money transferring app.

1.9.1 bKash Recruitments:

bKash hires workers in two groups.

1. Fresh graduates
2. Experienced individual

They hire workers and employees from recent graduates. Supervisors, administrators and senior officers from skilled staff are hired.

The organizational development unit however performs the hiring process of new graduates and the human resources activities perform the recruitment process for senior positions of existing employees. They also choose new graduates from the recruitment campus.

Chapter 2: Job Responsibilities

2.1 Job scope – Job Description/Duties/Responsibilities:

I was appointed as an Intern at bKash where my initial duty was to assist my company's supervisor in all aspect. As I was appointed in the Commercial Sales division, I had access to the client base. As an intern, it was very important that I was very detailed with my work. A brief detail of my job description includes:

- Handling communications with clients via phone, email, and in-person.
- Gather data from the clients.
- Input data collected from the clients to the KYC form.
- Send the data for feedback from the clients.
- Explain the process to the clients.

2.2 Internship outcomes

2.2.1 Student's contribution to the company

On 1st of September, 2020 I started my journey at bKash Ltd. It was a very exciting opportunity for me as working here was always a dream come true. My supervisor, Mehmud Ashique Iqbal, Deputy General Manager, Commercial sales helped me a great deal. As I had no such experience in working with in the corporate world, starting off with bKash was really very special for me. As an intern, I was assigned with different kinds of work which was related client handling and gathering client information.

2.2.2 Benefits to the student

People Skills

Teamwork: Each company needs coordination because each department member has to work accordingly. An organization cannot run fluently without teamwork. It is really essential for

everyone to operate responsibly and honestly, because if one Person makes a mistake, the whole teamwork will be destroyed. I have had to work with an incredible team and incredible team members in bKash, because each department needs to collaborate and work as a group.

Communication: Interpersonal communication and skills are very important, not just in corporate life, but also in personal life. I was assigned only to one boss, but I had to collaborate with all the team members. I tried to communicate with my departments and team members right from the beginning. I talked to them during the lunch break or work, about my interpersonal and communication skills. Because I was an intern they always came and spoke to me and asked me about my goals or ambitions or other stuff and they gave me valuable insight. My supervisor used to send me my assignments, so it was very important to speak with my supervisor. I used to listen closely to his orders as well as to ask him if I had faced any problems. I was really happy to have a pleasant boss and helpful workers.

Interaction with the co-workers: It's such a joy to have nice and polite colleagues. My colleagues at bKash have strengthened my internship. As an intern, I have had the ability to collaborate with various people from different corporate departments. I was very welcome to the business on the very first day. The friendly atmosphere was a bonus. My fellow Members were so sweet and energetic that I couldn't imagine. In addition, my boss was really supportive. Without hesitation, I was told by him to ask for some kind of help. He was still there whenever I went to him for support. I used to have a nice chat with my colleagues during lunch breaks or during work. As a newbie, they came to me for a conversation and gave me numerous insights into the business environment because I did not have any working experience. As I used to panic, my boss gave me tips for taking pressure. He always told me to make my job a priority and to do it one at a time. Before he assigned some job to me, he used to take his time to show me all my doubts. He led me to always be thankful to him. In the long term, his tips would benefit me a great deal.

Personal skills

Importance of Efficient Time Management: Time management is another significant part of this internship. As a student, it sounds like 8 hours office time is too much, but in most days, the time was not adequate when it comes to completing everyday work or to follow regular work. Regular tasks have to be accomplished and cannot be stacked up if someone wishes to work well and complete their tasks on time. And if the deadline arrives, it is very busy for a person to accomplish all the work.

Handling work pressure effectively: We are assigned several tasks at a time in the corporate world and often follow deadlines. We must also cope efficiently with the job strain. It is so clear that the working pressure is usually high at the end of the month or year. In the other hand, there is no strain for several days. Working pressure may also vary in time, but the stress is still there. We need to function efficiently on the basis of the time provided for and task to reach the time limit.

