



**Internship Report**  
**On**  
**e-KYC: A Much-Needed Impetus for Improving bKash's**  
**Current Registration Method**



Inspiring Excellence

Course: BUS 400

**Internship Report On**

**e-KYC: A Much-Needed Impetus for Improving bKash's Current Registration Method**

**Prepared For:**

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**Date of Submission:** 13<sup>th</sup> December 2018



## Letter of Transmittal

13<sup>th</sup> December 2018

Mr. Ahmed Abir Choudhury

Lecturer of Finance

BRAC Business School

BRAC University

**Subject:** Submission of Internship Report on ‘e-KYC: A Much-Needed Impetus for Improving bKash’s Current Registration Method’.

Sir,

With due respect, it is my pleasure to submit the internship report on “e-KYC: A Much-Needed Impetus for Improving bKash’s Current Registration Method” to you which is a requirement of BUS 400.

I have prepared my report as per instruction and have given my utmost effort to make it as informative as I can along with the primary data collected from a survey participated by 101 respondents and interviews of employees of bKash. Apart from it, I have utilized my analytical abilities to interpret the data and represented them with visuals. I have done my Internship at bKash Limited. The topic I have chosen came from my close observation while working here which helped me to prepare the report with direct experience.

I sincerely hope it will meet your expectation. However, the report is not free from flaws, I urge you accept it with thoughtful considerations.

Sincerely yours,

Mitra Mohsin

ID- 15204075

BRAC Business School

BRAC University



## **Letter of Endorsement**

This to certify that Mitra Mohsin ID – 15204075, is a regular student of BRAC Business School, BRAC University and has completed the internship report titled ‘e-KYC: A Much-Needed Impetus for Improving bKash's Current Registration Method’ under my supervision. Her internship placement was at bKash Limited. I am pleased to state that she has worked hard during her internship tenure and preparing this report as well. She has been able to present a good picture of the report. The data and findings presented in the report seemed to be authentic. Though it has some minor slip-ups, it is of a kind which can be used by others if any researchers want to work further on this topic.

I wish her every success in all of her endeavors.

With Regards,

Mr. Ahmed Abir Choudhury

Lecturer

BRAC Business School

BRAC University

## **Acknowledgement**

With this internship report, I complete the final requirement in obtaining a Bachelor of Business Administration from BRAC University. This required a great deal of effort my side, but I could not have done it without the help of a host of people beside me. Firstly, I would like to thank my internship report coordinator Mr. Ahmed Abir Choudhury for the support and guidance. Thank you for constantly being a source of encouragement and support while not restraining to the direct criticism where it's due to bring out the best in me.

Furthermore, I would like to thank my superiors and peers at bKash Limited, in particularly my supervisor Mr. Saber Sharif, Head of External and Corporate Affairs Division and my line managers Mr. Shahrear Ahmed, Assistant Manager of CPMCT, and Mr. Sajib Das, Assistant Manager of Strategic Compliance for being a constant source of support, advice and encouragement.

Also, I would like to thank all the respondents for putting in the time and effort to complete the questionnaire that I sent them. Without their willingness and contribution, it would have been a lot more challenging for me to get the required input.

Mitra Mohsin

Dhaka, 2018

## **Executive Summary**

In the ever-changing world of technology, the attempt to redefine existing processes into a faster and more efficient version of it, is the goal. The world of finance is not without that thought as well now, because more and technologies are being applied to make everything more accessible and more operational than ever before. Finance and banking is not only in the grasp of the upper income class of society anymore as now the focus has shifted to push for more inclusion rather than exclusion. As a result, more and more efforts are being put in to include the lower income classes of society as well. One of the champions of that movement in Bangladesh have been bKash Limited. One of the most promising companies to have been developed in Bangladesh, bKash have garnered international attention and acclaim for the initiatives they brought forward to introduce mobile financial services into the country. Being the pioneer of mobile banking into the country was not enough to bKash, as they wanted to strive forward with the vision of becoming the pinnacle of mobile finance of the country and then, if possible, move towards the other countries of the world. While they have certainly reached the top of the mobile financial services industry of Bangladesh, they will need to keep looking to find ways to improve upon their existing framework to stay relevant in Bangladesh's market and if they seriously consider themselves to be good enough to challenge international players. A major step towards that could be the implementation of a new and improved customer registration process called e-KYC which is the electronic version of the KYC (Know Your Customer) process that bKash is currently using. By doing away with the manual input required on part of both the customers and bKash, electronic real time verification of new customers would not only make the procedure much, much faster but also make the entire network more secure for existing customers. This will also allow bKash to be confident about the transparency of its customer base while protecting itself from being a target of fraudulent and illegal activities. The purpose of this paper is to show what both existing and potential customers and the employees of bKash perceive about the existing KYC process of bKash and how theory and evidence from the countries who have implemented the e-KYC procedure show the legitimacy of e-KYC claims of being better than KYC.

