

Strengthening Trust and
INNOVATION IN BANKING

ANM MAHFUZ, Managing Director (CC), Bank Asia



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

ANM Mahfuz (ANMM): As of latest published data May-2025, Bangladesh's banking industry is experiencing moderate deposit growth, with total deposits reaching approximately BDT 18.32 trillion, reflecting a year-on-year increase of 7.73%. This growth has slowed down compared to earlier months and remains below the ideal 10-12% level, largely due to persistent high inflation (9-11%), reduced public confidence, and a weaker private sector credit demand. Time deposits dominate the deposit structure, comprising nearly 89% of the total, while demand deposits account for around 11%.

The depositors have become more perceptive—prioritizing security, transparency, and competitive returns. Despite banks offering 9-11% (or up to 13%) interest to attract deposits, deposit growth remains subdued, particularly as investors shift to government securities yielding ~12.5-13%. However, the good banks are still registering steady deposit growth. At Bank Asia, we have observed consistent growth in both local and foreign currency deposits, reflecting strong customer confidence and a robust governance framework.

TDS: What major deposit schemes does

your bank currently offer, particularly those tailored to specific customer segments?

ANMM: Bank Asia offers a comprehensive suite of deposit products tailored to diverse customer segments:

- Corporate Liability Solutions: Our latest offerings—Corporate Signature Transactional Account and Corporate Platinum Plus Account—provide interest-bearing current accounts for large corporate, government bodies, and NGOs with high transaction volumes.
- Retail & SME Deposits: Fixed deposits, savings accounts, and monthly benefit schemes designed for salaried individuals, homemakers, and small businesses.
- Islamic Banking Deposits: Mudaraba savings and term deposits, fully compliant with Shariah principles.
- Student & Youth Products: Accounts that foster savings habits among students under our School Banking initiative.
- Women, senior citizen focused Accounts: Specialized products promoting financial inclusion and empowerment for women, such as Achol and Senior Citizen Deposit Schemes.
- Scheme based & Targeted Savings: Deposit Pension Scheme (DPS): Tenures 3-12 years, designed for retirement savings; Shonchoy E Koti Poti: Long term scheme (5-15 yrs) encouraging million making savings; Double Benefit Plus: Principal + interest doubling in 7 years, starting at Tk 50,000.

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

ANMM: Bank Asia leads with a digital-first approach, continuously innovating to enhance customer experience and security:

- PayEZ – Corporate Internet Banking: A secure, feature-rich platform for corporate clients offering real-time balance views, bulk transactions, and ERP integration.
- Agent Banking Network: One of the largest in the country, enabling

banking in remote areas. With competitive rates and inclusive products for minors, students, women, and senior citizens, the bank aims to boost disciplined saving habits across diverse and underserved communities.

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

ANMM: Our future strategy focuses

powered 24/7 customer support.

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

ANMM: Building public trust in banking requires consistent policies, regulatory oversight, and collaborative innovation. We believe the government can further strengthen depositor confidence by:

- Enforcing stringent risk management and corporate governance practices
- Ensure transparency and disclosure: Publish regular bank performance reports, including health indicators like capital adequacy, NPL ratios, and stress test results.
- Promote technology-driven oversight, including real-time monitoring of liquidity and solvency risks.
- Enhanced regulatory supervision would discourage irregular practices and play a vital role in building trust.
- Increase the coverage limit and awareness of the Deposit Insurance Scheme to protect small depositors. Consider a proportional premium system for deposit insurance i.e. riskier banks pay higher insurance premiums, discouraging reckless behavior.
- Promoting financial literacy to empower informed banking decisions.
- Investing in digital infrastructure to reduce cost and operational risks.

Bank Asia is committed to working closely with regulators and policymakers to build a secured, inclusive, and resilient financial ecosystem for all.

Bank Asia has introduced financial literacy programs, partnered with NGOs, and expanded agent banking in remote areas. With competitive rates and inclusive products for minors, students, women, and senior citizens, the bank aims to boost disciplined saving habits across diverse and underserved communities.

access to financial services in remote and underserved communities.

- Internet/Mobile Banking & QR Payments: Through the Bank Asia SMART App, clients can transfer funds, pay bills, and manage accounts with ease.
- Cybersecurity Enhancements: Deployment of multi-factor authentication, AI-driven fraud detection, and real-time risk monitoring systems.
- E-KYC & Digital Onboarding: A fully digital account opening process that ensures ease of access while maintaining strict regulatory compliance.

To promote a sustainable savings culture, Bank Asia has introduced financial literacy programs, partnered with NGOs, and expanded agent

on personalization, financial inclusion, and sustainability:

- Further segmentation: Expand youth, women, senior citizen, and Islamic portfolios, building on their success in attracting deposits
- Digital feature enhancements: Integrate AI-enabled advisory, enhanced mobile banking User Experience, digital KYC, and real-time analytics within the Smart App.
- Agent channel expansion: Grow depositor base via more rural/urban agents.
- Foreign Currency Savings Plans: Designed for NRBs and export-oriented businesses.

Operationally, we aim to expand branchless banking, enhance digital service delivery, and introduce AI-

A look at lucrative deposit plans



Millionaire or Kotipoti deposit plans have become a staple offering across many banks today. These are typically long-term, fixed-period deposit schemes requiring a consistent monthly or one-time investment that matures into a substantial lump sum, up to BDT 1 million or 1 crore.

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Banks are further enhancing the appeal of these schemes by offering digital convenience. Many products can now be opened and managed entirely online, a feature particularly appreciated by younger, tech-savvy customers and the overseas Bangladeshis.

Fixed Deposits make a comeback

Even as the market diversifies, the old faithful fixed deposits (FDRs) remain a stronghold, offering security, flexibility, and attractive returns. Many banks are offering interest rates of 9%-11% on traditional FDRs, with certain schemes pushing yields even higher.

According to IFIC Bank Chairman Mehmood Husain, "IFIC currently offers interest rates of up to 12% on its specialised deposit products," with Fixed Deposits (FDs) among the most sought-after. At NRBC Bank, FDRs are part of a diversified portfolio that includes pensioner and millionaire schemes. Dhaka Bank extends the appeal with Fixed Deposit Receipts (FDRs), including structured deposit schemes offering enhanced monthly returns.

Commercial Bank of Ceylon (CBC) introduced Dollar Smart, a foreign currency term deposit offering

competitive returns, flexibility, and security aligned with global standards. The bank's CEO, Najith Meewanage also added, "Among our standout innovations is the e-FD, a fully digital Fixed Deposit Receipt available via our CBC Digital platform. This pioneering service allows customers to open fixed deposits in minutes, offering preferential interest rates and a seamless, paperless experience."

Many banks including City, EBL, Midland and Trust now offer both conventional and Islamic FDR options for those looking for Shariah-based solutions. Bank Asia also promotes FDRs for salaried individuals and homemakers. These offerings underscore how fixed deposits continue to anchor financial planning for individuals across diverse backgrounds and beliefs.

As banks continue to diversify their deposit offerings, introducing foreign currency schemes, bancassurance-linked deposits, and AI-driven financial advisory tools, the competition for deposits is likely to intensify. However, the real differentiators will lie not just in the rate of return, but in how effectively these products align with customers' evolving needs and how strongly banks demonstrate their stability, trustworthiness, and long-term performance.

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