

FIVE TOP BANKS BY OPERATING PROFIT

ISLAMI BANK		
Year	Operating profit	Net Profit
2023	2261	610
2024	3400	

BRAC BANK		
Year	Operating profit	Net Profit
2023	1393	730
2024	2400	

PUBALI BANK		
Year	Operating profit	Net Profit
2023	1535	679
2024	2375	

CITY BANK		
Year	Operating profit	Net Profit
2023	1350	615
2024	2287	

DUTCH BANGLA BANK		
Year	Operating profit	Net Profit
2023	1431	800
2024	2285	



Fantastic 5



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City Bank
City Bank, known for its strong focus on consumer loans while maintaining a substantial portfolio of corporate and SME customers, joined the Tk 2,000 crore club in operating profit. In 2024, the bank recorded its highest-ever operating profit of Tk 2,287 crore, up from Tk 1,350 crore in 2023. The net profit for 2023 stood at Tk 615 crore.

Commenting on the achievement, Md. Arup Haider, Deputy Managing Director and Head of Retail Banking at City Bank, says, "Through consistent performance over the years, we reached a significant milestone in 2024 by crossing an operational profit of Tk 2,000 crore. City Bank fosters trust and delivers excellent service through strong corporate governance. Despite offering lower deposit rates compared to other banks, customers continue to trust us and deposit their money, prioritizing our services and reliability over higher interest rates."

Dutch-Bangla Bank Limited
Dutch-Bangla Bank Limited, a pioneer in mobile banking services in the country, achieved an operating profit of Tk 2,285 crore in 2024, up from Tk 1,431 crore in 2023. The bank's net profit in 2023 stood at Tk 854 crore. Its low cost of funds significantly contributed to this strong financial performance.

"We are now a happy family of 6.30+ crore customers. They have contributed to a huge amount of low-cost deposits for the bank. The bank maintains a strong liquidity base. We have sufficient capital to finance large corporates," notes Abul Kashem Md Shirin, Managing Director of Dutch-Bangla Bank.

Sustaining Growth: The Road Ahead
As these five banks celebrate their record-breaking operating profits, their leadership remains focused on ensuring

long-term stability and sustainable growth in Bangladesh's banking sector. With the industry at a crossroads, key stakeholders are advocating for strategic reforms, technological advancements, and stronger governance frameworks.

Obayed Ullah Al Masud, Chairman of Islami Bank Bangladesh, stresses the need for regulatory reforms to curb financial mismanagement. He reveals that tycoons linked to the former administration siphoned off \$17 billion, highlighting the urgency of stricter oversight. He advocates for Basel III adoption, stronger anti-money laundering measures, and corporate governance reforms, including board accountability and independent audits. Addressing non-performing loans, he calls for better credit risk management, asset reconstruction, and faster insolvency resolution, with ESG principles integrated into banking decisions.

Mashrur Arefin, Managing Director & CEO of City Bank, underscores the urgency of banking reforms, highlighting five critical areas: restoring public trust, ensuring financial inclusion, embracing technological adaptation, prioritising sustainability, and strengthening governance. He insists that the sector must undergo a cultural shift, with banks, regulators, and customers working together to build a more resilient financial ecosystem.

Selim R. F. Hussain, Managing Director & CEO of BRAC Bank, reinforces the significance of governance and transparency. He believes that sound financial management, coupled with innovation and a customer-centric approach, will be the key to sustainable banking. By balancing digital transformation with human connection, banks can create long-term value for both customers and society.

For Mohammad Ali, Managing Director & CEO of Pubali Bank, strong corporate governance and skilled leadership are essential. He argues that the banking industry must offer competitive salaries and benefits to attract and retain top-tier professionals, ensuring the sector is led by individuals with expertise and integrity.

Abul Kashem Md Shirin, Managing Director of Dutch-Bangla Bank, emphasises the transition towards a cashless economy. He believes that discouraging cash transactions by making them costly, while keeping digital transactions free, will accelerate financial inclusion. He also stresses the need for wider adoption of QR payments in rural areas and improved banking facilities for expatriates to boost remittance flows.

ADHERENCE TO SHARI'AH PRINCIPLES is Our Key to Success



audit firms, motivated employees, and worked diligently to restore good governance. Within just five months, the board succeeded in adding fresh Tk. 8,500 crore in deposits. This strong fund mobilization, along with the operating profit exceeding Tk 2,000 crore, underscores the effectiveness of the board's strategies in safeguarding depositors' funds.

strengthen our ethical foundation and ensure all operations align with these principles. Our focus is on balanced growth, efficient resource use, and cost-effective, accountable Strategic Business Units (SBUs). We will build resilience through a sustainable financial ecosystem that adapts to market dynamics. Enhanced connectivity, customized services, and advanced digital banking

OBAyed ULLAH AL MASUD,
CHAIRMAN, ISLAMI BANK BANGLADESH

The Daily Star (TDS): Your bank has recently achieved an annual operating profit surpassing Tk 2,000 crore. What does this milestone signify for your organization?

Obayed Ullah Al Masud (OUAM): In 2024, Islami Bank Bangladesh PLC continued its strong performance, achieving an operating profit that surpassed Tk 2,000 crore, maintaining the trend of previous years. This achievement is particularly significant considering the challenging environment the banking sector has been navigating, shaped by factors such as an unusual liquidity crunch, a volatile foreign exchange market, soaring inflation, and rising non-performing loans (NPLs). It not only reflects our financial strength but also highlights our capacity to adapt to and thrive in difficult times.

This success is also a reflection of the bank's strong board of directors, whose prudent decisions have guided the bank through these turbulent times. The board was formed in response to the national call to protect depositors' funds. It reformed the management, set up independent

TDS: What key factors have contributed to reaching this milestone despite the current challenges in the banking sector?

OUAM: Our operations are guided by adherence to Shari'ah principles, complemented by effective funds and risk management strategies. Islami Bank strategically deploys funds across sectors like SMEs and microfinance, holding the largest market share in the import-export business. The bank also collects around one-third of the country's remittances, significantly contributing to our revenue. In 2024, our total investments surpassed Tk 1,57,600 crore, with profits rising due to increased investment returns. The use of cost-free and low-cost deposits further boosted profitability. Total deposits reached Tk 1,61,000 crore, with cost-free deposits accounting for 13%. We also saw strong performance in Offshore Banking Units and Shari'ah-compliant securities.

TDS: Looking ahead, what strategies do you have in place to ensure continued growth and adaptability?

OUAM: By embedding Shari'ah values in our business, we aim to

will boost customer satisfaction and trust, while good governance and professional ethics will be prioritized across all operations.

TDS: In your view, what are the most critical areas for reform in the banking sector, and how should they be addressed to ensure long-term stability and development?

OUAM: Tycoons linked to the former administration have siphoned off \$17 billion from the banking sector, highlighting the need for reform. Strengthening the regulatory framework is crucial to addressing scams, embezzlements, and misappropriations, with strong initiatives needed to recover these funds. Regulators must adopt Basel III standards, enforce anti-money laundering and terrorism financing regulations, and conduct regular stress tests. Corporate governance must also be reformed, with clear accountability for board members, independent audits, and stronger whistleblower protection. Addressing non-performing loans (NPLs) requires effective credit risk management, asset reconstruction, and quicker insolvency resolution, while integrating ESG factors into decisions.

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