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## Organizational Overview

More than 70% of the population of Bangladesh lives in the rural areas where it is hard to have the access to formal financial services and less than 15% of Bangladeshis are connected to the formal banking system. Yet, these 70% of the population people are in most need of such services, either for receiving funds from distant locations or to access financial tools to improve their economic condition. However, from statistics it has been shown that about over 68% of our population have mobile phones and these phones are not only for talking but also can be used for more meaningful tasks. Thus, bKash came up with the idea of utilizing these mobile devices and the telecom networks to provide financial services in convenient manner to these under-served population of this country. bKash, a fast start for mobile financial services is the country's first mobile financial service provider which launched in mid-2011. It is the world's second largest venture which has achieved commendable success within just 7 years of its operation. "bKash having stronger customer base in Bangladesh is now striving to exceed 'the most successful mobile financial service provider' operating in Kenya," Muhammad A (Rume) Ali, chairman of bKash Ltd. told the Financial Express in an interview.

bKash is a private limited company created specially to provide safe, convenient and easy ways to make payments and money transfer services via mobile phones to both the unbanked and banked people in Bangladesh. It combines a diverse group of investors too. bKash is a part of BRAC group of social enterprises and is a subsidiary of BRAC Bank. The first investor is Money in Motion LLC, a US based company formed by Iqbal and Kamal Quadir, brothers who had an interest in mobile technology driven innovation. Later, in April 2013 International Financial Corporation (IFC), a member of the World Bank Group became an equity partner. In April 2014, Bill and Melinda Gates Foundation became the investor of the company. Recently, in April 2018 bKash and Ant Financial Services group (Ant Financial), operator of Alipay announced a strategic partnership to promote greater financial inclusion for both the unbanked and under banked communities of this country. Along with its investment Alipay will be bringing the best payment technologies and the knowledge of applying those technologies which will help bKash to increase its technological capabilities through a massive transformation.

bKash currently have 18,50,000 Agents; more than 25,000 Merchants and 3,000,0000 Personal Accounts.

### **Mission**

Mission of bKash is to provide financial services that are convenient, affordable and reliable and aims to widen the net of financial inclusion.





## **Vision**

Vision of bKash is to ensure access to a broader range of financial services for the people of Bangladesh. It has a special focus to serve the low-income masses of the country to achieve broader financial inclusion by providing services that are convenient, affordable and reliable.

bKash is neither a bank-led nor Telco-led company rather its model is fundamentally different from conventional banking. bKash drives transactions and earn revenue from fees instead of focusing on credit or savings. Banks begin in one urban region mostly focusing on segment of affluent customers whereas bKash has national reach in all districts of the country and to serve everyone since their ultimate objective is to ensure access to a broader range of financial services for the people of Bangladesh. It focuses on serving the country's low-income masses to achieve greater financial inclusion by providing convenient, affordable and reliable services.

## **Services**

bKash has been gradually transforming itself to a service provider going beyond just send and receive money. bKash expanded the suite of services to the customer by introducing-

- Cash In
- Cash Out
- Mobile Recharge
- Bulk Disbursement (Send Money)
- Foreign remittance straight to wallet
- Bank Transfer
- Interest on Savings
- Collection Services
- Merchant Payments

And they are relentlessly working to come up with more services to help their customers too. There has been significant progress in the merchant payment arena and still there remains a massive opportunity further expand digital payments which can come through innovation and relevant value proposition both for the merchant and the customer.

## **Functional Divisions:**

From the history of bKash limited we all know that bKash has started its journey with 12 people. But currently bKash Limited is divided into several divisions and the divisions are divided into different departments. The departments are also sub categorized into some channels.

**My role during internship:**

I was appointed as an intern for the AML/CFT (Anti Money Laundering/Combating the Financing of Terrorism) which falls under ECAD (External and Corporate Affairs Division).

**The External and Corporate Affairs Division (ECAD):**

ECAD is one of the largest division of bKash. It is responsible for mitigating the risk associated with bKash and its operations. Bangladesh Bank's mandatory requirement is risk assessment process of Money Laundering and Terrorist Financing threats posed to Mobile Financial Service providers. ECAD started its function on the fundamental need to coordinate and harmonize bKash interests mainly with regulatory bodies focusing particularly on Bangladesh Bank. One of its major purposes is to advise the management on other regulatory matters relating to bKash functions, policies and services.

There are four departments under this division:

- Administration
- EA (External Affair)
- AML/CFT (Anti-Money Laundering/Combating the Financing of Terrorism)
- R & CA (Regulatory & Corporate Affairs)

**AML/CFT Department:**

It is under ECAD division. The head of the department and the DCAMLCO (Deputy Chief AntiMoney Laundering Corporate Officer) is Captain (Retired) Saber Sharif (Bangladesh Navy). There are different teams in this division working under this department.

