

Report On
Compliance factors influencing bKash's business growth

By

Mir Muhtasim Hossain

21304088

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

BRAC Business School
Brac University
January 2026

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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:

Mir Muhtasim Hossain
21304088

Supervisor's Full Name & Signature:

Noshin Anjum Chaiti
Lecturer
BRAC Business School

Letter of Transmittal

Noshin Anjum Chaiti

Lecturer

BRAC Business School

BRAC University

Kha 224, Bir Uttam Rafiqul Islam Avenue, Dhaka-1212

Subject: Submitting my internship report on impact of compliance business growth of bKash limited.

Dear mam,

I am pleased to inform you that I have completed my internship report which is a mandatory requirement for completing BUS490 course. I have tried my best to collect all necessary information regarding compliance practices at bkash and how that affects its business performance. The idea for this research was suggested to me by my manager. Most of the data used for this research was primary data collected through surveys and interviews which helped me come up with the findings and conclusion.

I believe that this report will meet the desired standards.

Sincerely yours,

Mir Muhtasim Hossain

21304088

BRAC Business School

BRAC University

Date: January 12, 2026

Non-disclosure Agreement

This agreement is made and entered into by and between “bKash Limited” and Mir Muhtasim Hossain, an undergraduate student at Brac University. The company granted me the right to use information written in this report for my internship purpose.

The data revealed in this report was carefully reviewed and approved by my line manager. I am grateful to all the officers for giving me the opportunity to interview them even when their schedules were packed. Interns instructed to not reveal any sensitive or confidential information. Every information presented here was presented after getting permission from my line manager at work. We are not allowed to share information about the company without getting authorization from our work supervisor.

Acknowledgement

I want to thank the almighty for giving me the opportunity to come this far in life. Moreover I want to thank the HR team for selecting me as their intern and giving me the opportunity to pursue an internship at a prestigious organization where I had the chance to learn many skills. I am grateful to my line manager and our Hod for imparting on to us valuable wisdom. My supervisor Ibtihaz bhai put a lot of effort into training and developing my capacity. He and other members of my team helped me improve my excel and business communication skills. Without their help I would still be struggling with a lot of things. I want to thank our Hod saber bhai for putting so much effort into training us. We interns had to give a presentation in front of him. He set aside time from his busy schedule to watch our presentation and he gave every intern an individual feedback of at least 15 minutes which greatly improved our presentation skills and confidence. His feedback helped us identify where we need improvement. He encouraged us to think in new ways. Now I know much better about my mistakes and how to overcome them and get better at presenting.

I especially want to thank my line manager Liza apu for taking such good care of me during this entire internship. She made me feel really welcome here and helped me get over my anxiety. I am really grateful that I was a part of her team. My team's unwavering support kept me going during tough times. It was my first time experiencing the corporate world. It was very difficult for me at first. Without my team and my family's support and encouragement I would not be able to finish this journey. I am glad I could do my internship at bKash. Through this internship I learned lots of corporate etiquettes and interview skills.

I also want to thank my supervisor Noshin mam for giving her guidance during this whole time. She explained everything to me very smoothly regarding how to write the report. She was available and gave me time whenever she was available to see the progress of my report and suggest ideas on how I can develop my report. She gave me very clear guidance which helped me smoothly finish my internship report.

Executive Summary

This report contains the highlights of my internship journey and everything I learned over the past 4 months and the skills I developed. The chapter 2 of this report contains information about how the company first started its journey, how they grew to be the leading mfs, how many key awards they achieved so far, how they market and promote their products and their management practices. This also highlights the recent financial performance of the company. The overall financial health of the company and it's growth was analyzed using key accounting ratios such as liquidity, debt to equity, eps, net profit profit. This study also gives insight or in-depth look into their branding activities and accounting practices. The chapter 3 of this report investigates the correlation between the compliance efforts of the company and the growth of the company. Chapter 3 will investigate whether there is any direct or indirect correlation between compliance and customer trust increase, profit growth and faster regulatory approval for new product launch. The objective of chapter 3 is to find whether being compliant can give an mfs advantage by helping them gain more trust from customers and grow their profit and overall business. The research concludes with a lot of important insights, findings and implications for any business that is operating in the mfs industry and wishes to grow their profit, improve the customers opinion and gain their trust.

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List of Acronyms

1. **EKYC** - Electronic know your customer
2. **AML & CFT** - Anti money laundering and combating financial terrorism
3. **IRM** - Immediate risk mitigation
4. **FCA** - Field compliance assessment
5. **CDD** - Customer Due Diligence
6. **EDD** - Enhanced Due Diligence
7. **Deep Fake** - Using ai to create fake images
8. **BFIU** - Bangladesh financial intelligence unit.
9. **STR** - Suspicious Transaction Report
10. **SAR** - Suspicious Activity Report
11. **MFS** - Mobile Financial Service
12. **RAMLCO** - Regional anti money laundering compliance officer
13. **CAMLCO** - Chief anti money laundering compliance officer
14. **DCAMLCO** - Deputy chief anti money laundering compliance officer
15. **PEP** - Politically exposed person
16. **Pocket Sim** - Using the sim from somewhere else other than the shop
17. **ECAD** - External and corporate affairs
18. **RTO** - Regional Training Officer

Glossary

e-KYC- This means monitoring the information of applicants during the registration process to confirm their identities. Financial institutions such as banks and MFs do this verification by checking the customers national Id, Parents information and other relevant documents.

CDD- This term stands for customer due diligence. It is a detailed process followed by many banks and MFs where they do background checks on customers to verify their identity and confirm they are not involved with any suspicious activities.

Training Reconciliation- This term refers to checking the uploaded training evidence in the database to verify that all necessary training documents are in the system and check for errors.

Chapter 1

Overview of Internship

bKash



1.1 Student Information

Name: Mir Muhtasim Hossain

ID: 21304088

Program: Bachelors of Business Administration

Major: My Major was finance and I did a minor in Accounting.

1.2: Internship Information

1.2.1 Internship Details

Period: 4 months

Company Name: bKash Limited

Department/Division: AML and CFT Department, External and Corporate Affairs Division

Address: SKS Tower, Mohakhali

1.2.2 Internship Company's Supervisor's Information

Name: Liza Yeasmin Kanta

Designation: Manager, AML & CFT

1.2.3 Job scope

During my final semester I got accepted into the external and corporate affairs division in bKash Limited which is the leading mobile financial company and one of the fastest growing businesses. I was assigned to the aml and cft department under Ecad division. This department works to prevent money laundering and make people aware about what constitutes money laundering and what things people should stay away from to be safe from being involved in money laundering. I was in the team that provides training and oversees a wide range of functions. One of the primary tasks of my team is to coordinate between all other teams when arranging any training for employees. Another key task of this team is to schedule and take training sessions for all merchants, agents and pra and teach them how to protect themselves from any customer that attempts to do money laundering. Another key task of this team is to create av content and slides which are used during training of agents, merchants and permanent employees. Every few months employees receive training which is called e learning. It is the job of this team to create slides that will be used in those training sessions and our team also had to create voices that play with powerpoint slides. Aside from the training team there are many RTO and RAMLCO officers who are spread out throughout the country that also take training sessions. There are a few RTO officers which operate in different regions across the country. The country is divided into different regions and each region has different rto and ramlco officers. There are also some fcao's (field compliance officers) that do field assessments of agents. Throughout the month they conduct many training sessions and capture evidence of these sessions. Then they upload these evidences into their web portal. But sometimes trainers or other parties can make mistakes while capturing evidence or there can be systemic glitch. So these evidences have to be double checked and verified. My primary task was to download the evidence from the web

portal and reconcile these training sessions by checking for any errors in the submitted evidence. If the evidence were up to the standard and had necessary documents, then I considered the training sessions as accepted. But if there was any evidence missing or participant count didn't match the signatures in the attendance sheet then I could not accept those sessions. After I was done reconciling the sessions I had to update a report dashboard which summarizes all the important information such as how many sessions were conducted, how many were accepted. Aside from my primary task I also participated in some other tasks such as coordination with other team members during training sessions. Whenever there was training for new interns, I had to communicate it to them and I had to accompany them to the training rooms. Moreover, I had to distribute the printouts of booklets and circulars to new interns.

1.3: Internship Outcomes

1.3.1: students contribution to the company

During my time here at bKash I worked in the training team, AML and CFT department. I was involved in various types of compliance work which helped me to grow my technical and soft skills. My team coordinated all the training sessions conducted by all other teams in the department. I assisted in coordinating training sessions for all the other interns of other teams. I have also assisted in checking the evidence of the training sessions and preparing training reports. My work helped to provide timely and accurate reports to regulators and maintain strict compliance with rules set by Bangladesh Bank. My major contribution was to ensure the accuracy of the regulatory reports.

Training summary report creation: One of my primary responsibilities was to create monthly summary reports of all the training sessions conducted by regions officers of bKash. It is mandatory for bKash to arrange AML and CFT compliance training sessions for all of their stakeholders which include agents, merchants and distribution house employees. So they arrange training sessions each month and collect evidence of those training sessions. I created a summary report of all the training conducted in a month across various districts to keep track of all monthly training sessions.

Reconciling reports: After conducting a session each trainer has to submit evidence of their session to the head office. They submit this evidence through a portal. bKash has their own portal for scheduling training sessions and storing evidence. When trainers upload evidence of these sessions sometimes they make small mistakes. Sometimes some evidence does not get uploaded due to issues in the network or website. So after creating summary reports of all training sessions in a month I had to review and analyze the evidence to ensure all necessary evidence was submitted. I had to reconcile and report any mismatch or discrepancy between what the trainer claimed and what their evidence suggested. A training can only be accepted if it meets all the requirements and has all crucial evidence uploaded in the system.

Creating Dashboards: Every month I had to update data of the training dashboard. I updated dashboards which illustrate how many sessions were conducted, how many participants joined the sessions and how many of those training sessions were accepted. I had to maintain a database where the training participant and session details were recorded. Based on the monthly data I have to analyze and prepare those reports.

Coordinating with other teams:

Whenever there was a new training session it was my job to communicate to all the other interns. If any interns had any queries they would reach out to me and I tried to swiftly answer their questions. One of my team's core tasks is collaborating with other teams and helping them conduct training as it's a rule in the company that every team has to conduct training. So, I received exposure to various officer's work from different departments.

Creating presentation:

In my time at bKash me and all the interns had to give a presentation on a specific job-related topic. This program was designed to develop our skillsets and give us an idea about how to search for a job and stand out in interviews in a competitive job market. I created a presentation on KSA from HR perspective and presented it in front of our department head Saber Shorif bhai.

Compiling reports: Another one of my tasks was to compile all monthly reports of 2025 till November in one spreadsheet. This report will get reviewed by auditors. So, I helped ensure that there are no mistakes in these reports and auditors can't find any mistakes. I helped ensure the company doesn't face any legal risk due to mistakes in keeping evidence or misinformation in reports.

Assisted in preparing KPI attainment report: In start of each other bKash makes a plan for the upcoming year. It sets a target that they aim to achieve within the next year. This book contains the comprehensive list of kpi's to be achieved by different teams within 2026. I assisted my supervisor in creating the kpi book of aml & cft for 2026.

Created feedback form: During training sessions trainees are asked to fill up a feedback form which contains 4 questions regarding what the participants learned. These questions are given to all the participants and after getting the forms back from the trainees photos of these response forms are collected and uploaded in the portal. I Analyzed these forms and kept a record of how many respondents responded to the questions and what their response was like. I prepared and updated a feedback form which summarized all the responses from participants and their answers.

Organizing evidence in shared drive: Another key task of mine was downloading the relevant evidence when reconciling a particular training session and storing that evidence in shared drive using a specific format.

Complying and cleaning data

I had to clean and organize large data sets. There was a list of employee data which were in different formats. I organized all those different types of data into one uniform format and made data easier to analyze. Moreover, sometimes there were various inconsistencies in the data set due to technical errors that I had to fix manually.

Gender reveal report

After doing KYC excel failed to recognize the gender of the customers that KYC was done on. I had to manually look at the names of customers and write their genders.

1.3.2: Benefits to the student

We had many opportunities to learn new skills and expand our knowledge. bKash arranged many training sessions for us to develop our skills and prepare us for the job market. From the session we came to know what skills are required to be competent and how to effectively handle interviews. Here's what I learned at bKash during my time as an intern:

Presentation skills

We had to give a presentation in front of our HOD on a topic given to use by the training team. We had to create slides from scratch using powerpoint. Previously I have always used Canva for designing slides because it has inbuilt templates and is very convenient. But this time I had to create the infographics and visuals by myself without relying on any template. My team coordinator gave me lots of feedback regarding how to improve the appearance of the slides, how to design professional slides and make them engaging. He taught me many things about the do's and don'ts of powerpoint presentation. I learned how to align shapes, how to maintain a consistency across all slides and what type of size should the texts be and I even learned lots of new animations that I previously didn't know how to use.

Corporate and email etiquettes

We learned many things about how to behave in a workforce. How to interact with teammates, how to talk when in a phone call, how to send an email with appropriate language. It helped me become more confident in myself. Now I have a better understanding of how to communicate, work in a team with colleagues in a corporate world.

Microsoft excel

While working here most of my tasks were done using excel. I became a lot more proficient at using shortcuts which increased the efficiency of my work. I became really good at creating dashboards using formulas such as countifs, vlookup, sumifs and how to convert text to date using data to column feature and how to make data easier to visualize and interpret using pivot tables. I learned how to find important information from a big chunk of data quickly by creating pivot tables. I also learned about different excel tricks like how to send an email using excel and how to make columns auto adjust and many more new things. My coordinator encouraged me to keep learning new things and keep doing work in a faster way using shortcuts. The things that I did manually before won't require much time to do now as i have learned many shortcuts for working more efficiently. Moreover, the HR team arranged an excel training session for us bnext interns where they taught us about many different kinds of data visualization charts. We got to learn about slicers, waterfall charts and many other important tools used in businesses.

Communication skills

This internship helped me improve communication skills significantly. During training I had to gather up the interns and take them to training rooms. As I had to coordinate between all the other interns and capture evidence of different teams I had to communicate with many people outside of my team which helped me get out of my comfort zone and helped me improve my soft skills. I was a liaison or point of contact between the training team and all the other interns which helped me understand how to properly communicate with colleagues. Now I feel much more confident in my interpersonal skills compared to when I first joined the company.

Security Awareness

An information security session was conducted for us where they taught us about different types of phishing attacks and how to keep our data safe and prevent our data from getting stolen.

Improved confidence

During my time my coordinator and my line constantly encouraged me to be more confident in myself. When I first started working, I wasn't sure whether my work was up to standards and met all the requirements. But then my colleagues assured me that I am doing a good job at work and I don't have to overthink. This boosted my self confidence level. Now I feel less worried about making mistakes and now I am confident about completing the tasks assigned to me without making any mistakes.

Enhance analytical thinking

Our Head of the department encouraged the interns to utilize our analytical reasoning and creativity. I realized there were a lot of things I hadn't thought about. He told us to think even about the basic things of a job interview. Back then I had no idea that hiring managers also pay

attention to the way we sit when we first enter the room. He encouraged us to study and research about these basic things before heading for an interview.

AML and CFT act

We were each given a Bfiu circular to read when we first joined. This circular contained instructions from the regulator regarding risk monitoring. We learned about the different rules and regulations a financial institution needs to follow to prevent money laundering. It stated many processes for monitoring transactions and reporting suspicious transactions to the government.

Time management

There were times when I had tight deadlines for submitting the report. I had to get a lot of work done in a short time. I had to learn to manage my time better. Moreover, there were also other responsibilities as my exams weren't over yet when I first started office. I had to get better at using my time efficiently so I can balance my studies and work both.

How to find key insights from a large dataset

I learned how to represent complex data in a simple way. I had to analyze large chunks of dataset and find important statistics from them and I had to create a summary which highlighted the important information that mattered the most in a quickly and easy to see format. For example, I had to search for certain information and find key statistics such as how many merchants were trained, how many trainers submitted evidence and how much evidence was not found and who were the trainers that didn't submit evidence yet over email. I represented this data through a table which made the information easier to interpret.

