

Quarterly Report on No-Frill Accounts

(January-March 2022)



Bangladesh Bank

Financial Inclusion Department

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Acronyms

BB	Bangladesh Bank
BKB	Bangladesh Krishi Bank
FCB	Foreign Commercial Bank
FID	Financial Inclusion Department
MFS	Mobile Financial Service
MFI	Microfinance Institution
MRA	Microcredit Regulatory Authority
NFAs	No-Frill Accounts
NGO	Non-Governmental Organization
NID	National Identity
PCB	Private Commercial Bank
PFI	Participatory Financial Institutions
PPO	Pension Payment Order
RAKUB	Rajshahi Krishi Unnayan Bank
RMG	Ready Made Garments
SB	Specialized Bank
SBA s	School Banking Accounts
SoCB	State Owned Commercial Bank
SSN	Social Safety Net
SUAs	Street Urchin and Working Children Accounts

Executive Summary

This report presents quarterly review of the No-Frill Accounts (NFAs) which include the accounts opened with an initial deposit of Tk. 10/50/100 by the low income people, and the school students under 18 years of age. In this quarter, total number of NFAs is recorded as 2,83,01,934 with total deposit of Tk. 5,091.04 crore.

The number of Tk. 10/50/100 accounts (excluding the School Banking, Street Urchin and Working Children Accounts) and the cumulative deposits in these accounts stand at 2,51,76,640 and Tk. 2,862.36 crore respectively in the March 2022 quarter. Thus, the number of accounts has grown 1.11% in the reporting quarter compared to the previous one. The number of Tk. 10 Accounts for the Farmers, which remain the largest component of the NFAs, increases to 99,03,233 contributing to 39% of the total Tk. 10/50/100 accounts. However, Accounts for the Beneficiaries of the Social Safety Net (SSN) programs constitute 37% of the total NFAs and the number has increased by 1.96% with respect to the previous quarter.

As on 31 March 2022, individuals with Tk. 10/50/100 accounts have received Tk. 369.24 crore as credit under the refinance scheme for the No-Frill Accounts. The increased demand of such credit could be attributed to the revival of the economic activities paused by the COVID-19 pandemic. Meanwhile, participating banks have set an annual target of Tk. 475 crore for the disbursement of credit in 2022 under the revised¹ refinance scheme for NFAs holders.

No-Frill Accounts play significant role in the distribution of foreign inward remittances. In March 2022 quarter, these accounts have received Tk. 11.05 crore as foreign remittances and the cumulative amount of foreign remittances received through these accounts by the end of the reporting quarter increases to Tk. 525.05 crore.

The number of School Banking Accounts has increased by 8.20% over the previous quarter. This increase is due to reopening of educational institutes, which were closed/disrupted due to COVID-19 threats. It is also mentionable that these accounts have grown 12.05% over March 2021 quarter. As on 31 March 2022, 19 banks have opened 23,217 Street Urchin and Working Children accounts. In short, No Frill Accounts have contributed significantly in bringing the underserved people under the umbrella of formal financial services.

¹ FID Circular-01/2021, BB Website

Chapter 1: No-Frill Accounts

BB has taken various initiatives to ensure financial services for the people of all segments of the society. As part of these initiatives, the central bank has issued directives for the banks to open accounts for the marginalized people with an initial deposit of Tk.10/50/100.

These accounts require neither a minimum balance nor any service charge/fee. On the contrary, relatively higher interest rates than the existing savings rates are offered in these accounts to augment welfare of the low-income people. Generally, these accounts are referred to as No-Frill Accounts (NFAs). The target people of these accounts include farmers, RMG workers, extreme poor, the beneficiaries of the Social Safety Net (SSN) programs etc. NFAs also include the School Banking Accounts (SBAs) where students under 18 years can open bank accounts with an initial deposit of Tk. 100 only.

Up to March 2022 quarter, the government has disbursed subsidy/salary to 73,77,755 NFAs held with various segments of marginalized people of the society. In addition, NFAs play a significant role in channelizing inward foreign remittances. Up to March 2022, the cumulative amount of foreign remittances received through these accounts reaches at Tk. 525.05 crore. The

amount is 2.15% higher than the cumulative amount received by the end of December 2021 quarter. In addition, the number of SBAs has increased by 8.20% over the previous quarter. This increase is due to the expansion of School Banking activities by banks after the COVID-19 pandemic. SBAs have also grown by 12.05% over the March 2021 quarter.

The Salient Features of No-Frill Accounts (Up to March 2022):

Tk. 10/50/100 Accounts (Except SBAs & SUAs)

- *Total Number of Accounts: 2,51,76,640*
- *Total Amount of Deposits: Tk. 2,862.36 crore*
- *Total Number of Accounts for the Farmers: 99,03,233 (39 percent of total Tk. 10 accounts)*
- *Second and Third largest categories of Tk. 10 Accounts are Accounts for the beneficiaries of the SSN Programs (37%) and the Extreme Poor (14%).*
- *The Amount of Remittance sent through Tk. 10 Accounts: Tk. 525.05 crore.*

School Banking Accounts (SBAs)

- *Total Number of Accounts: 31,02,077*
- *Total Amount of Deposits: Tk. 2,228.22 crore*

Street Urchin and Working Children Accounts (SUAs)

- *Total Number of Accounts: 23,217*
- *Total Amount of Deposits: Tk. 45.92 lac*

Chapter 2: Tk.10/50/100 Accounts

2.1 Different Categories of Tk.

10/50/100 Accounts

As of March 2022, the total number of Tk. 10/50/100 accounts excluding SBAs and Street Urchin Accounts has become 2,51,76,640 containing deposits of Tk. 2,862.36 crore. Among all the categories of Tk. 10/50/100 accounts, Accounts for the Farmers remain the largest component through which government subsidies in agricultural sectors are disbursed regularly.

