



**MASHRUR AREFIN**  
MD AND CEO OF CITY BANK

#### FINANCIAL INSTITUTION OF THE YEAR

## How City Bank became a top lender

#### MD MEHEDI HASAN

While the country's financial sector is passing through a challenging period with more than a dozen banks with weak financials, City Bank has emerged not only as one of the top lenders but also as a pioneer of financial technology.

The private commercial lender has gone through ups and downs in the 42 years since it was founded, but has finally come out on top through its performance, good governance, growth, and innovation.

In its early years, the bank faced major operational and governance challenges to the point of being labelled a "problem bank."

By 2006 2007, non performing loans were rising, deposit growth had slowed,

operating profit rose from Tk 699 crore to Tk 2,351 crore, 3.36 times higher, while net profit increased from Tk 222 crore to Tk 1,015 crore, nearly five times higher.

When most banks in the country are struggling with high non-performing loans, City Bank has managed to keep its bad loans at a low level.

"We have significantly reduced our NPL ratios through rigorous credit assessment, centralised collections, technology-enabled early-warning systems, and strong provisioning standards," said Arefin.

"It was 5.3 percent when I took over as CEO six years ago, and it is now 3.7 percent at the end of 2024," he said.

City Bank began the journey in 1983, with 12 visionary entrepreneurs taking the step of establishing Bangladesh's

first private commercial bank amid a turbulent time.

On March 27 that year, the bank opened its first branch on Bangabandhu Avenue. "At that time, the founding entrepreneurs didn't have much idea about achieving the right return on equity or return on assets. Their core mission was to do something for the country," said the managing director of City Bank.

"Their maths was far simpler than ours today," he said.

Following the early challenges, the bank's eventual transformation began in 2007 under the leadership of the then chairman, Aziz Al Kaiser Titu, who took a firm resolve to turn the bank around.

A team of six to seven bankers with experience in major international banks was brought in with a reform mandate.

Over the last six years, the bank's

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Yet that is precisely what Sadia Haque, the co-founder and CEO of ShareTrip, chose to do.

With over a decade of experience in marketing and leadership roles at companies like Grameenphone, BBC World Service Trust, Nokia, and Banglalink, she had the stability, reputation, and comfort that most professionals aspire to achieve.

But something in her was restless. She wanted to build, not just manage; innovate, not merely execute.

That desire would eventually propel her to become one of Bangladesh's most prominent travel-tech executives.

Her story is not just about setting up a travel booking company. It is about transforming a fragmented, offline-driven industry into a digital ecosystem, fighting through regulatory ambiguity, global crises, and the scepticism that every founder inevitably encounters.

Today, ShareTrip is not only a

They realised the pain points: complex processes of visa applications, hotel confirmations, local tours, and fragmented services.

Friends and family soon began asking them how to organise trips without hassle and with the best deals.

That was when the couple thought: why not build a platform that would do this for everyone?

But building a digital travel company was easier said than done.

"Our main focus was on digitalising the travel industry... but we needed technological support, we needed heavy investment, and at that time, we started only with our own funds," she recalled.

By 2016, they had managed to launch their first app with the hotel booking option only, built with baby steps and a lot of persistence.

In 2018, they met their very first investors—a turning point that provided validation and resources.

Soon after, they rebranded, shutting down the generic-sounding "Travel Booking Bangladesh" and launching ShareTrip, complete with an iOS app, Android app, and website offering an end-to-end travel solution.

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household name for a full-stack travel solution but also a symbol of resilience and digital transformation in Bangladesh's startup landscape.

When asked how the journey began, she smiled and went back to the roots.

"Our journey in the travel industry began in 2014. Back then, we operated under the name Travel Booking Bangladesh, but it was more of an offline mode of operation."

That was the seed -- Travel Booking Bangladesh -- founded in 2014, at a time when travel planning was still an offline hassle.

For Sadia and her husband Kashef Rahman, who founded the venture, it started from a personal passion.

Both were regular travellers, planning low-budget trips months in advance, often chasing AirAsia's "zero fare" campaigns.

The commercial launch came in July 2019, and with it came both excitement and steep challenges. The traditional travel industry was dominated by offline agents. Convincing customers to trust a local digital platform was not easy, especially one with very pricey tickets.

"We are all comfortable using global platforms like booking.com. But when it comes to a local platform, people hesitate—they wonder, will I really get the service?" Sadia said.

Still, they pressed on, introducing features that made ShareTrip stand out—gamification, loyalty programmes, and bundled services comprising flights, hotels, tours, and attractions.

For a country where tourism was slowly becoming mainstream, this was a game-changer.

And then came Covid-19.

For most travel companies worldwide,

The first CEO was Kazi Mahmood Sattar, followed by Sohail RK Hussain, who now runs Bank Asia. Arefin, the third CEO from that team, took office in 2019.

"My two predecessors did their parts brilliantly," said Arefin. "Looking back, we started by immediately doing a number of things."

Those included centralising credit, trade, and operations by ending branch-based lending; revamping the brand with a new logo and the brand payoff line 'Making Sense of Money'; and restructuring the balance sheet by introducing retail loans.

