Report On

The Effect of Inflation Rate on Deposits : A study on ONE Bank PLC

By

Suraiya Hossain Rida

ID **21304060**

An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of Bachelor of Business Administration

BRAC BUSINESS SCHOOL
BRAC UNIVERSITY
JANUARY, 2026

Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Suraiya Hossain Rida

SURAIYA HOSSAIN RIDA
21304060

Supervisor's Full Name & Signature:

Abu Saad Md.Masnun Al Mahi, PhD
Associate professor & Director of Quality Assurance and Accreditation
BRAC Business School
Brac University

Letter of Transmittal

Abu Saad Md. Masnun Al Mahi , PhD

Associate professor & Director of Quality Assurance and Accreditation

Brac business school

Brac university

Kha 224, Bir Uttam Rafiqul Islam Ave, Dhaka 1212

Subject: Internship report on “The effect of Inflation Rate on Deposits : A Study on One Bank PLC’’

Dear Sir ,

The following internship report, The Effect of Inflation rate on Deposits: A study on one bank PLC, is done in partial compliance with the requirements of the BBA program (Major in Finance, Minor in Marketing) in BRAC University. The research is funded on the basis of my internship with the One Bank PLC, Gulshan North Branch, which took place in 2025 and was under the supervision of Ms. Tanzila Salma (GB Head) and Mr. Shafikul Islam (Assistant Officer, General Banking).Based on descriptive, correlation, regression and ratio analysis in Excel, the report compares inflation and deposit growth in 2020- 2024 and monthly data to determine how real interest rate, GDP growth, and Bangladesh Bank policy (repo) rate are related to each other using descriptive statistics, correlation, regression and ratio analysis. No data were confidential or on customer level; all data was on the public or aggregated data. I have adhered to BRAC Business School instructions and the support and directions extended towards me during my internship and writing of the report.

Sincerely yours,

Suraiya Hossain Rida

____

Suraiya Hossain Rida

21304060

BRAC Business School

BRAC University

Date: Month Day, 2026

Non-Disclosure Agreement

This report is compiled based on the information available to the public regarding One Bank PLC, including its annual reports and published material. No sensitive or new data from the company was used, hence no NDA was required.

Name of the Company: One Bank PLC
Supervisor Name: Tanzila Salma
Position: GB Head
Address: Gulshan Tower, plot No-31,Gulshan North Avenue , Gulshan -02
Dhaka-1212

Name of the Student: Suraiya Hossain Rida
Student ID: 21304060

Description of the Report: “The effect of inflation Rate on deposits : A study on One Plc.

Acknowledgement

First and foremost, I express my sincere gratitude to BRAC Business School, BRAC University for the opportunity to complete the BUS490 internship and to prepare this report in accordance with the School's standards. I am deeply grateful to my academic supervisor, Dr. Abu Saad Masnun Al Mahi, for his guidance, timely feedback, and encouragement throughout the internship and report-writing process.

I would like to thank Ms. Tanzila Salma (GB Head) and Mr. Shafikul Islam (Assistant Officer, General Banking Department) at One Bank PLC, Gulshan North Branch for mentoring me during the internship, clarifying operational processes, and allowing me to contribute to documentation and service initiatives at the branch. I also appreciate the cooperation of the GB team members whose professionalism and patience greatly enriched my learning.

Executive Summary

This report analyzes the effect of the inflation rate on bank deposits and examines how changes in inflation influence deposit growth and depositors' saving behavior. Inflation is a significant macroeconomic factor that affects the purchasing power of money and the real return on bank deposits. When inflation rises faster than deposit interest rates, real interest rates decline, which can discourage savings and reduce deposit growth in real terms.

The study is based primarily on secondary data collected from central bank publications, economic reports, and banking statistics. Basic analytical tools such as trend analysis and correlation analysis were used to identify the relationship between inflation rates and deposit trends over a selected period. Practical insights gained during the internship also contributed to a better understanding of deposit operations and customer behavior.

The findings of the study indicate that higher inflation generally has a negative impact on deposit growth and encourages a shift from long-term deposits to short-term or more liquid deposit instruments. However, the report also finds that effective interest rate management, competitive deposit products, and improved banking services can help reduce the adverse effects of inflation on deposits.

In conclusion, the report highlights that inflation plays a crucial role in deposit mobilization in the banking sector. Understanding the relationship between inflation and deposits is important for bank management and policymakers in designing appropriate interest rate policies and deposit strategies to maintain deposit growth during inflationary periods.

Keywords: Inflation Rate, Bank Deposits, Real Interest Rate, Deposit Growth, Purchasing Power, Savings Behavior, Monetary Policy, Interest Rate Policy, Financial Institutions, Deposit Mobilization, Economic Stability, Inflationary Pressure, Banking Sector, Customer Savings, Macroeconomic Factors.

Table of Contents

List of Figures

List of Table

List of Acronyms

OBLC	One Bank Public Limited Company
BBS	Bangladesh Bureau of Statistics
BB	Bangladesh Bank
IMF	International Money Fund
WB	World Bank
ADB	Asian Development Bank
NBR	National Board Of Revenue
CPI	Consumer Price Index
GDP	Gross Domestic Product
FDR	Fixed Deposit Rate
CASA	Current Account Savings Account
LDR	Loan-to-Deposit Ratio
NPL	Non- Performing Loans
CAR	Capital Adequacy Ratio
ROA	Return on Asset
ROE	Return on Equity
KYC	Know Your Customer
AML	Anti Money Laundering

Chapter 1 : Overview of Internship

1.1 : Student Information

Name: Suraiya Hossain Rida

ID: 21304060

Program: Bachelor of Business Administration

Major/Specialization : Major was on Finance and Minor was on Marketing

I am a BBA student in BRAC University majoring in Finance but minor in Marketing. My academic career has included rigorous quantitative training together with market facing views, which has led to my interest in financial intermediation and the ability to act as an information communicator for non-specialist audiences. The internship that is the focus of this report was undertaken as part of BUS490, the required internship course designed to bridge the gap between classroom learning and professional practice at an organization. The placement not only met the program requirement but more importantly provided an authentic context for implementation of financial analysis, customer service professionalism and regulatory awareness into the daily banking operations.

1.2. Internship Details

Period: 3 Months

Company Name: ONE Bank PLC

Department/Division: General Banking

Address: Gulshan North Branch, Gulshan, Dhaka -1212

1.2.2 Internship Company Supervisor's Information

Office Supervisor: Ms. Tanzila Salma, GB Head, One Bank PLC, Gulshan Co-Supervisor (Host Organization): Mr. Shafikul Islam, Assistant Officer, General Banking Department

Academic Supervisor (BRAC University): Dr. Abu Saad Masnun Al Mahi, PhD, Associate Professor & Director of Quality Assurance and Accreditation, BRAC Business School

1.2.3 Job Scope Job Description/Duties/Responsibilities.

Based on the guidance of the GB Head and the Assistant Officer, I undertook systematic tasks, which were meant to build my fundamentals competencies in front-office service, documentation and compliance with regulations and basic analysis. The scope of work included:

1.Customer Onboarding and Customer Service desk Support :

Helping in opening savings and current accounts procedures, advised customers on the documents required and made sure that the application forms were readable and complete before they could be examined by the staff. Accommodated the customers with service forms (i.e. cheque book requests, account statement requests, ATM card replacement requests etc.) by sorting the forms and forwarding them to the relevant counters to the officers. Being polite and professional at the help desk and assisting to maintain quality of service and minimize the queue times during the busy periods by answering the frequently asked questions.

2) Documentation Support of KYC/AML:

Check Know your Customer (KYC) packets are complete (Photo, NID/Passport Copies, TIN where applicable, Proof of Address etc.) before handing them over to the Officers to be Authenticated.Categorize KYC files and date them to traceable filing, and also make ready files to be subjected to any internal checks or periodical reviews. Knowledge of the AML /CFT justification of every document and ensured that only authorized personnel could handle sensitive originals. I did not access and/or copy any internal systems or customer information that was confidential.

3) Remittance and transactional (Non Cash) Support :

Prepared supporting documentations on outward and inward remittances (BEFTN/RTGS as the case may be) under staff supervision. Ready checklists of the frequent transaction requests to minimize omission and re-work these were cleared by the Assistant Officer prior to use.

4) Briefing of Deposit Product and Campaign Support :

Helped the awareness at the branch level (e.g. doing leaflets with brief explanations around the features and documentation required to do fixed deposits, recurring deposits and savings accounts). Prepared customer FAQs derived out of the front-line interaction to help the officers in refining their answers to the customer questions and revising the notice boards or hand outs.

5) Records Maintenance and Documentation:

Organized, stamped, and stored physical cash (documents) Stored simple index (date/department/brief descriptor) to allow ease of retrieval, under the direction of the staff. Assured that all archived documents were in harmony with the protocols on confidentiality and would remain within the bank premises.

6) Fundamental Organization of Information of the Academic Project :

At the discretion of the office supervisor, public shareable, recorded, aggregate indicators, which are pertinent to the project (such as the monthly deposit types at a general level (no personally identifiable information) and a compilation of publicly available macroeconomic indicators in 2021-2024 (such as inflation, policy rate) to be used in further analysis). Prepared an initial Excel spreadsheet of planned monthly series of deposit growth and possible control variables, which will be elaborated and evaluated in Chapter 3 of the report.

7) Professional Reporting Coordination :

Write a day to day work log summarizing the work, lessons, questions, and follow-ups. Offered feedback during the weekly meetings with the co-supervisor and sought to keep on getting better. Observed bank etiquette with regard to time keeping, dressing and communication; sought permission before performing any task that was related to sensitive materials.

1.3 Internship Outcomes :

1.3.1 : The contribution that the student made to the company :

My key value-adds in the three areas that an intern can add value without toying with regulatory boundaries include: tidiness of processes, service support and quality of documentation. Enhancement of completeness of intake with checklists. I made one-page long short checklists of the most requested services (account opening, requests of statements, requests of cheque books). Readable bullet points and indication of mandatory and optional fields, these checklists assisted in reducing the number of incomplete submissions and also reduced the number of back and forth in the counters. The final versions were adopted after being reviewed by the Assistant Officer, and used in trial in the help desk.

Quicker access to files e.g. labeling and indexing. I also adopted a uniform naming system (date, category, short description) and the file index was arranged in such a way that when the officers had to go through to view files, they could locate KYC or service request files more quickly. This helped during periods of internal checks and assisted in good housekeeping.

Deposits product summary and frequently asked questions. My summaries of deposit product features and frequently requested questions were simple and no-nonsense that were based on the fusion of both the official brochure information and the questions asked at the front line. These were read and used as fast reference talking points by officers and this helped UK consistent communication. Joiner data excel template. I created a formatted spreadsheet document using the Excel format with monthly rows to accommodate aggregate non-confidential indicators of branch deposits (where permissible) and also included public macro series which I would compile using official sources. This template will accelerate the data cleaning step of the project portion of the report, and also help to normalize data definitions between months.

Peak-time quality of service. Through the triage of standard questions as well as referring customers to the relevant counters, I was able to assist in easing the congestion at the queue during high traffic periods. The presence of me enabled the officers to do their transactions and more complicated cases more effectively. They are inconsequential but, again, directly contributed to the priorities of the GB team, which include faster customer service, cleaner documentation, and an analysis-ready state, which must be concerned with deposits trends.

1.3.2 Benefits to the Student :

The advantages of the internship were in the multi-faceted learning:

Deposit Operations with Applied understanding : The opening, maintenance and service of deposit products was a practical context that demonstrated the deposit growth series that I will examine in the project. Operational factors that contribute to the deposit flows documentation readiness, branch traffic, rate changes dissemination and customer trust were observed in my research.

Compliance Mentality (KYC/AML/CFT): I was educated on evidence and traceability and thresholds. Being expected to understand why every document is significant, why exceptions must be managed, provided me with the improved perspectives of risk management and regulating demands.

Professional Communication and Service Etiquette : The experience of working with customers helped me realize that in order to make the banking process understandable, it is necessary to listen to customers, communicate with them and escalate them correctly. I became confident in handling front line queries as well as how to work with the officers in a respectful manner.

Consolidate Data Organization Skills : I used an excel template to make monthly deposits and macro data in order to consolidate my data organization skills. I trained in making variable set-up (e.g. month over month deposit growth rate), placeholders . Inflation, policy rate, real interest rate which will be significant in descriptive statistics, correlation, regressions.

Time Management and Prioritization : It was necessary to sequence tasks and plan on a daily basis to balance the service desk activities and documentation and project preparation. Accountability and reflection structure were brought about by the weekly updates to my co-supervisor.

Professional ethics and Confidentiality : I also learned how to separate the information that is publicly available and can be aggregated and analyzed to the greater good of the institution and information that is confidential and can under no circumstances go beyond the precinct of the bank (one of the ethical boundaries that I never crossed during my internship).

Taken together, these advantages have helped me prepare with better applicability to any job with financial requirements of analytical rigour, regulatory understanding and effective communication, and to complete the section of analytical chapters of this report to a BRACU standard.

1.3.3 Problems/Difficulties (faced during the Internship period)

Restrictions to gaining Access to Confidential Data : Out of good reasons, interns are not given free access to the systems. Although this protects both the customer and the bank, there are instances that it was slackening me in checking the figures on my part. I was able to work around this by working on aggregate or anonymized indicators and working on approved by the supervisor summaries.

Customer Documentation Lapses : Partial forms or even missing identification documents made the help desk redo them. First I had some confusion in regard to the documents that were usually omitted. The checklists that I wrote (and the employees revised) contributed to preventing this difficulty in the long term.

Peak-Hour Pressure : during some periods the branch had high footfall. Managing customer expectancy and coordinating with officers, on the other hand, was time-consuming and very demanding in terms of being precise and patient. I also learned the triage process and the polite way to communicate the expectations regarding the processing times. Banking Curve on the banking terms. The words associated with remittance channels, fee structure and exception handling were alien in the beginning. I had a personal dictionary and was seeking enlightenment on the off-peak hours.

Balancing between Routine Work and Project Preparation : The project did not allow time to clean the excel set of data with the daily activities. It was assisted by the weekly plan and the suggestions of my co-supervisor to devote some time to both.

These challenges were a natural experience of learning in a service environment of high compliance and high volume and anyone who tested me made me develop.

1.3.4 Recommendations (to the company in terms of future internships) :

To do further with the learning experience of future interns and make even more value out of the experience to the branch, I would respectfully make the following as recommendations:

Oriented Packing (structured): Day one gives a brief and standardized orientation manual, including layout of the offices, typical service forms, knowledge of your customers (KYC) checklists, signature specimen policy, matrix of escalation, etc. and common banking terms. This will enable the reduction of the first week of the learning curve and interns being more productive.

Academic use of Sanitized Sample Dataset: Offer academic analysis of a pre-approved sanitized dataset (completely aggregated and non-identifiable) of monthly data to be used by interns. This not only allows Chapter 3 to work faster, but also offers high levels of confidentiality.

Defined Capstone Task: Give every intern a small end deliverable - creating or refining service checklist, standardizing files index, creating a customer FAQ sheet, etc. A physical deliverable is useful in offering direction and leaving a useful artifact behind to the branch.

Rotational Shadowing Scheduling: Develop a rotation schedule which will guarantee the rotation of interns in the service desk, documentation desk, clearing/remittance support, and locker/card services. This is to make certain that there is extensive coverage of the GB function and help the interns to connect processes across desks.

Weekly Supervisor Check-In : It can be a 15 minutes scheduled review (including in peak weeks) to clarify any uncertainty and to establish the progress and agree the priorities for the following week. The aggregate effect on learning and quality of output is massive.

Micro-Trainings on Compliance : Brief and intensive sessions on the fundamentals of KYC/AML/CFT (e.g. what is acceptable proof of address or how to detect inconsistent information) will be useful in enhancing the input of interns to the quality of documentation.

Customer Communication Support: Post revised noticeboard material (documents needed to access common services), have one page brochures at the help desk. These materials can be updated with the assistance of interns under the supervision of the staff that will contribute to the customer's preparedness and reduce back-and-forth.

Continuous Improvement to Feedback Loop : By the end of the internship, receive organized feedback of the interns on the bottlenecks and how this may be improved. This leads in the long run to a depository of little enhancements in the operations.

The recommendations are small and cost-effective and are not disrespectful of compliance. They will not require disturbing the working processes and will probably improve the customer experience and the productivity of the intern at the same time.

Chapter 2 : Organizational Part

One Bank Plc

2.1 Introduction

From its inception in 1999, One Bank PLC has gradually grown into one of the leading private commercial banks in Bangladesh, with a major role to play in the country's financial sector. Over the years, the bank has shown resilience and growth in the face of macroeconomic challenges like inflationary pressures, currency depreciation and changing monetary policies. Today, One Bank has 114 Branches, 50 sub branches, 185 ATM/CRM booths and 262 Agent Outlets giving conventional as well as Islamic banking services throughout the country. This widespread network is a reflection of how much it has contributed to the development of the economy and financial inclusion in Bangladesh.