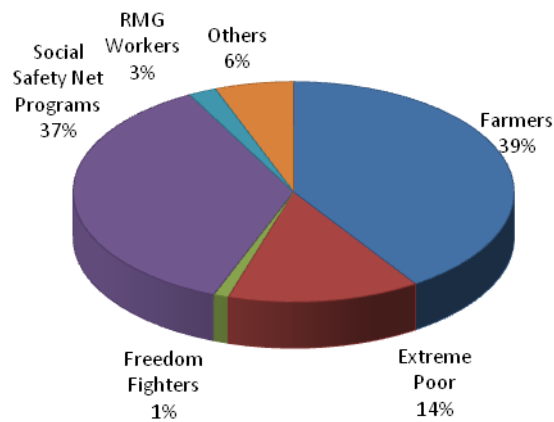


Figure 1: Major Categories of Tk. 10/50/100 Accounts

The major categories of Tk. 10/50/100 accounts comprise of the Accounts for the Farmers (39%), Beneficiaries of the SSN programs (37%) and Extreme Poor (14%). A small but significant component of Tk. 10/50/100 accounts is the No-

Frill Accounts for Ready-made Garments (RMG) workers (3%). A complete list of these components is shown in the Table 1 in the Appendix A.

2.2 Quarterly Trend of Tk. 10/50/100 Accounts

As of March 2022, the total number of Tk. 10/50/100 accounts reaches at 2,51,76,640 which indicates a 1.11 % growth over the previous quarter and 7.08 % growth over the previous year.

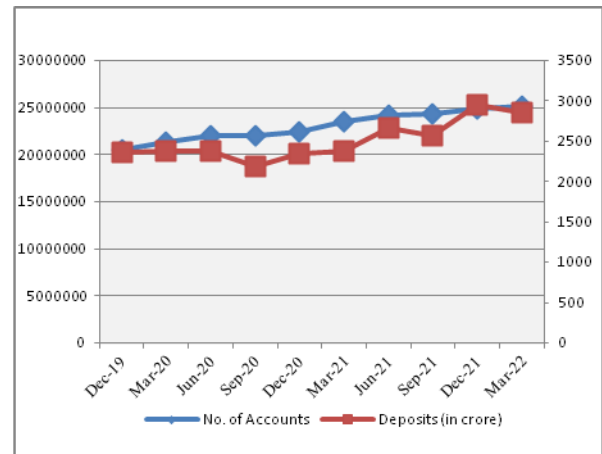


Figure 2: Quarterly Movement of Tk. 10/50/100 Accounts

Total deposit in Tk.10/50/100 accounts amounts to Tk. 2,862.36 in the reporting quarter, which is 3.23% lower than that of the previous quarter and 20.19% higher than that of the previous year.

2.2.1 No-Frill Accounts (NFAs) for the Farmers

BB introduced Tk. 10 Accounts for the Farmers in 2010² as one of the most significant financial inclusion initiatives to bring rural communities living on agriculture under the umbrella of formal financial services.

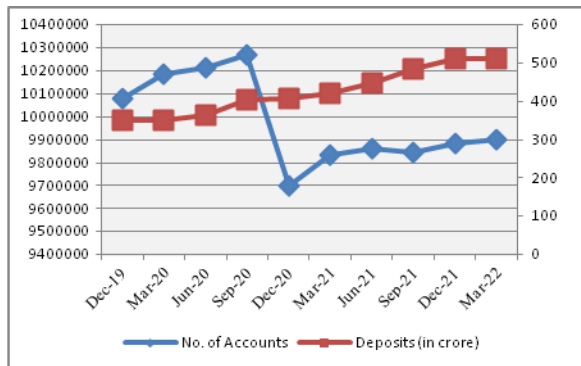


Figure 3: Quarterly Trend of Tk. 10 Accounts for the Farmers

As of March 2022, the total number of Accounts for the Farmers reaches at 99,03,233 which is 0.20% higher than that of the previous quarter. On the other hand, the total deposit in the Accounts for the Farmers stands at Tk 512.35 crore, which is 0.19% higher than that of the previous quarter and 21.31% higher than that of the previous year.

2.2.2 NFAs for the Extreme Poor

Poverty reduction is one of the major policy objectives of BB. The central bank has advised all banks to open accounts for the extreme poor so that they can get various Government

financial assistances through the banking channel. Tk.10 account also provides the extreme poor with the opportunities to save their hard-earned money.

As of March 2022, the number of Accounts for the Extreme Poor reaches 34,64,579. This number is 0.64% lower than that of the previous quarter but 8.06% higher than that of the previous year.

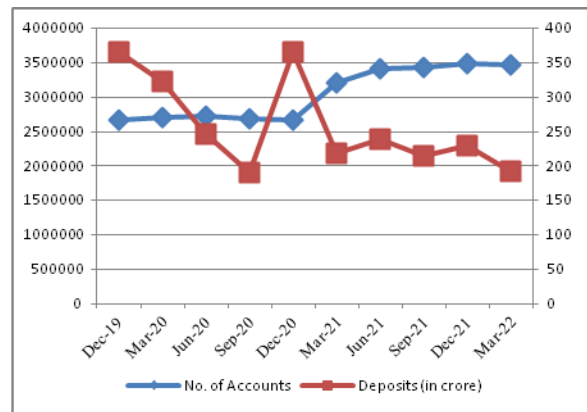


Figure 4: Quarterly Movement of Tk. 10 Accounts for the Extreme Poor

The yearly trend shows a positive growth in opening NFAs for the extreme poor. However, the quarterly decline in number is due to decrease in number of the recipients of government subsidies after the COVID-19 recovery period and simultaneous migration of these accounts to dormant/inactive accounts.

Deposits in the Accounts for Extreme Poor also decrease by 15.76% over the previous quarter indicating the withdrawing tendency of the account holders for the increase in monthly living expenditures in the recent time.

² BRPD Circular No.-01/2010

2.2.3 NFAs for the Beneficiaries of the SSN Programs

Government SSN programs greatly contribute to support the marginal people of the society. Poor people can receive SSN allowances through Tk. 10 accounts. BB has advised all the banks to open SSN accounts for the individuals having National Identification (NID) cards and Pension Payment Order (PPO) book.³ It is noteworthy that during COVID-19 pandemic, Government has used the Accounts for the Beneficiaries of the SSN programs to distribute cash allowances among the affected low-income families.⁴ Government's allowances disbursed through SSN Accounts have been considered as a great support for the poor people confronting the second wave of COVID-19.

The number of Tk. 10 Accounts for the beneficiaries of the SSN has increased by 1.96% in the reporting quarter over the previous quarter and 12.92% over the previous year. But, the amount of deposits in these accounts has decreased by 5.62% compared to that of the previous quarter.

