

# Paying in South Asia

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Produced by Research & Intelligence  
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## Introduction

The prospects are encouraging for international travel to countries in South Asia. Having averaged 6.0% in the five years before the COVID-19 pandemic, *Tourism Economics* believes growth in international arrivals across South Asia will strengthen to 8.4% annually over the next five years.

India, Sri Lanka, and Pakistan in particular, can expect to see stronger annual growth in foreign visitors through 2029, according to latest forecasts (Fig. 1). While a significant slowdown in growth is expected for Bangladesh, this compares to a particularly strong performance in the pre-pandemic period, when arrivals had been increasing by almost one-fifth per year. At 7.4%, the annual growth predicted for Bangladesh is not far below the 8% forecasted for India or the 9% predicted for Sri Lanka.

So, where is all this growth coming from? Arrivals from elsewhere in Asia Pacific (Northeast and Southeast Asia plus Southwest Pacific), Europe and North America should all grow more quickly than in the past and above the 8.4% average expected for 2024-2029 (Fig.2).

Above average growth in arrivals from outside South Asia may mean more people traveling for the first time to a country, with which they have little or no familiarity. You may be one of those people about to take a business trip to Bangladesh, India, Pakistan or Sri Lanka for the first time. While we can't guide you through every eventuality, we can help you prepare for paying your way in what might be a completely unfamiliar destination.

In this new report, we explore how you can expect to pay for things when taking a business trip to Bangladesh, India, Pakistan or Sri Lanka. If you're a travel manager with staff traveling to South Asia, [share this report with your travelers](#) to help them prepare for paying for common expenses while on the road.



Figure 1: Average annual growth in arrivals

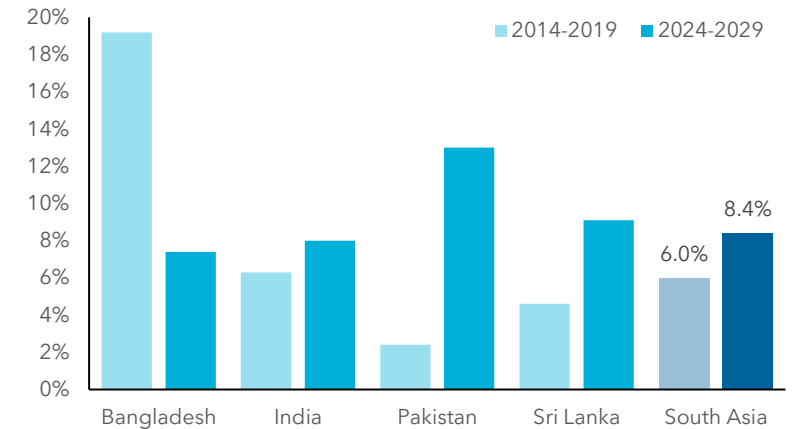
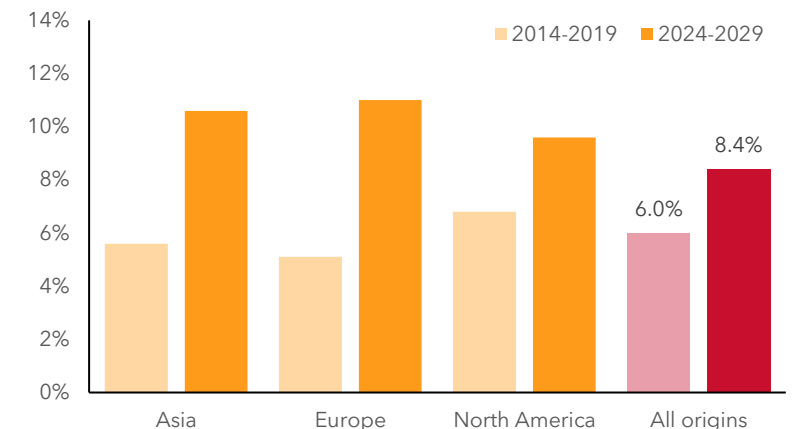


Figure 2: Average annual growth in arrivals by origin



# How to pay in Bangladesh

BANGLADESH

## What to know before you go

The **local currency** is known as the taka and one U.S. dollar will buy you around 120 takas, one euro 130 and one U.K. pound 155.

**Card or cash?** If visiting Bangladesh, you'll need both. **Take a card** because you can use it in international hotels and upmarket restaurants and shops in the capital city Dhaka and in other large cities like Chittagong. It'll save you having to carry bundles of cash, particularly since you'll only be allowed to take US\$500-worth of takas with you when you leave Bangladesh. **But take cash too** because many places, even some hotels, don't accept cards, especially outside the big cities - and card fraud is a risk as well.

