

Report on
Application of Proactive Planning for Optimizing the Recruitment
Process of bKash Limited: A Study on Enhancing Effectiveness

By

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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
June, 2023

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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 have acknowledged all main sources of help

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Letter of Transmittal

5 May, 2023

Dr. M. Nazmul Islam

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Subject : Submission of Internship Report

Dear Sir,

With due respect, I present the internship report: “Application of Proactive Planning for Optimizing the Recruitment Process of bKash Limited: A Study on Enhancing Effectiveness” as a prerequisite for completing my Bachelor of Business Administration degree. This report is based on my internship experience at bKash Ltd, which I completed between January 29 and May 28, 2023.

Gaining practical experience and bringing classroom theory into practice were the primary objectives of the internship. This report includes an in-depth account of my responsibilities as an intern, the knowledge gained, and the challenges I encountered throughout the course of the four-month period.

I would be glad to answer any queries regarding this report.

Sincerely yours,
Promity Tasneem
19104158
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Non - disclosure Agreement

This agreement is made and entered into by and between bKash Ltd. and the undersigned student at BRAC University.

Promity Tasneem

ID: 19104158

Acknowledgement

In order to successfully complete my internship report, " Application of Proactive Planning for Optimizing the Recruitment Process of bKash Limited: A Study on Enhancing Effectiveness" I would like to extend my heartfelt gratitude to those who helped and contributed.

I would first want to express my sincere gratitude to my thesis supervisor, Dr. M. Nazmul Islam, Assistant Professor at the BRAC Business School, for his unwavering support and prompt cooperation during the duration of my internship.

Second, I want to thank Md. Nowrose Farhan Chowdhury, my organizational supervisor, for his cooperation, help, and insight in aiding my learning during my internship.

I appreciate everyone's steadfast cooperation. This internship has been an indispensable learning opportunity for comprehending corporate culture, particularly in the area of human resources.

Executive Summary

This internship report includes an extensive description of my experience working as an HR intern for bKash Ltd.'s Product & Technology Division from January 29 to May 28, 2023, as part of the requirements for the Bachelor of Business Administration graduate degree at BRAC Business School, BRAC University. The objective of the internship report was to transform the classroom learnings into real-life experience, and having hands-on experience in the recruitment and selection process at a fast-paced MFS company like bKash Ltd. This study has been divided into various parts, including a company profile, competitive analysis of the MFS industry and the company, and an experimental recruitment model called “Proactive Planning”. bKash Ltd is one of the key players in the MFS industry of Bangladesh. Its HR practices emphasize much on the benefit of the employees, and recruitment of the most culture-fit applicants. Along with general organizational HR policies, suggestions for improving the internship experience were also included in this research.

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Chapter 1: Overview of Internship

1.1 Student Information:

This internship report is prepared by me, Promity Tasneem, student ID 19104158. I have completed a double major in Finance, and Human Resource Management under my Bachelor of Business Administration degree.

1.2 Internship Information:

1.2.1 Period, Company Name, Department, Address

bKash Limited is the first mobile financial service in Bangladesh, which came into action in 2011 as a subsidiary of BRAC Bank Limited, operating under the authority of Bangladesh Bank. Regarded as Bangladesh's first unicorn company, this mobile money system service company founded by Kamal Quadir started as a joint venture between BRAC Bank Limited, Bangladesh Government, and Money in Motion LLC, United States of America.

I joined the company through their Flagship Internship Program, "bNext Intern" for a tenure of 4 months, starting from January 29, 2023, to May 28, 2023, at their main office, Shadhinata Tower, situated in Jahangir gate, Dhaka Cantonment. I was recruited as an HR Intern, specifically designated to the recruitment sector, of the Product & Technology Division, which also happens to be the company's largest division.

1.2.2 Internship Company Supervisor's Information

During my four months of internship, I had the opportunity to work under the mentorship of my organizational supervisor, Mr. Nowrose Farhan Chowdhury, who is currently designated as Manager, Talent Acquisition, Human Resources Division.

1.2.3 Job Scope

As an HR intern working with a recruiter, most of my assigned duties concerned the entire recruitment process, starting from Job Posting to following up with the selected candidates and contributing to their onboarding. My sequential job description is as follows:

- **Job post and promotion:** After receiving requests from managers of teams for hiring, I had to create a draft according to the specific JD for posting on bdjobs.com and LinkedIn. Upon approval from the hiring manager, my supervisor would publish the post.
- **CV Sorting:** As the deadlines approached, we would receive a plethora of CVs. Initially, I observed the process of CV sorting to comprehend the qualifications of an eligible CV. Later on, as I had more experience, I would also voluntarily assist my supervisor to sort CVs collected from different job fairs held at universities.
- **Interview Calls:** After the CVs were shortlisted, I was responsible for calling the interviewees, making drafts for their invitation mail, and checking up on them on the day of the interview.
- **Coordinating interviews:** This was the task to which I had to dedicate most of my time. I was responsible for ensuring the interviewees arrived on time, punching them in and out of the building. For my part, I always tried to greet them cordially to make them at ease before an interview.

- Selection follow-up: After the list of the selected candidates was received, I was responsible for making a draft mail, asking for the important documentation required for further proceedings. I also had to follow up with the candidates to make sure they were sending the required documentation on time.
- Maintaining Tracker: This was the task that I had to religiously update every day of my tenure. The tracker is an Excel sheet consisting of all the candidates who appeared for an interview, and a separate tab for those who got selected. For the selected candidates, I had to constantly monitor their progress through negotiation to their information being uploaded in Oracle, to finally join.
- Managing Scorecards: As per the company policy, each selected candidate is to have a set of three scorecards obtained from the interview board. As the scorecards were hard copies, I was in charge of collecting them from the interviewers, making two copies of each, scanning them, and filing both the hard and soft copies.
- Onboarding: The candidates had to submit the necessary paperwork after being selected. I was in charge of communicating with the candidates up until onboarding to make sure the necessary documents were submitted without any issues. Before onboarding, documents like scorecards are also required, and it was my responsibility to make sure they were obtained from the interview panel in due time.

1.3 Internship Outcomes

1.3.1 My Contribution to the Company

I believe my contribution lies in organizing and updating some crucial documents. For example, when I joined, I found the Tracker, which is a crucial tool, to be not updated. During my four months tenure, I had made it my mission to constantly keep the tracker updated and make it as

convenient as possible. I have also prepared a delineated draft of the mail asking for all the required documents for the selected candidates, which was approved by the supervisors, and was later incorporated in the official mail sent to the candidates.

However, I believe one of my major contributions was conducting a written exam of 70+ candidates single-handedly in two separate rooms in the absence of my supervisor during the initial days of my internship.

1.3.2 Benefits from the internship program

As a student with no prior practical experience in the corporate world, I would say the advantages I have received are salient. Following are the advantages that I believe will help me in my professional life ahead.

- **Communication:** Being someone more inclined towards face-to-face interaction, my internship has made me more confident in terms of telephone communication. I am now more aware of the proper use of tonality and demeanor required for phone communication, and I believe it is crucial for someone willing to work in the field of HR. For the purposes of inviting candidates to interviews, requesting documents, etc., I had to call approximately 500 candidates during my tenure. I had to work with a variety of candidates along the way; some were simpler to deal with than others, and many were quite difficult to communicate with. My understanding of psychology and how to communicate effectively with different people has improved as a result of my wide range of experiences. In addition, I think that overall communication skills have improved considerably now that I am aware of the decorum expected in a professional setting. Furthermore, I feel more comfortable now initiating a conversation with senior people.

- Time management: There were days on which we had to complete several tasks in a limited time. This has taught me to manage my time better by categorizing the tasks based on their priority. This was further put into practice during the month of Ramadan when we had to complete a series of tasks in a short time.
- Assertiveness: Working on important documents and coordinating multiple interviews have increased my confidence and independence, which I believe are crucial for performing any task in life.
- Networking: During my four months of internship, I have had the opportunity of communicating with various professionals at bKash, which I believe will be helpful in the future. However, the credit also goes to the very approachable employees who were always willing to attend to our queries.
- On-the-job training on recruitment and selection process: During my internship, I had the opportunity of receiving on-the-job training on the recruitment and selection process. During this time, I learned the finer details of various steps, from drafting engaging job descriptions to screening CVs, conducting interviews, negotiating with candidates, and onboarding. I also discovered the best ways to use various job portals to draw in qualified candidates. Additionally, I grasped the ways and importance of finding candidates who match organizational objectives and align with organizational cultural fit when making hiring decisions.