**My Responsibilities-**

- Gathering, organizing and creating databases of last 3 years for each team which will be used from now on.
- Making monthly, yearly reports out of these databases.
- Doing KYC-QC (Know Your Customer Quality Check)

## Introduction to the Report

FinTech describes a new era of digital finance around the world. If we ask what type of FinTech innovation will have the biggest impact on those who remain financially excluded? The obvious answer is MFS or Mobile Financial Service which considered as a key instrument in improving financial inclusion and which opens up opportunities for lowering costs of services that are offered to the financially underserved in society. But lack of identification is barrier to financial access. Digital ID and e-KYC for identification and simplified account opening is one of the four pillars to support FinTech.

e-KYC or Electronic Know Your Customer which will facilitate completion of KYC process online eliminating the need for filling up physical forms and submission of physical documents in real time more authentically. MFS or Mobile Financial Service providers around the world has already shifted from conventional KYC method to e-KYC. The digitization process can help institutions in a way to provide an easy and hassle free process towards the KYC maintenance, as well as fulfil the Regulatory Requirements. Additionally it also help the Institutions to serve the customers in an easy and friendly manner.

bKash is the first complete financial service provider and bKash is growing in an unprecedented way.

e-KYC can be a game changer for bKash through eliminating problems of KYC process because:

- **Paperless:** The service is fully electronic, will enable elimination of KYC document management.
- **Consent Based KYC to avoid identity thefts:** KYC is undertaken with the explicit consent of customers and thereby overcomes the risk of identity thefts.
- **Adequately parameterized:** It allows to configure Institution specific Proof of Address (POA) and Proof of Identity (POI).
- **Simple user interface:** Allows users to easily navigate through intuitive hyper linking with minimum number of clicks to access a customer's KYC.
- **Secure and compliant with the IT Act:** Data transfer are secured through the use of encryption and digital signature or bio-metric identification making e-KYC document legally equivalent to paper documents. In addition, these ensures that no unauthorized parties in the middle can tamper or steal data.
- **Instantaneous:** The service is fully automated, and KYC data will be furnished in real time, without any manual intervention.

- **Eliminates Document forgery:** This will eliminate of photocopies of documents which will be stored reduces the risk of forged documents.
- **Low cost:** e-KYC will lead to elimination of paper verification, movement, storage minimization and need for employees to check/recheck to verify accounts physically. As a result this is a cost effective method for the company too.

**Incorporation of e-KYC in bKash-**

Currently in bKash limited, the registration process for their customers are done in a manually where customers go to agents with documents and have to fill-up a form including. From agent point these KYC forms goes through multiple of stages to check, verify and register. To upgrade this process through a systematic manner, introducing E-KYC will play a pivotal role towards bKash limited and its customers.

The process of E-KYC will eliminate a number of registration follow-up steps which will speed up the process and as well as increase the accuracy of the information. For instance, by implementing this method physical documents are not required also data collection, verification and registration can be done in one agent point which means the channel will become shorter.

To make it clear how E-KYC will operate, a hypothetical model have been shown below. It will indicate a simplistic view for the process of E-KYC for its customers.

