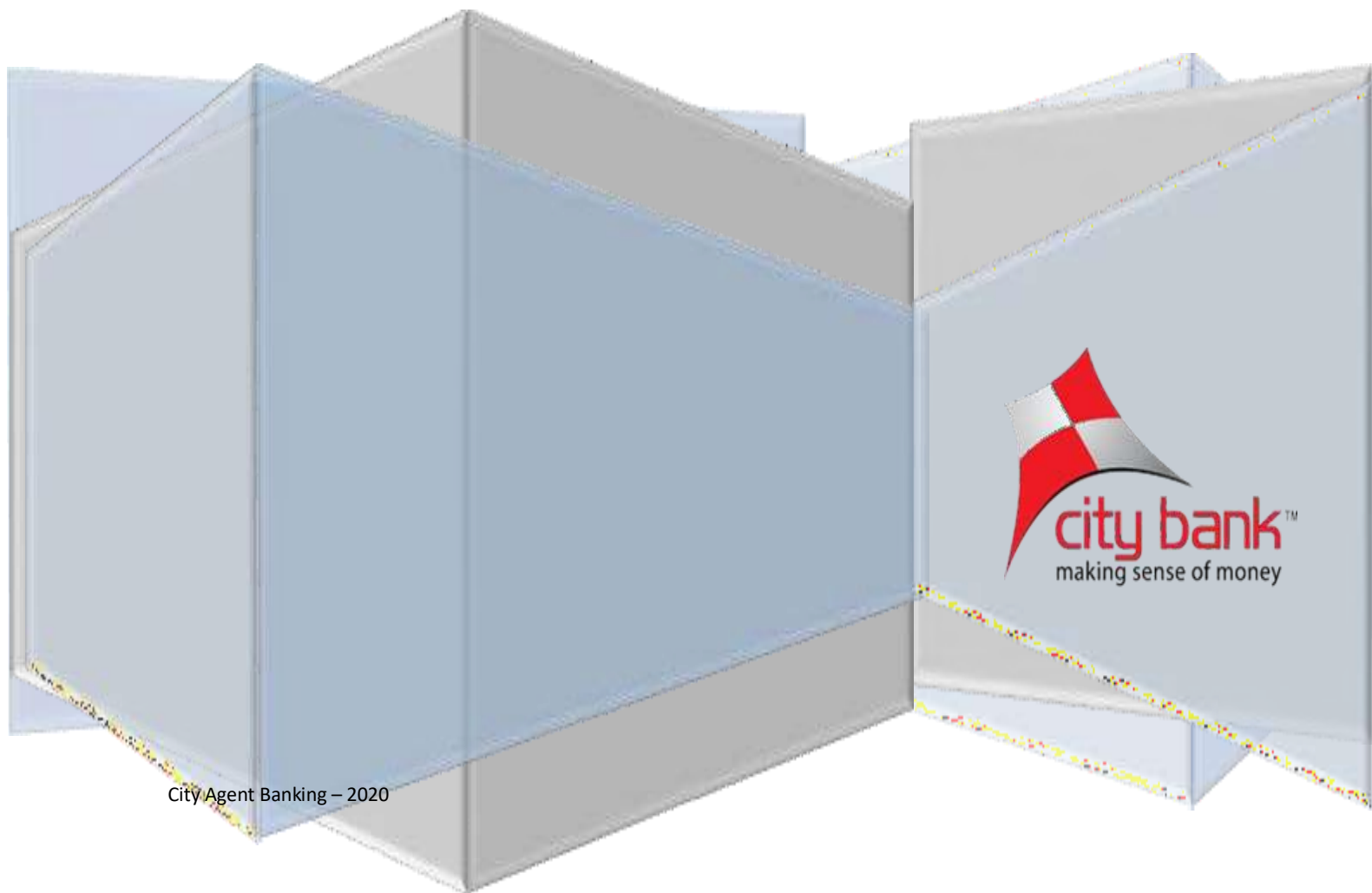




‘FINANCIAL ACTIVITIES & GROWTH OF CITY AGENT BANKING ’





United International University
QUEST FOR EXCELLENCE

This report is submitted to the school of Business and Economics, United International University as a partial requirement for the degree fulfillment of Bachelor of Business Administration

Internship Report

On

‘Financial Activities & Growth of City Agent banking ’

Submitted to:

Name: Nusrat Farzana

Assistant Professor

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Submitted by:

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Major: Finance

Trimester: Spring 2021

School of Business and Economics

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Date of submission: 16.08.2020

Letter of Transmittal

16th September, 2021

Nusart Farzana
Assistant Professor
School of Business and Economics
United International University

Subject: Submission of Internship Report on 'Financial Activities & Growth of City Agent banking'

Dear Sir,

I'm especially satisfied to introduce my internship report which was a three months internship program at 'The City Bank' (Agent Banking Department). I have attempted my level best for setting up this report and to draw out a Meaningful knowledge inside the limitations. The study has allowed me the opportunity to relate heaps of hypothetical and monetary information with the pragmatic world. I have accumulated sound information and know the fundamental activity of the bank. I have given my absolute best to form this report with the necessary Analysis, details, figures, and suggested proposition. In writing this report, I have charted the guidelines that you have specified to me and I have additionally applied related ideas that I have learned all through my under graduation stage.

I want to express my heartfelt gratitude for devoting your valuable time, expertise, and support. Without your heading it will not be possible to make it happened and for this very clarification I feel amazingly lucky to have you as my faculty supervisor for the internship program. I'm thankful for the assist I with getting you.

Sincerely Yours,

Boisakhi

ID, 111163015

Declaration of the student

I'm Boisakhi, and I'm writing to notify you that my report "Financial Activities & Growth of City Agent banking' " was written for the purpose of my internship, since it is a requirement of my BBA program to present a temporary job report.

In addition, my administrator, mam “Nusrat Farzana” Assistant Professor, School of Business and Economics, United International University, brightened and instructed me.

.....

Boisakhi

ID: 111163015

Bachelor of Business Administration

Major in Finance

United International University

Acknowledgement

All praises to the Almighty Creator, who has bestowed his kindness upon us by giving me the chance, time, courage, and strength to carry out and finish the task within time limit. I would like to thankful to the Almighty a lot.

I sincerely acknowledge my debt to the instructor of my Internship report, Nusrat Farzana, Assistant Professor, School of Business and Economics, United International University to give me the opportunity to work on such an exceptional project from where i have learned abundant things about the banking operations.

Mam offered me continuous guidance and many significant and constructive observations throughout the working period. His support, encouragement and availability to discuss ideas and problems have contributed much in completing my report.

To end with, I must not lose the chance of expressing my sincere appreciation to some of Bangladesh bank Website and Senior Manager of the city bank Agent Banking Department who helps me lot.

Executive Summary

Since its introduction in December 2013, agent banking has grown at a constant pace. As of December 2020, 26 banks in Bangladesh have undertaken agent banking operations through 15,977 Outlets with 11,925 Agents within this total amount of operation the city bank has undertaken agent banking operation through 1411 outlets with 1386 Agents. A cumulative of 9,643,163 accounts an impressive 45.61% (or 4,398,122 accounts) of these accounts belongs to the female customers while 86.68% belongs to the rural mass, within this The city bank holds cumulative of 482991 accounts with this accounts 59248 accounts are belongs to the female customers while 101749 belongs to Male Customers, indicating that financial services through agents are reaching the underprivileged segments of the society. Up to December 2020, agent outlets have collected deposits BDT 1597725.50 lakh, disbursed loans BDT 189315.75 lakh and distributed remittances BDT 4880634.58 lakh within this total amount of deposits collection the city bank has collected BDT 86269.08, Disburse loans BDT 79778.88 and distribute remittance BDT 31338.69. During this period (June-December 2020), amidst severe business interruptions due to COVID 19 pandemic, agent banking in Bangladesh has continued to grow in all dimensions. The City bank number of agents and their outlets has grown 138.14% and 126.12% respectively while the number of accounts opened through the agents has grown 49.64% in this Half year. The share of female customers' accounts opened through agent banking continues to keep the pace, indicating an increase of 38.83% during the reporting half year. The volume of deposit and loans through the city bank agents have also increased 56.00% while the amount of inward remittances received through the city bank agent outlets has increased by 84.23%. This half year report also indicates 30.97% growth of rural accounts opened through agents. Till December 2020 The major share of deposit has (52%) accumulated in the urban areas. Bangladesh Bank has already brought this to attention and issued guidance so that banks can work more intensively with the rural customers and help them to access more banking service. Similarly, the rural customers have received 53% of the total volume of loans. This indicates that banks, in line with the objective of agent banking, have given due priority to distribute loans in rural areas through agents. In addition, rural population has received 59% of the total inward remittances. Especially, in the current reporting half year, the volume of inward remittances has increased by 84.23% indicating that the agent banking is playing a vital role to rejuvenate the rural economy.

