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Biswas Dhakal began building financial technology in Nepal before most Nepalis had ever used internet banking, before smartphones became ordinary and before scanning a QR code at a tea shop would have made sense as a payment method. F1Soft started in 2004 as a technology company, moved into SMS and internet banking, and eventually helped build the infrastructure behind eSewa, Fonepay and a wider group of digital-finance businesses. More than two decades later, Dhakal's significance lies less in one app than in helping turn digital payment from an unfamiliar idea into

part of everyday economic life.

The easiest way to understand his career is through ordinary transactions that no longer feel technological. A customer pays an electricity bill from a phone, a small merchant receives a QR payment, a family member sends money without visiting a branch and a bank customer checks an account outside banking hours. These actions now appear routine precisely because systems were built to make the complexity disappear.

Dhakai's entrepreneurial journey therefore sits at the intersection of software, banking, regulation and trust. Financial technology is not a normal consumer app category. If a social-media platform fails, users become annoyed; if a payment system fails, people can lose access to money. Scale transforms technical convenience into financial infrastructure.

Starting Before the Market Was Ready

F1Soft was formally registered in 2004, when Nepal's digital economy was still extremely limited. Internet access was slow, mobile phones were far less capable and bank branches remained the centre of most formal financial transactions. Building software for finance meant betting on behaviour that had not yet become normal.

Dhakai's early challenge was therefore not simply writing code or finding customers. It was explaining why institutions should invest

in digital systems before their clients were demanding them at scale. New technology becomes especially difficult to sell when the benefit depends on an ecosystem that does not yet exist.

This is a recurring pattern in infrastructure businesses. The entrepreneur has to build for the market as it may look several years ahead while surviving in the market that exists today.

F1Soft's Early Years

F1Soft initially worked across web development and technology services before moving deeper into banking. By 2007, the company had launched SMS banking solutions, allowing users to access basic services through the mobile phones available at the time. Internet banking followed in 2008.

These services may appear primitive beside modern mobile apps, but they were important because they familiarised both banks and customers with the idea that a financial relationship did not have to happen physically inside a branch.

Every successful digital interaction reduced psychological dependence on the counter. That behavioural shift eventually created the conditions for much more ambitious products.

The Idea Behind eSewa

eSewa launched in 2009 as Nepal's first major digital wallet and payment gateway. F1Soft describes it as South Asia's first digital wallet, arriving years before QR payments and app-based transfers became embedded in the region's consumer economy.

The early proposition was simple but culturally unfamiliar: users could hold value electronically and use it to pay bills, recharge phones, buy tickets or transfer money. The technical concept already existed elsewhere, but adoption depended on whether Nepali users trusted it.

Dhakal later recalled how difficult the idea was to explain. Internet banking itself still felt exclusive, and asking people to place money inside a digital account required more than a demonstration of features.

Trust Was the Real Product

Financial technology often presents itself through interfaces, but the real product is confidence. A user has to believe that money placed inside the system will remain accessible. A merchant must trust that the transaction will settle, and banks must trust that the platform will not compromise their customers or reputation.

Regulators have their own requirements around licensing, anti-money-laundering controls, consumer protection and operational

risk. One security incident can damage years of credibility.

This makes fintech growth different from ordinary software growth. Moving quickly matters, but reliability matters more once money begins moving through the platform.

Recharge Cards and Early Adoption

Dhakal has described how eSewa initially used familiar mechanisms such as recharge cards to help users understand the service. This was a practical adoption strategy. Instead of asking customers to accept a completely new financial behaviour at once, the product connected itself to something people already knew.

Over time, banking integrations made electronic loading and settlement easier. As more services became available, the wallet itself became more useful.

Payment networks improve through network effects. Users join because merchants accept the system, merchants participate because customers use it, and banks connect because the transaction volume becomes too important to ignore.

The Agent Network

One of eSewa's important expansions was the development of an agent network. Digital finance is often imagined as eliminating physical intermediaries, but in markets with uneven banking

access, human agents can be what makes digital systems accessible.

