

### Perception

The World is changing fast. Things are said, done and served, unthinkably quicker than ever. Sophisticated man-machine relationship has superseded worn-out style of operation. The advent of the new millennium has heralded a universal perception of "survival of the fittest". Corporate world is confronted by unprecedented challenges with few options left.

Born at this turning point of global transition, we believe we could meet the high expectation of the new generation. Service to us is meant not only for clients but also for the community, not only for gains but also for governance and not only for delivery but to ensure dynamism, discipline and accountability. We have adapted to the best choice of globalization without compromising our standard. The key players sans whom our progress could never surface on the horizon, we salute those respected shareholders, customers, patrons and well-wishers at this moment of ecstatic joy to celebrate our 13 years of success.



Striving to Deliver the Best	04
Determination	05
Balancing Risks with Growth	06
Financial Indicators 2012	07
Vision and Mission	08
Our Values	09
Premier Bank for Premier Services	10
Time Line and Milestones	11
Corporate Directory	12
Board of Directors	13
Directors' Profile	14
Executive Committee and Board Audit Committee	21
Members of Shariah Supervisory Committee	22
A Message from the Chairman	23
Report on the activities of the Board Audit Committee	28
Review of the Managing Director	30
Performance Highlights and Indicators for 5 Years	33
Certificate regarding Compliance of Corporate Governance	36
Corporate Governance Practice	37
Subsidiaries of the Premier Bank Ltd.	50
Report of the Board of Directors (English)	51
Report of the Board of Directors (Bangla)	83
Report of Chief Risk Officer	95
Risk Management Report	96
Disclosure on Risk Based Capital Adequacy	103
Report on Related Party Transaction and Maintenance of Pool Cars of the Bank	115
Annual Report of Shariah Supervisory Committee 2012	116
History of Growth over 10 years	117
Value Added Statement	118
Statement of Directors' Responsibilities in relation to Financial Statements	119
Chief Executive Officer's and Chief Financial Officer's Responsibility Statement	120
Financials 2012	121
Report on Green Banking	210
Management Committee and Asset-Liability Committee	211
Head Office Credit Committee and Divisional Heads	212
Branch Managers	213
Financial Solutions	215
Caring for the Society (CSR)	219
Photo Album 2012	226
Branch Network	235
Notice	238
Proxy and Attendance Form	239

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### **Striving to Deliver the Best**

The Banking Industry has been confronted by stiff competition at home and abroad in the recent times. The dynamic change of the fast growing world, expanding and variant needs, demands of the new generation amid high uncertainty and financial volatility have made the business competition fierce.

The adversities round the year and all around the globe, could not put us off. We believe that the competitive advantage lies in the satisfaction of the customers we serve and values we create for the stakeholders. In line with the new challenges, the Premier Bank has adopted necessary restructuring in Business operation. We worked hard to position ourselves on a different platform away from our competitors. We train up every officer to have detailed knowledge of the products and services. The Bank has improved untiringly in the delivery of products and services, reduction of loan processing time, online deposits and remittance payment and adoption of many key changes in the delivery system. Placing the customers' satisfaction on the top of the priority list, we strived to make our Banking simple and accessible to all customers. We care about every one of our clients regardless of their size and position of business. The Bank continued to blend expertise with innovation of products and services equipped with modern and robust technology. We took special care on improving operating efficiency, productivity, financial soundness and ensuring workplace where talented dynamic professionals develop the full range of potentials and create opportunity for the customers. Corporate integrity is treated as the most important driving force and we are committed to meet international standards of corporate behavior in all areas of operation.

Sailing against many odds, the Bank has made its foundation strong with a capital base of Tk. 7662.50 million, deposit base of Tk.67,129.52 million, nationwide network of 79 no. of branches resourced with cutting-edge facilities controlled by highly efficient team of staff, with the loyalty and trust of more than two lac customers at the end of 2012. Operating Income grew to Tk. 823.48 million, but the gain was held back by provision for possible loan losses resulted in net profit of Tk. 603.41 million for the year. The Bank, however, retained a favourable Capital Adequacy at 11.04 percent, well above the required level of 10.00% and strong liquidity with Credit-deposit ratio at 77.78 percent. The Bank has been awarded upgraded Credit Rating A+ (A plus) for long terms and ST-2 for short terms based on the financials of 2011.

We are confident that our strengths, our strategy and our keen focus on the key priorities will enable us to weather through the challenges to grow and achieve greater success in 2013 and beyond.

### **Determination**

-to be determined like a mirror that never loses its ability to reflect even it is broken into hundred pieces.



To keep the spirit up under a precarious economic situation, the visionary entrepreneur and successful industrialist Dr. H. B. M. Iqbal - Honorable Chairman of the Bank wishes to adopt new slogan "Determination" in the Bank and suggested the employees to implement the slogan in day to day life, either in Office or at Home.

In continuation of our conscious endeavor to implement inspiring and motivational slogans " The Best or Nothing" and becoming "Good Human Being" as adopted last two years in all our relationship with all stakeholders, acquaints, friends and family members, in 2013 we wish to adopt the new Slogan "Determination - be determined like a mirror that never loses its ability to reflect even it is broken into hundred pieces. " The slogans adopted every year enable us to weather through the difficulties with lot of finesse.

The stressed global economic condition combined with dull business activities took its toll on the performance of our Bank in the outgoing year. We believe that the challenges and difficulties we faced are the inherent part of life and business that we must go through. The adversities all around could not make us exhausted and put us off. We want to win and have a hunger for success , no matter where we have been or where we are. All we really need is passion, determination and action. We want to ignite our level of determination to challenge ourselves to find the best way to manifest our latent potentialities, to improve our skills and step out of the boundaries that we consider our comfort and safe place. We want to maneuver the hard time to our advantages. We have strong belief in our abilities which we need to develop to set goals and commit ourselves to achieve success. We want to focus on the best way to move forward rather than looking back or blaming others for the current difficulties. Taking stock from where we are, we want to deal with the situation with confidence.

We are determined to make the best of today for a beautiful tomorrow.



### **Balancing Risks with Growth**

The year 2012 was really a trying time for the Banks and the challenges were too severe. Economic depression continuing from the recession in the US and Europe affected investment and growth prospects. External and domestic risks looming over the economy put the banking and financial sectors in a tight spot. The situation was exacerbated by some high profile financial scams in the state-owned Banks and in MLM businesses. This was accompanied by a deterioration in credit quality in several banks, although a growing crisis of confidence in the system was arrested by the swift response of the Bangladesh Bank, the wounds would take time to heal.

The disruption taken place in the economy and the financial industry changed our outlook. It is our belief that success depend not just on quantitative profitability but long-term sustainability and long-lasting values for our stakeholders. To withstand the onslaughts of depressed markets, Premier Bank Ltd. undertook a cautious approach in doing business. Taking all risks as inherent part of financial business, we put in efforts to keep a balance between risk and return. We shifted our attention from expanding credit to managing its quality. The slide in profit recorded by the Bank during the year reflects increased level of provisioning for non-performing assets. We have been up-front with conservative recognition of our losses and are clearing our balance sheet of toxic assets.

