Internship Report

On

“Fintech Evolution in Bangladesh: A Case Study of POCKET”

Submitted by:

Mohaiminul Islam Ananta

ID: BBA2103024016

Program: Bachelor of Business Administration (BBA)

Major: Management Information System (MIS)

Department of Business Administration

Sonargaon University (SU)

Submitted to:

Department of Business Administration

Faculty of Business



Sonargaon University (SU)

147/1 Green Road, Panthopath, Dhaka

Date of Submission: August 30, 2025

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Supervised by:

Md. Fajle Rabbi

Lecturer

Department of Business Administration

Faculty of Business



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147/1 Green Road, Panthopath, Dhaka

Date of Submission: August 30, 2025

Letter of Transmittal

August 30, 2025

Md. Fajle Rabbi

Lecturer

Department of Business Administration

Faculty of Business

Sonargaon University (SU)

Subject: Submission of Internship Report Titled “Fintech Evolution in Bangladesh: A Case Study of POCKET”

Dear Sir,

I am pleased to submit my internship report entitled “Fintech Evolution in Bangladesh: A Case Study of POCKET” as part of the requirements for completing my Bachelor of Business Administration (BBA) program, majoring in Management Information System (MIS) at Sonargaon University (SU).

This report has provided me with valuable learning and practical insights into the Fintech industry of Bangladesh, particularly through the case of POCKET. I am grateful for your guidance and support throughout this process.

I hope the report meets your expectations, and I will be happy to provide any further clarification if required.

Yours sincerely,

_____

Mohaiminul Islam Ananta

ID: BBA2103024016

Program: Bachelor of Business Administration (BBA)

Major: Management Information System (MIS)

Department of Business Administration

Sonargaon University (SU)

Declaration of Student

This is to certify that the internship report titled “Fintech Evolution in Bangladesh: A Case Study of POCKET” has been prepared as a partial requirement for the completion of my Bachelor of Business Administration (BBA) program. It is an obligatory part of my academic formalities to submit this internship report.

I was inspired and instructed by Md. Fajle Rabbi, Lecturer, Department of Business Administration, Sonargaon University (SU) during the preparation of this report.

I hereby declare that this report is my original work and has not been submitted anywhere else for the award of any degree or certificate.

Yours sincerely,

_____

Mohaiminul Islam Ananta
ID: BBA2103024016
Program: Bachelor of Business Administration (BBA)
Major: Management Information System (MIS)
Department of Business Administration
Sonargaon University (SU)

Letter of Authorization

This is to certify that the internship report titled “Fintech Evolution in Bangladesh: A Case Study of POCKET” has been prepared as a part of the completion of the Bachelor of Business Administration (BBA) program from the Department of Business Administration, Sonargaon University (SU). The report has been carried out by Mohaiminul Islam Ananta, bearing ID: BBA2103024016, under my supervision.

The report or the information contained herein will not be used for any other purposes.

_____

Md. Fajle Rabbi
Lecturer
Department of Business Administration
Faculty of Business
Sonargaon University (SU)

Acknowledgement

First and foremost, I am deeply grateful to Almighty Allah for granting me the strength, patience, and determination to complete my internship report successfully.

I would like to express my sincere gratitude to my academic supervisor, Md. Fajle Rabbi, Lecturer, Department of Business Administration, Sonargaon University (SU), for his continuous guidance, thoughtful advice, and encouragement throughout the preparation of this report. His supervision has been invaluable in shaping both the quality of my work and my learning experience.

My heartfelt thanks also go to POCKET, where I had the opportunity to complete my internship. Working in such an innovative Fintech environment allowed me to gain hands-on knowledge, develop professional skills, and understand the practical applications of my academic learning. I am especially thankful to my organizational supervisor and the entire POCKET team for their cooperation, valuable insights, and support during my internship period.

Finally, I would like to extend my appreciation to all those who directly or indirectly supported me in completing this report. Their encouragement and assistance have made this journey a rewarding and memorable one.

Executive Summary

This internship report explores the evolution of the Fintech industry in Bangladesh with a particular focus on POCKET, a growing digital financial service provider. Over the past decade, Bangladesh has experienced rapid growth in the adoption of mobile financial services (MFS) and digital payment solutions, driven by increasing internet penetration, smartphone usage, and consumer demand for faster, safer, and more convenient transactions. Within this competitive landscape, POCKET has emerged as a promising player, offering innovative solutions to enhance financial inclusion and transform the way people manage payments.

The study follows a case study methodology, combining practical experience from the internship period with secondary data analysis. The report highlights POCKET's business model, strategic initiatives, product offerings, and operational practices. Key areas of focus include customer acquisition strategies, agent network expansion, digital payment services, and the role of technology in ensuring security and efficiency. Findings indicate that POCKET has been leveraging strategic partnerships, customer-centric features, and localized service models to strengthen its market presence.

Beyond presenting the company's current practices, the report also identifies challenges such as market competition, regulatory compliance, and user awareness, while offering recommendations for future growth. The insights derived from this study not only reflect POCKET's contribution to the Fintech landscape but also provide broader implications for understanding the opportunities and obstacles of digital financial services in emerging markets like Bangladesh.

List of Acronyms

- BBA – Bachelor of Business Administration
- MIS – Management Information System
- SU – Sonargaon University
- RMG – Ready-Made Garments
- MFS – Mobile Financial Services
- NOC – No Objection Certificate
- PSP – Payment Service Provider
- SME – Small and Medium Enterprises
- ISO – International Organization for Standardization
- ISMS – Information Security Management System
- PCI DSS – Payment Card Industry Data Security Standard
- AI – Artificial Intelligence
- USSD – Unstructured Supplementary Service Data
- SMEs – Small and Medium-sized Enterprises

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Chapter 01

Introduction

1.1 Introduction

Mobile Financial Services is an approach to offering financial services that combines banking with mobile wireless networks, which enable users to execute banking transactions. This means the ability to make deposits, withdraw funds, and send or receive money from a mobile account. Often, these services are enabled by the use of bank agents that allow mobile account holders to transact at independent agent locations outside of bank branches (Bangladesh Bank, 2012)

The regulatory board of the Fintech is the central bank of Bangladesh. In the regulation regarding the Mobile Financial Services, the Bangladesh Bank permitted some specific usages of this financial technology. The main challenge of this sector is the security of the transaction and digital literacy**. Total No. of users in Lac (Customer + Merchant) as of January is 2393.03. The Amount increased to 2404.66 in February**. So, there is an increase of **0.49%**

This report focuses on **Pocket e-Wallet**, a leading digital wallet in Bangladesh developed by ABG Technologies Limited, under the Bashundhara Group. The study examines the evolution of fintech in the country and explores how Pocket has contributed towards the evolution of Fintech and transforming payment systems.

Empirical studies further demonstrate that mobile money platforms have played a significant role in delivering financial services to populations previously. The proliferation of mobile financial services in Bangladesh has enhanced access to financial resources for several persons previously excluded from conventional banking institutions. Fintech has experienced rapid expansion, drawing millions of users across the country. Scholars have noted that collaboration and value co-creation between the telecommunications and financial services sectors have been pivotal in improving accessibility for the wider population (Babu et al., 2020). Moreover, the growing adoption of smartphones and the widespread reach of mobile networks have created favorable conditions for the advancement of Fintech platforms. Notably, the rise of mobile-enabled microfinance services has empowered individuals and small businesses—particularly in rural areas—by facilitating access to microloans and simplifying day-to-day financial transactions.