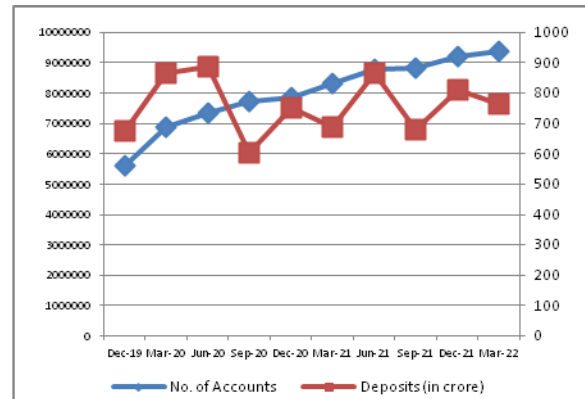


Figure 5: Quarterly Movement of Tk. 10 Accounts for Beneficiaries of the SSN Programs

However, it has increased by 11.26% than that of the previous year. The amount of deposits usually changes due to change in government subsidy disbursement through Electronic Fund Transfer (EFT) from time to time.

2.2.4 NFAs Accounts for RMG Workers

The number of Tk. 100 Accounts for the RMG workers has increased by 7.80% in the reporting quarter over the previous quarter and 24.99% over the previous year. It is noteworthy that the use of Digital Financial Services has increased significantly due to the payment of salaries of RMG workers in the recent times along with the use of bank accounts. Yet, deposits in these bank accounts have shown a positive growth by 2.01% over the previous quarter and 33.91% over the previous year. The positive trend in amount of deposits reflects the recovery tendency from the effect of COVID-19 pandemic.

³ BRPD Circular No-05 dated 19 June 2011

⁴ FID Circular No-02 dated 06 July 2020

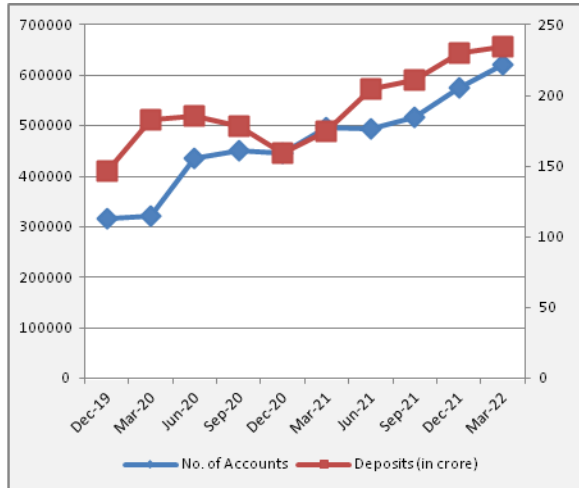


Figure 6: Quarterly Trend of Tk. 10 Accounts for RMG Workers

2.3 Performance of the Banks regarding Tk. 10/50/100 Accounts

State-owned Commercial Banks (SoCBs) dominates over the other categories of banks in opening Tk.10/50/100 Accounts. As of March 2022, SoCBs have opened 1,38,80,948 number of No-Frill Accounts which constitute 55% of the total accounts. Specialized Banks (SBs) have 27% while the Private Commercial Banks (PCBs) have 18% share of the total Tk. 10/50/100 accounts. Due to limited branches, participation of Foreign Commercial Banks (FCBs) is very low in this area.

During the reporting quarter, the total deposits held in the scheduled banks as Tk. 10/50/100 Accounts amounts to Tk. 2,862.36 crore. SoCBs hold Tk. 1,825.54 crore or 64% of the total deposits in these accounts.

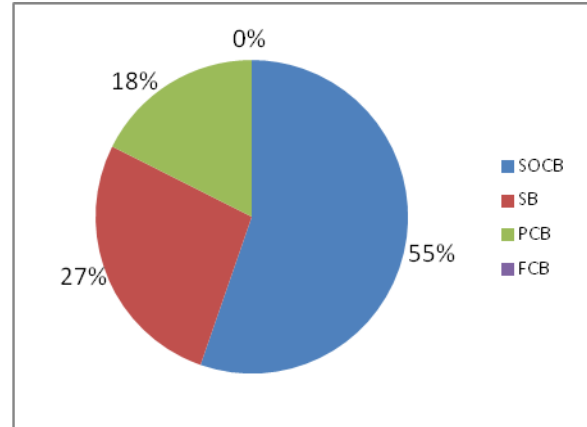


Figure 7: Market Share of Tk. 10/50/100 Accounts

2.4 Top 5 Banks' Performance on Tk. 10/50/100 Accounts

As of March 2022, top 5 banks have opened 81.53% of the total Tk. 10/50/100 Accounts. Sonali Bank Limited has opened 25.79% of the total accounts. Two other SoCBs in the list of top 5 banks, Agrani Bank Limited and Janata Bank Limited, have opened 15.15% and 11.11% of the total accounts respectively. Bangladesh Krishi Bank (BKB), the specialized bank with 17.68% of the total accounts, is another major contributor in promoting financial inclusion through opening No-Frill Accounts.

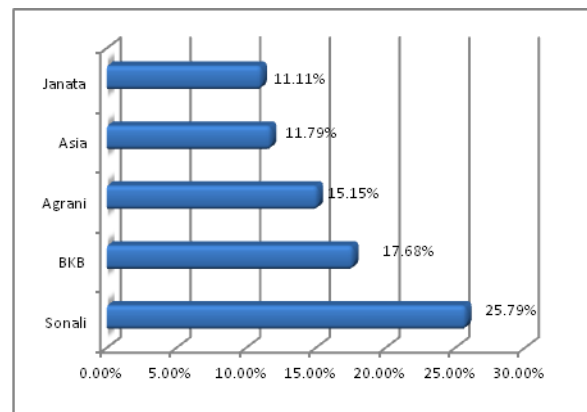


Figure 8: Top 5 Banks Based on Number of No-Frill Accounts

Top 5 banks hold 83.55% of the total amount of deposits. In terms of total deposits, Islami Bank Bangladesh Limited and Bank Asia Limited have emerged in the list as two PCBs along with Sonali Bank Limited, Agrani Bank Limited and Bangladesh Krishi Bank (BKB).

