

## **E-banking transactions grow 32% to Rs 13.9 Tln in FY08**

Electronic Banking (E-banking) is getting increasingly popular as the number and value of E-banking transactions in the country have shown a significant growth in the last fiscal year.

According to a Report titled 'Retail Payment Systems of Pakistan' (Paper-based and E-banking) of the State Bank of Pakistan, a total of 124.6 million E-banking transactions were recorded valuing Rs 13.9 trillion during the last fiscal year (FY08), showing a growth of 25.4% in numbers and 32.3% in amount when compared with the fiscal year (FY07).

During FY08, the volume and value of e-Banking channels (POS, Internet & Call Center/IVR, and Mobile) transactions in the country reached 20.0 million and Rs 120.1 billion depicting an increase of 15.6 percent in numbers and 31.9 percent in value as compared to 46.0 percent in numbers and 63.8 percent in value in the previous fiscal year.

According to the Report, the quantity of active (in-use) debit / credit cards during FY08 reached at 6.7 million, which shows an aggregate growth of 15.8 percent compared to 53.7 percent increase in the previous fiscal year. The quantity of credit cards has in fact decreased by 8.9 percent as compared to 74 percent increase in the previous fiscal year reaching at 1.5 million. In contrast, the debit cards registered a growth of 24.7 percent as compared to 45.3 % increase in previous fiscal year and stood at 5.0 million.

The Report pointed out that the total number of Automated Teller Machines (ATMs) during FY08 reached at 3,121 registering a growth of 21.0 percent as compared to 17.0 percent increase in the previous fiscal year. The volume of Real Time Online Branches (RTOB) during FY08 reached at 5,282 and recorded a growth of 26.4 percent as compared to 5.0 percent decline in the previous fiscal year. The volume of Point of Sales (POS) reached at 55,853 showing a growth of 21.0 percent in number as compared to 4.0 percent increase in previous fiscal year.

According to the Report, during FY 08 the volume and value of ATM transactions in the country reached 67.9 million and Rs 453.0 billion showing an increase of 31.8 percent in numbers and 43.2 percent in value as compared to 47.1 percent increase in numbers and 49.9 percent in value in the previous fiscal year. Moreover, the volume and value of RTOB transactions in FY08 reached 36.9 million and Rs 13.3 trillion showing an increase of 19.9 percent in numbers and 32 percent in value as compared to 46.2 percent increase in numbers and 49.0 percent in value in the previous fiscal year.

The Report said that the volume and value of paper-based transactions in the country during FY08 reached 334.4 million and Rs.137.4 trillion registering an increase of 3.1 percent in numbers and 20.9 percent in value as compared to 48.1 percent increase in numbers and 29.4 percent in value in the previous fiscal year.

According to the Report, the overall total retail payments in the country during FY08 reached at 459.0 million and Rs.151.3 trillion respectively registering an increase of

8.4 percent in number and 21.8 percent in value as compared to 17.2 percent increase in numbers and 35.0 percent in value in FY07.

It may be mentioned here that retail payments are mainly made by consumers and between commercial counterparties to purchase goods and services. At the retail level, most transactions use paper based instruments. However, electronic mode is also getting momentum with the passage of time. Retail payments in Pakistan are comprised of various paper-based and electronic instruments from conventional cheques to modern smart cards.

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