Glimpse of Corporate Life: I had no idea before about the business environment because I had no work experience. This internship changed my perspective to the workings of the world of business. It is very easy for a student to collect information from education institutions, but to properly execute that knowledge at the right time, however good or bad an individual might be. In this internship experience I had the chance to share my theoretical knowledge with others for practical use during my student life or to solve problems and various corporate tasks. I had no knowledge of the corporate environment because I did not have any work experience before. This internship opened my eyes to how the world of business operates. It is very easy for a student to obtain information from academic institutions but it is not so easy to properly conduct such knowledge at the right place at the right time, no matter how good or bad a student

is. In this internship, I got the chance to mean my theoretical skills for functional use or to solve problems and various business tasks.

2.2.3 Problem/Difficulties

It was always a dream for me to work at bKash and I needed time to build myself up for it thus I joined bKash a bit late. I was officially recruited on 1st September, 2020 as an intern. I was required to submit various personal documents when joining. Collecting them during the times of the coronavirus pandemic was very tough as it had to be done within 2 days. Once I submitted the documents, I was handed my laptop on 3rd September, 2020. Thus, I had to wait more two days to actually get an idea of my responsibilities and how to perform them. Once my supervisor had a meeting with me on 5th September, I was groomed for a week. Even though, my supervisor was grooming me, I had a hard time to understand the work as he was also busy with his chores. Additionally, as this is during the pandemic, the staffs worked on a roaster system which meant that I was the only one during the time. I was unable to get any help from the colleagues. In fact, to this date, I have not yet met some of them as during the Covid-19 we all work on a roaster routine so that there is contamination. Moreover, the laptop I was provided was not up to the mark as I could not perform tasks simultaneously.

Chapter: 3: Verification processes undertaken by mobile financial services (bKash) during pandemic situation in order to know their customers.

3.1 Background of Analysis:

KYC means to Know your customer and to meet your customer occasionally. KYC or KYC checks are the necessary method of defining and checking the customer's identity when an account is opened and regularly over time. Know Your Customer (KYC) procedures are important in evaluating customer risk and in dealing with anti-money laundering (AML) legislation. Efficient KYC includes understanding the identity of a client, its financial practices and its risks. Banks and businesses of all sizes have been KYC 's great backers. Banking and financial enterprises are one of the most dynamic customer relations markets. The threats of money laundering and terrorist funding are continuously confronting financial companies. By using widespread use of mobile banking, fraudsters continue to target vulnerable consumers, often illiterate individuals and people with little technical awareness. The scammers use masked text messages to draw people to their traps. According to the Bangladesh Bank, 18 banks currently offer mobile banking services together, with 99 percent of their market share in BRAC Bank's bKash and Dutch-Bangla Bank's Rocket. Bangladesh Telecommunications Regulatory Commission (BTRC) data show that some 65 lakh (6.5 million) transactions are carried out each day via mobile financial services. Law enforcement officers have confirmed that bKash and Rocket users are the primary targets of the scammers who manage in several attempts to steal their accounts. With masked SMS the fraudsters will send anonymous SMS to the mobile phone, instead of the original mobile number the receiver will see the name or number of the offenders selected.

Financial institutions, credit firms and insurance companies progressively require their clients to provide extensive data to ensure that they are not involved in corruption, bribery or money laundering. KYC involves authentication of ID cards, face verification, document verification, such as proof of address for electricity bills, and biometric verification. In order to limit fraud, banks must comply with KYC laws and anti-money laundering regulations. The responsibility for enforcement with KYC lies with the banks. Minoar Hossain Tanzil, Kona SL's Managing Director, informed Fintech that KYC is essential for any financial service provider worldwide to learn more about its customers. In a country like Bangladesh, the banks and the non-banking financial institution (NBFI) must maintain enormous paper works for a single client, often between 2 and 4 pages, as part of KYC. But due to the Covid situation, performing KYC offline has become a very tough as the government suspended all offices due to it.

Kona Software Limited (Kona SL), a South Korean smartcard maker's R&D wing, has launched the e-KYC provision in Bangladesh. Kona SL launched last year the e-KYC for Nagaad — the Bangladesh Postal Service's mobile financial service. In addition to Nagaad, Kona SL has been working on e-KYC with Dutch Bangla Bank Limited (DBBL). bKash started its journey with the e-KYC on 10 July, 2019.