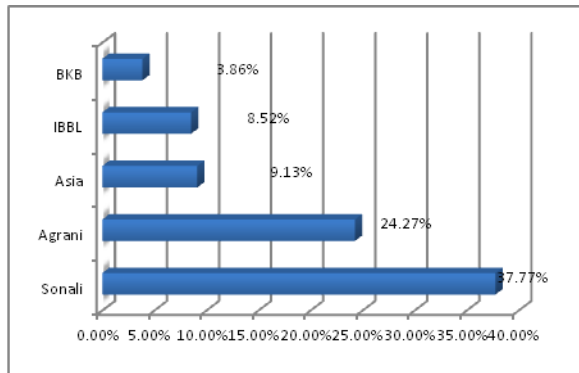


Figure 9: Top 5 Banks Based on Deposits in No-Frill Accounts

2.5 Refinance Scheme for No-Frill Account Holders

In 2014, BB created a refinance scheme with a revolving fund of Tk. 200 crore to facilitate income generating activities of the low income people with Tk. 10 account. Under the scheme, the banks were able to lend without any collateral. In september 2021, BB took several measures⁵ to facilitate rapid recovery of rural economy from the pandemic as well as to make this scheme more attractive both for the banks and the targeted borrowers. As a part of those measures, the fund size of the refinance scheme

increased from Tk. 200 Crore to Tk. 500 crore. Individual loan size in the revised scheme has increased from Tk. 50,000 to Tk. 5,00,000. The most significant revision of the scheme lies in the interest rate which is now 7% at the borrower level and 1% at the bank level, replacing the earlier rates of 9% at the borrower level and 4% at bank level. Besides, Shariah based banks are now permitted to participate in the scheme. 50 banks, who have so far signed in the scheme, have sent an annual lending target of Tk. 475.00 crore under the scheme for the calendar year 2022. Up to March 2022, a total of 91,842 borrowers have received Tk. 369.24 crore from both the Tk. 200 crore and Tk. 500 crore schemes. The reporting quarter has observed 2.15% increase of such loans over the previous quarter indicating a recovery of economic activities from COVID-19 pandemic.

The revised scheme is expected to ensure easier access to finance for the low income people with Tk. 10/50/100 Accounts.

⁵ FID Circular-01/2021, BB Website

Chapter 3: School Banking Activities

3.1 School Banking Activities in Bangladesh

School Banking is one of the most significant financial inclusion interventions by Bangladesh Bank. The program was initiated with an aim to develop savings behavior of the students at an early age. This program introduces banking services and modern banking technologies to students below 18 years of age. Bangladesh Bank issued directive⁶ for the banks to introduce School Banking in November 2010 and later framed a comprehensive policy⁷ in October 2013. These policies have preceded the directive⁸ to convert School Banking Accounts (SBAs) to general savings accounts once the students reach the age of 18 years (subject to the consent of the account holder).

In light of the existing School Banking policies, banks can open student accounts with a minimum deposit of Tk. 100 and no service charges. Moreover, these accounts offer attractive interest rates, debit card facilities and financial education programs. 55 banks out of 60 banks operating in Bangladesh have so far offered school banking. The number of SBAs has reached at 31,02,077 in the review quarter, a 8.20% higher than that of previous quarter.

⁶BRPD Circular Letter No.12/2010.

⁷GBCSRD Circular No.7/2013.

⁸FID Circular Letter No.02/2018.

Year-to-year comparison has also marked significant growth in School Banking activities. The number of SBAs has grown by 3.55% in the March 2022 compared to March 2021. The vaccination program for COVID-19 in educational institutes has further enhanced the normal class in school as well as School Banking activities.

3.2 Region-wise Distribution of School Banking Activities

As of March 2022, banks have opened 31,02,077 School Banking accounts in which half of the total accounts are in the urban area while another half are in the rural area. The

Highlights of the School Banking, March 2022:

- *No. of Banks Operating School Banking Accounts: 55*
- *Total no. of School Banking Accounts: 31,02,077*
- *Total Amount of Deposits: Tk.2,228.22 crore*
- *50 percent of Total Accounts are in the Urban Area and 50 percent are in the Rural Area.*
- *Male Students are holding 53% and Female Students are holding 47% of total No. of Accounts.*
- *The PCBs have the largest share of 69.43% in opening SBAs*

number of accounts has increased by 12.02% in the rural areas and 4.63% in the urban areas in the reporting quarter indicating a higher growth in the number of SBAs of rural areas than that of urban areas.

In division wise distribution, Dhaka has the largest share of 25.35 % SBAs containing 44.60% of the total deposits. Chattogram follows Dhaka with 21.29% share of the total SBAs and 22.83% of the total deposits. Figure 10 and 11 illustrate the division wise distribution of SBAs and deposits held in those accounts.

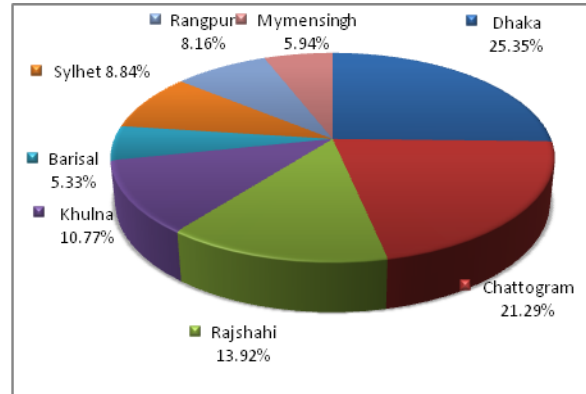


Figure 10: Division-wise School Banking Accounts

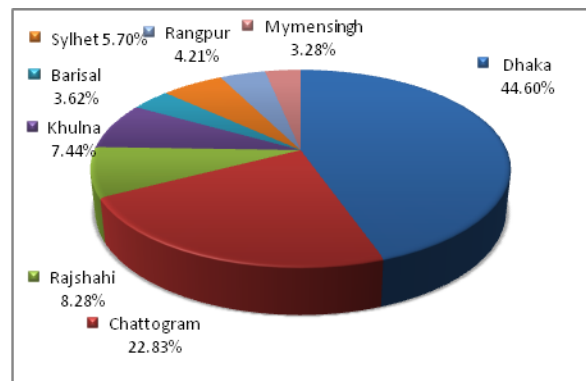


Figure 11: Division-wise School Banking Deposits

Dhaka Division

Total no. of Accounts: 7,86,290

Total amount of Deposits: Tk. 993.75 crore

Chattogram Division

Total no. of Accounts: 6,60,518

Total amount of Deposits: Tk. 508.70 crore

Rajshahi Division

Total no. of Accounts: 4,31,716

Total amount of Deposits: Tk. 180.21 crore

3.3 Gender-wise School Banking Activities

Gender distribution of SBAs is slightly inclined to the male students holding 53% of the total accounts. Female students, on the other hand, hold 47% of the total. Both the number of male and female accounts has increased significantly by 6.26% and 10.51% respectively in the March 2022 quarter. However, the amount of deposit in male and female accounts has increased by 0.82% and 1.25% respectively in the reporting quarter.

