

# Star BUSINESS

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## TAKEAWAYS...

- 2.67 cr** subsidy beneficiaries now receive govt funds
- Now fund is transferred within a day
- Previously fund transfer took even **3-6 months**
- No scope for fund embezzlement
- Processing cost was about **25pc** earlier
- No processing cost now
- 99pc** of govt payments to individuals made digitally

## AMOUNTS TRANSACTED

2018	2020
Tk 9,737cr	Tk 35,615cr
2019	2021
Tk 10,548cr	Tk 92,139cr

## NUMBER OF TRANSACTIONS

2018	2020
38.79 lakh	2.97cr
2019	2021
90.18 lakh	13.39cr



Funds transferred by the government to individuals have helped increase economic activities manifold as the beneficiaries receive the money promptly without any backlog.



**ATIUR RAHMAN**  
a former governor of BB

# Govt e-transfer to individuals nearly triples

### Eliminates leakages and cuts cost of delivery

AKM ZAMIR UDDIN

A new Bangladesh Bank platform has helped the government settle almost 100 per cent of its payments made to individuals electronically, giving a boost to the country's financial inclusion efforts.

The digital transfer of funds to individuals includes salaries paid to public sector employees, cash support to the poor and marginalised, and stipends to students.

The payment through the platform – Government eTransaction Processing Hub (GeTPH) – escalated 159 per cent year-on-year to Tk 92,139 crore last year, according to data from the central bank.

The system settles transactions made through the Bangladesh Electronic Fund Transfer Network (BEFTN), enabling beneficiaries to receive funds within a day.

BEFTN facilitates the transfer of payments through banks electronically, making it a faster and more efficient means of inter-bank clearing over the paper-based system.

Although the GeTPH was introduced in October 2019, the central bank officially launched

it in December last year. It has helped eliminate corruption while distributing funds under social safety net programmes.

Some 2.67 crore beneficiaries under 16 social safety net programmes are now receiving funds through the digital method.

Allegations were rife that local level public representatives manipulated the data of beneficiaries to embezzle funds. But the new

with the central bank's platform.

It has also cut the time needed to make the payments. Previously, the manual system took three to six months to settle the monthly payments in favour of the beneficiaries.

The central bank started to transfer salaries to government employees in 2015 on a limited scale through the BEFTN, replacing the manual system that took three to five days.

Savers receive both interest and principal of their investment in national savings certificate through the GeTPH, while retired employees of the government, semi-government, autonomous and semi-autonomous bodies are withdrawing monthly retirement benefits such as pensions.

It has brought huge relief for the elderly since they had to queue up for hours before cash counters of banks to receive entitlements. The digital system has also saved money for the government.

In the past, the government had to shell out 25 per cent against every disbursement when it settled the transactions manually. Now no cost is involved for the transfer of funds since it is carried out through bank accounts.

The government counts 0.70 per cent cost if it is sent through MFS.

The GeTPH emerged as a saviour during the coronavirus pandemic as it allowed the government to disburse funds without putting the beneficiaries at any health risk.

The transfer of the fund from the government coffer to



platform transfers the money to the account-holders directly after the central bank receives the fund from the government, a BB official said.

Every beneficiary now has to open accounts with either banks or mobile financial service (MFS) providers. The list of the accounts is preserved

Initially, the BB was able to settle around 1.15 lakh transactions per day. It has now gone past six lakh per hour after the establishment of the GeTPH.

The number of transactions stood at 13.39 crore last year under the digital platform, up 350 per cent year-on-year.



There have been cases when banks either sacked employees or asked them to resign for failing to meet deposit collection targets.

PHOTO: STAR/FILE

## DEPOSIT TARGET Bankers can't be fired for missing it: BB

AKM ZAMIR UDDIN

Efficiently completing all tasks does not guarantee appreciation from managements as attaining deposit targets is solely prioritised by private banks, which is the case for at least one mid-level official.

Stationed in a Rajshahi city branch, him and his seven fellow officials there have been tasked with mobilising Tk 100 crore this year by the head office. His personal responsibility – drawing Tk 5 crore.

"It is quite impossible for me to mobilise such a large amount of deposits this year given the business volume of the city," said the official in anguish while requesting anonymity.

"My bank was established in 2013, meaning it has not drawn that much of attention as

## Lodge formal complaints over tax harassment: NBR

STAR BUSINESS REPORT

The National Board of Revenue (NBR) has urged businesspeople to come up with specific allegations if they face any harassment at the hands of tax officials instead of making random complaints.

"If they have any complaint, they have to make it in writing. Then it will be possible to solve them," NBR Chairman Abu Hena Md Rahmatul Muneem said.

He made the remarks while speaking at a press conference organised on the occasion of International Customs Day-2022 at the revenue building in Dhaka's Segunbagicha.

At a recent meeting of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), district level businesspeople brought allegations of harassment against VAT and income tax officials.

Muneem said businesspeople raised complaints in case of releasing imported goods, machinery and other products from the customs house as well but the complaints were not always correct.

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## RN Spinning strives for a comeback

STAR BUSINESS REPORT

RN Spinning Mills has decided to lease land from its own concern, Samin Foods, to re-establish a production unit that has remained shut since 2019, when a fire destroyed the premises at the Cumilla Export Processing Zone.

The company informed yesterday that its board and other levels of management have selected a location in Bhabanipur of Gazipur to this end.

The company's board has already come to an agreement to lease the land from Samin Foods and decided to begin construction immediately upon completing the required formalities.

The total amount of land to be leased under the agreement is 384.32 decimals, or 1.67 lakh square feet.

RN Spinning will have to pay a monthly rent of Tk 5 lakh, excluding value-added tax, for the location.

At the new premises, the company would set up a cotton spinning factory with a targeted capacity of 40,800 spindles.

The estimated project cost of civil and other construction work is around Tk 60 crore while the plant machinery and equipment costs would

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STOCKS	
DSEX ▲	CSCX ▲
0.18%	0.40%
7,032.57	12,396.78

COMMODITIES	
Gold ▼	Oil ▼
\$1,839.67	\$83.05
(per ounce)	(per barrel)

CURRENCIES				
	USD	EUR	GBP	CNY
BUY TK	85.05	95.17	113.78	13.19
SELL TK	86.05	98.97	117.58	13.87

ASIAN MARKETS				
MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▲ 0.64%	▼ 1.66%	▼ 1.08%	▼ 2.58%	
57,858.15	27,131.34	3,247.76	3,433.06	

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