Looking at the year-to-year comparison (December 2019 to December 2020), the city bank number of agents, outlets, and accounts have grown 505.24%, 327.58% and 90.71% respectively. The volume of deposit has increased by 82.74%, while the volume of loans by 510.81% and the amount of remittances by 237.06% over the year. Overall, the steady growth of agent banking, especially among rural and female mass, signifies an urge of financial services even in severe constraints related to Corona virus pandemic

Chapter – 1

1. Introduction

Bangladesh Bank has introduced agent banking in Bangladesh through a guideline in 2013. The main purpose was to provide a safe alternate delivery channel of banking services to the under-privileged, under-served population who generally live in geographically remote location that are beyond the reach of the traditional banking networks. The City Bank Ltd. initiated to launch “City Agent Banking” services with the aim to promote financial inclusion by providing full-fledged banking services in geographically dispersed and financially excluded regions.

Consequently, Agent Banking Division took measures to develop necessary organizational and operational structure. Major issues and critical subjects like Application development, Operational procedure establishment was finalized and full operations of City Agent Banking services were launched in mid of 2017 after acquiring approval from Bangladesh Bank under reference number BRPD (P-3)/745(16)2017-1239). Agent Banking Business of ‘The City Bank Limited’ is termed as ‘City Agent Banking’. In the City Agent Banking, customers of Agent Banking are no different from that of branch customers. City Agent Banking will be a full-fledged banking channel for customers of rural area. Customers can receive all banking services seamlessly through any City Agent outlets and City Bank branches throughout the country. Some of the major banking services provided through City Agent Banking are account opening, cash deposit, cash withdrawal, fund transfer, balance inquiry, mini-statement, loan application, bill payment, foreign remittance etc. All the services of retail banking are to be met through City Agent Banking channel.

Chapter - 2

2. City Agent Banking System

2.1 Technology

Along with the high emphasis on security, City agent banking is committed to serve latest industry standard technologies. There highlighted technological advancement component are tablet and mobile app based agent application, biometric fingerprint authentication, dedicated access point name (VPN SIM) for information security and many others.

2.2 Internet Banking (City Touch)

All Agent Banking Customer can enroll and enjoy for CITYTOUCH-Internet Banking. About CITYTOUCH, to handle simplest banking service city agent bank brings the digital banking service. This digital banking service brings all the convenience of branch banking to screen of the customers internet – enabled device. Now every customer can easily shop from leading retailers, pay bills of mobile phone, buy air tickets, credit cards & schools funds transfer, keep track of customer accounts: savings, currents, fixed deposit or any loan even do much more through CITYTOUCH.



Chapter - 3

Agent Banking Business Status

And Data Analysis

Table 1: Brief Overview of Agent Banking Activities

Deposit, loan and remittance are in BDT lac (1 lac = 100,000)

	Change				
	December, 2019	June, 2020	December, 2020	Year-to-year	Half Year to Half Year
Number of Agent	229	582	1386	505.24%	138.14%
number of Outlet	330	624	1411	327.58%	126.12%
Number of Accounts	253263	322758	482991	90.71%	49.64%
Number of Female	27439	42677(42%)	59248(58%)	115.93%	38.83%
Number of Male	57072	64909	101749	78.28%	56.76%
Number of Rural	68997	86729	113588	64.63%	30.97%
Number of Urban	15424	20857	47409	207.37%	127.30%
Amount of Deposit	47208.09	55300.65(39%)	86269.08(61%)	82.74%	56.00%
Amount of Loan Disbursement	13061.08	41594.34	79778.88	510.81%	91.80%
Amount of Inward Remittance	9297.59	17010.2	31338.69	237.06%	84.23%

This half yearly report summarizes the latest state of the agent banking operations in Bangladesh as of December 2020 and the progress since June 2020 and December 2019. It focuses on the coverage scenario, customer penetration, collection of deposits, disbursement of loans and amount of inward remittances through the agent banking. (Ref:4)

3. Agent Banking Coverage

3.1 Number of Agents and Outlet

In Table 1, the coverage of agent banking operations measured through number of agents and outlets has been increasing remarkably. Up to December 2020, the total number of agents and outlets of the city bank reaches at 1386 and 1411 respectively. (Appendix – 1)

3.1.1 Geographical Concentration

As of December 2020, 76% of the agents and 78% of the outlets are located in the rural area . On the other hand in December 2020, 24% of the agents and 22% of the outlets are located in the urban area. Since the main objective for introducing agent banking was to bring geographically unreached mass under the umbrella of financial services, this wide coverage of agent banking in rural area seems to meet the objective and promote financial inclusion.

Figure 2 : Number of Agents

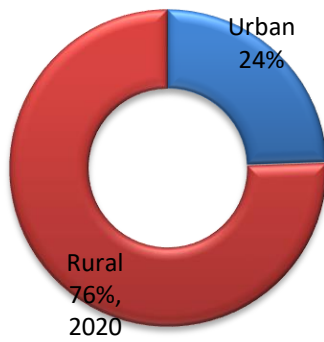
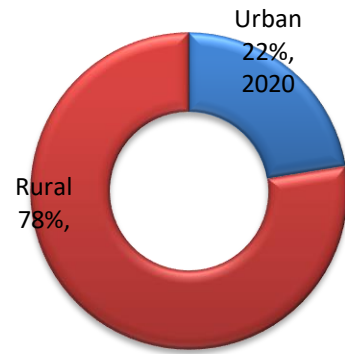


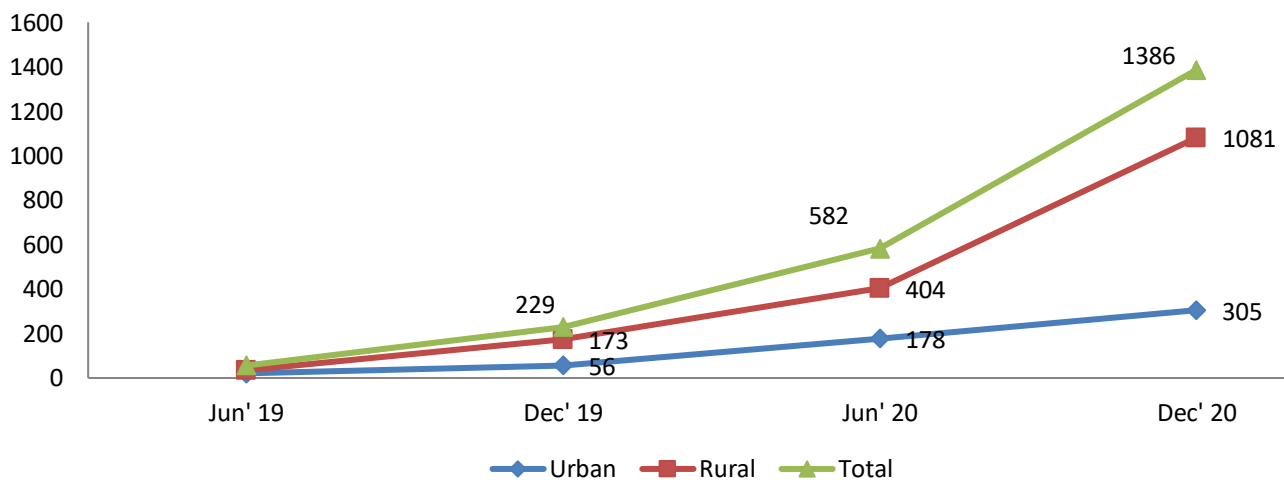
Figure 3 : Number of Outlets

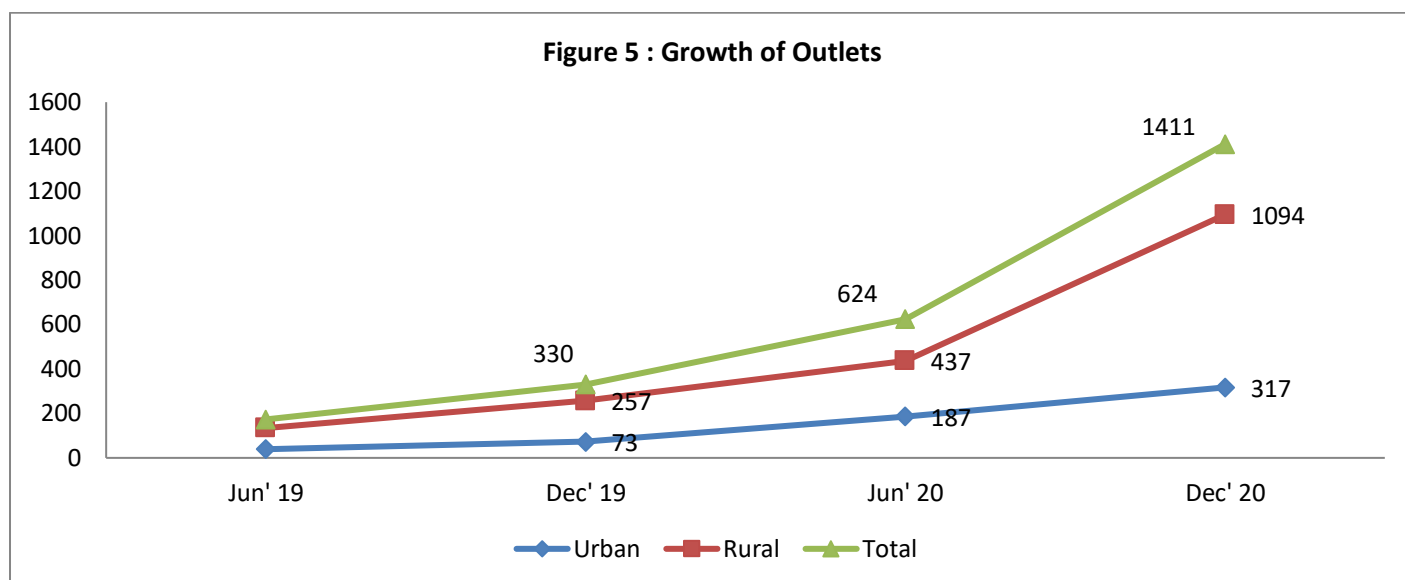


3.2 Growth of Agents and Outlets

Figures 4 and 5 show that, from 2019 to 2020 the number of agents and outlets has been increasing at a steady rate. If we look to figure 4 and 5, we saw that the big amount of agents and outlets has increase from June 2020 to December 2020 specifically in rural area This increase in the number of agents and outlets especially in the rural areas indicates not only the increasing steady demand for financial services, but also, indicates a new area of employment of rural people. If we look to figure 4 and 5, we saw that the big amount of agents and outlets has increase from June 2020 to December 2020 specifically in rural area. Agents and outlets deploy skilled and semi-skilled human resources by themselves, apart from systematically contributing to create new jobs through augmented financial activities in the rural area.

