

A RESILIENT AND INCLUSIVE

banking sector relies heavily on public trust

M. NAZEM A. CHOUDHURY, Deputy Managing Director, Prime Bank

The Daily Star (TDS): What is the current state and trend of bank deposits in the country?

M. Nazem A. Choudhury (MNAC): The deposit landscape in Bangladesh is evolving amidst global uncertainties, domestic inflation and changing customer expectations. Despite these challenges, the banking sector remains resilient, with Prime Bank playing a key role in driving deposit growth through innovation and targeted solutions. Customers today demand more than traditional banking—they seek value, ethics and convenience. In response, Prime Bank has enhanced its focus across Corporate, Institutional, Commercial and SME Banking by offering tailored deposit products aligned with business needs and regulatory frameworks. Our academic initiative, PrimeAcademia, is reshaping financial inclusion for the education sector by offering specialised deposit solutions such as digital tuition fee collections, teacher centric savings and youth accounts promoting financial literacy. Additionally, our Hasanah Islami Banking has gained strong traction by promoting Shariah-

compliant deposit options like Halal Savings, ensuring financial services that align with faith-based values while promoting transparency and social welfare.

TDS: What major deposit schemes does your bank currently offer, particularly those tailored to specific customer segments?

MNAC: Prime Bank offers a wide range of tailored deposit schemes to meet the diverse needs of individuals and institutions. For corporates and institutions, we provide advanced cash management solutions through PrimePay for efficient, secure transactions. SMEs benefit from flexible deposit options linked with credit facilities and preferential rates. Priority Banking serves high-net-worth individuals with exclusive services, while salaried professionals enjoy high-return Payroll Savings Schemes. Senior citizens are supported through the Prime 50 & Plus Savings Scheme, offering higher returns and healthcare benefits. Our women-centric platform 'Neera' includes exclusive deposit schemes and insurance coverage to promote financial inclusion. Under Hasanah Islami Banking, we offer Shariah-compliant savings, Mudarabah term deposits and profit-sharing accounts. Students and youth are engaged through PrimeAcademia's zero-fee Youth Accounts, while teachers enjoy preferential interest rates, insurance, and loan facilities. Educational institutions benefit from dedicated accounts for managing payroll and tuition collections. Non-

Our women-focused platform Neera will expand to include maternity-linked savings schemes and financial training for rural women entrepreneurs.

Resident Bangladeshis are served through the NFCD, NRBPL, Home Loan and Prime Porijon Accounts, offering income schemes and remittance-linked savings.

TDS: What innovations has your bank introduced in terms of technology, payments, and security to benefit depositors?

MNAC: Innovation lies at the heart of Prime Bank's strategy to enhance customer experience, expand access and ensure secure banking. Our omnichannel platform, MyPrime, enables 24/7 deposit access, fund transfers, utility payments. We've introduced end-to-end digital account opening through e-KYC, empowering underserved segments—especially students and rural women—to join the formal financial system with ease. Through PrimeAcademia, we offer digital tuition fee collection for schools, while our women-focused platform

Neera combines financial education with autonomous savings solutions. We've also enabled QR payments, mobile wallet integration and interoperability with RTGS and BEFTN for seamless, real-time transactions.

In partnership with TallyKhata, we are pioneering micro deposit collection for informal workers, helping nano entrepreneurs transition into formal banking. Security remains a top priority—our systems are equipped with AI-based fraud detection, two-factor authentication and real-time risk scoring to protect depositors.

TDS: What are your bank's future plans for developing new deposit schemes and enhancing operational modes for depositors?

MNAC: Prime Bank's future deposit strategy centers on inclusion, personalisation and digital innovation to meet the evolving needs of customers. We are set to introduce savings planners, offering personalised insights based on customers' income, goals and behavior. PrimeAcademia will be enhanced with flexible instalments, digitised student loans and pension-linked deposit options for educators. Our women-focused platform Neera will expand to include maternity-linked savings schemes and financial training for rural women entrepreneurs, promoting empowerment and resilience. For sustainability-conscious savers, we plan to launch Green Deposit Products, while Hasanah Islami Banking will grow to feature youth-oriented halal savings and zakat-linked community deposits.

To improve accessibility, we're rolling out voice-assisted banking and biometric authentication, particularly benefiting elderly and visually impaired customers. We aim to deepen our SME deposit ecosystem by integrating accounting tools, invoicing and digital payment solutions. Through Agent Banking, we'll further penetrate underserved regions, connecting unbanked communities to formal financial services.