**Take plenty of U.S. dollars** on your trip, as you won't be allowed to bring takas into Bangladesh. You can only buy them after arrival, and only with dollars.

## Cards: Yes, to plastic, no to mobile

High-end hotels, restaurants and upscale shopping malls all accept walking (plastic) cards and it's generally safe for you to use them in these locations.

Paying with a phone or another mobile device (via mobile wallets like Apple Pay, Google Pay or Samsung Pay) has not yet become widespread in Bangladesh. All three major Western card schemes - Visa, Mastercard and American Express - are usually accepted.

Most card payments are authenticated using Chip + PIN (personal identification number). Contactless payment is available, but it's not widely used because of fears that these cards could be stolen and misused very easily. Where contactless payment is available, the transaction limit has been set at 4,000 takas (US\$36).

## Beware of card fraud

Card crime is a significant risk in Bangladesh, with thieves either copying card details (skimming) or simply stealing the cards.

There are precautions you can take to keep your card safe:

- Make sure no one takes a picture of your card.
- Never let anyone take the card out of your sight.
- Use Chip + PIN instead of contactless payment.
- Pay by cash in smaller shops and eating places.
- Watch out for ATMs that have been tampered with or might be watched by hidden cameras.
- Keep your card safe at all times.



## Cash: Don't forget to bring U.S dollars

While on a business trip in Bangladesh, you'll find it almost impossible to pay your way entirely without using the local currency - the taka. But getting hold of takas is not easy. You won't be able to buy them at home. Visitors can only buy takas after they have entered Bangladesh, and only in exchange for U.S. dollars. Bring any other foreign currency into the country and it could be seized by the Bangladeshi authorities.

**Beware of the limits of how many dollars you can bring in and take out again.** While you'll need plenty of dollars to change into taka, you can only bring up to US\$10,000 into Bangladesh without making a customs declaration. And when it's time to leave Bangladesh, you'll only be able to change back up to the equivalent of \$500 in takas. So, it's best to **avoid exchanging all your dollars for takas at the beginning of the trip.**

When it's time to top up on your takas, **don't rely on ATMs for cash.** While there are plenty in Dhaka, you'll find far fewer ATMs elsewhere. But even in the capital, try not to rely on them for withdrawing takas: Not all ATMs will accept all foreign cards; and even if they do, the machines are often out of order. It makes more sense to exchange some of your dollars for takas on arrival at the airport, and later at your hotel or through reputable banks. The exchange rate might be a little lower than that offered by street currency changers, but it'll be much safer.

If you plan on heading out beyond the country's two biggest cities - Dhaka and Chittagong - **change some dollars before you go**, stocking up with plenty of takas to keep you going. Outside of the two big metro areas, you'll find few money-changing facilities, and where they are available, they're likely to offer unfavorable rates of exchange.

## Ground transportation: Book and pay ahead for a driver

Public transportation is very crowded and not recommended for foreign visitors. Renting your own car is not a good idea either. Instead, **rent a car with a driver.** As a business traveler, you could book a driver-plus-car through your company's local office or through the company you're visiting in Bangladesh. If neither are possible, **book before your trip through a trusted agent.** BCD Travel can do this for you via its local partner in Bangladesh. Using an agent is much easier and safer than trying to book directly with a car company. Most are local businesses lacking the facilities to process international bookings and payments. And their drivers do not accept cards. You can also agree the price if booking in advance. Payment is settled in advance by invoice, after which the agent will send a confirmation voucher to the car rental company. Since this may take some time to organize, **avoid booking at short notice.**

If you prefer something less formal, **grab an Uber, not a taxi.** While Uber is available in larger cities, check to see if it's operating elsewhere in Bangladesh. Where it is available, a ride-hailing service can be better than using local taxis: Drivers are rated and can be traced, and travelers can use the payment card they normally use for Uber at home. Uber is not the only option: Bangladeshi ride-hailing service Pathao operates in Dhaka, Chittagong, Khulna and Sylhet.

**If a taxi is the only option,** always negotiate the fare and ask for a receipt before the ride starts. Expect to pay in cash. Tipping is voluntary and should also be in cash.



## Hotels: Don't assume you can pay by card

It's better if you can book your hotel accommodation before arriving in Bangladesh. The higher the hotel's service tier, the more likely it is to accept cards from international visitors. Luxury/five-star hotels will nearly always accept credit cards. But **three-star and even four-star hotels often will take cash only**.