In this method, an automated scanning process OCR is used to fill in the respective fields of the KYC type to obtain information from the NID. A photo is then taken by cell phone directly and all the information is merged with the database of the Election Commission. The device automatically logs the customer account and sends the confirmation message to the user and the new customer after proper verification.

The process of setting up an account through KYC does not only simplify the opening of the customer's account, it also ensures due diligence via correct customer details. Many MFS providers in various countries, including China's Alibaba, took advantage of KYC to build a

wide variety of important services. India's neighboring country could also make KYC more dynamic to its government services.

Through using KYC, consumers can be safer and have specialized services such as micro-credit, insurance and so on. In addition, real-time customer data monitoring is available in the event of any regulatory or service-related issue.

Agents, bKash Care, bKash Center, and distributors are now using this interactive app to register new customers. However, bKash aims to provide the customers with this solution so they can open accounts on their own.

3.2 Methodology:

This study contains all the details from primary and secondary research.

Primary sources:

- Work observation
- Interview with supervisor.

Secondary source:

- Websites of the organization
- Newspapers
- Publications and Journals

My supervisor, Mehmud Ashique Iqbal was a great help to me. Even though we did not meet a lot as we all worked on a roaster basis, he made sure I had all the information and the data for the report. We set up online meetings over Google Meet or Zoom calls whenever I needed. Along with this, I had to go perform extensive research and go through journals and websites to gather deeper knowledge about this.

3.3 Findings and Analysis:

The KYC for the general customers was shifted online thus even during this pandemic, new clients are able to open new accounts using the soft copy of KYC as well as the e-KYC. This has brought a revolutionary change in the mobile financial sector in Bangladesh. However, such is not the case for the commercial side. Commercial users receive a few privileges than the general users as they transfer a large sum of money at a time thus increasing the cash flow for bKash.

The KYC for the commercial clients is done in various steps. They are given below:

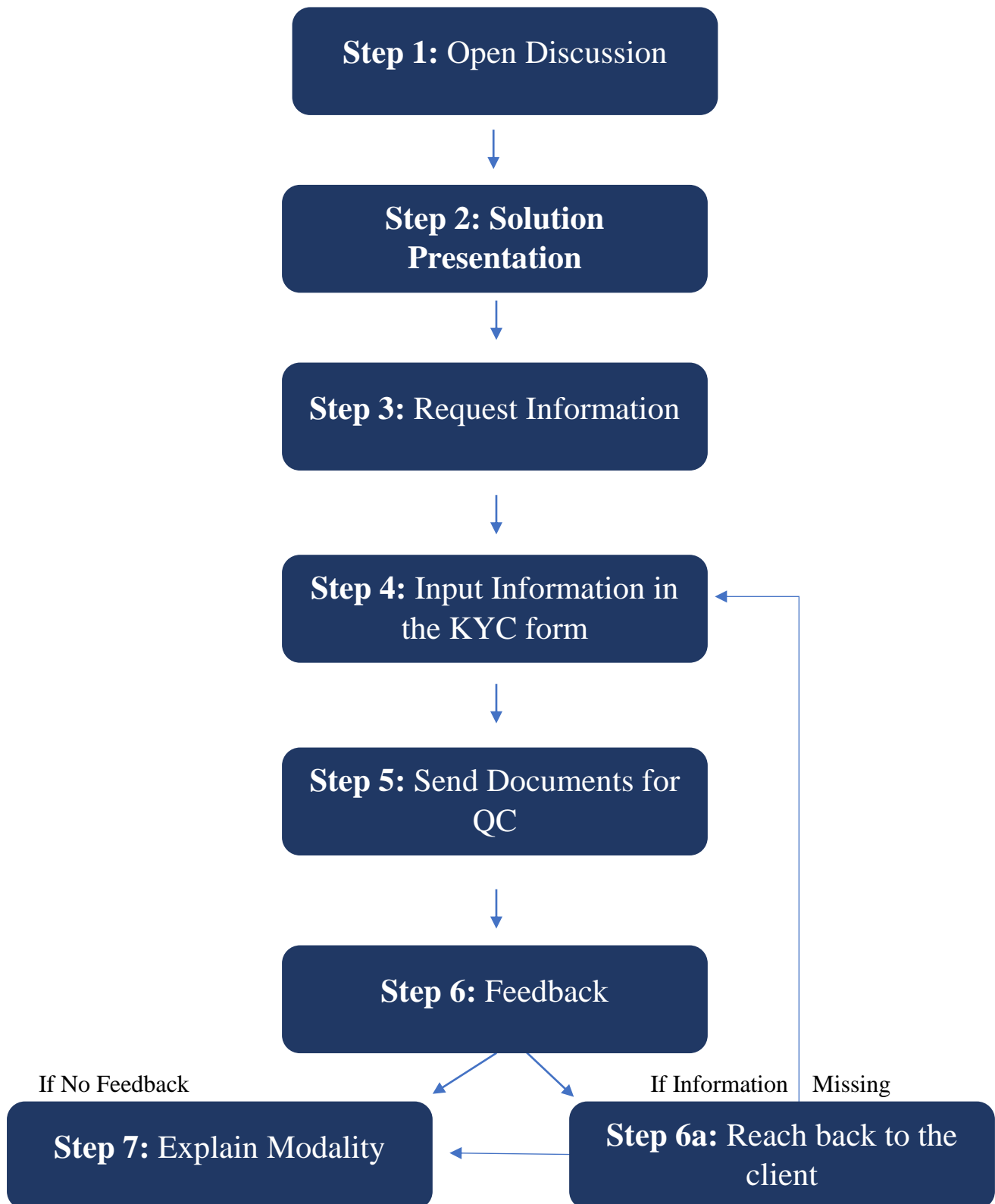


Figure 4: Step by Step Process of commercial KYC

Step 1 – Open Discussion:

The team of bKash identifies potential clients and reaches out to them with their services and explain them the great deal of ease the services of bKash can bring them once they opt for it.



Figure 5: Advantages of bKash Ltd.

An individual can make payments for revenue, bills, repayments ticketing, purchasing and any sort of payables through the services of bKash. Along with this, bKash serves 24/7 for collection of the funds in a secured and easy way. One can always be aware of their fund transfer in real time as confirmation is sent through dedicated portals giving the client confidence in the process. Most of the time, especially during the Covid-19, clients have kept rushing in. bKash has a huge client base in the commercial side who use the services for various big transactions such as payments of the clients, paying employee salary and even for savings. The services provided to such clients are quite sensitive. Thus, offline interaction is required for the KYC from the commercial side. During the Coronavirus pandemic, bKash has reached unreal heights. As the employees from all offices were sent home, the employers faced trouble disbursing them the salary. The Bangladesh government recommended the

employers and owners of such institutions to disburse the payment as soon as possible through the mobile financial services. Thus, the organizations reaching out to bKash has boomed drastically.

Year	2018	2019	2020 (YTD)
Business Volume (BDT)	6,313,387,057	7,365,875,953	10,952,437,778
Transaction Count	2,827,330	6,953,922	9,936,026

Table 1: bKash Business Value and Transaction Count

From the table, we can see the increase of volume in BDT of bKash. In 2018, the business volume was only BDT 6,313,387,057 which had a gradual increase in the year 2019 and stood at BDT 7,365,875,953 at the end of the year. But due to the increasing demand due to the coronavirus pandemic, within only 10 months of 2020 the business volume has stood at a whopping BDT 10,952,437,778, with two more months still to go. On the other hand, the transaction count has taken a huge boost up as well with the increase of the business volume. The transaction count in the year of 2018 was 2,827,330, which then had a steady increase to 6,953,922 at the end of 2019. But once again, due to the lockdown, everyone went cashless. In order to avoid contact with another person, people chose to pay through bKash, thus the transaction count increased to a mind blowing 9,936,026 with 2 months still to go of the year 2020.

Step 2 – Solution Presentation:

Once, the client is locked after several meetings and discussions, the clients are sent an authorization agreement. This agreement determines the person who will be acting as a liaison from the client side between the bKash and the company. There are two types of services one can opt for during this agreement.