This chapter presents an organizational analysis of OBPLC by investigating its history, governance structure, management practices, marketing strategically, financial performance, operations management and industry positioning. It uses information which is available to the public, the annual reports, disclosure, official websites and validated secondary sources to create a structured picture of how the bank is performing and reacting to dynamic economic conditions. The chapter has also created a context to the econometrics study in Chapter 3 by outlining the organization processes influencing deposit mobilization and customer behaviour at OBPLC.

2.1.1 : Objectives :

The precise aims of this chapter of the organization are to:

1.Outline the historical development, mission (vision and governance structure) of OBPLC

2.Management, HRM, leadership, training, compensation and performance evaluation practices study which help in the workforce and service delivery of a bank.

3.Examine the marketing approach, segmentation - targeting - positioning (STP), 7Ps - framework and promotional activities of OBPLC and get to know how the bank has developed a good approach to attract and maintain its customers.

4.My analysis of the financial performance of OBPLC (2020 -2024) is aided by Profitability, liquidity and efficiency ratios and also DuPont, EVA and MVA analysis.

5.Talk about operational management, information systems and digital infrastructure that bring more quality of service and risk management.

6.Perform a five-force industry analysis with Porters Five Forces and review the competitive strengths and weaknesses of the company in the form of a formal SWOT analysis with regard to the company, OBLC .

2.1.2 : Scope of the Study

A few of the topics that have been discussed in this chapter are:

Institutional Scope : In-depth examination of the position of OBPLC as a business organization, managing, functional department, models of operation, human resources and marketing policies;

Operational Scope : Branch activities, centralized processing hub (CTPC, CLAD), Digital and agent banking infrastructure, customer service systems and internal process.

Financial Scope : Assessment of the financial performance of the bank in 2020-2024 based on the audited reports, capital adequacy disclosures, deposits and loan organization, profitability metrics and value creation metrics.

Market Scope : The positioning of the sphere of private commercial banking in Bangladesh and competition pressure, target audience and regulating environment.

Exclusions: The study will not consider any customer-level confidential data, internal audit reports and unpublished strategies due to ethical and regulatory considerations.

2.1.3 Methodology:

This is a secondary analysis of an organization done using secondary data which includes:

1. Annual reports and quarterly reports and Basel III disclosures: OBPLC.
2. Bangladesh Bank Circulars and policy documents.
3. BBS publications

4. Information and updates on the operations of the website published to the people.
5. Reputation business media/sector reports.

The qualitative - descriptive approach is employed to analyze the organizational functions, the quantitative approach (financial ratios, trend analysis and value creation metrics) is used to evaluate the financial performance. All information has been mixed to achieve credibility, consistency and adherence to academic requirements of BRACU.

2.1.4: Significance of Study

Academic value: The current research has become an appendix to the scholarly material on commercial banking in Bangladesh; because it provides aggregate bank-level analysis of the relationship between inflation and deposit expansion through the use of official series of CPI and policy rates as well as finance reports and disclosure of Pillar 3 by OBPLC (BBS, 2025; Bangladesh bank, 2024; ONE Bank PLC, 2025).

Institutional implications: The findings underscore the interaction between the dynamics of deposits in the high inflation periods, the pricing of the banks, channel strategy and liquidity planning including digital/agent banking that is rapidly taking off in the system-wide level (The Business Standard, 2024; The Financial Express, 2024). This kind of knowledge is in line with the Basel III liquidity and capital planning discipline (ONE Bank PLC, 2025).

Practical implications: The bank-level lens can be implemented to realize that the responsiveness of the deposit to the macro conditions and the role of the distribution channels are significant areas that should be learned by policymakers and practitioners on the regular basis, which are usually discussed in the national business media and national bank reporting (Bangladesh Bank, 2024; The Daily Star, 2024).

Researcher innovativeness: The research paper includes the official system of macro-data and bank disclosure as a part of the strict norms of data of the public and confidentiality and implies the combination of the methodology of the classroom with the professional (ONE Bank PLC, 2025; BBS, 2025).

2.1.5: Limitations :

Dependence on Secondary Data: The research will use the publicly available reports/disclosures of the OBPLC, on the BBS CPI data releases, on the Bangladesh Bank publications, the data on the employee/customer perception will not be included in the research (ONE Bank PLC, 2025; BBS, 2025; Bangladesh Bank, 2024).

Time/Coverage limit OBPLC Financials are quarterly/annual : can interpolate between quarter end anchors. These risk/liquidity indicators are not required to be disclosed periodically (ONE Bank PLC, 2025).

No Access to Confidential Information: Audit findings and internal plans are not publicly available; only disclosed materials are analyzed (ONE Bank PLC, 2025).

Industry Dynamics Regulation Pricing frameworks Digital adoption changes fast Conclusions reflect information details to 2024 and may change with later policy changes (Bangladesh Bank, 2024).

Potential Reporting Bias: The materials produced by the bank can focus on the successes, and to maintain a balance, cross-checking with the data issued by the regulator and independent media is used (Bangladesh Bank, 2024; The Business Standard, 2024; The Financial Express, 2024).

2.2 Overview of the Company:

ONE Bank PLC (OBPLC) is a third generation private commercial bank in Bangladesh incorporated under the Companies Act 1994 in 1999. It caters for retail, SME and corporate clients with deposit (CASA, FDR/DPS), lending (working capital and term finance), trade services, cards, and omnichannel delivery through, branches and ATMs/CRMs, and secure internet/mobile banking (One Bank PLC, 2025a, Wikipedia, 2025). The bank is working under Basel III prudential standards, and publishes annual/quarterly financials with risk disclosures requirements, and emphasizes on information security alignment in line with ISO/IEC 27001 practices in support of digital adoption (ONE Bank PLC, 2025a).

Strategically, OBPLC has a deposit-led growth model to mobilize stable funding: rate relationship and convenience (digital + branch) Assets to priority sectors (e.g. working capital for trade and manufacturing) with disciplined risk Expand fee income (cards, remittance, trade finance). Governance, ALM and capital planning serve as feedback loops that ensure that growth is contained within the parameters of liquidity and solvency (ONE Bank PLC, 2025a; ONE Bank PLC, 2025b).

● Branches: 114

● Sub-branches: 50

● ATM/CRM booths: 185

● Agent outlets: 262

● Collection booths: 19

● Islamic banking: 2 branches dedicated

● Corporate Head Office:2/F, HRC Bhaban, 46 Kawran Bazar C/A, Dhaka-121

● Web page:www.onebankbd.com

●Email : obl@onebankbd.com

Deposit Products of ONE Bank PLC :

ONE Bank PLC has a number of deposit products that are aimed at different classes of customers to satisfy their savings and liquidity requirements. The large deposit schemes are summarised as follows:

1. Pyramid Savings Account

● Minimum opening balance: BDT 20,000

● Multiple maturity options On the minimum amount per transaction, minimum deposit of BDT 50 is collected

● Flexible deposit schedule No withdrawal before maturity

● Qualified for 90% cash line facility

2. Probashi Sonchoy Account

● Savings account of non-resident Bangladeshis (NRBs)

● Interest calculation on daily basis, monthly credit

● First cheque book free, Internet & SMS banking free

● Valid address/work permit from overseas

3. Monthly Money Maker (MMM)

● Fixed deposit scheme which pays monthly interest

● Interest transferred automatically to customer's account

● Suitable as a source of income for retired people or people with regular income .

4. Fixed Deposit Receipt (FDR)

● Lump-sum deposit (for fixed period of time)

● Higher interest return

● Can be used as loans collateral

5. Savings Account (SB)

● Regular customer savings account

● Interest paid periodically

● Includes ATM, debit card, mobile banking, cheque book

6. Current Account (CD)

● Targeted at businesses and professionals unlimited withdrawal of money

● Suitable for high volume transactions .

7. Millionaire Deposit Scheme (MDS).

Completion points to the students: - Monthly deposits for a fixed time

● Guaranteed maturity amount (assistance e.g. BDT 10-50 lakh)

8. Double Benefit Term Deposit (DBTD)

● Deposit amount is doubled at maturity

● Long-term financial planning product 1

9. Premium Savings Scheme (PSS)

● Monthly recurring deposit

● Flexible amounts of installments

● Attractive maturity value

10. Agent Banking Saving Account

● Designed for the rural customers

● Low minimum balance

● Offers basic savings, deposit, withdrawal and remittance services

2.2.1 Historical Background and Achieved Awards :

Year / Date	AWARDS	SOURCE
1999	Incorporation of ONE Bank Limited; commencement of activities in Bangladesh May 1999	ONE Bank PLC, 2025a; Wikipedia, 2025

2004	Agreement with CDBL to convert paper shares into electronic shares (demat readiness).	Wikipedia, 2025
2004	Agreement with CDBL to convert paper shares into electronic shares (demat readiness).	Wikipedia, 2025
2008–2009	Authorized capital enhancements; launch of BDT 1.0 billion mutual fund.	Wikipedia, 2025
2019–2021	Leadership changes; board refresh; MD appointment (Dec 2021).	Wikipedia, 2025
2022	ISO certification on information security management (initial certification).	Wikipedia, 2025
2023	Legal name updated to ONE Bank PLC.	Wikipedia, 2025
2024	First Carbon Disclosure Report published on the PCAF platform (sustainability reporting).	ONE Bank PLC, 2025b

2025	ISO/IEC 27001:2022 certificate reaffirmed by Bureau Veritas (Bangladesh).	Daily Star, 2025; New Age, 2025

2.2.2: Vision,Mission & Core Values:

Vision **:**To be a role model in the banking sector of Bangladesh as a contributor to the economic and social development of the country.

Mission **:** ONE Bank PLC is committed to:

● Developing long-term relationships with customers with high quality financial services.

● Adhering to ethical banking practices, being open and innovative

● Attaining sustainable financial growth by demonstrating operational excellence.

● Providing excellent digital and branch-based service experiences.

● Promoting financial inclusion in rural and urban Bangladesh.

Core Values **:**

OBPLC's organizational culture is based on a set of guiding principles:

1. Engagement - Engagement - Commitment to ethical behavior in any and all business functions.
2. Innovation - Constantly innovating by using technology and new, creative ideas.
3. Teamwork - Promoting teamwork between departments.
4. Accountability - Providing responsibility for decisions, provision of services and performance.

2.2.3 Organizational Structure of ONE Bank PLC

ONE Bank PLC operates on a classic board management model with statutory committees (Executive, Audit, Risk) and operating Management Committee that cascades power through Additional Managing Directors (AMDs), Deputy Managing Directors (DMDs/ADMDs) and divisional heads (CRO, CAMLCO, Treasury, Retail, Operations, CTPC, CLAD etc.). This structure is one that aligns the oversight (Board & committees) with execution (Management Committee & divisions), and is visible across the public disclosures of the bank.

Board of Directors & statutory committees :

1) Top-level governance :

Board of Directors (BoD): Mr. A.S.M. Shahidullah Khan (Chairman) is the Chairman of the BoD. The Board gives strategic direction, approves policy and forms committees for specific oversight purposes. The site also reports the death of the founder-director, Mr Sayeed H Chowdhury in July 2025.

Managing Director & CEO: Mr. Muhit Rahman was appointed as the Managing Director on 9th November 2025, who heads the executive management and implements the Board decision.

Executive Committee (EC) Chair: Mr. Zahur Ullah, Members: Ms. Anannya Das Gupta, Mr. A.S.M. Shahidullah Khan. The EC supports the Board by way of urgent/operational approvals subject to banking governance practice.

Audit Committee (AC). Chair: Mr. Md. Azizul Haque (Independent Director) Members: Mr. Shawket Jaman, Admiral AMM Mohammad Aurangzeb Chowdhury (Retd.). The AC is responsible for internal control, the integrity and compliance of financial reporting.

Risk Management Committee (RMC)Chair: Mr. Zahur Ullah; and, Members: Ms. Anannya Das Gupta; Admiral AMM Mohammad Aurangzeb Chowdhury (Retd.). The RMC oversees the risk framework of the bank (credit, market, liquidity, operational, AML/CFT).

2) Functional structure & chain of command (Management Committee): ONE Bank's Management Committee's implementation of strategy across business, control and support units

Mr. Muhit Rahman - Managing Director (chair of management).

Mr. Shabbir Ahmed - Additional Managing Director Mr. Abu Zafore Md Saleh - Additional Managing Director

Mr. Md. Anwarul Islam - Deputy Managing Director, Chief Legal Officer & Head Recovery.

Mr. Md. Shafiqul Islam - Additional Deputy Managing Director, Head of ICCD (Internal Control & Compliance Division).

Mr. Md. Manirul Islam - Additional Deputy Managing Director, Head of CRM (Credit Risk Management).

Mr. Md. Monzurul Alam Chowdhury - Additional Deputy Managing Director, CRO & Head of RMD, CAMLCO.

Mr. Kh. Rashed Akhtar Zaman - Additional Deputy Managing Director, Head of Corporate Asset Marketing.

Ms. Morsheda Begum - Senior Executive Vice President CRM Division. Mr. Mirza

Ashraf Ahmad - Senior Executive Vice President, Head of Treasury. Mr. Md. Nazrul

Islam Bhuiyan - Senior Executive Vice President Head of CTPC (Dhaka)
Mr Mohammad Mahtab Uddin - Executive Vice President & Board Secretary.
Mr. Mohammad Shahid-Ul-Haque - Executive Vice President, Head of Retail Banking Division.

Mr. Kazi Md. Amzad Hossain- Executive Vice President, Head of CLAD

Mr. Md. Zahidul Islam - Executive Vice President, Operations

Mr. Hasnain Ahmed - Executive Vice President, IT (jointly in-charge).

Mr. Shibly Nasimul Huq - Executive Vice President, IT

Mr. Mohammad Masudul Haque - Senior Vice President, Head of Training.

Mr. Pankoj Suter - Senior Vice President & CFO.

Card Business & Alternate Delivery Channels (Cards/ADC): Card issuing and acquiring operations - debit/credit/prepaid cards; POS/QR acquiring; switching & settlement; fraud monitoring and dispute resolution; card product pricing and campaigns; back-office chargebacks; collaborations with: IT (switch/host), Retail (onboarding of customer), Operations (reconciliations). Provides for compliance of the schemes (such as the Visa/Mastercard rules) and enables digital innovation (ONE Bank PLC, 2025e)

Figure 1: Card Division of One Bank plc

Operations Division End-to-end service and processing (payments/clearing, branch ops), standardization and quality of service (ONE Bank PLC, 2025e).

Centralized Trade and processing centre : Centralised trade services/documentary processing, Head of CTPC is the part of senior management (ONE Bank PLC, 2025e) According to ONE Bank PLC, Some of the major Markets include: "No of Major Markets are: CLAD (Centralized Loan Administration Division): Loan documentation, disbursement control, collateral documentation standardization (ONE Bank PLC, 2025e)."

IT Division : Core banking, digital platforms and card switch Jointly in-charge EVPs managing availability, security and development (ONE Bank PLC, 2025e). Financial control, reporting, and policy SVP & CFO (ONE Bank PLC, 2025d)

Board Secretaries: "Board Secretaries are responsible for corporate governance, disclosures and Board processes led by the Board secretary (ONE Bank PLC, 2025d)." Also, there is the following: - Training Institute (HRD - Learning): Capability building and mandatory training- Head of Training sits in senior management (ONE Bank PLC, 2025e). Islami & Agent Banking: Dedicated Islami branches/windows & National Agent network Interface with branches and digital channels (ONE Bank PLC, 2025a) .

Organizational Structure (Centralized and Functional)

ONE Bank is a centralized organization with functionally segregated structure: all the major functions (ICT, Cards/ADC, Treasury, Finance, Operations, Risk/AML, Corporate, Retail/SME) are led by a GM/EVP who reports to the DMD/ADMD with the Managing Director acting as the chairperson of the Management Committee. Such a design is one form of creating explicit reporting relationships, processes (CTPC/CLAD to administer trade and loans) and accelerate the process of rolling out deposit mobilization efforts, cross-channel (branch, agent, digital). It is also useful to focus control (ICCD, CRO/Risk, CAMLCO) to ensure quality, compliance and auditability.

Purpose-built wings and programs: Dedicated Islamic Banking, AML/CFT, Digital Services (ICT & Cards/ADC) and CMSME lending align the bank as per the guidance from the Bangladesh Bank on inclusion, risk governance and digitization and support deposit growth (convenience and trust).

Distribution + digital synergy : The combination of branch/sub-branch/agent footprint and e channel (internet/mobile/cards/pos/QR) offers customers easy onboarding, payment and account servicing - key levers of stable, low cost deposits in inflationary periods .