All in all, my internship experience at bKash was rewarding, and I have had the opportunity to improve myself, both personally and professionally.

1.3.3 Difficulties faced during the internship period

Although my internship was enjoyable principally, some factors should be addressed.

- Lack of accommodation: Despite of being the biggest batch of interns, unfortunately not enough seats were arranged accordingly in our floor. As a result, most of the interns had to wait for their turn to manage an empty chair.
- Lengthy training: Even though the idea of initiating an internship with orientation is worth appreciating, its effect seemed somewhat reduced due to its long duration. We had to spend the first two days in virtual training to have a better understanding of bKash and MFS in general. I think if the training were made more engaging and compressed with information relevant to Bangladesh's context, the orientation would have been more effective.

1.3.4 Recommendations on future internships

Based on my personal experience, I would recommend bKash the following for an even better experience for the forthcoming interns:

- I believe the interns' efficiency will be increased further if ample seating arrangements are made closer to their respective supervisor's cubicles. This will improve communication between the supervisor and the intern and enable prompt resolution of any issues.
- bNext is a much sought-after internship program and consists of numerous rounds. It is a highly-selective process where thousands of students apply. I feel that bKash should consider sending regret mail to the applicants who are not qualified for the next round. Being one of the most popular employers currently, I believe this gesture shows that you are respectful to everyone who shows interest in the company.

Chapter 2: Organization Part

2.1 Introduction

bKash is the brainchild of the Quadir brothers, Kamal Quadir and Iqbal Quadir. In search of a local investor, they negotiated with Sir Fazle Hasan Abed, the founder of BRAC from 2008 to 2010. In 2011, bKash started its journey as a joint venture between BRAC Bank Bangladesh and Money in Motion LLC, a US-based financial service company offering rudimentary services such as Cash In, Cash Out and Send Money. International Finance Corporation (IFC) joined the company as an equity partner in 2013, Bill & Melinda Gates Foundation invested in the business in 2014, and in 2018, Ant Financial, the company that operates Alipay, announced a strategic alliance to support financial inclusion for Bangladesh's unbanked communities. Within a decade of its launch, in 2021, bKash became the first Bangladeshi Unicorn Startup to be evaluated at more than \$1 billion market value.

2.2 Overview of the Company

Established in 2010, bKash Limited is one of Bangladesh's top mobile financial service providers. It is a subsidiary of one of the biggest private commercial banks in the country, BRAC Bank Limited. The business allows access to customers through mobile wallets, meaning customers can use their phones to make payments like money transfers, bill payments, and making online and offline purchases.

According to their website, bKash has more than 250,000 bKash Agent Accounts, enabling a clientele of an astounding 60 million people to transfer money, pay bills, and save. Moreover, the company provides solutions for entirely electronic self-registration e-KYC, Digital Nano Loans

from Banks, e-Ticketing, Donations, Business Dashboard, and the ability to facilitate payments for freelancers, which are just a few of the features available.

bKash's third quarter of 2022 saw a 28% increase in net revenue year over year to Tk 857.84 crore and a Tk46.54 crore rise in net profit, according to Tuhin (2022). The Asia's Best Employer (2017) by Employer Branding Institute - India, the Fintech Award (2021) presented by Bangladesh Brand Forum, and the Asiamoney 'Best for Digital Solutions in Bangladesh 2022' Award are just a few of the accolades that bKash has received for its breakthrough and technological contributions to Bangladesh's economy.

2.2.1 Mission Statement

The very core of bKash is financial inclusion. To offer financial independence to people from all walks of life, bKash has been delivering an extensive spectrum of services to provide financial independence to ensure safe transactions for the people of Bangladesh with the help of mobile devices (Huda,2014)

2.2.2 Vision

The vision of bKash till 2022 was to set benchmarks globally for financial inclusion while enriching people's lives by offering a wide range of services. However, bKash is said to publish a revised vision in 2023.

2.2.3 Core Values

The five pillars that bKash stands on are:

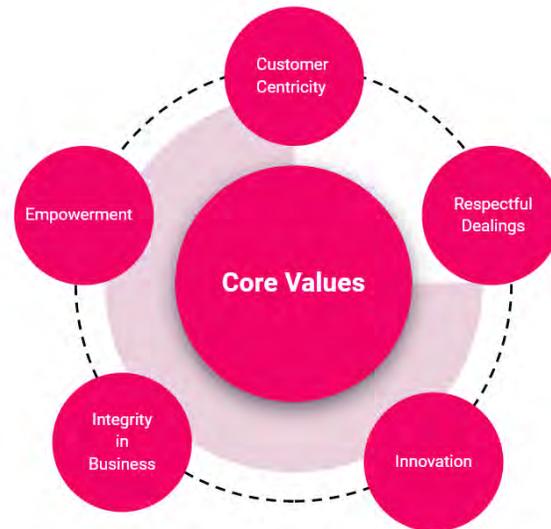


Figure 1- Core Values of bKash

2.2.4 Services

The services offered by bKash are:

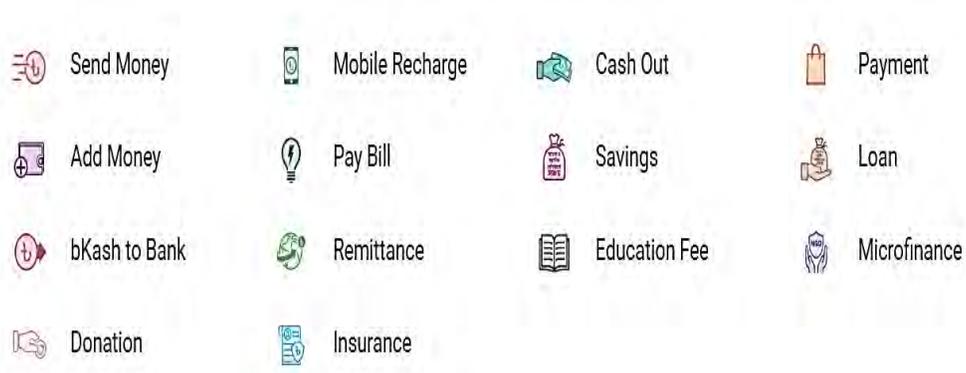


Figure 2- Services offered by bKash

2.2.5 Board of Directors

The very core of the organization is led by the board of directors as mentioned below:



Figure 3- Board of Directors of bKash

2.2.6 Partners

The business partners of bKash are:



Figure 4- Business Partners of bKash

2.2.7 Divisions and Departments

bKash has a total of 10 divisions, which are again subdivided into several departments and further into teams. The divisions are:

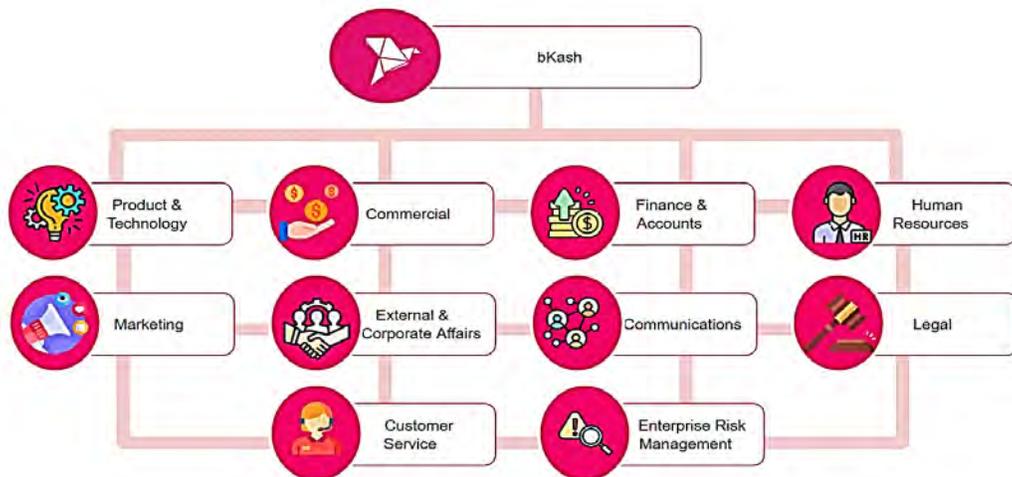


Figure 5- Divisions of bKash

2.2.8 Functional Hierarchy

The organization's hierarchy is as follows:



Figure 6- Functional Hierarchy of bKash

2.3 Management Practices

2.3.1 Leadership style

According to Somech (2010), participative decision-making is a structured engagement method that involves direct group interaction in taking major organizational decisions. A closer examination of bKash's leadership style reveals that it is participative, which some may even refer to as democratic. bKash always makes sure that teams within each division work together to achieve established goals. Because of this, having a strong sense of teamwork is frequently emphasized in job postings. Also, this is evident during performance reviews, which enable open dialogue between the employee and the supervisor regarding grades.