How to Avoid common interview mistakes

Our head of the department taught us what are the common mistakes candidates make during interviews and how to avoid them. He made us aware about using generic answers to questions such as where do we see ourselves in 5 years. A lot of people claim that they want to become a CEO in next five years. Our head of department gave us examples on how to answer this question better and what are some good answers to these kinds of questions.

Job search and interview skills

We learned about the star method of interview and how recruiters test us with behavioral questions and what's the purpose behind those questions. I also learned that when recruiters ask candidates "tell me about yourself", it's not merely just an ice breaking question but there's a deeper motive behind it. We learned how to use the star method to our advantage. We also learned about the importance of body language. Our department head emphasizes that body language is crucial to cracking an interview. He told us that body language is what makes up

60% of our impression in an interview. He encouraged us to think about basic things like how to sit when entering a room, how to make eye contact.

1.3.3 Problems faced during internship

I was always a socially introverted person. So, at first when I learned I would have to communicate and coordinate between all other teams it was a big challenge for me. But I am glad I decided to do it. This internship helped me overcome my fears and developed my communication skills greatly. Now I don't feel as nervous or anxious when communicating with a fellow colleague.

Moreover, this department involves a lot of compliance related work which I was not familiar with. I have learned or studied about compliance before joining bKash. So, it was quite challenging to do something I have never done before. Moreover, my work would get reviewed by auditors so I had to make sure that I didn't make any mistake.

Another key challenge I faced during internship was balancing studies and work life. When I first joined and started working my final exams weren't finished yet. So, I had to do work and study at the same time. I had to start studying right after returning home from the office. I was really tired after working so studying for finals when being exhausted was mentally challenging and I had to push myself and it required discipline and focus. I wasn't sure if I would be able to prepare and study while working 8 hours a day. But I managed to give my final exams despite that which gave me a new level of confidence and trust in myself that I can do hard things.

Moreover most of my work required a good understanding of excel. There were some formulas such as vlookup, Countifs, that I had to master. I also had to get better at using pivot tables and creating dashboards which I wasn't good at before. So in the beginning I was worried I might not be able to do the tasks. But the supervisor taught me everything from scratch and they were really supportive and helpful. They encouraged me to ask questions if I had any confusion. Because of their support I quickly became better at using formulas and creating dashboards and overcame the difficulties.

1.3.4: Recommendation to organization for future

Powerbi and sql training: I found the training session on excel that was given to us very insightful. I would appreciate it if the organization also arranged training sessions on sql and powerbi as it would enhance the interns skillsets. Powerbi and sql are becoming increasingly important tools in the business world. So giving them a training on these will greatly boost their technical skills and give them an edge when looking for jobs.

Assign new projects: The company can create opportunities for interns to participate in meaningful projects outside of their day to tasks that will help them grow and learn something

new and contribute to the company. If the company can include the interns in their important projects the interns will be valued and their motivation and work satisfaction will increase a lot. So that's why I think it would be great if the company made interns a part of the new projects that they are working on. This way interns won't feel bored and they won't feel like they are doing repetitive work.

Tutorial: The organization can create pre-recorded short video tutorials explaining the task of each team. This can make it easier for interns to understand their task and they can refer back to these if they forget something. Sometimes interns might forget what they learned in the induction. Having pre-recorded videos would allow everyone to revise and brush up on their knowledge.

Chapter 2

Organization overview and practices

bKash



2.1: Introduction

In Bangladesh many people don't have access to banking services as they are living in rural areas. Because of this it is very hard for them to save and store their money and protect their families from uncertainty(Ria,2023).

But a large number of people in the country own smartphones. Even those who don't live in cities have access to smartphones. Over 165 million people use phones in our country (Ria,2023). This created an opportunity to make use of smartphone technology to offer mobile financial services to those people that otherwise might not be able to use banking services (Ria,2023).

After finding this opportunity, the founders of bKash decided to build a platform which will let people use financial services with the help of smartphones. They will be able to perform banking services such as money transfer, paying bills straight from their mobiles phone using this service and it will become easier for them to manage their savings and build a stable future without worrying about future financial expenses.

The idea to create a mobile financial service like bKash first came from brothers Kamal and Iqbal Quadir (Ria,2023). But because of regulations it was mandatory for a mobile financial service provider to partner up with a local bank (Ria,2023). A bank must own 51% shares of the mfs company if it wants to conduct business. Bangladesh bank recommended that bKash should become a subsidiary of BRAC Bank (International Financial corporation, 2016). So the founders of bKash approached BRAC bank. After multiple discussions a joint venture was born between BRAC Bank PLC and Money in motion LLC a US based company in 2010 (International Financial corporation, 2016). The company officially started operations from 2011(Ria,2023). Throughout the last decade bKash has become the leading mfs company and has won multiple brand awards. Today bKash has more than 300000 agents and over 300000 merchants all over the country (Ria,2023).

As of today, bKash has grown in many ways. Not only it allows customers to pay bills, send money and make payment, take loans and open Dps schemes but it has also been integrated with the economy of the country (Ria,2023). It has created a digital eco system and has reduced the reliance of people on cash and it has transformed our economy greatly.

2.1.1: Objectives

Main Objective: To analyze how the organization is structured and how teams work together to achieve the overall goal of the company and what are the company's marketing practices and how is its financial performance and accounting practices.

Specific Objectives

- To understand how the organization is structured and what type of organization culture and etiquette they follow.
- To understand the leadership style of the company. Whether it is autocratic or democratic or something else.
- To understand their marketing practices and how they attract customers through campaigns and how they created such a strong brand reputation and grew so fast.
- To understand how technology is used to maintain their database and help with their operations and how they store information, evidence using technology and what kind of technology they use for internal communication and all sorts of work.
- To understand how the company has performed in the recent years, To analyze the company's liquidity, profitability and its solvency and stability.
- To understand what accounting policies are in place and how they audit their financial information and protect the shareholders interest.
- To understand how they manage risk and maintain their reputation and what practices they have for preventing crimes using their platform.
- To see what kind of development or training programs the company arranges for its employees and to understand the HR practices such as recruitment and onboarding.
- To understand the missions and the vision behind the company's success that is driving them forward.

2.1.2 Scope of study

This chapter will discuss the many internal business processes of bKash starting from recruitment and onboarding to training and development, management, marketing and accounting practices the company follows to stay ahead of the competition. This will give an insider look into how the company is broken into different departments and what are the tasks of each department and the leadership style of the company. This will also provide insights on the organizational culture that exists inside the company and how colleagues address each other and how disputes are resolved. This will also give in-depth information regarding how each department's tasks are correlated and how sometimes departments have to work together on certain tasks.

The history of the organization will also be analyzed to assess how the company has grown and become a leading fintech company. This will delve deep into the awards the company has received and what was the company's initial customer base when they first started and what the customer base is now. The company's financial performance and its key accounting practices will also be assessed to understand its financial health. How the company uses technology for

their day to day tasks and how they keep confidential information secure. This also analyzes their information technology and operation management process and practices.

This study will also delve into the 7p's of the company, its marketing mix, analysis, branding techniques, promotional campaigns (eid salami, exam suveccha), and STP positioning will be analyzed as well.

A swot analysis will be done to assess the company's strengths and weaknesses. Moreover the Porter's five forces model framework will also be used.

The company's mission vision will also be discussed which is very important to the company's success. The scope of this research is limited to the four month internship period working in the company. Moreover, a lot of information is confidential so only information that is allowed to share will be discussed here. Data will be collected through both primary and secondary sources using surveys, annual reports, websites and news articles.

2.1.3 Methodology

The information on the history and practices of the company was collected through several sources which include new paper articles, company websites, practical lessons and observations during working at the office. The data comes from a combination of primary and secondary sources.

Primary source:

Induction: We interns had to go through several induction sessions where an officer from each team sat with us and informed us about the duties and roles of that team.

Onboarding session: Moreover, on our first day there was an orientation session where officers from HR taught us about the hierarchy and leadership structure of the organization.

Assignment from HR: The HR team gave an assignment to all the bnext interns. We had to watch 12 videos which described the function of each department. These videos were meant to give us an exposure to the responsibilities of other departments. We got to learn about what the other departments do. We also had to write a written report of what we understood after watching the videos. The videos were 15 to 40 minutes long on average and they contained a lot of details about each division and their function.

Secondary sources: Various data about the history and achievement and awards of the company was collected from the company's website and various other blogs and news articles. Moreover information regarding the company's financial performance over the last 3 to 5 years was collected from the company's annual reports.

2.1.4 Significance of study

This study is important because it allows future candidates to learn more about the organization and how it's structured and how each department functions and what role they play. Moreover, it can help readers better understand the scope of this internship and better relate to my research in chapter 3. Through this organization overview readers can understand what marketing and accounting practices the company is following and how its practices are acting as a driving force behind the success of the company. It can also help aspiring entrepreneurs understand what is necessary for a business to succeed and what are the best practices that future entrepreneurs should follow in their business to make their business grow. It also makes a connection between academic topics such as marketing, finance and accounting that is practiced in the real business world by a leading mfs company. This will also help students understand how to apply their learned concepts in a corporate setting.

2.1.5: Limitations

Confidentiality

A lot of information is confidential and cannot be shared with anyone outside of the company so only information publicly available is used for research. Employees have restrictions on what they are allowed to share for security reasons so that data will not be used for any illegal activities as some people might try to misuse that information.

Time Constraint

There was a strict deadline for the report and due to time limitation, I could not survey officers from other divisions as some divisions are located in different areas. Some offices of bKash are even outside Dhaka which I couldn't visit.

Sample size

Due to the busy nature of officers' work, I could only survey a few officers which limit the sample size. A lot of officers couldn't be surveyed because of their busy work. Collecting more data would have helped get a broader picture about the organization.

Limited secondary sources

As some of the information is highly sensitive, very little information is available online which is open to the public. That's why secondary data is limited.

Time frame

bKash is a fast and rapidly evolving company. It is growing at an unprecedented rate. So the organization structure may change very soon and the discussions of this research might only be relevant for a certain period of time. For example, a new person can become Hod if someone

retires or a new division or team might be opened in the company for a specific task. Several years ago when the company first started there was no separate aml and cft division. So in future there might be more divisions which are not included in this study.

2.2 Overview of the organization

bKash is a mobile financial service company which was founded by Kamal and Qadir, two brothers. Mobile financial service was becoming popular in countries like Kenya and Philippines. After seeing this. So the Qadir brothers made the decision to bring a similar service to Bangladesh (International Finance corporation,2016). When they were starting out they needed to partner up with a bank. They decided to approach BRAC's Falze Hasan Abed. BRAC had a really well established presence in the country and most people had trust in BRAC, that's why bKash decided to create a partnership with them(International Finance corporation,2016).Abed and the two brothers continued to discuss this business plan for 2 years (International Finance corporation,2016). In 2011 both parties agreed to start a joint venture between money in motion LLC and BRAC bank. bKash started at the perfect time as the government was advising the citizens to open bank accounts but it was challenging because poor people usually lived in rural areas and most of the banks were in cities (International Finance corporation,2016). So rural areas didn't have access to many banks. But most people had access to mobile phones as mobile phones were being sold at very cheap prices. The government needed an alternative solution. So they started searching for other ways to extend financial services to the poor. bKash provided a solution to this challenge that the government was facing in providing financial services to the underprivileged population. bKash is regulated by the Bangladesh bank and Bangladesh financial intelligence unit. BRAC bank has at least 51% share in the company. bKash had to partner up with BRAC because according to Bangladesh's banks regulations it is mandatory for an mfs to establish a partnership with a local bank if they want to receive business license. But bKash still works independently. bKash is called an independent reporting organization because it reports directly to Bangladesh bank. bKash has also built partnerships with Melinda gates foundation, ant financial and soft bank. To get the business operations started, Money in Motion invested seed capital of 5 million dollars (International Finance Corporation,2016). The business also received grants of 10 million dollars from bill and Melinda gates foundation in 2010. After two years of business operation, when the company upgraded their business model and started to expand it gained another 10 million dollars in equity from IFC in 2013 (International Finance corporation,2016). bKash offers many services such as payment of bills, money transfers and mobile recharge. Customers can even add money from their banks to their bKash wallet and pay all of their utility bills using bKash (Ria,2023). It made everyone's lives easier and more convenient by reducing the need to always rely on banks for financial services. People can use bKash for most of the things they usually use a bank account for. bKash also has remittance receiving and loan taking facilities which users can avail. Any customer living abroad can send their earnings to their family members in a legal way through authorized banks whenever they want with the help of bKash (Ria,2023). Not only does

the company have diverse services but it also has large and strong marketing channels spread out through the country. Today the company has a wide network of agents, merchants and distributors spread in all 64 districts of the country that are constantly working to provide convenient money transfer services to the customers.

2.2.1 Awards and history

Fintech Award 2025

Data Impact Award (by cloudera) 2025

SDG Brand Champion Awards 2025

Fintech Pioneer Award 2025

Country's best brand for 6 years

Highest Vat payer 2024

Commward 2024

Bangladesh Innovation Award 2023

Best CSR in education 2022

Best financial institution of the year 2021

Asia's best employer brand 2017

Fortune's change the world list 2017

2.2.2 Mission and vision

Vision

The main vision of bKash is development, progress and financial inclusion of people that don't have any way to use banking or other financial services. The logo of bKash stands for innovation, growth, progress and financial inclusion. The main long-term purpose of the company is to allow people who don't have access to financial institutions to safely send and receive money. The company is working hard relentlessly to make financial inclusion a reality for everyone regardless of their income, socio economic status or geographical location. The organization constantly works to make sure that even the people living in remote and rural areas can get access to financial services just like everyone else in the country. bKash's idea was born to address the unmet needs of the unbanked and underprivileged population who could not use financial services otherwise. So bKash is always trying to serve the people of the country through their innovative offerings.

Mission

The values and mission of bKash are integrity in business, empowerment, innovation, respectful dealings and customer centricity. Upholding these values is the main mission of bKash.



Customer Centricity

Customer centricity is one of their core focuses. Through their products and services, bKash always makes an attempt to satisfy customers' wants, meet their demands and make their lives easier. bKash makes it a priority to serve their clients and seek

feedback regularly regarding their experience and tries to find areas for improvement.

Innovation

Moreover, bKash always works to find new innovative products and processes that will improve people's quality of life. The employees of bKash are constantly working to bring about changes and new ideas which will have a strong impact on improving people's lives. The organization encourages employees to come up with new ideas that can make official tasks easier to complete and more efficient. They even suggest the interns and junior level employees to use their analytical reasoning and creativity to do the task in their own way and then the senior officers give feedback on where the interns can improve. They encourage all of their employees to suggest new ideas. Sometimes good ideas for products or new ways of doing a certain task come from officers at the junior level.

Respectful dealings

Another one of their core missions is being respectful to customers and all other stakeholders. They treat the customers and employees with utmost care and respect. bKash's customer service agents always pay attention to customers' feedback and queries. Moreover, senior employees at bKash always care for their subordinates. While I was working here as an intern whenever I was confused about a certain task my line manager taught me how to do the task properly with patience. Whenever their employees don't understand a certain task, the top-level managers explain it to them very respectfully. Moreover, if someone has a different opinion on a topic, they encourage open discussion. They don't try to impose their views on anyone. They always encourage officers to have their own personality and creativity. On the first day of joining they teach their employees how to greet customers over the phone and how to behave with colleagues in a respectful manner and what are the things that an employee should avoid.

Integrity

bKash is always honest to customers. That's why they invest so heavily in compliance activities. On our first day of induction our senior officers told us that we need to be ethical because we are doing business with other people's money. That's why it is of utmost importance that we earn our customers trust by conducting business in ethical ways.

Empowerment

bKash is always working to empower the underprivileged population. They started the company to bridge the gap between rich and poor people's access to financial services. bKash made account opening very easy and simple so that people who are not educated can open accounts with any hassle of submitting tons of documents. Moreover, bKash treats all of their employees equally regardless of their gender or social standing.