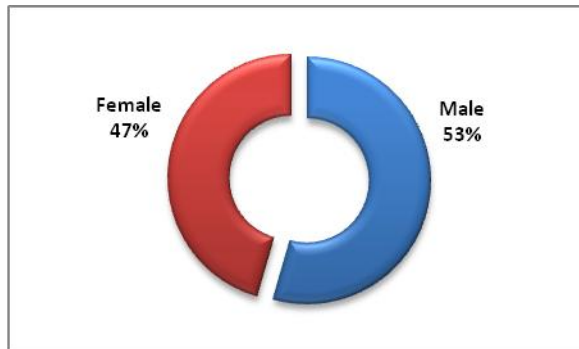


Figure 12: Gender-wise School Banking Accounts

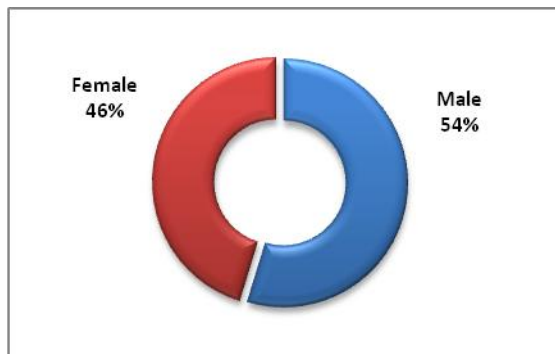


Figure 13: Gender-wise School Banking Deposits

3.4 Banks' Performance on School Banking Accounts and Deposits

The PCBs have the largest share in the accumulation of SBAs and deposits. They have opened 69.43% of the total School Banking accounts and held 79.23% of the overall School Banking deposit amounting to TK. 1,765.45 crore. During the reporting quarter, the number of accounts with the PCBs has increased by 10.15% and the amount of deposits has increased by 1.38% compared to the previous quarter.

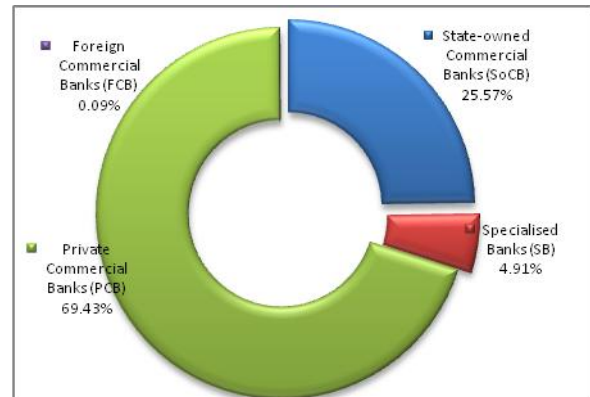


Figure 14: Banks' Performance on Opening School Banking Accounts

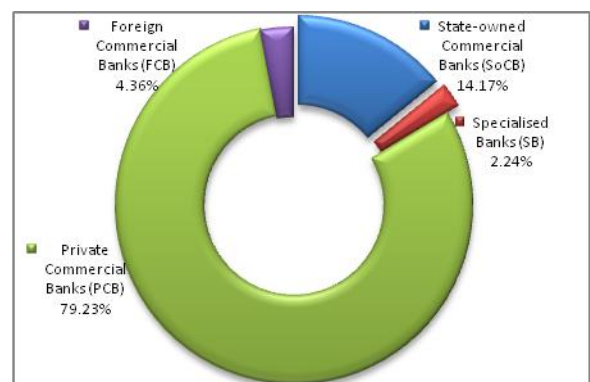


Figure 15: Banks' Performance on School Banking Deposits

The SoCBs rank next to the PCBs with 25.57% of the total accounts and 14.17% of the total deposits. The number of accounts by the SoCBs has increased by 4.42% and the collection of deposits has decreased by 1.17% respectively in the reporting quarter. SBs have opened 4.91% of the total School Banking accounts and hold deposit of Tk. 49.90 crore. 7 banks out of 9 FCBs operating in Bangladesh have offered School Banking so far. The number of accounts opened by the FCBs is 0.09% only. Figure 14 and 15 illustrate banks' category-wise performance in terms of SBAs and deposits held with those accounts respectively.

3.5 Top 5 Banks in School Banking Activities

Top 5 banks have opened 55.81% of total number of SBAs. Among the top 5 banks, Dutch-Bangla Bank Limited (DBBL) has ranked the top in School Banking activities with opening of 5,82,680 number of accounts covering around 18.78% of the total accounts as well as accumulating Tk. 587.70 crore deposits with a share of 26.74% of total deposits in SBAs. Islami Bank Bangladesh Limited (IBBL) holds second highest position with 15.83% of the total SBAs. Among the SoCBs, only Agrani Bank Limited and Rupali Bank Limited retain their position in the top 5 performers of School Banking Activities.

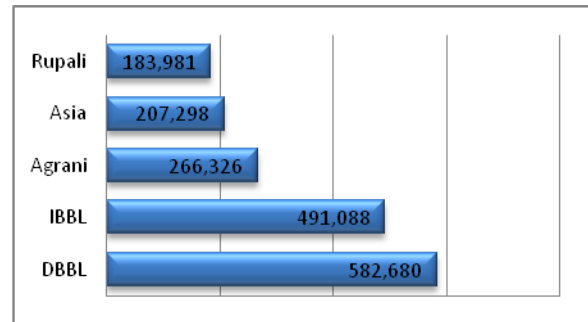


Figure 16: Top Performing 5 Banks in Opening School Banking Accounts

3.6 Conversion of School Banking Accounts to General Savings A/Cs

A significant portion of SBAs has been converted to general savings accounts when the students surpassed 18 years of age. In the reporting quarter, the number of accounts belongs to students who completed 18 years, has become 4,00,062 in which 3,34,855 accounts (approximately 84%) have been converted to general savings accounts. A bank category wise distribution of such accounts is added as Table 16 in Appendices.