They are:

1. General Collection
2. Disbursement

The general collection is where the client receives payment from various sources or from one source in order to save the credit for future transactions. The person working as the liaison from the client side approves of the payments coming in so that both parties can keep track.

On the other hand, disbursement is majorly maintained by the clients. The disbursement amount is decided upon discussion at the beginning of the month. Once the amount is stored in the bKash number, a higher official along with the liaison from the client company sign off the payment of salary to their employees as bKash disburses to each and every employee account. Usually, the cash-out from each account is 1.85% for a general bKash user, however, in such cases of large transaction of money the service charge is cut off upon discussion. The cut off rate for each client is not always the same rather this depends upon discussion and the amount of money to be disbursed monthly.

Date

Name:

Designation:

bKash Limited

Shadhinata Tower, 1,

Bir Sreshtha Shaheed Jahangir Gate,

Dhaka Cantonment, Dhaka.

Subject: Authorization Letter

Dear Concern,

We are glad to inform you that, in reference to the board meeting held in our office <<Office Address>> dated DD/MM/YY we <<Entity Name>> have decided to avail the disbursement solution of bKash limited (bKash).

For the purpose of disbursement of funds, the below mentioned persons are authorized to upload disbursement instruction in the “Disbursement portal access” and to approve such uploaded instruction on behalf of the company. Credentials of such authorized persons are as follows:

Authorized Persons	Name	Designation	Contact Number	E-mail address
Up-loader				
Approver				

For all sorts of queries and reports, please communicate to: _____@company.com

We hereby confirm and declare that any activity done by the aforesaid persons through the ‘disbursement portal’ shall be considered the activity done by and on behalf of <<Entity Name>>. <<Entity Name>> and the authorized persons shall be solely responsible for the security of the credentials of the disbursement portal. If <<Entity Name>> suffers any loss and/or damage due to the breach of security of the credentials and wrong input by the authorized persons, bKash shall not, in any way, be liable for such loss and/or damage. We also declare that we will keep bKash updated regarding any changes to such information and will provide any additional relevant information and documents as and when required.

Sincerely Yours,

Name of Signatory

Designation

Figure 6: Disbursement Agreement Form, bKash Ltd.

Step 3: Request Information

Once the agreement is signed, the client is asked is required to provide various documents to prove their and their business's legitimacy. Different set of documents are asked to be provided for different types of businesses. For example, an NGO is not required to provide a trade license where a commercial business had to provide it. Set of documents which are somewhat mandatory to be provided by all businesses are given below:

1. NID
2. Trade License
3. TIN Certificate
4. Bank Account Details
5. NGO Affairs Bureau Registration Certificate
6. BIN Certificate
7. Authorization Letter from the higher officials of an institution
8. Passport Size Pictures of the liaison
9. Rental Lease Deed
10. Ownership Deed
11. Certificate from Chairman
12. Incorporation Certificate
13. Article of Association
14. Memorandum of Association
15. Board Resolution
16. Copy of Utility Bills
17. Form XII

Once these documents are provided, the information of the above-mentioned documents are then cross checked with the national database to check for any fraud. There are various people

in Bangladesh who runs their business on fake documents and want to avail the services of bKash using those. However, if caught by the law enforcers, bKash would also be responsible for providing services to such frauds. Thus, the cross checking of the information is a major step that commercial division has to perform.

Step 4: Input Information in the KYC form:

This step is manually performed by the employees of the commercial division of bKash. Once the documents had been properly provided by the client and verified, the bKash agents carefully fill-up the confidential KYC form in order to get the procedure started. The KYC form is a 4 paged form where various detailed from the received document is to be copied by the bKash agent. The slightest of the mistakes during this step can create a chaos in the system. This is due to the fact that, even if one digit from the provided document does not match with the information written in the KYC form, the account cannot be opened.

Step 5: Send document for QS:

The KYC form after being filled up by the agent carefully is sent to the customer service department where they give it one last check for any fraud or any misleading information.