Agile

They always get back to their customers as promptly as they can. They don't keep their customers waiting. Even in offices, employees respond to each other's email as soon as they see it. If for some reason they can't respond immediately then they suggest an alternative time and let the other person know that they are not available at the moment

2.2.3 Organization structure

The entire company is divided into 10 divisions which perform different tasks. Even though different duties and responsibilities all work for the same shared objective. The 10 divisions of bKash are described below:



Supply chain

The supply chain division oversees the financial budget and procurement activities of the company. They have many important tasks.

Allocating budget: One of the core tasks of this division is utilizing the budget of the company to maximize profits and keep costs low. They decide how much money will be allocated to different divisions. Before deciding on the budget allocation, they meet with different divisions and discuss their needs to get an idea of how much budget they will require.

Procurement and negotiation: They try to save money by negotiating with vendors when buying supplies for the company. This negotiation to purchase supplies at low cost is done by the procurement department. This division is also in charge of logistics management.

Delivery of POS: Moreover, they make sure that all the point of sale materials are delivered timely to all the agents and merchants of bKash. Agents and merchants need these point of sale materials to display them in front of stores in hopes of attracting customers. These pos materials displayed by agents attract audiences and it demonstrates to the customers that this shop is a bKash agent and they can recharge their bKash wallet through this store. The supply chain division also works closely with the commercial division.

Customer Service

This division's main Job is to answer customers' queries promptly and provide any services customers might need. bKash has 2 types of customer care which are **1. bKash center and 2. bKash Care**. These two centers serve all customers of bKash. But they have different ways of providing services to customers. bKash center instantly provides services to customers and it is closer to the head office. However, if a customer wants to receive service from bKash care they will have to raise tickets. After raising tickets, it takes some time for the tickets to get approved from head office. bKash customer care also has an inbound and an outbound call center. Inbound call centers receive calls from customers and solve their issues quickly. Whereas outbound call centers reach out to different stakeholders and business partners. If a customer forgets their pin and can't log into their account then they can contact bKash customer care for assistance and get their problem fixed.

Product and technology

The product and technology division primarily manages and works on different projects of the company and develops software and technologies as per the requirement of bKash. This division is divided into different segments.

1. Technical Engineering: They use different programming languages such as python java or c++ to develop new features in the app. They also test the new features for bugs before they decide to release it. If any bug is found they try to fix the issue as soon as possible.

2. Service Operation: They make sure the app of bKash is running smoothly and people can do transactions without issues. They monitor for problems in the app system and try to identify anything that could disrupt people's user experience.

3. It & Governance: They maintain the network and database of bKash. Moreover, they also work with big data and machine learning. They are ones who set up the laptop for interns or new employees. If there is any issue in the laptop employees go to IT to resolve their issue.

Commercial

Generate sales: The main task of this division is to drive or generate sales or new sales leads that can be converted into a customer. They have a distribution department which handles all the cash in and cash out, new registration and mobile recharge.

Payroll: They also have a department for payroll business. Payroll department onboards corporate clients and works to maintain monthly active users. RMG garment owners use this payroll service to pay wages to their workers at the end of the month. It makes salary disbursement easier and faster. The commercial division also collects payments from merchants, distributors and helps drive revenue for the company.

Finance and Accounts

The finance and accounts division has several functions.

Calculating Costs: Some of their key activities are MNO cost calculation, calculating how much money needs to be paid to distributions and vendors, calculating depreciation and impairment and amortization on fixed and intangible assets of the company.

Budgeting and forecasting: Another important task of finance is budgeting forecasting, data analysis & management and all kinds of financial planning. The finance division also takes the responsibility of calculating tax and vat so that the company knows how much tax or vat they need to pay to the government. Another key role of this department is treasury operation which involves generating e money. In order for bKash to generate e money it has to submit an equivalent amount of cash or physical money in a bank account. They need to deposit money in the bank. Only after depositing this money they are allowed to generate e money by Bangladesh bank. They are also responsible for investment placement. When the company has excess cash sitting around it is the job finance division to find profitable and suitable investment opportunities where the company can invest this surplus money and earn good returns.

Human Resource

The human resources division has a lot of duties and responsibilities assigned to them.

Recruitment: They recruit new talent and provide training to them. They also shortlist CV's and take interviews of the shortlisted candidates. When new interns are hired HR conducts an

induction session for the interns to help them get familiar with the organization and make them feel welcome.

Collecting documents: Moreover, when a new employee joins the organization HR collects all the documents from those employees and verifies that the documents are legit and free from errors. The HR division is also responsible for providing training to different employees.

Providing training: When new interns are onboarded, they are given training on excel which is arranged by the HR division. The HR division also works to find employees that can create content for social media pages. The HR division also visits different renowned university campuses and conducts educational seminars to boost the brand visibility of bKash and make the company popular among students by giving them career advice and interview tips and other relevant guidance regarding their future prospects. This makes young students want to engage with the company. Lots of students who attend these sessions find useful information and they are motivated to work for bKash in the future.

Marketing

The main Job of the marketing department is to Create demand for the Product's of bkash among the consumers. They accomplish this, by launching new Products and campaigns and Providing different kinds of incentives to customers so that more customers want to use bkash's Products and services. They also do campaigns for stakeholders and they try to build a positive brand perception of bKash in customers minds.

ECAD (External and corporate Affairs)

Structure of the division

Under Ecad there's 3 departments which are AML & CFT, external affairs and R&CA. Under each department there are separate wings and under those wings there are separate teams. For example, under external affairs there's 2 wings which are fraud and dispute management and financial crime management. In AML & CFT there are many teams which oversee and work on different functions. Also, there is a central compliance committee which is made up of at least 5 high level managers from ecad.

Responsibilities of the division

The main responsibility of the AML and CFT department is to maintain AML and CFT compliance within the organization. The AML and CFT department has many responsibilities. Different teams are assigned different tasks to mitigate risk and prevent fraudulent transactions.

Training: There is a dedicated team that has to provide training to all the agents and merchants and keep record of these training sessions. Auditors and regulators can ask for these reports any

time to make sure the company is providing training properly to its stakeholders and business partners.

Monitoring registration and doing customer due diligence: The registration monitoring team oversees the registration process. When a customer applies to open an account, this request and all the information provided by customers is verified by members of the registration monitoring team. This process of verifying customers' important information such as their nid number, photo, address and name is called e-kyc. Sometimes customers try to create fake accounts or they use ai and deepfake to create fake photos and create accounts which they will use for criminal activities. So members of this department analyze the information to make sure the provided information is correct and complete.

Monitoring transactions of non-personal accounts: There is also a dedicated team which monitors transactions of entity or non-personal accounts. They check online gambling and crypto currency trading sites and social media sites to find out which entities such as agents and merchants are trying to use their account to engage in online gambling and betting which is illegal and prohibited by the law of our country. They take screenshots of any agent's wallet information if the agent is found to be involved in online gambling or crypto trading sites. This process is called media screening. They also do weekly IRM verification for major risks.

Sanction screening: This department also does sanction screening to see if any customer who is trying to create an account had any previous criminal records or not. There is also a team that visits the agents and interviews them by asking them questions to test if the agent is complying with the laws and regulations.

Legal

The legal division has two main departments. These two departments perform different tasks.

1. Legal
2. Secretarial & corporate governance.

The main responsibilities of the legal department are managing risk, documentation, performing an advisory role for the company and maintaining liaison with the government offices.

On the other hand, secretarial & corporate governance approves board meetings with stakeholders, updates records of the company, performs due diligence and manages intellectual properties of bKash such as bKash's logo and trademark.

Enterprise Risk Management

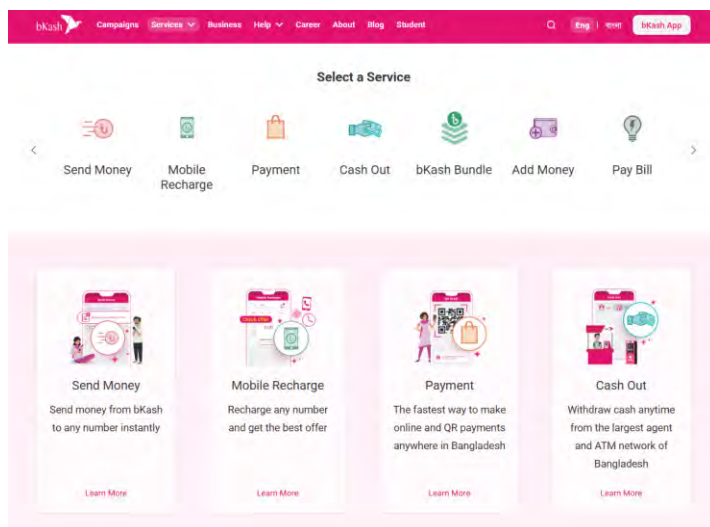
The main job of erm is to manage different types of risk that the organization can face. They try to maintain a risk appetite which means keeping risk within a manageable level so that it doesn't get out of control and create threats for the future. They try to investigate, identify and assess different types of risks such as technological, organizational and operational risk. If the division finds any risk that could cause harm to the company then they take proper actions to mitigate that risk. Aside from risk mitigation and management they meet with different stakeholders of the company and try to come up with ideas to increase efficiency of the company's operations.

Communications

The main purpose of this department is to manage and maintain the reputation of bKash. This division constantly works to shape the mindset of different stakeholders. They educate and inform the agents, merchants and other stakeholders about what bKash is doing and how that is creating a positive impact in their lives and in the economy of our country. They share the achievements of bKash with others and make them aware about the positive changes that bkash is creating in our society. Through their actions they enhance the company's reputation in the eyes of all stakeholders. They also create many kinds of digital content and act as a bridge between the internal and external stakeholders of bKash.

2.2.4 Products and services

bKash has a wide range of products and services. Even though their main product is e-money and facilitating transactions through mobile phones they have a wide variety of options and features available inside their app. The products of bKash are:



Send Money

Send money is their primary service. Users can use this feature to send money to anyone they wish. In order to send money from their app they need the number of people who they wish to send money to. The app will ask the user to input their pin to confirm the payment. This is a very convenient way to transfer money to relatives, friends or family without physically travelling

to their location. If someone is short on money and they need money for an emergency they can request and receive money from their friends and family through this feature.

Payment while shopping

When purchasing goods from a store, customers can pay through bKash instead of paying by cash. This is possible due to an extensive network of merchants throughout the country. Nowadays almost every store and merchant is affiliated with bKash. So now customers have multiple payment options.

Bill payment

There was a time when people had to go to banks and stand in line to pay their bills. But now people don't need to go to the bank anymore to pay their gas, electricity, water and other utility bills. They can pay these bills straight from their bKash app.

Sending remittance

Bangladeshis who are living abroad and working for a foreign company can directly send money to their families living in Bangladesh through bKash. They don't need to go to any third party. This makes remittance transfer easier and less complex.

Dps savings

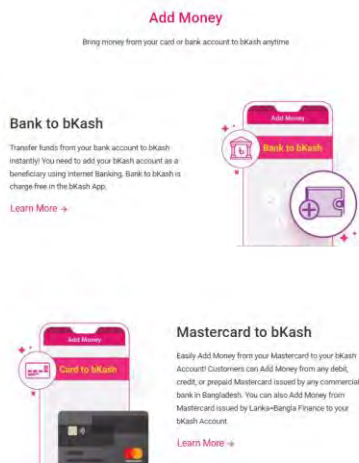
Customers can open a small deposit account in a bank through bKash app where they can start saving small amounts of money each month. Over time this can sum up to a large amount. This is an easy way for people who don't have bank accounts to save money that they can use in times of emergency. This gives people a financial protection against the uncertainties of life. This encourages users to save money and build a habit of saving a portion of their income instead of spending everything at once.

Request loan

Customers can ask for loans using the bKash app. bKash doesn't give loans directly. They act as a middleman between the bank and customer asking for loans. bKash partnered up with other banks to make this happen as providing loans is not part of their business.

Cashout

Customers can withdraw the e-money in their bKash account and convert it to cash whenever they need by going to an agent close to their home. Every time that customers withdraw money from their bKash account they have to pay a small cashout charge of 18.90 taka per every thousand taka withdrawn.



Bank to bKash

This is one of their newly launched services. If any customer is out of bKash wallet balance they can recharge their bKash wallet through bank accounts debit cards.

Add money

Customers can also recharge their bKash wallet balance by visiting a merchant and exchanging cash for bKash balance.

Mobile recharge

Customers can directly recharge balance into their sim cards through a bKash account. If someone is out of mobile balance they don't need to go to a shop to recharge their talk time or sim cards. Customers don't have to buy scratch cards anymore. They can recharge the amount of money they want from the bKash app.

Donation

bKash also has a donation service available for those who want to contribute to the welfare of the society. Through this feature people can donate money to charities and humanitarian organizations to support people who are in need of financial aid.

2.3 Management practices

Leadership style

The entire company is divided into 10 divisions. Under each division there are separate departments. The CEO of the company is Kamal Quadir. Under the CEO there are 10 CXO's. There is a dedicated CXO for each division that oversees the overall activities of all employees in their division. Moreover under CXO's there are multiple department hod's and under hod's there's a vp for each department. Under each division there are multiple departments and inside those departments workers are divided into many teams. Although there are many teams in a department they all collaborate and work together with each other for a common shared objective. The main task of the company is broken down into smaller tasks. Those smaller tasks are handled by different teams.

HR recruitment process

Shortlisting candidates: First bKash releases a circular of their bnext internship program on their social media pages. Interested Candidates have to apply though this circular and attach their cv's. From the pool of applicants, the candidates with best CV's are shortlisted for an online aptitude test.

Aptitude test: In this aptitude assessment bKash tests a candidates analytical, English and mathematical skills. The test includes questions from different subjects such as math, English and some analytical questions are also there to assess the candidate's ability. Then the candidates who pass the aptitude test move on to the next stage where they are called for a focused group discussion.

Focused group discussion: In this round their team work and collaboration and their creative thinking ability are tested. Candidates are divided into groups of 6 members and they are given a case and 10 minutes of time. Then when the time is up they get another 10 minutes to discuss the case amongst themselves.

Final interview and presentation: Candidates who pass this FGD round advance into the final round where they are given a case based on the department that they selected to join. They have to make a compact presentation that answers the question given in the case. The candidates have to present this case in the final round and this presentation is followed by an interview. As soon as the presentation ends the interview begins. Candidates who pass all these rigorous steps are accepted as next interns. Some of the Interns get converted into full time employees. Interns who perform well during the internship period get called for an interview when there is a vacancy. Usually two further interviews are taken before they hire an officer from interns.

Recommendation and PR Intern: They also have an internal hiring system where they collect CV's from their interns and their friends for the next cohort of internship program. The interns who get hired through this second hiring process are called PR interns as they are selected from personal recommendation. PR interns whose cv get shortlisted also have to go through an interview before they get selected.

Evaluation

They also have a system for evaluating their interns. Through the half way point of their internship the company asks the line managers to evaluate the interns performance. Their work ethic, discipline are judged. Interns who perform best and outstandingly are called for interviews when there is a vacancy. The best interns get a permanent job offer. If the interns performance is good their line manager might recommend them for future placements at the company.

Training and development programs for employees

bKash arranges a few e-learning sessions for their employees each month. Recently they arranged an Sql training session for their employees. They brought expert trainers from outside the organization to upgrade their employee's skills and upskill them so that they will become even more valuable assets to the company. The company puts a lot of effort in training their interns. They arrange an excel and a presentation teaching programs where interns of aml and cft are given topics to create presentations on. These sessions are developed to help interns prepare for job interviews so that they stay ahead of the competition. This also helps brush up interns

power point slides designing and presentation skills. The department head gives individual feedback of 20 minutes on how they can improve and they can improve their skills further. Our department head gave us many suggestions such as learning about the appropriate posture and body language during presentation and interview and he also encouraged us to practice speaking in front of a mirror. This self assessment can help us find our flaws and see where we need improvement.

Compensation and benefits

All the interns who are located at head office receive free lunch. Also, they receive a competitive monthly remuneration or stipend. Permanent employees get access to provident funds and may get yearly salary reviews or they may be considered for promotion based on their performance and contribution to the company. Moreover, employees are also taken to a retreat once a year.