An agent can help users deposit or withdraw cash, understand the application and complete services they may not feel confident handling alone. This hybrid model is particularly important beyond large cities.

F1Soft's current figures describe hundreds of thousands of agents and merchants across Nepal, illustrating how digital infrastructure often depends on physical relationships at the last mile.

Smartphones Change the Market

The spread of affordable Android smartphones transformed the economics of digital payments. A device that had once been useful mainly for calls and text messages became a bank interface, ticket counter, bill-payment terminal and identity device.

This shift dramatically lowered the cost of distributing financial services. A bank no longer needed to build a branch in every settlement to provide basic digital access.

Early movers such as eSewa benefited because they had already spent years building integrations and brand recognition by the time the smartphone made mass adoption easier.

From eSewa to an Ecosystem

F1Soft did not remain dependent on a single wallet. The group expanded across digital banking, payment networks, lending, remittance, data and other financial technologies. Products and companies such as Fonepay, eSewa Money Transfer, FoneLoan and related businesses became different layers of the same ecosystem.

This diversification reflects how money actually moves. A consumer sees only the front-end application, but behind one transaction may sit a bank, payment switch, merchant system, settlement layer and regulatory reporting structure.

Owning several parts of that infrastructure gives a group strategic advantage, but it also creates governance responsibilities because failure in one layer can affect several others.

Fonepay and QR Culture

QR payments became one of the most visible signs of Nepal's fintech transformation. A printed code is inexpensive, easy to deploy and does not require a merchant to buy a conventional card terminal. That makes it well suited to a country with thousands of small businesses.

Fonepay became a major part of this infrastructure by linking banks, merchants and consumers through interoperable payment

rails. QR codes began appearing everywhere from restaurants to neighbourhood shops.

The visual simplicity hides complex coordination. A scan is useful only if banks, settlement systems and merchants trust the same network.

Digital Payments and the Informal Economy

Nepal's economy contains a large informal sector in which many transactions historically happened in cash without strong digital records. Electronic payments can gradually change this because they create data trails and reduce the friction of formal financial interaction.

This can support credit assessment, taxation and better business records, but it also creates concerns around privacy and surveillance. Financial inclusion is not automatically benign if users do not understand how their data may be used.

The next phase of fintech therefore requires stronger governance around information, not simply more transactions.

The Financial Inclusion Argument

F1Soft has consistently framed its mission partly through financial inclusion. Digital infrastructure can indeed make services cheaper

to distribute across remote areas, but inclusion should not be measured only by account numbers.

A service is meaningfully inclusive when people can use it safely, understand the fees and access help when something goes wrong. Smartphones, connectivity, literacy and identification requirements can all become new barriers.

The strongest version of digital finance combines technology with human support and consumer protection rather than assuming an app automatically solves inequality.

The Role of Regulation

Fintech cannot scale sustainably without regulation because payments are part of the monetary system. Nepal Rastra Bank gradually developed licensing and payment rules as wallets and payment service providers became more important.

For early entrepreneurs, regulation can feel like a constraint because compliance increases cost and slows experimentation. For mature infrastructure, the same regulation becomes part of what creates trust.

Dhawal's companies had to evolve from startups proving a concept into regulated institutions operating under much stricter expectations.

Competition Arrives

The success of digital payments inevitably attracted competitors. Other wallets, mobile-banking applications and QR systems entered the market, while banks improved their own consumer technology. eSewa could no longer rely on novelty alone.

Competition can reduce an early mover's market dominance, but it also validates the original bet. When several companies fight over a market, the market clearly exists.

The challenge becomes retention, service quality and the ability to keep innovating without using market power to block interoperability.

Interoperability as Infrastructure

Consumers do not care which company owns a payment rail; they want money to move wherever it needs to go. This makes interoperability one of the most important principles in modern payment systems.

A closed ecosystem can create strong commercial control, but it also produces friction if users need several wallets or merchants cannot accept every customer's preferred system. National payment development requires bridges between platforms.