**Virtual card numbers are an unfamiliar concept** in Bangladesh and will not be accepted by hotel staff at checkout. They will only be accepted for pre-payments from trusted aggregators such as Booking.com.

## Dining out: Expect to use cash

You'll find that a few high-end restaurants in Bangladesh accept international payment cards. Otherwise, **expect dining out to be cash-only**. The recommended rate for tipping is **12-15%** and should be made in cash even if the restaurant does take cards.

## Shopping: Cash is safer

You should only use payment cards in high-end shops where there is a regular flow of international visitors. Prices in shops include value added tax (VAT), which is generally 15%. At around 110 takas to the U.S. dollar, visitors may well need their phone calculator to convert prices accurately.

## Receipts: Don't throw them away!

Travelers should **ask for receipts** whenever they pay for anything in Bangladesh. There is a very small chance they may need to show them to Customs officials on leaving the country to prove how they spent their takas. No other paperwork is needed to depart Bangladesh and VAT cannot be recovered on departure.

Not all receipts will be written in the Roman alphabet or in English, and this can complicate claiming expenses post-trip.

"U.S. dollars are the only foreign currency you can change into Bangladeshi takas. But don't change them all into takas as soon as you arrive. When you leave the country, you'll only be able to change up to \$500-worth of takas back into dollars."



Mashiur Rahman  
General Manager,  
BCD Travel Bangladesh



## Getting to grips with lakhs and crores

As in India, large sums of money are often quoted in lakhs and crores. One lakh equals 100,000 takas; that's around \$900. One crore equals 10 million takas, equivalent to \$90,000. While knowing what a lakh is could prove useful, purchases denominated in crores seem less likely to concern most business travelers.

# How to pay in India

INDIA

## What to know before you go

The **local currency** is the Indian rupee. One U.S. dollar is worth around 84 rupees, one euro will buy 91 and one U.K. pound 109.

**Cards are widely accepted.** In recent years, India has made a major push to go cashless. But you'll still need to carry rupees, as a small number of restaurants and shops, especially those outside the large metro cities, will only accept cash.

Some **digital forms of payment** are unique to India. UPI (United Payments Interface) is one example. It allows person-to-person payments by phone easily and cheaply. But you'll find many of these new payment methods **of little use, unless you're planning an extended stay** in India. This is because you'll need an Indian bank account and a local mobile number to enable them.

Remember to **bring your debit or credit cards with you**. Don't rely on being able to pay with a digital version of your card on your phone. These are often not accepted.

**Buy your rupees before you arrive.** Finding places to change money at an attractive rate once in India can be difficult.

## Cards: Widely accepted, mobile payment much less so

Payment by Visa and Mastercard is accepted everywhere that cards in general are accepted. American Express is accepted mainly in India's Tier 1 major metro cities. These include Ahmedabad, Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune. American Express may also be accepted in some Tier 2 cities.

Acceptance of Diners Club International, which partners with India's HDFC Bank, is much more limited. It's accepted mainly in international hotels in the major metros.

Contactless payments are common. The limit per contactless transaction is 5,000 rupees (about US\$60). Issuers can choose not to allow contactless payment for a particular card. In this situation, you'll need to confirm card payment with chip + PIN instead.

**Don't assume you can pay with your mobile phone.** It's often not possible to use the mobile wallets in widespread use in many Western countries. For example, Apple Pay is not yet supported in India. Samsung Pay can be used, but it's not widely accepted yet. Google Pay is very popular, but this is a UPI-based app (see next page). As with all UPI products, users need both an Indian bank account and mobile number. The more familiar Google Wallet was launched in India in May 2024, but so far only for non-payment uses, such as storing tickets and airline boarding passes.

### RuPay - India's alternative to Visa and Mastercard

India has launched its own card scheme, RuPay, created by the National Payments Corporation of India. A dozen major banks and 1,100 smaller banks now issue RuPay cards, which are popular with Indian merchants because of their lower transaction costs.

With their limited acceptance outside India, RuPay may be of little use for non-Indians. But this is changing, especially in Asia, thanks to partnerships with institutions like JCB in Japan and UnionPay of India, as well as Discover and Diners Club International.

A RuPay card may be worth considering for frequent or long-term visitors to India, or Indian nationals employed and living outside the country.

## India, a global payments pioneer

“RuPay, UPI and tokenization all show India carving out a role as a global payments pioneer.”



Sweta Tibrewal,  
Director of Finance,  
BCD Travel India

Right now, payment innovations like RuPay, UPI and tokenization, are not directly relevant to international business travelers visiting India. But the country's rapid adoption of digital payment innovations certainly means business travelers can now pay for almost everything they need to by card. It's a massive change from a decade ago.