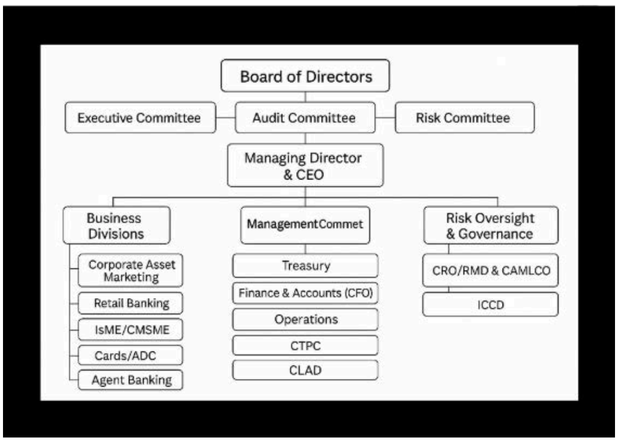


Figure : 02 The organogram of one bank plc

2.3 Management Practices

2.3.1 Leadership Style at ONE Bank PLC

Leadership at ONE Bank PLC (OBPLC) is strategic, performance driven, ethical and participative leadership where the Board of ONE Bank PLC has set the direction for the bank through the Executive, Audit and Risk Management Committees and the Managing Director (MD) is responsible for execution by the Management Committee (ONE Bank PLC, 2025a, 2025b, 2025c). OBPLC makes an explicit connection between growth with prudent compliance and customer centric digitization, which is necessary for stable mobilization of deposits in the face of inflation (ONE Bank PLC, 2025a). Ethical behavior and information security controls give rise to trust in digital channels and branch activities (ONE Bank PLC, 2025a).

2.3.1.1 Leadership & Governance Structure (Board of Directors & Executive Management)

Board of Directors (BoD) : Chaired by A. S. M. Shahidullah Khan the BoD is responsible for providing strategic direction, approval of policy and supervision of performance through the Executive Committee (EC), Audit Committee (AC) and Risk Management Committee (RMC) (ONE Bank PLC, 2025a, 2025b, 2025c).

Managing Director & CEO: Muhit Rahman is responsible for day to day management and execution of strategy through the management committee comprising of Additional/Deputy MD's and divisional heads (e.g. CRO/RMD & CAMLCO, Treasury, Corporate Asset Marketing, Retail Banking, Operations, IT, CTPC/CLAD, CFO/Finance) (ONE Bank PLC, 2025d, 2025e).

This split of board : management separates oversight and execution and is consistent with governance expectations of private commercial banks in Bangladesh (ONE Bank PLC, 2025a).

2.3.1.2 Leadership Style- Strategic, Performance-Oriented and Ethical.

- Strategic vision and Operational Rigour Leadership balances growth of deposits, loan portfolio and digital rollout and risk appetite and regulation through committee reviews and divisional scorecards that have been keeping execution on track (ONE Bank PLC, 2025a, 2025d).

- Performance recognition and motivation: Branches/segments are monitored on deposit, CASA mix, service TAT & cross-sell and high performers are realized to reinforce customer first implementation (ONE Bank PLC, 2025d).

- Compliance & continuous learning: KYC/AML/CFT, information security, and operational controls orientation/ refreshers to promote first line ownership and testing and follow ups by ICCD/RMD/CAMLCO (ONE Bank PLC, 2025a, 2025e).

- Best practice & risk management:The AC and RMC contribute to the enhancement of three lines of defence, whereas CTPC (trade) and CLAD (loan administration) result in the standardization of processes, which consequently leads to the minimization of errors and cycle time (ONE Bank PLC, 2025b, 2025c, 2025e).

- Inclusive and progressive leadership:The bank promotes teamwork, merit and learning (training institute/HRD-Learning) and the incorporation of the national footprint and e channels of the bank to make services accessible and convenient to everyone (ONE Bank PLC, 2025a, 2025e).

2.3.2 : Human Resource Management & Recruitment process :

Recruitment platform & policy : ONE Bank PLC operates an online e-recruitment website, where candidates register, get a Tracking Number and apply for advertised positions or update their resume at any time (ONE Bank Ltd., 2025). In its published Recruitment Policy, the bank has provided that there is equal employment opportunity and that the selection process is transparent to all applicants (ONE Bank Ltd., 2025). Selected circulars shared on mainstream job boards reiterate on non-discrimination and no fees at any stage of selection (ONE Bank PLC, 2024).

Process (high level): Applicants apply through the online system, the screening and selection stages are announced according to the vacancy notice and are implemented under the supervision of HR through the e-recruitment system (ONE Bank Ltd., 2025).

Onboarding & induction : New recruits go through structured induction offered by the Training Institute (Kaliakair, Gazipur), and HR, with the latest batches of Special Cadre Officers (SCOs) & Cadre Officers (COs) having gone through formal training and certificate programs (ONE Bank PLC, 2025a; ONE Bank PLC, 2025b). The saying of the institute and contact details are made public (ONE Bank PLC, 2025c).

2.3.3: Compensation and Benefits

ONE Bank discloses an employee benefits framework in its financial statements, including a defined benefit gratuity scheme (IAS 19 category). Auditors have highlighted the need for actuarial valuation under IAS 19 repeatedly, the bank's disclosures recognise the need and related provision methodology (ONE Bank PLC, 2024; ONE Bank PLC, 2020). These filings are evidence of the presence of post employment benefits (gratuity), and the continuing actions of management in compliance with compliance as a governance and reporting (ONE Bank PLC, 2024).

2.3.4: Training and Development Programs :

Induction & foundation programs: The bank conducts group-based induction for SCOs/COs as a group with a formal closing and certification (ONE Bank PLC, 2025a; ONE Bank PLC, 2025b).

Learning infrastructure: A dedicated Training Institute for ongoing capability development for frontline and head office staff in their respective areas of operations and risk/compliance, digital channels, and service quality (ONE Bank PLC, 2025c).

Service & digital readiness: Client-facing process literacy is maintained through centrally published forms, controls and channel SOPs (e.g. KYC forms, internet banking 2FA, card dispute/chargeback forms) in the process to ensure standardisation of service and compliance (ONE Bank PLC, 2025d).

2.3.5 Performance Appraisal System

ONE Bank's Management Committee framework and divisional leadership (Retail, Corporate, Treasury, Operations/IT, Risk/AML, CTPC/CLAD, Finance) provide the governance spine for target setting and KPI tracking (e.g. depositor growth, service TAT, control exceptions) and periodic performance review aligned to strategy (ONE Bank PLC, 2025e; ONE Bank PLC, 2025f). While the bank does not provide the details of appraisal templates to the public, the oversight structure and committee cadence suggest the existence of a formal performance management cycle that is part of the governance and business reviews (ONE Bank PLC, 2025e).

2.3.6: Organizational and Departmental Overview

Head Office departments and management: The senior management listings are publicly held senior positions in Retail Banking, CLAD (loan administration), Operations, IT (in charge jointly) and Training which reflect an operating functional centralized operating model (ONE Bank PLC, 2025g).

Process & control enablers: The example of centralized processes and compliance-by-design across the channels would include standardized customer/account forms, internet banking enrollment and 2FA, and card service workflow (dispute/charge back/limit conversion) (ONE Bank PLC, 2025d).

Field execution: The model integrates both the branch/sub-branch execution and centralized hubs: (CTPC in case of trade services; CLAD in case of loan administration), and offers unitary service and auditability (ONE Bank PLC, 2025f; ONE Bank PLC, 2025g).

2.4: Marketing Practices

2.4.1: Marketing Strategy

One bank PLC adopts the 7P concept of service marketing Product, Price, Place, Promotion, People, Process and Physical Evidence. The bank has been product-centric centered around product development, focusing more on standard products and less on "customer solutioning"; however, product approaches are moving towards segmentation and the "customer call base". The Bank divides clients into students, salaried persons, small entrepreneurs, and users of rural remittance and “is established as a trusted, community-based actor in Bangladesh. The product strategy not only encompasses loans but also various deposit products (FDR, pension plans, school banking), financing SMEs and digital service capabilities.

2.4.2: STP Strategy

In the competitive banking market in Bangladesh ONE Bank PLC (OBPLC) follows a clear STP (Segmentation-- Targeting-- Positioning) strategy combining nationwide physical reach and robust digital channels (Internet Banking, Cards/POS/QR, Agent Banking) for mobilizing stable deposits and providing better access to services.

Segmentation Strategy: OBPLC segments its customers on the basis of demographic, geographic and behavioral factors and accordingly matches product features and delivery channels (ONE Bank PLC, 2025h; ONE Bank PLC, 2025k).

Demographic segmentation: Menus on products are aimed at different life stages and profiles: Retail deposit Schemes :(e.g. OBPLC Easy Account, Insured Deposit Scheme, ONE-2-3) for mass retail savers (ONE Bank PLC, 2025h).

Women-focused card products: (e.g. Anannya Women's Platinum Credit Card) featuring lifestyle/benefit features bundled (ONE Bank Cards, 2025a; ONE Bank Cards, 2025b).

School/Youth debit: options under card programs to onboard the youth customers early (ONE Bank Cards, 2025b).

Geographic segmentation: Mixed branch + sub-branch + agent model for metro, urban and remote/under banked areas; agent outlets to provide access in areas where full branches are not practical(ONE Bank PLC, 2025n; ONE Bank PLC, 2025k; ONE

Bank PLC, 2025p).

Behavioral segmentation: Digital adopters: 24/7 Internet Banking Balances, statements, transfers, NPSB, templates (ONE Bank PLC, 2025)

Card-based spenders : credit/debit/prepaid with offers always running/EMI/rewards to encourage usage (ONE Bank Cards, 2025a; ONE Bank Cards, 2025c).

Assisted users: 24/7 Contact Center for deposits/cards/IB/OK wallet, complaint cell and branch/ATM locator for high touch (ONE Bank PLC, 2025m; ONE Bank PLC.

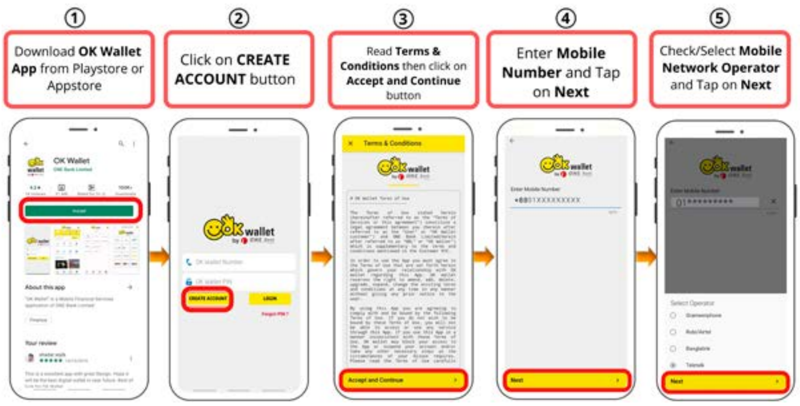


Figure 03 : Process of OK Wallet

Targeting Strategy

OBPLC utilizes differentiated targeting : proposition tailored, price and channel targeting to every priority segment (ONE Bank PLC, 2025h; ONE Bank PLC, 2025k).

Retail deposit clients : CASA accounts and recurring/fixed schemes (e.g. Insured Deposit Scheme, ONE-2-3) to develop stable, low cost deposits; serviced through branches, IB & Contact Center ONE Bank PLC, 2025h, ONE Bank PLC, 2025j, ONE Bank PLC, 2025m.

SME/Corporate users: Internet Banking (corporate functions, templates) Services Trade/Transaction Services Supported by Contact Center and branch teams (ONE Bank PLC, 2025j; ONE Bank PLC, 2025m).

Women customers: Dedicated Anannya card with travel/dining/lounge benefits and reward benefits with debit options; use of lifestyle campaigns (ONE Bank Cards, 2025b; ONE Bank Cards, 2025a).

Figure 04 : Anannya Visa Card

Youth/Students: ONE Bank PLC has school/young-saver offerings to inculcate saving habits from an early age and facilitate cash-lite transactions for students, usually combining a basic savings account with a low-limit debit card and an easy to use e channels under parent/guardian supervision (ONE Bank PLC, 2021). Accounts highlighting small, frequent deposits, security (transaction limits and warnings) and convenience (ATM/CRM access, internet/mobile banking enrollment where suitable) with knowing your customer (KYC) done by using student ID plus guardian documentation as applicable (ONE Bank PLC, 2021).

Figure 05 : School Banking at Kala Chadpur gov high school

Positioning Strategy :

Trustworthy, Customer-Centric, Nationally Networked Bank: ONE Bank positions its leadership and performance through the following: Good governance (Board, EC, AC, RMC) Customer-first performance-driven management model centered on disciplined risk management particularly through digitization.

Accessibility (nationwide presence): The bank boasts of an extensive multichannel network of 114 branches, 50 sub-branches, 185 ATM/CRM booths, 262 agent outlets, and 19 collection booths that provides accessibility both to the urban centres up to the under-banked communities.

Inclusivity and service reach: Operating model of ONE Bank unites a national physical network and e-channels (internet/mobile, cards/POS/QR) with the assistance of a formal training institute which assists in the development of the ability and equal quality of service in the country.

Service Range &Innovation: The bank also has Islami banking (dedicated branches/windows) in addition to the traditional banking, as well as agent banking and Card/Alternate Delivery Channels (debit/credit/prepaid, POS/QR, switching and settlement) and still enhancing the internet/mobile banking to provide convenience and coverage.

Figure 06 : Islami Bank visa card of One Bank plc

2.4.3 Marketing Channels :

Figure 07 : Marketing Channel

1.Branch network & Islami outlets (direct channel): ONE Bank serves the customers through conventional branches plus Al Noor Islami Bankintouchpoints two full fledged Islami branches (Gulshan, Agrabad) and multiple Islami windows embedded in conventional branches widening the access to Shariah compliant.

Digital channels (internet banking): Internet banking allows for 24/7 account access, transfers, payment of bills, viewing of accounts and activity, authorization workflow for retail and corporate

Cards & Payments : The bank provides debit/credit/prepaid cards (including Al Noor Islami debit) and POS/QR acceptance, which facilitates making everyday payments along with the use of e-commerce.

Contact center support: A centralized contact center provides the foundation for service channels (branches, agents banking, cards, internet / mobile) for onboarding, 2FA, dispute management and troubleshooting.

2.ATM Network

In order to sustain the 24 hours a day availability of simple banking services, ONE Bank has a countrywide ATM/CRM network which is situated in strategic locations .The bank has 173 ATM locations distributed in Bangladesh to withdraw cash and check the balance that supplements the branch channels and digital channels.

Digital Channels : As a recognition of the significance of digital transformation, ONE Bank services are assured with e banking.

Internet Banking: 24/7 access to retail customers and corporate customers to view activity, initiate transfers, use drafts/templates and approve transactions online (ONE Bank PLC, 2024-2028).

Figure 8 : International Banking one bank plc

Security & Support: Centralized Contact Center serves Internet banking and Two Factor Authentication 2FA (i.e. activation, resets) and NPSB/transfer inquiries (ONE Bank PLC, n.d.-c). One Bank

SMS Banking: Balance: Ministatements and inquiries through text commands are an alternative (relatively lightweight) to the app.

Figure 09 : SMS Banking Alert of One Bank PLC

Remittance and Exchange partners: The remittance services offered by ONE Bank are performed by means of branches, sub-branches, agent outlets and OKWallet (MFS); the beneficiaries of other banks may be paid by BEFTN/RTGS. The known remittance houses are partners of the bank.

agent banking : On 5 November 2019, ONE Bank launched agent banking so that it can serve under-serviced areas by providing deposits/withdrawals and basic services via agents who are part of the process. In this report, the 262 agent outlets have been noted to complete with the branch/sub branch network.

Website and Social Media : The official portal, which gathers the information about the service, centralizes the forms, location and news of the site https://www.onebank.com.bd/

Cards microsite: A microsite devoted to the issuing/acquiring, product information and campaigns.

Branch / locations directory: Directory of branches, sub branches, ATM /CRM, collection booths and Islami Banking which may be searched.

2.4.4 Product Development and Competitive Practices :

ONE Bank PLC's operational strategy is defined by a severe emphasis on customer focused product production and a steady improvement in the practices of competitors to boost reach in the market and the quality of services (ONE Bank PLC, 2025a).

Product Development Focus : ONE Bank has focused on developing products in all major banking segments: retail, corporate and Islamic Banking and has a special focus on digital channels and specialized services. (ONE Bank PLC, 2025a)

Retail and Deposit Services: The backbone of the services offered by the bank consists of a variety of retail, current, and deposit services. These are designed to cater for the basic transactional and savings needs of individual customers (ONE Bank PLC, 2025a).

Digital Channels and Accessibility: In order to make it convenient and available to as many people as possible the bank uses some of the important alternate channels of delivery such as Internet Banking, SMS alerts etc. This digital infrastructure is very important for service delivery as well as strengthening customer engagement (ONE Bank PLC, 2025a).

Payment and Financial Transaction Services: The bank has a complete range of payment products, including the issue of credit, debit, and pre-paid cards. Furthermore, its capability is extended to POS/QR acquiring for merchants as well as efficient remittance distribution in multiple rails, making the bank a key player in everyday payment solutions (ONE Bank PLC, 2025a).

Trade Services: Corporate client needs are addressed through dedicated trade services handled by the Central Trade Processing Center (CTPC) - this ensures specialized and efficient handling of International Trade Finance Activities (ONE Bank PLC, 2025a).