F1Soft's growth increasingly placed it inside this infrastructure question rather than only a product question.

Cybersecurity Becomes Existential

As digital transactions scale into the millions, cyber risk becomes one of the central threats to the entire industry. Fraud, account takeover, phishing, malware and social engineering can undermine trust even when the underlying system is technically secure.

Security therefore extends beyond software engineering. Users need education, banks need monitoring and companies need incident-response systems capable of acting quickly.

A payment company can survive a temporary outage. It may not survive the perception that customers' money is unsafe.

Data and the Next Financial Products

Payments create data about cash flow, merchant activity and consumer behaviour. The financial industry increasingly uses such data to offer credit, savings, insurance and other services.

This can expand access for people who lack traditional collateral or formal credit histories. A small merchant with consistent digital receipts may demonstrate economic activity more clearly than through conventional paperwork.

But algorithmic lending also requires careful safeguards. Convenience can become over-indebtedness if credit is pushed faster than customers understand the cost.

Remittance Goes Digital

Remittances are central to Nepal's economy, making digital transfer systems especially important. eSewa Money Transfer and related infrastructure allowed the group to expand beyond domestic payments into cross-border money movement.

The goal is not simply speed. Families receiving money benefit when funds can move directly into financial accounts rather than requiring repeated visits to cash counters.

Digitising remittance can also create pathways toward savings and other formal financial products if handled responsibly.

The Scale by the Mid-2020s

By 2026, F1Soft described itself as a group of more than 1,300 people serving over 50 financial institutions, while eSewa reported millions of users, hundreds of thousands of merchants and services across all 753 local bodies. These figures show how far the company had moved from its early software-business identity.

Scale changes the nature of entrepreneurship. A founder who once personally pushed product ideas eventually becomes

responsible for governance, leadership succession and institutional culture.

The next challenge is making sure the organisation can operate effectively without requiring the founder to remain at the centre of every decision.

Dhakal Moves to Chairman

F1Soft announced a leadership transition as the group entered its third decade, with Dhakal moving formally into the role of chairman and Siddhant Thakuri taking the role of group president. In April 2026, Sanat Kumar Paudel was appointed CEO of F1Soft International.

This shift is important because founder transitions are often difficult. Companies built around one person's energy can struggle when the business becomes too large for founder-led management.

Moving toward strategic oversight rather than operational control is one way of testing whether F1Soft has become an institution rather than simply the extension of its founder.

The Founder's Dilemma

Entrepreneurs are often rewarded for control during the startup phase. They know the product, make fast decisions and push

teams through uncertainty. The same behaviour can become a weakness when an organisation reaches thousands of employees and multiple regulated businesses.

At scale, leaders have to build systems that produce good decisions without them. Succession is therefore not a sign that the founder is becoming less important; it can be evidence that the founder is thinking beyond personal authority.

Dhaka's chairman role places him in a position to focus on long-term strategy, capital allocation and the group's ambition to expand beyond Nepal.

Can Nepal Build Global Fintech?

F1Soft increasingly describes its ambition in global terms. This is a difficult transition because success in Nepal does not automatically transfer into other markets. Regulation, banking systems, consumer behaviour and competitors differ by country.

The strongest export may not be eSewa as a consumer brand but the underlying experience of building financial technology in a market with limited infrastructure and rapid mobile adoption. Other emerging economies face similar problems.

If F1Soft can turn that knowledge into products that work internationally, Dhaka's entrepreneurial story will move from national digitisation toward technology export.

Why the Early Bet Mattered

The most important decision in Dhakal's career may simply have been timing. He entered digital finance before the opportunity looked obvious, which allowed the group to learn through the slow years before mass adoption.

By the time smartphones, QR codes and online commerce made the market attractive to everyone, F1Soft already understood local banks, customer behaviour and regulatory relationships.

Early entry is valuable only if the company survives long enough for the market to arrive. F1Soft did.

