

Small-Firm ICT Vendors and Local E-Governance Digitization in Bangladesh:

A Case Study of JohaIT Solution, Natore

Prepared August 2026

Abstract

Bangladesh's push to digitize local government service delivery — under the umbrella of the national “Digital Bangladesh” and, more recently, “Smart Bangladesh” initiatives — has created a market for small, regionally based software vendors that build and maintain digitization systems for Union Parishads (UPs) and Pourashavas (municipalities). This paper uses JohaIT Solution, a small IT firm based in Natore, Rajshahi Division, as a case study of how such vendors operate. Drawing on the company's public-facing materials and the broader literature on local e-governance in Bangladesh, the paper describes JohaIT's product line (union digitalization systems, pourashava digitalization systems, ERP, pathology and hotel management software), situates it within the national digitization push, and discusses the opportunities and structural challenges facing small vendors serving grassroots government clients.

1. Introduction

The Union Parishad (UP) is the lowest tier of rural local government in Bangladesh and the primary point of contact between citizens and the state in rural areas.

Since the 2009 launch of the Digital Bangladesh initiative, successive governments have pushed to bring information and communication technology (ICT) into public administration at every level, including the Union Parishad and Pourashava (municipal) tiers. A recurring theme in this effort is holding-tax digitization: replacing paper tax ledgers and manual collection with searchable digital records, online payment, and printable digital receipts. National-level pilots — such as the 2024 rollout of cashless, bKash-enabled holding-tax payment across 62 Union Parishads in Dhaka district — illustrate the direction of travel, but most of the roughly 4,500 Union Parishads in the country are still served, if at all, by small, local software vendors rather than large national platforms.

JohaIT Solution is one such vendor. Based in Hajranatore, Natore Sadar, in Rajshahi Division, the firm presents itself as a web design and software development company that builds “database driven dynamic webapps” for both public-sector and private clients. This paper examines JohaIT as a representative case of the small regional ICT vendor that has emerged to meet local demand for digitization, using it to illustrate both the opportunities and the constraints such firms face.

2. Background: Local E-Governance Digitization in Bangladesh

2.1 Policy context

The Digital Bangladesh initiative, launched in 2009, set out to integrate ICT into all levels of government, including Union Parishads, Upazila Parishads, and municipalities. Academic case studies of individual unions — for example, a study of Gobra Union in Gopalganj district — describe measurable gains in service delivery and citizen engagement following digitization, but also document persistent obstacles: limited rural infrastructure, low digital literacy among

both citizens and UP staff, bureaucratic resistance to changing established paper-based routines, and cybersecurity risk.

2.2 Holding-tax digitization as the entry point

Holding tax — the local property tax collected by Union Parishads and Pourashavas — has become the most common starting point for digitization projects, likely because it is a recurring, high-volume administrative process with a clear revenue incentive for local government to get right. The 2024 inauguration of cashless smart services for 62 Union Parishads in Dhaka district, enabling residents to look up their holding number and pay via the bKash mobile wallet, is the highest-profile example of this trend at national scale. Smaller vendors serving individual unions outside such flagship programs, including JohaIT, offer comparable functionality — online holding number lookup, tax computation, and digital receipts — on a per-client basis.

2.3 The vendor landscape

Alongside national platforms, a layer of small and mid-sized private vendors has grown up to serve individual Union Parishads and Pourashavas directly, typically on a contract or subscription basis with the local government body. This layer includes firms with a national footprint marketing “Union Council management software” as well as small, single-district firms like JohaIT that combine e-governance work with general web development and other commercial software products to sustain the business.

3. Case Study: JohaIT Solution

3.1 Company profile

JohaIT Solution describes itself as a web design and software development company based in Natore, Bangladesh, registered as a private limited company and serving both domestic and offshore markets. According to the company's own materials, it has operated for approximately eight years, completed around 170 projects, and logged roughly 43,200 hours of client support, with a stated team of around four core named staff covering web development, IT administration, and IT support. The company is led by proprietor and CEO Md. Zahidul Islam.