To make up lost opportunities, we made conscious endeavor towards upgrading our core capabilities, strengthening fundamentals and risk Management in banking business. We have put in place a dedicated Risk Management Unit staffed with experienced and well-groomed personnel. Monitoring and Controlling System have been revamped. IT and Core Management System have been strengthened to ensure timely and pre-emptive action against potential harmful risk events. The Bank also reinforced its business on integrity and service excellence. We emphasized on ensuring professionalism, honesty and positive attitude in all our operation to create a brand value and a sustainable benefit for our stakeholders.

With refined strategy and rejuvenated spirit, we have dedicated ourselves to flourish despite potential risks and challenges in the coming years.

### FINANCIAL INDICATORS

10%

11.04% Tk. 67,129.52 Million Tk. 52,210.16 Million Tk. 65,649.40 Million Tk. 4,689.60 Million Tk. 10,703.31 Million 2,00,000 79 Nos.

### 2012

Dividend commitment for our valued shareholders for 2012 amid financial volatility

Capital Adequacy, much healthier than required 10% at the minimum.

The Bank continued to succeed in deposit mobilization with a record level deposit balance of Tk. 67,129.52 million in 2012 from Tk. 60,692.97 million in 2011.

Our Credit portfolio reached Tk. 52,210.16 million at the end of 2012 compared to Tk. 49,774.91 million in 2011.

The Bank Plays vital role in export & import financing.

Inward foreign remittance handled by the Bank during the year 2012.

**Operating Income** 

Number of customers banking with us

The number of Branches functioning with cutting-edge technology to bring the Banking Service at the door step of customers.



### Vision

The Bank has a clear vision towards its ultimate destiny- to be the best amongst the top financial institutions.

### **Mission**

The mission of the Bank is -

- To be the most caring and customer friendly provider of financial services, creating opportunities for more people in more places.
- To ensure stability and sound growth whilst enhancing the value of shareholders investments.
- To aggressively adopt technology at all levels of operations and to improve efficiency and reduce cost per transaction.
- To ensure a high level of transparency and ethical standards in all business transacted by the Bank.
- To provide congenial atmosphere which will attract competent work force who will be proud and eager to work for the Bank.
- To be socially responsible and strive to uplift the quality of life by making effective contribution for social development.



### **Our Values**

#### Service first

For us 'Service first' is not just an abstraction; we do mean it. It holds a prime and central focus in our operation. We believe, discharge of quick and quality service is the hallmark for banking standard.

#### Easier banking

We have made day-to-day banking easier-than-ever through state-of-the-art facilities. We tend to create a congenial atmosphere for our customers to feel free and go easy with banking. We segment our clientele into least possible individuals to impart the best attention.

#### **Better relationship**

As we form bondage with our valued clients, so we develop it into a sustainable end. A good understanding with them, while carrying out business transactions, helps us perceive their goals and thus, enable us to respond pro-actively to their financial needs.

### Assured confidentiality

Since we deal in Customers' money and financial matters, our solemn promise remains intact with the interest of our clients so much so that all banking transactions are done in a confidential and professional manner.

#### **Good corporate governance**

The dynamic Board of Directors of the Premier Bank Limited hails from different disciplines of business and industry at home and abroad. They are well respected in the society for their contribution. The Bank is equipped with a highly competent Management Team who have long experience in domestic and international Banking. The Bank upholds and strictly abides by good corporate governance practices and is subject to the regulatory supervision of Bangladesh Bank.

#### **Corporate citizenship**

We are a compliant Bank and we pay due taxes. We are eager to inspire eco-friendly investment. We are an abiding citizen in terms of all laws, rules, norms, sentiments and values of the land.



### **Premier Bank for Premier Services**

- We believe Premier Bank is what Premier does. Real Time Online Banking equipped with state-of-the-art technology is the part and parcel of our service. Wherever in the country you go you can bank with any of our Branches if you are a Premier customer.
- We provide optimum return on customers' investments. We are first local bank to pay daily balance based interest on savings account.
- Premier Bank was recognised by Visa International as the first local bank to receive the Principal Membership of Visa International to issue and acquire Visa – Credit and Debit Cards in Bangladesh. We now issue and acquire both VISA & MasterCard Cards as Principal Member with ATM facility.
- Our Debit Card is an excellent replacement for cheque maintenance complexities. A savings
  or current account holder of Premier Bank can enjoy personalised and privileged services of
  Debit Card.
- Our Pre-paid Card and Hajj Card have replaced the need to carry cash and Travellers Cheques. HAAB Members are using our Hajj Card for their remittance Services.
- We have connected the most popular medium of communication such as mobile phone with banking. One can bank with us even while at home through SMS banking service. Our CMS banking service meets up your queries about credit card transactions.
- We care the most about any query, suggestion, objection or even allegation, no matter how irrelevant they look like. Customer's call centre is formed to oversee our clients' reaction under the direct supervision of the Managing Director of the Bank.
- We excel in devising new products and services. In line with variant choices of our clientele our services are tailored and streamlined.



### **Time Line and Milestones**

10 June 10 June 15 June 17 June 26 Oct.	1999 :	Incorporation of the Company as PLC Certificate of Commencement of Business First meeting of the Board of Directors License issued by Bangladesh Bank for commercial banking Formal launching of banking business
21 June 03 Aug. 16 Oct.	2003 : 2003 : 2003 :	Establishment of own Training Institute Introduction of Real Time Online Banking Commencement of Islamic Banking Business from IBB, Mohakhali
22 Jan.	2004 :	Pioneering VISA Credit Card among the local banks
30 Jan. 05 Aug.		Launching of SMS Banking Service Launching of CMS Banking Service
16 May 23 May 27 May 28 Oct. 28 Oct.	2007 : 2007 :	Listing with Chittagong Stock Exchange Limited Listing with Dhaka Stock Exchange Limited Trading of Shares on DSE & CSE Launching of Premier ATM Services Introduction of Premier VISA Debit Card and Hajj Card
12 Apr. 19 Oct.	2008 : 2008 :	Introduction of Bank's own Remittance Software (DRUTI) Purchase of DSE Membership
17 Nov. 01 Dec.		Purchase of CSE Membership Commencement of Brokerage Operation
17 May 23 June. 18 Sep. 07 Oct. 25 Nov.	2010 : 2010 : 2010 :	Remittance Deal with Grameen Phone Incorporation of Premier Bank Securities Limited - Subsidiary of Bank Migration to Centralized Core-Banking Software Live Operation of Bangladesh Automated Cheque Processing System Launching of Platinum Dual Currency MasterCard
21 Aug. 26 Sep.		Establishment of Bank's own DR (Disaster Recovery) Site Launching of Premier Mobile Remittance Service with GrameenPhone
20 Feb.	2012 :	Launching of Premier Money Transfer Company Ltd. (PMTCL, a 100% subsidiary of Bank) in London, UK