2.3.2 Recruitment and Selection

The recruitment and selection procedure at bKash is stringent in order to find the cream of the crop. For routine positions, the hiring process begins with the submission of a Resume and continues with two or more interviews. Candidates for technical employment may also need to take several Tech Interviews or coding exams. Candidates must pass a series of challenges before being accepted into flagship programs like bNext or GenNext, including an aptitude test, an initial interview, an elevator pitch, a presentation, a focus group discussion, final interview, etc.

2.3.3 Compensation System

One of the major reasons of bKash being the current top employer is its attractive compensation and benefits package. One such benefit that makes bKash stand out is extending medical allowance to the parents of the employees, along with their spouses and children. The benefits include:

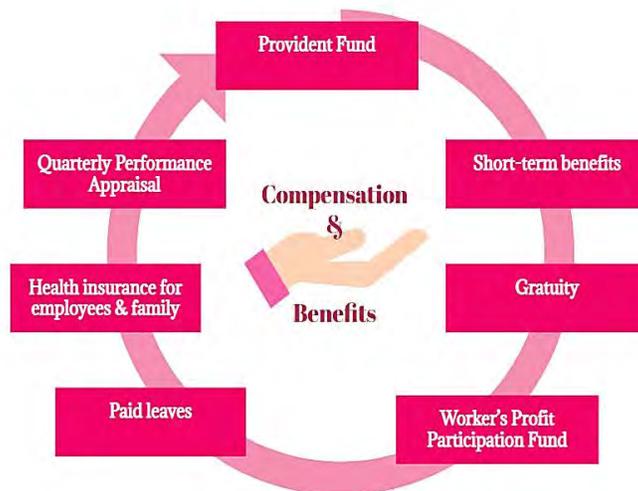


Figure 7- Compensation & Benefits offered by bKash

2.3.4 Training and Development Initiatives

The development of its employees' skill sets is a priority for bKash. With a view to building an efficient workforce, bKash launched “b. Academy” in 2022. This program provides employees with training on data analytics, project management, innovation, etc. from local and global experts.

2.3.5 Performance Appraisal System

Performance Appraisal is done annually, usually towards the end of each year. This is a rigorous process and the performance of employees is scrutinized, based on which they receive a bonus.

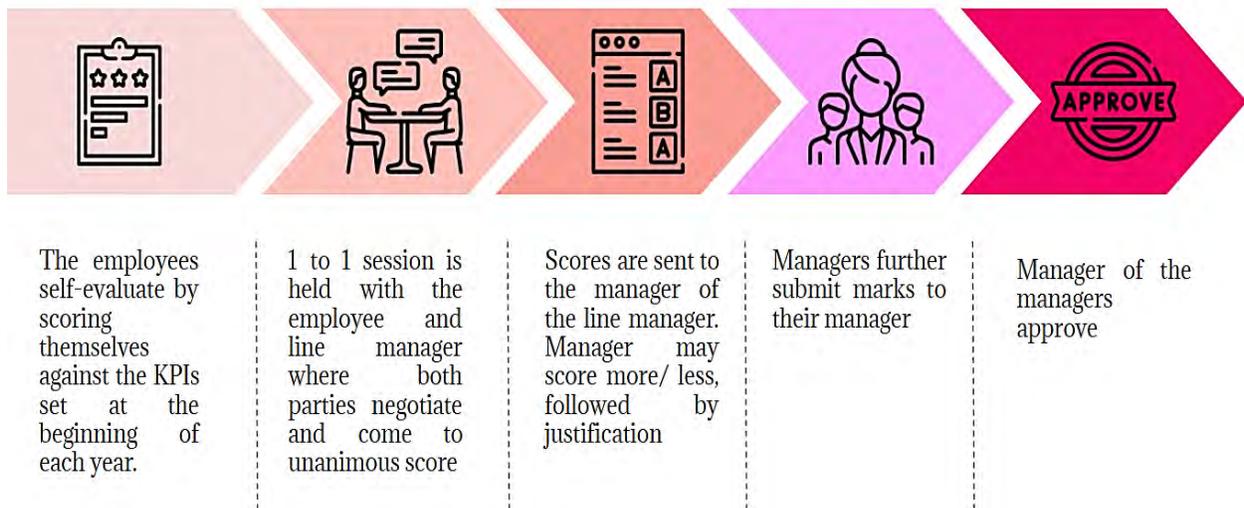


Figure 8- Employee Performance Appraisal Practice of bKash

2.4 Marketing Practices

2.4.1 Marketing Strategy

One of the core values of bKash is “customer centricity” and its mission is to ensure financial inclusion and financial independence. Therefore, bKash targets a huge sect of customers, be they from rural or urban areas. We can identify its marketing strategy using the 4Ps method.

- **Product** - Being an MFS company, the main focus of bKash lies in providing the best service to the customers. bKash allows a number of services, such as Mobile recharge, Cash In/Out, Add money, Pay bills (Internet, Credit Card, Insurance, Utility, etc.), Education fees, Donation, etc.
- **Price** - bKash aspires to offer competitive pricing to their services. Here is a table of the charges offered on some of the most popular bKash services, as retrieved from bKash's website.

| bKash Charges | Service | Send Money | Cash Out (Agent) | Cash Out (ATM) |
|--------------------------|---------|--|---|---|
| Priyo Account | | <ul style="list-style-type: none"> • Tk.100 - Tk. 25,000 -- No charge • Tk. 25,000 - Tk. 50,000 -- Tk. 5 • >Tk.50,000 -- Tk. 10 | <ul style="list-style-type: none"> • Tk.50 - Tk. 25,000 -- Tk.14.90 per Thousand | |
| Non-Priyo Account | | <ul style="list-style-type: none"> • Tk.0.01 - Tk. 15,000 -- No charge • Tk. 25,000 - Tk. 50,000 -- Tk. 5 • >Tk.50,000 -- Tk. 10 | <ul style="list-style-type: none"> • Tk.50 - Tk. 25,000 -- Tk.0.93 per Tk. 50 | <ul style="list-style-type: none"> • Tk.3000 - Tk. 25,000 -- Tk.44.70 increases simultaneously with cash out |

Table 1- Charges offered on bKash's popular services

- **Place** - Since bKash believes in financial inclusion for people of strata of society, it has to ensure that its services are available to the mass people. With this view in mind, bKash has expanded to over 300,000 agents and 300,000 merchants across Bangladesh, according to

its website. It has also collaborated with several banks, financial institutions, service providers, etc. to ensure its ubiquity.

- **Promotion** - bKash excels in creating brand names through extensive promotion. Be it television commercials, posters, billboards, or newspaper ads, bKash utilizes them all. Moreover, bKash is involved in Corporate Social Responsibility (CSR), such as donations to Ekushey Boimela for buying books for underprivileged children, which also acts as a great promotional strategy.

2.4.2 Target customers

The initial target customer of bKash were rural people. With its increasing demand and convenience, people in urban areas including every socio-economic class use bKash.

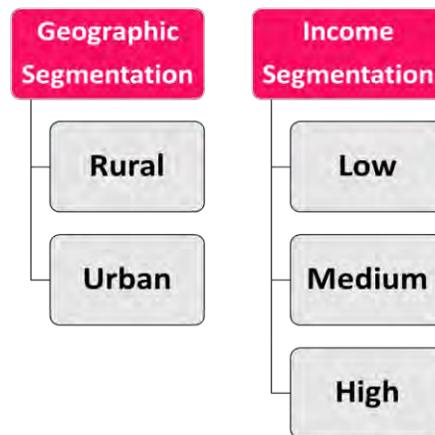


Figure 9- Target Customer Segmentation of bKash

2.4.3 Marketing channels

bKash's marketing or distribution channel mostly relies on its scattered disbursed merchants, territory officers, and field agents throughout Bangladesh. Customer service through telephone and customer care points are also present for ensuring consistent service.