3.2 Product lines

JohaIT's public portfolio groups its work into five categories:

- Enterprise Resource Planning (ERP) software
- Union Digitalization System (UDS) — administrative and tax-collection software for Union Parishads
- Pourashava Digitalization System (PDS) — the municipal-tier equivalent of UDS, used for services such as trade licenses and citizenship certificates in addition to holding tax
- Pathology Management System — record-keeping software for diagnostic/pathology labs
- Hotel Management System — booking and operations software for the hospitality sector

The union and pourashava products are the firm's clearest link to the national e-governance digitization agenda; the pathology and hotel management products indicate that the company diversifies into general commercial software to sustain the business between or alongside government contracts. JohaIT also publishes a set of small free web utilities (image and PDF conversion tools, a JavaScript minifier, a currency converter) on its site, which likely function as a marketing and search-visibility channel rather than a core revenue line.

3.3 Government engagement

JohaIT's site includes testimonials from multiple Union Parishad chairmen in Natore district (including Dayarampur, Chatni, Tebaria, Borohorishpur, and Serkol unions), each describing multi-year use of the company's holding-tax digitization software, with some relationships dating to 2016. The company also documents its participation in a Rajshahi Divisional-level meeting on Union Parishad service digitization software, attended by the Divisional Commissioner and Director General of Local Government, among other officials — evidence that the firm's work connects, at least at the district and divisional level, to the broader state-led digitization push described in Section 2.

3.4 Positioning relative to the wider market

JohaIT's scale — a handful of named staff and a client base concentrated in a single district — is typical of the small regional vendor tier described in Section 2.3, in contrast to platforms operating at national scale across dozens or hundreds of Union Parishads simultaneously. This positioning has trade-offs: a small, locally embedded vendor can offer close, relationship-based service to individual Union Parishad chairmen, as reflected in the multi-year testimonials on its site, but is also more exposed to the loss of any single client and less able to invest in the infrastructure, security auditing, and standardization that a national platform can amortize across many clients.

4. Discussion: Opportunities and Constraints for Small Vendors

4.1 Opportunities

- Proximity and relationship continuity: a locally based vendor can maintain long-running, personal relationships with individual Union Parishad chairmen, which the testimonials on JohaIT's own site suggest can extend across several years.
- Diversified revenue: pairing government digitization contracts with private-sector products (pathology, hospitality, general web development) can smooth revenue across the government procurement cycle.
- Local market knowledge: a vendor embedded in a specific district may better understand local administrative practice and language needs than a distant national platform.

4.2 Constraints

- Infrastructure and digital literacy gaps at the union level, documented in academic case studies, can limit citizen adoption of any digitization system regardless of vendor quality.
- Small team size limits capacity for formal security auditing, redundancy, and rapid scaling — all of which matter more as digitized systems begin handling tax payments and personal data.
- Fragmentation: many small, locally contracted systems across different unions and pourashavas, each built by a different small vendor, may create interoperability and data-standardization challenges as national initiatives (such as bKash-enabled cashless payment) attempt to scale digitization horizontally.

4.3 Note on sourcing

This paper draws primarily on JohaIT's own public-facing website content for firm-level detail (Section 3); self-published company material of this kind should be read as a marketing document rather than an independently audited record, and quantitative claims such as project counts and support hours could not be independently verified for this paper.

5. Conclusion

JohaIT Solution illustrates a common pattern in Bangladesh's local e-governance landscape: a small, district-based software vendor that has built sustained, multi-year relationships with individual Union Parishad governments around holding-tax digitization, while diversifying into general commercial software to support the business. Firms of this kind sit alongside larger national digitization platforms and government-led programs, filling a role that depends on local relationships and responsiveness rather than scale. As Bangladesh's digitization push continues to expand — most visibly through initiatives like cashless, mobile-wallet-enabled tax payment — the interaction between small regional vendors and larger national platforms, and the extent to which their systems can interoperate, is likely to be an important factor in how evenly the benefits of digital local government reach different districts.

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