


NUMBER OF INTERNET BANKING USERS

FY19	21.69 lakh
FY20	27.42 lakh
FY21	36.38 lakh
FY22	53.55 lakh

NUMBER OF TRANSACTION

FY19	10.45 lakh
FY20	22.06 lakh
FY21	29.23 lakh
FY22	56.67 lakh

SOURCE: BB

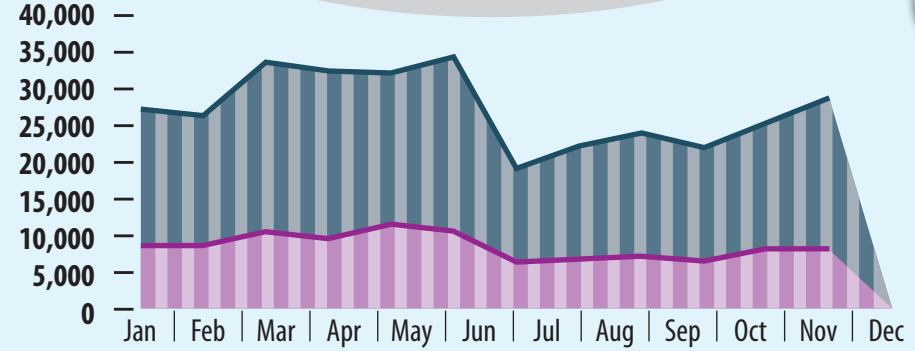


REASONS FOR RISE

- Rising number of young users
- High growth in smartphone use
- Increasing number of internet users
- User-friendly features of mobile banking apps
- Facilities to pay utility bills and recharge mobile phones
- Deposit and fund transfer facility
- Higher limit of inter-bank fund transfers
- Higher ceiling of single transaction

INTERNET BANKING TRANSACTION

In crore taka;



SOURCE: BB

Thanks to the fast-growing internet users and availability of smartphones and digital services, internet banking has gained huge popularity over the years and brought visible changes to customers' banking habits.

MOHAMMED MONIRUL MOULA  
Managing director of Islami Bank Bangladesh Ltd

# Internet banking transactions double as users find ease

**MD ABU TALHA SARKER**

Transactions through internet banking in Bangladesh more than doubled in the last fiscal year as a huge number of people, especially the young generation, are using the platform to carry out financial activities.

In 2021-22, transactions shot up 122.60 per cent year-on-year to Tk 224,958 crore, according to data from the Bangladesh Bank.

Banks started taking up a wide range of initiatives in 2010 as part of their efforts to encourage customers to adopt the digital window.

But it was the outbreak of Covid-19 in early 2020 that turbocharged internet banking as the virus forced people to turn to technologies to communicate, work, study and find entertainment.

Thanks to the growing use of internet banking, people can deposit and transfer funds any time, from anywhere, eliminating the necessity to visit a physical branch of banks. Besides, they can comfortably recharge their mobile phones, and pay utility bills and rents.

Abu Masum, an official of a garment factory in Gazipur, performs most of his financial transactions through internet banking owing to his hectic schedule.

"Internet banking has simplified the life of the people, particularly for those who are very busy. I would never have done it all after doing my job without this new form of banking."

Banks have rolled out various products to increase their presence in the digital

space. For instance, almost all banks have introduced mobile applications.

The availability of smartphones at affordable prices has contributed to the expansion of internet banking in recent times.

Mohammed Monirul Moula, managing director of Islami Bank Bangladesh Ltd, says thanks to the fast-growing internet users and availability of smartphones and digital services, internet banking has gained huge popularity over the years and brought visible changes to customers' banking habits.

IBBL has been providing internet banking services to its customers through its iBanking platform since 2007.

Currently, it has around seven lakh internet banking users and 17,000 transactions are made every day using this service.

Launched in 2020, Cellfin is another internet banking app of IBBL.

People can avail banking facilities such as account opening, remittance transfer and ticket purchase through the app, said Moula.

Brac Bank introduced Astha mobile app in April 2021 and it has gained immense popularity among clients within a short time, said M Sabbir Hossain, a deputy managing director of the private commercial bank.

In June 2021, the number of internet banking users of the bank was 15,000-20,000 and it has now risen to 2.5 lakh. About Tk 12,000 crore was transacted through the platform in July this year.

"We conduct promotional campaigns

to increase the number of clients and make the service popular. We levy no annual charge on internet banking transactions though we could have realised the fee in some cases," Hossain said.

Brac Bank plans to invest more to expand its digital banking operation as it has set a target to double the number of clients within the next two years.

Thanks to the growing use of internet banking, people can deposit and transfer funds any time, from anywhere, eliminating the necessity to visit a physical branch of banks. Besides, they can comfortably recharge their mobile phones, and pay utility bills and rents

In Bangladesh, the number of customers using internet banking stood at 5.35 crore in June, an increase of 47 per cent from a year earlier, BB data showed.

The central bank has provided support to banks at the height of the pandemic so that they could expand their internet banking operations.

For example, the central bank, in September 2020, raised the limit of inter-bank fund transfers to Tk 5 lakh per day from Tk 2 lakh.

It also doubled the ceiling of a single transaction to Tk 1 lakh from Tk 50,000

and permitted customers to settle as many as 10 transactions per day from five in the past.

A central banker says branch-led banking is already on the wane in keeping with the spread of internet banking, which cut the operational costs of financial institutions at the end of the day.