The CEO said they also relaunched cards with American Express and reimagined the corporate, commercial, and medium loan segments.

"During my time as the CEO, the loan portfolio became significantly diversified after we started small and microfinance lending as well," added Arefin.

"Now we are into every sector for deposit collection and loan underwriting—from large power sector lending to digital nano loans of just Tk 4,000 on bKash platform," he said.

"We also diversified our portfolio by expanding into SME, retail, and microfinance, while maintaining a strong corporate and trade business," said Arefin.

"Last year, our trade volume was \$7.2 billion, and our nano loans reached 65 lakh people on bKash. This ability to operate at two poles of the socioeconomic strata is something perhaps only City Bank can do," he said.

On governance, the managing director said, "We follow a strong framework. We have independent board committees overseeing risk, audit, and compliance."

"Credit decisions are fully policy-driven, backed by system-based controls and aligned with regulatory best practices. Business units are completely separated from credit decision-making and credit administration," he said.

On digital initiatives, Arefin talked about their Citytouch banking app.

"It offers Tap & Pay, instant virtual cards, bill payments, loans against deposits, and much more. In 2024 alone, it processed 16 million transactions, serving more than 848,000 users," he said.

**City Bank is one of two lenders to have entered the Tk 1,000-crore net profit club, achieving a historic milestone**

In this process, City Bank also brought in International Finance Corporation as the bank's single largest shareholder, launched Citytouch digital banking, and introduced new services such as Citygem Priority Banking, City Alo for women, City Islamic, and Bancassurance.

The bank's Citytouch app saw transaction volumes of about Tk 1.2 lakh crore last year.

The bank also formed four subsidiaries, including a remittance company in Malaysia that operates 15 branches and sends about \$300 million annually to Bangladesh.

Arefin said several bold reforms have transformed City Bank into one of the top performing banks in Bangladesh.

It strengthened governance by ensuring a clear separation between board and management roles.

"In addition, we have introduced digital DPS, enabling customers to open and manage deposit schemes entirely through Citytouch," he said.

"And with bancassurance, we sold 31,000 insurance policies in just one year from our counters—a 58 percent market share," he said.

The CEO said the bank now wants to balance sustainable growth with resilience.

"We will scale up SME and retail lending with a focus on quality. A key priority is also to expand City Impex, our new online platform for seamless trade services," said Arefin.

Meanwhile, Hossain Khaled, chairman of City Bank, said they also aim to strengthen payments and merchant ecosystems and deliver more services digitally.

"Travel is no longer just our business. We have also gone into the lifestyle segment. When customers started reaching out to us about how they could get benefits from other brands and retail outlets, a new vertical for business expansion came to light for ShareTrip."

But behind the milestones lies a tougher story—the struggle of being a founder in the startup ecosystem. "Our biggest challenge has not just been building technology," she said.

"It has been navigating unclear policies, regulatory delays, and sometimes, the absence of recognition that startups are different from traditional businesses."

The travel industry in particular suffers from fragmented policies involving visa processes, aviation



**SADIA HAQUE**  
CO-FOUNDER AND CEO OF SHARETRIP

#### OUTSTANDING WOMAN IN BUSINESS

## From passion to travel icon

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the pandemic was devastating. Flights were cancelled, borders shut, and revenues evaporated. Sadia described it as both a curse and a blessing.

"Of course, Covid devastated the entire world... but for us, it was also a blessing in disguise. Because people suddenly had no option other than digital. What I had been trying to educate customers about since 2019—Covid gave that push for us."

During those months of uncertainty, ShareTrip pivoted quickly. They launched a B2B model, allowing small offline agents to log in and continue selling tickets digitally.

They also developed ST Rooms, a hotel management system that has onboarded over 1,500 hotels to date in Bangladesh, bringing their inventories into one digital



platform. This not only kept the company afloat but also expanded its portfolio.

"We launched B2B in May 2020, just after the lockdown started in March. We said your shop is closed—but you can still log in from home and serve your customers. That changed everything."

The resilience paid off. ShareTrip attracted further rounds of investment, including support from Startup Bangladesh and eventually securing series funding with global participation. In total, the company raised over \$11.5 million— one of the highest funding figures for a Bangladeshi travel tech startup.

With that capital, the company has diversified into lifestyle services—ShareTrip's homegrown wallet "STPay." Licensed under the central bank, it offers travel loans, insurance, EMI facilities, and partnerships with retail brands.

regulations, and tourism guidelines—all operating in silos.

For a digital platform that connects all these dots, the lack of an integrated policy framework has often been frustrating.

"Sometimes you feel like you're fighting battles on too many fronts," she admitted. As a female co-founder, she faced additional scepticism. Many doubted whether a woman could scale a tech-driven venture in a male-dominated travel industry.

"But once you start delivering, results speak louder than bias."

Looking ahead, Sadia is cautiously optimistic. The government has spoken about supporting startups and bringing regulatory clarity to industries like travel and fintech. If fully implemented, these could unlock huge opportunities.