Other important management practices

How organization maintains chain of command

Each employee gets access to yearly retreats. Management arranges 2 seminars every year to meet with the auditors and regulators. The company divides important tasks and assigns them to several divisions. Employees usually have to follow a hierarchy or chain of command. Interns first talk to their line managers for any needs. Line managers talk to vps and vps talk to department heads. But if any emergency arises the interns or junior employees can direct reach out to vp or department head.

How company keeps information safe

The officers can communicate with each other through the official outlook email of bKash. Officers are given a separate laptop to keep information safe and make sure no one can leak confidential information. Each activity on the laptop is monitored. Network access is limited and certain websites are blocked. Interns have to raise tickets and get permission from supervisors to receive their laptops and internet access from the IT division. This request for internet access has to be approved from upper management.

How management keeps employees up to date with latest technology

Management arranges several workshops and training sessions for employees so that they can upskill themselves and become more efficient at their jobs. These sessions are referred to as e learning. Employees who complete the training sessions also receive certificates.

Work culture

Everyone refers to each other as “bhaia” or “apu”. The colleagues are like a family. Everyone supports each other. Also, there is a dress code for employees but they don’t have to wear ties

and on Thursday they can wear semi formal. Whenever there is a birthday for a colleague everyone celebrates it together on that special occasion.

How management boosts employee moral

Management provides many incentives to employees who perform well. Employees receive their own jackets, goody pack and various other gifts. Employees also receive certificates and award for outstanding performance.

Goal setting practice

Management sets a list of kpi or goals that they aim to achieve or attain by next year. These goals or kips are documented in a kpi book. This book is prepared before the start of the next year. This helps employees track their progress.

2.4 Marketing practices

2.4.1 Strategy for marketing

bKash uses a mix of traditional and digital or online marketing to reach a wide range of audience. They segment their customers into different groups based on their usage patterns. Regular users are grouped in one category whereas new users are grouped in a different category. Then they design unique marketing campaigns tailored to the needs of specific segments. After dividing the market, they choose the most profitable segments to serve. Moreover, bKash positions itself as a fast, convenient and reliable mobile financial service in customers minds. They do collaborations with different brands and work on customer loyalty programs so that customers keep using the app frequently. bKash makes sure they are always on top of customers' minds. They heavily invest in their marketing campaigns. bKash has partnerships with various trusted companies which enhances the company's reach and reputation. This makes users easily trust the brand. Recently bKash has created a partnership with Trust Bank (The Business Standard, 2025). Through this partnership customers of bKash will have the opportunity of creating dps accounts at trust bank directly from bKash app(The Business Standard, 2025). Furthermore, bKash has also partnered up with UCB bank to bring automated management of cash for all bKash agents, distributors (The Business Standard, 2025).They also use social media to their advantage and use different techniques like seo and content marketing. Some of their Promotional strategies are giving discounts, cashbacks for customers who refer the app to their friends or families and offers during eid and other holiday seasons to attract new customers to the platform and keep their existing customers loyal to the brand.

bKash puts a lot of effort into building customer loyalty. They take initiatives such as conducting educational seminars and take feedback from customers to keep them engaged and retain the attention of customers. bKash collaborated with 10 minutes school to launch a financial literacy course to educate people to make better financial decisions (The Business Standard,2024). This

continuous interaction helps foster trust within the community and it also ensures that the services bKash provides aligns with what customers want.

Moreover, their strategic mix of 4p's is a significant part of their marketing strategy. They mix product price promotion and place wisely to create a successful and popular brand that everyone can trust and relate to.

2.4.2 Targeting consumers, positioning (STP)

STP stands for segmentation, targeting and position. Using this strategic companies identify their desired target customers and choose a specific segment of customers to serve. bKash uses various segmentation and targeting strategies.

Segmentation

Segmentation means dividing the entire market into smaller and specific segments based on characteristics and demographics of the customers. bKash uses various types of segmentation to group customers with similar socio-economic conditions or similar values or similar interests.

Geographic

Geographic segmentation refers to dividing the customer base based on their physical location. bKash uses this strategy and groups people based on where they are living or where they are located. bKash divides the country into 10 regions which are Barishal, Bogura, Chattogram, Dhaka south, Dhaka North, Cumilla, Rangpur, Mymensingh, sylhet and khulna. They assign ramlco and rto officers for each region to look after the agents and merchants activities in that region. Moreover, they can further divide these 10 regions into rural and urban locations. For example in bogura region people living in cities may fall in one segment and the people living in country or rural side may fall into another segment. People living in remote and distant hill areas where financial service is hard to find may be grouped into another segment. The location where there are lots of banks and financial institutions might fall under another segment.

Demographic

bKash divides customers based on demographic factors such as age, gender and income level. For example, people who earn a lot of money and have a stable job are grouped together and people who are living in poverty are placed in the same group. Moreover, bKash also divides customers based on their age. They can divide teens, young adults and working adults and seniors into different categories. Recently they started an offer for students where they can open a bKash account even with their birth certificate if they are below 18 and don't have a national ID. They have different offers that cater to the unique needs of that age segment. For example, adults who are working can get encouraged by bKash to put money in dps so that they can build savings and save for a future purchase.

Psychographic

bKash divides customers based on their lifestyle choices and values. With this strategy bKash tries to understand what customers prioritize and what are their beliefs and core values. People who want a convenient life without too many complexities, people who value family and people who love to travel are examples of some of the segments that bKash creates. People who are conscious of how they spend money and don't like extravagant spending may be grouped into another segment by bKash, people who want to pay bills quickly without going to a bank and waiting for hours can be assigned to another group.

Behavioral

Using this approach bKash divides customers on the basis of how they behave with the app. What types of services customers use frequently and how many times in a month they do transactions and what's the average amount of transactions, how many people the customer is sending money to are some parameters bKash uses to identify customers with different behavioral patterns.

Usage based

Different people use bKash for different purposes. Some people need to send money, some people are looking to save money and some people use bKash for business purposes. People who use bKash for business reasons are agents and merchants. bKash divides customers based on what they are going to use the service for and how they will use the service.

Targeting

After dividing the market into segments bKash targets those segments that need to use their service the most. Their targeted segments are:

People who don't have access to financial institutions: In rural areas there are hardly any banks where people can deposit or invest their money. This segment is bKash's primary target. bKash was initially created to service the needs of these people who are excluded from financial services provided by banks.

Young people who like technology: People who are good with technology prefer everything to be digital. They prefer cashless transactions over physical cash as it's safer and more convenient than carrying cash. It's hard to carry a large amount of cash in a wallet. But e money can be easily stored without taking up any physical space in the wallet.

Small retail or grocery shop owners who want extra income: Grocery shop owners don't earn enough money by selling products. Sometimes a lot of their products remain unsold due to low demand. so they need a side hustle or another way to earn extra cash. So they want to become agents and earn revenue through commission. The more transactions such as cash in and cash out

people do through that agent the more commission that agent receives from bKash. Agents receive a small portion of cashout charge as commission. Even if customers don't buy groceries they need to recharge their bKash wallet. So even if the shop can't sell enough products to cover all their monthly expenses, the commission earned from bKash is more than enough for them to earn a good amount of money.

Medium or Business owners who want to receive payments in multiple ways:

Merchants who have a business and sell products sometimes prefer to have another option to receive payment other than cash as sometimes customers don't have change. So having another payment method available makes it easy for both the customer and merchant to do the sale transaction.

Workers who live abroad to earn money and support their families: Many people go abroad to find work in the hopes of providing financial support to members of their family. They have parents or children who rely on their income. When they earn money and get their salary they have to send a portion of their income to their family members to support them. But sending remittance is a long and lengthy process. So they need a quick and reliable alternative that can make this remittance transfer less complicated. bKash has made remittance transfer easier with the "send remittance" feature. So blue or white collar workers who live abroad are of the primary target groups of bKash.

Mass market: bKash also targets the mass population of the country as almost everyone needs convenience and financial services these days and the number of people who use bKash is now more than 80 million. So someone from almost every household uses or has a bKash account.

Positioning

Positioning is all about how a brand wants their customers to perceive them or feel about them. bKash wants customers to think of fast, ethical, trusted, convenient, affordable and reliable whenever they hear the name of bKash. Moreover, bKash also wants everyone to associate the words, progression and development. In the bKash logo there is a white icon of a bird who is flying towards the sky. The bird in their logo stands for change and progress. Just as the bird is flying and going upwards, bKash wants to empower and transform the underprivileged population in the country so that they can improve life and have access to the same necessary financial services as any rich person. They want people to view the company as a brand that bridges the gap between rural people and urban people. They want to keep developing continuously. They also want to work for the welfare of different communities in rural areas and make their lives easier by bringing them under financial inclusion. Furthermore bKash wants everyone to think of them as digital as bKash wants to reduce people's reliance on cash and give people a convenient and safe way to send money to close people.

2.4.3 Marketing channels

Bkash has multiple channels to reach their customers across the country and market their products.

Mobile App

bKash has a highly advanced and modern app. Their app is one of their key marketing channels. They provide all of their services through this smartphone app. Recently they also launched an AI chatbot AVA which replies to customer queries.

Distribution house employees

bKash partners up with many distribution houses in each region. These distribution houses oversee the activities of all agents and merchants in that area. Whenever agents run out of e money they can go to distribution houses to receive more e money or convert their e money into cash.

Agent and merchant network

bKash has a large network of agents all over the country. They provide cash in, cash out and other services on behalf of bKash.

Partnerships with financial institutions

bKash has ties with many prominent banking institutions of the country such as trust bank, city bank. bKash provides loan and dps services through partnership with these banks.

2.4.4.1 4p's of bKash

The 4p's are a marketing tool or framework that is used by almost every business organization.

Product:

Their main product is e money. They facilitate the transaction of money and payment of bills through a person's smartphone. Payment, recharging mobile balance, inserting and withdrawing cash and sending money are bKash's main products. However bKash also has several other additional products to serve different needs of customers.

Price: Bkash charges a cashout charge of 18.9 per each one thousand taka of cashout. This is one of their sources of revenue. bKash also charges a small transaction fee of around 5 taka when customers are sending money to someone. This 5 taka transaction fee is constant regardless of how big or small the transaction is.

Place

Bkash provides its services through distributors, agents and merchants. They work with distribution houses in each division and district. These distribution house officers go to agents

and recharge their e money in exchange for cash. Customers mainly receive service from these agents and merchants.

Promotion

bKash promotes its business in various ways. They create tvc ads and also partner with influencers and business owners and e-commerce platforms. Whenever customers purchase from those businesses and are about to pay they become aware about bKash when making payment. In ecommerce platforms there is a gateway to pay through bKash. These activities make people who are not aware about the brand curious to know about the company. bKash also does a lot of branding activities and does many educational seminars for undergraduate students to increase its popularity among the youth.

2.4.4.2 Product development and competitive practices

Product development

Market research: before any product is developed bKash conducts market surveys to find customer's needs and preferences. bKash tries to know what features customers really want and what would make their lives better. After understanding this bKash starts their product development.

Development: New products of bKash are usually developed by the product and technology division. They build new features using several programming languages.

Risk assessment: After developing the product they check if there is any problem. They do a trail run. After the product is developed, it is sent to AML and CFT of ECAD to check for potential risk. ECAD tries to assess which aspects of the product can cause potential risk in the future for the company. If they identify any risk then they tell the product and technology division to fix it. If there is no issue then ECAD approves the product.

Government approval: After it is approved from ECAD it also has to be approved from regulators such as BFIU and Bangladesh bank.

Test release: After the product is approved it is released for a trial period for 6-7 months. The commercial division releases the product in the market.

Final release: If the product works fine and gets a good response from customers then it is released fully on the market.

2.4.4.3 Competitive practices

Student activities: bKash arranges a wide range of programs for undergraduate students in universities. Recently they launched a new program b-hive which is meant to bridge the gap between what students learn in the classroom and what is practiced in the corporate world. They also launched their campus ambassador program b-ace for second and third year students last year.

Digital transformation: They are constantly switching all of their paper based tasks to digital screens and emphasizing that they are one of the leading digital and technology driven brands.

Wide branch of agents merchants and pra: Throughout the country bKash has over 3 lakh agents and more than 5 lakh merchants.

Convenient app ui: The app is very easy to use and navigate. All of the important services are found at the top. People can transfer money with the tap of their fingers. Moreover recently bKash updated the look and design of their app to make it more appealing and user friendly. The design changes consolidate the financial transaction information in a dedicated customized space to make the management people's finances easier (The Business Standard,2025). My bKash and bKash offer sections have also been redesigned which gives a much more elegant, clean and refined look (The Business Standard,2025).

2.4.5 Branding Activities

Point of sale materials

bKash provides lots of point of sales materials such as posters and infographics to all of their agent's outlets and merchants which they display outside their shop. These "point of sale" materials help attract customers.

Unique logo and colors: bKash uses a magenta or light pink color and black color in their logos. This color is very distinguished and they also use this color in other areas. For example in their internship program bnext all the interns are given a notebook. On the cover page there is a "bnext" text and a graphical element which is designed with pink and black color.

Ads during festival season: bKash creates various campaigns during Eid such as their salami giving campaign where elders can give salami to their relatives' children using the app or send an Eid card. These activities are done to increase people's trust so that people see bkash as a brand that is trustworthy and reliable. Moreover, bKash users can receive discounts while shopping if they make payment using bKash at various superstores across the country (The Business Standard,2025). Customers can get up to 300 tk using R2 coupons available at large superstores such as meena bazar, daily shopping and Bengal meat (The Business Standard,2025).

Unique laptop wallpaper:

bKash uses consistent color themes and designs in all of their office equipment. In their office doors the bird logo is visible. Moreover, every employee is given their own laptop where the wallpaper is the same. In every employee's desktop wallpaper there is a bird logo and the colors in the wallpaper are the same as the bKash's logo.

Using logo and color theme in slides:

Whenever officers of bKash create slides to train and educate new merchants or agents, those slides follow a similar template which contains the logo and color themes of bKash.

Amar bKash page: bKash has created another Facebook page where they create relatable content to make users feel the company understands their needs.

Educational content for users and emotional connectivity: bKash is a customer centric brand. So, they always want customers to feel like bKash is a part of their life. That's why they create many videos to make people aware about different scams and frauds and how to be safe from them. bKash has launched a digital union program in Cumilla to raise the financial literacy and awareness of citizens (The Business Standard,2025). This program will aim to make people aware on how to safely do transactions and be free from by financial frauds through visiting customers residents, making announcements, educational videos, folk baul songs and games (The Business Standard,2025). This makes people feel at ease knowing bKash cares about their safety. In this method bKash attempts to build an emotional connection with its customers by creating a campaign which resonates with their culture and values.

Flagship career program: They have their unique bnext program where they carefully recruit interns through a rigorous hiring process. They promote this program heavily on their social media and candidates who pass all the tests and become bnext interns get featured on the career page of bKash. A group photo of all the interns is published on bKash's career page on the induction day. Recently they also launched b-hive which is a program meant to give university students an idea about the corporate world functions.

2.4.6 Advertising and promotion strategy

Social media campaigns: Before launching a new product, they create hype and excitement about it through social media. For example, before launching their Ai chatbot "ava" many social media pages advertised this feature and created suspense and excitement among the people.

Holiday and Eid campaigns: They also launched campaigns that bring back old traditions and resonate with people's values. For example bKash revived the Eid card gifting tradition by allowing users to send digital Eid cards. bKash also allows users to send salami during eid

season. This is one of their biggest marketing campaigns. This campaign is used so that people do more transactions using bKash during festival season.

Partnership and collaborations: bKash also does partnerships with many companies. Customers who avail certain offers get cashbacks after payment. For instance, any bKash user who purchases any online course on educational platforms such as sikho, 10 minutes school and area71 academy will receive discounts and cashback (The Business Standard, 2025). Through cashback bKash gives an incentive to the users to use the service frequently.

Relatable social media content: Recently they also launched a social media page where they share different tips and tricks about the app and share relatable content that users enjoy watching and interacting with. Moreover, they redesigned the amar bKash icon and simplified it (The financial express, 2025). This amar bKash feature now shows users a snapshot of all their transactions which makes it easier for customer to track their expenses (The financial express, 2025). They also partner up with certain businesses and provide discounts if customers purchase from those shops and pay using bKash. During Eid most large superstores such as meena bazar, daily shopping provides discounts to customers who purchase goods and pay using bKash at the store outlets (The Business Standard, 2025). It motivates the customer to use bKash to make payment so that they can save money.