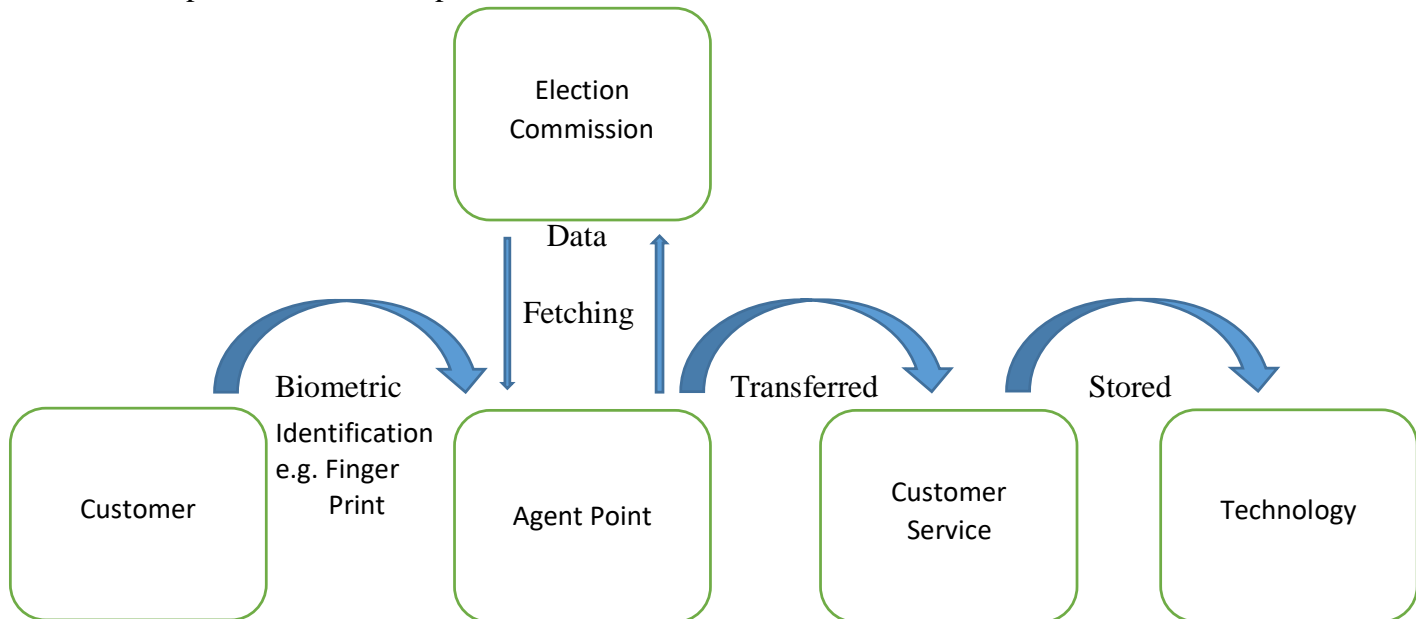


Fig: e-KYC Process

From the model, we can observe that the primary level of information to implement E-KYC starts from the point of customer. In this step, customers will have to go to the agent to register for opening up a bKash account. This registration process will be done by using bio-metric registration by taking their finger prints and also required to open an online account by using a combination of password and finger-print. Through this process, the agent will be able to fetch their data from the Election Commission server, where NID information is available for each individual. This will help the agents to collect data for their customers, verify and register their data at the same time.

The second step consists of customer service department working together with the technology department in order to ease up the registration process and co-ordinate the entire work in a systematic manner. After the agents have completed the registration process with all the required information, those registration details will be sent to customer service department. All the updated details of registration process will be uploaded into the server of customer service and then the employees of their department will need to have a final check alongside the support of technology department. When the entire information is cross-checked, then the final updated registration details will be included into the main server of bKash limited and stored into the system by technology team.

### **Rational of the study:**

While working here I have observed that conventional KYC or Know Your Customer which is the process bKash uses for customer registering purpose has a number of limitations. People are perpetrating financial crimes and non-compliance activities to meet their illegal goals by using bKash for which bKash can become subject to reputational risk. However, my observation is these problem can be lessened if bKash implement e-KYC or Electronic Know Your Customer based registration process instead of conventional KYC registration process.

The purpose of the report is to show how effectively e-KYC can eliminate challenges and various types of risks bKash is facing while doing conventional KYC registration. Also, to what extent it is accepted by the customers and bKash itself through survey questionnaire and interviews and how it can be incorporated.

### **Statement of the Problem:**

KYC or Know Your Customer refers to documentation which sets out a business's approach to ensure that it can effectively identify, verify and monitor its customers and the financial transactions in which they engage and to assess money laundering risks associated with that customer for purposes of monitoring the customer's activities.

Conventional KYC requires customers to fill up a form where they have to give their information. It is consisting of submitting documents to verify information and then it has to go through a number of stages in order to finish this KYC based registration process. bKash currently is using this conventional method to register its customer. Besides the problems I have observed due to this process, I have done research further and found out more problems of this method. Challenges and risks of this present approach of identifying and validating a customer are-

- **Paperwork:** Convectional method is done manually which requires a substantial amount of paperwork. Customers have to bring the necessary documents along with them which is a big hassle for them and customers need to fill up KYC form physically. Sometimes, agents fill up forms on behalf customers which is illegal.
- **Time consuming:** Conventional KYC requires significant amount of time to register a customer. For instance, once a customer fill up the form does not mean they are registered immediately. The average time taken to onboard a new client is 26 days since the process requires various steps to finish.
- **Multiple Identities of a Single Entity:** Through this present method one can open multiple bKash accounts just by giving one NID number which is illegal.
- **Document Forgery and Identity Theft**
- **Limited extent of mobility of identification:** Often customers do not provide authentic or full information while registering to open bKash account. For example, they provide someone else's picture or NID number. Sometimes gives addresses which are not correct, do mistakes while filling up the forms so these limits the identification.
- **Fraudulent Activity:** It is easy to open a bKash account by giving not authentic information people now-a-days using bKash for fraudulent activity which includes drug dealing, kidnapping and ransom purposes.
- **Higher Number of Customer Rejection:** All these lead bKash to reject its customers because of not having authentic information and failed to verify customers. They end up raising complaints and blocking customers engaged in fraudulent activity.

bKash is constantly working to identify and prevent these problems emerging from this conventional method and these all can be lessened through e-KYC.

**Scope:**

The study focuses on a digitalized method of KYC which can eliminate challenges bKash is facing due to the conventional KYC process and its effectiveness. Survey for this study consists of 101 respondents comprising of individuals who both have and do not have a bKash account. 10 questions were being asked to these respondents through a survey questionnaire. Again, I have conducted the interviews to employees of bKash. The purpose of doing these are to understand what the both party think of this new method, its effectiveness and challenges also.

**Delimitation-**

The first limitation while doing this study is lack of information about e-KYC in this country. This method has not been introduced yet in Bangladesh and as a result most people do not have any substantial idea on it. So, respondents found it a bit difficult to understand the whole process.

Secondly, it was hard to find relevant research examples regarding e-KYC since in Bangladesh no one has ever implemented this method. Information of e-KYC all I have found were on other countries which are different from our country in terms of economy, infrastructure etc. So, their strategies are not best fit for our condition. So, it was hard to draw a picture how it is going to be incorporated according to our country structure.