This research is significant for its ability to educate policymakers, financial institutions, and other stakeholders on the role of mobile financial services in promoting equitable economic growth. As Bangladesh is undergoing a rapid digital transition, the results of this study will provide insights into the use of Fintech to attain wider financial inclusion objectives. This research will enhance the existing literature on mobile financial services by offering a thorough analysis of the obstacles and possibilities related to their implementation in a developing country environment. The findings of this study may assist policymakers in developing more robust regulatory frameworks to advance financial inclusion, while also providing financial institutions with a deeper understanding of the structural challenges and emerging opportunities within the mobile financial services sector.

1.2 Background of the Study

The rapid advancement of technology and widespread adoption of smartphones and the internet have created new opportunities for financial services in Bangladesh. Traditionally, financial transactions in the country relied heavily on cash, with limited access to formal banking services, especially in rural areas. However, over the last decade, the fintech industry has emerged as a catalyst for financial inclusion, enabling more people to access banking services through mobile-based solutions. Digital wallets, in particular, have become a vital tool in this transformation, allowing users to store, transfer, and manage money digitally.

Pocket e-Wallet, developed by **ABG Technologies Limited**, is a pioneering solution in this domain. It aims to simplify financial transactions while promoting a secure and inclusive environment for digital payments. The platform offers multiple services, including peer-to-peer money transfers, bill payments, mobile top-ups, merchant payments, and cash-in/cash-out functionalities, catering to diverse user needs. This study provides an in-depth analysis of Pocket e-Wallet as a representative case, highlighting the challenges and opportunities faced by digital wallet platforms in Bangladesh. By examining the adoption patterns, technological infrastructure, and market strategies of Pocket, the study seeks to understand how digital financial solutions are transforming the financial behavior of individuals and supporting a cashless economy.

1.3 Scope of the Study

The scope of this study encompasses several key areas related to the evolution of fintech and the role of digital wallets in Bangladesh. Primarily, it focuses on **Pocket e-Wallet**, examining its services, technological architecture, user interface, and overall contribution to financial inclusion. The study also considers adoption trends among different demographic groups, the challenges encountered by both the company and its users, and the regulatory environment governing digital financial services in Bangladesh.

While the focus remains on Pocket, the study also briefly situates the platform within the larger fintech ecosystem, drawing comparisons with other digital wallets and payment solutions in the country. The report is limited to observable operations and user interactions with Pocket during the internship period and does not delve into proprietary financial or strategic data. Despite these constraints, the study offers valuable insights into the role of digital wallets in promoting cashless transactions, enhancing convenience, and fostering economic participation across different sections of society.

1.4 Objectives of the Study

The main objectives of this study are designed to provide a holistic understanding of digital wallets and their significance in Bangladesh's fintech sector. These objectives include:

1. To **explore the evolution of fintech** in Bangladesh and understand the factors driving the adoption of digital financial services.
2. To **analyze the operations, services, and technological infrastructure** of Pocket e-Wallet, examining how it addresses user needs and supports seamless transactions.
3. To **assess the adoption patterns** and user experiences associated with Pocket e-Wallet, identifying the factors that influence user behavior and satisfaction.
4. To **identify challenges and opportunities** in the digital wallet sector, including regulatory hurdles, digital literacy gaps, and technological constraints.
5. To **provide actionable recommendations** for improving digital financial services in Bangladesh, based on observations and practical experiences during the internship.

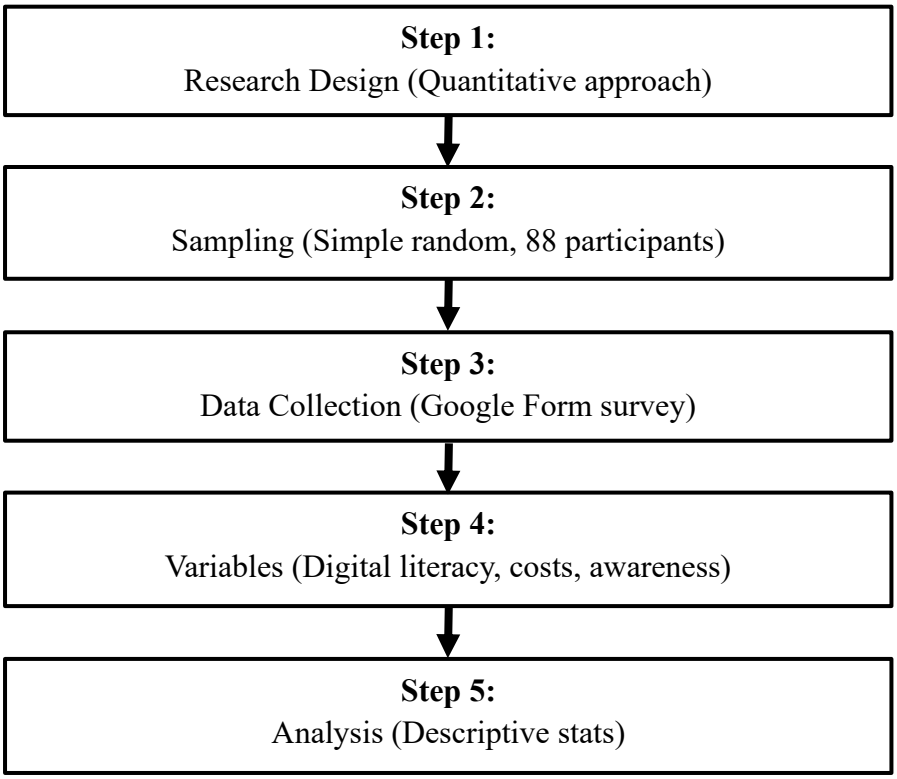
By achieving these objectives, the study aims to offer both academic and practical insights into the fintech landscape of Bangladesh and the growing significance of digital wallets as a financial innovation.

1.5 Methodology

The study used **quantitative methodology** to evaluate the evolution of Fintech in Bangladesh. It was used, including the collection and analysis of numerical data to ascertain the correlation between diverse parameters and financial inclusion. The research used a survey-based methodology to collect structured answers from participants. The study's sample size included **88 participants**. Participants were selected using a **simple random sampling method**, ensuring that every individual in the target population had an equal chance of inclusion and thereby strengthening the representativeness of the sample. A **carefully designed questionnaire** was then developed to capture the key variables of interest. This included independent variables such as digital literacy, mobile phone accessibility, transaction costs, awareness of Fintech products, and the regulatory environment, alongside the dependent variable of financial inclusion. The questionnaire items were adapted from established research and customized to reflect the context of mobile financial services in Bangladesh.

Data was gathered by answering the questions via **google form**, where some questions were asked. Participants were selected from diverse regions across Bangladesh to ensure representation of both urban and rural populations. The sample included individuals who were either active users of mobile financial services or familiar with these platforms. This approach allowed the study to capture a broad range of experiences and. After data collection, statistical techniques were applied to analyze and identify patterns. Descriptive statistics were employed to summarize the demographic characteristics of respondents and their responses to key survey

questions. The research's quantitative approach, combined with a rigorous sample and data collection methodology, yielded significant insights.