"This also benefits clients as they can opt out of going to branches to settle transactions. This has helped them utilise their valuable time on other productive purposes."

The central bank's platforms – Bangladesh Real Time Gross Settlement (BD-RTGS) and the Bangladesh Electronic Funds Transfer Network (BEFTN) – have popularised internet banking as well.

Customers can settle transactions of large volumes instantly through the RTGS while the BEFTN helps them carry out retail transactions within a day.

"Various types of payments, ranging from paying utility bills and tuition fees to booking tickets can be now made from any place, which was unimaginable six to seven years ago," said HM Mostafizur Rahman, head of the retail business division of Dhaka Bank.

Dhaka Bank introduced mobile banking app "Dhaka Bank Go" in 2016.

"The coronavirus pandemic has been a turning point for internet banking. It has globally gained huge traction," said Rahman.

"Some 10 per cent of transactions are carried out through internet banking and this will increase by several folds within the next few years."

## Norway's Jotun opens \$7.6m paint factory

**STAR BUSINESS REPORT**

Jotun Bangladesh Limited (JBL), a subsidiary of Norway-based paint and coatings manufacturer Jotun Group, has opened its maiden plant inside the Meghna Industrial Economic Zone (MIEZ) with an investment of \$7.6 million.

Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBBCCI), inaugurated the plant at the MIEZ in Sonargaon area of Narayanganj yesterday.

The new plant has a total area of 8,984 square metres.

"This factory will allow us to better serve our customers and contribute further to the development of Bangladesh by creating new employment opportunities, boosting the country's gross domestic product and bringing in more foreign direct investment," said Percy Jijina, managing director of JBL.

Jotun Group is one of the world's top paint and coatings manufacturers, operating in over 100 countries with 41 production facilities that cater to the four main segments, namely decorative paint, protective coatings, marine coatings, and powder coatings.

JBL has been operating in Bangladesh for the last six years and currently employs more than 90 people. But following the opening of its new factory, the company plans to increase its workforce even further, creating hundreds of additional jobs over the next few years.

"JBL's core vision, 'Jotun Protects Properties', is aligned with Bangladesh's ambitious plans for faster economic growth by investing in mega



infrastructure development projects," Jijina said.

"Through our innovation and state-of-the-art products, we work to not only enhance the appearance of assets but also ensure lasting durability, thereby saving billions of dollars in maintenance and repair costs for our project partners worldwide."

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## Stocks rise on falling global oil prices

**STAR BUSINESS REPORT**

Most companies on the Dhaka Stock Exchange (DSE) posted gains yesterday thanks to the higher participation of general investors, helping the key index add more than 50 points.

The DSEX, the benchmark index of the premier bourse in Bangladesh, was up 0.82 per cent to 6,225.

The DSES Index, which comprises Shariah-based firms, rose 0.77 per cent to 1,361, and the DS30 Index, which represents the blue-chip companies, jumped 0.62 per cent to end at 2,213.

A stockbroker attributed the declining oil price in the global market and the slight improvement in the foreign exchange rate regime in Bangladesh for the rise in the DSEX for the second consecutive session, as the developments allayed people's concerns about the macroeconomy to some extent.

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## Gas prices in Europe may climb 60pc

### Russia's Gazprom warns

**REUTERS, Moscow**

Russian state gas company Gazprom said on Tuesday that European gas prices could spike by 60 per cent to more than \$4,000 per 1,000 cubic metres this winter, as the company's own export and production continues to fall amid Western sanctions.

Gas flows from Russia, Europe's top supplier, are running at reduced levels this year, after one route was shut when Moscow sent troops into Ukraine in February and after sanctions triggered a dispute about the Nord Stream 1 pipeline's equipment. Gas prices have surged as a result.

"European spot gas prices have reached \$2,500 (per 1,000 cubic metres). According to conservative estimates, if such a tendency persists, prices will exceed \$4,000 per 1,000 cubic metres this winter," Gazprom said.

Dutch wholesale gas prices hit an all-time high of nearly 335 euros per megawatt hour (MWh) in spring. They have dipped since then to around 226.00 euros per MWh on Tuesday but remain far higher than a year ago when they were about 46 euros per MWh.

Kyiv has shut one of Gazprom's routes for exports to Europe, while Gazprom has reduced supplies to only 20 per cent of the capacity of the Nord Stream 1 pipeline to Germany amid the equipment dispute.

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Equipment operated by Gas Connect Austria and Trans Austria Gas pipelines at one of the largest interconnection gas hubs in Europe at Baumgarten an der March, Lower Austria. The facility mainly receives Russian imports, but also takes shipments of gas from Norway and some other countries.

PHOTO: AFP/FILE

## Oil prices extend loss

**AFP, London**

Oil prices extended losses Tuesday but European gas prices hit near six-month highs, in both cases fuelling fears of recession.

Major stock markets mostly rose on bets that the Federal Reserve would not lift borrowing costs by 75 basis points for a third straight time next month after decades-high inflation eased in the United States.

However, "a slick of worry is growing about the darkening prospects for global growth as economies slow around the world, pushing down oil prices in expectation of lower demand", noted Susannah Streeter, senior investment and markets analyst Hargreaves Lansdown.

Both main crude contracts dropped, having lost about three percent Monday, as demand expectations decline in light of a string of soft economic indicators in

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