2.4.5: Branding Activities:

According to the Information-security recognition 2025. ONE Bank PLC is now the recipient of the internationally accredited ISO / IEC 27001:2022 certificate of the Bureau Veritas (Bangladesh) Pvt. Ltd. on its Information Security Management System. The Country Manager of Bureau Veritas (Bangladesh) Sohel Azad awarded Shabbir Ahmed, Managing Director (Current Charge), with the certificate issued by the Country Manager at the Corporate Headquarters of ONE Bank on October 23, 2025, making the bank a fully fledged security-first brand and a credible one. operations (ONE Bank PLC, 2025). The certification and its scope were also reported in the independent press coverage regarding the different aspects of the IT operations of the bank, data centre, and disaster recovery site (New Age, 2025; The Financial Express, 2025).

Climate-transparency branding. The first Carbon Disclosure Report by ONE Bank was released in 2025 on the PCAF platform, which covered 55% of the portfolio of loans (up to December 31, 2024). This publication brings the brand to climate conscious finance and is a statement of attempting to quantify the financed emissions and plan towards a portfolio decarbonization (ONE Bank PLC, 2025; The Financial Express, 2025).

Figure 10 : ONE Bank PLC received the internationally recognized ISO/IEC 27001:202

Co-Branded/Segment Card Launch (ONE Bank PLC)

ONE Bank PLC introduced the "Ananna" Women's Platinum VISA Credit Card with NFC (contactless) facility in its Corporate Headquarters on 08 May, 2025. Ms. Anannya Das Gupta, Director of the Board was formally inaugurating the card at the ceremony in the presence of A. S. M. Shahidullah Khan (Chairman), Zahur Ullah (Chairman, Executive Committee) and Shabbir Ahmed (Managing Director, Current Charge) and senior executives. The product is targeted at women customers, facilitating the tap-to-pay functionality in compatible terminals, further strengthening the ONE Bank's brand positioning on inclusion (ONE Bank PLC, 2025; The Financial Express, 2025; New Age, 2025).

Figure 11: Annanya womens platinum Visa Card launch

2.4.6 Advertising And Promotion Strategies (ONE Bank PLC)

1) **Product led promotions (owned media first) :** ONE Bank stresses on owned channels (bank's website News & Events feed and dedicated cards microsite) to announce launches (e.g., Anannya women's card), offers and feature benefits instead of investing heavily in mass media buys. This helps to keep messaging focused on products and usage (ONE Bank PLC, 2025)

2.Ecosystem & co-marketing tie ups: The bank collaborates with digital platforms to integrate payments into everyday lives (e.g. Pathao - OK Wallet payments for ride, food, parcel). It also extends OK Wallet services through another bank's agent network to broaden the access - both as promotional touchpoints and acquisition levers (ONE Bank PLC, 2025a; ONE Bank PLC, 2025b).

3.Social activities & CSR visibility : Scholarships for meritorious students and other CSR initiatives build goodwill in the community and also generate positive press - such as indirect promotion and building of the brand (The Financial Express, 2025; The Daily Observer, 2025

4.Public relations (PR) approach : Frequent press notes and photo stories (certifications, MoUs, inclusion initiatives, safety drills) through the bank's site are used to strengthen pillars of the brand such as security/compliance, inclusion, and service excellence (ONE Bank PLC, 2025).

5.Corporate branding & trust signal: Third-party validations e.g. ISO / IEC 27001:2022 certification is being highlighted in media and owned channels, supporting a security first brand narrative that is the foundation of digital adoption (The Financial Express, 2025).

6.Relationship driven outreach : Contact center is used to surface current marketing campaigns and direct customers on card, internet banking, two factor authentication and service enrollment - supporting branch and agent led relationship marketing.

Figure 12 : One Bank successfully organized Agent banking conference 2025

2.4.7: Problems and Gaps of Critical Marketing:

1)Digital fragmented estate (IMC challenge) :

Problem: Customer-facing assets are divided to various domains (main site - onebank.com.bd, separate cards microsite card.onebank.com.bd, the OK Wallet web portal - okwalletpayment.onebank.com.bd, and Internet/DM portals) that can cause confusion of one and the same brand story unless it is well orchestrated.

Gap: Reinforce integrated marketing communications (IMC) and cross navigation/visual consistency throughout these touchpoints.

2) Discoverability heavy campaign on owned media :

Problem: The bank uses News and Events posts and product pages heavily to communicate launches/partnerships (e.g. Pathao OK Wallet tie-in) and campaigns surfaced over the Contact Center and cards Campaigns surfaced page. Overall, the article discusses the creation of a process and control framework for enhancing the efficiency of the warehouse management system in a specific organization, which will ultimately boost the company's productivity. In general, the article addresses the development of the process and control system to optimize the efficiency of the warehouse management system within a particular organization that, in turn, will increase the productivity of the company.

Gap: Make front door (sitewide highlights, persistent banners, united "Offers/Deals" hub) more discoverable so people can find current offers without necessarily having to search to find them.

3) Scattered product information, cards:

Problem: Partners/forms/cards benefits/EMIs are described in a special cards microsite Support flows (PIN reset, dispute, new campaign queries) and branch locators on different pages.

Gap: End to End journeys (discover > apply > activate > use > claim offer > service) - improved link and CTAs by main site.

4) Scattered entry point multi rail payments:

Problem: OK Wallet has different web payment portal/receipts interface, Internet Banking and agent banking are different; Journeys wallet to card to IB to branch/agent (many entry points)

Gap: Have a general Pay and Transfer center where users are guided by need (QR/merchant, bills, interbank, remittance cash-out) and with similar language and help notes.

5) Relationship based service Strong, under levered on marketing loops:

Problem : There is an entry in the Contact Center listing of Product Information / Current Marketing Campaign - open your wallet, use it in the most creative way, we see no obvious disclosure of insights gained on those interactions on visible pages as closed loop marketing. (ONE Bank PLC, n.d.-d). One Bank

Gap: publicate evergreen support + campaign clarifier content (minimal directional guides, video inquiries) - link on campaigns and item pages - cut back on resistance, enhance the transformation.

2.4.8 : 7ps Marketing Mix Analysis: ONE Bank PLC :

The 7Ps model is a model of analysis of the services strategies pursued by these players based on a 1960s American Marketing Association presidential speech by Ed Boisso of services marketing (Product, Price, Place, Promotion, People, Process and Physical evidence). One Bank PLC is a single, one of the private banks of Bangladesh, Commercial Banks but there are yet to be addressed strategic shortcomings. The article discusses the aspect of location of One Bank within the 7Ps of marketing mix.

1.Product

- Diversified Portfolio: Offers full bank services in order to incorporate Retail Banking (deposits, loans), Corporate Banking as well as SME Banking.
- Specialized Services: Has an independent Islamic Banking Wing bearing the name Al Noor, and Mobile Financial Service (MFS) bearing the name OK Wallet.
- Card Services: Issues in the co branding (i.e. with BADAS) and lifestyle benefits of various levels of credit and debit cards (Visa, MasterCard).

2.Price

- Competitive Interest Rates: Offers market-oriented interest rates on saving products (e.g. Kotipoti Scheme, DPS) and competitive interest rates to lending to SMEs and corporate clients.
- Fee Structure Has an open Schedule of charges to the maintenance of accounts, card annual fees and transaction costs, which are sometimes waived on large value clients or on individual corporate payroll accounts.
- Tiered Pricing: Price is differentiated by customer groups (e.g. lower price on student/ school banking accounts than on premium regular accounts).
-

3.Place

- Physical Network: It has a comprehensive network of 114+ branches and 48+ sub-branches in the Bangladesh market to bring convenience in the key urban and rural hubs. Digital Channels: high level of digitalization through the use of the " ONE Banking" App and Internet Banking to offer 24X7 remote access.
- Long Range: Utilizes the Agent Banking offices (270+) and ATMs/CRMs to bring unbanked people within the far-off territories.

4.Promotion

- Digital & Social Media is an active user of Facebook, LinkedIn, and their site to market card discounts, season offers, and new product advances.
- CSR & Events: Participates in corporate social responsibilities (CSR) events (e.g. scholarship, disaster relief) and sponsors such events as the Agent Banking Conference to create goodwill about the brand.
- Partnerships: Co-operates with merchants (restaurants, lifestyle brands) that carry out Buy 1 Get 1 or discount offers that promote card usage.

5.People

- Skilled Workforce: Employs a group of professional bankers who are competent in the delivery of customer service and regulatory compliance.
- Customer Support- it will operate a 24X7 Contact Center (16269) and independent complaint management cells to handle the client queries.

- Leadership: Be headed by an experienced management (MD, DMDs) who actively participates in the public relations as well as strategic stakeholder meetings.

6.Process

- Automation: transactions are carried out in real time and across all branches and apps using Core Banking Solutions (CBS) to support this.
- User-Friendly: Streamlined account opening and loan issuance procedures, with more and more processes becoming digitalized to eliminate paperwork (e.g. e-KYC programs).
- Service Delivery: A set of standardised procedures concerning the teller services, card issue and fund transfer (BEFTN/RTGS) to maintain consistency.

7.Physical Evidence

- Branding: Unique corporate image; red and white corporate logo conspicuous in signage, letterheads and debit/credit cards.
- Branch Ambience: Branch lay-out has been professionally designed and well-furnished with air conditioning, trust and comfort.

2.5: Financial Performance and Accounting Practices

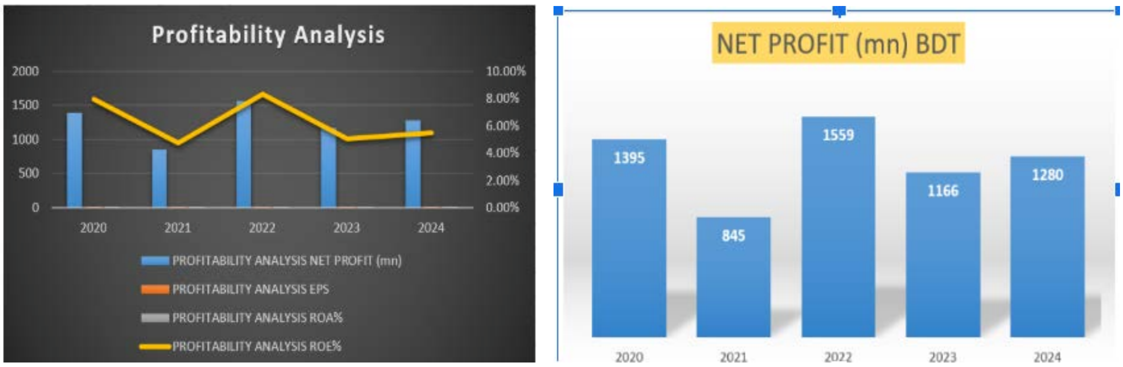
2.5.1: Financial Performance (2020–2024)

2.5.1.1: Profitability Analysis

This analysis is prepared on the basis of audited consolidated financial statements of ONE Bank PLC for 2020-2024 and presented in the annual reports of the bank which the bank publishes for the year end at the date of 31 December and is available on the official website of the bank ONEBank.com.bd. The figures for ratio, horizontal, vertical and DuPont analyses have been extracted from these reports (statement of financial position, profit and loss account, cash flow statement and accompanying notes).

	PROFITABILITY ANALYSIS			
YEAR	NET PROFIT (mn)	EPS	ROA%	ROE%
2020	1395	1.49	0.46%	7.94%
2021	845	0.9	0.27%	4.77%
2022	1559	1.51	0.49%	8.30%
2023	1166	1.09	0.36%	5.04%

Table 01 : Profitability Analysis



Graph 1: Profitability Indicators & Net Profit (2020–2024)

Earnings Per Share (EPS): Earnings Per Share for ONE Bank PLC is Volatile but improving after 2021. It stood at BDT1.49 in 2020, which reduced to 0.90 in 2021, followed by a recovery and a high of 1.51 in 2022. EPS later eased to 1.09 in 2023 and 1.20 in 2024. Overall EPS in 2024 is about 19% lower than in 2020, which means that the bank has recovered from the set back of 2021 but profitability per share is yet to return to the 2020-2022 level of peak profitability.

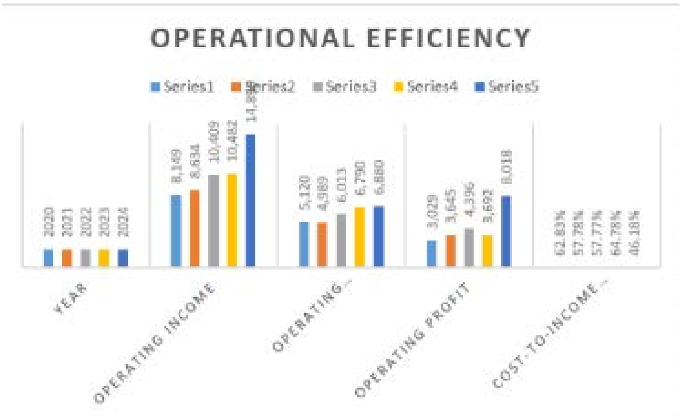
Return on Equity (ROE): ROE started from 7.94% in 2020 to 4.77% in 2021 and fast rose to a high of 8.30% in 2022. Then it decreased to 5.04% in 2023 and slightly recovered to 5.46% in 2024. This pattern indicates that the ability of ONE Bank PLC to generate returns for shareholders has been low and inconsistent with 2022 being the strongest and 2021 being the weakest year.

Return on Assets (ROA): ROA had a narrow range of movement over the period from 0.46% in 2020 to 0.27% in 2021 to 0.49% in 2022 then moderating to 0.36% in 2023 and 0.38% in 2024. The high in 2022 is the most efficient usage of assets over the period, and the depression after 2022 is some loss of efficiency, but even in 2024 ROA is just a little above the low of 2021.

2.5.1.2: Operational Efficiency

Year	Operating Income	Operating Expenses	Operating Profit	Cost-to-Income (%)
2020	8,149	5,120	3,029	62.83%
2021	8,634	4,989	3,645	57.78%
2022	10,409	6,013	4,396	57.77%
2023	10,482	6,790	3,692	64.78%
2024	14,898	6,880	8,018	46.18%

Table 02 : Operational Efficiency



Graph 2 : Operational Efficiency (2020-2024)

Cost-to-Income Ratio: One Bank PLC has made great steps in the cost control effort by reducing the cost-to-income rate from 62.83% in 2020 to 46.18% in 2024. This means that the bank's cost control measures are effective and its efficiency of generating income in comparison to the expenses is significantly better.

Operating Revenues: Operating revenues had a significant increase in the year 2024 which was BDT 14,898 million compared to BDT 8,149 million in 2020. This expansion is a near doubling of revenue (increasing by 82.8%), which is an indication that the bank is in a position to significantly improve its core earnings and to broaden its business activities.

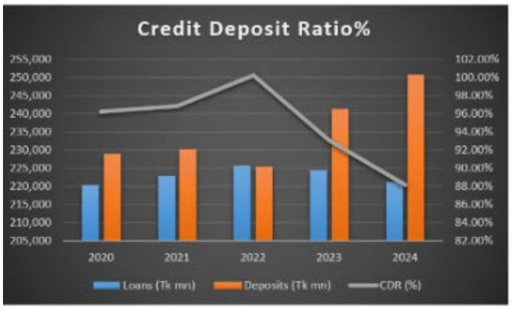
2.5.1.3: Liquidity and Credit Employment:

The Credit-Deposit Ratio (CDR) has been computed for each year following the formula:

CDR = { (Total Loans & Advances)/Total Deposits}*100

Year	Loans (Tk mn)	Deposits (Tk mn)	CDR (%)
2020	220,429	229,069	96.23%
2021	222,847	230,166	96.82%
2022	225,866	225,479	100.17%
2023	224,527	241,246	93.07%
2024	221,089	250,684	88.19%

Table 03: Credit Deposit Ratio



Graph 03 : Credit Deposit Ratio (2020 - 2024)

2020 : $220,429 / 229,069 = 0.9623 * 100 = 96.23%

2021: $222,847 /230,166 = 0.9682 *100 = 96.82%

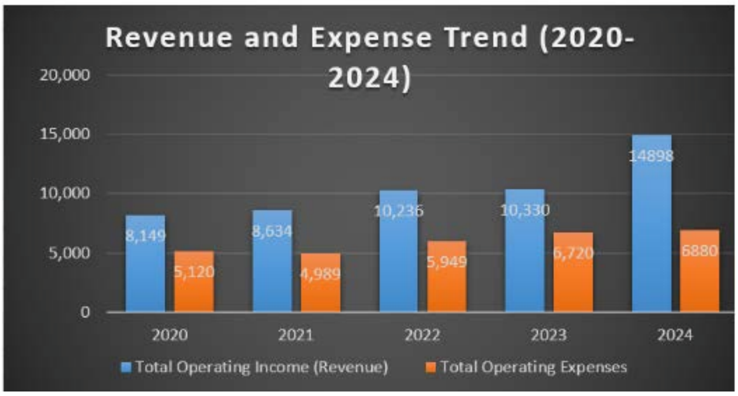
2022: $225,866 / 225,479 = 1.0017 *100 = 100.17%

2023: $224,527 / 241,246 = 0.9307 *100 = 93.07%

2024: $221,089 /250,684 = 0.8819 * 100 = 88.19%

Credit Deposit Ratio (CDR): CDR of One Bank PLC has displayed the tendency of tightening within 2020-2022; CDR reached its highest level in 2022, 100.17%. This peak indicates that the bank had a slightly higher credit deployment than its deposit base over a short period of time indicating that it used an aggressive lending policy or it had limited the increase in the deposit on a short term basis. But it turned around drastically in the succeeding years. In 2023, it was reduced to 93.07 percent and in 2024, the ratio was reduced to 88.19 percent. This decline suggests a new strategy orientation in liquidity preservation, where deposit mobilization (up by an average of 4% in 2024) surpassing credit disbursement, will be in line with a more risk-averse risk management framework in the new economic landscape.