From Innovation to Infrastructure

Startups are celebrated for disruption, but payment companies eventually need to become boring in the best possible way.

Customers should not think about whether the technology works. They should simply expect it to.

This is the stage Nepal's digital-finance ecosystem has reached. Reliability, security and consumer protection now matter at least as much as new features.

Dhakal's legacy will therefore be judged partly on whether the companies he helped build mature successfully from innovators into trusted infrastructure.

The Normality of Digital Money

When eSewa launched, convincing people to trust a digital wallet required explanation. Today, many urban consumers become frustrated when a merchant cannot accept a digital payment. The cultural expectation has reversed.

That reversal is one of the strongest indicators of technological change. A successful technology disappears into behaviour.

The Merchant Side of Digital Payments

Digital finance succeeds only when merchants experience clear benefits. A shop owner needs faster settlement, low transaction friction and confidence that the payment can be reconciled easily at the end of the day. If accepting a QR code creates more administrative work than cash, adoption eventually stalls.

This is why merchant tools, dashboards and settlement systems matter as much as consumer apps. The visible transaction lasts seconds; the accounting consequences continue afterward.

As Nepal's small businesses become more digital, payment providers will increasingly compete on how well they integrate with bookkeeping, tax records and inventory rather than on the simple ability to receive money.

The Consumer-Protection Phase

The first decade of wallet growth was largely about adoption. The next decade will be judged more heavily through complaint handling, fraud recovery, fee transparency and data protection. Users who depend on digital payments cannot be left helpless when something goes wrong.

This transition changes corporate culture. A startup can celebrate growth metrics; a financial institution has to measure operational resilience and customer outcomes as well. Success becomes less exciting but more important.

F1Soft's maturity will therefore be tested through how seriously its companies handle the unglamorous parts of finance: disputes, failed transactions, downtime and security incidents.

The Infrastructure Behind a Cashless Habit

Nepal is unlikely to become literally cashless in the near term, nor is that necessarily desirable. Cash remains resilient during outages and accessible to people outside digital systems. The more realistic goal is giving consumers genuine choice.

Dhaka's companies helped make digital payment one of those choices at national scale. The next challenge is ensuring digital systems are inclusive enough that convenience does not become

exclusion for people who lack smartphones, connectivity or confidence with apps.

The technology story therefore returns to the social question with which fintech began: does the system actually make financial life easier for ordinary people?

Why Infrastructure Companies Become Hard to Replace

Once financial technology becomes embedded across banks, merchants and daily consumer habits, replacing it becomes much more difficult than replacing an ordinary app. The cost is not only technical migration; institutions have to retrain staff, reconnect systems and reassure customers.

This gives established fintech groups significant power. With that power comes a responsibility to avoid complacency, preserve interoperability and keep service quality high even when switching costs favour the incumbent.

The Next Frontier: Financial Intelligence

Payments are only the first layer of digital finance. The next stage will increasingly involve tools that help consumers and businesses understand cash flow, automate accounting, manage taxes and access appropriate credit.

F1Soft's access to transaction infrastructure positions the group well for that evolution, but financial intelligence requires careful treatment of data and consent.

The next chapter will be less about persuading Nepalis to use digital finance and more about proving that the systems deserve the trust they already receive. Reliability, security and fair access will matter more than novelty. That is the normal transition from startup ambition to national infrastructure.

The founder's challenge is now almost the opposite of the one he faced in 2004. Then, Dhakal had to persuade institutions that digital finance would matter. Today, the group has to persuade users that infrastructure this important can remain secure, competitive and accountable as it grows larger.

The harder task is protecting that trust as digital finance becomes even more central to the economy.

That is now an institutional challenge, not a startup experiment.

Ordinariness is the final milestone of infrastructure.

Biswas Dhakal's achievement is visible precisely because it is becoming invisible. The wallet, QR code and banking integration no longer feel futuristic. They feel ordinary. F1Soft helped build the systems that made that ordinariness possible, turning a risky early bet on digital finance into infrastructure used across daily life in Nepal.