Premier Bank

### **Corporate Directory**

#### **Board of Directors:**

Chairman Vice Chairman Directors	:	Dr. H. B. M. Iqbal Mr. B. H. Haroon, MP Mr. Moin Iqbal Mr. Abdus Salam Murshedy Mr. Shafiqur Rahman Mrs. Nawrin Iqbal Mr. Mohammad Imran Iqbal Mr. Shah Md. Nahyan Haroon Mrs. Shaila Shelly Khan Mr. Yeh Cheng Min Mr. Kazi Abdul Mazid
Managing Director Company Secretary		Mr. K. A. M. Majedur Rahman Mr. Syed Ahsan Habib, FCMA
Executive Committee		
Chairman Members		Dr. H. B. M. Iqbal Mr. B. H. Haroon, MP Mr. Moin Iqbal Mr. Abdus Salam Murshedy Mr. Shafiqur Rahman Mrs. Nawrin Iqbal Mr. Kazi Abdul Mazid Mr. K. A. M. Majedur Rahman (Ex-Officio)
Board Audit Committee		
Chairman Members		Mr. Moin Iqbal Mr. Abdus Salam Murshedy Mr. Mohammad Imran Iqbal Mr. Shah Md. Nahyan Haroon Mr. Kazi Abdul Mazid
Strategy Makers		
Managing Director	:	Mr. K. A. M. Majedur Rahman
Additional Managing Directors	;:	Mr. Abu Haniff Khan Mr. M. Reazul Karim
Deputy Managing Directors	:	Mr. Ihsanul Aziz Mr. A. K. M. Shamsuddin Mr. Dewan Anwarul Latif
Chief Risk Officer	:	Mr. Mir Abdur Rahim

### **Corporate Directory**

**Registered Name of the Company** The Premier Bank Limited

#### Legal Form

A scheduled commercial bank incorporated on June 10, 1999 as a Public Limited Company under the Companies Act, 1994 and the Bank Companies Act, 1991.

#### **Registered** Office

Iqbal Centre (4th Floor), 42 Kemal Ataturk Avenue, Banani, Dhaka-1213. Tel : 9820844-8 Fax : 9820808, 9820833

Incorporation Certificate C-37922 (2222)/99, dated June 10, 1999

Commencement of Business Certificate Ref. no. 16370, dated June 10, 1999

Bangladesh Bank Approval Certificate BRPD (P) 744 (72)/99-1638, dated June 17, 1999

VAT Registration 5101027082, dated July 31, 2000

#### TIN Certificate 140-201-0820, LTU, Dhaka, dated October 17, 2000

#### **Auditors**

M/s. Howladar Yunus & Co Chartered Accountants 67 Dilkusha Commercial Area (2nd Floor) Dhaka-1000, Bangladesh

Corporate Web Site www.premierbankltd.com

Legal Advisor M/S Rokanuddin Mahmud & Associates Delta Dahlia (8th floor) 36 Kemal Ataturk Avenue, Banani, Dhaka-1213

### **Board of Directors**



Dr. H. B. M. Iqbal Chairman



Mr. B. H. Haroon, MP Vice Chairman



Mr. Shafiqur Rahman Director



Mr. Shah Md. Nahyan Haroon Director



Mr. Moin Iqbal Director



Mrs. Nawrin Iqbal Director



Mrs. Shaila Shelly Khan Director



Mr. Abdus Salam Murshedy Director



Mr. Mohammad Imran Iqbal Director



Mr. Yeh Cheng Min Director



Mr. Kazi Abdul Mazid Independent Director



Mr. K.A.M. Majedur Rahman Managing Director

### **Directors' Profile**



Dr. H. B. M. Iqbal Hon'ble Chairman

Dr. H. B. M. Iqbal is a former member of parliament and was the Chairman of Parliamentary Standing Committee of Ministry of Science and Technology, Government of the People's Republic of Bangladesh. He is also the group Chairman of a muliti-dimensional Corporate Body having interests in the field of Banking, Insurance, Manufacturing, Leasing, Cement. Petroleum R Lubricants, Training, Distribution House, Travel & Tourism, Aviation, Medical Centre, Steel & Super Market, HRD, Service Sector and Hotel & Restaurant.

Currently he has the following associated organizations:

Chairman Premier Group of Companies Ltd. Chairman Premier Hotel & Resort Ltd. Chairman Premier Hotel Management Company Ltd. Chairman Bengal Tiger Cement Industries Ltd. Chairman Premier Technology & Holdings Ltd. Chairman ATAB Centre Ltd. Chairman Air Concern International Chairman Bukhara Restaurant (Pvt) Ltd Chairman Banani Travels & Tours Ltd. Chairman The Premier Tele Link Ltd. Managing Director Beacon Travel In't Ltd. Managing Director Centaur Limited. Managing Director Nawrin Electronics Ltd. Proprietor Igbal Centre Proprietor **Concern International** 

In addition to his success in trade and business, Dr. Iqbal is immensely reputed for his contribution in the field of education. He is the Founder Chairman of Viqarunnisa Women's University, the first private university for women in Bangladesh. He was also associated with the following institutions:

Founder Chairman **Peoples Leasing & Financial Services Ltd.** Founder Chairman **Vigarunnisa Women's University**  Founder Chairman Z. Rahman PBL School and College Kishoregonj Former Chairman **Tejgaon University College** Former Chairman Viqarunnisa Noon School & Collage Former Chairman Ispahani School & College Former Chairman Wills Little Flower School Former Chairman Siddheswari Univesity Collage Former Chairman Dhaka Medical College Hospital Former Chairman **Tejgaon Women Collage** Former Chairman Habibullah Bahar University College Former Syndicate Member Bangabandhu Medical University, Dhaka



Mr. B. H. Haroon, MP Vice Chairman

Mr. B. H. Haroon, MP is the Vice Chairman of the Board. He is an Hon'ble Member of the 9th Parliament of the Republic People's of Bangladesh. He has business interest in diversified fields such as Insurance, Aviation and Travel, Lubricant oil, Human Resource export, Medical services, Construction etc. As a recognition of his contribution to the business of Bangladesh, Mr. Haroon was accredited the status of Commercially Important Person (CIP) by People's Republic of Bangladesh. He is also the founder and patron of different socio-cultural organizations in the country.