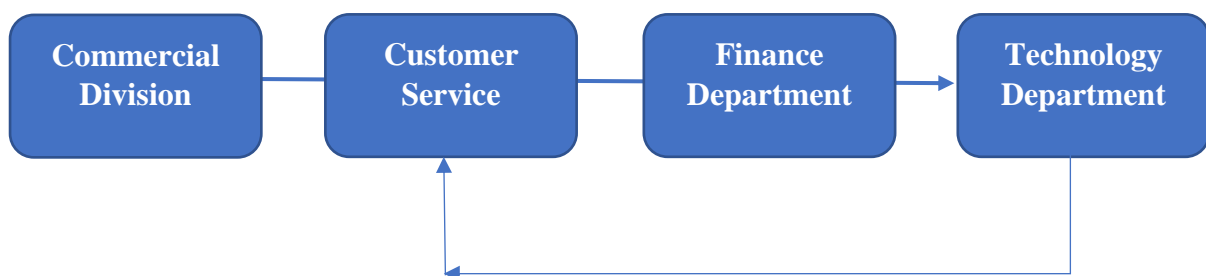


Figure 7: Lifecycle of a KYC Form

The customer service department is in constant communication with the commercial department for any updates. Once the QC is done by the customer service regarding the documents, they are sent to the Finance department where they check one more time for any financial frauds. If the finance department clears the documents, they are sent to the technology department where they create an account for the client through which they can use for transaction. Once the account is created, the customer service department is handed over the account by the tech department.

Step 6: Feedback:

The customer service department provide a feedback on the documents provided to them by the commercial department. The feedbacks constitute mainly of missing information, wrongly put information, etc.

Step 6a: Reach back to the client:

In case of any issues with the KYC form, the customer service department sends it back to the commercial department. The commercial department then again communicated with the client to provide further documents or for any queries. Many a times, the clients cannot provide a document resulting in the termination of their application. bKash is very strict with their policies where not having one document or having a legal issue with a document might end in termination of the request for the account also reporting to the legal authorities in case of any anomaly.

Step 7: Explain Modality:

Once all the formalities are completed according to the books, the client is officially able to use bKash services. However, it is very important he/she is groomed about o how the services work and how the person can benefit maximum from it. As a result, a bKash agent from the commercial department is asked to set up a meeting with the liaison from the client company.

In that meeting, be it online or offline, the bKash agent gives the client a hands-on experience on how to use the disbursement services or the general collection services. The agent ensures that the client had the concept completely in his/her grasp before ending the meeting. However, the clients do have the option to reach out to the agents in case of any queries or anomalies.

The agents explain the steps to the clients.

In case of disbursement, a fund is to be first deposited to bKash. They are given an uploading instruction where one can see the uploading of the fund. Once uploaded, the disbursement is to be done. Once the disbursement is done, a reconciliation message is sent to both parties to ensure the transfer the sum of the money.

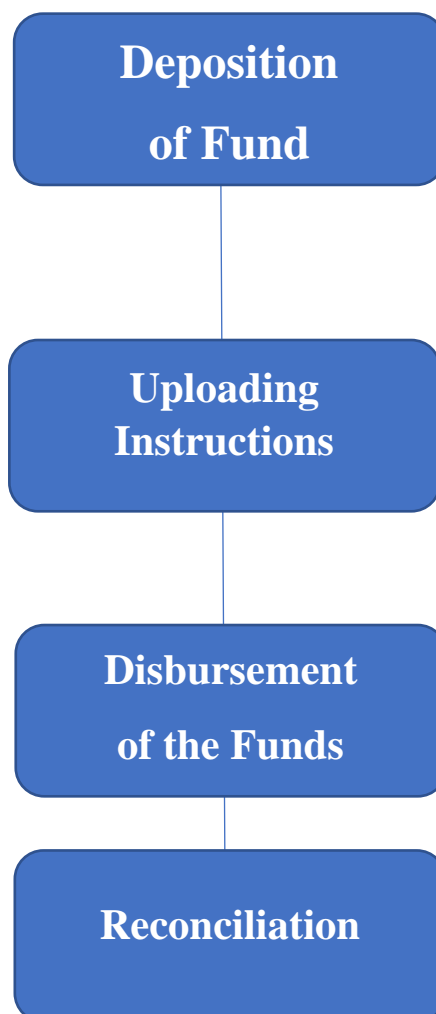


Figure 8: Disbursement Process of bKash Ltd.