2.5 Financial Performance and Accounting Practices

The financial performance of bKash from fiscal years 2019-2021 are interpreted below using the following ratios:

2.5.1 Current Ratio

| Current Ratio | | | |
|----------------------|--|-------------------------------|---------------|
| Fiscal Year | Formula | Calculation | Result |
| 2019 | Total Current Assets ÷ Total Current Liabilities | 46,606,997,462/38,988,615,104 | 1.20 |
| 2020 | | 57,301,026,836/51,480,474,157 | 1.11 |
| 2021 | | 88,499,445,819/62,928,023,360 | 1.41 |

Table 2- Current Ratio Calculation (2019-2021)

Interpretation: Current ratio denotes the ability of a company to meet its present obligations in a due course of one year. Usually, a current ratio of 1.5 to 3.0 is considered good for the company (Kibet, 2022). From 2019-2021, bKash has fallen short of 1.5, which means it may not be fully able to repay its short-term liabilities with its current assets.

2.5.2 Total Asset Turnover

| Total Asset Turnover | | | |
|-----------------------------|--------------------------------------|-----------------------------------|---------------|
| Fiscal Year | Formula | Calculation | Result |
| 2019 | Revenue ÷ Average Total Assets | 21281314893/ 49305101898 | 0.43 |
| 2020 | | 23070852573/ 61355783366 | 0.38 |
| 2021 | | 27,945,227,942/ 94,516,796,667 | 0.30 |

Table 3- Total Asset Turnover Calculation (2019-2021)

Interpretation: bKash has had a declining total asset turnover which indicates it has been generating lesser money per Taka of the asset it has. In 2019 it generated Tk. 0.43 for every Taka in assets, which is reduced to Tk. 0.38 in 2020 and eventually to Tk. 0.30 in 2021.

2.5.3 Net Profit Margin

| Net Profit Margin | | | |
|-------------------|--------------------------------|-----------------------------------|--------|
| Fiscal Year | Formula | Calculation | Result |
| 2019 | | $(-625146478)/21281314893 * 100$ | -2.94% |
| 2020 | Net Profit after Tax ÷ Revenue | $(-813964599)/23070852573 * 100$ | -3.53% |
| 2021 | | $(-1172858107)/27945227942 * 100$ | -4.20% |

Table 4- Net Profit Margin Calculation (2019-2021)

Interpretation: In 2019, for every 100 Tk earned by bKash Limited, it incurred a loss of Tk.2.94 and Tk. 3.53 in 2020. This trend followed in 2021 too, as it incurred a higher loss amounting to Tk. 4.20 with every Tk. 100 earned. This could be attributed to the Covid pandemic in 2020 and expenditures for business expansion and promotion.

2.5.4 Return on Equity

| Return on Equity | | | |
|------------------|-----------------------------------|---|--------|
| Fiscal Year | Formula | Calculation | Result |
| 2019 | Net Income Shareholders equity | $(-625146478 / (10083633322)) * 100$ | -6.20% |
| 2020 | | $(-813964599 / 9269668723) * 100$ | -8.78% |
| 2021 | | $(-1,172,858,107 / 30,427,030,067) * 100$ | -3.85% |

Table 5- Return on Equity Calculation (2019-2021)

Interpretation: Positive ROE means that the company is generating profit from its existing assets. From 2019-2021, bKash had a negative ROE, indicating the company incurred a loss. The loss incurred was the highest in 2020 and somewhat recovered in 2021.

2.5.5 Return on Equity (DuPont)

| DuPont Analysis | | | |
|-----------------|--|---------------------------|--------|
| Fiscal Year | Formula | Calculation | Result |
| 2019 | Net profit Margin * Total | $(-2.94\%) * 0.43 * 4.89$ | -6.20% |
| 2020 | Asset Turnover * Equity Multiplier= | $(-3.53\%) * 0.38 * 6.62$ | -8.78% |
| 2021 | ROE | $(-4.20\%) * 0.30 * 3.11$ | -3.85% |

Table 6- DuPont Analysis (2019-2021)

Interpretation: Here, DuPont analysis matches with the calculated ROE, which further confirms that the company incurred losses from 2019-2021.

2.6 Operations Management and Information System Practices

bKash uses Oracle, an Enterprise Resource Planning (ERP) system, which provides integrated solution such as facilitating Supply Chain Management, HR formalities, employee information, etc. This system was incorporated to make the organization more efficient, but also to ensure transparency among shareholders and stakeholders. One of the major reasons for using Oracle is to comply with global standards, since many international companies use platform to ensure agility, reduced error, and greater security (Why Choose Oracle Cloud Applications?, 2020)

2.7 Industry and Competitive Analysis

To assess the external and internal competitiveness of bKash Limited, I have conducted Porter's Five Forces analysis and SWOT analysis respectively.

2.7.1 Porter's Five Forces Analysis

Porter's Five Forces model analyses the five forces that influence an industry and highlights the level of threat in terms of industry competition, the potential of new entrants, the bargaining power of suppliers and customers, and the possibility of substitute products. Here, an analysis of Bangladesh's MFS market has been conducted.

- **Threat of new entrants** - According to the Bangladesh Mobile Financial Services (MFS) Regulations, 2022, for new entrants to the MFS industry, scheduled commercial bank(s) or financial institution(s), or Government Entity shall have to form a subsidiary, and at least 51% of the equity of the MFS-providing subsidiary should be owned by a single bank,

financial institution, or government entity, known as the parent bank, financial institution, or government entity respectively. Furthermore, in accordance with the regulation, a subsidiary model-based MFS provider must have at least Bangladeshi Taka 45 crore in paid-up capital. In addition to that, to reduce risks, a cushion of capital reserve equal to the paid-up capital will need to be accumulated from retained earnings at a rate of at least 10% of yearly after-tax profits. Due to such strong government regulations the threat of new entrants for bKash is low.

- **Threat of substitutes** - People from all walks of life in Bangladesh have become dependent on mobile financing over the past ten years. It is practical, reasonably priced, and easy to use. People in rural areas with less access to technology have even come to appreciate MFS because it makes it simple to save money and send money home. Given all these benefits, it is highly unlikely that a replacement will pose a short-term threat to the expansion of MFS. Therefore, the threat of substitutes is deemed to be less.
- **Bargaining power of buyers** - As previously mentioned, Bangladesh is home to a number of successful MFS businesses. Many even outperform bKash in terms of cost, with Nagad charging the lowest cash-out fee of Tk. 9.99 per thousand taka and Upay expanding quickly. Moreover, the customers have low switching cost, since these companies offer similar services. Customers have a high bargaining power, allowing them to choose another MFS provider over bKash.
- **Bargaining power of suppliers** - The success of bKash depends greatly on its collaboration with different banks and telecom companies. Just looking at it from that angle, it is clear how important supplier is to bKash. Due to its popularity and convenience, bKash has established itself as an omnipotent mobile banking platform, and even small

grocery stores accept payment from bKash much more frequently than other MFS platforms. With these two factors in mind, it can be said that suppliers have a moderate amount of negotiating power.

- **Rivalry among existing companies** - Even though bKash entered the MFS market first in 2011, other businesses in the sector are quickly catching up in terms of service fees, brand partnerships, customer base, etc. As an example, the 2019-launched app Nagad has amassed 7.43 crore users in just four years (Nagad Acquiring over 50,000 Customers per Day, 2023). As a result, it can be said that competition among established businesses is intense, and bKash must keep innovating to stay on top.

2.7.2 SWOT Analysis

SWOT analysis is conducted to assess a company's position within its industry. In order to strategically identify areas for improvement and competitive edge for a company, internal factors such as strengths and weaknesses and external factors such as opportunities and threats are taken into consideration. The SWOT analysis for bKash Limited is as follows.

Strengths -

- First-mover advantage in the MFS industry in Bangladesh
- Has a strong brand image and widespread popularity
- Has a huge customer base, including every geographic area and socioeconomic class
- Has a wide network coverage including about 300,000 agents, 300,000 merchants, and partnerships with various Telecommunication companies, banks, and brands.