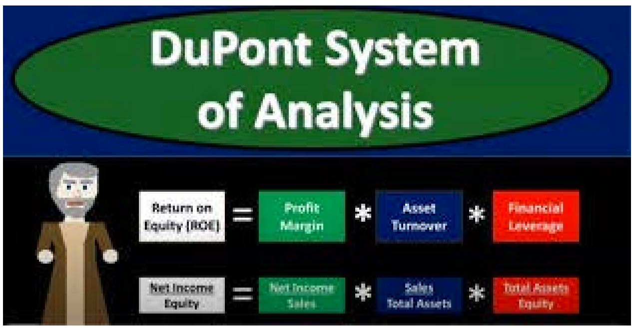
2.5.1.4: Revenue and Expense Trends :



Graph 4 : Revenue & Expense Trend (2020 - 2024)

Operational Efficiency Analysis (2020-2024): "The graph shows a major breakthrough in operational efficiency of One Bank PLC in 2024. From 2020 to 2023, the banking's revenue (blue bar) increased at a moderate rate, closely followed by expanding operating expenses (orange bar), which made profit margins close. However, 2024 is a strategic point of no return. Total Operating Income jumped by about 44% to BDT 14,898 million and Operating Expenses rose little to BDT 6,880 million. This resulted in a tremendous widening of the gap between income and expense - often called a 'Positive Jaw.' This means that the bank was able to increase their revenue without increasing their cost proportionally, resulting in an immeasurable Cost to Income Ratio of 46% (compared to 65% in 2023). "It shows that we have superior management efficiency and excellent fundamental business recovery."

2.5.1.5: Du Point Analysis Trend of One Bank Plc (2020 – 2024)



DuPont Analysis: Breakdown ROE (2020 - 2024) : DuPont Analysis helps us to know why the Return on Equity (ROE) changed by breaking it down into three specific drivers:

Net Profit Margin: How much profit is retained by each Taka of revenue (Efficiency).
Asset Turnover: How effectively are assets being used to make sales (Productivity).
Equity Multiplier: The amount of leverage being used (debt) (Risk).

ROE = {(Net Profit / Revenue) *(Revenue /Total Asset)* (Total AssetEquity)}

Interpretation: The Struggle between Efficiency and Risk (2020-2024) The DuPont analysis shows that though One Bank PLC has become operationally powerful, its bottom line is being heavily depressed by the costs of credit risk
.

Year 2020: High Potential and Low Efficiency
RoE: 7.87%

Result : Bank had very strong core margins at the beginning of the period (Operating Profit 47.68%). However, it wasn't using its assets well - Asset Turnover was just 0.021 (lowest in the 5-year period). This implies that this bank had a massive asset base that was not being utilized to generate revenue but sitting idle.

Year 2021: The "Provision Trap"
RoE: 4.77% (Low Point)

Result : Despite maintaining a healthy Operating Profit (42.21%) the ROE crashed. The culprit was Non-Operating Items (Provisions for bad loans) which jumped to -23.61%. Essentially, for every 100 Taka the bank was making, 24 Taka instantly became lost to pay for bad loans.

2022: The Recovery
RoE: 8.30%

Result : This was the most balanced year. Asset Turnover got better to 0.032, and the bank managed to increase slightly the current bleeding from Non-Op items (-20.65%). The result was a good recovery in Net Profit Margin to 14.98%.

2023: The Efficiency Squeeze
RoE: 5.04%
Result : Again, profitability dipped but for a different reason. Operating Profit fell to 35.21%, which means that day-to-day expenses (Salaries, Rent) were increasing faster than income. The bank was becoming "operationally expensive" to operate.

2024: The "Miracle" Year
RoE: 5.52%
Result : This year has the most dramatic data.
Operational Boom: The bank had a record Operating Profit of 53.82% and highest Asset Turnover (0.044). This is proof that the core business is booming. The Crash: However, Non-Operating Items (Provisions) spiked a massive -49.25% wiping out almost the entire operational gain.

The Savior: The only reason that the ROE was positive was the occurrence of a positive Tax Effect (+4.29%) (most likely a deferred tax asset or benefit). Without this tax credit, the bank would have barely broken even.

Year	RoE (%)	Net Profit Margin	Operating Profit	Non-Op Items	Tax Effect	Asset Turnover	Leverage
2020	7.87%	21.95%	47.68%	-18.64%	-7.09%	0.021	17.14
2021	4.77%	9.79%	42.21%	-23.61%	-8.81%	0.028	17.54
2022	8.30%	14.98%	42.23%	-20.65%	-6.60%	0.032	16.77
2023	5.04%	11.12%	35.21%	-19.85%	-4.24%	0.032	13.92
2024	5.52%	8.86%	53.82%	-49.25%	4.29%	0.044	14.16

Table 04: DuPont Analysis 5-Factor Breakdown (2020–2024)

2.5.1.6 Economic Value Added (EVA) Analysis

EVA is an indicator of the real profit of the bank economically. The EVA in contrast to accounting profit considers the opportunity cost of the money of the shareholders. When

EVA is positive, value was created and when negative value was destroyed by the bank. One Bank PLC EVA has been calculated by the assistance of the following model:

Formula : EVA = Net Profit After Tax (NPAT) − (Cost of Equity × Average Equity)

Where:

- NPAT Net profit after tax and provision of doubtful loans
- The average equity is a sum of the year end shareholders equity and balance of provisions.
- The cost of equity = risk free returns + risk premium of 1%.

Year	Net Profit (After Tax)	Average Equity	Cost of Equity (%)	Equity Cost	EVA	EVA/Op. Income (%)	EVA/Avg. Equity (%)
2021	844.12	17,671.00	12.28	2,170.00	-1,325.88	-15.42	-7.5
2022	1,557.00	18,282.00	12.28	2,245.03	-688.03	-6.55	-3.76
2023	1,165.00	20,993.50	12.28	2,578.00	-1,413.00	-13.52	-6.73
2024	1,319.00	23,558.00	13.4	3,156.77	-1,837.77	-12.43	-7.8

Table 05 : EVA Analysis of One Bank plc (2020- 2024)

- NPAT Net profit after tax and allowance of doubtful loans
- Average equity is a combination of the balance of provisions and the year end shareholders equity. Where cost of equity = risk free returns + 1% risk premium.
- Meaning and Reflections.
- Economic Value Added (EVA) Analysis of ONE Bank PLC (2021 - 2024) 2021 EVA -BDT 1.33 bn
- Strong value loss: although the net profit is positive, returns are below by a long margin than the 12.28% cost of equity.
- 2022 EVA -BDT 0.69 bn
- The value fall has not stopped, yet the economic loss is lower than it was in 2021. Improvement of profitability is also made but not sufficient to pay the charge of capital.
- 2023 EVA -BDT 1.41 bn
- EVA once more assumes a negative value. The returns are pulled down due to the higher average equity and the lower profit leading to more destruction of value.
- 2024 EVA -BDT 1.84 bn

Strategic Implications of EVA :

Low operating performance in terms of capital cost : DuPont analysis (low margins, moderate asset turnover, high leverage) Operating return on assets does not seem to be high to stimulate a higher return than the high cost of equity.

- The average equity is increasing on an annual basis but the profits are keeping pace. This increases the size of the equity charge per year and EVA ventures deeper into the negative. ONE Bank PLC should not pour capital into anything that will not result in returns that are higher than the cost of equity. Need to stabilise the risk and provisions.

- Credit risk, non-performing loans and the provisioning cost are likely to reduce net profit and, in turn, EVA Maintaining the earnings and lowering the gap between ROE and the cost of equity would be insured through making the provisions more stable and the risk management more robust.

- Improvement of cost efficiency (branch productivity, digital operations) and increase of the percentage of fee based income contribute to the increase in the operating margins, which facilitates the enhancement of EVA.

2.5.1.7 Market Value Added (MVA) Analysis :

Here is Market Value Added (MVA) Analysis of ONE Bank PLC (2020-2024) with the help of data which has been collected on the basis of the financial statements of the bank . History of its market cap and S&P/StockAnalysis): Well MVA is a sign of the difference between market and book value of Equity capital.

MVA= Market Cap of Equity – Book Value of Equity

Year	Shares Outstanding (mn)	Book Value of Equity (mn BDT)	Market Cap (mn BDT)	MVA (mn BDT)
2020	1,066.00	17,596.00	9,380.00	**-8,216.00**
2021	1,066.00	17,746.00	12,890.00	**-4,856.00**
2022	1,066.00	18,818.00	10,000.00	**-8,818.00**
2023	1,066.00	23,169.00	9,780.00	**-13,389.00**
2024	1,066.00	23,947.00	9,060.00	**-14,887.00**

Table 06 : MVA Analysis of One Bank plc (2020-2024)

Interpretation :

1.The yearly figures of MVA are all negative such that the price of the bank equity in the market is less than that of the book value being offered by the bank.

There is the least negative MVA in 2021 (4856 mn BDT), where the investor expectations were somewhat improved.

2.MVA is negative starting in 2022 and, specifically, 2023-2024, where book equity is growing and the market cap is falling, which is an indication that the investors are discounting the earnings power and risk profile of the bank.

3.It is consistent with your results on EVA the market appears to believe that the bank is not creating sufficient value to shareholders to date.

4.Comparative Assessment: DuPont demonstrates that ROE of One Bank PLC is scant and volatile which is mainly caused by leverage not because of the effective running of the business; EVA indicates that shareholder value has been destroyed in all the years since the returns are not able to compensate for the cost of equity .

5.MVA shows that the market had constantly been valuing the bank at a terminal discount to its book equity.

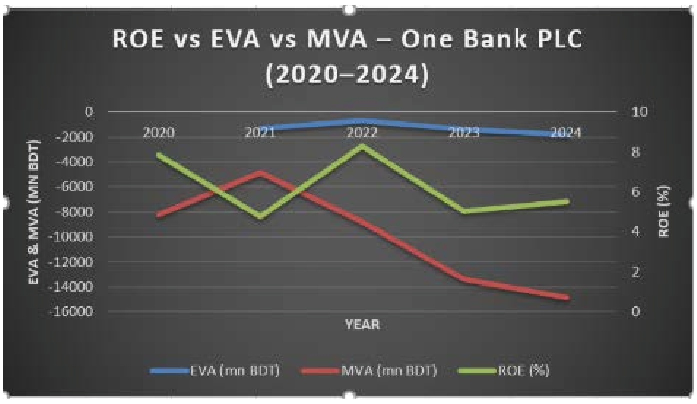
Strategic implication of MVA :

Intend Efficiency rather than Leverage: The bank will be required to alter its strategic focus on high leverage (debt) to high internal operating efficiency and high profitability out of core business to make sure that its Return on Equity (ROE) is greater than its cost of equity.

Target Positive EVA: Immediately develop tactical strategies to significantly improve Net Profit Margin and Operating Profit to achieve a positive Economic Value Added (EVA) and halt the destruction of shareholder value.

Achieve Market Discount: It is imperative to merely reverse the chronic destruction of value (negative EVA) as well as to be able to earn in excess of the cost of capital in order to overcome the value discount of the market and positively influence its Market Value Added (MVA).

2.5.1.8: ROE vs EVA vs MVA Analysis :



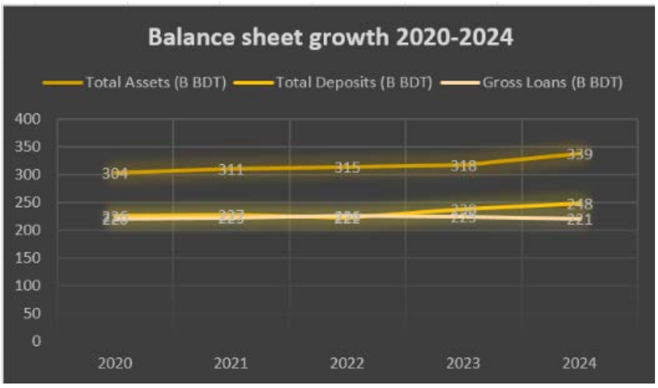
Graph 5: ROE vs EVA vs MVA Analysis

2.5.2: Accounting Practices

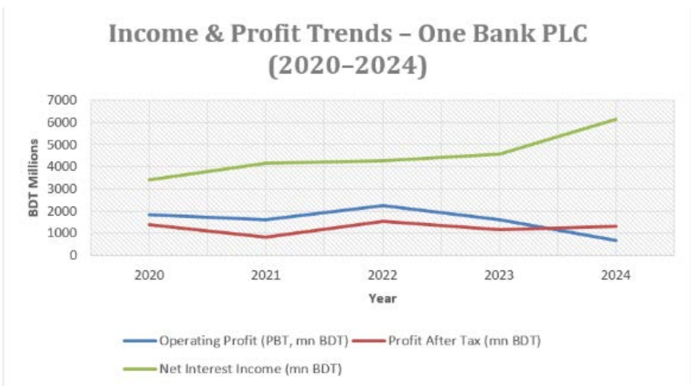
1)Basic Accounting Principle of ONE Bank : prepares its financial statements according to the IFRS/ IAS, Bank Company Act 1991 (as amended) and Companies Act 1994, Bangladesh Securities and Exchange rules and Bangladesh Bank circulars and prescribed formats. Statements are prepared on a going concern and historical cost basis (with specific revaluations where required) and use of the accrual basis - income and expenses are recognised in the period they are earned or incurred, not when cash is received/paid.

2)Account cycle : The balance sheet indicates slow growth in assets Total Assets increasing from about BDT 304 billion in 2020 to about BDT 339 billion in 2024 supporting the going concern assumption and continuous expansion of operations. Interest income (total) is also broadly upwards over the period moving from approximately BDT 19.67 billion in 2020 to BDT 24.42 billion in 2024, against a dip in 2021-22 in line with accrual-based recognition of revenues on loans and investments. Provisions for loan losses are measured taking into account expected credit risk: they go up from about BDT 1.28 bn in 2020 to BDT 7.14 bn in 2024 both due to growth of the portfolio and deterioration in the quality of assets.

3) Analytical Comments (One Bank PLC): Profitability was also modest and tended to increase as net profit steadily decreased to around BDT 1.39bn in 2020 to around BDT 1.32bn in 2024 following a decline in 2021 and a peak in 2022. Operating income increased as much as the balance sheet increased, as total assets increased to approximately BDT 339bn as compared to BDT 304bn supported by the growing deposits and a rather stable loans book. The ratio of cost to the income is high but it experiences slight increases in efficiency over the period. The quality of assets is also a problem, and even though regulatory capital (under Basel-III) is not at the minimum level, stressed and classified loans have to be provisioned to, thus leaving the overall strength of the balance sheet sufficient.

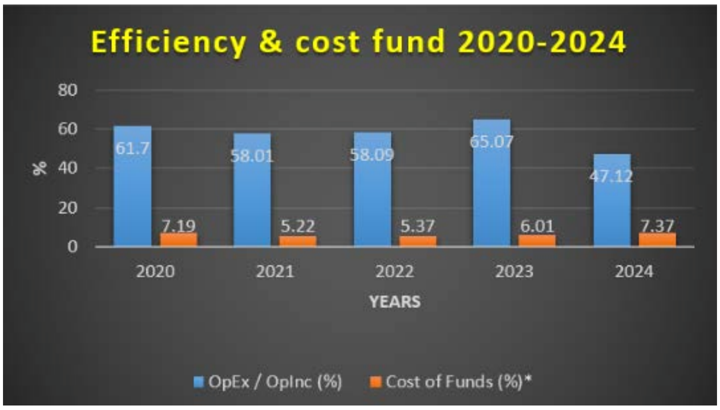


Graph 6: Balance Sheet Growth (2020–2024)

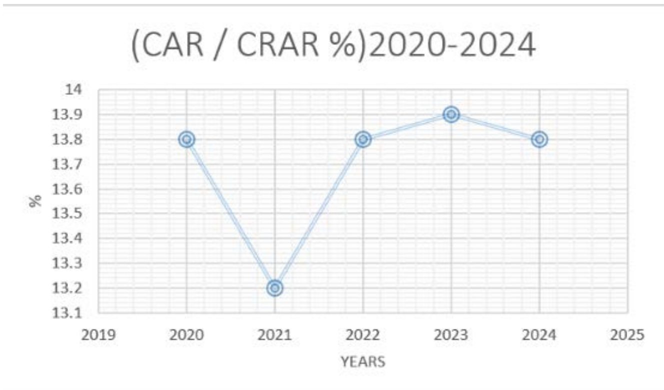


Graph 7: Income & Profit Trends (2020–2024)

Graph 8: Profitability Ratios: ROA & ROE (2020–2024)



Graph 9: Efficiency & cost fund (2020 - 2024)



Graph 10 : Capital Adequacy Ratio (2020–2024)

2.6: Operations Management and Information System Practices (One Bank PLC)

2.6.1: Information Systems and Technology Infrastructure

Core banking & Centralized Infrastructure: Although we do not know the vendor of the Core Banking System (CBS) that OBPLC uses (FLEXCUBE, or Finacle), the fact that it is a core platform suggests that it has an all-central platform that is being used to support its growing digital offerings.