Figure 4 : Growth of Agents





3.3 Number of Accounts

At the end of December 2020, the total number of accounts opened through the city bank agent banking reaches 482991 . (Appendix-2)

3.3.1 Geographical Concentration of Accounts

Figures 6, 7 and 8 illustrate penetration of agent banking in terms of the number of accounts. Figure 5 shows that in December 2020, 71 % (2020) of the total accounts are in the rural area and rest of the 29% (2020) of the total Accounts are in the urban area. Bangladesh Bank main focus is to promote this Agent banking service, to reach to the poor segment of the society as well as existing bank customer with a range of financial services specially to geographically dispersed locations, so with that in mind they try to spread their financial services.

3.3.2 Gender wise Accounts

While figure 7 shows that in 2020, female customers constitute 32% (2020) of the total accounts and 63% constitute male customers. The accounts held with female have increased by 16% (58%-42%) in the June 2020 compared to the December 2020. So, 32% accounts are held with female customers indicates that underprivileged groups are getting impetus having agent banking at their doorsteps

Category-wise segmentation

In figure 8 illustrates that around 76% of the accounts are savings accounts, while 14% are current accounts and rest of the 10% are other accounts. The exclusive dominance of savings account indicates that households rather than businesses tend to access more to the financial services through agent banking.

Figure 6 : Geographical concentration of Accounts

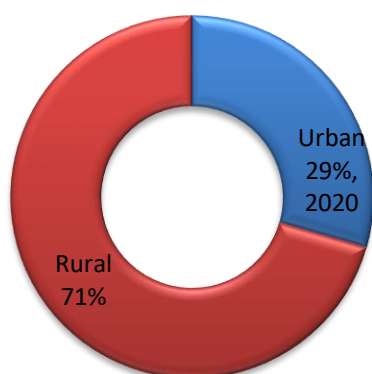


Figure 7 : Gender- wise Accounts

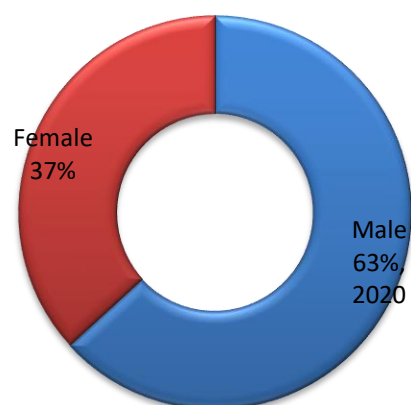
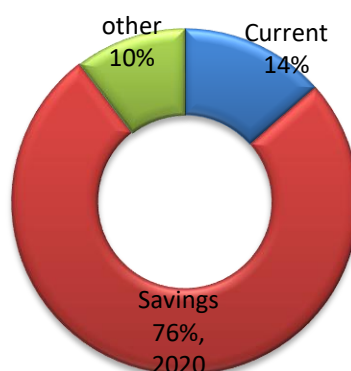


Figure 8 : Category-Wise Accounts

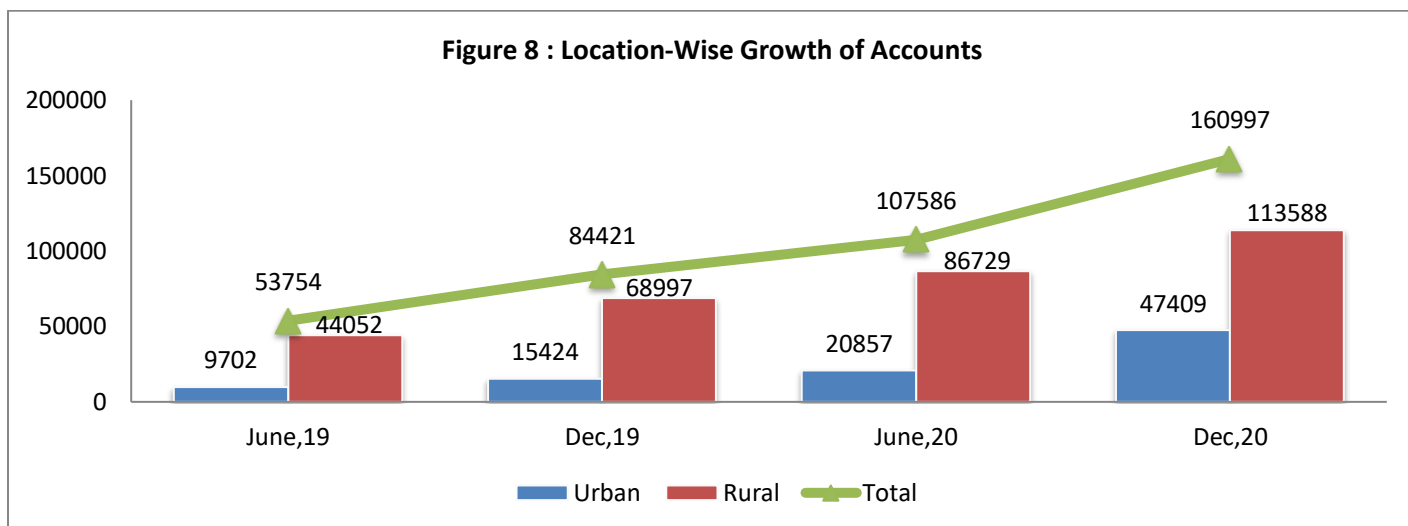


3.4 Growth of Account

Figures 8, 9 and 10 show a notable growth in the number of agent banking accounts over the past half year.

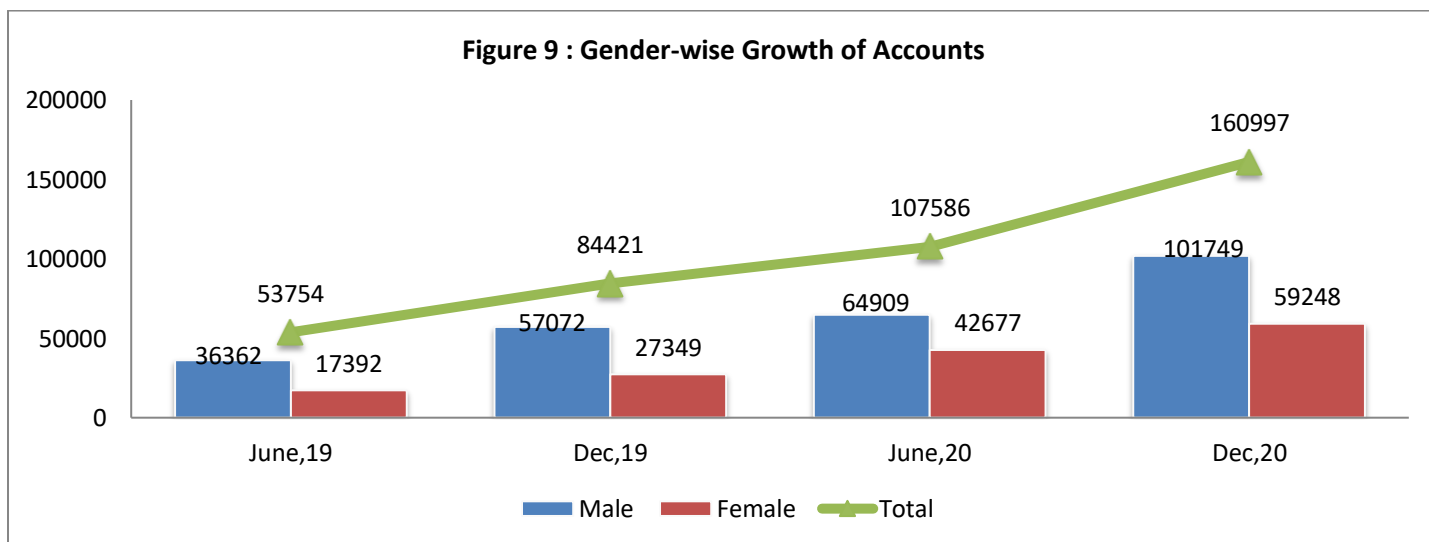
3.4.1 Geographical Concentration Growth of Accounts

In Figure 9, the growth of accounts is mild up to June 2019; however, June 2019 to June 2020 the level of growth is upward, but in June 2020 to December 2020 has recorded a speedier growth of accounts. The persistent positive growth of agent banking accounts even amidst Covid-19 pandemic throughout the last half year indicates the surging demand of agent banking services across different segments of population.