1.6 Limitations of the Study

While this study offers valuable insights into the operations of Pocket e-Wallet and the evolution of fintech in Bangladesh, several limitations exist:

- **Limited Access to Proprietary Data**: Certain internal financial and strategic information was not accessible due to confidentiality policies, which restricted a deeper quantitative analysis.
- **Short-Term Internship Period**: The observations and experiences are based on a limited timeframe, which may not fully reflect long-term trends or seasonal variations in user behavior.
- **Focus on a Single Platform**: The study concentrates on Pocket e-Wallet and may not fully represent the diversity of digital wallet services or fintech solutions available in Bangladesh.
- **Data Availability**: User feedback and adoption data were limited due to privacy and security concerns, which constrained the scope of certain analyses.

Despite these limitations, the report provides a comprehensive overview of Pocket e-Wallet's role in the fintech sector and highlights key trends, challenges, and opportunities relevant to digital financial services in Bangladesh.

Chapter 02

Literature Review

2.1 Scope of the Literature Review

The literature review serves as the foundation for understanding the evolution of fintech in Bangladesh, particularly in the context of mobile financial services and e-wallets. By reviewing existing research and reports, this section identifies key trends, challenges, and opportunities in the digital finance ecosystem. The primary objective is to contextualize the Pocket e-wallet within the broader fintech landscape, examining both global and local developments.

This review focuses on three dimensions: first, the historical and technological evolution of fintech globally; second, the development of financial technologies in Bangladesh; and third, the emergence and adoption of mobile wallets, with a focus on services like Pocket. Reviewing existing literature helps to identify research gaps, particularly regarding newer entrants like Pocket, and provides a framework to analyze its role in promoting financial inclusion, enhancing user experience, and supporting a cashless economy.

2.2 Theoretical Framework

The increasing significance of Fintech has attracted considerable scholarly attention, particularly in developing economies such as Bangladesh. Fintech have the potential to overcome long-standing barriers to financial access, including geographical constraints, high operational costs of traditional banking, and socio-cultural limitations. Researchers have highlighted their role in bridging the financial divide for marginalized groups by leveraging mobile technology to deliver affordable and accessible services (Alam et al., 2021; Banna et al., 2022). The rapid expansion of mobile phone penetration in Bangladesh has further accelerated Fintech adoption, enabling millions of previously unbanked and underbanked individuals to participate in financial activities.

Fintech platforms such as **bKash** and **Nagad** have extended their services to rural regions, offering functionalities like money transfers, bill payments, and micro-savings, thereby enhancing financial inclusion (Alam et al., 2023). Nevertheless, adoption remains inconsistent across demographic groups, with barriers such as limited computer literacy and insufficient knowledge hindering usage, particularly among older individuals and women (Chakraborty et al., 2022). Addressing these challenges requires targeted awareness initiatives and capacity-building programs to strengthen financial literacy and digital skills among vulnerable groups (Muhammad et al., 2023).

Several factors influence the effectiveness of Fintech in advancing financial inclusion in Bangladesh. **Digital literacy** is crucial for enabling users to navigate Fintech applications efficiently, particularly in rural areas with limited digital resources (Alam et al., 2021). **Mobile phone accessibility** determines users' ability to participate in digital financial services, while **transaction costs** influence affordability and frequency of usage . Additionally, **awareness of available services** and a robust **regulatory framework** are essential to encourage adoption and maintain trust in the platforms. Understanding the interconnected influence of these factors

is vital for building an inclusive financial ecosystem that empowers marginalized populations and enhances overall economic participation.

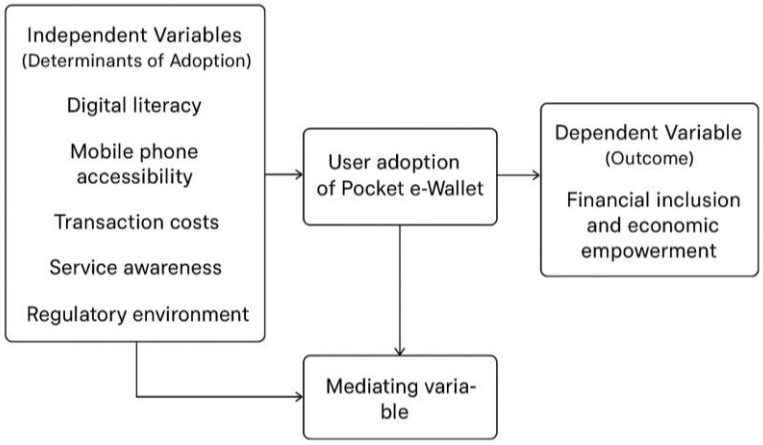


Figure 01: Theoretical Framework

Persistent challenges remain, including digital exclusion among older adults and persons with disabilities, which limits equitable access to Fintech (Das & Laha, 2020; Khalil & Rahman, 2023). Addressing these issues requires inclusive design approaches and adaptive solutions to ensure that Fintech benefits are distributed across all segments of society. Integrating Fintech into national financial inclusion strategies can amplify its impact, complement governmental programs, and improve the efficiency and transparency of social welfare delivery systems (Iqbal et al., 2021; Dhar et al., 2021).

2.3 Fintech Development in Bangladesh

Bangladesh has witnessed a significant transformation in its financial sector over the past decade, driven largely by the proliferation of mobile financial services. The country's fintech landscape has evolved from a predominantly cash-based economy to one that embraces digital transactions, thereby enhancing financial inclusion and accessibility.

2.3.1 Growth of Mobile Financial Services

The rapid growth of mobile financial services in Bangladesh provides the contextual foundation for understanding the emergence and positioning of **Pocket e-wallet** in the market. Pocket, developed by ABG Technologies Limited (a subsidiary of Bashundhara Group), enters a competitive landscape dominated by established players like bKash, Nagad, and Rocket, while also coexisting with newer entrants such as Upay and Taptap Send. By situating Pocket within this evolving ecosystem, it becomes possible to assess how the platform leverages technological innovation, corporate backing, and service differentiation to attract users and contribute to the ongoing digital transformation of Bangladesh’s financial sector.

- **bKash**: As the market leader, bKash commands a significant share of the market in Bangladesh. It has been instrumental in promoting financial inclusion through its wide-reaching agent network and user-friendly mobile application.
- **Nagad**: Launched by the Bangladesh Post Office in 2019, Nagad has rapidly gained traction by offering competitive pricing and leveraging the extensive postal network for agent distribution.
- **Rocket**: Operated by Dutch-Bangla Bank, Rocket integrates banking services with mobile financial solutions, providing users with access to a range of financial products beyond basic transactions.
- **Upay**: A relatively newer entrant, Upay is a digital payment system developed by United Commercial Bank (UCB). It offers services such as QR code-based payments, mobile top-ups, and fund transfers. Upay has gained popularity for its strong bank backing and user-friendly interface. Notably, it allows users to check the sources of their funds, such as salary or remittance, providing a personalized wallet experience.
- **Taptap Send**: While primarily an international remittance service, Taptap Send has introduced features that facilitate domestic transactions in Bangladesh. It allows users to send money to mobile wallets like bKash, Rocket, and Upay, enabling recipients to access funds directly from their phones.

2.3.2 Regulatory Framework

The growth of fintech in Bangladesh has been supported by a conducive regulatory environment. Bangladesh Bank, the central bank, has established guidelines under the Payment and Settlement Systems Regulations 2014. These regulations ensure the security and integrity of digital financial transactions, fostering trust among users and encouraging wider adoption.

2.3.3 Market Dynamics and Competition

The fintech market in Bangladesh is characterized by intense competition among existing players and the entry of new platforms. While bKash maintains a dominant position, Nagad's rapid growth and competitive offerings have intensified market dynamics. The emergence of new entrants like Pocket e-wallet further diversifies the landscape, introducing innovative features and services to attract users.