- bKash has several key market players for investors such as the International Finance Corporation of the World Bank Group, Bill and Melinda Gates Foundation, BRAC Bank, etc.

Weaknesses -

- Trust issues of some potential customers due to fraudulent activities
- Higher transaction fee compared to other MFS companies

Opportunities -

- Since bKash aspires to have financial inclusion, it has a huge customer pool to work with, be it in the rural or urban areas or any socioeconomic group
- With online shopping on the rise, payment through bKash is thriving
- Since bKash has enrolled RMG as their payroll service, it can open the door to many opportunities
- It is easier for bKash to expand its inclusive customer pool with more people in Bangladesh being used to using smartphones

Threats-

- New entrants to the MFS industry are gaining popularity rapidly, and some even offer more attractive features such as lower transaction fee
- A large group of people is actively involved in swindling money from bKash, which could harm its brand image

To eradicate its weakness in trust issues in people and higher transaction fees, bKash can utilize its strong brand image and vast network. The majority of people with trust problems have little confidence in the very foundation of electronically transferred money. bKash can use a variety of channels, like advertisements and promotional events, to inform the public about the security of its transactions and the basis for its goodwill. To ensure the higher transaction fee does not pose a threat, bKash can utilize its vast network of merchants. bKash can offer exclusive discounts, cashback incentives, and attractive features to its users, thereby reducing the impact of transaction fees. These initiatives will not only improve customer satisfaction levels but also display bKash's commitment to offering its user base value-added services.

One of bKash's major opportunities is that it enables payroll services to RMG companies, manufacturing companies, and corporations. This gives bKash a competitive edge against other growing MFS companies. Moreover, to warn people against fraudulent activities, bKash may use advertisements and promotional events, as mentioned before.

2.8 Recommendations

Based on the observations made in this chapter, I have the following recommendations for bKash:

- They should provide more training on the use of Oracle. From my personal experience, many employees still struggle to get hold of the software, which often compromises their efficiency
- Since the other MFS businesses offering comparable services have the competitive advantage of offering a lower service charge, Bkash should concentrate on reducing its service charge
- bKash should introduce more impervious security to control theft and swindling of money

2.9 Conclusions

Even though it is only a little over a decade old, bKash has achieved unprecedented success despite being the first Bangladeshi company in the MFS industry. One of the key elements to its success as an employer is its participative managerial structure. The employee appraisal system, which enables managers and employees to discuss ratings, further exemplifies this. It is also evident from the comprehensive package of pay and benefits that bKash provides. In order to keep its employees competitive in the market, bKash provides training.

In terms of marketing strategy, bKash spends a lot on TVCs, banners, pop-up ads, etc. Even though bKash has been operating at a loss for the last 3 years, it can be accredited to its expenditure required in expanding the business further.

In conclusion, it can be said that bKash is a potentially successful business, but in order to maintain a competitive edge in the face of increasing competition, it will need to consistently roll out new, cutting-edge services.

Chapter 3: Project Part

3.1 Introduction

3.1.1 Literature Review

Recruitment and selection are defined by Price (2007) in his book “Human Resource Management in a Business Context” as the process of identifying and enticing qualified candidates for the job in question. According to him, as the competition in the industry rises to hire only the best candidates, so does innovation in management decisions in finding the most suitable culture-fit candidate. This often leads to the common practice of shortlisting candidates the management finds most suited for the role. However, for growing companies like bKash, which operates in the Telecommunication sector and requires technologically sound candidates, this process might not be too easy.

In Bangladesh, people in rural areas can now navigate financial services thanks to Kash Limited, which has increased savings, investment, and entrepreneurship, according to a study by Alam et al (2019). According to a study by Haque et al. (2020), the contribution is not just limited to rural areas. It also appears that bKash has assisted SMEs in growth, which has increased their earnings and profitability. From a company like bKash which has been named the top 'Employer of Choice' consecutively in 2020, 2021, and 2022 by NielsenIQ (*BKash Becomes “Employer of Choice” for 3 Years in a Row*, 2023), expectations are high from candidates regarding the seamless recruitment and selection process. Even though there have been some papers published regarding the effectiveness of the recruitment and selection process at bKash, I have decided to focus my paper on the results of the experimental project on three departments out of the eleven in the “Product and Technology” division, which I have conducted with the aid of my supervisor.

3.1.2 Objective

The primary objectives for the report are:

- To comprehend the recruitment and selection of bKash Limited
- To analyze the effectiveness of the process
- To analyze the feasibility of the proposed “Proactive Planning”
- To provide recommendations for more coherent recruitment and selection

3.1.3 Significance

This report is done with the objective of analyzing the pros and cons, feasibility and effectiveness of the “ Proactive Planning” in making the recruitment process more convenient.

3.2 Methodology

Most of the information used to gather statistics, prices, and analyze financial performance is sourced from secondary data. However, the details about compensation packages, managerial systems, and so forth are based on personal observation. Moreover, the information supplied to plan the Proactive Tracker is also primary data.

3.3 Findings and Analysis

3.3.1 Proactive Planning

My project's focus, as its name implies, was on developing an experimental framework to make sure that the "Product and Technology" Division can proactively seek out qualified people months before they join. The primary motive for doing this is to minimize the last-minute search for qualified applicants, which frequently leaves little time for the recruiter to do a thorough search. Additionally, it takes time to find these individuals because the departments under P&T typically

target a niche pool of candidates in the Bangladesh context, namely people who are technologically advanced, have sufficient business and MFS industry knowledge, are culture fits, and are team players. Previously, recruiters did not have enough time to find every attribute in the applicants who applied for the relevant job openings.

This is where Proactive Planning comes into play. In this model, actively looking for candidates in LinkedIn with all of the qualities mentioned played a vital role. My supervisor would reach out to some of the most promising candidates on LinkedIn and inquire about their interest in a particular position or division. If they were, we would gather their resumes and submit them for the hiring manager's consideration. Keeping a candidate pool ready in advance serves the objective of saving time during real recruitment.

Additionally, most selected applicants quit after being hired by another company. Consequently, the candidate's notice period costs the new company two to three months. So that our timing would match with the notice period, we began recruiting people a few months before our actual opening. Saving time while actively seeking and hiring best-fit individuals is the major goal of proactive planning.

3.3.2 Proactive Planning Process

We designed this model in a way that would make it easier for us to follow step up step while keeping up with the respective hiring managers. The model is demonstrated below

1. Collection of Resource Plan:

As the model is still in the preliminary stage, we decided to apply it to 3 out of the 11 departments, namely “Solution Architecture & Planning”, “Data Science & Engineering”,

and “ Software Research & Engineering”. The main reason behind selecting these three is that these divisions specifically require people who are technologically exceptional. Using this model gave us enough time to tap into the niche market and look for potential candidates in advance.

We communicated with the respective hiring managers to supply us with the Resource Plan. A Resource Plan refers to the elaborate list of the estimated number of candidates required for each team under the departments throughout the year. The JDs are also attached to it.

2. Approval of Resource Plan:

After collecting the Resource Plan, it is mailed to the Business Partners and Chief Product & Technology Officer for approval. To ensure that the company's hiring requirements and funding match the departments' predicted requirements, approval is sought. Once the plan is approved, we move on to systematic planning.

3. Systematic Planning:

This step relies heavily on communication with the hiring managers. After discussion, the Resource Plan is segmented quarter-wise. Mostly, this step is defining each position more clearly. Previously, many job positions of similar grades had the same JD with different years of experience. We compiled those JDs into one for one particular role. Then with the respective hiring manager’s approval, we published the job posts of the newly drafted JD.

As a result, there are fewer redundant workers who are doing the same job. Another advantage is that we could hire one or two employees at the same pay scale, as opposed to

hiring more people in each position but for the same job in the past. Furthermore, despite having similar job requirements, some employees were given jobs with higher pay scales.

4. Job Promotion:

We approached the Organizational Development (OD) Team to request extensive promotion on bKash's career page on Facebook, LinkedIn, bdjobs, etc. after the job postings had been published on all job portals.

5. CV Sorting:

The actions taken in this step are typical of normal recruitment. As usual, we sorted the relevant CVs and conducted interviews with the applicants. However, we also included the resumes of the applicants who were hand-selected from LinkedIn due to their exceptional credentials.