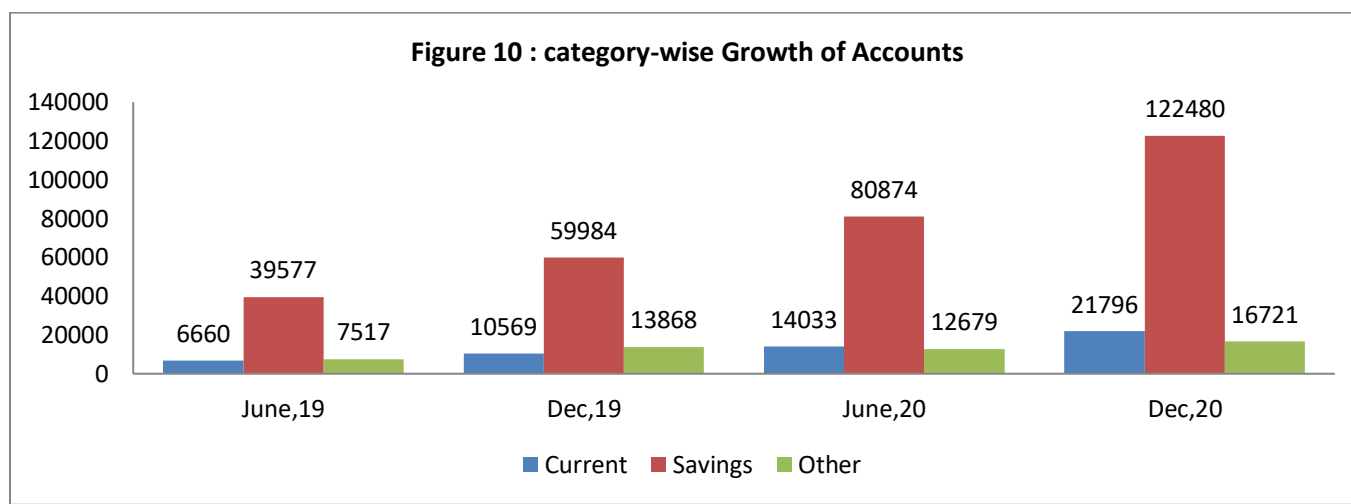
3.4.2 Gender Wise Growth of Accounts

Figure 9 illustrates that gradually the engagement of female customers became go up through June 2019 to December 2020. Figure 9 also indicates that the gap in the volume of male and female accounts is gradually narrowing down. This signifies a relative increase in the participation of female customers in the financial system. This volume of females customers indicate that females are no longer left behind.



3.4.3 Category Wise Growth of Accounts

If we look to figure 10, we can saw that the volume rate of savings account through June 2019 to December 2020 is much higher than the current accounts and other accounts. This high volume of savings account potentially indicates an increased access of households to the agent banking relative to the businesses. Since the city bank provide various types of saving accounts service like General Savings A/C, Senior Savings A/C, City ALO General Savings A/C, Student Savings A/C School Plan gradually people were more interested to opened savings accounts rather than any other accounts service.



4. Deposit Collection

4.1 Deposit

At the end of December 2020, the City bank total amount of deposit through agent banking reaches BDT 86269.08 and the deposit has increased by 56 % since June 2020 half of the year. To increasing the interest with agent banking service they provide, as a minimum, cash deposit services to the customers. If any customer deposit there funds within same agent outlet or own territory then they can freely deposited there funds but if the cash deposit made through other agent outlet in that case they have to pay .25% (Ref:2) of their deposited amounts. (Appendix-3)

4.1.1 Geographical Concentration of Deposits

Figures 12, 13 and 14 illustrate the distribution of deposit accumulated through City bank agent banking. As evident in Figure 12, the major share of deposit 48% has accumulated in the rural areas while 52% has accumulated in the urban area. Since, Bangladesh Bank main focus is to promote this Agent banking service, to reach to the poor segment of the society as well as existing bank customer with a range of financial services specially, to geographically dispersed locations. So, 48% accounts are held with rural people indicates that now geographically dispersed located people are reached under banking facilities.

4.1.2 Gender wise Deposits

Figure 13 shows that male customers dominate (60%) over female customers (40%) in the share of total deposit. The deposits with female customers have increased by 22% (61%-39%) in the June 2020 compared to the December 2020.

4.1.3 Category wise Deposits

Figure 13 indicates that current accounts continue to dominate in accumulating deposits. They comprise of 37% of the total deposit while savings accounts and other category accounts are 29% and 34% of the total deposits. This high volume of current account potentially indicates an increased access of businesses to the agent banking relative to the households.

Figure 12 : Location wise Deposits

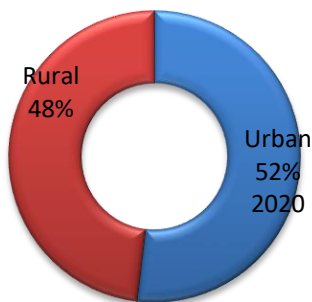


Figure 12 : Gender wise Deposits

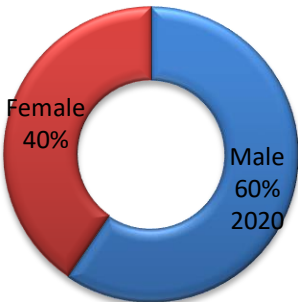
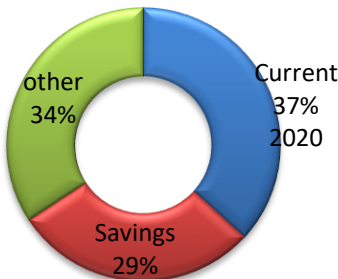