### UPI - mobile payment Indian style

Mobile payments are very popular in India, but, as in China, they have taken a very different path to Western countries. India has introduced its own digital payment system, UPI (Unified Payments Interface). It makes payment quick, safe and inexpensive by allowing real-time transfers between bank accounts using a two-click authentication process.

Merchants, including shops, hotels and restaurants, and even street vendors and beggars, all accept payment via UPI. As a result, many Indian citizens no longer carry cash on them.

To make a UPI payment, a customer scans the merchant's QR code (displayed on a card or screen) and then confirms the transaction with a one-time passcode sent to their phone.

Some shopkeepers and other merchants (especially the smaller ones) that don't accept card payments will accept UPI payments. Unfortunately, UPI is difficult for international visitors to access because it requires having both an Indian bank account and mobile number. There are ways around this, such as buying and activating a local SIM on arrival in India and opening a non-resident ordinary account with a local bank. However, the effort involved is probably only worthwhile for business travelers making extended stays in India.



### Take sensible precautions to avoid fraud

Just as you would at home or in any other country, when traveling to India, you should take sensible precautions to avoid card fraud.

Keep your card safe from thieves. And above all, don't let anyone take the card out of your sight, as this increases the risk of skimming (copying your card details).

### Tokenization gives India an edge in the fight against fraud

When it comes to anti-fraud measures, India is leading the way through card tokenization. Cards issued in the country should never have their numbers stored directly by merchants. Instead, each card is stored under a unique token.

Unfortunately, this big advance in preventing merchant fraud is of little help to international business travelers. Payments using cards issued outside India are not tokenized. And in any case, tokenization largely reduces fraud on online and other cardholder-not-present transactions, whereas international visitors typically pay at point-of-sale.

## Cash: Buy before you arrive

Most places where an international business traveler needs to make payments will accept cards. But unlike Indian citizens who have UPI as an option, you cannot rely on going completely cashless. **You will need to have some rupees on you as a backup.**

Rupees are the only currency accepted in India. For the best exchange rates, **buy your rupees before arriving in India.** While you can bring any amount you like into the country, anyone arriving with cash worth more than US\$5,000 or a combination of cash and travelers' cheques worth more than \$10,000 must complete a Customs Declaration Form. This rule applies to both foreigners and Indian nationals.

**Airports are the best option for changing money** after arriving in India. Rates can be reasonable. At hotels, only four- or five-star properties are generally willing to change money and rates are uncompetitive. Hotel staff may direct guests to a nearby money exchange outlet, but these are limited in number, especially outside the larger cities.

## Ground transportation: Hail a ride, pay by card or cash

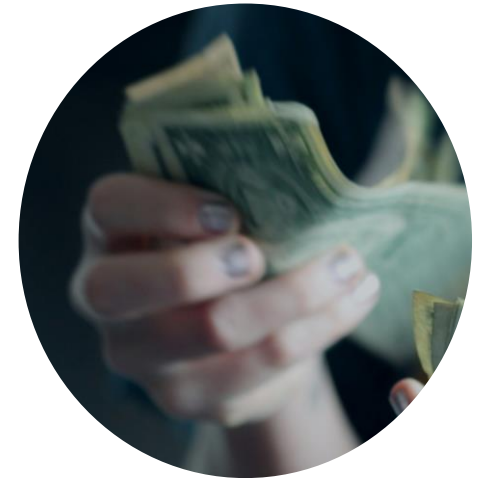


For journeys within a Tier 1 city, ride-hailing with **Uber or its Indian competitor Ola is better than grabbing a taxi.** Ride-hailing services are usually inexpensive, and fares are transparent. However, do beware of much higher fares and lack of availability during peak hours.

If you choose to take an Uber, you can use the payment card you've already registered on the app when using it at home. Foreigners should find it easy enough, however, to register with Ola. With both companies, **passengers can pay by cash instead of using their registered card.** Tipping is not expected by drivers.

Where Uber or Ola are unavailable, or for journeys outside cities, ask your company's local office, the business you're visiting or your hotel to book you a taxi or a personal driver. Normally, the booking will be made through an agent, which will send you a link for card payment.

Public transportation, both within and between cities, is too crowded for international business travelers. While some long-distance rail services can be very comfortable, the services are not fast. Travelers electing to travel by rail will find booking and paying for tickets easy enough through a rail website or online travel agency.





## Hotels: Use cards

Almost any hotel used by international business travelers will accept card payments. Virtual cards are only likely to be accepted for pre-paid stays, and not at check-out. In any case, pre-payment is unusual in India. Instead, as is normal worldwide, hotel guests present their plastic card on arrival and pay with it on departure.