3.3.3 Benefits of Proactive Planning

One of the main advantages of proactive planning is that it gives the recruiters enough time to thoroughly screen candidates to find those who fit the culture and the job. Typically, only a small percentage of the CVs that are submitted to us via job portals stand out as exceptional. Therefore, in addition to those who applied on their own, we also prepare a pool of potential candidates in advance and invite them for interviews based on the appropriate positions.

Another benefit is that it saves a lot of time our and the applicant's time. Previously we had to wait for employees to join because they would serve their notice period after being selected here. But since we opted for proactive hiring, we completed the entire recruitment in advance so that the few months of a notice period would not lag our work.

As was previously mentioned, the consolidation of JDs and the merging of related job roles reduced the number of redundant employees and preserved financial resources for the company.

3.3.4 Drawbacks of Proactive Planning

Proactive Planning has some disadvantages despite its advantages. If the chosen candidates later turn down the job offer, the process must be repeated with a different candidate if one is not already on hand as a backup.

Moreover, since this process is proactive, we proceed with the plan negating the possibility of urgent hiring. In that case, we have to put a pause on the planning and proceed with the urgent hiring. In addition to this, establishing such a model to perfection requires a lot of time and extensive inter-departmental communication. It can be difficult to gather all the necessary information because hiring managers have busy schedules.

3.3.5 Effectiveness of Proactive Planning

This is quite an intricate model which requires a lot of time and supervision to establish and monitor. Quite frankly, its effectiveness can be measured after a year or so, while we have only planned it for 4 months. Though most of its benefits are based on theory at the moment, we did get the benefits of starting the recruitment beforehand.

3.4 Recommendations

Based on my experience in the HR department in four months, I have made some observations and would like to suggest the following changes:

- I believe that only 2 recruiters are insufficient given the constant hiring and onboarding that occurs across the 11 departments that comprise P&T. Even though there are interns,

since they are replaced every few months, a huge time goes by just for them to learn and adapt to the process. Therefore, I would suggest allocating recruiters to fixed number departments so that they can fully dedicate their time to those departments only.

- The employees need to be given sufficient training on Oracle because most of their time is consumed by the lengthy formalities and processes in Oracle.
- To communicate with the recruiters, all 11 departments should use the same platform, such as Trello. As of now, different departments use different media, such as mail, text via WhatsApp, or phone calls. Only a few departments use Trello, and the convenience of recruiting for those is striking.
- The candidates who are not selected for the next round should, in my opinion, be notified via mail. Since bKash strives to distinguish itself as an employer brand, exhibiting that it values all of its applicants sets it apart from other companies.

3.5 Conclusions

To guarantee that all of its employees can keep up with the evolving culture and technology, bKash employs a meticulous recruitment process. The process is typically conducted in multiple stages, including an initial interview and a final one. An applicant must take a written exam/ litmus test/coding test, etc. to be considered for positions requiring a higher level of technological finesse.

As the current top employer, bKash has a huge onus to make sure it selects only the most qualified applicants who can contribute to the teams. However, due to bKash's rapid growth and P&T's position as the company's largest division, there are frequent openings for new employees, making it challenging for recruiters to post job openings, schedule interviews, negotiate the compensation and benefits with those selected, and then onboard them.

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5. Appendices

bKash Limited Statement of financial position

| In Taka | Note | 31 December 2020 | 31 December 2019 |
|--|------|-----------------------|-----------------------|
| Assets | | | |
| Property, plant and equipment | 5 | 2,285,406,207 | 1,563,447,268 |
| Intangible assets | 6 | 1,286,812,184 | 924,533,123 |
| Deferred tax assets | 7 | 482,538,139 | 210,124,045 |
| Non-current assets | | 4,054,756,530 | 2,698,104,436 |
| Operational and other receivables | 8 | 1,242,919,916 | 1,282,270,560 |
| Advances, deposits and prepayments | 9 | 527,414,110 | 1,626,787,191 |
| Contract assets | 10 | 939,833,410 | 824,813,671 |
| Current tax assets | 11 | 331,727,767 | 139,220,636 |
| Airtime balance | 12 | 1,164,985,936 | 420,691,712 |
| Trust cum settlement account and investments | 13 | 47,728,470,067 | 32,652,634,900 |
| Investment in fixed deposits | 14 | 2,800,508,400 | 7,214,200,000 |
| Cash and cash equivalents | 15 | 2,565,167,230 | 1,530,879,476 |
| Current assets | | 57,301,026,836 | 45,691,498,146 |
| Total assets | | 61,355,783,366 | 48,389,602,582 |
| Equity | | | |
| Ordinary shares | 16 | 38,194,900 | 38,194,900 |
| Share premium - ordinary shares | | 1,286,205,568 | 1,286,205,568 |
| Ordinary share capital and premium | | 1,324,400,468 | 1,324,400,468 |
| Preference shares | 17 | 8,796,300 | 8,796,300 |
| Share premium - preference shares | | 8,286,915,782 | 8,286,915,782 |
| Preference share capital and premium | | 8,295,712,082 | 8,295,712,082 |
| Capital reserve | | 18,479,529 | 18,479,529 |
| Share money deposit | 18 | 505,162 | 505,162 |
| Retained earnings | | (369,428,518) | 444,536,081 |
| Total equity | | 9,269,668,723 | 10,083,633,322 |
| Liabilities | | | |
| Other non-current liabilities | 19 | 7,145,802 | 7,145,802 |
| Lease liabilities | 20 | 598,494,684 | 225,707,670 |
| Non-current liabilities | | 605,640,486 | 232,853,472 |
| Defined benefit plan - gratuity | 21 | 299,192,243 | 67,750,000 |
| Customer and other deposits | 22 | 47,008,492,699 | 32,223,281,752 |
| Operational and other payables | 23 | 2,449,295,878 | 1,274,307,992 |
| Lease liabilities | 20 | 160,048,444 | 133,887,775 |
| Grant funds | 24 | - | 4,161,769 |
| Accrued expenses | 25 | 1,563,444,893 | 4,369,926,500 |
| Current liabilities | | 51,480,474,157 | 38,073,115,788 |
| Total liabilities | | 52,086,114,643 | 38,305,969,260 |
| Total equity and liabilities | | 61,355,783,366 | 48,389,602,582 |

The annexed notes 1 to 40 form an integral part of these financial statements.


Chief Executive Officer


Director


Director


Company Secretary

As per our report of same date.

Dhaka, 22 MAR 2021




Auditor

Adeeb H. Khan, Senior Partner
Enrolment Number: 652
Rahman Rahman Huq
Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: N/A

DVC: 2104070652AS644496

bKash Limited
Statement of profit or loss and other comprehensive income

| <i>In Taka</i> | Note | For the year ended | |
|--|------|------------------------|------------------------|
| | | 31 December 2020 | 31 December 2019 |
| Gross revenue | | 26,245,031,468 | 24,160,827,270 |
| VAT | | (3,174,178,895) | (2,879,512,377) |
| Revenue | 26 | 23,070,852,573 | 21,281,314,893 |
| Cost of services | 27 | (16,762,763,296) | (16,612,324,493) |
| Gross profit | | 6,308,089,277 | 4,668,990,400 |
| Operating and administrative expenses | 28 | (4,855,961,496) | (3,964,722,134) |
| Commercial expenses | 29 | (2,600,876,775) | (2,162,762,151) |
| Operating profit | | (1,148,748,994) | (1,458,493,885) |
| Net finance income | 30 | 511,944,613 | 824,820,803 |
| Profit before contribution to WPPF | | (636,804,381) | (633,673,082) |
| Contribution to WPPF | | - | - |
| Profit before tax | | (636,804,381) | (633,673,082) |
| Income tax (expense)/income | 31 | (37,589,049) | 8,526,604 |
| Profit | | (674,393,430) | (625,146,478) |
| Other comprehensive income/(expense) | | | |
| Item that will not be reclassified subsequently to profit or loss | | | |
| Remeasurement of defined benefit plan | 32 | (206,772,102) | - |
| Related tax | | 67,200,933 | - |
| | | (139,571,169) | - |
| Total comprehensive income | | (813,964,599) | (625,146,478) |

The annexed notes 1 to 40 form an integral part of these financial statements.

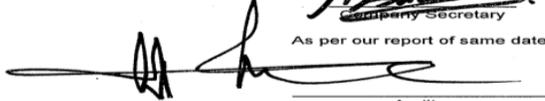

 Chief Executive Officer


 Director


 Director


 Company Secretary

As per our report of same date.