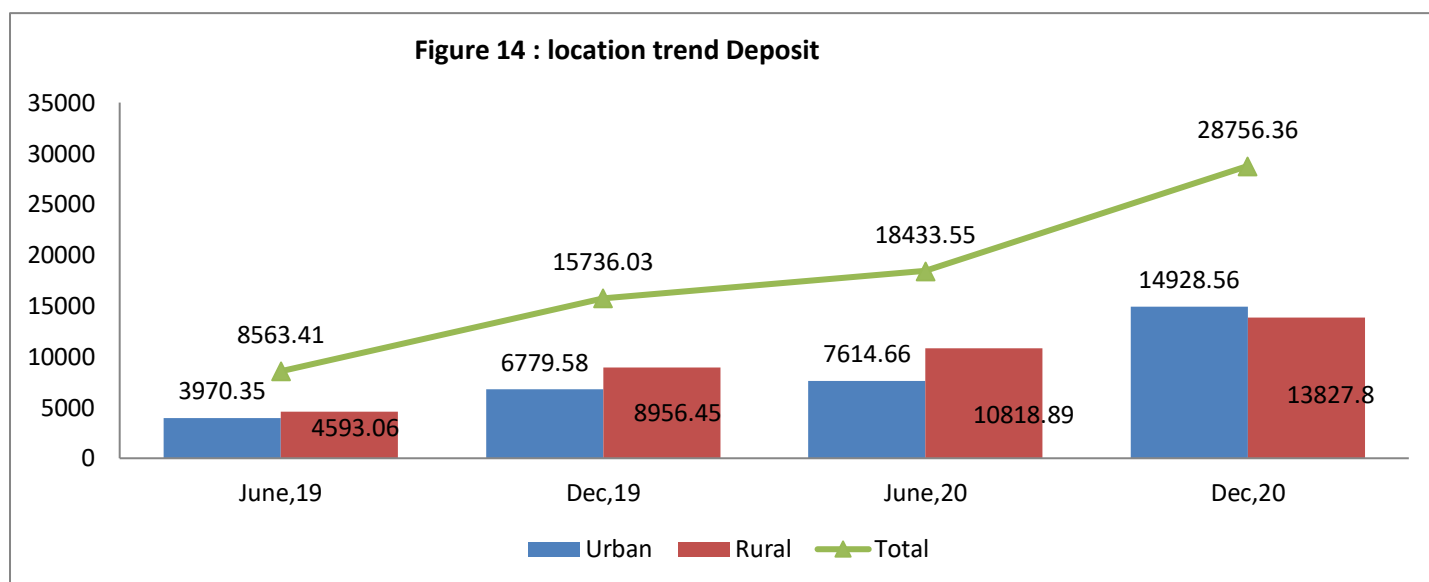
Figure 13 : Category wise Deposits



4.2 Growth of Deposits

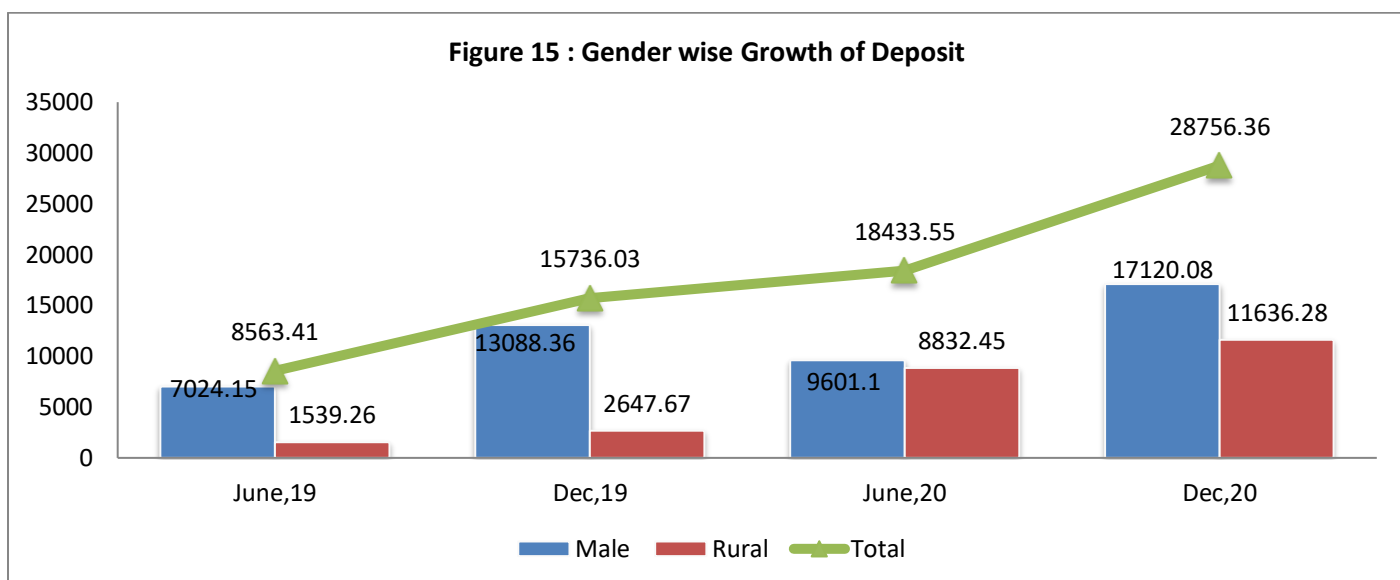
4.2.1 Geographical Trend of Deposits

Figures 14, 15 & 16 illustrate the trend in deposit accumulation. In December 2020, the city bank deposit through agent banking has increased by 56% since June 2020 half of the year. The yearly growth of deposit shows remarkable increased which is 82.74% through December 2019 compared to December 2020. Gender distribution of the deposit indicates that deposits from male customers continue to remain significantly higher than that of female customers and institutions. If we look to figure 14 we can saw that despite the fact of this COVID-19 situation that upward growth of agent banking specially for rural people, indicate positive demand for agent banking throughout the population.



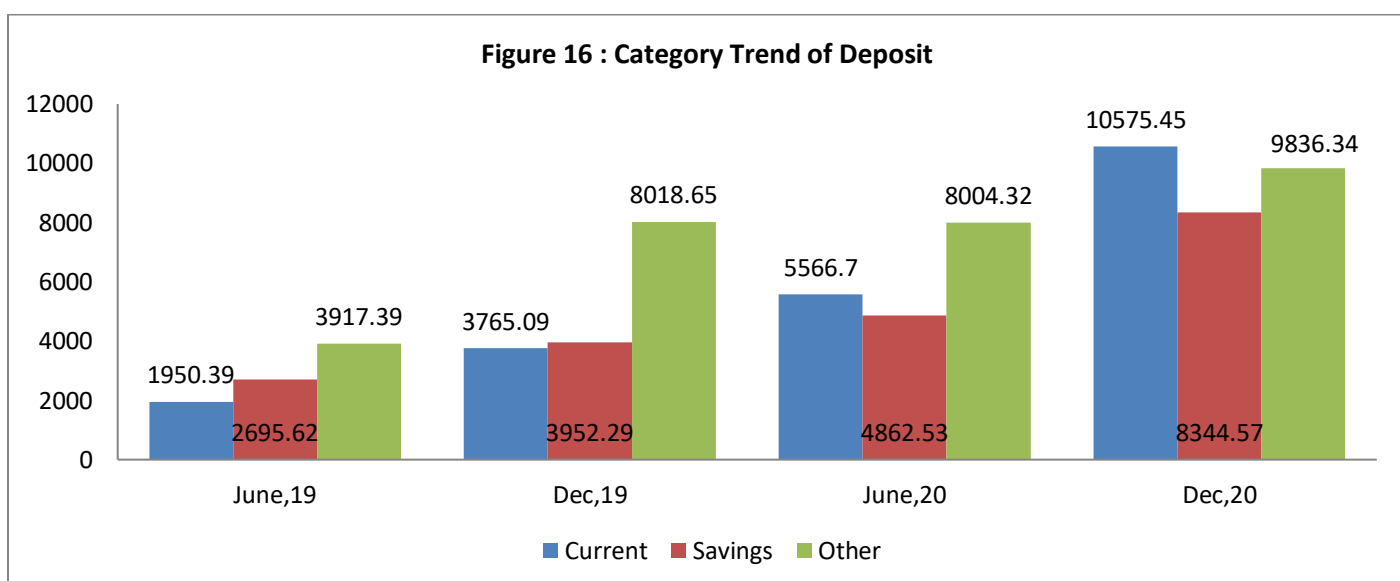
4.2.2 Gender Trend of Deposits

Figure 15 illustrate that gradually the deposit of female customers became go down instated of female customers through June 2019 to December 2020, that means Gender distribution of the deposit indicates that deposits from male customers continue to remain significantly higher than that of female customers and institutions. From June 2019 to December 2020, if we look to the performance of female customers then we can realized that female Growth rate is not in steady, gradually there amount of deposit rate became higher.



4.2.3 Category Trend Deposits

In figure 16 illustrate that the growth of savings accounts through June 2019 to December 2019 is higher than current accounts. This higher volume of savings account indicate an increased access of households to the city bank agent banking relative to the businesses. On the other hand, the volume rate of current account and other accounts through June 2020 to December 2020 are much higher than the savings accounts and other accounts. This high volume of current accounts and other accounts potentially indicates an increased access of businesses to the agent banking relative to the households.



5. Loan Disbursement

At the end of December half yearly report of 2020, the city bank total amount of Loan disbursement of loan through the agent banking rises to BDT 79778.88. The volume of total loan has increased by 91.80% in the current half year compared to the June 2020. To increasing the interest with agent banking service the city bank provide, as a minimum cash withdrawal services to the unbanked population who do not know the benefits of financial products and services. Even if a customer wants to withdraw their funds within same agent outlet or own territory then they can freely withdraw their funds but if the cash withdrawal made through other agent outlet in that case they have to pay .25% of their withdrawal amounts. (Appendix-4)

5.1 Geographical Concentration of Loan

Figure-16 and 17 illustrates the amount of loan disbursement through the city bank agent banking. In figure 16, the major amount of loan 53% is disburse in rural area that means rural customers have receive BDT 14186.64 of the total loan disbursed through agent banking till December 2020. On the other hand, rest of the 47% loan is disbursed in urban area, this indicates that banks, in line with the objective of agent banking, have given due priority to distribute loans in rural areas through agents.

5.2 Gender-wise Loan Disbursement

In figure 17 illustrate gender wise loan distribution through the city bank agent banking. From this figure we find that male customers have received BDT 18218.75 or 69% of the total volume of loan, while female customers have received only BDT 8374.21 or 31% of the total volume of loan distribution. This figure potentially indicates a general lack of confidence from both the banks and the female customers. There remain huge potentiality to search more female entrepreneurs in rural area who can have access to finance from the banks through agents. Bangladesh Bank has already brought this to attention and issued guidance so that banks can work more intensively with the female customers and help them to access more bank loans.

Till December 2020, only nine banks have disbursed loans through agent banking one of them are the city bank. It is expected that huge female customers as well as smallholders will get loan facilities from the banks, it will be possible when more banks will come forward to disburse loans through banking agents.