Chapter 4: Banking Services for Street Urchin and Working Children

BB has advised banks⁹ to provide financial services to street urchin and working children to secure their hard earned money and help them to develop a saving attitude. Children who do not have parents or legal guardians can open accounts with the designated banks with the help of a registered Non-Government Organizations (NGOs). The NGOs involved in this process are fully responsible for the account operation and for the welfare of the account holders. No fees are charged for these accounts. Table 17 in the appendix A shows an overview of the banking services for SUAs during the reporting quarter.

4.1. Upto March 2022, 19 banks have opened 23,217 street urchin accounts through 23 NGOs. The total amount of deposits in these accounts reaches Tk. 45.92 lacs at the end of the reporting quarter.

4.2. The number of accounts for street urchin has been increased by 3,812 in March 2022 compared to December 2021 quarter, i.e., the number of accounts has increased by 19.64%.

4.3. Agrani Bank Limited has ranked top among the banks in opening Street Urchin and Working Children accounts. It has opened 18,510

accounts up to March 2022. Social Islami Bank Limited, on the other hand, has become

the top bank in collecting deposits in these accounts with a total deposit of Tk. 17.30 lac at the end of this quarter.

⁹BRPD Circular No.05/2014

Chapter 5: Recommendations

No-Frill Accounts have been considered as one of the most effective ways to expand financial inclusion to the underserved people in case of availing formal financial services. Yet, the growth in No-Frill Accounts need to be accelerated in order to achieve the goal of National Financial Inclusion Strategies (NFIS) where it is targeted to confirm bank accounts for all adults by 2025. In order to achieve the target, the recommendations are as follows:

5.1. Financial literacy campaign as well as school banking initiatives taken by the banks in every Upazilla will be helpful to boost up financial inclusion.

5.2. Banks can incentivize their agents to open No-Frill Accounts for the underserved population.

5.3. NFAs might be opened through Mobile Financial Services and equally be treated as bank accounts and reported accordingly.

Appendices

Appendix A: Tables

Table 1: Different Components of Tk. 10/50/100 Accounts excluding SBAs

Components		Total Number of the Accounts and Deposits		Accounts used for Govt. subsidy/salary		Tk. 200 crore Refinance Scheme/Others		Foreign Remittance	
		Cumulative number of Accounts	Cumulative amount of Deposits (Tk. in crore)	Cumulative number of Accounts	Cumulative amount of Deposits (Tk. in crore)	Cumulative number of Accounts	Amount of lending under the scheme (Tk. in crore)	Cumulative number of Accounts	Amount of Remittance (Tk. in crore)
1	Farmers	9,903,233	512.35	2,920,386	61.74	59,445	247.64	112,364	434.99
2	Extreme poor	3,464,579	192.90	1,035,687	143.23	5,498	50.86	3,058	12.22
3	Freedom fighters	289,469	721.47	144,715	186.06	12,936	50.90	2,692	4.73
4	Social Safety net allowance	9,377,837	764.28	2,725,991	259.37	4,392	0.96	2,195	19.45
5	Food & livelihood security	72,690	2.56	15,601	1.45	-	-	173	0.43
6	Poor rehabilitation under Ministry of Religious Affairs	1,669	1.28	334	0.52	-	-	201	0.38
7	City corporation workers	10,172	2.09	6	0.00	-	-	-	-
8	RMG workers	620,342	234.47	98,293	21.24	27	-	305	0.66
9	Leather Industry workers	502	0.12	55	0.00	-	-	-	-
10	National Service Program	60,056	24.68	23,350	18.52	-	-	2	0.01
11	Small Life Insurance Program	135,528	102.47	5,075	0.73	-	-	558	0.81
12	Physically challenged persons	557,858	94.39	234,907	88.98	5,524	0.08	266	0.03
13	Others	682,705	209.31	173,355	16.76	4,020	18.80	10,485	51.34
Total		25,176,640	2,862.36	7,377,755	798.62	91,842	369.24	132,299	525.05

Table 2: Growth of Tk. 10/50/100 Accounts

Components	March 2021	December 2021	March 2022	Change in Q-to-Q*	Change in Y-to-Y**
Farmers	9,833,281	9,883,878	9,903,233	0.20%	0.71%
Extreme poor	3,206,222	3,486,814	3,464,579	-0.64%	8.06%
Freedom fighters	264,557	286,975	289,469	0.87%	9.42%
Social safety net allowance	8,304,590	9,197,404	9,377,837	1.96%	12.92%
RMG Workers	496,324	575,664	620,342	7.76%	24.99%
Others	1,407,412	1,470,196	1,521,180	3.47%	8.08%
Total	23,512,386	24,900,931	25,176,640	1.11%	7.08%

*Quarter **Year

Table 3: Growth of Deposits in No-Frill Accounts

Components	March 2021 (Tk. in crore)	December 2021 (Tk. in crore)	March 2022 (Tk. in crore)	Change in Q-to-Q*	Change in Y-to-Y**
Farmers	422.35	511.37	512.35	0.19%	17.57%
Extreme poor	218.44	229.00	192.90	-15.77%	-13.24%
Freedom fighters	560.23	785.31	721.47	-8.13%	22.35%
Social Safety Net	686.94	809.80	764.28	-5.62%	10.12%
Others	493.49	622.51	671.36	7.85%	26.49%
Total	2,381.45	2,957.99	2,862.36	-3.23%	20.19%

*Quarter **Year

Table 4: Cumulative Amount of Deposits in No-Frill Accounts for the Farmers

Quarter	Cumulative Number of Accounts for Farmers	Amount of Deposits (Tk. in crore)
December 2019	1,01,86,605	351.76
March 2020	1,02,14,049	351.92
June 2020	1,02,70,143	364.15
September 2020	96,98,152	404.24
December 2020	97,28,518	406.86
March 2021	98,33,281	422.35
June 2021	98,59,198	446.69
September 2021	98,43,476	483.98
December 2021	98,83,878	511.37
March 2022	99,03,233	512.35