## Dining out: Cards accepted nearly everywhere

**Nearly all restaurants accept payment by card.** But it's a good idea to bring some cash, too. You can use this to pay staff a 5-10% gratuity for good service, although the smartest restaurants typically prefer to add a service charge directly to the bill. Restaurants will also add a Goods and Service Tax (GST) to the bill.

More adventurous travelers might choose to buy food from a street vendor. While they'll readily accept UPI payment, street vendors don't usually accept cards.

### How much GST to pay for a meal?

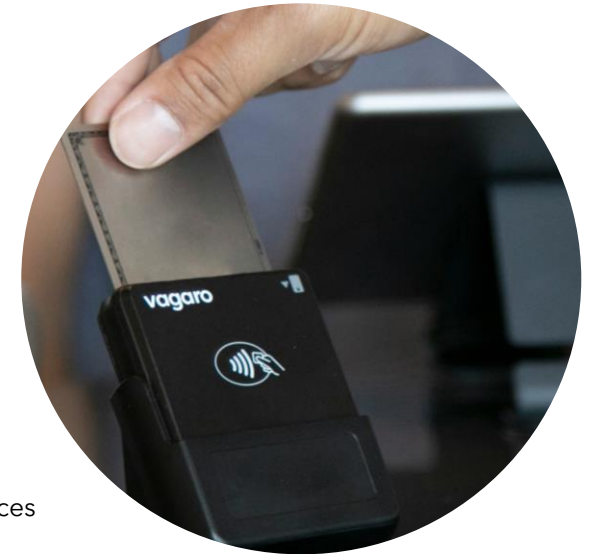
The GST rate is 5%, unless dining in a hotel charging more than 7,500 rupees (about US\$90) for a room. In this case, GST would be 18%. A 12% band for non-hotel restaurants with air-conditioning has now been scrapped.

## Shopping: Card prevail

As in all other aspects of commerce in India, **cards are widely accepted**, especially in more sophisticated shops in the larger cities. Displayed prices should already include GST, which is charged at 18% for all retail purchases.

## Departure: You're good to go

You'll have **no payment issues to worry about when leaving India**. GST is not recoverable, and there's no departure tax or requirement to show a record of what you've spent during your trip. Indian rupees are not accepted in any other country, so you may want to spend them before boarding your flight.



# How to pay in Pakistan

PAKISTAN

## What to know before you go

The **local currency** is the Pakistani rupee. One U.S. dollar will typically buy you around 278 rupees, one euro is worth 300, and one U.K. pound 359.

When visiting Pakistan, **cash is essential**. According to Mastercard, cards account for just 1% of what consumers spend in Pakistan.<sup>1</sup> You're likely to get a better rate if you buy your rupees after arriving in Pakistan. It's important to bring with you the **right currency to change into rupees**. The five "strong" currencies attracting the best rates at foreign exchange outlets are the U.S. dollar, euro, pound sterling, U.A.E. dirham and Saudi riyal.

You will still be able to **pay by card** in upmarket hotels, restaurants and shopping malls, especially in larger cities.

## Cards: Be careful where you use them



Cards are more widely used and accepted in Pakistan's largest cities - Faisalabad, Islamabad, Karachi, Lahore, Multan and Peshawar - than in the rest of the country. Almost any establishment accepting cards will accept both Visa and Mastercard, but American Express is generally accepted only by high-end hotels and restaurants.

Even where cards are accepted, **think twice about security**. Generally, the more up-market a hotel, restaurant or shop is, and the more international customers it attracts, the safer it's likely to be to pay by card. However, if something still doesn't feel right, however, follow your instincts and revert to cash payment instead.

While cards are widely accepted, **chip + PIN is not available everywhere**. Even though most card-accepting merchants have access to the technology, they can be reluctant to use it, partly to protect themselves from becoming victims of card fraud. You may therefore be asked to swipe your card's magnetic strip instead. Once done, you'll need to confirm your identity either by entering your Personal Identification Number (PIN) or by presenting your passport (or your CNIC identity card, if you're a Pakistani citizen). Once the transaction completes, you'll be given a receipt.

**Contactless payment**, either using a card or mobile phone wallet, is still uncommon in Pakistan, although Mastercard is among the card companies currently introducing digital payment products. Expect to see more of QR code payments, Pay by Link and Tap on Phone in the future.

Foreign visitors using a banking app to manage their finances should keep their regular SIM card in their mobile phone. Switching to a locally-bought SIM could confuse your bank.