Digital Infrastructure: OBPLC is based on the most recent tech stack of PHP, Bootstrap, and Apache (LeadIQ, 2025). Such a robust foundation assists in making its expansion into digital and API-based services.

E-Learning Management System (LMS): In late 2023, the bank has introduced an LMS which unveils an investment of digital upskilling and a centralized repository of knowledge of the employees of the bank, which is crucial in sustaining an effective centralized banking network (The Financial Express, 2023).

2.6.2: Digital Transformation & Integration: OBPLC is also actively engaging in integrating 4 th Industrial Revolution (4IR) Technologies in enhancing its services.

Digital Products: The bank has launched NFC based credit and debit cards as; Ananna' women platinum visa credit card etc. displays an interest in customer centric and contactless digital offering (New Age, 2025; Dhaka Tribune, 2022).

Digital Banking: OK Wallet platform is the primary mobile/digital banking platform offered by OBPLC, it offers remittance and internet banking services, transferring transactions to the digital banking branchless (One Bank PLC, n.d.).

Security/Cyber security Infrastructure:

- OBPLC lays much emphasis on information security internationally certified.
- Obtaining the certification of the Information Security Management System (ISMS) in Information Technology Operations, Data Center, and Disaster Recovery Site through ISO 27001:2022: OBPLC has won the coveted clearance as the luxurious winner of the certification of Information Security Management System (ISMS) (Bureau Veritas/One Bank PLC, 2025). The

certification, updated to the previous version of the certification in 2013, is an excellent dedication to the best data protection and information management practices globally (One Bank PLC, 2022; 2025).

Growth of Ecosystems and Strategic Partnerships : The external partnerships used by OBPLC are aimed at expanding the scope and reach of services digitally.

Digital Payment Integration: The collaboration with other organizations, including Bangladesh Bridge Authority (BBA) to collect toll and Air Astra to offer travel services indicates a strategy to integrate banking services into bigger digital payment systems (New Age, 2025; Dhaka Tribune, 2023).

2.6.3: Quality Management

OBPLC has a strong focus on quality and risk control which is reflected in its compliance and certification efforts.

Information Security (ISO 27001:2022): As mentioned above, the ISO certification serves as the most significant evidence of a strong commitment to Information Security Quality Management for data protection and ensuring the most trustworthy customers (One Bank PLC, 2025).

Risk Management : Manual The bank has a Credit Risk Management Manual, which is maintained and updated on a regular basis. This systematic method of risk management ensures that policies, guidelines and monitoring procedures are commensurate with the dynamic nature of the financial sector, which strengthens a robust internal control system (OBPLC Annual Report, 2024).

2.6.4 & 2.6.5: Scheduling, Workflow Optimization, and Resource Allocation :

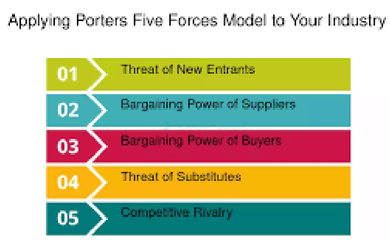
Centralization for Optimization: The fundamental philosophy of a CBS is to have workflow optimization by centralization. By eliminating branch-level processing and using a central system, the goal of the bank is to reduce errors, have data consistency, and provide speed of service across the bank's network.

Strategic Resource Allocation (Network): OBPLC allocates resources strategically through a large network which is focused on accessibility: Total Branches/Outlets Around 150+ branches and 50+ sub-branches (One Bank PLC, n.d.). ATM/CRM Network: The ATM/CRM network is concentrated in the major commercial areas such as Dhaka and Chattogram, indicating a focus on high traffic and real-time transaction nodes to achieve maximum resource utilization and efficiency (One Bank PLC, n.d.).

E-Learning for Efficiency: In the LMS, it is a direct investment in the allocation of human resources, where the staff's skills are always updated to cope with new digital work flows and complex procedures such as provision estimation (The Financial Express, 2023).

2.7: Industry and Competitive Analysis

2.7.1: Porter's Five Forces Analysis



The competitive nature of the banking industry in Bangladesh, which is marked by the operation of many players, will provide a challenging environment for ONE Bank Limited (OBL). The strategies OBL aims to achieve must have a distinct competitive advantage over its rivals (Das, n.d.).

1.Competition between Competing Firms (High Threat): Rivalry is the most powerful competitive force in the Bangladeshi banking industry because of its fragmented competitive structure (Das, n.d.).

Fragmentation: There exists a large number of small to medium-sized commercial banks in the industry, i.e., there is no one big player in the market. This structure results in low barriers to entry as well as similar product offerings (Das, n.d.).

Intense Competition: Banks compete with each other at a very close level in an interactive manner through introduction of new schemes, reduction in prices, promotional activities to attract customers etc. OBL must continuously focus on enhancing the quality of service to keep existing clients and acquire a competitive advantage (Das, n.d.).

Exit Barriers: High economic, strategic and emotional barriers (e.g. customized IT investments, fixed costs of exiting such as severance of employees, and emotional attachment of the public) keep inefficient banks working, further aggravating competition in a saturated market (Das, n.d.).

2. Threat of New Entrants (High Threat)

The threat of new banks entering the market is quite high because the Bangladeshi banking industry is still considered to be in its growth stage (Das, n.d.).

Low Regulatory Barrier: Government regulation is supportive towards formation and operation of new banks, that is this factor is not a significant entry barrier (Das, n.d.).

Existing Barriers: There are certain barriers that do exist, such as Brand Loyalty (especially to local/government owned banks) and Economies of Scale enjoyed by the established banks that have been operating for longer durations and have a vast branch network (Das, n.d.).

Impact on OBL: New entrants tend to launch better quality products along with a lot of marketing resources which compels OBL to watch the market all the time to save its market share (Das, n.d.).

3. Bargaining Power of Buyers (Customers) (Moderate to High Threat) : The power of buyers (customers mainly loan applicants) is huge, but it differs significantly among corporate and individual clients (Das, n.d.).

Low Switching Cost: Customers can change from one bank to another easily as most institutions will offer the same loan products at similar interest rates. This makes the industry very competitive (Das, n.d.).

Threat of Backward Integration: Large multinational companies or corporations have great bargaining power. They are able to threaten to raise their own funds or form their own captive financial institutions, making the commercial banks compete in a highly competitive environment for their deposits and loan business (Das, n.d.).

Scarcity of Applicants: With a scarcity of original business loans applications, the level of competition for the limited number of banks that hold idle money will offer a greater amount of bargaining power to the few available high-quality borrowers (Das, n.d.).

4. Bargaining Power of suppliers (Depositors) (Low to Moderate Threat): For the bank, the primary supplier of funds is the depositor. The bargaining power of these suppliers is generally low (Das, n.d.).

High Supply: There is a huge number of individual savings in the economy (supply of funds), but lesser investment opportunities available for the banks to utilize those funds. This diminishes the general bargaining power of the depositors (Das, n.d.).

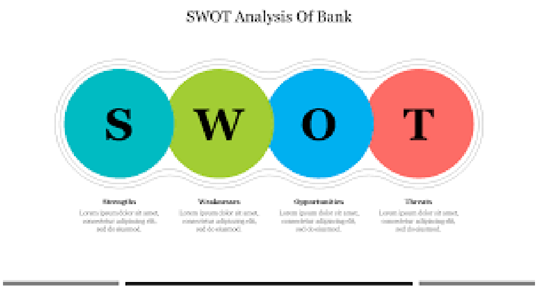
Corporate Power: However, like buyers, large corporations can exercise a Threat of Forward Integration where they can form their own banks for depositing money leading to the increased competition for procurement of funds among commercial banks like OBL (Das, n.d.).

5. Threat of Substitute Products (Low Threat): The threat of substitute products (alternative sources of finance) is not very prominent in the banking sector in Bangladesh (Das, n.d.).

Substitutes: There are three major substitutes to bank loans, which are informal or illegal channels of financing (e.g., wealthy persons lending money at high rates and no strict security requirements) (Das, n.d.).

Risk Mitigation: Since most of these informal activities are illegal and have high risk associated with it, most people tend to avoid them. This holds the threat of substitution low for formal banking products such as loans (Das, n.d.).

2.7.2 : SWOT Analysis of ONE Bank Limited



The SWOT analysis is carried out to identify the inside factors (Strengths and Weakness) and outside factors (Opportunities and Threats) that influence the performance and strategic position of ONE Bank Limited in the competitive Bangladesh Banking Sector (Ahmed et al., n.d.).

1. Strengths (Internal Factors) : The following internal capabilities are highlighted in the report:

- **Strong Management Team:** OBL has a strong management structure and team which is very important for effective decision making and strategic direction (Ahmed et al, n.d.).
- **Good Lending Risk Analysis:** The bank applies a better Lending Risk Analysis and appraisal procedure, which has been changed for the better due to new loan reformation policies (Ahmed et al., n.d.).
- **Well-Established Image:** OBL's image is superb in the eyes of its clients, which indicates high customer trust as well as positive brand image (Ahmed et al., n.d.).
- **Committed to Excellence:** The bank is committed to excellence in service, which is efficiency, accuracy and proficiency (Ahmed et al., n.d.).

2. Weaknesses (Internal Factors): The report outlines some of the internal limitations that prevent OBL's potential success:

- **Insufficient ATM Network:** A major issue is the lack of sufficient ATM Booths in the country, which restricts convenient withdrawal of cash by the customers outside major cities. The report points out competitors such as Dutch Bangla Bank Ltd. have much larger networks (Ahmed et al., n.d.).
- **Inadequate ATM Liquidity:** Even in established areas such as Dhaka City, ATM booths do not have sufficient liquidity at times resulting in customers having to go home without withdrawing cash (Ahmed et al., n.d.).
- **Poor Customer Service:** Customer services are not up to the mark. The services offered by the bank are not working for 24 hours and also take too long to execute a client request (Ahmed et al., n.d.).
- **Excessive Bank Charges:** OBL charges comparatively higher amounts for card yearly fees and also charges extra for withdrawing from shared network ATM Booths (Ahmed et al., n.d.).
- **Withdrawal Limit:** The bank has set a limit on withdrawal of cash for large amounts, which the customer has to notify the bank beforehand (Ahmed et al., n.d.).

3. Opportunities (External Factors): While the report doesn't expressly list an "Opportunities" section, the context of the analysis implies the following:

- **Growing Market:** The banking industry in Bangladesh is on the right track and is contributing significantly to the growth and development of the country, providing a market for OBL to expand (Ahmed et al., n.d.).

- **Increased Presence:** Given its strong image and committed services, OBL is well-placed to further increase their presence in the credit market and expand its profits in the future (Ahmed et al., n.d.).

4. Threats (External Factors): The analysis highlights some of the external challenges OBL have to navigate:

- **Intense Competition:** The development of numerous new commercial banks leads to a difficult and extremely competitive operating environment (Ahmed et al., n.d.).

- **Government Regulation:** The change in government regulation influences the day-to-day activities of the bank and it has to comply with strict regulations (Ahmed et al., n.d.).
- **Changing Tax Structure:** The tax structure in Bangladesh is changing every year and this is making financial planning and forecasting difficult (Ahmed et al., n.d.)

2.8 Summary and Conclusion:

This chapter explained ONE Bank PLC's background, structure and major functional areas as well as its position in the Bangladeshi banking industry. The bank has a diversified product portfolio, is expanding digital channels and has an experienced management team, and is in compliance with key regulatory requirements. However, it is exposed to stiff competition, being under pressure to be profitable and having challenges in asset quality, brand visibility and operational efficiency. Overall, ONE Bank PLC has a good platform for growth, but it needs to enhance risk management, service quality and uses of technology and marketing, to stay competitive in the long haul.

2.9 Recommendations and Implications :

- Enhance non-performing loans by tightening credit appraisal, monitoring and recovering.
- Focus on lower cost CASA deposits and cross-selling to existing clients in order to lower funds cost.
- Improve quality of digital and branch services to reduce turnaround time and improve customer satisfaction.
- Strengthen brand positioning through more integrated marketing communication, particularly with digital channels;
- Invest in staff training, performance-based incentives and process automation to help improve productivity and ensure sustainable growth.

Chapter 3: Project Part

The Effect of inflation on deposits : A study on One Bank PLC

3.1 Introduction:

Inflation has been one of the most difficult macro-economic challenges for Bangladesh,particularly in the recent past as the economy came under constant pressure from the rise in global commodity prices, a fall in the value of the currency, supply disruptions and pandemic plagued recovery weaknesses. Rising inflation not only influences the performance of the macro economy, but it also has a direct impact on the saving, consumption and investment decisions of people. When inflation becomes more rapid, households find it difficult to maintain their real purchasing power, and we can see that it also changes the behavior of households in terms of deposits in the banking system. Since deposits are the fundamental basis of the creation of liquidity in commercial banks, any major fluctuation in the accumulation of deposits becomes a concern of policymakers, bankers and depositors. Although several studies have been done on the relationship between inflation and broad economic variables like consumption, interest rate, investment and monetary policy, comparatively less studies are done on the direct impact of inflation on deposit mobilization at individual bank level especially in the emerging economies like Bangladesh. The problem is more important as the commercial banks are holding a big portion of domestic savings and huge amounts of deposits come from households and institutions whose real savings value is directly related to inflation (Rahman, 2023). When inflation continues to rise, the real value of savings gets eroded and this may result in uncertainty and changes in depositor preferences.

In this context, this study examines the existence of any meaningful connection of inflation with the deposit growth pattern of a leading commercial bank in Bangladesh, namely, ONE Bank PLC, a leading bank in the country. The study is based on quarterly data from 2018 to 2024 which includes both low and high inflation periods over Bangladesh. The reason is to analyze the effect of inflation on deposit behavior, whether deposits grow weaker during periods of high inflation or not, and the macroeconomic conditions on savings behavior after the shock of the Covid-19 pandemic. The study is a significant study as it provides bank-specific empirical evidence in an extremely inflationary environment.

3.1.1 Background and Problem Statement:

Bangladesh has faced many episodes of inflation from 2019 as a result of increases in global prices, supply chains and the volatility of the exchange rate. When inflation increases, real money decreases in value, and individuals will be disincentivized from saving money and will spend more on current consumption. This behavior does create difficulties for the bank, since the deposits are the major source of lending and investment activities. If the deposit accumulation slows down, then banks experience liquidity stress, less credit expansion and greater financial vulnerability. While past research has looked at the impact of inflation on economic growth or the power of consumers to buy goods and services, only a few have looked at what effect inflation has on the growth of deposits at the bank level. This gap is of great relevance for Bangladesh, where the majority of households use the services of commercial banks to protect savings. If inflation increases the actual worth of deposits, depositors may take out their cash or reduce the real value of deposits, depositors might withdraw their funds or cut down on their savings or move towards alternative investment options, which would impact banking sector stability (Islam & Chowdhury, 2022).This research work, therefore explores the deposit behavior of ONE Bank PLC during the low and high inflationary phases. The research tries to answer the question whether the savers were able to continue to increase deposits to keep up with rising prices, or whether inflation had discouraged depositors from keeping up their savings with traditional banking instruments. Understanding this behavior is of prime importance to banks, policymakers and regulators that worry about maintaining liquidity, financial stability and depositor confidence.

3.1.2:Specific Objectives:

● To discuss the relationship between inflation and deposit growth a.

● To examine the impact of inflation and the control variables, real interest rate, GDP growth and policy rate) on deposit growth with the help of regression analysis.

●To make policy based recommendations for strengthening deposit mobilization in an inflationary environment.

3.1.3 Significance of the Study: This study adds to the policy formulation, bank management strategies and academic research

by:

● providing empirical evidence about the effect of inflation on deposit growth.

● helping ONE Bank management to formulate deposit strategies during periods of inflation.

● giving policymakers insights about inflation-linked financial products.

● filling the gap in literature regarding the behaviour of deposit in Bangladesh.

3.1.4 Scope of the Study

● Uses 2018-24 as the period, both low inflation regime and high inflation regime are included.

● Focuses upon ONE Bank PLC, at the aggregate level of deposits.

● Uses secondary data such as Bangladesh Bank, BBS, World Bank, and annual reports.

● Analyses of macro-economic variables that affect the growth of deposits: inflation, real interest rate, GDP growth, and policy rate.