Figure 16 : Geographical Concentration of Loan

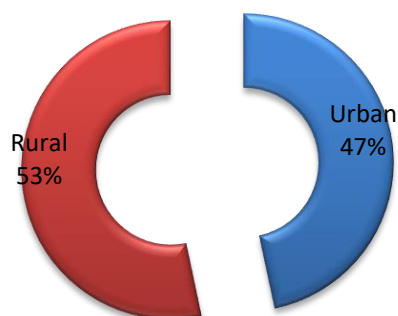
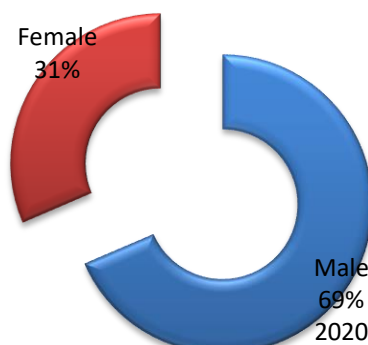


Figure 17 : Gender wise loan Disbursement

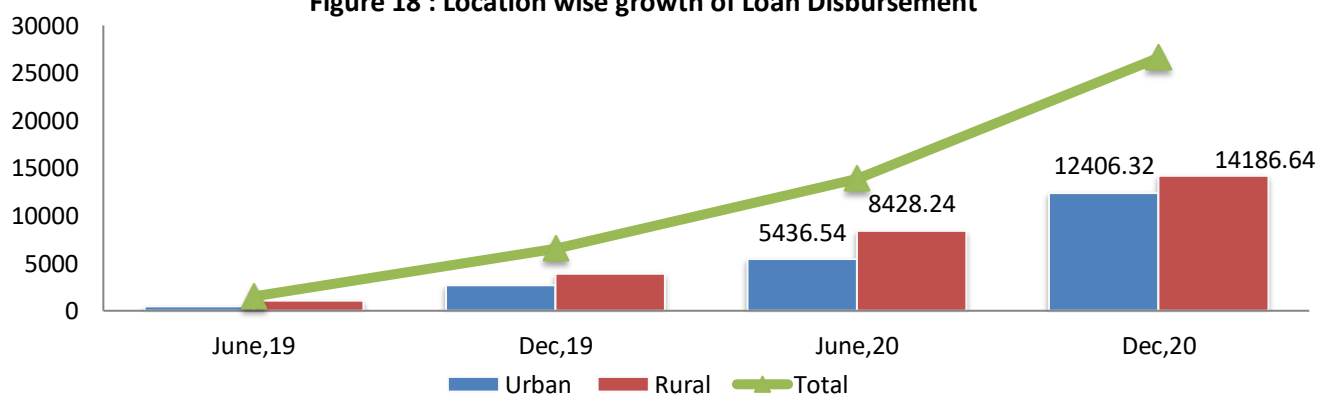


5.3 Growth of Loan Disbursement

5.3.1 Location wise Growth of Loan Disbursement

The total amount of loan distribution growth through city bank agent banking is drastically increased by 510.81% in December 2019 compare to December 2020. If we look to figure 18 we can saw that from June 2020 to December 2020, the growth of loan distribution through city bank agent banking is gradually increase in case of rural customers, this indicate that the area wise growth of loan disbursement has got extra pace during June half year of 2020 and December 2020 compare to the previous half year.

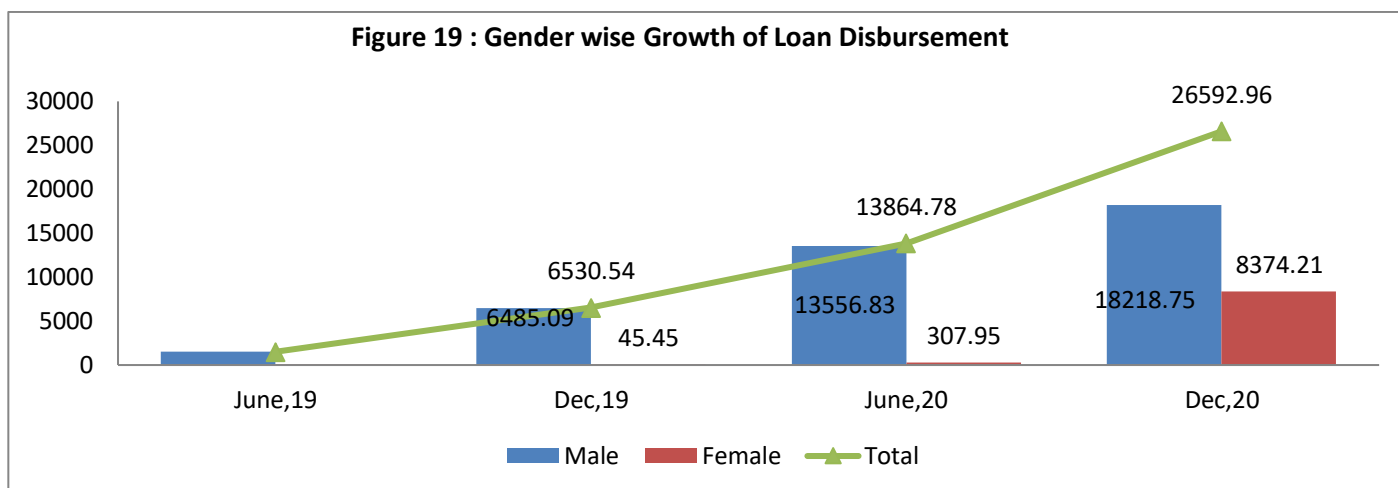
Figure 18 : Location wise growth of Loan Disbursement



5.3.2 Gender wise Growth of Loan Distribution

Figure 19 shows growth path of loan disbursement in terms of gender. The chart indicate that major growth loan distribution is happened by the male customers. As far Bangladesh bank is paying more attention to this matter and constantly encouraging banks to facilitate female customers to get loans. Dispite the fact in spite of the pandemic situation, the loans distribution through the city bank agent banking is promising since it is showing positive growth. It is expected that the pace of loan disbursement will grow morein case of both

male and female side once the economy will recover from COVID 19 situation.



6. Inward Remittance Distribution

6.1 Inward Remittance

The amount of inward remittance through the city bank agent banking has risen to BDT 31338.69 at the end of December 2020 half of the year. The amount of inward remittance distribution has increased by 84.23% in the current half year compared to the June 2020 and the amount of inward remittance distribution has drastically increased by 237.06% from June 2019 to December 2020. This increase in inward remittance through banking channel is a positive outcome of the Governments initiative of providing 2% cash incentive on remittance sent by the expatriate Bangladeshis. In addition to the Governments initiative, some banks enthusiastically giving 1% more cash incentive on the remitted amount so as to encourage the remittance in flow through formal banking channel. The city bank agents are contributing promisingly in this regard since customers are likely to get doorstep banking service within shortest possible time. Thus, the city bank agent banking is becoming popular channel for inward remittance distribution. (Appendix-5)

6.2 Geographical Concentration of Inward Remittance

Figure 20 illustrates the amount of inward remittance distribution through the city bank agent banking. Figure 20 indicate that the rural population has received 59% of the total inward remittances and rest of 41% has received by urban population. The city bank agent banking is playing a vital role in bringing the hard-earned money of the non-resident Bangladeshis at arm's length of their close ones.

Figure 20 : Geographical Concentration of Inward Remittance

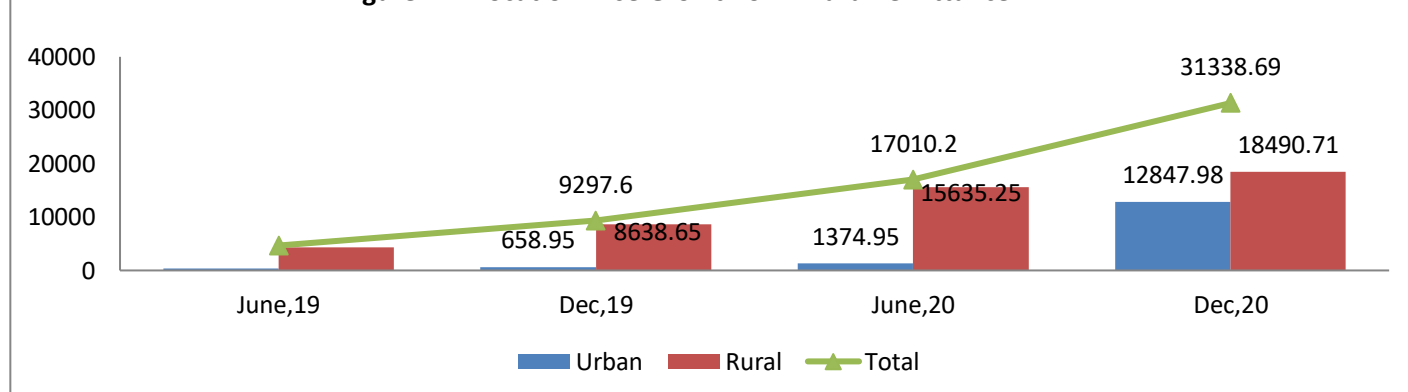


6.3 Growth of Inward Remittance Distribution

6.3.1 Location wise growth of inward remittance

The volume of inward remittance increase to 84.23% in December 2020 compare to June 2020. Figure 21 illustrate that the rising growth path of inward remittance through the city bank agent banking. The most significance here is that major share of the remittance is going to the rural areas which is expected to reanimate rural economy by channelizing this remittance.

Figure 21 : Location wise Growth of Inward Remittance



Chapter - 4

Researcher would like make a Comparison among The city bank, Bank Asia Limited and NRB bank about their Agent banking Activities

7. In terms of Outlet Distribution

Figure 21 illustrate that in December 2020, these banks (the city bank, Dutch-Bangla Bank Limited and NRB Bank) have opened 38.23% of the total agent outlets. Dutch-Bangla bank Limited has ranked the top with 4414(27.63%) outlets, compare to the City bank and NRB bank total outlets (Figure- 21) under operation.