(1) Mastercard, Nov. 13, 2023

## Cash: Buy Pakistani rupees with one of five “strong” currencies

It’s impossible to get around Pakistan without having some of the local currency. Cash is the only accepted form of payment for many shops, taxis, restaurants and other merchant types, especially outside the big cities. There are some things you can do to get the best from the local currency.

### How best to buy your rupees

- **Buy your rupees when you arrive in Pakistan.** You’ll get a better rather than if bought at home, especially if you buy from a dedicated foreign exchange outlet. Reputable chains in Pakistan include Royal International Exchange, Galaxy Exchange and HHH Exchange. You’ll usually get the best rates in the big cities. If you don’t have time to visit an official foreign exchange, you can change your money at your hotel, but rates will probably be less generous. You can also withdraw rupees from a cash machine (ATM), but this will incur added banking charges.
- **Bring in the best currency for changing into rupees.** Five foreign currencies attract the best exchange rates: the U.S. dollar, euro, pound sterling, U.A.E. dirham and the Saudi riyal. U.S. dollars will often get you the best rate. Australian and Singapore dollars are also accepted but, like the Indian rupee, the exchange rate is unlikely to be as generous.
- **Don’t change too much money at once.** There are no limits to the amount of foreign currency you can bring into Pakistan, but you’ll need to file a declaration if bringing in more than US\$10,000 or equivalent. You may only leave Pakistan with a maximum of PKR10,000 (about US\$35) in rupees, or US\$5,000 in U.S. dollars per trip, with an annual limit of \$30,000. Excess cash will be seized. Everyone leaving Pakistan must file a currency declaration. This can be done through an app available in English as well as in Urdu.



## Ground transportation: Use a ride-hailing service, but pay in cash

“Ride-hailing has taken off very quickly in Pakistan. You can even summon a rickshaw on an app.”



Tauseef Hussain  
Head of Operations & Business Development,  
BCD Travel Pakistan

Ride-hailing services are now **more popular than regular taxis**, and they cost less, too. Operators include Uber, Careem (which is also owned by Uber) and Yango. Local operators like Bykea and InDrive are also expanding rapidly.

You can book and pay for rides using apps in both English and local languages. But since rides are very cheap, most passengers **pay their driver directly (in rupees)**. Some taxis accept cards, but it’s always best to be prepared to pay in cash.

For longer journeys, neither buses nor self-drive car rental are recommended for international business travelers. When traveling between cities, it’s better to fly or hire a car with a driver, which can be booked through an agent and paid for with cash or card. Tipping drivers, which is appreciated but not required, should **always be in rupees**.

### Hotels: Cards are welcome at international hotels

Four- and five-star hotels and upwards, which regularly welcome international guests, will **nearly always accept card payments**. But, if staying in a smaller or remote hotel, be prepared to pay in cash for your stay. And even where cards may be accepted, trying to check out with a virtual card instead of a physical plastic card may not be understood by hotel staff.

### Dining out: Bring cash

You can generally pay by card for meals in luxury restaurants and in international fast-food outlets. But **always carry cash**, just in case. Small restaurants will almost certainly be cash-only, and you'll need some spare rupees with which to tip restaurant staff.

### Shopping: Think cash

Cards are accepted and safe to use in large shopping malls, but cash is advisable and may well be your **only option** when shopping elsewhere.

### Leaving Pakistan: Remember to declare your currency

Unlike the VAT you may have paid when buying goods and services in other countries, foreign visitors cannot reclaim Pakistan's sales tax (GST) when they leave the country. But there is no departure tax to pay either. This is included in the price of your airline ticket. However, do remember to complete a currency declaration, or risk the seizure of any excess cash.

#### No VAT - but look out for GST

Pakistan does not impose a value added tax (VAT), but there is a sales tax on goods and services (GST).

The standard rate is 18%. There are some exceptions, including for hospitality (13%) and events (15%).<sup>2</sup>



# How to pay in Sri Lanka

SRI LANKA

## What to know before you go

The **local currency** is the Sri Lankan rupee (LKR). One U.S. dollar will usually buy you around 294 rupees, one euro 315, and one U.K. pound 380.

**Bring foreign currency with you** to Sri Lanka. While cards are widely accepted, at times, you will need cash. As you can only bring up to 20,000 rupees (US\$66) into the country, be ready to **buy rupees on arrival** in Sri Lanka.

After devaluing sharply in 2022, the rupee has become less volatile. As the situation can quickly change, **it's worth checking** on currency rule changes and exchange rate fluctuations.

## Cards: Acceptance levels are high

"There was a big shift towards card payments during the pandemic. Thanks to the introduction of low-cost card readers, even small shops and eating places now usually accept plastic."