 Auditor

Dhaka, 22 MAR 2021



Adeeb H. Khan, Senior Partner
 Enrolment Number: 652
 Rahman Rahman Huq
 Chartered Accountants
 KPMG in Bangladesh
 Firm Registration Number: N/A

DVC: 2104070652AS644496

bKash Limited
Statement of cash flows

| <i>In Taka</i> | For the year ended | |
|---|-----------------------|-----------------------|
| | 31 December 2020 | 31 December 2019 |
| Cash flows from operating activities | | |
| Cash receipt from customers | 43,248,171,272 | 29,786,434,261 |
| Cash paid to suppliers, employees and others | (27,153,281,291) | (21,939,676,594) |
| Cash generated from operating activities | 16,094,889,981 | 7,846,757,667 |
| Interest received from deposits | 692,162,959 | 812,323,201 |
| Taxes paid to government exchequer | (3,545,326,026) | (3,328,328,029) |
| Net cash flows from operating activities | 13,241,726,914 | 5,330,752,839 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (932,437,607) | (533,368,639) |
| Acquisition of intangible assets | (442,514,290) | (383,554,281) |
| Encashment of fixed deposits | 4,413,691,600 | 1,990,000,000 |
| Net cash from investing activities | 3,038,739,703 | 1,073,077,080 |
| Cash flows from financing activities | | |
| Lease liabilities | (170,343,696) | (170,816,774) |
| Net cash used in financing activities | (170,343,696) | (170,816,774) |
| Net increase in cash and cash equivalents including trust cum settlement account and investments | 16,110,122,921 | 6,233,013,145 |
| Cash and cash equivalents including trust cum settlement account and investments as at 1 January | 34,183,514,376 | 27,950,501,231 |
| Cash and cash equivalents including trust cum settlement account and investments as at 31 December | 50,293,637,297 | 34,183,514,376 |
| Less: Trust cum settlement account and investments | 47,728,470,067 | 32,652,634,900 |
| Cash and cash equivalents as at 31 December | 2,565,167,230 | 1,530,879,476 |

The annexed notes 1 to 40 form an integral part of these financial statements.



bKash Limited
Statement of financial position

| In Taka | Note | 31 December 2021 | 31 December 2020 |
|--|------|-----------------------|-----------------------|
| Assets | | | |
| Property, plant and equipment | | | |
| Intangible assets | 5 | 2,570,896,713 | 2,285,406,207 |
| Deferred tax assets | 6 | 2,580,631,513 | 1,286,812,184 |
| Non-current assets | 7 | 877,822,622 | 482,538,139 |
| Operational and other receivables | | 6,017,350,848 | 4,054,756,530 |
| Advances, deposits and prepayments | 8 | 2,101,987,475 | 1,242,919,916 |
| Contract assets | 9 | 728,365,983 | 527,414,110 |
| Current tax assets | 10 | 1,130,981,177 | 939,833,410 |
| Airtime balance | 11 | 651,478,571 | 331,727,767 |
| Trust cum settlement account and investments | 12 | 862,765,288 | 1,164,985,936 |
| Investment in fixed deposits | 13 | 58,633,542,114 | 47,726,470,067 |
| Cash and cash equivalents | 14 | 18,213,467,327 | 2,800,508,400 |
| Current assets | 15 | 6,176,857,884 | 2,565,167,230 |
| Total assets | | 94,516,796,667 | 61,355,783,366 |
| Equity | | | |
| Ordinary shares | | | |
| Share premium - ordinary shares | 16 | 38,194,900 | 38,194,900 |
| Ordinary share capital and premium | | 1,286,205,568 | 1,286,205,568 |
| Preference shares | | 1,324,400,468 | 1,324,400,468 |
| Share premium - preference shares | 17 | 16,310,400 | 8,795,300 |
| Preference share capital and premium | | 30,610,126,295 | 8,286,915,782 |
| Capital Reserve | | 18,479,529 | 18,479,529 |
| Share money deposit | | - | 505,162 |
| Retained earnings | | (1,542,286,625) | (369,428,516) |
| Total equity | | 30,427,030,067 | 9,269,668,723 |
| Liabilities | | | |
| Operational and other payables | 21 | 1,06,957,534 | 7,145,602 |
| Lease liabilities | 18 | 352,785,705 | 598,494,684 |
| Non-current liabilities | | 1,161,743,240 | 605,640,486 |
| Defined benefit plan - gratuity | 19 | 72,241,033 | 299,192,243 |
| e-money in circulation | 20 | 58,533,439,086 | 47,008,492,699 |
| Operational and other payables | 21 | 1,389,842,139 | 1,422,549,750 |
| Lease liabilities | 18 | 125,257,891 | 160,048,444 |
| Accrued expenses | 22 | 2,807,243,211 | 2,590,191,021 |
| Current liabilities | | 62,928,023,360 | 51,480,474,157 |
| Total liabilities | | 64,089,766,600 | 52,086,114,643 |
| Total equity and liabilities | | 94,516,796,667 | 61,355,783,366 |

The annexed notes 1 to 36 form an integral part of these financial statements.

Chief Executive Officer

Director

Director

Company Secretary

As per our report of same date.

Dhaka,

*

Auditor
Ali Ashfaq, Partner
Enrolment Number: 509
Rahman Rahman Huq
Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: N/A
DVC:

bKash Limited
Statement of profit or loss and other comprehensive income

| <i>In Taka</i> | Note | For the year ended | |
|---|------|------------------------|----------------------|
| | | 31 December 2021 | 31 December 2020 |
| Gross revenue | | 31,962,792,146 | 26,245,031,468 |
| VAT | | (4,017,564,204) | (3,174,178,895) |
| Revenue | | 27,945,227,942 | 23,070,852,573 |
| Cost of services | 23 | (21,307,070,386) | (16,762,763,296) |
| Gross profit | 24 | 6,638,157,556 | 6,308,089,277 |
| Operating and administrative expenses | 25 | (5,859,421,589) | (4,822,167,997) |
| Commercial expenses | 26 | (2,372,957,814) | (2,634,670,274) |
| Operating loss | | (1,594,221,847) | (1,148,748,994) |
| Net finance income | | 69,533,521 | 511,944,613 |
| Loss before contribution to WPPF | 27 | (1,524,688,326) | (636,804,381) |
| Contribution to WPPF | | - | - |
| Loss before tax | | (1,524,688,326) | (636,804,381) |
| Income tax (expense)/income | 28 | 290,487,583 | (37,589,049) |
| Loss for the year | | (1,234,200,743) | (674,393,430) |
| Other comprehensive income/(expense) | | | |
| Item that will not be reclassified subsequently to profit or loss | | | |
| Remeasurement of defined benefit plan | | 87,632,337 | (206,772,102) |
| Related tax | | (26,289,701) | 67,200,933 |
| | | 61,342,636 | (139,571,169) |
| Total comprehensive income | | (1,172,858,107) | (813,964,599) |

The annexed notes 1 to 36 form an integral part of these financial statements.

Chief Executive Officer

Director

Director

Company Secretary

As per our report of same date.