2.4 Gaps in the Literature

Despite extensive research on Fintech in Bangladesh, several gaps remain that warrant further investigation. First, while many studies document the overall adoption and benefits of Fintech (Alam et al., 2021; Banna et al., 2022), there is limited empirical evidence specifically addressing user behavior and satisfaction with emerging digital wallets such as Pocket, particularly in comparison with established platforms like bKash and Nagad.

Second, most research emphasizes urban populations (Kumar et al., 2023), leaving a knowledge gap regarding rural and marginalized communities, where financial inclusion remains a significant challenge. The role of socio-cultural factors, such as gender norms and digital literacy disparities, has been discussed (Chakraborty et al., 2022; Muhammad et al., 2023), but few studies examine how these factors interact to influence Fintech adoption and sustained usage in underrepresented groups.

Third, while the literature acknowledges the importance of regulatory frameworks and public–private partnerships (Hoque, 2024; Emon et al., 2024), there is insufficient analysis of the effectiveness of current policies and infrastructural initiatives in supporting the long-term sustainability of Fintech platforms.

Finally, the integration of user-centered design, data analytics, and financial education programs has been highlighted as critical for enhancing Fintech effectiveness (Aziz & Naima, 2021; Lee et al., 2022), yet limited research explores the practical implementation and outcomes of such initiatives within the Bangladeshi context.

Addressing these gaps can provide a more nuanced understanding of Fintech adoption, usability, and impact, particularly for emerging platforms like Pocket, and guide strategies for enhancing financial inclusion across diverse populations.

Chapter 03

Organizational Overview

3.1 History

Pocket e-Wallet was launched by **ABG Technologies Limited**, a subsidiary of the prominent **Bashundhara Group**, which is one of Bangladesh's leading conglomerates with diverse business interests ranging from real estate to media and industrial operations. The development of Pocket is part of the Group's strategic move to enter the rapidly growing fintech sector, aiming to address the increasing demand for digital financial solutions in Bangladesh. The company received a **No Objection Certificate (NOC)** from **Bangladesh Bank** in December 2022, authorizing it to operate as a Payment Service Provider (PSP), and subsequently obtained a full license in May 2023, marking a significant milestone in the country's journey toward a cashless economy. This timeline reflects not only regulatory compliance but also the company's readiness to align with international best practices in digital finance. The introduction of Pocket represents a modern approach to financial services, leveraging digital technology to provide secure, convenient, and accessible solutions to both individual consumers & businesses (businesspostbd.com).

3.2 Vision

POCKET serves as the cornerstone for streamlining financial management, providing a dependable, boundless solution to navigate today's fast-paced, digital landscape. Our mission is to redefine the benchmarks of convenience and security within the realm of digital finance. POCKET is a prominent E-Wallet brand of ABG TECHNOLOGIES LIMITED committed to revolutionizing the digital payment landscape in Bangladesh, with a strong focus on convenience, security, and financial inclusion. We provide a comprehensive mobile wallet solution that empowers individuals to seamlessly manage their finances, make payments and access a wide range of financial services. Our user-friendly mobile application, coupled with groundbreaking features, encourages the adoption of cashless transactions. (abgpocket.com)

3.3 Mission

Pocket's mission is to simplify and enhance the way people transact and manage their finances in Bangladesh. We aim to provide a secure, user-friendly, and inclusive e-wallet platform that promotes financial empowerment, drives economic growth and fosters a cashless society.

3.4 Journey of Pocket e-Wallet

Pocket e-Wallet, developed by ABG Technologies Limited under the Bashundhara Group, has followed an accelerated growth path since its inception. The initiative began in Q2 2022 with the formal application for a Payment Service Provider (PSP) license from Bangladesh Bank, setting the foundation for its entry into Bangladesh's competitive fintech sector. By the end of 2022, Pocket had received a No Objection Certificate (NOC) and successfully initiated application development.

In Q1 2023, Pocket invested in data center and infrastructure development to ensure robust performance and security. This was followed by a rigorous inspection by Bangladesh Bank in Q2 2023, resulting in the official PSP license, enabling the platform to conduct live financial transactions. During this period, Pocket onboarded its first merchant and first customer while integrating with the banking system and launching its call center services.

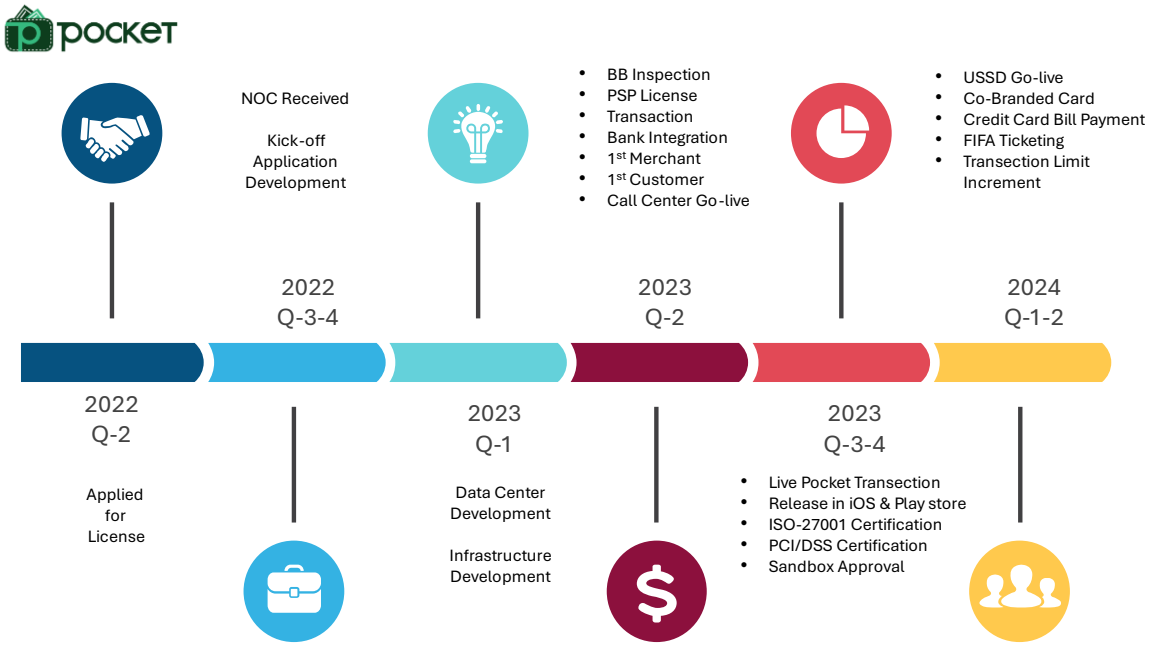


Figure 04: Journey of Pocket

Later in Q3–Q4 2023, Pocket went live on both iOS and Android platforms, achieving ISO-27001 and PCI DSS certifications, which established its compliance with global information security and payment standards. Moving into 2024 (Q1–Q2), the company planned to expand service offerings, including USSD transactions, co-branded cards, credit card bill payment features, FIFA ticketing services, and higher transaction limits.

This rapid progression from license application to full market launch reflects Pocket's strategic planning and strong institutional backing. By securing regulatory approvals, global security certifications, and early merchant adoption within a short timeframe, Pocket has positioned itself as a credible contender in Bangladesh's evolving fintech landscape.