Expand agent base: They also go to certain shops and figure out which shops would be a good fit as new agents. They try to recruit new agents who have a good business reputation. A distribution sales officer or people from commercial visit areas in search of new agents and merchants.

TVC's: bKash also creates ads or tvc's and also hires influencers to promote the brand to the consumers. Recently they launched a campaign where users will need to make a minimum purchase of 500 taka using bKash. Chosen users and their mothers will have the opportunity to have dinner with actress Mehzabin Chowdhury at a five-star restaurant (The Business Standard, 2025). Influencers have a big impact on youth so using them to spread the word about bKash is a really effective marketing strategy. bKash also uses billboards to advertise their brand offline who are not that active in social media.

University seminars: bKash has recently started doing seminars for university students. They go to different universities and give advice to students on how to crack interviews and what skills they need to learn. This boosts bKash's visibility and awareness in young people's minds. Moreover, they have started hiring campus ambassadors to spread their word in university campus among the students. This campus ambassador program of bKash is referred to as b-ace.

bKash also analyzes customer demand and global trends to figure what new features customers prefer and want. Recently they redesigned the ui of their app. Then the product and technology division tries to build those features inside the app. This new look makes using the app much easier and seamless.

Moreover, they also launched an AI assistant inside the app which is called. This can answer any questions the customers have such as what to do if someone forgets their pin and how to reset it.

2.4.7 Vital Marketing issues and gaps

Lack of financial and literacy among people in rural areas: People in rural areas are not aware about the financial risks and fraudulent activities. A large portion of them are not educated. So, it is harder to make them aware.

Agents: bKash has to rely on agents to provide services to customers. Some agents engage in illegal activities or they give their agent sim to another person or they do business from another location instead of their shop which is referred to as pocket sim. If any customer gets betrayed by an agent, then the customers might lose trust in bKash. Even if the illegal activities are conducted by third parties, people will still hold bKash accountable.

Strong rivals: The fintech industry is growing and new competitors are coming in. If competitors such as Upay, Nagad, rocket, prime fintech start charging lower prices then customers might switch to those platforms and it might be hard for bKash to retain the customers if they don't lower their transaction fee.

2.5 Financial Performance and Accounting practices

2.5.1 Financial Performance

Profitability ratios

Net Profit Margin

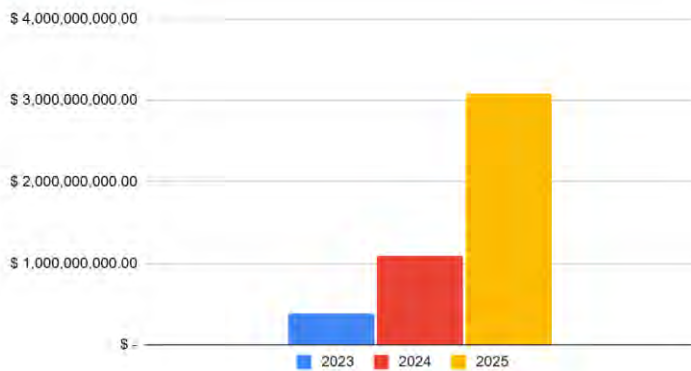
Net profit is the amount of extra or surplus income a business has after deducting all of the operating and sales related expenses. Net profit margin shows the profitability of a company. By looking at this ratio analysts can understand how much profit a company is generating per each taka of revenue or sales. This ratio gives insight into how well a business is performing and what is the financial condition of a business. If this ratio is low then the business is struggling to generate profits and that means the condition of the business is not good. On the other hand, if a

business has high net profit margin it means it is generating more profit from each taka of sales and their costs are low.

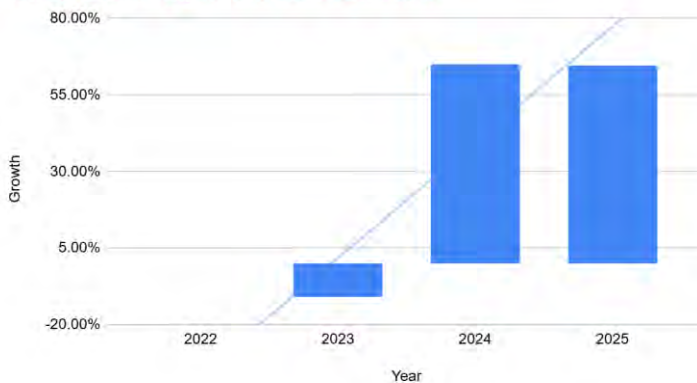
bKash's Net profit from 2023-2025

In 2023 bKash's net profit was only \$ 382,278,878.00. In 2024 bKash's net profit grew to \$ 1,090,918,432.00. We can see that the company's profit increased significantly just in span of one year. In 2025 the profit of bKash increased again. This time it increased even more tremendously. The profit skyrocketed to \$ 3,077,095,774.00 in 2025 which is unprecedented. So over the span of these past three years we can see a steady profit growth.

Profit of Bkash



Growth rate of profit from 2022-2025



From the above chart we can see that from 2022 to 2023 the company suffered a loss of 11% in profit from the previous year. However from 2023 to 2024 company's profit increased by 64.96% which is one of the highest profit growth rate for any company in this industry. In the next year (from 2024 to 2025) bKash again made a major growth in profit by 64.55%. This means that the company's profit is growing steadily and the company is performing really well in the market. For each taka of service they profit they are generating 64.55% more profit from the previous year.

Net profit margin of bKash from 2023-2025



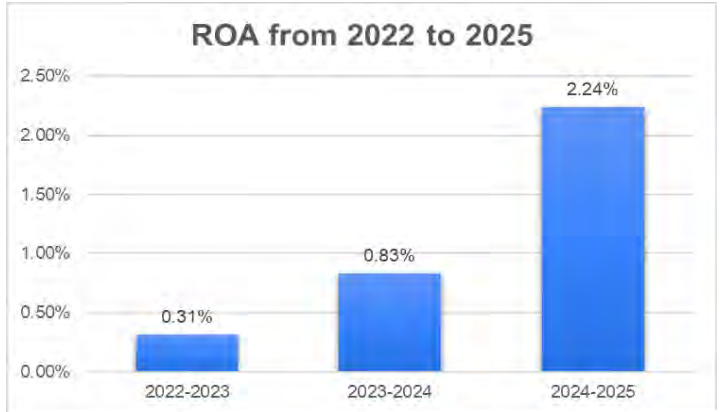
In the year 2023 bKash's net profit margin was only 1.88%. This ratio increased to 4.43% in 2024 and in 2025 the ratio increased to 9.60%. This means they are either minimizing their cost and utilizing their operations better or they are able to charge higher money for the same amount of service. Their business has become more efficient. In the past they were able to generate 1.88% profit from each

taka of revenue that they earned. That means most of the revenue money was spent to cover expenses and not much profit remained after paying all expenses in 2023. But in 2025 they are able to generate more profit per taka of revenue that they earn. This means they can retain more of their revenue as profit and their cost has decreased significantly. In 2025 they are generating 9.6% profit from their revenue which is a very good sign for financial health a businesses.

Return on Asset

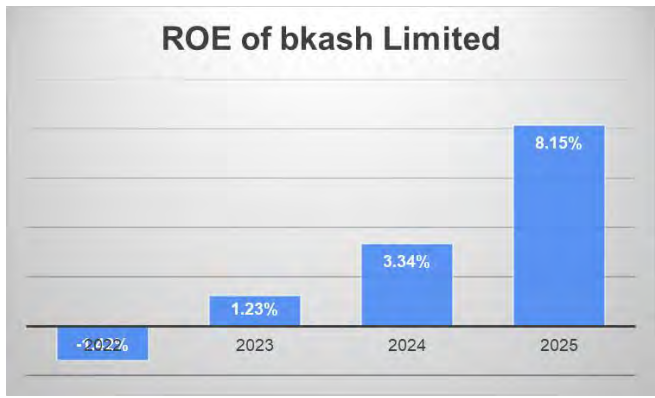
This ratio shows much return the company is generating on their assets. This is calculated with this equation $ROA = \text{Net income} / \text{Average Total Assets}$. Through this ratio investors can see how efficiently the company is utilizing or using it's assets and how much return those assets are generating for the company. A high ROA ratio means the company is making good use of it's assets. A low Roa ratio signals that the company has unproductive assets that are not useful and not adding any economic value to the company. The Roa of bKash will be calculated by dividing their net income by their average total assets of that financial year. All the information regarding their assets have been taken from their financial statements available in BRAC bank website.

The ROA of bKash from 2022 to 2023 was 0.31. In the next fiscal year the Roa of bKash increased by a lot. The ROA of bKash in 2023 to 2024 was 0.83%. The ROA of bKash from 2024 to 2025 increased again and became 2.24%. So we can see that ROA of bKash is increasing over time. We can see a stable and large growth trend of it's return on assets. That means the bKash is growing and they are making full use of their assets. This signals that most of their assets are productive and these assets are being utilized to their full potential to generate more return.

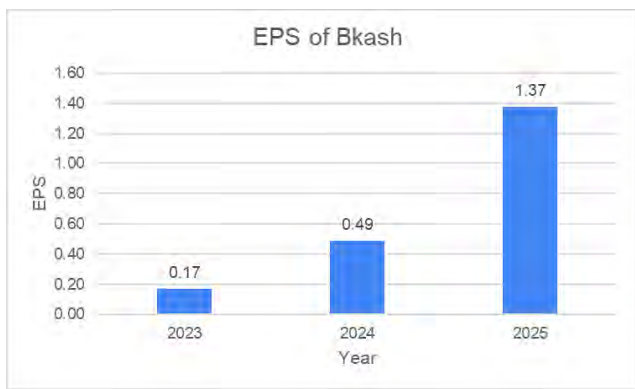


Return on Equity

bKash's RoE has improved over these last three years. In 2022 bKash's RoE was negative -1.42% as they had a net loss instead of profit in that year. However from 2023 their RoE started to recover. In 2023 they earned a RoE of 1.23%. In 2024 their RoE increased to 3.34% which is a substantial increase from previous year. Furthermore their RoE increased by a much larger amount in 2025 to 8.15%. We can see an upward trend where the roe is increasing at a growing rate. Each year the roe of bKash grows at almost double the rate of the previous year.



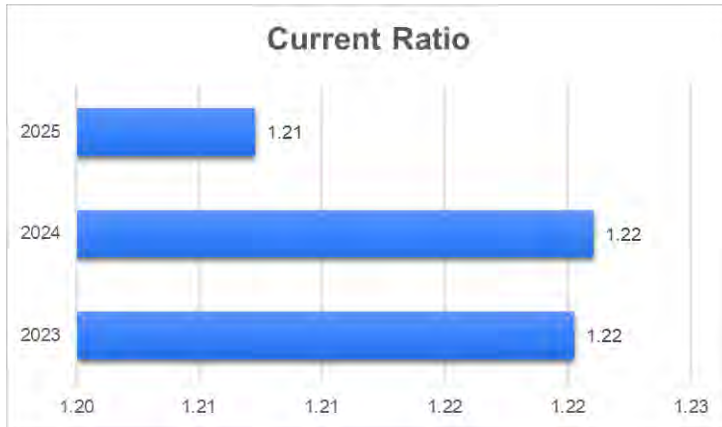
Earnings Per share



Eps ratio measures how much money shareholders are earning per each taka of share they are holding. A high eps ratio signals that the company is generating sufficient profits and is capable of paying good returns to shareholders. We can see that the eps of bKash has grown very fast over these last three years. In 2023 bKash had an

eps of 0.17 which increased to 0.49 in 2024. In 2025 it increased even more and reached 1.37. This is a very positive sign for a company. This high and growing eps ratio will attract more investors to purchase shares or invest in bKash. The reason for such a high eps ratio in 2025 is because of their extraordinary growth or increase in profit in 2025. Their outstanding ordinary shares remained the same but their profit kept increasing.

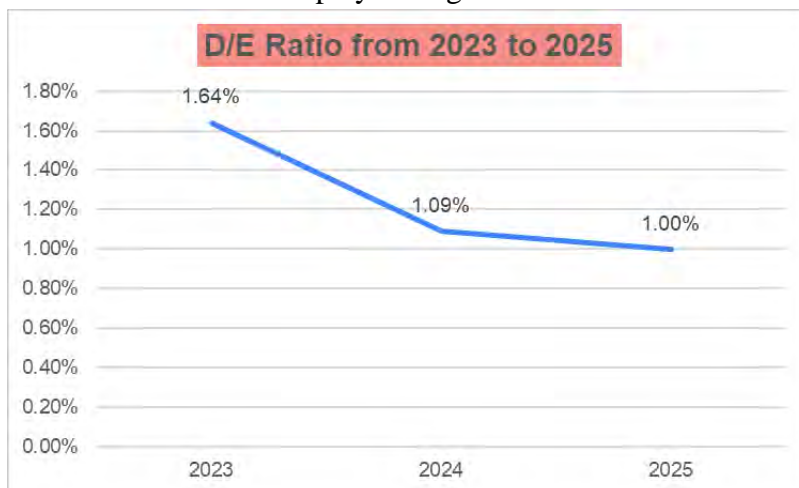
Liquidity ratio



Current asset to current liability ratio of bKash has remained almost constant with little change. In 2023 and 2024 the current ratio was 1.22. In 2025 it decreased very slightly to 1.21. This means the company can pay off its short-term liabilities and it has liquid assets which can be converted into cash quickly.

Debt to Equity Ratio

The company has a very low debt to equity ratio. In 2023 it had a debt to equity ratio of 1.64%. This ratio decreased further. bKash only had a debt to equity ratio of 1 percent in 2025. So the company is using less debt and more equity compared to before. That means the company is using very low debt. Most of it's debt are from its lease. That means the company is mostly using equity from investors. That means the company is safe from a lot of risk. The company is very stable and safe to invest in. The company's capital structure is very robust. Bkash doesn't have to worry about paying high interest as their long-term debts are very low. They can protect themselves from bankruptcy during times of financial loss.



Dupont Analysis of ROE

Dupont analysis breaks down the profitability or ROE of a company and analyzes the profits from a micro lens. It helps investors understand what is responsible for the profits of a company and what key drivers are driving the profits.

Using du point analysis, $ROE = \text{Net profit Margin} * \text{Asset Turnover} * \text{Financial Leverage}$

We need to look at this ratio because a highly roe ratio is not always good. We also need to look at what is causing this high roe. If a high roe is driven by higher profit margin or operational efficiency then it's a good thing. But if this high roe is driven by high leverage, then the earnings or return are not high quality. If high roe is driven by leverage, then it might not be sustainable and roe might become lower in the future years. In 2025 bKash had an Roe of 8.15%.

The Dupont of their 2025 ROE was, **ROE = 9.60% (profit margin) * 22% (Asset Turnover) * 3.86 (Leverage).**

They have a very high asset turnover of 22%. Aside from high asset turn over they also have an net profit margin of 9.60%. This high Roe in 2025 was mainly driven by a mixture of their high asset turnover ratio and net profit margin. But asset turnover had the biggest impact on their Roe. Even though net profit margin contributed to the roe, this contribution was not as high as asset turnover's contribution. That means the company is using their assets very efficiently. They can generate the maximum amount of sales using less assets. Moreover they also had a high leverage of 3.86 which is also responsible for this high roe. But the biggest drivers of profitability in 2025 was their high use of leverage and efficient use of assets which is demonstrated from their high asset turnover ratio of 22%.

2.5.2 Accounting Practices

Training reports

bKash prepares many reports such as expense report, detailed report, control report and feedback form each month. Later they compile these monthly reports to create a half yearly and annual report which is checked by the auditors. They keep track of their expenses and they prepare annual financial reports which are safely stored for when an auditor or regulator wants to see them. Moreover they set a pre defined budget for their programs and they try to match the expenses with their budget. Furthermore they collect evidence of expenses such as food invoice, projector and venue rent bill or invoice as proof which can get audited anytime. They recently launched a ai based tax payment solution that automates tax payment. It makes it easier for people to pay income tax. This ai based system is called exemplify.