He is associated with the following companies:

Proprietor Al Arab Enterprise International Managing Director Ben-Lub (Pte) Ltd. Chairman Rajbithi Travels Ltd. Al-Humyra Group : Chairman Al-Humyra Health Centre Ltd. Chairman Al-Humyra Development Ltd. Chairman Al-Humyra Trade International Chairman Al-Humyra Aviation Service Chairman Al-Humyra Shipping Vice Chairman Bukhara Restaurant (Pvt) Ltd. Sponsor Director (Former) Purabi General Insurance

He is also Associated with many institutions like:

Chairman **Bangladesh Saudi Arabia Parliamentary Friendship Group** Member **Parliamentary Standing Committee on Public Undertaken** Member **Parliamentary Standing Committee Ministry of Religious Affairs** Governor Board of Governors, **Islamic Foundation of Bangladesh** Secretary General **Parliament Members' Forum** on Climate Change Joint Secretary **Parliament Club** Chairman Rajapur Degree College, Rajapur Chairman Shahid Raja Degree College, Kathalia Chairman **Tofazzel Hossen Manik** Miah Degree College, Kathalia

### Chairman Rajapur Pilot High School, Rajapur Chief Advisor Upajila Parishad Rajapur & Kathalia Chief Advisor All Educational Institution of **Rajapur & Kathalia** (College, Madrasa & School) under the Constituency of 125 Jhalakathi-1 Chairman **Bangladesh Saudi** Arabia Brotherhood Society Chairman Islami Complex Jalakathi, Rajapur, Kanudaskathi Director ATAB Centre Ltd. Member Secretary Tour Bangla Ltd. Former Secretary General **Association of Travel Agents** of Bangladesh (ATAB) Life Member Gulshan Club, Dhaka Member Army Golf Club, Dhaka Advisor & Patron Sheikh Rasel Krira Chakra



Mr. Moin Iqbal Director and Chairman of Board Audit Committee

Mr. Moin Iqbal is a Sponsor Director of the Premier Bank Ltd. He comes of a very respectable and reputed family in Bangladesh. Mr. Moin is energetic and promising entrepreneur and possesses excellent business background. He is the Chairman of the Board Audit Committee and an active member of the Executive Committee of the Board of Directors and renders his full support & services towards betterment of the Bank. He has business interest in diversified fields such as Financial Sector, Manufacturing, International Hotel and Catering Services, Manpower and Aviation, General Trading distribution and Wholesale Business in Bangladesh.

He is associated with the following Organizations :

Chairman Premier Property Development Co. Ltd. Chairman Bentley Sweater Ltd. Managing Director Premier Group of Companies Ltd. Managing Director Premier Hotel & Resort Ltd. Managing Director **Premier Hotel Management Company Ltd.** Director **Nawrin Electronics Ltd.** Director **Bukhara Restaurant (Pvt) Ltd.** Director **Air Concern International Ltd.** Director **Banani Travels & Tours Ltd.** Director **ATAB Centre Ltd.** 



Mr. Shafiqur Rahman Director

Mr. Shafigur Rahman is a Sponsor Director of the Bank. He is a prominent industrialist and businessman who comes of a very respectable family from Comilla. He is the founder President of "Bangladesh Rubber Industry Association". He was the Secretary of the then East Pakistan Students Union and he is the President of Altaf Ali College at Laksam. He is associated with a number of business forums and socio-cultural organizations.

He is associated with the following organizations:

Managing Director **Rupsha Tyres & Chemeical Ltd** Proprietor **Rupsha Rubber Industries** 



#### Mr. Abdus Salam Murshedy Director

Mr. Abdus Salam Murshedy, Managing Director of Envoy Group is the Senior Vice President of Bangladesh Football Federation (BFF). He is the former President of **Bangladesh** Garments Manufacturers & Exporters Association (BGMEA). He has excellent business an background and highly reputed for his relentless endeavours and dynamism. He is a prominent personality in the business arena of this country and is playing significant role establishing a in solid industrial base in Bangladesh.

He is associated with the following organizations:

Managing Director **Envoy Garments Ltd.** Managing Director Armour Garments Ltd. Managing Director Nadia Garments Ltd. Managing Director Pastel Apparels Ltd. Managing Director Astras Garments Ltd. Managing Director **Regal Garments Ltd.** Managing Director **Epoch Garments Ltd.** Managing Director Supreme Apparels Ltd. Managing Director **Dornick Apparels Ltd.** 

Managing Director Fontina Fashion Ltd. Managing Director Manta Apparels Ltd. Managing Director **Envoy Fashions Ltd.** Managing Director **Envoy Design Ltd.** Managing Director Laundry Industries Ltd. Managing Director **Envoy Textiles LTd.** Managing Director **Orex Network Ltd.** Managing Director National System Solutions (Pvt) Ltd. Vice Chairman Information Technology Consultants Ltd. Managing Director **OIA Global Logistics (BD) Ltd.** Managing Director Advanced Comtech Machines Ltd. Managing Director Lunar International Ltd. Managing Director **Emerald Trading Ltd.** Managing Director Geocentric Ltd. Managing Director Pinata Air International Ltd. Managing Director Peridot International Ltd. Managing Director **KSM Preserves Ltd.** Managing Director **Envoy Shipping Ltd.** Managing Director **Envoy LPG Products Ltd.** Managing Director **Machinery Products Ltd.** Managing Director Niloy Apartment Ltd.

Managing Director New Energy Solutions Ltd. Managing Director Envoy Air Services Ltd. Managing Director **Envoy Products Ltd.** Managing Director **Envoy Packages Ltd.** Managing Director **Envoy Towers Ltd.** Managing Director **Olio Apparels Ltd.** Managing Director **Building Products Ltd.** Managing Director Sharmin Holdings Ltd. Managing Director Sports Media Ltd. Director Sheltech Suit (Pvt) Ltd. Director Sheltech Cond. (Pvt) Ltd. Director Square Hospitals Ltd. Vice Chairman **Regional Power Ltd.** 



Ms. Nawrin Iqbal Director

Ms. Nawrin Iqbal is a very energetic and creative entrepreneur. She has completed her Graduation and Masters in Business Administration from Bentley University, Boston, USA and possesses excellent business background.

Managing Director Nawrin Electronics Ltd. Vice Chairman **Bentley Sweater Ltd** Vice Chairman **Premier Property Development** Co. Ltd. Director Premier Group of Companies Ltd. Director Premier Hotel & Resort Ltd. Director **Premier Hotel Management** Company Ltd. Director Centaur Ltd. Director Bukhara Restaurant (Pvt) Ltd. Director ATAB Centre Ltd. Director Gulf Medical Centre Ltd. Director Bengal Tiger Cement Ind. Ltd.



Mr. Mohammad Imran Iqbal Director

Mr. Mohammad Imran Iqbal comes of a noble family in Bangladesh. He is a business graduate from a reputed foreign university with an excellent academic track record. He is energetic and dynamic in business entrepreneurship. He has excellent business background with modern business acumen. He is associated with trading, manufacturing, wholesaling of different products in Bangladesh.

Managing Director **Premier Property Development** Co. Ltd. Add. Managing Director **Bentley Sweater Ltd.** Director Premier Group of Companies Ltd. Director Premier Hotel & Resort Ltd. Director **Premier Hotel Management** Company Ltd. Director Nawrin Electronics Ltd. Director Bukhara Restaurant (Pvt) Ltd. Director ATAB Centre Ltd. Director Al-Khalig Travels Ltd.



Mr. Shah Md. Nahyan Haroon Director

Mr. Shah Md. Nahyan Haroon is a potential entrepreneur in the line of business. He comes of a respectable and reputed family in the country. He is associated with a number of business and making progress towards a resourceful business leadership.

Managing Director **Rajbithi Travels Ltd.** 

**Directors' Profile** 



Mrs. Shaila Shelly Khan Director

Mrs. Shaila Shelly khan is one of the Sponsor Directors of the Bank. She is a Business Graduate. Presently, she is dealing with general trading and wholesale business of different products.