**Objective of the study-**

The responses of the survey can give emphasis to this crisis which bKash can use to show government to take immediate action and both party can start implementing e-KYC method nationwide.

## Literature Review

Data is collected extensively on clients by banks and other financial institutions as part of their Anti Money Laundering and Counter Terrorism Financing objectives. The process of collecting and verifying the information provided by clients is known as Know Your Customer or Customer Due Diligence. These processes are incorporated to ensure that institutions are fully literate in their knowledge of their customer which helps them to identify the probability of default while also being able to maintain a vigilant presence to reduce the customer's likelihood of indulging in financially illegal and illicit activities. (De Koker, 2012)

The foundations of Know Your Customer were laid when the institutions around the world were attempting to stem the amount of funds being brought into the country during the drug trafficking boom of the 1980's in the US, with a process they called 'Follow the money'. (Mulligan, 1998)

Incorporating the regulations proposed by Know Your Customer procedures brought about results which showed the KYC is a major deterrent when it comes to illegal activities such as money laundering and fraud. (Sreekumar & Sai, 2013)

The Indian government based Aadhaar, which is the largest biometric identification in the world, has been exemplary in bringing about necessary changes to fast track the growth in the country (Kotwal, Parsheera & Kak, 2017). Aadhaar has been used as a model KYC document in a study by Sharma A. & Sharma P. (2014) where they found out that Aadhaar has been accepted as a KYC tool by the public in general as it considered to be both unique and much more secure than any other existing procedure. They concluded that the inducing more technological aspects into the mix like being able to capture biometrics helps to transform the traditional KYC model into an eKYC model which generates greater public appreciation. Finally, Bakshi, Subramaniam & Nandi (2018) suggested further ways to improve upon the existing e-KYC processes in India by introducing a token-based access control. This would result significant reductions in the time taken for information to be transferred across an e-KYC framework.



## **Methodology**

### **Methods of survey used**

This particular section expresses the techniques I have used which can give much emphasis to my proposal also I have conducted some interviews to the employees of bKash. I have directed surveys for gathering primary information as the center technique for achieving my goal. I took the review through online by setting up a Google shape which got circulated among people.

### **Survey Design:**

Here, I have tried to set a clear questionnaire to direct my overview to discover how people would react to this new technique for registering purpose to make my proposal stronger and at the same time to let them that something like this is present and can be executed.

I preferred to investigate subjective data. Hence the questionnaire was developed accordingly. I led this study through the internet which is extremely prevalent nowadays since it is exceptionally economical, adaptable and is a speedier approach to direct a study. On top of that, a survey for a digitalized method should be circulated through online.

The survey questionnaire contains close ended questions except one to get clear reactions. Interviews which I have conducted were open ended where the employees gave their valuable opinions.

### **Respondents and Sampling Procedure:**

#### **Sample:**

I kept my sample measure decent and picked 101 respondents. My sample includes both respondents already having bKash account and respondents who wants to open an account.

#### **Survey Instrument/ Questionnaire:**

I have asked 10 questions in my survey. We kept every one of the inquiries close-ended except one, with the goal to get clear information. In addition, we have utilized diverse scales to set up the inquiries, those are:

- Nominal scale
- Ordinal

**Pretest:**

Before going for the survey, the survey questionnaire has been pretested to guarantee the importance and the precision of it.

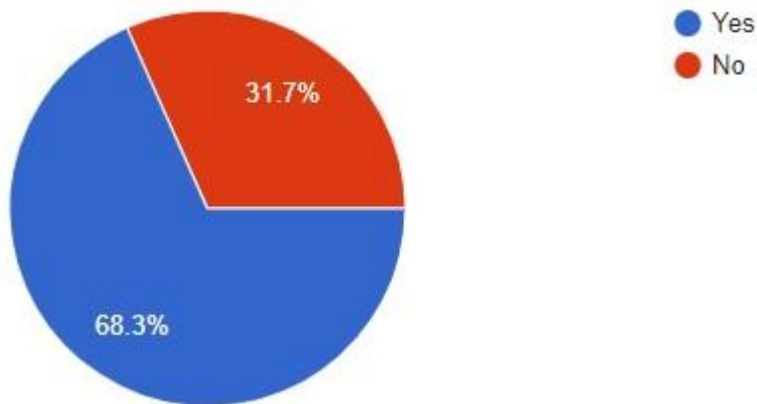
**Statistical Treatment of Data:**

For measurement, I have used Microsoft Excel 2013 and Google Spreadsheet to get the break down measurable information so that I can present my data through diagrams/graphs.