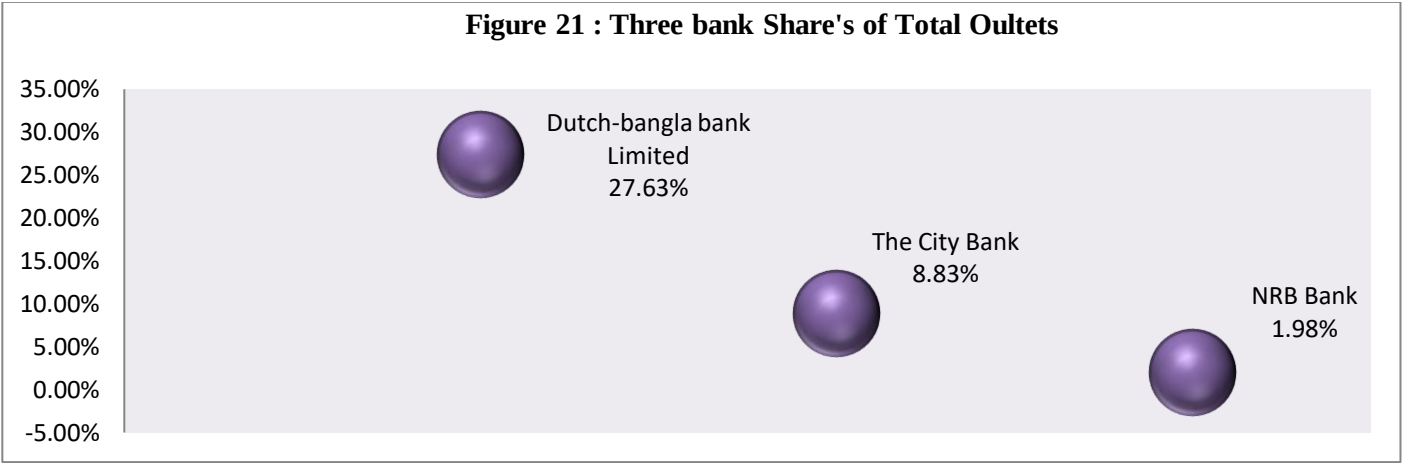
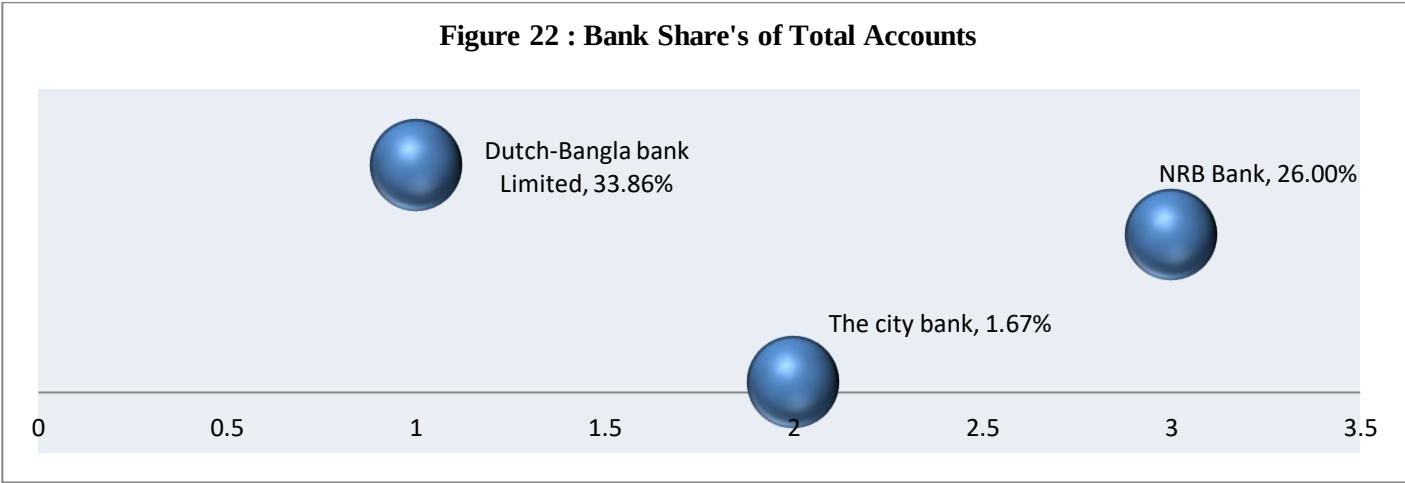


Figure 22 illustrate that in December 2020, these three banks have opened 61.53% of the total accounts opened through agent banking. Comprising of the city bank and NRB bank Limited (27.67% of the total accounts), Dutch Bangla Bank Limited has opened the highest number of 9,796,674 accounts.



Till December 2020, these three banks have 19.23% share of the total amount of deposit mobilized through agent banking. Figure 23 illustrate that, Dutch Bangla bank Limited has mobilized highest amount of deposit through agent banking that is 17.13% of the total volume of deposit BDT 821241.63. Comprising of the city bank and NRB bank Limited (27.67% of the total accounts), Dutch Bangla Bank Limited has accumulated the highest number of deposits.

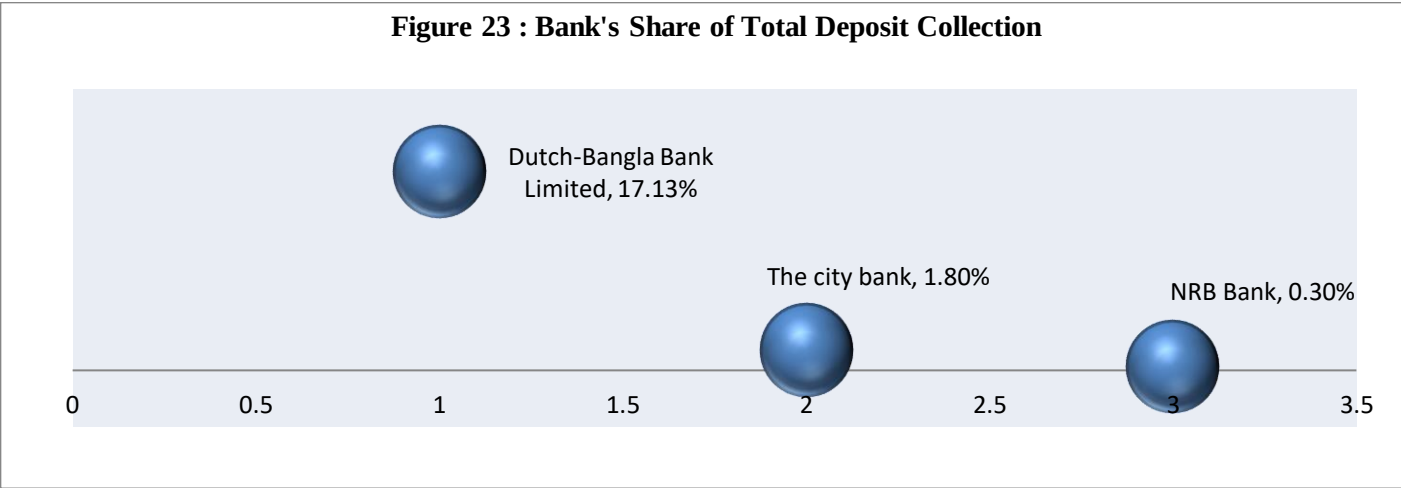


Figure 24 illustrate that these three banks have disbursed 15.45% of the total loan disbursed through agent banking till December 2020. The city bank has ranked the top with the largest volume of loan amounting BDT 53185.92, which is 14.04% of the total loans disbursed through agent banking, comprising with Dutch Bangla Bank Limited and NRB bank.

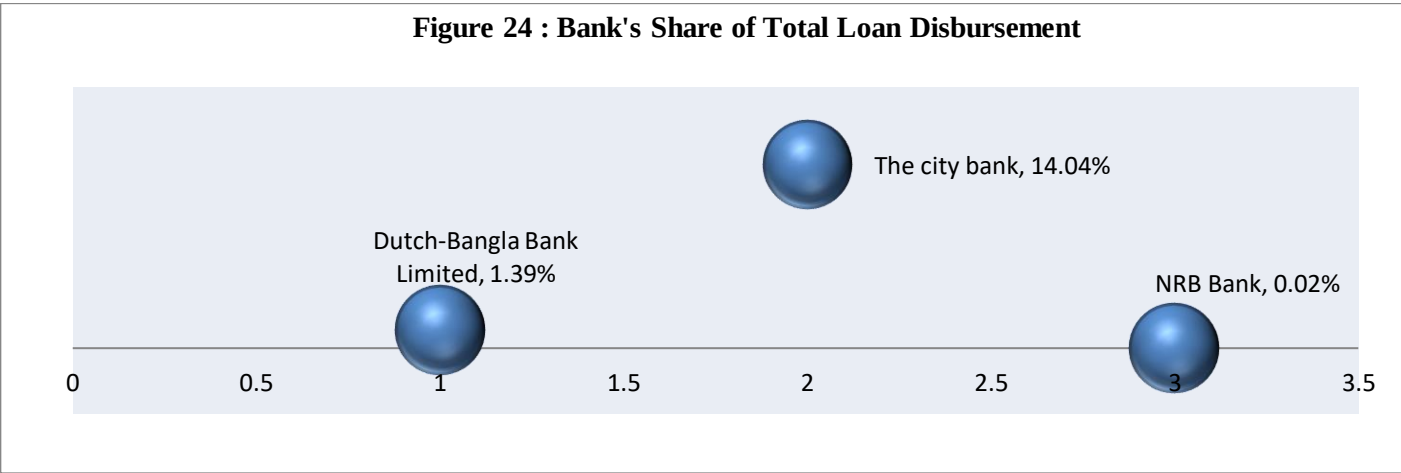
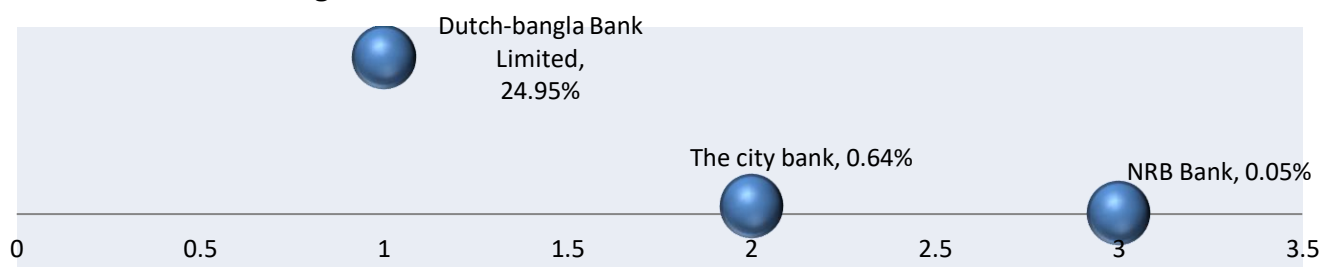