Mr. Yeh Cheng Min Director

Mr. Yeh Cheng Min, a Taiwanese citizen obtained his graduation from National Taipei Industrial College. He has vast experience in the bicycle manufacturing industry. He has business interest in Taiwan, Malaysia, England and many other countries.

Chairman Alita (BD) Ltd. Managing Director Ace Bicycle (BD) Ltd. Chairman Van Green (BD) Ltd.



Mr. Kazi Abdul Mazid Independent Director

Born in Jessore in 1943 Mr. Kazi Abdul Mazid Joined United Bank Ltd as an Officer in 1963 (taken over by Janata Bank in 1972) and held various positions including as the Chief of Janata Bank's Branches in U.K. before joining American Express Bank, Bangladesh in 1979 as Assistant Vice President.

In 1983 he joined now defunct BCCI in Hongkong and held several senior positions in Hongkong, USA, Thailand & UAE, before returning to Bangladesh in 1992 as the Managing Director of Pubali Bank Ltd. the largest private Bank in Bangladesh.

In 1994, Mr. Mazid joined National Bank Ltd. as its Managing Director and was able to shore-up the sagging morale of the employees and by repositioning business strategy he was able to increase the Bank's profitability substantialy.

In April 1997, Mr. Mazid joined Prime Bank Ltd as the Managing Director in place of Mr. Lutfar Rahman Sarker who was appointed as the Governor of Bangladesh Bank. The Bank under the leadership of Mr. Mazid became a highly profitable bank and was rated as Number 1 or Strong Bank under the "CAMEL" rating of Bangladesh Bank.

In May 2002 Mr. Mazid joined The Premier Bank Ltd. as Advisor. In 2004 he was appointed as the Managing Director of the same Bank. Now he sits in the Board of the Bank as an Independent Director.

In 2002 Mr. Kazi Abdul Mazid was appointed as a Member of Bank Reform Committee by the Ministry of Finance. The Committee was headed by Prof. Dr. Wahiduddin Mahmud.

He first introduced credit card in the local bank in 1997 in Bangladesh by obtaining Principal Membership of MasterCard as the MD of National Bank Ltd. He was also the first to introduce VISA Card in Premier Bank in 2004 when he was the MD of the Bank.

Mr. Mazid was elected Chairman of the Board of Governors of Bankers Club Ltd. (now known as ABB) in 1999. He was also a founder member of the Executive Committee of BAFEDA (Bangladesh Foreign Exchange Dealer's Association).

Mr. Mazid has participated in several training programs and seminars at home & abroad. He has received several awards from his employers as well as from Social Organizations for his contribution in the banking field.

Director MBF Clothing Ltd. Secretary Isamoti Somaj Unnayan Uddog Proprietor Armah Fashions



Mr. K.A.M. Majedur Rahman Managing Director

Mr. K.A.M. Majedur Rahman joined The Premier Bank Limited as the Managing Director on February 02, 2012.

He started his banking career as Management Trainee with Grindlays Bank Limited in 1981. He has over 30 years of work experience in banking at home and abroad. Majedur Rahman was posted at Grindlays Bank Group Audit in London in 1985. He served the Bank in various capacities in Bangladesh, UAE, Australia and India. He has also worked in Mashreg Bank in Dubai. He obtained Master of Social Sciences degree from Dhaka University in 1981. He secured merit position in the SSC and HSC examinations.

Mr. Majedur Rahman attended special programmes on Risk Management, Strategic Planning, Business Process Reengineering, Job Evaluation Pay and Systems, Environmental Concerns in Financing at premier institutions like London School, FMO Business Executive Netherlands, Development International, UK etc.

Mr. Majedur Rahman made a significant contribution to financing of SME business, e-banking, alternate delivery channels and automation of operations. banking He introduced securitization of Assets and Zero Coupon Bonds in Bangladesh while working as the Deputy Managing Industrial Director of Promotion and Development of **Bangladesh** Company Limited. He was the first Country Head of Bank Alfalah Limited in Bangladesh. Prior to joining Premier Bank he was engaged as the Additional Managing Director of AB Bank Limited.

### **Executive Committee**



Dr. H. B. M. Iqbal Chairman



Mr. B. H. Haroon, MP Vice Chairman



Mr. Moin Iqbal Member



Mr. Abdus Salam Murshedy Member



Mr. Shafiqur Rahman Member



Mrs. Nawrin Iqbal Member



Mr. Kazi Abdul Mazid Member



Mr. K.A.M. Majedur Rahman Managing Director (Ex-officio)

### **Board Audit Committee**



Mr. Moin Iqbal Chairman



Mr. Abdus Salam Murshedy Member



Mr. Mohammad Imran Iqbal Member



Mr. Shah Md. Nahyan Haroon Member



Mr. Kazi Abdul Mazid Member

### **Members of Shariah Supervisory Committee**



- Prof. Moulana Mohammad Salah Uddin - Chairman
- Khatib Baitul Mukarram National Mosque
- Former Principal
- Madrasha E Alia, Dhaka • Former Khatib Masjid Gausul Azam
- Mohakhali, Dhaka Chairman Governing Body,
- Shripur Bagnahati Kamil Madrasah



Prof. Dr. M. Shamsher Ali Member

- Immediate Past President • Bangladesh Academy of Sciences Founder Vice-Chancellor
- Bangladesh Open University Founder Vice-Chancellor
- Southeast University



Professor Dr. Anisuzzaman Member

- Director
- Centre for Moral Development University of Dhaka
- Former Chairman Department of Philosophy University of Dhaka
- Former Vice Chancellor Bangladesh Islami University



Prof. Dr. Md. Abu Bakar Siddique Member

- Professor Department of Arabic
- University of Dhaka
- Chairman: Sharia' Board Sunlife Insurance Company Ltd.
- Life Member Islamic Foundation Bangladesh



#### Dr. A. R. M. Ali Haider Member

- Professor Department of Islamic Studies University of Dhaka
- Director Dr. Serajul Hoque Centre for Islamic Research



Abu Jafor Muhamamd Ruhul Amin Khan - Member

- **Executive Editor** • The Daily Inkilab
- Member of Board of Governors Islamic Foundation Dhaka
- Member National Zakat Board Bangladesh



Dr. Mohd. Haroon Rashid Member

- Deputy Director Bangla Academy, Dhaka
- Associate Professor Department of Islamic Studies International Islamic University
- Associate Professor Department of Islamic Studies Southeast University Banani, Dhaka

### **Ex-officio Members :**



Dr. H. B. M. Igbal Chairman



Mr. B. H. Haroon, MP Mr. Abdus Salam Murshedy Vice Chairman Director



Mr. Shafiqur Rahman Director



Independent Director

Mr. Kazi Abdul Mazid Mr. K.A.M. Majedur Rahman Managing Director

## A Message from the Chairman





Dr. H. B. M. Iqbal Chairman

### A Message from the Chairman

#### Respected Shareholders,

I am delighted to welcome you to the auspicious event of our 14th Annual General Meeting (AGM). I thank you all from the core of my heart for the trust and confidence you have placed on us to deliver our banking services with excellence. It is a privilege as well to present our Annual Report 2012 that will unfold our position among stiff competitions.