Table 5: Cumulative Amount of Deposits in No-Frill Accounts for the Extreme Poor

Quarter	Cumulative Number of Extreme Poor Accounts	Amount of Deposits (Tk. in crore)
December 2019	26,62,162	365.59
March 2020	27,08,409	322.76
June 2020	27,23,995	246.94
September 2020	26,94,062	191.08
December 2020	28,59,079	202.19
March 2021	32,06,222	218.44
June 2021	34,21,115	238.84
September 2021	34,36,401	215.33
December 2021	34,86,814	229.00
March 2022	34,64,579	192.90

Table 6: Cumulative Amount of Deposits in No-Frill Accounts for the Beneficiaries of SSN Programs

Quarter	Cumulative Number of SSN Accounts	Amount of Deposits (Tk. in crore)
December 2019	56,00,708	674.93
March 2020	68,64,052	866.46
June 2020	73,58,243	886.12
September 2020	77,33,802	605.36
December 2020	78,73,584	751.63
March 2021	83,04,590	686.94
June 2021	87,93,136	867.61
September 2021	88,45,815	679.00
December 2021	91,97,404	809.80
March 2022	93,77,837	764.28

Table 7: Cumulative Amount of Deposits in No-Frill Accounts for RMG Workers

Quarter	Cumulative Number of Accounts	Amount of Deposits (Tk. in crore)
December 2019	3,16,365	146.19
March 2020	3,22,244	182.7
June 2020	4,35,956	185.87
September 2020	4,51,620	178.25
December 2020	4,45,721	158.94
March 2021	4,96,324	175.10
June 2021	4,93,360	204.48
September 2021	5,16,517	210.86
December 2021	5,75,664	229.85
March 2022	6,20,342	234.47

Table 8: Bank Category-wise No-Frill Accounts except SBAs

Category of Banks	No. of Accounts	Amount of Deposits (Tk. in Crore)
State Owned Commercial Banks (SoCB)	13,880,948	1,825.538
Specialized Banks (SB)	6,740,200	141.310
Private Commercial Banks (PCB)	4,555,447	895.483
Foreign Commercial Banks (FCB)	45	0.024
Total	25,176,640	2,862.36

Table 9: Top 5 Banks Based on Number of Accounts and Amount of Deposits

Top 5 Banks (Based on Number of Accounts)				Top 5 Banks (Based on Deposits of Tk. in crore)			
SL	Bank Name	Account	Percentage	SL	Bank Name	Deposit	Percentage
1	Sonali Bank Limited	6,492,259	25.79%	1	Sonali Bank Limited	1081.13	37.77%
2	Bangladesh Krishi Bank	4,452,214	17.68%	2	Agrani Bank Limited	694.59	24.27%
3	Agrani Bank Limited	3,813,689	15.15%	3	Bank Asia Limited	261.29	9.13%
4	Bank Asia Limited	2,969,423	11.79%	4	Islami Bank Bangladesh Limited	243.85	8.52%
5	Janata Bank Limited	2,797,935	11.11%	5	Bangladesh Krishi Bank	110.61	3.86%
	Total		81.53%		Total		83.55%

Table 10: Area-wise School Banking Accounts and Deposits

	Rural		Urban		Total
	Total	Percentage	Total	Percentage	
Number of Accounts	15,51,490	50%	15,50,587	50%	31,02,077
Amount of Deposits (Tk. in crore)	616.81	28%	1,611.41	72%	2,228.22

Table 11: Regional Distribution of School Banking Accounts and Amount of Deposits

Division	Number of Accounts	Percentage	Amount of Deposits (Tk. in crore)	Percentage
Dhaka	786290	25.35%	993.75	44.60%
Chattogram	660518	21.29%	508.70	22.83%
Rajshahi	431716	13.92%	180.21	8.09%
Khulna	346712	11.18%	170.81	7.67%
Barisal	165418	5.33%	80.71	3.62%
Sylhet	274100	8.84%	127.07	5.70%
Rangpur	252987	8.16%	93.83	4.21%
Mymensingh	184336	5.94%	73.14	3.28%
Total	31,02,077	100.00%	2,228.22	100.00%

Table 12: Gender-wise School Banking Accounts and Deposits

	Male		Female		Total
	Total	Percentage	Total	Percentage	
Number of Accounts	16,51,206	53%	14,50,871	47%	30,102,077
Amount of Deposit (Tk. in crore)	1,212.30	54%	1,015.91	46%	2,228.22

Table 13: Bank Category-wise School Banking Accounts and Deposits

Bank Type	Number of Accounts	Percentage	Amount of Deposits (Tk. in crore)	Percentage
State-owned Commercial Banks	793283	25.57%	315.69	14.17%
Specialized Banks	152358	4.91%	49.90	2.24%
Private Commercial Banks	2153716	69.43%	1765.45	79.23%
Foreign Commercial Banks	2,720	0.09%	97.17	4.36%
Total	31,02,077	100.00%	2,228.22	100.00%

Table 14: Banks' Performance on Opening School Banking Accounts in the Last 5 Quarters

Types of Banks	Number of Accounts					Growth Q-to- Q*	Growth Y-to-Y**
	Mar-21	Jun-21	Sep-21	Dec-21	Dec-21		
State-owned Commercial Banks	6,67,584	7,29,615	7,42,124	759690	793283	4.42%	18.83%
Specialized Banks	1,45,777	1,48,210	1,50,385	149189	152358	2.12%	4.51%
Private Commercial Banks	19,52,403	20,96,089	20,59,998	1955281	2153716	10.15%	10.31%
Foreign Commercial Banks	2,729	2,729	2,711	2713	2,720	0.26%	-0.33%
Total	27,68,493	29,76,643	29,55,218	2,866,873	31,02,077	8.20%	12.05%

* Quarter **Year

Table 15: Top 5 Banks' Performance in Opening School Banking Accounts and Deposits Collection

Top 5 Banks (Number of Accounts)				Top 5 Banks (Amount of Deposits)			
Sl	Bank Name	Accounts	% of Total Accounts	Sl	Bank Name	Deposits (Tk. in crore)	% of Total Deposits
1	Dutch-Bangla Bank Limited	582,680	18.78%	1	Dutch-Bangla Bank Limited	587.70	26.44%
2	Islami Bank Bangladesh Limited	491,088	15.83%	2	Eastern Bank Limited	167.47	7.53%
3	Agrani Bank Limited	266,326	8.59%	3	Islami Bank Bangladesh Limited	163.49	7.36%
4	Bank Asia Limited	207,298	6.68%	4	Dhaka Bank Limited	127.05	5.72%
5	Rupali Bank Limited	183,981	5.93%	5	Janata Bank Limited	102.11	4.59%

Table 16: Bank Category-wise School Banking Accounts Holders who completed 18 years old.