3.5 Board of Directors

ABG Technologies Limited operates under a professional leadership team drawn from both the financial and technology sectors, with strategic guidance from the parent company, Bashundhara Group. Although specific details of the entire Board of Directors are not publicly disclosed, the organization is overseen by experienced executives who ensure operational excellence and regulatory compliance.

Sayem Sobhan Anvir, the Managing Director of Bashundhara Group, plays a crucial role in providing strategic direction and oversight. The leadership team is responsible for aligning Pocket's operations with national financial regulations, technological standards, and market expectations, ensuring the platform's growth is sustainable and secure. The Board emphasizes accountability, transparency, and innovation, which are critical for building consumer trust in a competitive digital payment market.

3.6 Certifications

Pocket e-Wallet's certifications underscore its focus on security and operational integrity. The **ISO/IEC 27001:2013 certification** demonstrates adherence to international standards for information security management systems (ISMS), ensuring user data is protected and operational risks are minimized. In addition, the **PCI DSS (Payment Card Industry Data Security Standard) Version 3.2.1 certification** validates the platform's ability to handle card transactions securely, meeting stringent requirements imposed by major card networks such as Visa and Mastercard. These certifications reflect Pocket's commitment to international best practices, reinforcing consumer confidence and supporting the platform's growth in a competitive market.

3.7 Services of Pocket

Pocket e-Wallet offers a comprehensive range of digital financial services designed to simplify and streamline transactions:

- **Add Money**: Users can deposit funds into their Pocket accounts using local debit/credit cards.
- **Send Money**: Enables instant transfers between Pocket users or to linked bank accounts.
- **Mobile Recharge**: Supports prepaid and postpaid mobile top-ups, including data packages.
- **Merchant Payments**: Facilitates both in-store and online payments via QR codes or direct merchant accounts.

- **Utility Bill Payments**: Allows users to pay electricity, water, gas, and telephone bills conveniently through the app.
- **Money Transfers**: Supports seamless transfers from Pocket to bank accounts.
- **Business Wallet Solutions**: Offers businesses tools to manage payments, employee expenses, and vendor transactions through a dedicated web portal.
- **Other**: Besides these highly used services, Pocket also offers remittance service, request money option and savings option. Although some of the services are not fully operational yet.

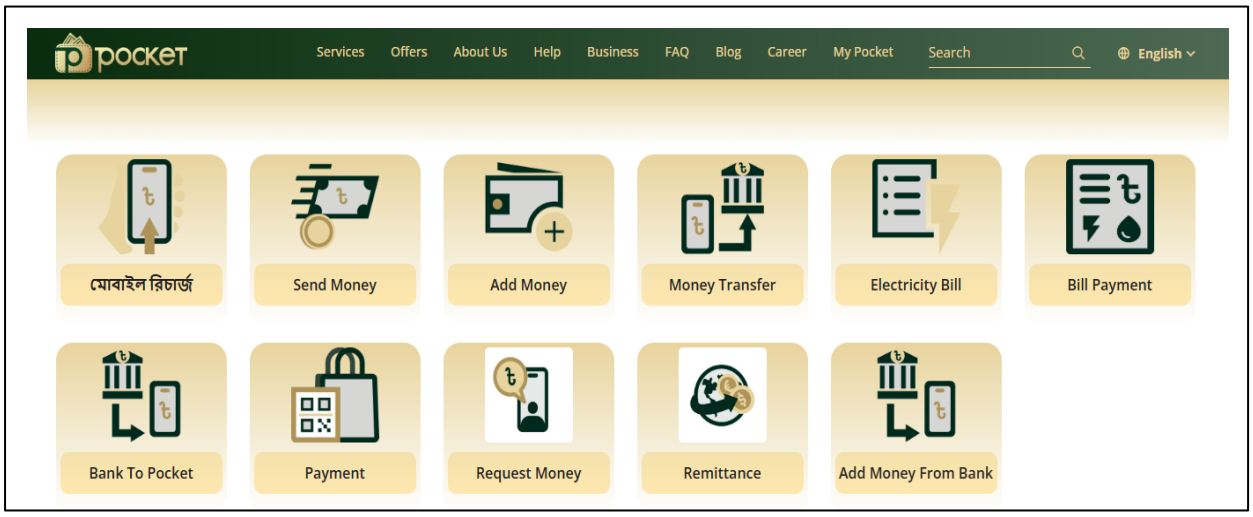


Figure 06: Service of Pocket E-wallet

This extensive suite of services positions Pocket as a competitive and comprehensive player in Bangladesh's digital payment market.

3.8 Operational Footprint

As a privately held subsidiary of Bashundhara Group, ABG Technologies Limited does not publicly release detailed financial statements. However, available indicators such as licensing approvals, certifications, and rapid market adoption suggest a strong financial foundation. The strategic backing of Bashundhara Group, coupled with adherence to regulatory and security standards, indicates that Pocket is well-positioned for sustained growth in Bangladesh's competitive Fintech landscape. Financial performance is expected to strengthen as user adoption expands and digital payment services continue to replace traditional cash transactions.

3.9 Snapshot of Pocket e-Wallet

Feature	Key Information
Company Name	ABG Technologies Limited (Pocket e-Wallet)
Parent Company	Bashundhara Group
License / Regulatory Approval	NOC: Dec 2022; Full License: May 2023 (Bangladesh Bank)
Certifications	ISO/IEC 27001:2013; PCI DSS v3.2.1
Target Audience	Individuals, SMEs, Corporates, Government & Utility Providers
Available Platforms	Android (Play Store) & iOS (App Store)
Customer Support Availability	24/7 helpline (number: 16800) and in-app chat
Unique Selling Points (USP)	Backed by a major corporate group, highly secure, wide range of services, focus on user experience

Chapter 04

Fintech Evolution in Bangladesh

4.1 Fintech Evolution in Bangladesh

The financial sector of Bangladesh has experienced a significant transformation over the last decade, largely driven by the emergence of Financial Technology (Fintech). Traditionally, financial transactions in Bangladesh were dominated by cash and constrained by limited access to banking services, especially for rural populations. However, rapid technological advancements, particularly the proliferation of mobile phones, affordable internet access, and a youthful demographic open to innovation, have created a fertile ground for Fintech to evolve. Today, Bangladesh is recognized as one of the fastest-growing markets for mobile financial services (MFS) and digital wallets in South Asia, with Fintech playing a crucial role in enhancing financial inclusion and supporting the national vision of building a "Digital Bangladesh."

4.2 Early Development of Fintech in Bangladesh

The journey of Fintech in Bangladesh began in the late 2000s with the introduction of basic mobile banking solutions. In 2011, bKash was launched as the first large-scale mobile financial service provider in the country. This marked a revolutionary shift, as millions of people who were previously unbanked gained access to simple yet essential financial services such as sending and receiving money, mobile recharge, and bill payments. The service quickly gained trust due to its convenience, low entry barrier, and the wide distribution network of agents across both urban and rural areas.

The success of bKash created a benchmark for the Fintech industry, encouraging both local and international players to invest in the sector. Soon after, Rocket (operated by Dutch-Bangla Bank) entered the market, becoming the first bank-led MFS in Bangladesh. Later, Nagad, launched by the Bangladesh Post Office in 2019, grew rapidly by offering lower transaction charges and leveraging the vast postal network. More recently, services like Upay and Taptap Send have expanded the competitive landscape, while corporate-backed entrants such as Pocket (from Bashundhara Group) have introduced innovative features with strong institutional support.