3.2 Literature Review:

3.2.1 Theoretical and Analytical Approach:

This research is based on monetary theory and empirical research in the impact of inflation on deposit behavior in the banking system. According to economic theory, inflation decreases the real value of money and has an impact on household saving decisions. When inflation is high,the purchasing power of the depositors decreases, which leads to changes in savings preference and liquidity position of the banks. Deposits are the fundamental base of funding of commercial banks, hence any macroeconomic changes that affect depositor behaviour would directly impact the stability of banks.

Empirical studies in Bangladesh indicate that deposits are determined by both bank specific factors (such as bank size, performance, product mix etc.) and macro-economic indicators (such as inflation, interest rate, GDP growth and monetary policy stance). Research on 29 private commercial banks in Bangladesh identifies the importance of monetary policy, bank balance sheet strength and macroeconomic stability in ensuring stable deposit flows (Nasrin, 2023).

Macroeconomic Issues and Inflationary Pressures :

Nasrin (2024) explains that inflation in Bangladesh due to the changes in the global market, as well as changes in the exchange rates, have increased the impact of the ability to save among the consumers. Rising consumer prices mean less disposable income and a lot of people start withdrawing or saving less amounts to meet everyday expenses. This shift results in weakening the disposition to keep regular savings in the banking system as real return on deposits shrink as the rate of inflation rises. Such conditions not only reduce the ability to save for consumers, but also make deposits uncertain about the real value of deposits over time. When the confidence of depositors falls, the banking system encounters problems in liquidity, particularly for the banks that largely depend on the deposits by the customers. Your findings seem to be consistent with this: ONE Bank PLC had higher nominal deposit inflows in earlier years, but fluctuations in the growth of deposits could be observed when inflation became more persistent.

Inflation, Real Interest Rate, & Bank Performance:

While several studies focus on the behavior of deposit, others share the general implications of inflation on the performance of banks. Ashad (2024) says that inflation has an impact on financial indicators like ROA and ROI due to its effects on lending and borrowing costs, quality of loans, and flow of deposits. Inflation erodes the real returns to savers if the nominal rates of interest do not adjust in line, which in turn causes savings value to decline and accumulate deposits. As deposits are the main source of funds for the lending and investment activities, the reduction of deposit inflows affects the liquidity, profitability, and stability. This analysis proves this correlation: real interest rates at ONE Bank PLC have been positive until 2021, after which they have decreased, in accordance with the decreased growth of deposits and the decreased behaviour of depositors.

Research Gaps and Synthesis :

Existing research works in Bangladesh have discussed the relationship between inflation and monetary policy and the performance of banks but less attention has been given to the impact of inflation on the growth of deposits in certain banks over a period of time. Most studies treat inflation as one of a number of macroeconomic variables without examining the impact of inflation on quarterly deposit trends or the impact of changes in real interest rates on depositor incentives.

This study seeks to fill this gap through the analysis of quarterly data from ONE Bank PLC (2018-2024) in a bid to examine the relationship between inflation and deposit growth, real interest rate fluctuation, and savings behaviour at the institutional level of the bank. This findings indicate that inflation and real interest rate have a strong inverse relationship, and growth in deposits responds accordingly implying that inflation is playing some meaningful role in shaping deposit movements.

Hypotheses Formulated on the Basis of Literature:

H0 : The inflation rate has no significant effect on deposits at ONE Bank PLC

H1 : The inflation rate has a significant effect on deposits at ONE Bank PLC

3 .3 Methodology :

3.3.1 Research Design :

The research uses quantitative explanatory design to determine the relationship between inflation and deposit growth. It employs inferential statistics to examine the degree of relationship between inflation and certain macroeconomic variables and the growth in deposits over the years.

3.3.2 Data Type and Sources:

Secondary data were obtained through:

1.Bureau of statistics, Bangladesh.

2. Bangladesh Bank

3.World Bank database

4. Annual Report of one bank plc (2018 - 2024)

5. Publicly available sources

3.3.2: Variables:

Dependent Variable:

- Deposits (Measured through growth rate/ change over time)

Independent Variable:

- Inflation Rate (%)

Control Variables:

- Real Interest Rate (%)
- GDP Growth (%)
- Policy Rate (%)

3.3.3 Calculation of Key Variables:

Deposit Growth formula:

$$\mathbf{DG_t = (Deposit_t - Deposit_{t-1}) / Deposit_{t-1} \times 1}$$

Real Interest Rate:

$$\textbf{Real Interest Rate} = \textbf{Policy Rate} - \textbf{Inflation}$$

Ln(Deposit):

$$\mathbf{Ln\_Deposit = ln(Deposit)}$$

3.3.4 Statistical Techniques Used:

1. Descriptive Statistics
2. Correlation Analysis
3. Simple Linear Regression Model:

$$DGt=\beta0+\beta1(Inflationt)+\varepsilon t$$

4. Multiple Regression Model:

$$DGt=\beta0+\beta1(Inflationt)+\beta2(RIRt)+\beta3(GDPt)+\beta4(PolicyRatet)+\varepsilon t$$

5. t-Tests and F-Tests
6. Hypothesis Testing
7. Graphical Trend Analysis

3.4 Findings and Analysis:

3.4.1 Descriptive Analysis :

Variable	Mean	StdDev	Min	Max	Count
Growth	3.732905	11.15539	-8.87671	57.19755	27
Inflation	6.612857	1.420378	5.54	9.02	28
Real_Interest_Rate	0.3	1.469442	-2	2.1	28
GDP_Growth	6.537143	1.430946	3.45	7.88	28
Policy_Rate	5.75	1.071517	4.75	8	28

Table 7 : Descriptive Analysis Table

Interpretation:

● Deposit growth is the most volatile among the variables (Std. Dev = 11.15) showing high fluctuations with each quarter.

● Inflation stable before sharp rise after 2022.

● Real interest rates exhibit negative trends in later years due to the erosion of real returns.

● Policy rate ranges from 4.75% to 8% as per Bangladesh Bank correction.

3.4.2 Correlation Analysis:

	Growth	Inflation	Real_Interest_Rate	GDP_Growth	Policy_Rate
Growth	1	0.33597205	-0.304675476	-0.044013653	0.06036719
Inflation	0.335972	1	-0.945426751	-0.108507472	0.69671434
Real_Interest_Rate	-0.30468	-0.94542675	1	0.206860061	-0.5504283
GDP_Growth	-0.04401	-0.10850747	0.206860061	1	0.23020086
Policy_Rate	0.060367	0.69671434	-0.550428272	0.230200858	1

Table 8: Correlation Analysis Table

Interpretation :

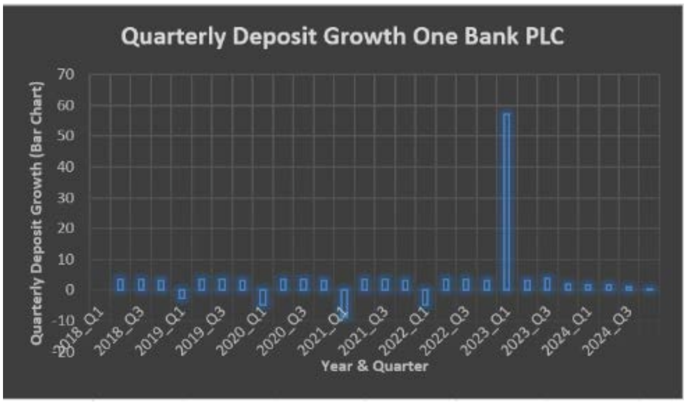
- Inflation and deposit growth are moderately positively related to each other, that is, nominal deposits are expected to increase with inflation.
- Real interest rate has a negative correlation with growth (r = -0.305) i.e. when real returns decline, deposit growth is affected negatively.
- Policy rate and inflation are highly positively correlated (r = 0.697) reflecting the reaction of Bangladesh Bank to inflation.

GRAPH 11: Quarterly Deposit Trend of ONE Bank PLC)

Interpretation:

The deposits of ONE Bank have been increasing since BDT 19,249.97 crore. in 2018 Q1 up to BDT 46,000 crore in 2024 Q4 and the most sharp rise was in 2023 where deposits increased by over BDT 25572.92 crore (2022 Q4) to BDT 40200 crore (2023 Q1). This projects a great growth in nominal terms though this growth might also have been occasioned by increased inflation. and developed transaction volumes.

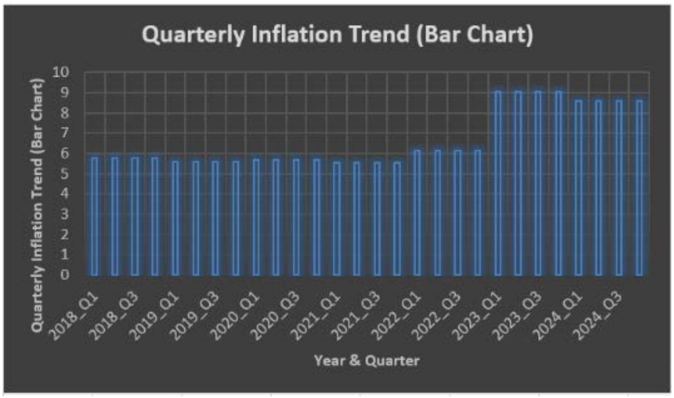
2. Quarterly Deposit Growth Rate : The rates of deposit growth, however, are highly shaky. There were some negative growths in the bank. quarters (e.g. 2019 Q1, 2022 Q1), although in 2023 Q1 there was an enormous spike because of a massive one jump in deposits.



GRAPH 12 : Quarterly Deposit Growth Rate

Interpretation: Deposit growth has a recurrent variation such as negative quarters 2.62% (2019 Q1), -4.79% (2020 Q1), -8.87% (2021 Q1) and -4.65% (2022 Q1). The largest spike is at 2023 Q1 with a growth rate of 57.20% that is the highest spike in the data set. After this rather abnormal jump, growth went back to a more normal level of 1-4% in. 2023- 2024 that is an indicator of stabilization even in the face of inflation.

3. Quarterly Inflation Trend Bar :



Graph 13: Quarterly Inflation Trend

Interpretation:

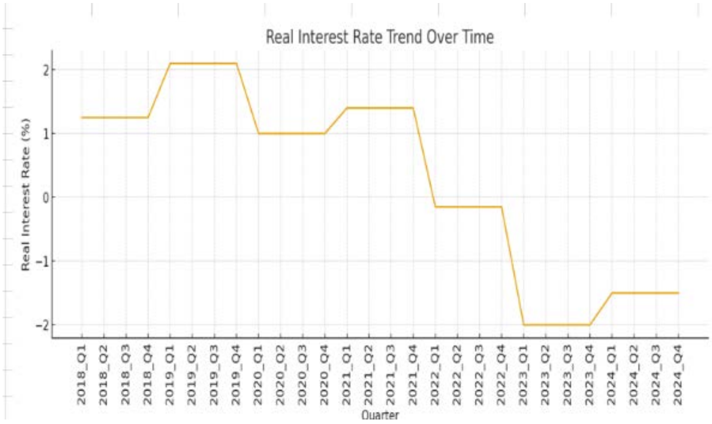
1.An indication is stable inflation (5.5% - 5.8%) between the years 2018 and 2021 of a regulated economic climate.

2.The process of inflation begins to accelerate in 2022 (up to 6.15%), and this is where the process of increasing cost starts. Pressures. The highest inflation (9.02) is in 2023 - it is a severe and persistent price.

3.Inflation is slightly reduced in 2024 to 8.56 but still a long way above long-term averages.The sharp rise since 2022 is directly associated with the price shock in the global market and in the world.

4.The spike in inflation is in line with fluctuating deposits acquired in the same Period.

4. Real interest Trend Over Time :

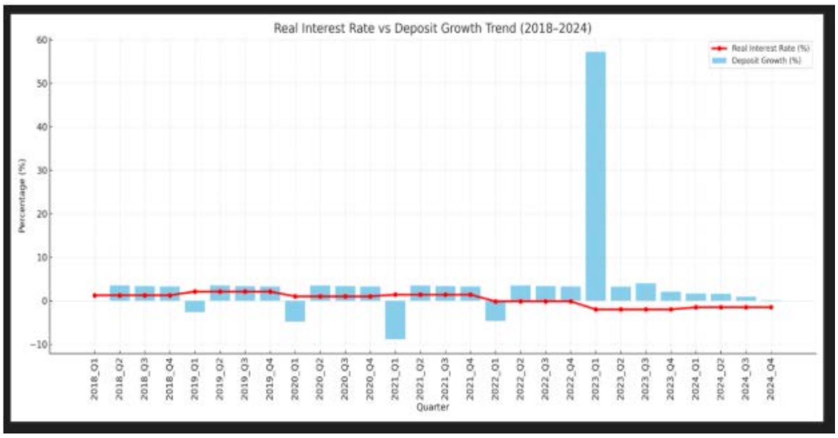


Graph 14 : Real Interest Rate Trend

Inpretation:

Based on the Combination chart, one can notice that the real interest rate is on a negative trend in the years 2018-2024. Between 2018 and 2019 real interest rates have been positive and stable between 1.25 to 2.10 percent implying that depositors earned a slight amount of positive rate of return after inflation. Since 2020-2021, the real interest rate began to decline, to 1.00-1.40, which indicates the outcomes of increasing inflation and low nominal interest rates. Another significant change in 2022 was inflation being above deposit rates and the real interest rate went to negative levels (approximately - 0.15% in each quarter). The fall was more severe in 2023 and was -2.00 which is the lowest in the seven-year period. This implies that the depositors had lost extreme amounts of their purchasing power since the savings had lost their real worth. Inflation has decreased to a certain extent in 2024, though the actual interest rate was in negative (approximately -1.50%), which proves the continued stress on deposit returns. A consistent negative real return is simply very harmful to the incentive of savers to hold money in traditional accounts and it directly affects the growth of deposits.

Real Interest Trend vs Deposit Growth Trend :



Graph 15: Real Interest Trend vs Deposit Growth Trend

Interpretation:

The combination chart Given a relationship between real interest rate and quarterly deposit growth from ONE Bank PLC, a combination chart is used to show it. TheBar line suggests a low and inconsistent relationship - that is, changes in real interest rate do not cause a predictable change in deposit growth. When real interest rates were positive (1% -2.1%) deposit growth was mostly between 0-4% with a few negative quarters (like -2.62%, -4.79% and -8.87%) caused by economic shocks. When real interest rates became negative after 2022, deposit growth became very unstable.

In some quarters there was a small positive growth (1% - 4%), while in others it was negative. An outlier in this regard is 2023 Q1 where real interest rate was -2% but deposit growth spiked dramatically to 57.20%. This extreme value implies a one-time change in the structure of the deposits and not a normal response to real interest changes. Overall, the line bar justifies the correlation result (r = -0.3047) indicating a weak negative relationship (i.e., as real interest rates decrease (particularly down to negative territory) deposit growth has a tendency to lower - but the relationship is not perfectly linear).

3.4.4 Regression Analysis

Variable	Coefficien	t-stat	p-value
const	-13.5846	-1.36856	0.183311
Inflation	2.606608	1.783534	0.086645

Table 9 : Simple Regression Analysis Table

Interpretation :

1. Inflation has a positive impact on the growth of deposit (β_1= 2.6066).

2. However, this effect is not statistically significant ($p = 0.0866 > 0.05$)

3. Meaning inflation alone is not a good predictor for growth of deposits.

Note : "In this study, a simple regression model is defined with inflation as the only independent variable to assess the direct and isolated effect of inflation on the growth of deposit at ONE Bank PLC. This model is used as a baseline analysis in order to understand the bivariate relationship between inflation and deposits. The multiple regression model is later used by adding other macroeconomic control variables in order to estimate the net effect of inflation keeping in mind other relevant factors."

Multiple Regression Output :

Variable	Coefficient	t-stat	p-value
const	-34.716371	-1.07391	0.294501
Inflation	9.61670087	1.62675	0.11803
Real_Interest_Rate	4.19901629	0.848393	0.405356
GDP_Growth	0.61784943	0.376044	0.710486
Policy_Rate	-5.323685	-1.63656	0.11595

Table 10 : Multiple Regression Analysis Table

Interpretation :

1. None of the control variables are statistically significant (all $p > 0.05$).

2. Adjusted R2 = 0.0677, which means that the model only accounts for 6.7% variation in

deposit growth.

3. F-value = 1.47 ($p = 0.2445$) --> model is not statistically significant.

t-Tests (Significance of an Individual Variable)

Note : Control variables include the GDP growth rate, the real interest rate and policy rate to minimize the omitted variable bias and enhance the strength of the estimated effect of inflation on deposits.

3.4.5: Statistical Significance

t-Tests (Individual Variable Significance)

1. Inflation: not significant ($p = 0.0866$)

2. Real Interest Rate: no significant difference

3. GDP Growth: not significant

4. Policy Rate: not significant

Conclusion: No variable explaining the growth of deposit individually at 5% significance level.

F-Test (Significance of Overall Model)

R2	Adj_R2	F	F_pvalue	N
0.211177	0.067755	1.472415	0.244511	27

Table 11 : F- Test Table

- $F = 1.4724$, $p = 0.2445$

The regression model is not significant at 5% level.