Looking back over the last few years, economic crisis and dull business scenario across the world had been the most talked-about issue in the business arena. The world economy is still struggling to recover even four years after the eruption of the global financial crisis. A vicious spiral of public debt, unemployment and low income continue to plague high-income economies. China, which has been the major contributor to the global growth, is performing moderately. The growth of India fell from 9 percent in 2010 to 5.5 percent in 2012, the lowest in 10 years.

Against the global phenomenon of recession, Economic progress of Bangladesh is nothing but a wonder to economic analysts. Per capita income in Bangladesh tripled after the war of independence in 1971; average life expectancy increased from 50 to 65 years and the rate of literacy doubled. Meanwhile, population growth has decreased from 3.5 percent to 1.5 percent. Annual GDP growth rate was 3.7 percent in 1990 and is more than 6 percent now. Bangladesh has all the potential to be a power economy by 2030 if all its potentials, as indicated by different international organizations, are utilized effectively.

In 2012, Bangladesh economy maintained a steady GDP growth rate of 6-plus percent. The current account deficit has narrowed and foreign reserves rebounded as a result of policy adjustments and remittance flows. Country's foreign exchange reserve remains at an all-time high of over \$12.7 billion (as of December

2012) propelled by unfaltering growth in the inflow of remittances and decrease in import bills. During July-October, FY13 period, Taka had appreciated against all the major currencies including Dollar, Euro, Pound and Yuan, except the India Rupee. Although Bangladesh's export performance weakened in 2012, domestic demand was supported by steady inflows of migrant remittances and a relatively stable agricultural performance. The Garments sector witnessed a significant growth in export in spite of many limitations and hindrances, including hartal, shortage of power and electricity, and workers' unrest. New areas of growth have also become evident this year. These are shipbuilding, production of electronics (white goods) and high-end pharmaceuticals, as well as information technology (IT) products and services.

Although the economy is still robust, the macroeconomic indicators do point to warning signs that need to be heeded. There are persisting problems in the Bangladesh economy in the form of continuing gas-electricity crisis, high interest rate, scarcity of land for industrialization and labour unrest which accelerate the deterioration of the economic crisis further. A stable political environment will help the economy grow by tackling the negative impact of global economic slowdown. The achievement of the targeted economic growth will not be possible without further development of power, energy and communication infrastructure. Prudent policy stance is required to maintain the target rate as the economy is facing challenges including higher non-food inflation, slow global recovery, international oil price increase and exchange rate fluctuation.

The Banking industry of the country witnessed enormous challenges and uncertainty arising out of the global as well as local economic slowdown round the year 2012. The industry has faced declining credit quality for more than two years. The operating profits of the banking Industry of the country in 2012 was around the same level of the previous year. Some Banks slightly fell short of the previous year's earnings and others surpassed the same, to some extent. Although the domestic banking industry continued to be profitable, the performance of the core business and credit quality was in wavering state. The alleged loan embezzlement from some Government and non-government Banks by Hallmark Group, Bismillah Group and other Companies affected the confidence of customers on banking systems.

### Dear Shareholders,

2012 was a difficult year for the majority of financial institutions in Bangladesh. The Premier Bank Limited was no exception to this. The volatile economy and dull business condition took its toll on the performance of our Bank. To summarize its performance in 2012, Premier Bank ended the year with operating Profit of Tk. 823.48 Million, deposit of Tk. 67,129.51 Million, advance of Tk. 52,210.16 Million and capital of Tk. 7,662.50 Million. As at the end of the year, Bank's NAV, NOCF and Earning per shares was Tk. 15.34, Tk. 2.15 and Tk. 1.30 respectively. At the level of Subsidiary Companies, Premier Bank Securities Ltd (PBSL) earned interest income of Tk 261.40 million and commission income of Tk. 31.24 million from Brokerage operation amidst extreme bearish trend of the capital market in 2012. Premier Money Transfer Company Limited, the wholly owned subsidiary of Premier Bank Ltd started operation in UK since July'2011. The response of the remittances has been satisfactory and the volume is increasing day by day.

In 2012, the bank remained focused in all key areas covering capital adequacy, sound management, good earning and strong liquidity. You all will be very pleased to know that due to prudent fund management our bank is still a lending bank in spite of severe liquidity crisis. Bearing in mind its responsibility as a corporate financial institution, the Bank took a conscious decision to provide liquidity either by restructuring or providing new funding to many viable businesses in potential sectors. The Bank is striving to grow its market share in key areas, increased its number of retail clients and continued to work closely with corporate customers. The number of customers increased even in a period of financial instability. At the end of year, the Bank had nearly two hundred thousand customer accounts which is growing and most have long-standing relationships with the bankers.

Under the prevailing condition, we made no excuse for our credit quality. In 2012, we seriously focused on the recovery of classified loans, avoidance of further classification and compliance with all regulatory requirements. The right lending philosophy is in place, backed by strong credit administration that is focused on managing and minimizing risk. National Credit Ratings Ltd. (NCR) has assigned 'A+ (A Plus)' rating in the Long Term and 'ST-2' rating in the Short Term to The Premier Bank Limited in consideration of financials up to 31st December 2011 and other relevant guantitative as well as qualitative information up to the date of rating declaration on 28.06.2012. We have taken full cognizance of the new mandatory code of Corporate Governance for listed companies recently issued by Bangladesh Securities and Exchange Commission (BSEC). The Bank is committed to comply with the requirements in a timely manner. Disclosure in compliance with the Codes are set out in the Annual Report.

We want to manifest the ability to change and adapt our strategy to the current situation as well as strive to continuous improvement of our operations. In line with the global needs we have revamped our Retail Banking Division, SME Division and initiated Priority Banking; one stop solution for collective needs of priority customers. Several deposit products branded as Premier Excel Savers, Premier Esteem Savers, Premier Super Account and Premier High Performance Account have given a new pace to our Banking excellence. During the year 2012 we have added 12 Branches to take the banking service at the door-step of our customers. We have been able to provide a consistent, high-quality service to all the customers. We continue to work on improving our service tools, optimizing our service range and improving the quality of our customer service. To ensure better services the branches are resourced with highly competent, well-trained, experienced and dynamic young professionals. Premier Travel Card, Premier Hajj Card, Platinum Dual Currency Master Card strengthen our position in local card business.

#### Dear shareholders,

Our best efforts are always set or adjusted in view of optimum benefit for the shareholders. Our dividend history gives an account of our commitment to our shareholders. I, together with my fellow Directors, value the trust you have placed in our abilities and we thank you for giving us the privilege of directing the Bank towards attaining its long term vision. In recognition of your support, and considering the bank's earnings per share in 2012, the Board has decided to recommend dividend of 10 percent in stock.