4.3 Regulatory Support and Framework

The role of the regulatory environment in shaping Fintech in Bangladesh cannot be overstated. The Bangladesh Bank has been the primary authority overseeing the sector, introducing the Payment and Settlement Systems Regulations (2014) to ensure safe and reliable digital financial transactions. Under this framework, Mobile Financial Services (MFS) and Payment Service Providers (PSPs) are regulated to protect consumer interests and prevent financial crimes.

Moreover, the central bank's issuance of licenses, security compliance requirements such as ISO 27001 and PCI DSS, and continuous monitoring of service providers have enhanced

customer trust in digital platforms. The regulatory push for interoperability between mobile wallets and bank accounts also reflects an effort to create an integrated financial ecosystem. This environment has encouraged innovation while ensuring that risks such as fraud, money laundering, and data misuse are minimized.

4.4 Growth Factors in Driving Fintech Evolution

Several factors have contributed to the remarkable growth of Fintech in Bangladesh:

- Mobile and Internet Penetration: Bangladesh currently has over 180 million mobile connections and increasing internet coverage, even in rural areas. This widespread connectivity has made digital financial services accessible to a majority of citizens.
- Young and Tech-Savvy Population: A large proportion of the population falls within the 18–35 age group. This demographic is more open to adopting mobile apps, e-wallets, and online payment systems.
- Financial Inclusion Needs: A significant segment of the population was previously excluded from formal banking services. Fintech platforms have helped bridge this gap by providing affordable, user-friendly alternatives.
- E-commerce and Digital Economy: The rise of online shopping, food delivery services, and ride-sharing platforms has accelerated the use of digital payment solutions.
- COVID-19 Pandemic: The pandemic further boosted digital adoption, as people avoided handling cash and preferred online or contactless transactions.
- Government Initiatives: Programs such as “Digital Bangladesh Vision 2021” and the push toward a cashless economy have provided strong policy backing for Fintech expansion.

4.5 Current Landscape of Fintech in Bangladesh

At present, the Fintech industry in Bangladesh is highly competitive, dominated by a few major players but continuously expanding with new entrants. bKash remains the market leader with the largest customer base and agent network, followed by Nagad, which has quickly captured significant market share by offering innovative features and lower costs. Rocket maintains relevance through its integration with Dutch-Bangla Bank, while Upay appeals to users with its QR-based payment systems and personalized services.

New players like Pocket, developed by ABG Technologies Limited under the Bashundhara Group, represent the next phase of Fintech evolution. Backed by strong corporate support, advanced technological infrastructure, and international security certifications, Pocket aims to position itself as a secure, user-friendly, and comprehensive digital wallet. Unlike earlier entrants, which focused primarily on money transfers and recharges, new platforms are expanding their ecosystems to include merchant payments, remittance services, savings options, co-branded cards, and even micro-lending opportunities.

4.6 Challenges Facing the Sector

Despite the rapid growth, the Fintech industry in Bangladesh continues to face several challenges:

- High Transaction Costs: Many users consider service charges to be too high, particularly for small transactions.
- Security Concerns: Fraudulent activities, scams, and account hacking incidents have created trust issues among customers.
- Digital Literacy Gap: While younger users are comfortable with Fintech apps, older generations and rural populations often lack the necessary digital literacy.
- Limited Interoperability: Seamless transactions between different wallets and banking systems remain underdeveloped, limiting user convenience.
- Infrastructure Gaps: Inconsistent mobile network coverage in remote areas affects accessibility and service quality.
- Regulatory Constraints: Though regulations promote safety, frequent policy changes sometimes delay product innovation and market expansion.

4.7 Impact on Financial Inclusion and the Economy

The evolution of Fintech has had a profound impact on the Bangladeshi economy and society:

- Financial Inclusion: Millions of unbanked individuals, including women and low-income workers, have gained access to secure financial services.
- Rural Empowerment: Mobile money has enabled rural populations to participate in the digital economy, reducing their dependence on informal financial systems.
- Remittances: Migrant workers now send money more efficiently through digital platforms, lowering costs and reducing reliance on middlemen.
- SMEs and Entrepreneurs: Small businesses benefit from easier transactions, payroll management, and integration with digital marketplaces.
- Government Services: Disbursement of salaries, stipends, and subsidies through mobile platforms has improved efficiency and transparency.
- Cashless Economy Transition: The widespread adoption of Fintech is accelerating the government's vision of a less cash-dependent society.

4.8 Future Outlook of Fintech in Bangladesh

The Fintech industry in Bangladesh is poised for even greater transformation in the coming years. Emerging trends suggest that platforms will increasingly expand into digital credit, micro-savings, and insurance products. The use of artificial intelligence (AI) and blockchain technology will enhance security and personalize user experiences. Furthermore, greater interoperability between MFS, PSPs, and banks is expected to provide users with seamless

financial services. Corporate-backed entrants like Pocket are also expected to reshape the competitive dynamics by leveraging their financial strength, brand reputation, and service diversification. As trust and adoption grow, Fintech will play a critical role in supporting Bangladesh's transition to a digital economy and contribute significantly to sustainable economic growth.

4.9 Summary

4.9.1 Test

I have performed a z-test for males and females, which reveals that males have contributed more to the economy, as indicated by the p-value ($0.008 < 0.05$). There is a **statistically significant difference** between males and females in Fintech adoption in your sample, with males (64.8%) being significantly more likely than females (35.2%).

Additionally, I would like to examine the urban versus rural comparison to determine whether the Fintech was significantly improved or not, as indicated by the p-value ($p = 0.903 > 0.05$). This suggests that there is no statistically significant difference between urban and Rural respondents in terms of reporting "Significantly Improved" from Fintech. Both groups perceive similar levels of improvement.

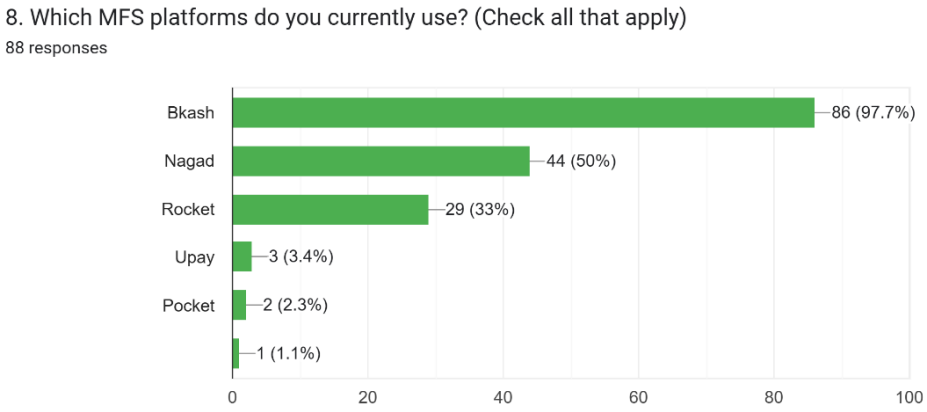
To keep it meaningful, we usually compare the **dominant group vs. others** (e.g., 18–25 vs. the rest), because a Z-test only works between **two proportions** at a time. Z-Test: (18–25 vs. 26–34 Age Group; since ($p\text{-value} \approx 0.0000012 < 0.05$) there is a **statistically significant difference** in Fintech adoption between **18–25** (66.7%) and **26–34** (29.9%). Younger respondents are much more likely to use Fintech.