Financial statement preparation

bKash's financial statements are prepared by following IFRS 10 framework which is followed worldwide.

Intangible asset

The intangible assets of bKash have to be recognized and disclosed has to be provided per IAS 38.

Depreciation

The company doesn't depreciate land. All of their tangible assets other than land are depreciated using the straight line method. When the company purchases a new asset they start depreciating it from the month of buying the asset.

Gain on disposal of asset

When Assets are sold, it is recorded using the fair value of the asset. If the company sells the asset for higher than its book value then it is recorded as profit. If any profit is earned from selling the asset it is recorded in the statement of profit or loss according to IAS 16.

2.6 Operation Management and Information system practices

bKash does various things to manage their day to day operations. The main things that make up their operations process are listed below:

USSD alternative

If customers do not have mobile data or good internet connection they can also avail bKash's service by dialing *247# on their phone. This way customers can send money even when they are offline.

Distributors and agents

bKash works with various distributors to manage their agents. Each day a dso officer from a distribution house visits agents in their area to exchange the agents physical cash for e money. That's how they make sure agents never run out of money. Moreover before generating e money bKash deposits an equivalent amount of physical cash in Bangladesh banks reserves.

Training and maintaining agents

Whenever a new agent is onboarded they are given training on anti money laundering by ecad division officers to make them aware about what they shouldn't do to be safe from legal charges. bKash does this to make sure their agents don't participate in any unlawful acts. There are Ramlco and Rto officers in all 10 regions of bKash who oversee the activities of distribution house and agents. These Rto and Ramlco officers also provide training to all the agents and merchants in that area. In order to provide training sessions bKash books a venue in advance.

Delivery of important materials

bKash's supply chain division procures important supplies for the company at cheap price by negotiating with vendors. Furthermore, they deliver point of sale materials such as posters and banners to all agents across the country.

bKash care

They have outbound and inbound customer care centers which handle all questions from customers promptly and provide excellent customer service. If any customer wants to change their pin or update information, they can reach out to these customer care offices.

Information system practices

It team monitors irregularities in app functions consistently

bKash has a dedicated IT team which monitors any issues in the network to keep their system running and make sure their app or office network doesn't suffer any disruption or downtime. They have a team of backend developers who constantly monitor the app's transaction process to see if transactions are happening properly and if any features need updating or fixing. If any feature in the app is not working properly, they immediately try to fix the bug to keep the app always running.

Dedicated Portal

They also have their own portal developed by a tech company where they store important information about their day to day activities. This is centralized software and every high ranking officer has access to this portal. Officers upload findings from their investigation and training evidence through portals. This portal keeps track of important events.

Customer transaction and registration monitoring

Transactions of influential people are monitored because if they conduct any illegal activities it can have a big impact. Moreover, Customer information is verified before allowing them to register or create an account. This process is called kyc and it ensures customers are not using fake information to create accounts for unethical purposes.

2.7 Industry Analysis

Porters five forces

Threat of new entrants: The threat of new competitors entering the industry is very high as mfs industry is growing very rapidly in our country. Recently Pathao and prime bank have launched their own fintech.

Existing Rivals: There are other rival mfs or fintech companies such as nagad, rocket and upay but they still can't compete with bKash. So, there is not much competition right now for bKash. Other firms have a long way to go before competing with bkash head on. bKash still has the largest market share and the most positive brand image and trust of customers among all the other mfs. Moreover, bKash has the largest market share. Right now it has a customer base of 80 million users and 330,000 agents. So almost everyone uses and trusts bkash. bKash is still the leading mfs and unicorn startup in our country. Their profits are increasing very quickly and whatever they do becomes the standard for the rest of the industry and is followed by other companies. But in the future stronger competitors might come in the industry and competition might increase significantly.

Supplier bargaining power: Suppliers have low to moderate bargaining power as there are a lot of alternative suppliers and vendors where bKash can procure materials from. If one vendors doesn't agree to make suppliers for bKash at a certain price bKash switch to a new vendor or supplier.

Customer Bargaining Power: There is little bargaining power for customers. Customers can switch to other fintech with lower fees and charges but their service is still not up to par with bKash. The range of services bKash offers far exceed what other mfs have available. Even though there are other mfs that can help customers transfer money they don't have as wide of agent and distribution network as bKash. bKash has a very strong brand and customers trust them to keep their money safe. So customers Won't switch over to other brands easily even if bKash doesn't lower their price. They will have to keep using bKash as there is no other fintech in the market right now which can directly compete with the large and innovative services that bKash offer. Customers know that they can use other mfs for a lower charge but they won't work as well as bKash. Other payment service apps might take longer and customers run into issues while using the app as their app is not as advanced as bKash.

Threat of substitute: There is moderate threat of substitute as there other alternative fintech companies in the market. People can still switch to nagad, rocket or upay. Some companies also have lower cashout charges and aggressive pricing strategies to attract customers.

Swot Analysis

Strengths: The biggest strengths of the company are its advanced app, strong agent network, good brand reputation, foreign investors and digital innovation.

Weakness: A weakness of bKash can be its broad agent base. bKash has to manage or maintain a huge agent network and make them do business in a compliant manner and don't do anything which is illegal and prohibited by the law. Day by day money laundering and financial crimes are increasing and it is becoming harder for bKash to monitor such a huge customer base. If bKash's agents do any fraud the company will be held accountable and it could damage the reputation of the business and people can lose their trust in the brand. So it is very important for the company to follow strict compliance and monitor the agents continuously to prevent financial crimes from happening.

Opportunities

bKash can use Ai to their advantage to make their business processes faster and save cost. Moreover, these days youth are becoming more interested in financial literacy. bKash can arrange seminars for this young population. If youth can get value from these seminars they will be attracted to the brand and will be interested in using their service. Moreover, the economy is becoming digital and cashless. People now prefer to pay through card or mfs. Most people own a smartphone. So there is an opportunity for bKash to expand its customer base and increase their frequency of transactions. bKash can now encourage more people to do frequent transactions with the app as they are getting used to using their phones for all their payments.

Threats

Network breach and sensitive data leak risk

If any hackers manage to hack into bKash's database, they can steal sensitive data of millions of customers such as their national id and their home address. So, bKash has to strengthen their security systems to defend against hacking attacks.

Reputational risk

Due to the increasing number of frauds increasing using bKash people might start to doubt and question the company and may feel the company doesn't care about their interest and safety. So it is important to make people aware against sharing their pins with unknown people claiming to work for bKash. bKash is already working hard to educate the customers about different types of scams and financial crimes to prevent frauds and protect the customers money.

Evolving fintech industry

The industry is growing at a phenomenal rate. There is huge potential to make profit. So new companies are starting to realize the potential of this industry. Lots of new businesses are entering the industry and this industry is getting crowded with rivals.

Conclusion

This report summarizes the important management, marketing and accounting practices and branding activities of the leading mfs in Bangladesh. This study also delves deep into the recent financial performance of the company. This chapter shows that the company is making steady profit which is increasing at a very fast rate. The company has a high current ratio so it can easily cover any short term liability and has enough money on hand to pay for day to day business expenses. Many ratios and graphs have been used to highlight the most important financial ratios and metrics from the financial statements of the company. This chapter also gives insights about the history, business partners awards, and achievements of the company and its journey of how it has become one of the most popular brands in the country. Lastly this internship report will also highlight the swot analysis of bKash and its information management process. It will demonstrate how the company stores and manages customer information in a digital database and keeps their app running without any issues.

Recommendation

Use Artificial intelligence for more efficient and faster reporting

Most of the report creation work is done manually in excel which takes a lot of time to prepare. If Ai was used to help employees then the employee will be able to focus on more important tasks and give the routine tasks to Ai. It will become easier for employees to create meaningful reports that highlight important information and analytics of the business. It will automate tasks and increase the efficiency of work and AI will make fewer mistakes.

An indoor room for breaks

If there was a room inside their office where employees can go during breaks and chat with their colleagues it would be great for boosting their morale. If there was any table tennis or board games such as carom or pool employees would be able to relax and relieve their work stress. It will allow employees to come back to their work feeling more energized and recharged and get away from their worries. If employees feel relaxed, they will work better and it will increase their efficiency. It can also help employees get better acquainted and network with each other.

Office gym

If there was a small gym with light weight and workout equipment it would help the employees stay fit and active. Employees have to sit at their desk for long hours. So having a gym would

help them get some workout and stay fit. Moreover, employees can feel more energized after a workout and it will refresh their mood and make them feel better by releasing endorphin and dopamine chemicals in their brain. Employees will be able to focus better on their task. Several studies have shown that people who exercise regularly have higher focus and concentration.

Chapter 3

The impact of Compliance on business growth of bKash Limited

bKash



3.1: Introduction

These days technology is growing at an astonishing rate. With the rise of technology now there's lots of mobile financial services available. It has become very convenient to use banking services from home. We don't have to go to banks or stand in lines. However with the rise of mobile financial service apps crimes like money laundering, hoondi or illegal remittance and investing in crypto sites are increasing. Not all people use the app for good reasons. So it is becoming really important to monitor transactions of customers and prevent people from doing illegal activities and punish those who are involved in these criminal activities using mobile financial services. But not all organizations are willing to invest time and effort in compliance activities because their business is doing fine without it. What these businesses don't realize is in order for their business growth to be sustainable in the long run they need to be compliant with the acts and laws given by the regulators. Otherwise sooner or later they will run into legal problems and their business growth can get stopped. Most business owners don't know whether compliance factors affect their business or not. Lots of businesses don't have a separate compliance department in their organization structure.

3.1.1 Research Problem

A significant portion of the population live in rural areas and they do not have access to banks or financial institutions. Therefore, they have to go to faraway places to send money and they have to use cash/rely on cash to make all of their payments and buy goods. They have no way to store money safely so they have to depend on cash which can get stolen. bKash is working to solve this issue. bKash has already made significant progress in ensuring financial inclusion of the unbanked population living in rural areas. However, these days fraudulent activities are increasing with the increasing use of mobile banking services. Some people are taking advantage of this technology to commit illegal activities. More people are using the platform to achieve their bad intentions. The crimes using these platforms are growing at a significant rate. People are doing gambling on online sites using bKash and similar platforms. So, monitoring these risky transactions and preventing people from doing fraud through compliance activities has become very important in ensuring seamless transactions and protecting business reputation.

But unfortunately, many business organizations are not investing manpower in preventing fraud and maintaining compliance according to the regulations set by the regulators such as Bangladesh bank. Even if businesses grow at first without doing any compliance activities, eventually that growth will stop and the company's performance will start declining or going downhill when regulators audit the company and find about the fraud. The consumers start to lose trust in the company and the regulators increase their supervision and give sanctions on the

company they have to adhere to when a company doesn't obey regulations and compliance. This makes it difficult for a company to conduct business, attract customers and earn revenue when its reputation is damaged. Many businesses in the finance sector don't realize that compliance can have an effect on their business performance.

Many businesses, especially businesses that are in the banking or mfs industry think it's not worth it to invest so much money in risk management and compliance. They think it will increase their operational cost and hurt or lower their profits. Ignoring compliance can lower cost in the short term but in the long term not following compliance is more expensive. If any customer does any crime using the company's technology or app then the company will be held responsible. The government will question the company for not taking risk monitoring and prevention measures to stop these crimes from happening. The organization will be held accountable for not keeping an eye and not supervising their customers. They could face legal fines or penalties which could be very expensive and it might stop the business from being able to grow further.

3.2: Literature review

Compliance means an organization following all the necessary laws, standards set by regulatory bodies and not engaging in any activities that go against the laws of the country's constitution.

There has been much research which demonstrates both the positive and negative effects of compliance. Previous research has also highlighted the difference between good, streamlined compliance and an inconsistent compliance system. There is significant evidence suggesting that good regulatory and corporate governance can improve financial performance and business health, help shareholders get more equity and lower the cost of capital (Reddy et al., 2010). Moreover, good governance and compliance helps make sure that free cash flow generated by the firm is distributed back to the owners through dividends instead of being expropriated by the management (Jensen, 1986, La Porta et al., 2002). Therefore, a compatible corporate governance system which aligns with capital markets and corporate culture will facilitate the organization and will enable a firm to realize benefits such as improved financial performance and efficiency. On the other hand, it is stated that due to lack of efficient quality regulation the compliance cost for a business can increase and cause more hurdles and complexity (OECD, 2008). It is seen that very strict or inconsistent regulations impose significant legal costs that can hinder investment opportunity and expansionary activities of a business. When a company has to abide by or comply with various regulations of government and regulators the operational expenses and administrative burden can increase for the firm (Beck & DemircucKunt, 2006). An oversaturation of rigid regulations without proper assistance for compliance can hamper business activity (Klapper et al., 2006). When compliance is continuously changing it can impose massive regulatory and information costs on a business. This makes it difficult for businesses to receive

loans or credit as businesses with higher regulatory costs are perceived as high-risk borrowers from a lenders perspective (Akang,2023). However, streamlined and stable regulations can yield positive results and outcomes for a business such as alleviating information asymmetries, encouraging broader financing outreach and making it easier to access financial resources and lines of credit (Akang,2023)

Kollmann & Kuckertz (2010) have stated that complying with policies is very important for sme's as compliance helps establish a framework for moral and ethical code of conduct, efficient operations and long-term sustainability of business. Amit, and Massa (2011) have highlighted the positive correlation between regulation compliance and enhanced firm performance. They have emphasized the significance of strong and robust governance structures to enhance SME competitiveness and resilience amidst dynamic market conditions. Therefore, SMEs must focus on adherence to policy and regulation to protect their reputation, uphold moral standards, and drive sustainable long term business growth.

Research suggests that a supportive regulatory environment can remove any barriers and hurdles to development and growth of sme's which can lead to enhanced productivity, efficiency, innovation, and market competitiveness (Bosma et al., 2018; OECD, 2020).

Furthermore, adherence to SME policies can make a business more resilient in times of crisis. Research indicates that SMEs operating within a positive regulatory framework are better suited to withstand external shocks and threats, such as economic recession, period of financial downturns, natural disasters (Bosma et al., 2018; European Commission, 2021).

Most of the research analyzed the negative impact of compliance on business growth. They explored how compliance affects profits by increasing cost for the business and how additional stringent procedures can end up being an unnecessary burden for businesses and hurt their growth. Very few studies explored the positive side of compliance and how it can help businesses generate more revenue and attract more customers by gaining customer trust. Furthermore, most of the research on the impact of compliance has been done on small to medium enterprises. Not much research has been done on impact of compliance on large fintech or mfs companies like bKash limited. This research will attempt to bridge this knowledge gap by analyzing the positive impact of compliance on the growth of a large Mfs business like bKash.

3.2.1 Research scope

There have been many studies on the impact of compliance on customer trust business reputation but there hasn't been much study or research on impact of compliance on business's customer base growth, financial performance, new product launch and the impact of compliance on a specific mfs company like bKash. While there have been studies that correlate compliance and business reputation in general there hasn't been any specific studies which show the correlation between compliance and mfs company bKash's business growth. That's where my research

comes in. That's the gap my research will try to cover. I will try to show whether the existence of compliance activities in a mfs company have a relation to business success or business growth. My research will try to find out how compliance affects a business and whether it can help a business grow.

This research will cover the time period from when AML and CFT didn't exist or just started in bKash till now when AML and CFT has become a large organization. Data used for research will be qualitative and quantitative. A mix of primary and secondary data will be used to see how compliance affects an mfs business's performance.

3.2.2 Significance of the research

Money laundering activities in our country are growing at an alarming rate. If every financial institution doesn't prioritize investing in their compliance activities then it will be hard to stop criminals from abusing the app for their illegal activities. So it is very crucial to find out how compliance affects business performance and whether it has any effect on a business's ability to grow. Through this research more businesses can be encouraged to strengthen their compliance procedures so that even if they earn black money, they can't convert it into white money through illegal channels. Also, compliance is very important in maintaining business reputation and repeat purchase from customers. Moreover, not complying can cause legal fines for businesses and it might tarnish the reputation that they worked so hard to build. Many businesses are not researching this critical issue and this often gets overlooked. Many businesses ignore the importance of compliance because they are ignorant about its necessity. So this research will try to find the correlation between a business's increase in compliance procedures and its impact on business success and growth.