3.4.6: Hypothesis Testing

The study aims to test the effect of inflation on deposits at ONE Bank PLC. The hypotheses are formulated as follows:

- **Null Hypothesis (H_0):** The inflation rate has no significant effect on deposits at ONE Bank PLC.

- **Alternative Hypothesis (H_1):** The inflation rate has a significant effect on deposits at ONE Bank PLC.

Variable	Coefficient	p-value	Interpretation
Inflation	2.6066	**0.0866**	Not statistically significant

Table 12 : Hypothesis Testing

It implies that the effects of fluctuation in the inflation rate in the period of 2018-2024 had no significant impact on the total deposits at the ONE Bank PLC. Inflation may not be the most effective determinant of deposit growth.

- Simple regression model indicates that the coefficient of inflation is 2.6066 with p-value of 0.0866 above the 5% level of significance. This is a pointer that the statistically significant influence of inflation on deposit growth at ONE Bank PLC is not significant.
- F-statistic is used to assess the overall model fit. The value of the F-statistic is 1.4724 with the p-value of 0.2445, which also exceeds the level of 5% significance. This establishes that the regression model in totality is not significant.

Decision: p-values are bigger than 0.05, so we do not reject the null hypothesis (H0).

Conclusion: According to the simple regression analysis, it can be concluded that the inflation does not have a statistically significant impact on the deposits in the ONE Bank PLC within the time frame 2018-2024.

3.5 Summary and Conclusion :

This chapter investigated the impact of inflation on the quarterly deposit growth of ONE Bank PLC with the use of descriptive statistics, correlation, regression analysis and graphical interpretation over a period of 2018 to 2024. The results show that when the nominal deposits rose steadily with time, the real deposit behaviour varied significantly according to inflationary pressure.

- Descriptive statistics revealed that deposit growth is very volatile (Std. Dev=11.15), while inflation was fairly stable until it rose dramatically after 2022. Correlation results showed the positive middle effect of inflation on the deposited growth (r = 0.336) that shows deposits rise in nominal value when inflation increases. However, the real interest rates experienced a negative relationship with the deposit growth (r = - 0.305), hence real returns that discourage deposit accumulation.

- Regression results show that the impact of inflation on the growth of deposits is also positive but statistically insignificant. The p-value (0.0866) is above the threshold (5%), which means that inflation on its own cannot reliably be used to predict the growth of deposits. The F-statistic (1.47, p = 0.2445) further suggests that the overall regression model is not statistically significant, which implies that the regression model is not solely determined by economic or bank-specific factors.
- These findings were supported by graphical trends. Deposit growth saw sharp fluctuations in periods of high inflation (especially 2023 Q1), whilst the real interest rates went deeply into negative territory around 2023-2024. This represents the depletion of the real purchasing power of the depositors and they tend to choose to hold safer or short-term forms of deposits.
- Overall, the chapter concludes that inflation does have an effect on deposits growth, but not a significant influence in explaining real deposits behavior at ONE Bank PLC. The bank must therefore depend upon active strategies instead of the prediction that deposit growth will follow inflationary movements.

3.6 Recommendations:

Based on the findings of this study, one may make a conclusion that the inflation is not significant statistically in relation to the deposits at the ONE Bank PLC during the period 2018-2024. As a result, the bank policies of widening the deposits ought to be founded on other factors than inflation. The recommendations are suggested as follows:

1)Enhance Customer-Driven Depository Products:

Rather than relying on inflation, ONE Bank PLC must strive to offer deposit products that will meet the diverse customer requirement and preference. To use flexible fixed deposits, recurring deposits, and hybrid saving products as an example, it is possible to attract and retain customers. Such products help build customer satisfaction through boosting customer satisfaction by increasing frequent deposits and the general growth in deposits.

2)Implement Customer Incentive and Loyalty Programs: The bank can adopt reward based savings schemes such as interest bonuses on regular deposits or loyalty points which can be redeemed on banking services. The programs facilitate the high saving rate, the relationship with the customers, and stabilize the deposits in the long term.

3)Implement a Dynamic Interest Rate Policy: Deposit interest rates ought to be checked frequently based on the prevailing inflation, change in policy rates and liquidity in the market. Responsive rate policy will assist in maintaining positive real returns, and prevent the loss of the value of the deposits.

4) Enhance the Digital and Automated Saving Channels: Digital platforms can contribute to the stabilisation of deposits significantly. ONE Bank should expand:

- auto-deposit features
- online term deposits
- Savings plans based on mobile-applications.
- Such features are: - reward-based digital banking.

These tools ensure that saving is more convenient to the customers and encourage frequent saving performance even in high inflation.

5)Short-Term Deposit Product Diversification: During the inflation periods, customers prefer to be liquid. ONE Bank may introduce: Like 30 and 90 days short run deposits recurring flexible deposits.

- savings and profits hybrids.

The presence of such options is beneficial in ensuring that the customers who do not want to do any long tenure deposits are retained during the periods when the economy is experiencing instability.

6) Improve Customer Awareness and Financial Literacy: This concept of real return is misconstrued by many depositors. The bank must offer clients the following.

- inflation impact on savings
- benefits of early deposits
- difference between the real and nominal interest.

This enhances trust and security of deposits.

7) Improve Risk and Liquidity Management: The inflation causes the real purchasing power to decline and therefore the bank must:

- possess enough liquidity buffers.
- regularly check the withdrawals of deposits.
- enhance deposit volatility forecasting models.

This will prevent liquidity disconnections in the times of high inflation.

8) Monitor Depositor Behaviour with Data Analytics: More sophisticated analytics will assist the bank in identifying:

- what customer segments reduce deposits during inflation.
- seasonal deposit withdrawals trends.
- customers who are most sensitive to change in interest rates

This is an insight that allows specific products to be offered and better forecasts.

References

Chapter 2

1. **ONE Bank PLC. (2018).** ***Annual report 2018.*** **https://www.onebank.com.bd/financial-statement/Financial-Statements-2018.pdf**

2. **ONE Bank PLC. (2019).** ***Annual report 2019.*** **https://www.onebank.com.bd/financial-statement/Financial-Statements-2019.pdf**

3. **ONE Bank PLC. (2020).** ***Annual report 2020.*** **https://www.onebank.com.bd/financial-statement/Financial-Statements-2020.pdf**

4. **ONE Bank PLC. (2021).** ***Annual report 2021.*** **https://www.onebank.com.bd/financial-statement/Financial-Statements-2021.pdf**

5. **ONE Bank PLC. (2022).** ***Annual report 2022.*** **https://www.onebank.com.bd/financial-statement/Financial-Statements-2022.pdf**

6. **ONE Bank PLC. (2023).** ***Annual report 2023.*** **https://www.onebank.com.bd/financial-statement/Financial-Statements-2023.pdf**

7. **ONE Bank PLC. (2024).** ***Annual report 2024.*** **https://www.onebank.com.bd/financial-statement/Financial-Statements-2024.pdf**
8. **The Financial Express. (2024).** ***ONE Bank secures ISO/IEC 27001:2022 certification.*** **https://www.thefinancialexpress.com.bd**

9. **New Age. (2025).** ***ONE Bank receives ISO 27001 certification update.*** **https://www.newagebd.net**
10. New Age. (2025, May 12). *ONE Bank launches 'Anannya' credit card*. New Age. https://www.newagebd.net/post/mis/264716/one-bank-launches-anannya-credit-card
11. **The Business Standard. (2024).** ***Inflation and banking sector stress in Bangladesh.*** **https://www.tbsnews.net**

12. **The Daily Star. (2024).** ***Bangladesh inflation crosses multi-year high.*** **https://www.thedailystar.net**
13. **Dhaka Tribune. (2023).** ***OBL rolls out new digital banking features.*** **https://www.dhakatribune.com**

Chapter 3

14.Bangladesh Bank. (2024). ***Monetary policy statement 2024.*** **https://www.bb.org.bd**

15.Bangladesh Bureau of Statistics. (2024). ***Consumer price index and inflation report.*** **https://www.bbs.gov.bd**

16.World Bank. (2024). ***World development indicators: Bangladesh macroeconomic dataset.*** **https://data.worldbank.org**

17.The Financial Express. (2023, July 12). ***Bangladesh inflation hits decade-high level*****.** **https://www.thefinancialexpress.com.bd**

18.The Daily Star. (2022, September 18). ***Rising inflation reduces real deposit value in banks*****.** **https://www.thedailystar.net**

19.The Business Standard. (2023, June 10). ***Deposits fall as inflation erodes savings*****.** **https://www.tbsnews.net**

20.The Daily Star. (2024, February 8). ***Banking sector under pressure due to liquidity shortages*****.** **https://www.thedailystar.net**

21.The Business Post. (2023, November 20). ***Interest rate cap removal impacts deposit flow*****.** **https://businesspostbd.com**

22.Nasrin, S. (2023). ***Macroeconomic determinants of deposit mobilization in Bangladesh*****. Journal of Banking & Finance Studies, 12(2), 45–59.**

23.Nasrin, S. (2024). ***Inflationary pressure and deposit behavior in commercial banks*****. Bangladesh Economic Review, 8(1), 33–48.**

24. Ashad, M. (2024). ***Impact of inflation on bank profitability and risk exposure*****. South Asian Journal of Economics, 5(3), 122–138.**

25. ONE Bank PLC. (2024). ***Products & services overview*****. https://www.onebank.com.bd**

26. ONE Bank PLC. (2024). ***Deposit products*****. https://www.onebank.com.bd/personal-banking/deposit**

Appendix

Chapter 2

	PROFITABILITY ANALYSIS			
YEAR	NET PROFIT (mn)	EPS	ROA%	ROE%
2020	1395	1.49	0.46%	7.94%
2021	845	0.9	0.27%	4.77%
2022	1559	1.51	0.49%	8.30%
2023	1166	1.09	0.36%	5.04%
2024	1280	1.2	0.38%	5.46%

Profitability Analysis Table

Year	Operating Income	Operating Expenses	Operating Profit	Cost-to-Income (%)
2020	8,149	5,120	3,029	62.83%
2021	8,634	4,989	3,645	57.78%
2022	10,409	6,013	4,396	57.77%
2023	10,482	6,790	3,692	64.78%
2024	14,898	6,880	8,018	46.18%

operational Efficiency Table

Year	Loans (Tk mn)	Deposits (Tk mn)	CDR (%)
2020	220,429	229,069	96.23%
2021	222,847	230,166	96.82%
2022	225,866	225,479	100.17%
2023	224,527	241,246	93.07%
2024	221,089	250,684	88.19%

Year	RoE (%)	Net Profit Margin	Operating Profit	Non-Op Items	Tax Effect	Asset Turnover	Leverage
2020	7.87%	21.95%	47.68%	-18.64%	-7.09%	0.021	17.14
2021	4.77%	9.79%	42.21%	-23.61%	-8.81%	0.028	17.54
2022	8.30%	14.98%	42.23%	-20.65%	-6.60%	0.032	16.77
2023	5.04%	11.12%	35.21%	-19.85%	-4.24%	0.032	13.92
2024	5.52%	8.86%	53.82%	-49.25%	4.29%	0.044	14.16

Year	Net Profit (After Tax)	Average Equity	Cost of Equity (%)	Equity Cost	EVA	EVA/Op. Income (%)	EVA/Avg. Equity (%)
2021	844.12	17,671.00	12.28	2,170.00	-1,325.88	-15.42	-7.5
2022	1,557.00	18,282.00	12.28	2,245.03	-688.03	-6.55	-3.76
2023	1,165.00	20,993.50	12.28	2,578.00	-1,413.00	-13.52	-6.73
2024	1,319.00	23,558.00	13.4	3,156.77	-1,837.77	-12.43	-7.8

Year	Shares Outstanding (mn)	Book Value of Equity (mn BDT)	Market Cap (mn BDT)	MVA (mn BDT)
2020	1,066.00	17,596.00	9,380.00	**-8,216.00**
2021	1,066.00	17,746.00	12,890.00	**-4,856.00**
2022	1,066.00	18,818.00	10,000.00	**-8,818.00**
2023	1,066.00	23,169.00	9,780.00	**-13,389.00**
2024	1,066.00	23,947.00	9,060.00	**-14,887.00**

Chapter 3

Raw Data

D4 =(C4-C3)/C3*100

	A	B	C	D	E	F	G	H	I
1	Year	Quarter	Deposit	Growth	Ln_Deposit	Inflation	Real_Interest	GDP_Growth	Policy_Rate
2	2018	Q1	19249.967		9.86526464	5.78	1.25	7.86	6
3	2018	Q2	19925.405	3.50877193	9.89975081	5.78	1.25	7.86	6
4	2018	Q3	20600.842	3.38983051	9.93308723	5.78	1.25	7.86	6
5	2018	Q4	21276.28	3.27868852	9.9653481	5.78	1.25	7.86	6
6	2019	Q1	20718.837	-2.6200203	9.93879855	5.59	2.1	7.88	5.75
7	2019	Q2	21445.813	3.50877193	9.97328473	5.59	2.1	7.88	5.75
8	2019	Q3	22172.79	3.38983051	10.0066211	5.59	2.1	7.88	5.75
9	2019	Q4	22899.767	3.27868852	10.038882	5.59	2.1	7.88	5.75
10	2020	Q1	21800.749	-4.7992525	9.98969962	5.65	1	3.45	4.75
11	2020	Q2	22565.688	3.50877193	10.0241858	5.65	1	3.45	4.75
12	2020	Q3	23330.626	3.38983051	10.0575222	5.65	1	3.45	4.75
13	2020	Q4	24095.565	3.27868852	10.0897831	5.65	1	3.45	4.75
14	2021	Q1	21956.672	-8.8767091	9.99682632	5.54	1.4	6.94	4.75
15	2021	Q2	22727.081	3.50877193	10.0313125	5.54	1.4	6.94	4.75
16	2021	Q3	23497.491	3.38983051	10.0646489	5.54	1.4	6.94	4.75
17	2021	Q4	24267.9	3.27868852	10.0969098	5.54	1.4	6.94	4.75
18	2022	Q1	23137.401	-4.6584138	10.0492057	6.15	-0.15	7.1	5
19	2022	Q2	23949.24	3.50877193	10.0836919	6.15	-0.15	7.1	5
20	2022	Q3	24761.078	3.38983051	10.1170283	6.15	-0.15	7.1	5
21	2022	Q4	25572.917	3.27868852	10.1492891	6.15	-0.15	7.1	5
22	2023	Q1	40200	57.1975537	10.6016223	9.02	-2	6.03	6
23	2023	Q2	41500	3.23383085	10.6334487	9.02	-2	6.03	6
24	2023	Q3	43150	3.97590361	10.6724377	9.02	-2	6.03	6
25	2023	Q4	44050.45	2.08679027	10.6930908	9.02	-2	6.03	6
26	2024	Q1	44790.35	1.67966502	10.709748	8.56	-1.5	6.5	8
27	2024	Q2	45528	1.64689492	10.7260828	8.56	-1.5	6.5	8
28	2024	Q3	45951.78	0.93081181	10.7353479	8.56	-1.5	6.5	8
29	2024	Q4	46000	0.10493609	10.7363967	8.56	-1.5	6.5	8
30									

Quarterly Deposits of OBLC (2018-2024)

=STDEV(Data!D2:D29)

Variable	Mean	StdDev	Min	Max	Count
Growth	3.732905	11.15539	-8.87671	57.19755	27
Inflation	6.612857	1.420378	5.54	9.02	28
Real_Interest_Rate	0.3	1.469442	-2	2.1	28
GDP_Growth	6.537143	1.430946	3.45	7.88	28
Policy_Rate	5.75	1.071517	4.75	8	28

Descriptive Analysis Table

D2 =CORREL(Data!$D$2:$D$29,Data!$G$2:$G$29)

	Growth	Inflation	Real_Interest_Rate	GDP_Growth	Policy_Rate
Growth	1	0.33597205	-0.304675476	-0.044013653	0.06036719
Inflation	0.335972	1	-0.945426751	-0.108507472	0.69671434
Real_Interest_Rate	-0.30468	-0.94542675	1	0.206860061	-0.5504283
GDP_Growth	-0.04401	-0.10850747	0.206860061	1	0.23020086
Policy_Rate	0.060367	0.69671434	-0.550428272	0.230200858	1

Correlation Analysis Table

Variable	Coefficien	t-stat	p-value
const	-13.5846	-1.36856	0.183311
Inflation	2.606608	1.783534	0.086645

Variable	Coefficient	p-value	Interpretation
Inflation	2.6066	**0.0866**	Not statistically significant

Variable	Coefficient	t-stat	p-value
const	-34.716371	-1.07391	0.294501
Inflation	9.61670087	1.62675	0.11803
Real_Interest_Rate	4.19901629	0.848393	0.405356
GDP_Growth	0.61784943	0.376044	0.710486
Policy_Rate	-5.323685	-1.63656	0.11595

Regression Analysis Tables

R2	Adj_R2	F	F_pvalue	N
0.211177	0.067755	1.472415	0.244511	27

B2 =SLOPE(Data!D2:D29,Data!F2:F29)

Description	Formula
Slope (beta1) of Inflation on Growth	2.606608
Intercept (beta0)	-13.5846

Model fit & Hypothesis Testing Table