TDS: What role do you believe the government should play in strengthening public trust and ensuring the safety of deposits in the banking sector?

MNAC: A resilient and inclusive banking sector relies heavily on public trust and the government plays a vital role in reinforcing that trust. Strengthening the Deposit Insurance Scheme, particularly to protect small savers, is key to ensuring deposit safety and financial stability. Transparent disclosures of bank performance and governance should be mandated, enabling customers to make informed banking decisions with confidence. The government can further promote financial literacy across schools, rural communities and women-focused groups. Initiatives that align well with platforms like PrimeAcademia and Neera, which already champion financial education and empowerment. Encouraging strong compliance frameworks, ethical governance and Shariah-compliant banking practices will foster a more competitive and values-driven industry.



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Bangladesh's Evolving Deposit Landscape



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FROM PAGE J1

Notably, interest rates on deposits have risen compared to recent years. However, challenges such as persistent inflation and reduced public confidence continue to weigh on the broader financial system. Many households, facing growing living costs, have been forced to draw down savings rather than deposit new funds.

"Despite attractive deposit rates between 9% to 13%, high inflation and a lack of public confidence have limited stronger growth in some banks," explains Ahsan Zaman Chowdhury, Managing Director & CEO of Trust Bank.

In the wake of recent instability within parts of the banking sector, there has been a visible shift in depositor behaviour. Customers have increasingly transferred funds away from banks perceived as risky to institutions with stronger governance and financial health. For instance, in 2024, eleven banks reportedly lost a combined Tk. 23,700 crore in deposits, which were redirected to other more trusted banks.

"In the first half of 2025, we registered BDT 8,000 crore in deposit growth—a remarkable acceleration compared to BDT 3,000 crore during the same period in 2024. This momentum is not accidental; it results from three deliberate strategic pillars: trust, technology and brand equity," shares Mashrur Arefin, Managing Director & CEO of City Bank.

"While the industry recorded a 7.44% deposit growth in 2024, BRAC Bank achieved an impressive 34% increase—setting a significant benchmark," notes Tareq Refat Ullah Khan, Managing Director & CEO (Current Charge), BRAC Bank.

Banking insiders believe the sector is stabilising. Recent guidance from the central bank on improving governance and preventing financial misconduct has played a key role in rebuilding confidence.

"Inflation has remained elevated at around 9%, reducing people's capacity to save, and confidence has been undermined by past irregularities. However, central bank interventions have helped stabilise the situation. While growth remains below the 10-11% levels of late 2023, the trend is upward, indicating gradual recovery," says Sheikh Mohammad Maroof, Managing Director & CEO, Dhaka Bank.

Currently, most commercial banks—both local and foreign—offer a variety of deposit products. These include Fixed Deposits (FDs), Monthly Savings Schemes (MSS), Double/Triple Benefit Deposits, Pension and Retirement Schemes, Women's Savings Accounts, Islamic savings instruments, and Student Savings Accounts.

"UCB offers a wide range of deposit schemes tailored to meet the diverse needs of our customer base—from individuals to SMEs, corporates, and NRBS. Our offerings are designed with flexibility, inclusiveness, and transparency in mind," says Mohammad Mamdudur

Rashid, Managing Director & CEO of United Commercial Bank.

"Among our standout innovations is the e-FD, a fully digital Fixed Deposit Receipt available through our CBC Digital platform. This allows customers to open fixed deposits in minutes, with preferential interest rates and a seamless, paperless experience," adds Najith Meewanage, CEO of Commercial Bank of Ceylon, Bangladesh Operations.

Senior citizens, a particularly vulnerable demographic due to the limited scope of national safety net programmes, are being targeted through specialised deposit schemes under various DPS plans.

"Senior citizens aged 60 and above benefit from our Trust Seniors Account, Trust Seniors FDR, and Trust Seniors ECHO. In addition, we offer adult customers regular monthly deposit plans such as the Trust Smart Savers Scheme, Lakshmi Scheme, Trust Millionaire Scheme and Trust Kotipati Scheme," says Ahsan Zaman Chowdhury of Trust Bank.

Technological innovation remains a priority across the sector, as banks seek to enhance both convenience and security for depositors.

"We are investing heavily in automation and process optimisation. We want opening an account or updating information to be as effortless as ordering food online—fast, secure, and paperless," says Ali Reza Iftekhar, Managing Director of Eastern Bank.

SEE PAGE J6