In case of collection of the funds, bKash collects the fund from the client. The client has the liberty to pay within 24 hours of the bills. Then the fund is transferred to a portal which is updated every night after 12am.

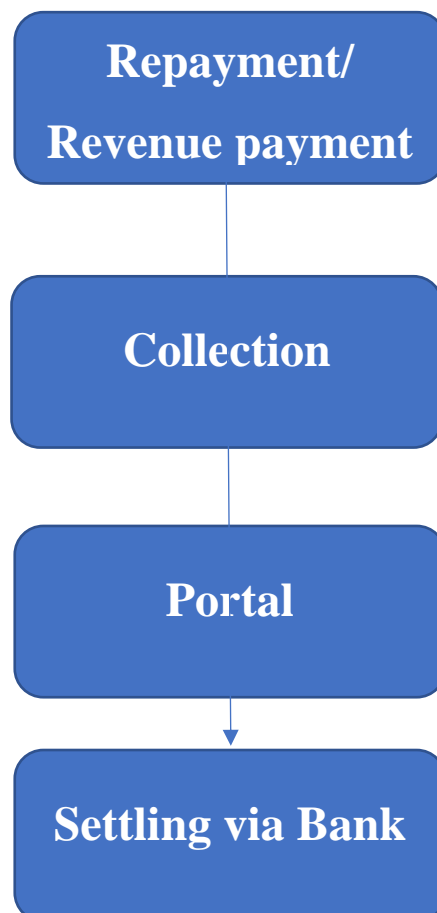


Figure 9: Collection Process of bKash Ltd.

3.4 Suggestions

After its first entry into the market, bKash limited has seen a lot of growth in mobile financial operating services. In order to cope with a rising number of clients and to bring their rising success to the next level, they should emphasize the precision and convenience of their clients'

registration processes. Keep this in mind, Digital KYC or e-KYC can be the next major step. The implementation of e-KYC would place several challenges and problems on the current bKash restricted service. There are few suggestions to ensure that the transition takes place smoothly. Firstly, the bKash limited must access a full database consisting of NID data to ensure the versatility and accuracy of data collection and to maintain data verification at the same time. This means that your customer is recorded in real time with their authentic details. Another suggestion is to provide thorough training in the latest digital registration process for the officers. In order to verify whether or not it is effective, e-KYC should be introduced in some specific areas before it is released on the entire market. Strict control should be carried out on how agents respond to this new development and how it is appropriate on the market. If the short-term results are satisfactory, then e-KYC should be introduced progressively to the rest of the industry.

The consumer recognition and opening of new consumer wallets is another significant recommendation. This can be achieved by a joint initiative with mobile network operators that can inspire consumers to open new wallet accounts. Although a large number of customers use the bKash wallet already, it will enable them to catch more customers and reduce the risks of launching this new technology. Finally, the transaction cap can be updated for consumers if possible and the transaction profile can also be enforced for a single transaction. This helps consumers to rely more on mobile financial service providers and to monitor their transaction information. It will draw more customers to use bKash limited services and grow the bKash business.

3.5 Conclusion

Currently, a country's overall growth depends heavily on technological progress. In the field of technology and modern science, bKash plays a vital role. It has all the qualities to enrich Bangladesh's digital marketing network. bKash Limited is rising beyond expectations of a Bangladeshi-owned company and redefining what it means in the international community to be a Bangladeshi company. But achievement is not just a climb and remain, it comes from ascending and scaling higher and higher peaks, and that's what bKash must do to continue and attain the objective of being an economic leader in Bangladesh and in the world in the financial field. By implementing e-KYC, they could only shift a few steps closer. It now includes payments of all of the country 's big online shops and brands. We can certainly hope that bKash will collaborate with foreign companies in the near future. With its moral values and deals to its customers, bKash leaves behind a positive footprint in society. Some citizens use their own bKash acct, even though they don't have a private bank account, this is a success story for bKash.

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