

# ASIAMONEY

## BEST BANK AWARDS 2022 : BANGLADESH



- Best Domestic Bank - **Eastern Bank**
- Best International Bank - **Standard Chartered**
- Best Investment Bank - **Dhaka Bank**
- Best Corporate Bank - **UCB Investment**
- Best for Digital Solutions in Bangladesh -- **bKash**
- Best for SMEs in Bangladesh - **IDLC Finance**
- Best Bank for ESG - **Green Delta Capital**
- Best Bank for CSR - **City Bank**
- Best Bank for Diversity and Inclusion - **Mutual Trust Bank**

## Ali Reza Ifttekhar

Managing Director and CEO,  
Eastern Bank Limited



The unprecedented challenges thrown out by the Covid-19 pandemic made us harness the power of digital technology. In our efforts to make remote banking services available for our customers, we introduced a lot of forward-looking and innovative technology to offer seamless and hassle-free services during the pandemic. Our readiness to adapt to challenging times was amply rewarded as we successfully transformed the crisis into an opportunity for innovation and service excellence. The year 2021 brought us a sense of renewed optimism and we are excited about the opportunities presented by the country's economic recovery. Our aim is to leverage our combined strengths in banking to offer holistic and seamless solutions across business segments. Strengthening our digital capabilities and customer centricity is central to this agenda as we expand beyond traditional solutions to offer innovative and competitive offerings to drive customer acquisition and deepen relationships with our customers. Going forward, we would like to carry on with the value of relationships with our customers that proved crucial during the pandemic. Engagement with customers and understanding their needs can see us through any crisis.

## M Jamal Uddin

Managing Director and CEO,  
IDLC Finance Limited



The core competencies of IDLC have always been its focus on innovation, efficiency, and customer-centricity. Based on these core competencies, the SME Division, which started its journey in 2006 with only 6 employees, has now become the largest contributor to the organisation's asset portfolio. IDLC launched some financial solutions tailor-made for SME entrepreneurs, which were the first of their kind in the market. Again, in order to drive efficiency and minimise the turn-around time of our customers, IDLC has taken initiatives such as introducing tab-based banking for our relationship managers, launching scorecard-based loan underwriting for small ticket loans and developing an in-house loan origination system. SME entrepreneurs are the driving force of the country's economy and IDLC is committed to cater to their needs in a faster and more efficient manner. Going forward, we believe that leveraging technology is key to achieving better operational efficiency and providing seamless service to our valued clients. Again, we are prepared to capitalise on the various refinancing schemes offered by our regulator, Bangladesh Bank, so that SME entrepreneurs have access to low-cost financing.

Mutual Trust Bank Limited (MTB)  
has been awarded as the  
**“Best Bank for Diversity and  
Inclusion in Bangladesh 2022”**  
by AsiaMoney



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড™  
**Mutual Trust Bank Ltd.**  
*you can bank on us*

## From bottomless basket to a role model

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The total number of banks in the country now stands at 61 with the amount of deposit and loans escalating to Tk 1,350,433 crore and Tk 1,521,265 crore respectively.

The number of bank branches has also increased to around 11,000 at present.

Anis A Khan, a former managing director of Mutual Trust Bank, said the economy is growing stronger when measured by macroeconomic factors and is proceeding well to be among the first thirty largest economies of the world.

“And along this exciting journey, banks and financial institutions have been an integral part of this wonderful development story,” he said.

“Independence saw us bereft of banking assets as the Pakistani banks then operating here had taken away all they could before the surrender of the Pakistani forces,” Khan added.

However, Bangladesh has turned the situation around with excellence.

The adoption of technology has transformed some banks into highly sophisticated institutions offering state of the art ATMs, cash recycling machines, internet banking facilitating instant transfers, credit cards and more.

“Financial inclusion has resulted in banking services percolating down to our hard-working farmers, small and medium enterprises (SMEs), female entrepreneurs, green product financing and more,” Khan said, adding that Bangladeshi banks even have products for school-children and less privileged people.

The outstanding loans disbursed by banks and non-bank financial institutions to SMEs stood at Tk 259,704 crore as of March this year. This has helped create new entrepreneurs across the country.

The expansion of SMEs has changed the landscape of the economy to a large extent in the last one decade by generating a huge number of employment opportunities.

On top of that, the banking sector has been relentlessly providing funds

to the agriculture sector, giving a great boost to the rural economy. The outstanding loans in the farm sector stood at Tk 49,802 crore as of June this year.

Banks are also providing job opportunities for the country's youths graduating from local educational institutions, affording them and their families a better standard of living.

The number of total employees in the banking sector stood at 1.88 lakh as of December last year.

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Besides, the corporate social responsibility (CSR) programmes of banks now range from flood and cyclone relief to scholarships for bright but poor students, and so much more.

Banks have also emerged as one of the highest tax-payers in the country, helping the government spend money in budgeted areas.

“In sum, it can be said that banks are the fabric of the nation's quest for becoming a middle-income country, which will usher in a better quality of life for its citizens,” Khan said.

### WHERE WE ARE

Bangladesh's economy registered an average growth of 6.89 per cent between FY 2008-09 and FY 2018-19 compared to 3.79 per cent during the first decade after independence. The GDP growth stood at 6.94 per cent in the last fiscal year.

Bangladesh's capacity to produce rice has also increased very fast as it had produced around 3.80 crore tonnes of the staple crop in FY 2021-22.

The country had produced 1.08 crore tonnes of rice in 1972, when the population was estimated to be around 7 crore.

Bangladesh increased its production capacity in keeping with the rising population.

The average life expectancy in Bangladesh is now 73 years, higher than in India (70 years) and Pakistan (68 years).

In terms of adult literacy, Bangladesh at 73.9 per cent is far ahead of Pakistan at 59.1 per cent and close to India at 74.4 per cent.

In his article, styled “The Bangladesh Economy Navigating the Turning Point”, former World Bank economist Basu said the fact that the local economy would be a cause for celebration at 50 was previously unthinkable.

The sudden withdrawal of businesses from Bangladesh at the time of independence had left an entrepreneurial vacuum in the 1970s.

This had to be filled by new local talents, and the country has seen small businesses flourish ever since.

“Now, with the higher level of investment available, these businesses are becoming more productive. But this in itself would not be enough,” Basu said.

This means Bangladesh will need more investment in the days ahead, but it is not possible for the banking sector alone to fulfil the growing demand for funds.

Professor Habib of the Bangladesh Institute of Banking Management says Bangladesh needs desperate efforts to develop the bond and capital markets to reduce over-dependence on the local banking sector.