## Analysis and Interpretation of Survey Data

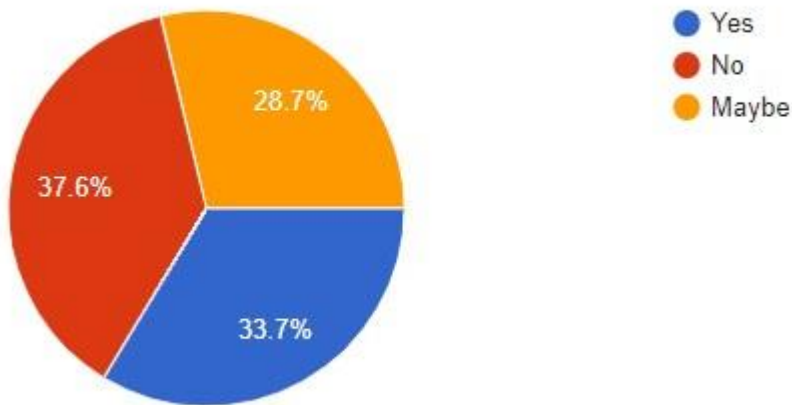
**In total, I got 101 respondents. Among them-**

No. of people having bKash account	69
No. of people having no bKash account	32



**Customer satisfaction with the regular bKash sign up process-**

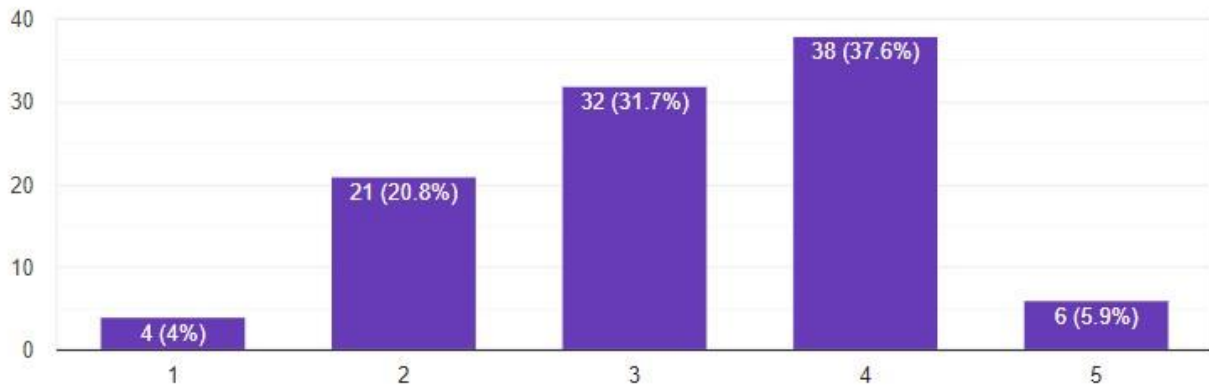
Yes	34
No	38
Maybe	29



In response to the question of whether the respondents are satisfied with the regular sign up process or not, the survey shows that majority of the respondents are not satisfied with the regular KYC process.

**To what extent respondents think that this regular sign up process is secure-**

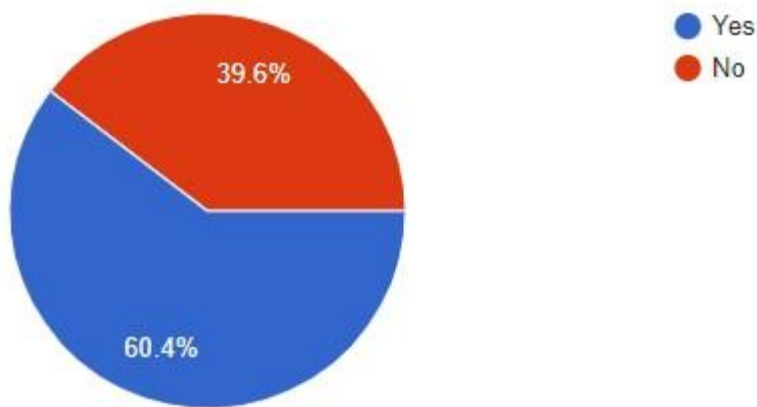
Totally Unsecured	4
Less secured	21
Secured	32
More Secured	38
Totally secured	6



This shows that, a majority thinks that it is not totally secured. Hence, security of this system is the main issue that can be lessened through e-KYC.

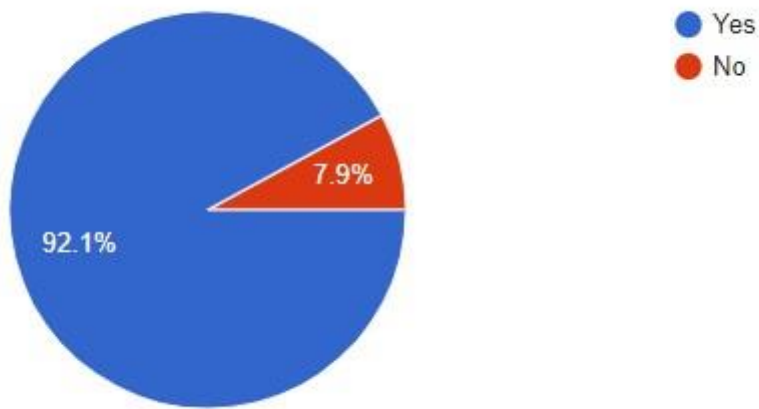
**Have the respondents faced any trouble due to the time required to get their account fully activated?**