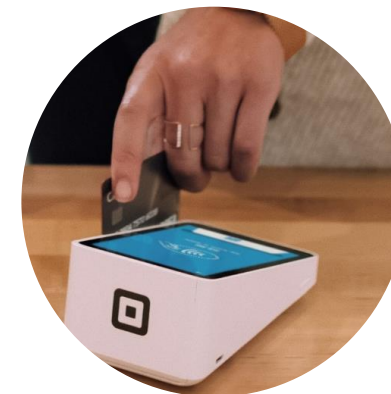


Pradeep Kumar,  
Director,  
BCD Travel Sri Lanka

Business travelers can pay by card for most of their trip needs in Sri Lanka. Where cards are accepted, this nearly always applies to both Mastercard and Visa. Acceptance of American Express is more limited, however, and it's even more restricted for any other card providers.

**Mobile payment hasn't yet arrived** in Sri Lanka. You can't pay at point-of-sale with Apple Pay or Google Pay. Samsung Pay and Huawei Pay (for UnionPay International cardholders) are available, but they're little-used.

Most card readers are enabled for contactless payment, although availability may vary from merchant to merchant. The limit per transaction appears to differ by card provider, so it's worth establishing this beforehand. Visa's PayWave app has a LKR7,500 limit;<sup>3</sup> Standard Chartered limits its customers to LKR25,000;<sup>4</sup> while HSBC has set its ceiling at LKR100,000.<sup>5</sup>



## UPI could take off for visitors from India

India's innovative UPI (Unified Payments Interface) digital payment service launched in Sri Lanka in early 2024. UPI, which enables anyone to make a secure payment direct from their bank account via their mobile phone, has proved to be very popular and successful in India. It's not yet clear how successfully UPI will roll out in Sri Lanka, but it could prove a useful payment option for Indian business travelers, especially as Indian banks are starting to issue corporate credit cards with UPI functionality.

## Be careful about card fraud

Just as you would in any other country, think twice about who you give your card to, especially in smaller shops and establishments.

Don't ever let your card be taken out of your sight.

If your instincts tell you something feels suspicious, pay by cash instead.

(3) Visa, (4) Standard Chartered, (5) HSBC

## Cash: Shop around for the best rate

Sri Lanka's is a closed currency, meaning Sri Lankan rupees should only be exchanged and sold inside the country. Both visitors and citizens are allowed to bring a maximum of LKR20,000 into Sri Lanka; the same amount with which they are allowed to leave the country. Because of these limits, it's **not a good idea to change too much money at one time**, as this may leave you holding too many rupees when your trip ends.

You can bring as much foreign currency as you like into Sri Lanka. You will, however, have to make a customs declaration if arriving with more than US\$15,000 (or its equivalent in another foreign currency), or if you intend to leave Sri Lanka with more than US\$10,000 (or other foreign currency equivalent). It's advisable to **check before your journey**, as these figures may be subject to change.

Officially, the only currency that can be used in Sri Lanka is the Sri Lankan rupee. Since its devaluation in 2022, some merchants will unofficially accept a few favored currencies, such as the U.S. dollar, euro and pound sterling.

Currencies preferred by money changers include the U.S. dollar, U.K. pound, euro, Japanese yen, **Indian rupee**, Australian dollar, and some Middle Eastern currencies. **Indian and Pakistani rupees cannot be changed.**

There are plenty of places to convert your foreign currency into rupees in Sri Lanka's capital city Colombo or at major tourist destinations. In more remote locations, you'll find it much harder, so stock up first before heading out of the major cities and towns. Rupees can be bought from airports, banks or at authorized currency exchanges. You'll normally find the most competitive rates in Colombo. The smaller the destination, the less attractive the rate because of much-reduced competition.

Wherever you change your money in Sri Lanka, it's advisable to **shop around** first. The volatility of the currency means rates can sometimes move fast and can vary significantly between different money changers.

Visitors can also **withdraw cash from bank ATMs**, especially in the cities. But **be careful** about this option. Check first whether your card issuer authorizes ATM use in Sri Lanka. And it may be hard to figure out while standing at the ATM exactly how much the withdrawal will cost you if the conversion rate or applicable fees are unclear.



## Ground transportation: Hire a driver

Public transportation is not a recommended option for foreign corporate travelers. In larger cities, you can get around using ride-hailing service Uber or its popular local competitor PickMe, paying with the same card you'd normally use to pay for these services back home.