3.2.3 Research Objective

Most firms do not realize how important compliance is. They do not invest enough manpower to handle their regulatory affairs. Most business owners only think about maximizing profit but they do not think about how to sustain profits in the long run. The objective of this research is to illustrate how compliance plays a significant role in driving business growth by enhancing trust among stakeholders and reducing external risks such as legal fines. This study will try to demonstrate how businesses can improve their growth and make it sustainable by dedicating more of their human resource to maintain compliance. The key objectives are illustrated below:

- To understand how bKash maintains compliance and prevents frauds
- To make businesses aware about the positive impact of compliance in a business
- To change the perception that compliant doesn't have benefits or contribution in financial performance of the company
- To make business owners aware about the legal risks and the importance of mitigating legal risks in maintaining sustainable long-term profits

- To challenge the perception that investing in compliance activities hurts profitability and growth of a business
- To see whether there is any direct or indirect correlation between increase in compliance activities and profit, customer trust, customer base growth and improvement of relationship with regulatory authorities

3.2.4 Limitation

This research is solely focused on impact on compliance on bKash. It does not explore the impact of compliance on the overall mfs industry of Bangladesh. Moreover, only surveys and interviews from teams were used for primary data as most of the data in the company is confidential. The surveys are done on a few officers from AML & CFT and they only represent a small sample of the entire department or population. Due to privacy constraints the research only focuses on the available data to judge the relationship of compliance and business growth.

3.3: Research methodology

This relationship will be tested across 4 parameters. The relationship of compliance efforts with business growth will be judged by assessing 4 parameters that can be considered metrics of growth for a business organization. These parameters include customer base or market share growth, profit growth, increase in customer trust and approval for new products. First this research will look at the profit and customer trust and relation of bKash with regulators when there was no AML CFT department in bKash or when there weren't many teams inside the AML and CFT and it only performed few functions and then this study will compare the revenue and customer trust of bKash from that time to the revenue and customer base of bKash today after having an established AML and CFT department. Data will be collected through short interviews from my line manager and officers of different teams. Also secondary data will be collected on the customer base of bKash from newspaper sources or articles. And information on customer trust, approval for new products and customer base growth due to compliance will also be gathered through primary surveys from officers of AML and CFT.

Demographics of officers that participated in interview and the reason they were chosen

Most of the officers that participated in the survey were officers or senior officers and have been working in the company for a long time and have detailed understanding of the company's aml and cft compliance practices. So they were chosen for the interviews because they would be able to give detailed information for this research and explain complex legal terms in a simple way to junior officers and interns as the officers have long term experience in this industry.

Participant details	Designation of officers	Reason they were chosen
Participant 1	Assistant manager, aml & cft and coordinator of e-learning	He has been working in bKash for a long time and he has worked in multiple departments and in various teams. As he is a senior employee, he has extensive knowledge on the compliance and regulatory procedures of the company.
Participant 2	Officer aml & cft, Coordinator of team that provides training	Participant 2 was chosen for the interview because he has in-depth knowledge of all regional training activities that are conducted across the country and he knows a lot about the impact and implications of the training sessions and other compliance activities that bKash organizes.
Participant 3	Coordinator of RAMLCO team	He collaborates with all the other ramlco officers that work in different regions. He is part of the team that conducts field assessments of non personal entities by visiting agents and investigating their business activities. As He coordinates with all other regional anti money laundering officers he has in depth knowledge of how compliance affects new customer acquisition and customer trust and brand reputation. Furthermore he also does a lot of field work by visiting agent shops.

Participant 4	Officer of compliance process monitoring	The officer has in depth knowledge of how customers register when they create a new account and whether any customer is using deep fake technology or fake documents to create an account for illegal activities. He is an expert kyc qc which means monitoring the registration process to prevent any person with bad intentions from creating an account.
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Sampling Technique

The sample consists of 11 officers of different ranks including officer, senior officer and assistant manager. Data was through a combination of survey and interview. The survey was collected from 7 officers due to time constraints and the busy nature of their work. Interviews were taken from 4 officers as they had available time for the interview.

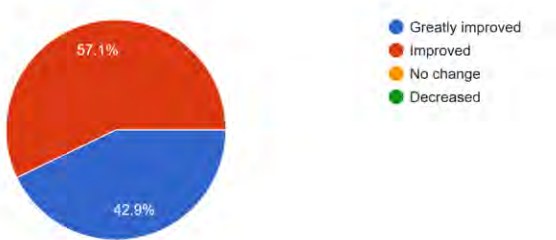
3.4: Findings and Analysis

Parameter 1: Compliance and profitability growth

Compliance, legal protection, and sustainability of profits

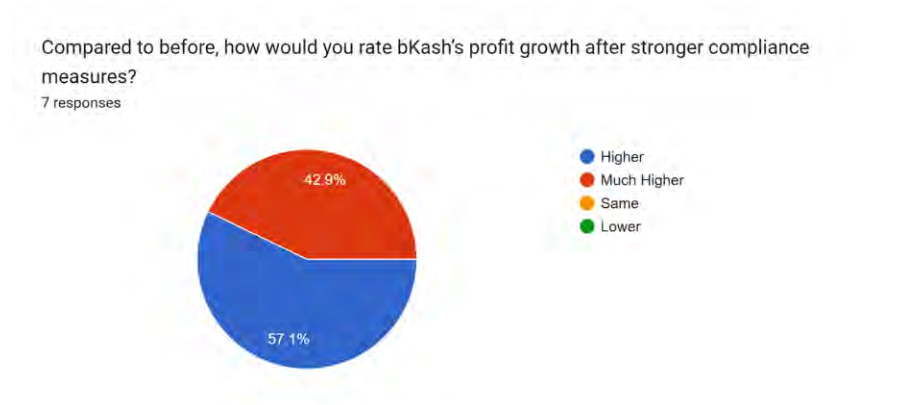
Findings from survey

How has compliance affected bKash's operational efficiency (cost control, error reduction, fraud prevention)?
7 responses



Most of the participants agreed that investing in compliance helps the company from external threats such as financial penalties and this helps the company earn stable profit and remove any financial risk. 57.1% participants agree and 42.9% strongly agree that compliance can help protect the company from legal penalties, prevent frauds and keep operational cost low.

Compliance and rate of profit growth



This survey question was asked to investigate whether investing in compliance can grow the sales and profit of bKash faster compared to when the company did not have many compliance measures. Out of the all people that participated in the survey 57.1% of participants have agreed and 42% strongly agreed that compliance does help the company grow profit faster.

Findings from interview

Importance of sufficient capital in growing a business: Compliance has an indirect correlation or contribution in helping bKash achieve their profit growth over the last few years. It requires a substantial amount of capital for a business to increase their sales and profit. In order to increase profits a company needs to invest huge funds in marketing campaigns and other sales related activities. In order to invest so much money in promotional and brand building activities a mfs needs a large supply of financial resources.

How compliance contributes to strong financial capital by helping bKash partner up with global investors: One of the reasons bKash is able to earn steady profits is because they have strong financial backup. They have investors from all over the world such as Ali pay, Softbank and melinda gates foundation. So, they never have a shortage of funds needed to expand and grow their business and run their daily operations. That's why they can continue to scale and grow their business operations and sales. bKash has received a lot of funds from reputed international organizations such as Ant financial and Melinda gates foundation because they have strong compliance. Before investing in this compliance, the investors looked at various things such as bKash's SGD, its reporting system and its compliance with regulatory laws. When the investors were certain that bKash has good compliance, they decided to invest in bKash.

Compliance protects the company from legal fines and keeps profits stable: bKash's annual reports are audited by external auditors frequently. So, bKash makes sure they don't make any mistakes in their reports and take continuous compliance measures to protect them from legal

risk. That's why they don't face any legal fines from the government. As a result the company doesn't have to incur extra cost or spend money in paying fines or dealing with lawsuits. Most of the profit that the company earns can be spent on growing the business or paying dividends to shareholders or used for other productive purposes. But not every company can retain or use all of their profit as some of the money has to be spent on legal fines for not following compliance. But bKash does not have to deal with those legal issues as they follow all the laws and regulations provided by BFIU. No matter how much profit an mfs generates if they face penalties for not following government laws their cost will increase and profit will decline. The evita ratio of a company will be lower if their cost increases due to penalties. For instance, If an mfs generates 100 taka profit and incurs a cost of 60 taka they will be able to keep 40 taka as profit if they don't face any issues. However, if the company faces a fine of 10 taka then their net profit will decrease to 30 taka.

How bKash makes sure their profit sustains in the long run

Cost of not following Compliance: There have been many companies in the mfs industry that earned profit at a very fast rate. In the past, some mfs companies charged very low cashout charges to customers to increase their sales and earn a huge sum of profit in a few years of time. However, they failed to sustain their profits after a few years as they were not following all the required compliances according to the regulators demand. When regulators discovered the company was not following all the compliance procedures those companies faced legal issues which increased their operational cost. So their profit and growth burst and now those companies are facing a lot of scrutiny from the government. According to an officer that was interviewed, "A slow and consistent growth that is sustainable is better than fast growth which is difficult to sustain".

How compliance helps bKash in generating sustainable profit: On the other hand, bKash grew their profits slowly. They took their time and did not rush to increase profits in uncompliant methods. The company kept investing in compliance even if it increased their cost and lowered their profit in the short term. To bKash, suffering financial fines is way more expensive than investing in compliance activities. bKash did not grow as fast as other mfs as the company invested more funds in maintaining compliance compared to other companies. Instead the company chose to grow at a slow and stable rate. Even though initially bKash's growth was slow, they were able to retain their growth longer than any other mfs company because of the company's strict compliance.

The long term benefits of following compliance outweighs the extra cost of maintaining compliance: Even if compliance increased their cost, they did not compromise on their

compliance activities. In the beginning due to compliance their profit grew slowly because of extra compliance costs. But now the company's dedication to ethical and compliant business is paying off and they are finally starting to grow profits at a fast pace without running into legal fines or penalties from regulators. bKash was patient and did not choose any illegal measure to grow profits fast. That's why bKash could sustain their profit consistently over the last couple of years.

Compliance is indirectly related to profit growth: Through interviews it was found that compliance is not directly correlated with sales but there is an indirect correlation between sales growth and compliance measures.

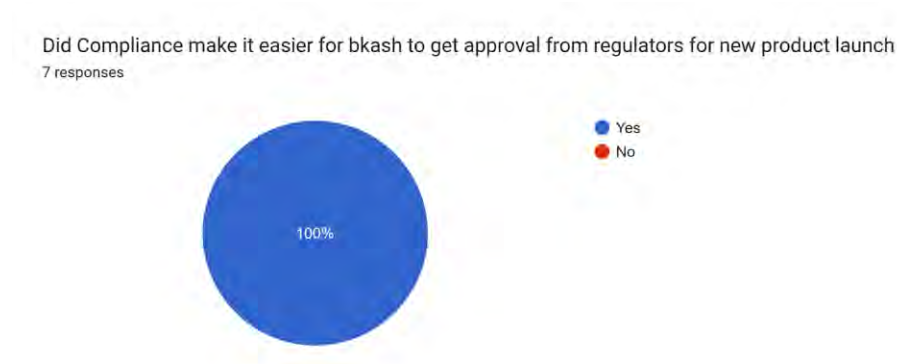
Increased trust helps bKash generate more sales: Customers will only put their hard earned money in an mfs company if they trust the brand. The reason why customers trust bKash so much is because bKash is always compliant with laws and has built a good relationship with customers. Moreover, it has a strong brand image among the consumers. The more customers trust the app the more they will use it to do transactions. So therefore, by putting emphasis on compliance bKash will protect the brand reputation of bKash and increase the sales of its services. Transactions by customers will also keep growing as customer trust increases.

After analyzing the responses from both the interview and the survey it can be concluded that compliance helps a company become more efficient at cost management and increase their profitability by lowering their operating costs. Both survey and interview findings demonstrate that businesses with strong compliance are protected from legal penalties and they do not face any fines which helps them generate higher profit while keeping costs stable and low. However, the interviews reveal much more detailed information about how compliance helps companies such as bKash run their operations efficiently by providing them with strong financial resources from renowned investors and how certain companies in the past have suffered legal fines and could not sustain profits due to not following compliance. Interview findings also illustrate how bKash has generated slow but sustainable profit growth due to following compliance given from regulators compared to other companies that have grown profits fast without following compliance.

Both survey and interview findings also illustrate that strong compliance can increase sales of bKash quickly. Customers will naturally do more transactions when they feel safe and at ease while depositing their money in bKash as it is human instinct to buy goods and use services from trustworthy businesses. So, survey findings verify that compliance has an impact in sales and profit growth and interview findings explain how compliance helps increase sales by improving trust and relationship with customers.

Parameter 2: Compliance, new product launch and maintaining a good relationship with regulators

Findings from survey



All the survey participants have agreed that compliance makes it easier for bKash to maintain strong ties and easily receive approval from regulators to launch new products and technologies in the market without going through any complex process.

Findings from interview

bKash has a good rapport and understanding with regulatory authorities: bKash follows all the rules given to bKash by its regulators such as Bangladesh bank and Bangladesh financial intelligence unit. If there is disagreement or dispute between bKash and its regulators then bKash tries to resolve it through discussions and meetings. That's why regulators trust and have a good relationship with bKash. bKash has an Rca department under ecad which maintains ties with regulators.

How bKash developed its aml and cft rules and maintained strong connection with regulators: Back when bKash first started its journey there was no separate law or guideline for mfs companies in Bangladesh. bKash was the first company to give suggestions to regulators about guidelines. Even before there were any rules, bKash had still come up with its own unique compliance system. Now bKash has such strong compliance that whatever procedure bKash does becomes the standard for rest of the companies in this industry and other mfs tend to follow bKash's example. So it has become easier than before for bKash to get any authorization and approval from BFIU and Bangladesh Bank for launching a new product.

Reasons why regulators trust bKash

Risk vetting report of ecad before releasing a product: Before the products are released by the commercial division, they take opinion from ecad on whether the new product is safe or has any major risk. Ecad tries to analyze the product's loopholes to see whether this product can be misused by customers or not. After analyzing the product Ecad gives a risk assessment or vetting of how risky the new product is and how it can be misused.

ECAD tries to find any loopholes or potential threats in the new feature before allowing the product to be released: In the past people had to visit agents to create bKash accounts. bKash launched a new digital service where users can register through their mobile phones instead of going to visit physical agent shops. When they first launched this digital app based registration process, there was a requirement which made it mandatory for customers to upload their live photos to create an account. After investigating, eCAD found that there was a loophole in the system and customers can bypass this live photo requirement. If customers shake their devices enough times then static photos would be counted as live photos by the app. This way customers could trick and bypass the security measures. eCAD notified the commercial and other divisions about this risk and they fixed this loophole or glitch before releasing this feature in the market. So even before asking regulators for approval bKash does their own analysis to find any faults or hidden risk of the new product they are about to release.

Regulators suggest a trial release before giving their complete approval: Regulators don't approve new product launch requests at once. Before they allow bKash to fully release a new feature in the market they suggest bKash to release it for a test. Regulators approve bKash to first launch the product as a test for 6 months or longer and get feedback from customers. During this time regulators monitor the company's new feature closely. If regulators see that the new product or service doesn't cause any problems or pose any risk then the regulators give approval to launch this new product or feature in full scale.