Dhaka,

*

Auditor
 Ali Ashfaq, Partner
 Enrolment Number: 509
 Rahman Rahman Huq
 Chartered Accountants
 KPMG in Bangladesh
 Firm Registration Number: N/A
 DVC:

bKash Limited
Statement of cash flows

| <i>In Taka</i> | <i>For the year ended</i> | |
|---|---------------------------|-------------------------|
| | <i>31 December 2021</i> | <i>31 December 2020</i> |
| Cash flows from operating activities | | |
| Cash receipt from customers and others | 46,012,827,731 | 43,248,171,272 |
| Cash paid to suppliers, employees and others | (32,217,939,338) | (27,153,281,291) |
| Cash generated from operating activities | 13,794,888,393 | 16,094,889,981 |
| Taxes paid to government exchequer | (4,431,179,487) | (3,545,326,026) |
| Net cash flows from operating activities | 9,363,708,906 | 12,549,563,955 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (1,018,486,315) | (932,437,607) |
| Acquisition of intangible assets | (723,989,315) | (442,514,290) |
| Interest received from deposits | 209,226,220 | 692,162,959 |
| Encashment of/(investment in) fixed deposits | (15,412,958,927) | 4,413,691,600 |
| Net cash (used in) / generated from investing activities | (16,946,208,337) | 3,730,902,662 |
| Cash flows from financing activities | | |
| Lease liabilities | (231,462,481) | (170,343,696) |
| Net proceeds from issuance of preference shares | 22,330,724,613 | - |
| Net cash (used in) / generated from financing activities | 22,099,262,132 | (170,343,696) |
| Net increase in cash and cash equivalents | 14,516,762,701 | 16,110,122,921 |
| Cash and cash equivalents including trust cum settlement account and investments as at 1 January | 50,293,637,297 | 34,183,514,376 |
| Cash and cash equivalents including trust cum settlement account and investments as at 31 December | 64,810,399,998 | 50,293,637,297 |
| Less: Trust cum settlement account and investments | 58,633,542,114 | 47,728,470,067 |
| Cash and cash equivalents as at 31 December | 6,176,857,884 | 2,565,167,230 |

The annexed notes 1 to 36 form an integral part of these financial statements.



bKash Limited
Statement of financial position

| <i>In Taka</i> | <i>Note</i> | 31 December 2022 | 31 December 2021 |
|--|-------------|-------------------------|-------------------------|
| Assets | | | |
| Property, plant and equipment | 5 | 2,829,835,577 | 2,578,896,713 |
| Intangible assets | 6 | 2,610,670,039 | 2,560,631,513 |
| Deferred tax assets | 7 | 1,026,955,363 | 877,822,622 |
| Investment in government securities | 8 | 4,671,614,861 | - |
| Non-current assets | | 11,139,075,840 | 6,017,350,848 |
| Operational and other receivables | 9 | 2,033,648,941 | 2,101,987,475 |
| Advances, deposits and prepayments | 10 | 879,871,944 | 728,365,983 |
| Contract assets | 11 | 1,095,523,848 | 1,130,981,177 |
| Current tax assets | 12 | 1,118,418,206 | 651,478,571 |
| Airtime in circulation | 13 | 1,823,331,600 | 862,765,288 |
| Trust cum settlement account and investments | 14 | 68,528,984,067 | 58,633,542,114 |
| Investment in fixed deposits | 15 | 13,094,575,827 | 18,213,467,327 |
| Cash and cash equivalents | 16 | 5,870,995,279 | 6,176,857,884 |
| Current assets | | 94,445,349,712 | 88,499,445,819 |
| Total assets | | 105,584,425,552 | 94,516,796,667 |
| Equity | | | |
| Ordinary shares | 17 | 38,194,900 | 38,194,900 |
| Share premium - ordinary shares | | 1,286,205,568 | 1,286,205,568 |
| Ordinary share capital and premium | | 1,324,400,468 | 1,324,400,468 |
| Preference shares | 18 | 16,310,400 | 16,310,400 |
| Share premium - preference shares | | 30,610,126,295 | 30,610,126,295 |
| Preference share capital and premium | | 30,626,436,695 | 30,626,436,695 |
| Capital Reserve | | 36,011,137 | 18,479,529 |
| Retained earnings/(loss) | | (1,384,502,156) | (1,542,286,625) |
| Total equity | | 30,602,346,144 | 30,427,030,667 |
| Liabilities | | | |
| Operational and other payables | 22 | 736,882,143 | 808,957,534 |
| Lease liabilities | 19 | 413,273,174 | 352,785,706 |
| Non-current liabilities | | 1,150,155,317 | 1,161,743,240 |
| Defined benefit plan - gratuity | 20 | 135,847,865 | 72,241,033 |
| e-money in circulation | 21 | 68,304,799,919 | 58,533,439,086 |
| Operational and other payables | 22 | 1,940,656,574 | 1,389,842,139 |
| Lease liabilities | 19 | 183,398,957 | 125,257,891 |
| Accrued expenses | 23 | 3,267,220,776 | 2,807,243,211 |
| Current liabilities | | 73,831,924,091 | 62,928,023,360 |
| Total liabilities | | 74,982,079,408 | 64,089,766,600 |
| Total equity and liabilities | | 105,584,425,552 | 94,516,796,667 |

The annexed notes 1 to 37 form an integral part of these financial statements.

Chief Executive Officer

Director

Director

Company Secretary

As per our report of same date.

Auditor

Ali Ashfaq, Partner
Enrolment Number: 509
Rahman Rahman Huq
Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: N/A

Dhaka, 22 MAR 2023



DVC: 2303220509AS918935

bKash Limited
Statement of profit or loss and other comprehensive income

| <i>In Taka</i> | Note | For the year ended | |
|--|------|----------------------|------------------------|
| | | 31 December 2022 | 31 December 2021 |
| Revenue | 24 | 34,308,082,701 | 27,945,227,942 |
| Cost of services | 25 | (24,931,454,951) | (21,307,070,386) |
| Gross profit | | 9,376,627,750 | 6,638,157,556 |
| Operating and administrative expenses | 26 | (7,337,870,337) | (5,859,421,589) |
| Commercial expenses | 27 | (2,805,315,588) | (2,372,957,814) |
| Operating profit/(loss) | | (766,558,175) | (1,594,221,847) |
| Net finance income | 28 | 1,214,155,477 | 69,533,521 |
| Profit/(loss) before contribution to WPPF | | 447,597,302 | (1,524,688,326) |
| Contribution to WPPF | | (22,379,865) | - |
| Profit/(loss) before tax | | 425,217,437 | (1,524,688,326) |
| Income tax (expense)/income | 29 | (253,105,698) | 290,487,583 |
| Profit/(loss) | | 172,111,739 | (1,234,200,743) |
| Other comprehensive income/(expense) | | | |
| Item that will not be reclassified subsequently to profit or loss | | | |
| Remeasurement of defined benefit plan | | 4,419,777 | 87,632,337 |
| Related tax | | (1,215,439) | (26,289,701) |
| | | 3,204,338 | 61,342,636 |
| Total comprehensive income | | 175,316,077 | (1,172,858,107) |

The annexed notes 1 to 37 form an integral part of these financial statements.

Chief Executive Officer

Director

Director

Company Secretary

As per our report of same date.

Auditor

Ali Ashfaq, Partner
 Enrolment Number: 509
 Rahman Rahman Huq
 Chartered Accountants
 KPMG in Bangladesh
 Firm Registration Number: N/A

Dhaka, 22 MAR 2023



DVC: 2303220509AS918935

bKash Limited
Statement of cash flows

| <i>In Taka</i> | For the year ended | |
|---|---------------------------|-------------------------|
| | 31 December 2022 | 31 December 2021 |
| Cash flows from operating activities | | |
| Cash receipt from customers and others | 52,729,385,024 | 46,012,827,731 |
| Cash paid to suppliers, employees and others | (37,478,518,033) | (32,217,939,338) |
| Cash generated from operating activities | 15,250,866,991 | 13,794,888,393 |
| Taxes paid to government exchequer | (5,599,727,684) | (4,431,179,487) |
| Net cash flows from operating activities | 9,651,139,307 | 9,363,708,906 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (668,156,604) | (1,018,486,315) |
| Acquisition of intangible assets | (735,228,807) | (723,989,315) |
| Interest received from deposits | 1,109,117,365 | 209,226,220 |
| Encashment of/(investment in) government securities | (4,671,614,861) | - |
| Encashment of/(investment in) fixed deposits | 5,118,891,500 | (15,412,958,927) |
| Net cash (used in)/ generated from investing activities | 153,008,593 | (16,946,208,337) |
| Cash flows from financing activities | | |
| Lease liabilities | (214,568,552) | (231,462,481) |
| Net proceed from issuance of preference shares | - | 22,330,724,613 |
| Net cash (used in)/ generated from financing activities | (214,568,552) | 22,099,262,132 |
| Net increase in cash and cash equivalents | 9,589,579,348 | 14,516,762,701 |
| Cash and cash equivalents including trust cum settlement account and investments as at 1 January | 64,810,399,998 | 50,293,637,297 |
| Cash and cash equivalents including trust cum settlement account and investments as at 31 December | 74,399,979,346 | 64,810,399,998 |
| Less: Trust cum settlement account and investments as at 31 December | 68,528,984,067 | 58,633,542,114 |
| Cash and cash equivalents as at 31 December | 5,870,995,279 | 6,176,857,884 |

The annexed notes 1 to 37 form an integral part of these financial statements.