(18–25 vs 35–44) ($p\text{-value} < 0.05$) **Highly significant difference** — 18–25 use Fintech far more than 35–44. (18–25 vs 45–54) $p\text{-value} < 0.05$) **highly significant difference** 18–25 overwhelmingly leads in Fintech usage compared to 45–54.

As most of the data were collected from the students so about 54.54% people who have an income of below 10000 are using the FinTech. Also, 23.86% are using the FinTech who have an earning of 10000-25000. About 15.90% are Fintech users who have an earning of 25000-40000, about 4.54% are Fintech users who have an earning of 40000-60000.

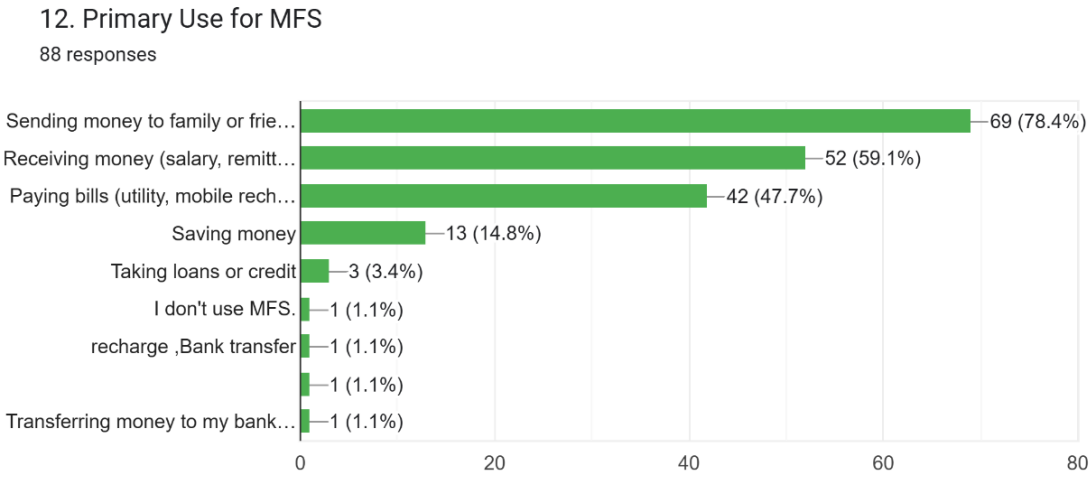
I have also asked them if they use Fintech daily, weekly, monthly, or rarely, or not. About 38.64% are using Fintech daily, whereas 35.23% are using Fintech weekly. Also, 15.91% are using Fintech monthly, and about 10.23% people are using Fintech rarely

Which Fintech platforms do you currently use?



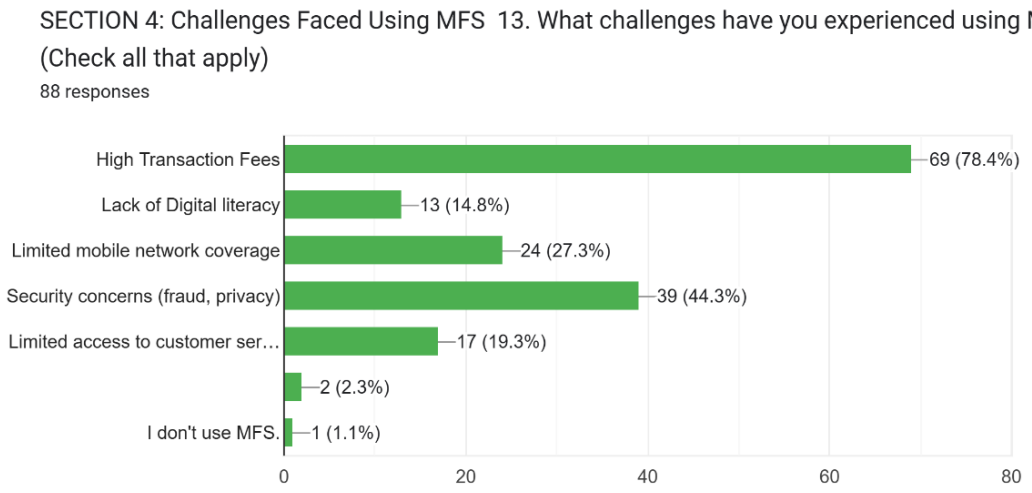
From that graph, we can see that about 97.7% of people are using bKash, whereas only 50% of people are using Nagad. Also, about 33% people are using Nagad and upay, pocket are used by 5.7% are using these. So, Bkash has captured a large portion of the market.

Primary Use for FinTech



The survey (n = 88) shows that the primary use of Fintech is **sending money to family or friends** (78.4%), followed by **receiving money** (59.1%) and **paying bills/recharges** (47.7%). A smaller share uses it for **saving** (14.8%) and **credit/loans** (3.4%), while only 1.1% reported not using FinTech. These results indicate that FinTech in Bangladesh is primarily transaction-driven, focusing on remittances and bill payments, although its emerging role in savings and credit highlights its growing potential for broader financial inclusion.

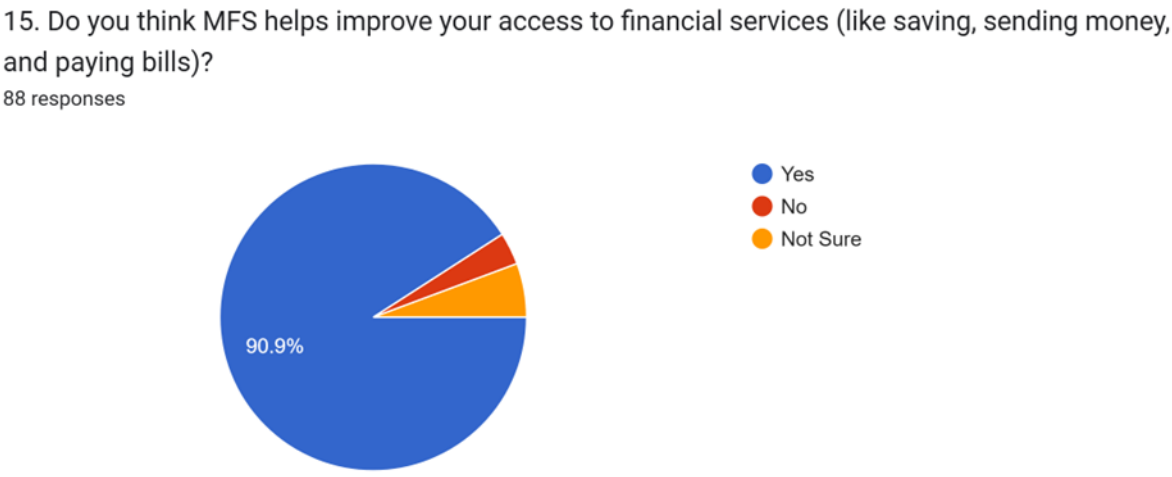
Challenges faced using FinTech



The data (n = 88) indicates that the **most common challenge** faced by FinTech users is **high transaction fees** (78.4%, n = 69). This suggests that cost remains the **biggest barrier** to wider usage and satisfaction with Fintech.

The second major issue is **security concerns, including fraud and privacy risks** (44.3%, n = 39), highlighting persistent trust issues among users. **Limited mobile network coverage** (27.3%, n = 24) and **restricted access to customer service** (19.3%, n = 17) further point to **infrastructural and service delivery gaps**.