Faced problem	61
Did not face problem	40



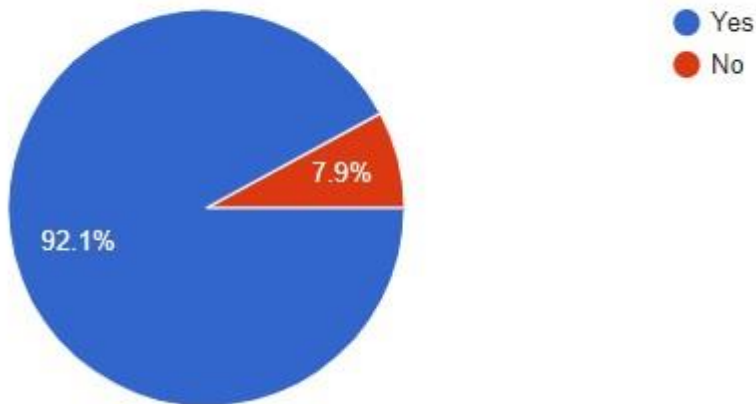
Personally, I myself have also faced trouble after registering for an account in an emergency because the account took up to 72 hours to get activated as this is the standard time frame given before an account activates and no transactions can be performed during this time. I asked this question to see whether other people face this regularly or not and here we can see that since the registration and activation do not happen in real time, majority have faced trouble.

**Would they accept a digitalized version for registering?**



93 respondents answering yes meant that the majority will be willing to accept a newer, faster, secure digitalized version since that will not be requiring bringing in physical documents, activation and registration will be done in real time and on top of that it will be more secure than the present process.

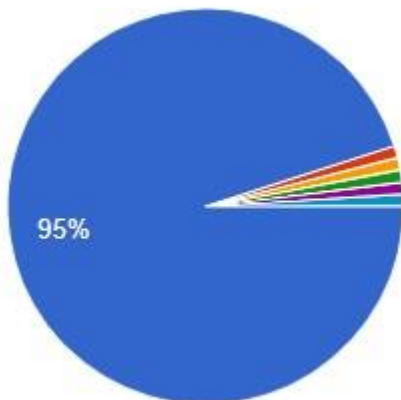
**Do they give the consent to this new process which will be directly linked with their NID, which will fetch details from Election Commission?**



93 among 101 respondents gave the consent for this new system. Rest is skeptical regarding the process and why they did not gave the consent is shown in the next question.

**Problems this new process might face according to the respondents-**

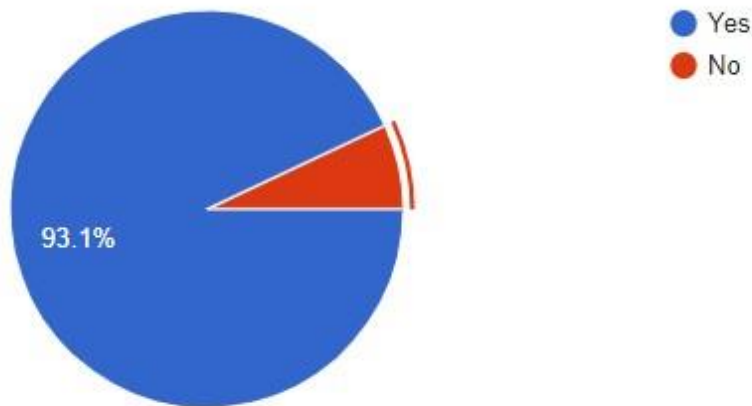
None	96
Other	4



Here, 95% thinks there will be no trouble and rest shared their view which are-

- Internet and technical glitches can occur
- Information might get leaked if third party get the access to database
- Training for agents of this new process will be complicated
- Might not be feasible to implement this process around this whole country

**Lastly, to make sure each and every account is backed up by an actual entity we are planning to include this measure. Does this validate our proposal?**



From this we can see for betterment of the whole process majority have said yes.

#### **Interview:**

Again, one of the main source of extracting information to create this report was to conduct some interviews from few permanent employees of bKash limited, who have been there for a long period of time and possess sufficient knowledge and insights about the entire operation of bKash limited. While asking about the prospect of Digital KYC or e-KYC for bKash limited, they have given positive response and said that it would be a very big step for them. Till now, bKash have been performing exceedingly well in operating mobile financial services to their customers. They are providing quality service with utmost convenience with a very reasonable service charge. While maintaining their top-notch service to their customers, they have to face many challenges and threats from many regulatory bodies such as BFIU (Bangladesh Financial Intelligence Unit), Bangladesh Bank etc. to ensure their quality checks and whether they are involved in any fraudulent or suspicious activities by their customers. To tackle against these problems, E-KYC can play a vital role in simplifying these complexities. It takes a lot of time and efforts of employees to ensure that there is no such allegations against their customers or prevent those wrongdoings from occurring. Introducing E-KYC will save time and lots of resources by performing these



activities in a digital manner, which can be done by connecting from the EC (Election Commission) server to the main server of bKash. However, it should be implemented by the constant process of monitoring and control by the employees of the customer service department.