Figure 25 illustrate that these three banks have 25.64% share of the total inward remittance distributed through agent banking as of December 2020. Dutch Bangla Bank Limited ranks the top with BDT 217496.35, which is 24.95% of the total inward remittances distributed through agent banking, comprising of the city bank and NRB Bank.

Figure 25 : Bank's Share of Total Inward Remittance Disbursement



Chapter - 5

8. Success of City Agent Banking

At begin with, we would like to talk about the overview of the city bank on 31 December 2020. The city bank is one of the widest banks in Bangladesh. As of 31 December 2020, they had BDT 382,926 million of assets, BDT 268,202 million of Loans & Advances and BDT 254,781 million of deposits. Their market capitalization had reached BDT 25,206 million by the end of 31 December 2020. Their sound performance in 2020 with net profit growth of 62%, despite the unprecedented challenges of 2020. Even their net profit after tax reached BDT 4012 million.

During this pandemic, the idea underlying agent banking of taking banking to the doorstep of their customers found deep resonance amongst the public. Agent bank ensured the seamless transaction volume to their customers. During this pandemic situation they also achieved path breaking performance by increasing 1400+ agent outlets pan-Bangladesh, even reflecting a 328% Year to Year growth, which is the highest growth in the industry as well. City agent banking created footprint in every district of Bangladesh with the coverage over 88% Upazilas. They have opened 77000+ new customer accounts. During this year, agent banking turned into BDT 2874 million of deposits collection. Their most challenging and appreciative work is to ensure women financial empowerment, indicated in the fact that 31% customers comprised females.

9. Current Scenario

The Daily Star Journal Reported that (TUESDAY, September 7, 2021), Bangladesh Bank has awarded 28 agents banking licences with the aim to provide a secure alternative delivery channel of banking services to the underprivileged and under-served population who live in remote locations. Transactions through agent banking more than doubled to tk 393,932 crore in the last fiscal year, as the new window has taken financial services to the doorsteps of people. Bangladesh bank showed data that, the volume rose 106 per cent in fiscal year 2020-21, against Taka 191,225 crore in the previous fiscal year.

1b Bangladesh Agent banking account totaled 1.22 crore at the end of FY2021 on the other hand at the end of FY 2020 that was 73.57 lakh. Even in case of Gender, male customers owned 65.98 lakh accounts and female clients owned 51.54 lakh accounts. Loan disbursement through agent banking rose 444% to tk 2659 crore in fiscal Year 2021, in FY2020 which was tk 488 crore.

Syed Mahbubur Rahman, managing Director of Mutual Trust Bank, Said a significant portion of remittance was channeled through agent banking during the pandemic. (Ref: 3)

Zahid Hussain, an Economist said that, agent banking is already playing a crucial role in accelerating financial inclusion in Bangladesh. (Ref: 3)

10. Problem & Recommendation

In Bangladesh agent bank have some problem that may create a negative impact on the agent banking, so every agent banks should be aware of these problems. As we know that agent banking is an enormous scope of employment for the people of this country. But Agent bank (along with city bank) doesn't provide any loans for the entrepreneurs at starting of this business. Even mindset of the rural people is another big problem of this agent banking system. Most of the agents or outlets are lack of trust & reliability of rural people. On the other hand income of the agent banking is related with sales as the agents get 6% commission on sales. In addition, banks provide little concern over the agents, where agents demand regular motivation, and technological training, but banks doesn't fulfill those demand.

So, we think to reduce the lack of trust & reliability every agents and banks should work together to change the mindset of the rural people. Even along with the banks Government should assist the agent outlets to continue the training and technological seminars & adaptations. If we look the agents we saw that there have some agents who don't want to run this business due to there is no fixed income or allowance. Even agents lack many facilities like insurance benefit and primary loans benefits. Also, respective banks should give necessary assistance and workshops for the development of the agents operations.

11. Conclusion

So, researcher would like to conclude that, under the umbrella of financial services city agent banking is try to provide banking service to geographically unreached people or where the banking service is not yet reach. To get better understanding about the performance of city agent banking researcher make location wise analysis gender wise analysis and Category wise analysis. Under location wise analysis concern with Urban and rural customers performance after analysis the urban and rural customer researcher saw that potentially city agent banking spread their financial services through geographically unreached populations. Under the Gender wise analysis researcher discuss about the performance of male and female customers. After analysis researcher saw that in some sectors city agent banking need to give attention, to work more intensively with the female customers and help them to access more banking service. Last but not the least, under category wise analysis researcher concern with current, savings and other customers . After analysis the researcher thought due to the exclusive dominance of savings account households rather than businesses tend to access more to the financial services through agent banking. On the other hand due to the high volume of current account deposit potentially indicates city agent bank has more access of businesses to the agent banking relative to the households.

12. Reference

Ref: 1 https://www.bb.org.bd/aboutus/regulationguideline/psd/agentbanking_banks_v13.pdf

Ref: 2 <https://www.thecitybank.com/upload/SOC-Agent-Banking22072020.pdf>

Ref: 3 <https://www.thedailystar.net/business/economy/banks/news/agent-banking-going-places-2153246>

Ref: 4 <https://www.bb.org.bd/pub/publictn.php>

13. Appendix

Appendix-1: Bank-wise Number of Agents and Outlets (December 2020)

Sl No.	Bank Name	No. of Agents			No. of Outlets		
		Urban	Rural	Total	Urban	Rural	Total
1	Dutch-Bangla Bank Limited	396	477	873	715	3699	4414
2	The City Bank Limited	305	1081	1386	317	1094	1411
3	NRB Bank Limited	4	310	314	3	313	316
4	Total	1582	10343	11925	1964	14013	15977

Appendix-2: Bank-wise Number of Accounts (December 2020)

Sl No.	Bank Name	Urban	Rural	Male	Female	Institution	Current	Saving	Others	Total
1	Dutch-Bangla Bank Limited	692795	2572763	2180998	1084560	0	44159	3069005	152394	9796674
2	The City Bank Limited	47409	113588	101749	59248	0	21796	122480	16721	482991
3	NRB Bank Limited	418	24625	9753	14562	728	1251	20667	3125	75129
4	Total	1284662	8358501	5166514	4398122	78527	247689	8372971	1022503	28929489

Appendix-3: Bank-wise Amount of Deposit Collection (December 2020)

Sl No.	Bank Name	Urban	Rural	Male	Female	Institution	Current	Savings	Others	Total
1	Dutch-Bangla Bank Limited	83176.66	190570.55	168195.17	65109.31	40442.73	9928.63	187564.30	76254.28	821284.63
2	The City Bank Limited	14928.56	13827.80	17120.08	11636.28	0.00	10575.45	8344.57	9836.34	86269.08
3	NRB Bank Limited	158.93	4587.26	2596.74	1781.33	368.12	366.42	1920.74	2459.03	14238.59
4	Total	371204.63	1226520.87	930323.58	539953.65	127448.27	111946.68	708878.72	776900.10	4793176.5

Appendix-4: Bank-wise Loan Disbursement (December 2020)

Inward Remittance (BDT in lacs)							
Sl No.	Bank Name	Urban	Rural	Male	Female	Institution	Total
1	Dutch-Bangla Bank Limited	1017.11	1607.08	2318.93	305.26	0.00	5248.38
2	The City Bank Limited	12406.32	14186.64	18218.75	8374.21	0.00	53185.92
3	NRB Bank Limited	0.00	46.15	34.35	11.80	0.00	92.3
4	Total	65801.25	123514.5	142426.15	17087.98	29801.62	378631.5

Appendix-5: Bank-wise Inward Remittance Distribution

Inward Remittance (BDT in lacs)				
Sl No.	Bank Name	Urban	Rural	Total
1	Dutch-Bangla Bank Limited	225387.68	992108.67	1217496.35
2	The City Bank Limited	12847.98	18490.71	31338.69
3	NRB Bank Limited	11.50	2327.13	2338.63
4	Total	427,073.38	4,453,561.20	4,880,634.58