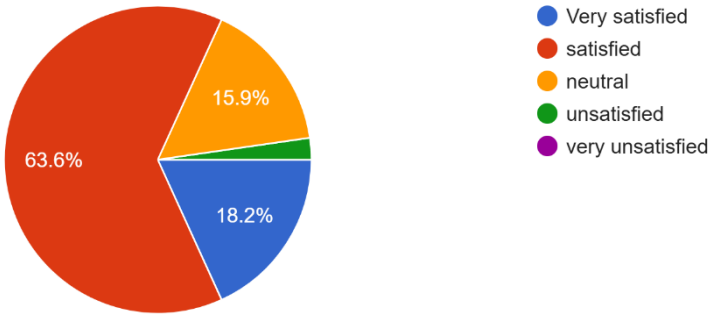
A smaller proportion of respondents reported **lack of digital literacy** (14.8%, n = 13) as a challenge, indicating that while most users are comfortable with FinTech, a segment still struggles with **technological adaptation**. Only a negligible percentage cited other issues or non-usage (1.1%).



The survey (n = 88) shows that an overwhelming **90.9% of respondents believe** FinTech **improves their access to financial services**, such as saving, sending money, and paying bills. This strong majority indicates that FinTech is widely regarded as an **effective tool for financial inclusion**.

Only a small fraction expressed doubt—**a few respondents were unsure**, while an even smaller percentage stated that FinTech does not improve access. These minimal negative responses suggest that **perceived barriers are limited compared to the broad acceptance** of FinTech as a facilitator of financial access.

Satisfaction with FinTech



The survey (n = 88) reveals that the majority of respondents are **satisfied** with Mobile Financial Services, with **63.6% reporting satisfaction** and **18.2% reporting very high satisfaction**. This means over **four out of five users (81.8%) express positive satisfaction levels**, indicating strong acceptance of Fintech among users.

Meanwhile, **15.9% of respondents remain neutral**, suggesting they neither experience significant benefits nor dissatisfaction. Only a **small minority expressed dissatisfaction** (unsatisfied or very unsatisfied), highlighting that negative experiences with FinTech are relatively limited.

4.9.2 Results

Characteristics	Findings	Percentage (%)
Gender		
Male	**57**	**64.77%**
female	**31**	**35.23%**
Total	**88**	

Age		
18-25	**58**	**66.67%**
26-34	**26**	**29.89%**
35-44	**2**	**2.30%**
45-54	**1**	**1.15%**

Monthly Income		
10000-25000	**21**	**23.86%**
25000-40000	**14**	**15.90%**
40000-60000	**4**	**4.54%**
60000+	**1**	**1.13%**
Below 10000	**48**	**54.54%**

Place of Residence		
Urban area	**63**	**71.59%**
Rural area	**25**	**28.41%**

Frequency of Usage		
Daily	**34**	**38.64%**
Weekly	**31**	**35.23%**
Monthly	**14**	**15.91%**
Rarely	**9**	**10.23%**

Have you ever faced fraud or security issues?		
Yes	**24**	**27.27%**
no	**64**	**72.73%**

4.9.3 Conclusion

The evolution of Fintech in Bangladesh reflects both technological progress and social transformation. From the early dominance of bKash to the rapid growth of Nagad, Rocket, and Upay, and the emergence of new players like Pocket, the sector has experienced exponential development within just over a decade. While challenges such as transaction fees, security risks, and literacy barriers remain, the benefits of Fintech—greater financial inclusion, economic participation, and efficiency—far outweigh the obstacles. With continuous innovation, supportive regulation, and increasing consumer demand, Fintech is set to remain a cornerstone of Bangladesh's financial and digital future.

Chapter 05

Findings

5.1 Key Findings:

- Male users (64.8%) adopt Fintech significantly more than female users (35.2%).
- Young people (18–25 years) are the largest group of users, with usage declining sharply among older age groups.
- Over half of the respondents (54.5%) have a monthly income below 10,000 BDT, showing that Fintech is widely used even among low-income populations.
- Fintech adoption is similar across urban (71.6%) and rural (28.4%) areas, indicating growing nationwide acceptance.
- Around 38.6% of users transact daily and 35.2% weekly, suggesting Fintech has become a routine part of financial life.
- The main purpose of Fintech is sending money to family/friends (78.4%), followed by receiving money (59.1%) and bill payments (47.7%).
- bKash is the market leader with 97.7% usage, while Nagad (50%) and Upay (33%) are also popular; Pocket holds a small share (5.7%).
- High transaction fees remain the top challenge, reported by 78.4% of users.
- Security concerns and fraud affect 44.3% of users, reducing trust in digital finance.
- Limited network coverage (27.3%) and insufficient customer support (19.3%) affect user experience.
- Only 14.8% of respondents cited lack of digital literacy as a barrier, suggesting rising awareness of mobile finance.
- A strong majority (90.9%) believe Fintech improves financial access, proving its role in inclusion.
- Overall user satisfaction is very high: 81.8% are satisfied or highly satisfied with Fintech services.
- Younger users (students) dominate usage, linking Fintech growth with Bangladesh's tech-savvy youth.
- Credit/loan and savings features are still underutilized, showing potential for future Fintech expansion.
- Fraud incidents have been faced by 27.3% of respondents, signaling the need for stronger security measures.
- Pocket's competitive strength lies in its Bashundhara Group backing and certifications like ISO 27001 & PCI DSS.
- Despite being new, Pocket has opportunities to grow by leveraging partnerships, exclusive services, and customer trust-building.

Chapter 06

Recommendation & Conclusion

6.1 Recommendations

a) **Enhance User Awareness and Adoption**
   i. Conduct nationwide campaigns to educate potential users about the security features and benefits of Pocket e-Wallet.
   ii. Partner with educational institutions and SMEs to promote digital payment literacy.

b) **Expand Service Ecosystem**
   i. Integrate with more utility providers, e-commerce platforms, and transport services to make the wallet indispensable in daily life.
   ii. Consider introducing savings, micro-loans, or insurance products in partnership with financial institutions.

c) **Strengthen Cybersecurity and Compliance**
   i. Continue upgrading security systems to maintain ISO and PCI DSS certifications.
   ii. Conduct regular security audits to reinforce consumer trust.

d) **Improve User Experience**
   i. Optimize the mobile app for faster performance and simplified navigation.
   ii. Provide 24/7 customer support with AI-assisted chatbots for instant issue resolution.

e) **Leverage Corporate Backing**
   i. Utilize Bashundhara Group's extensive network to establish exclusive merchant tie-ups and loyalty programs.

6.2 Conclusion

The evolution of fintech in Bangladesh not only reflects the nation's readiness for digital finance but also creates an environment where ambitious new platforms can thrive. Pocket e-Wallet, powered by Bashundhara Group, has entered this competitive arena with regulatory credibility, internationally recognized security certifications, and a rapidly expanding service portfolio. Unlike many emerging players, Pocket benefits from the financial strength and corporate ecosystem of one of Bangladesh's largest conglomerates, giving it both scale and stability.

However, with dominant incumbents such as bKash, Nagad, and Upay already entrenched, Pocket must combine its structural advantages with continuous innovation, aggressive market penetration, and differentiated services. By prioritizing user education, building strategic alliances, and reinforcing security, Pocket is not merely capable of competing — it is positioned to become a leading catalyst for Bangladesh's transition to a secure, inclusive, and cashless economy.

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