They have also stated that even though, e-KYC can be effective in performing operational activities, it will not be able to provide comprehensive solution if there are any problems regarding the server of EC as it contains the entire information. Sometimes, the server might stop functioning properly and then the entire system might be compromised. So there is no physical backup of these documents which might have a negative impact to the entire organization. To ensure smooth operation and its maintenance, the organization needs a special technological support team who will be constantly involved in ensuring that the servers are working properly and is not having any glitches.

## Findings

- People in general do not have an idea about e-KYC. They did not know this registering process can be done digitally because I had to give a brief explanation of this system and how it is effective.
- Survey shows that respondents having bKash account have faced problems regarding this system directly and indirectly.
- People prefer comfort over anything and as this new process do not require customers to bring tons of documents, which is an extra hassle for them, it presents an easy solution.
- Also they need faster yet a more secured process so that they do not need to wait till activation and can perform transactions right after getting registered.
- Majority of the respondents would not mind if this process is directly linked to their NID and requires any method for Biometric Identification.
- Also, my respondents have confessed that they there can be problems of this process too which includes-
  1. Internet and technical glitches.
  2. Information leakage if third party get the access to database
  3. Training for agents of this new process will be complicated

4. Might not be feasible to implement this process around this whole country.
- Above all, to make sure each account is backed up by an actual entity majority of my respondents wants this digitalized version to take over.

## **Recommendations**

Since its initial point of entrance into the market, bKash limited have been experiencing a lot of growth in operating mobile financial service. To cope up with an increasing number of customers and to take their emerging success into the next level, they should emphasize on the accuracy and convenience of the registration process of their customers. Keeping that in mind, introducing Digital KYC or e-KYC can be the next big step for them.

Introducing e-KYC will impose a lot of challenges and difficulties to the existing operation of bKash limited. To make sure that the transition occurs smoothly, there are few recommendations that can be followed. Firstly, a complete data base consisting of NID information needs to be accessed by bKash limited so that it ensures the flexibility and correctness of data collection and maintain data verification at the same time. This will ensure that their customer will be registered with their authentic information in real time. Another recommendation would be to give extensive training towards the agents so that they are familiar with the new digital registration process. To check whether it becomes successful or not, e-KYC should be implemented in some specific areas before launching it into the whole market. There should be strict monitoring regarding how agents are adapting with this new change and also it's acceptability in the market. If the short-term results prove to be satisfying, then e-KYC should be gradually implemented to the rest of the market.

Another important recommendation would be to increase customer awareness and open new customer wallet. This can be done by having a joint campaign with mobile network operators through which customers can be motivated to open new wallet accounts. Although, a huge amount of customers are already using the bKash wallet, it will help them to capture more number of customers, reducing the risks of introducing this new technology. Lastly, if it is possible, the transaction limit can be re-visited for the benefit of the customers and also implement transaction profile for each single transaction. This will enable customers to be more dependent to use the services of mobile financial service as well as track their transaction details. It will attract more customers to avail the services of bKash limited and expand the market for bKash.

## **Conclusion**

bKash Limited is achieving growth beyond expectation one would have from a Bangladeshi company and they are redefining what it means to be a Bangladeshi company in the international community. But success is not a just climbing to a peak and staying there, it comes from pushing on and climbing peaks higher and higher and that is what bKash must do to continue and achieve its goal of becoming a leader in the financial sector of the economy of Bangladesh and the world. By introducing e-KYC, they might just move a couple of steps closer towards that.

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## Appendix

bKash new registration process survey

KYC or Know Your Customer is the conventional customer identification process whereas eKYC(Electronic Know Your Customer) enables to complete the KYC process online with direct authorization of clients which will not only reduce turnaround time and paper work but also will increase efficiency and security.

Name:

Email:

1. Do you have a bKash Account?

- Yes
- No

2. If not, do you want to open a bKash account?

- Yes
- No

3. Are you happy with the regular bKash sign up process?

- Yes
- No

4. To what extent do you think bKash's sign up process is secure?

- 1(Totally unsecured)
- 2(Less Secured)
- 3(Secured)
- 4(More secured)
- 5(Totally secured)

5. Have you faced any trouble due to the time required to get your account fully activated after registering? (P.S. An account takes about 72 hours to activate properly and you won't be able to perform cash out option meanwhile.)

- Yes



- No

6. If yes, would you like to try a faster and more secure process?

- Yes
- No

7. Would you like to experience a digitalized version that requires just your finger-print (Biometric Identification) which means you will not be needing to bring any documents along with you to open an account?

- Yes
- No

bKash has collaborated with the government of the People's Republic of Bangladesh and used our joint efforts to create a technology that will synchronize your NID account with your bKash profile. This will allow your profile to be verified instantly without needing to wait for 72 hours.

8. If your bKash is directly linked with your NID, which will easily fetch your details from the Election Commission to register and activate your account in real time, would you say that it would be better than the regular process?

- Yes
- No

9. Besides internet or technological glitches is there any other problems do you think you will face if this technology is introduced or have any other concerns regarding this new system?

- None
- Other \_\_\_\_\_

10. To make sure each and every account is backed up by an actual entity we are planning to include this measure. Does this validate our proposal?

- Yes
- No