**Rent a car with a driver for journeys outside the cities.** It's not expensive and is much less stressful than trying to drive yourself. Try to arrange your car-plus-driver rental through your travel management company or local business contact before arriving in Sri Lanka. This is especially advisable during local holidays and festivals, when availability will be tight. You'll often be asked to pay in advance for this service.

Alternatively, arrange a drive through your hotel. Staff may take payment from you by card or hold your card details as a guarantee.

## Hotels: Card is the way to pay

Cards are accepted and safe to use in almost any hotel frequented by international business travelers.

## Dining out: Be ready to pay in cash

**Mainstream restaurants will generally accept card payment**, but it may be cash-only, if you choose to eat somewhere a little more adventurous. When dining out, it's normal to **tip waiting staff around 10%**, if the service is good. You should be able to add the tip to your card payment in some restaurants, but you'll find cash is preferred in many places.

## Shopping: Take some cash as a back-up

Card payment is normal in shops in the cities and tourism hubs. In some situations, however, **your instincts might tell you it's safer to use cash instead**. All taxes should be included in advertised prices.

## Leaving Sri Lanka: Spend your rupees before going home

Keep an eye on your currency limit. Remember, **you cannot leave the country with more than 20,000 rupees in local currency**. And there's no reason to leave with any rupees at all: the Sri Lankan currency is not accepted anywhere else.

You can reclaim VAT at the airport, but it is a slow, manual process. As a result, many business travelers don't bother.

### Book-book a tuk-tuk

Users of the PickMe app can book a ride in a tuk-tuk (a three-wheeled taxi without doors), as well as regular cars. Alternatively, and unlike taxis, you can simply hail a tuk-tuk in the street, in which case you'll usually pay cash for the ride. Some tuk-tuks have meters, but others don't. Either ask the driver to switch on the meter or negotiate the fare before you start the ride.



Source: Bajar

### Watch out for complicated taxes

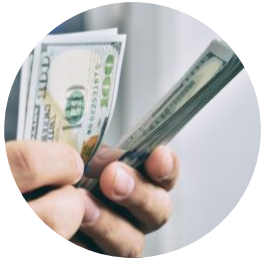
Up to three taxes can be applied to a restaurant meal. You could find yourself charged value added tax (18%), service tax and SSCL (social security contribution levy).

There are complex rules around when these taxes are applied. Restaurants should indicate clearly on their menus which taxes are included in their prices, but some, especially smaller places, don't. If it's not clear, ask the staff.

# Paying in South Asia - At a Glance

This report presents a lot of information about various aspects of payment in these four South Asian countries. In the table below, we've rounded up some of the key takeaways.

## BANGLADESH



- Local currency may not be brought in; only U.S. dollars.
- Few money exchanges outside main cities.
- Pay cash for shopping, dining out, taxis and some hotel stays.



- Mainly accepted only in high-end hotels, shops and restaurants.
- Contactless/mobile payment not widespread.
- Virtual payment is not a familiar concept among hoteliers.

## INDIA

- For the best rates, buy rupees before arrival or at the airport.
- Some restaurants and shops, especially outside major cities, will only accept cash.
- Cash accepted for ride-hailing.
- Cards are widely accepted.
- Contactless payment is common.
- Mobile phone payment is limited
- Some acceptance of virtual cards for pre-paid stays.

## PAKISTAN

- Cash is essential. Buy rupees with one of five strong currencies.
- Outside big cities, many shops, taxis, restaurants only take cash.
- Pay ride-hailing drivers directly in cash.
- Card payment widely accepted, but chip + PIN not always available.
- Contactless payment uncommon.
- Cards accepted in high-end hotels, shops and restaurants.

## SRI LANKA

- Bring foreign currency and buy local currency on arrival.
- Some merchants may accept U.S. dollars, euros or U.K. pounds.
- Use cash as a backup in smaller shops and restaurants.
- Card payment is widely accepted, with most card readers enabled for contactless payment.
- Mobile payment is rarely used.
- Cards accepted in most international hotels.

### Want to know more about payment?

Have more questions about global payment options and how best to equip your travelers to cover expenses when on the road?

Check out our [Exploring Payment Options](#) video in [The Principles of Payment](#) education series to learn more about the pros and cons of commonly used forms of payment.

### Want more ways to ensure payment acceptance in your travel program?

Here are some tips for working with your suppliers:

- Communicate your preferred methods of payment and ensure suppliers are ready to accept them in the markets where your travelers do business
- Understand how foreign transaction fees are managed to reduce unanticipated fees
- Use the power of your program to influence supplier acceptance policies



## Share your thoughts

Do you have any questions or comments regarding this report?  
Please email [Mike Eggleton](mailto:mike.eggleson@bcdtravel.com) to share your thoughts.

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