Category of Banks	School Banking Accounts who completed 18 years old	School Banking Accounts converted to General Savings Accounts
State Owned Commercial Banks (SoCB)	21,016	11,193
Specialized Banks (SB)	8,977	8,085
Private Commercial Banks (PCB)	3,70,014	3,15,576
Foreign Commercial Banks (FCB)	55	1
Total	4,00,062	3,34,855

Table 17: Bank Accounts opened in name of Street Urchin and Working Children

Sl	Name of the Bank	Cumulative Number of Accounts	Cumulative amount of deposits (in BDT thousands)
1	Sonali Bank Limited	36	3.6
2	Agrani Bank Limited	18510	212.252
3	Janata Bank Limited	200	80
4	Rupali Bank Limited	969	1060.76
5	Bangladesh Development Bank Limited	185	13.759
6	Bangladesh Krishi Bank	160	32
7	Al-Arafah Islami Bank Limited	153	200
8	Bank Asia Limited	234	194.8
9	Dutch-Bangla Bank Limited	20	5.019
10	Mercantile Bank Limited	232	187.79
11	Mutual Trust Bank Limited	43	1.146
12	National Bank Limited	19	13
13	One Bank Limited	226	279.3
14	Prime Bank Limited	39	2
15	Pubali Bank Limited	544	300
16	Social Islami Bank Limited	1191	1730
17	The City Bank Limited	148	100
18	Trust Bank Limited	269	100
19	Uttara Bank Limited	39	77
	Total	23,217	4,592.426

Appendix B: BB Circulars used as References in this Report

Date	Circular No.	Title
17-01-2010	BRPD Circular No.-01/2010	Regarding the Opening of the Accounts for Farmers.
08-09-2010	BRPD Circular No.-29/2010	Bank Accounts for the Extreme Poor
02-11-2010	BRPD Circular Letter No.-12/2010	School Banking Accounts
11-04-2011	BRPD Circular No.-04/2011	Bank Accounts for the Freedom Fighters
19-06-2011	BRPD Circular No.-05/2011	Bank Accounts for Beneficiaries under Social Safety Net Program
03-08-2015	FID Circular No.-02/2015	Opening Bank Accounts for the Dwellers of Angorpota -Dohogram and Newly Included 111 Enclaves in Bangladesh
18-06-2015	GBCSRD Circular Letter No.-07/2015	Regarding Opening 10 Taka Accounts for Small/ Marginal/ Landless/ Natural Disaster affected Farmers and Small or Micro Traders
17-12-2018	FID Circular Letter No.-02/2018	Conversion of the School Banking Accounts into General Savings Accounts

Appendix C: Initial Deposits for Opening No-Frill Accounts

	Type of No-Frill Accounts	Reference	Initial Deposits (Tk.)
1	Farmers	BRPD-01/2010	10/-
2	Extreme poor	BRPD-29/2010	10/-
3	Freedom fighters	BRPD-04/2011	10/-
4	Social Safety net allowance	BRPD-05/2011	10/-
5	Food & livelihood security	BRPD-17/2012	10/-
6	Poor rehabilitation under Ministry of Religious Affairs	GBCSRD-01/2013	10/-
7	City corporation cleaning workers	GBCSRD-03/2013	10/-
8	RMG workers	GBCSRD-05/2013	100/-
9	Leather Industry workers	GBCSRD-06/2013	100/-
10	National Service Program	BRPD-17/2010	50/-
11	Small Life Insurance Program	BRPD-08/2011	100/-
12	Blind/Physically challenged persons	GBCSRD-01/2015	10/-
13	Beneficiaries of Hindu Welfare Trust	BRPD-07/2011	10/-
14	School Banking	GBCSRD-07/2013	100/-
15	Street Urchin and Working Children	BRPD-05/2014	10/-
16	Former habitant of Sit-mahal Areas (Enclaves)	FID-02/2015	10/-
17	Others Categories (Not included in the above categories)	Banks' Discretion	10/50/100/-

Appendix D: Financial Literacy and Digital Financial Inclusion for TK. 10/50/100 Accounts

Bangladesh Bank has taken diverse financial literacy initiatives since 2014 to bring the larger portion of financially excluded population under formal financial services. Financial literacy website has been launched, Television and Radio commercials have been prepared and measures have been taken to include a chapter on Financial Literacy in the national curriculum. School Banking Conference has been arranged at the district levels in different parts of Bangladesh. However, due to COVID-19 situation, these conferences have been postponed since March 2020. In line with the initiatives of Bangladesh Bank, commercial banks have also published financial literacy brochures, slogans, leaflets, photos at the bank branches, ATM booths, billboards, deposit slip and various publications of the banks. BB encourages banks to arrange open disbursement program under the refinance schemes for Tk. 10/50/100 account holders and the financial literacy campaigns are aligned to ensure `Access to Finance` for this segment of people. The idea is that once become financially literate, the low income individuals are more likely to avoid borrowing beyond their repayment capacities (over-indebtedness), thereby lower credit risk in the financial system. Open disbursement programme of credit for the marginal people is one of the key process to inspire banks to participate in the refinance scheme.

Secondly, No Frill Accounts has been proved to be effective in providing access to formal banking services for the low income population at a lower cost. However, due to limited outreach of banking network, there is a big challenge to expand these services especially in the rural areas. In this context, digital financial inclusion initiatives such as internet banking, mobile financial services, can play significant role to take the financial services to the doorsteps of the target population. Since, mobile has become available for majority of the adult population of Bangladesh; MFS has been convenient for rural population. No-Frill Accounts can be used as a linked account for MFS Accounts through which beneficiaries of government subsidies, credits from refinance scheme etc can be easily disbursed. The interoperability between the No-Frill accounts and MFS accounts would bring more accessibility and flexibility for the users. Therefore, it is worth examining whether the No Frill Accounts can be linked with the MFS accounts.