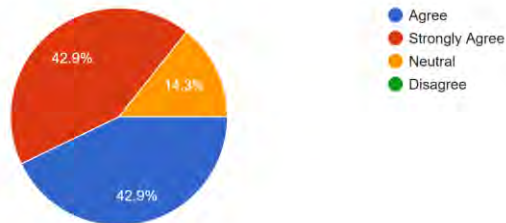
Findings from surveys demonstrate that compliance does help bKash get approvals from regulators more easily for launching any new products into the market. However the survey only highlights that compliance helps bKash get approval of regulators. But the survey answer does not specify the in depth or information or complete process of bKash's new product launch process or how compliance helps bKash create strong mutual understanding with regulators. The interview findings reveal detailed information about the new product approval and release process of the company and how a vetting of eCAD division is required before the commercial division launches any new product or feature. Furthermore, findings from the survey is limited and it does not show how bKash identifies and mitigates any future risks that their new products could pose. The interview result illustrates that officers from external affairs check the new features of the company for any potential risk before allowing the commercial division to release it on full scale. The eCAD division gives their recommendation to commercials after doing a vetting or risk analysis on whether the new feature or product should be released or whether it needs further improvement.

Parameter 3: Compliance and growth of customer base

Findings from survey

Do you agree that compliance practices (like AML/CFT and KYC) have increased customer confidence in bKash?

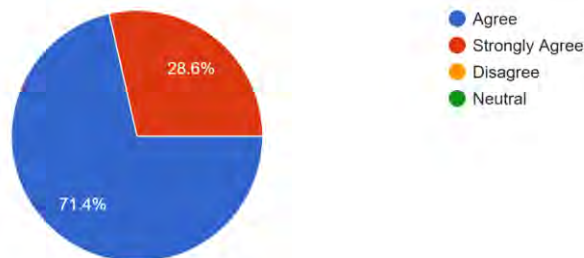
7 responses



All the survey participants have stated that compliance does help the company in attracting and retaining new customers by increasing the confidence of customers about the company and its future prospects. 42% of the participants have agreed and another 42% of the participants have strongly agreed that compliance plays a role in increasing customer confidence and attracting them to the brand's product. Only 14.3% of participants have remained neutral. So based on the study it can be inferred that compliance, faster customer acquisition and increased customer confidence are positively correlated.

Do you think being compliant with laws helped bKash reach more people in rural or unbanked areas?

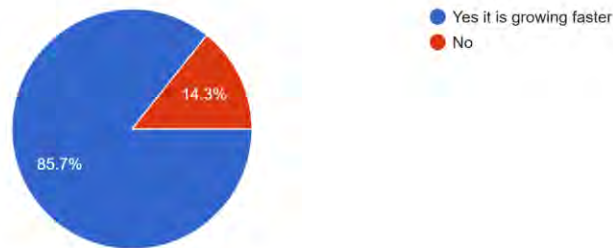
7 responses



We can see that 71.4% of the participants have agreed that abiding by laws makes it easier for bKash to reach more customers in rural areas and get them to trust the company. The other 28.6% have strongly agreed that making compliance stronger has an impact in helping bKash reach more people living in the rural areas of the country.

After the establishment of AML and CFT did the company's customer base of bKash start growing at a faster rate?

7 responses



Majority of the respondents claimed that after the aml and cft department was formed in bKash it started acquiring new customers at a faster rate than before. 85.7% participants believe the customer base of the company is growing more rapidly due to its strong compliance measures. These results highlight the relationship between a business's compliance and its brand reputation and customer perception in the market.

Findings from interview

Initially compliance makes new customer acquisition difficult: Compliance does make it easier to attract new customers. However initially compliance reduces the customer or agent base. Because of compliance customers find it harder to register because they have to adhere to additional laws and requirements. Many customers and agents do not like additional complexity in the registration process. For example, there is a rule which prohibits a customer from creating more than one account. This discourages shop owners from becoming agents as they don't want to go through the process of filling additional information and some agents feel restricted because of compliance.

How compliance increases the difficulty of customer acquisition: bKash has to abide by a lot of laws so they have to be very careful while choosing agents and customers. This puts some restrictions on who they can allow to be agents or customers. So in the short run it makes it harder for bKash to acquire new agents, merchants or customers.

In the long run compliance helps bKash acquire legit customers who are less likely to do fraudulent acts: However in the long run compliance helps increase and retain customers. Even if bKash has limitations on who they are allowed to onboard as customers it still works in their favour as the onboarded customers after due diligence are all verified and less likely to do any illegal activities. Moreover, customers and agents who follow this stringent registration process to open bKash accounts are more likely to stay loyal to the company compared to someone who

wants to open a fake bKash account to fulfill ulterior motives. So it makes it easier for bkash to retain those customers long term and keep them from switching to other mfs services.

How compliance increases customer trust and removes customers' doubts: bKash's focus on robust compliance with all laws helped the company attract new customers by clearing their doubts and making them feel safe in using the app. People are really hesitant to use a new technology when it involves their hard earned money. So making them feel safe and earning their trust are the keys to growing the customer base and reputation for a company that is operating in the mobile financial services industry. They are doing business with other people's money so it is important for the mfs company to keep that money safe if they want to grow their reputation and attract new customers to the platform. New customers will only be interested in depositing their money in a mobile financial services app if they feel that the mfs company is legit and reliable and will keep their money safe at all costs.

Convincing rural people to use financial services is difficult: Most people living in urban areas are educated and used to financial technologies. But people who live in very remote and rural areas don't have access to education or technology. They are more skeptical about using financial or digital services. So, it is harder to convince them to use a digital payment app.

Education programs help bKash earn the trust of hesitant people in rural areas: So bKash has developed training programs to educate them about how to use financial services safely and how to be safe from financial crimes or frauds. At first bKash was struggling to educate them and make them aware about financial literacy and risk of money laundering activities and how to be safe from them. But over time through consistent effort and educational seminars bKash successfully managed to educate and increase the awareness of rural people.

Rural people are starting to adopt digital and innovative technology: Slowly rural people are adapting and getting used to digital technology and payment service. So as a result, it is becoming easy for bkash to get more customers from the rural population to use the bKash app. Now rural customers are more aware which was only possible because of compliance and educational seminars and campaigns. Compliance makes it mandatory for bkash to provide training to agents and all other stakeholders. So now people from rural areas are finally starting to use bkash to send and transfer money and reduce their use of cash for every purchase.

Findings from secondary Data

Customer growth before establishment of aml and cft compliance department: From 2011 to 2013 bKash grew its customer base from zero to 11 million (Wahid, 2015). In the first 3 years of the company's history there was no separate aml and cft department.

Customer growth after the establishment of aml and cft compliance department: After three years a separate aml and cft compliance department was established. In 2014, the customer base grew 5 million from 11 to 16 million just in the span of 1 year (Wahid, 2015). That's also the year when the AML and CFT department was introduced to meet the compliance requirements by regulators. So we can see that the year after the aml and cft department was created, customer base growth jumped significantly compared to the previous 3 years. It took 3 years for bkash to acquire a customer base of 11 million when bKash didn't have an aml and cft department. Whereas bkash gained 5 million customers in one year after having an established department which works to prevent all sorts of money laundering activities (Wahid, 2015). So, compliance had a significant impact in growing customers' trust. Right after aml and cft was established customer trust and new customer acquisition started to increase at a very fast rate which can be seen from the addition of 5 million new customers in one year time frame.

Findings from the survey and secondary data show that compliance helps bKash grow customer base at a faster rate, increase customer confidence and makes it easy for the company to acquire new customers and help win the trust of customers in rural areas. However, there is a slight contradiction between the findings from the interview and findings from surveys and findings from secondary data. Findings from interviews reveal that in the short term it makes it harder for bKash to acquire new agents and customers as they have to do various due diligence checks before onboarding any customer. The company cannot allow anyone to become a customer or agent if they do not provide valid documents regarding their identity. Without compliance it would have been easier for bKash to gain new customers as they would not need to collect customer information before onboarding them. However, customers onboarded without due diligence can commit crimes and have ulterior motives. In the end interview results portray that in the long term it helps the company grow customers faster as customers that are onboarded after proper due diligence process are more likely to be loyal to the company and stay away from illegal acts. So even if initially compliance slows customer acquisition in the long run compliance helps in increasing the customer base of the company.

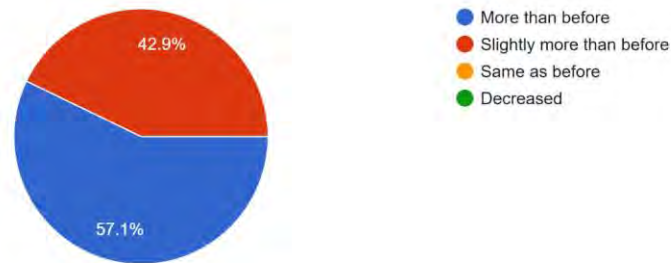
Moreover, findings from surveys have illustrated that Compliance also has a contribution in helping the company reach more rural people but it does not show how it helps the company in reaching rural people. Whereas findings from the interview reveal a detailed outlook on how aml and cft compliance helps bKash to reach people living in remote areas by educating them through training sessions and seminars.

Parameter 4: Compliance and customer trust

Findings from survey

How much do customers trust bKash now, after the Compliance Department was created?

7 responses



Here the survey demonstrates that the majority of the participants agree that compliance does assist the company gain customer trust and make them feel safe using the company's platform. 57.1% attendants have stated that customers trust the company more than before after the creation of the compliance department. Customers have more faith and positive image of the company because of its compliance and the international standard it follows. Another 42% attendants think compliance has a slight contribution in improving customers' trust. All of the respondents feel that compliance did have a role in enhancing customers' trust and perception of the brand. So this study reveals that any business that does not follow compliance will struggle to win the trust of customers.

Findings from Interview

Compliance is related to brand perception: The more robust a company's compliance is, the more customers will think positively about the brand and have faith in the company. When customers have a good image of a brand's app they will start recommending the app to their friends and family. This way the business reputation and customer acquisition will increase faster. Financial institutions or MFs businesses that don't follow strong compliance will struggle to acquire new customers because customers will be reluctant to trust those companies with no compliance as people are highly sensitive when it comes to their money.

Customers are hesitant to use new financial services: There have been lots of scams and frauds in the past through fintech platforms which have made people more wary and suspicious of businesses that operate with other people's money. Customers have lost a lot of savings by investing in financial institutions which later turned out to be a scam. So now customers think carefully and research the company before depositing their money in an organization.

Compliance shows the credibility of an mfs business: Any businesses operating in mfs, fintech or financial industry that cannot reassure their customers, can't win their trust or make them feel safe will struggle to attract deposits or new customers. An mfs business can make people think of them as reliable and trustworthy only by strengthening their compliance and showing the customers that they follow all the rules and regulations and work consistently to prevent any crimes that might happen using the platform. This emphasis on compliance, risk and fraud prevention activities by a financial or fintech company reassures people and makes them want to use the service of the company without any hesitation. Adhering to laws and compliance by an mfs business signals to consumers that the company is safe to deposit money at and can be trusted.

The survey findings portray that there is a connection between establishment of aml and cft compliance practices and increasing customer trust. On the other hand, interview findings illustrate how compliance affects customer perception and the faith of customers in a brand and how compliance is crucial for businesses that want to make their customers trust their brand.

Data Analysis through statistical techniques

Respondent	Question 1	Question 2	Question 3	Question 4	Question 5	Question 6
1	2	3	3	4	4	4
2	3	1	3	3	3	3
3	3	2	4	3	3	4
4	4	3	3	4	4	3
5	4	3	3	4	4	4
6	3	4	3	3	3	4
7	4	4	4	3	3	3
Mean	3.29	2.86	3.29	3.43	3.43	3.57

The above table shows the mean score of each survey question that was asked to the participants. In the first column the number of participants are mentioned. On the other columns the question numbers are shown. The likert scale questions were converted into scores from 1 to 4. Scores were assigned in the following method:

Strongly Agree/ Much Higher = 4, Agree = 3, Neutral = 2, Disagree/lower = 1

After converting the survey responses into values their mean was calculated in excel using the =average() formula. Most of the questions had a mean score of 3.2 to 3.4 on average. This analysis indicates that on average most candidates agree or strongly agree with the questions regarding impact of compliance. This score illustrates that on average most of the respondents agree that compliance plays a role in attracting new customers, increasing profits and maintaining strong connections with regulators. This analysis proves that compliance does contribute to enhanced business reputation, customer satisfaction, less financial fines and easier regulatory approval for new business products and projects.

After analyzing the responses from all the surveys and interviews it was found that compliance helps a company such as bKash increase the trust of consumers and attract them to the brands offering and when customer trust in the company increases, sales of that company also increase as a result. Furthermore, businesses that follow compliance are protected from legal risks and can sustain their profits in the long run. It was also deduced from the interviews that compliance helps bKash maintain a strong connection with regulators by continuously doing risk analysis of new products and features before allowing the commercial division of the company to launch the product for sale. The interview highlighted the key procedures and due diligence bKash follows to always maintain a good connection with regulators. Furthermore, interview findings have demonstrated that customer trust and financial capital from investors are vital for stable profit and business growth of a mfs business and if a business can follow strong compliance that it can attract equity from investors and make customers trust the company. In addition, findings also suggest that compliance contributed to reaching customers in rural areas that are hesitant to try new financial technologies by arranging educational and compliance seminars and programs.

3.5: Conclusion

This research attempted to find the correlation between an mfs's compliance and the growth of its sales and customer trust. From the analyzed data it can be deduced that compliance can help bKash and other similar companies grow their customers and profits and improve relations with regulators. Moreover compliance protects a business's intangible asset such as their brand reputation by preventing frauds and gives the company legal protection from penalties. If an mfs wants to grow then it is vital that they do not face any legal troubles. As fraudulent acts are increasing it is becoming more important for an mfs to invest more manpower into their compliance department to monitor risky transactions to avoid any risk that could damage their reputation. Moreover, due to the increasing level of financial crimes in the country it is becoming very hard for customers to trust a company if they are not very strict about their compliance. bKash was aware of this concern and provided assurance to their customers by following internationally recognized compliance procedures. To conclude, it is mandatory for mfs businesses such as bKash to improve their compliance activities if they want to support the growth of their business and sustain their profitability. Compliance is not just about following

the rules and reporting to regulators. It has a much bigger impact. Compliance can make or break a company's reputation which takes a very long time to build. So, compliance has an impact on the overall success of a business and it is non-negotiable if an mfs wants to earn the trust of its customers.

3.6: Recommendation

Any business in the mfs industry should focus on investing in their compliance processes to protect themselves from financial risk. Any new startup in this industry should create a separate aml and cft department where there is one camlco and at least one dcmlco who are cams certified. Moreover the companies should make one or two of their employees take the cams exam each year and pay for the exam fee. Furthermore, all mfs businesses should focus on monitoring their customers' transactions daily to prevent suspicious transactions. Mfs and other financial companies should also carefully check information during the registration process when someone wants to create an account and become a customer. The company should do due diligence before onboarding new business partners or customers because it will give them a shield against legal risk. Due to this focus on compliance it might take a little longer for new mfs companies to reach higher profit and gain customers at start but in the long run the reward will be worth the extra investment cost. This way the profit of new mfs companies will sustain for a long period even if the profit growth is slow in the beginning. Furthermore it is better for a company's profit to grow slowly than earn high profits which can't be sustained. If a company's profit suddenly falls, investors lose trust in the company and its management. So companies should create a strong compliance team to prevent customers from taking advantage of their company's product. Lastly, companies in the financial industry should consider the positive contributions of compliance activities and consider setting aside a portion of their budget for their compliance department.

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Appendix

Interview questions

- Did investing in compliance activities help the company grow their sales and profit faster?
- Did Compliance make it easier for bkash to get approval from regulators for new product launch
- Do customers trust the company more now compared to before because it has strong compliance?
- Does complying with laws help bkash attract new customers easily?
- Did being compliant with laws make it easier for bKash to reach more customers in rural areas and gain their trust?
- After the establishment of AML and CFT did the company's customer base of bkash start growing at a faster rate?
- Does compliance help bkash earn stable profit by protecting them from financial losses?

Liquidity

	2023	2024	2025
Current Assets	123,207,124,690.00	117,566,320,693.00	130,289,480,407.00
Current Liabilities	100,965,751,495.00	96,283,163,662.00	107,918,208,487.00
Current Ratio	1.22	1.22	1.21

Debt to equity ratio

	2023	2024	2025
Debt	507,974,658.00	355,401,159.00	376,308,928.00
Equity'	30,984,625,021.00	32,633,896,249.00	37,778,128,854.00
D/E Ratio	1.64%	1.09%	1.00%