Along with its financial activities, the Bank plays an active role in social and charity programs. We are fully aware of our responsibility for the future of our country and take an active part in cultural and social projects. Since the inception our motto has been "Service First" and poor, unprivileged people are always under the shed of our social service program. Bank's current charitable initiatives include developing and spreading light of education among the poor and distressed people, supporting art, technology and literature and assisting young talent. The Bank has always supported those in need and sponsored socially and culturally significant projects. We are planning much more involvement in social welfare in 2013. Definitely, the society will benefit more from our CSR activities as time moves on and on.

Despite difficulties all around, we have continued our investment in information technology, remittance services, expansion of branch network, back office systems and so forth. Our strong points basically consist of sophisticated technology in all business operation, efficient human resources and innovative products and services. We look forward positively to the resilience of our economy. Our strategy will be to align Premier Bank with those promises that speak of superior growth through consolidating our presence in the active segment of the market. We are in process to implement robust changes in ICT infrastructure, Human Resource Management, risk management and all types of delivery channels of the Bank. With a strong capital base Premier Bank is adopting a competitive approach to meet the global challenge.

We aim to be the best bank for our customers and to achieve this, we have to be the best bank for our employees. To seek out the best of the bests, the Bank has always persisted in its efforts to groom the next generation of professionals by creating a talent management pool. They are the ones who work with competence, dedication, reliability and a strong focus on service to make Premier Bank's success happen. We will reach more people in 2013 through our new branches and open the door of service to more clients.

#### **Honorable Shareholders**

I write to you at this time with a feeling of cautious optimism. We have come through some of the most trying conditions our Company has ever faced, and we remain strong and well-positioned. The challenges are not over, but we believe the worst has passed and are carefully taking steps to solidify our future. We are focusing on the core principles that have been central to Premier Bank from the very beginning: exceptional customer service and deep relationships within the communities we serve, and steady leadership.

I believe that our business strategy and the capabilities of our experienced bankers will show improved financial results as we move forward into 2013 and beyond. We are confident that our strengths, our strategy and our keen focus on the key priorities will enable us to manage through these challenges to grow and repeat our record of success for long. Your trust and confidence, support and co-operation enable us to put the Bank on a distinctive edge over the competitors.

I take the opportunity to express my profound gratitude to Bangladesh Bank, Bangladesh Securities and Exchange Commission and all other Regulatory Bodies for their kind support and guidance. My heartfelt thanks go to all the stakeholders, who supported this bank continuously in times of trouble. Customers trust and confidence helped us to walk through all the uneven roads and formidable barriers. I would like to thank all the employees of this Bank present and past who through their hard work, loyalty and commitment have made this bank one of the most respected banks in the country.

We confidently look forward to another year of safe, sound and high profile business performance.

On behalf of the Board of Directors

Premier Ba

Dr. H. B. M. Iqbal Chairman

### Report on the activities of the Board Audit Committee, 2012



### 1. Constitution of the Board Audit Committee:

The Board of Director in its 95th Meeting held on 15th April, 2012 Re-constituted the Board Audit Committee in line with the Bangladesh Bank BRPD Circular No. # 12 dated December 23, 2002 and subsequently, BRPD Circular letter No-08 dated June 19, 2011:

Sl. No.	Names	Status with the Committee	Status with the Board
01.	Mr. Moin Iqbal	Chairman	Director
02.	Mr. Abdus Salam Murshedy	Member	Director
03.	Mr. Shah Md. Nahyan Haroon	Member	Director
04.	Mr. Mohammad Imran Iqbal	Member	Director
05.	Mr. Kazi Abdul Mazid	Member	Independent Director

The profiles of the members of the Committee are given elsewhere in the Annual Report

The Company Secretary of the Bank is the Secretary to the Board Audit Committee. A separate Board Audit Cell has been formed to assist the Board Audit Committee to effectively perform its duty. Senior Management and Executives of the Bank attend the Meetings on invitation as and when required

#### 2. Objectives of the Board Audit Committee:

The Audit Committee is formed to assist the Board of Directors of the Bank in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plan set by the Board for effective functioning of the Bank.

#### 3. Meetings:

The Audit Committee of the Board conducted 25 (twenty five) Meetings during the financial year ended 2012. Minutes of the Audit Committee Meetings have been reported to the Board of Directors.

#### 3. Roles & Responsibilities of Audit Committee:

The Audit Committee of Board performed the following roles and responsibilities:

#### A. Internal Control Systems:

- i. The Audit Committee evaluated compliance culture of the Bank. All the employees of the Bank must have good understanding of importance of internal control and their roles and responsibilities.
- ii. It reviewed the compliances of the laws and regulation framed by the regulatory authorities and internal regulations approved by the Board. It also reviewed management information system including computerization such as the Core Banking Solution, Internet Banking, SMS Banking, Disaster Recovery and Business Continuity Planning.
- iii. The Committee reviewed the implementation of Internal Control strategies recommended by the Internal and External Auditors.
- iv. The Committee reviewed Existing Risk Management procedure for ensuring effective internal control.
- v. The Committee reviewed corrective measures against fraud-forgery, deficiencies in internal control system in the Bank.
- vi. The Committee reviewed and recommended Audit Plan of the Bank. The Committee reviewed the organization structure and efficiencies of the internal audit functions.

#### **B. Financial Reporting:**

The Audit Committee recommends for Appointment/Re-appointment of External Auditor every year. The Committee recommended the name of M/s. Howladar Yunus & Co., Chartered Accountants for appointment as External Auditor of the Bank for the year 2012. The Committee discussed and exchanged views with the representatives of External Auditor & Management and reviewed the Financial Statements and recommended for the consideration of the Board of Directors. The Committee also reviewed the Management letter issued by External Auditors.

#### C. Internal Audit and Inspection Reports:

The Audit Committee reviewed different internal Audit and Inspection reports of the Branches and Divisions of Head Office. After reviewing, the Committee advised the Management to rectify the deficiencies and advised not to repeat any deficiency and to improve operational performance and compliance.

#### **D. Bangladesh Bank Inspection Reports:**

The Audit Committee reviewed several Bangladesh Bank inspection reports on our Bank and observed various deficiencies and recommendations mentioned in the Bangladesh Bank inspection reports. The Committee discussed these deficiencies in detail and advised the Management of the Bank to rectify all the deficiencies as mentioned in the Bangladesh Bank inspection reports and submit compliance to Bangladesh Bank in time and to implement the suggestions and recommendations of Bangladesh Bank inspections teams.

The Audit Committee accords its sincere thanks and gratitude to the members of the Board of Directors, Management and Auditors for their continuous support for performing its duties and responsibilities.

**Móin Iqbal** Chairman Board Audit Committee

### **Review of the Managing Director**



Bismillahir Rahmanir Rahim

Distinguished Shareholders, the Board of Directors and all members of Premier Bank Family.

Assalamu Alaikum,

It's a befitting opportunity for me to present a brief account of our performance during 2012 by expressing my heartiest gratitude to our valued shareholders. I welcome you on this 14th Annual General meeting of the Bank. I am indebted to you all for the trust and confidence you have placed on us to manage the business of the Bank with a high degree of Banking excellence.

#### Respected Shareholders,

In 2012 global economy faced many upheavals with the ongoing European debt crisis, the imminent U.S. fiscal cliff and the economic slowdown in major emerging economies, including China. The Global Economic Prospectus Report released by the World Bank in January presented a gloomy economic conditions and its prospects varying from county to country and region to region. The International Monetary Fund (IMF) in its World Economic Outlook mentioned that the global financial system is still not functioning efficiently. In many countries, especially in Europe, the US and in Japan, banks are still weak and their position got worse by low growth. As a result, many borrowers still face tight borrowing conditions, decreasing their demand as well.

The prevailing slowdown and economic uncertainties all over the world put our economy on a hard trail. The Country has started feeling the thump of global recession. Our trade and commerce have shrunk, the export income has dropped, capital and money market shown volatility and uncertainty. The Banking sector of the country witnessed a lot challenges amid global as well as local economic meltdown round the year. The Sector has been experiencing very tough time in its history. High profile financial scams Hallmark Group, Bismillah Trading and MLM businesses have shattered the confidence of the customers on the Banking Systems. However, Bangladesh Bank with a view to bringing discipline in Banking System, has introduced various initiatives last year e.g. new Guidelines on Classification, Rescheduling of non-performing loans and Provisioning, Implementation of Stress Test, Risk Management practices under BASEL II, Environmental friendly Green Banking Policy, Automated Clearing System (BACH) and Payment System under Bangladesh Electronic Fund transfer Network (BEFTN), Introduction of BASEL – III etc.

The compelling strategy of the Bank in the teeth of economic turmoil of the world and its consequences recently felt in our perspective has been depicted in the Report of the Board of Directors. To optimize the risk arising out from various direction, we adopted a more cautious approach towards business growth during the year under review, with a more focused and pro-active outlook on follow-up, monitoring and recovery. We adopted a strategy of sound growth by attaching high priority to compliance with the length and breadth of the banking operation. The Bank remained focused in a number of fields namely capital adequacy, quality assets, sound earnings and good liquidity. Thus, the net profit of the Bank before tax for 2012 was Taka 920.18 million. The return on equity recorded 8.44 percent in 2012. Deposit of the Bank increased by 6,436.55 million indicating a growth of 10.61 percent. Bank's well diversified loans and advances have grown by 4.89 percent during the year. Capital Adequacy of the Bank stood at 11.04 percent, well above the required rate of 10 percent.

In 2012, we seriously focused on the recovery of classified loans, avoidance of further classification and compliance of all regulatory requirements that resulted in the substantial reduction of NPL. National Credit Ratings Ltd. (NCR) has assigned 'A+ (A Plus)' rating in the Long Term and 'ST-2' rating in the Short Term to The Premier Bank Limited in consideration of financials up to December 31, 2011 and other relevant quantitative as well as qualitative information up to the date of rating declaration on June 28, 2012. At the level of Subsidiary Companies, Premier Bank Securities Ltd (PBSL) earned interest income of Tk 261.401 million and commission income of Tk. 31.240 million from Brokerage operation amidst extreme bearish trend of capital market in 2012. Premier Money Transfer Company Limited", the wholly owned subsidiary of Premier Bank Ltd started operation in UK since July'2011. The response of the remittances is satisfactory and the volume is increasing day by day. This has been possible due to continued support and patronization of the Board of Directors and Shareholders which we also expect to have in the coming days.

#### Honorable Shareholders,

It's an undeniable fact that banking has been confronted by stiff competition at home and abroad in the recent times. With a strong capital base Premier Bank is adopting a competitive approach to meet the global challenge. Understanding client mindset with the depth of knowledge gave us a competitive edge in positioning our Bank in the market. Our customers are grouped into individuals, organization, small and medium sized business, corporate house and retail business. To keep pace with the ever expanding needs of the new generation we have diversified our Business portfolio as well as restructure our Banking operation. At the recent times we have focused SME, Retail Banking and Women on Entrepreneurs, the potential sectors for business expansion. We are gradually diversifing our lending to smaller manufacturing and service oriented enterprises to mitigate risks. Our agricultural credit operation is adding up new dimension with a zeal for development through the foundation of real economy. We have disbursed considerable amount in agri-credit by means of various arrangement.

Our constant focus on customer care facilitated by state-of-the-art technology and well-caring human resources has heightened our acceptability in the corporate world. With a focus on convenience and simplicity, we want to make our clients feel free, no matter how they want to deal with us. We have gradually expanded our network by opening new branches in potential areas. Our Bank ended the year 2012 with a network of 79 Branches. Hopefully, in 2013 we will be able to expand our network to what is required for continuous growth of the Bank. To offer better service the branches are resourced with experienced bankers and dynamic young professionals. We offer our staff an environment where they can identify and upgrade their skills and enhance the performance standards. Stretching over the year 2012, Premier Bank has redesigned many of its liability products keeping in view the market demand, global impact on local market, new monetary policy as well as to increase low/no cost deposits for a healthy deposit mix. We are also strengthening overseas connection by forming alliances with new exchange houses in different geographic location of the world. Our new products underway for exposure are internet banking, investment banking and merchant banking.

Although the year 2012 experienced damaging political and economic uncertainties, we believe we have many opportunities ahead. We hope to have acceptable solution of all crisis and to see the ray of light at the end of tunnel very soon. Propelled by renewed hope and rejuvenated spirit under a changing global order, Premier Bank is determined to making a smooth transition towards a world of better perception vis-à-vis good corporate governance and growth. We have taken full cognizance of the new mandatory code of Corporate Governance for listed companies recently issued by Bangladesh Securities and Exchange Commission (BSEC). The Bank is committed to comply with the requirements in a timely manner. Disclosure in compliance with the Codes are set out in the Annual Report.

I would like to extend my wholehearted thanks and gratitude to the Board of Directors for their guidance, co-operation, support to drive the Bank in the right direction. I also like to express thank and gratitude to the regulatory bodies, shareholders, valued customers, patrons and well-wishers who have extended their co-operation and support and contribution in development of the Bank. I would also express my heartfelt appreciation to the Management and all employees of the Bank who rendered their devoted services to create good impression among the stakeholders.

The wholehearted support, unfaltering trust and confidence of all concerned attached with our

esteemed organization as seen in the past is sure to make Premier Bank a top leading bank in the country. Our strategy will be to align Premier Bank with those promises that speak of superior growth through diversification and enhancement of our presence in active segments of the market. We are convinced that we will continue to prosper and fulfill our targets for the year on progress.

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K. A. M. Majedur Rahman CEO & Managing Director

## Performance Highlights and Indicators for 5 Years

# Performance Highlights for Five Years 2008-2012 (Figure in Million Taka where applicable)

		(I	igure in Mill	ion Taka whe	re applicable
Particulars	2012	2011	2010	2009	2008
INCOME STATEMENT					
Interest Income	8554.58	7417.02	4979.10	4243.64	3837.25
Interest Expense	6806.86	5679.27	3474.33	3309.52	2906.74
Net Interest Income	1747.72	1737.75	1504.77	934.12	930.51
Non Interest Income	2148.72	2586.66	3271.69	1519.28	1232.79
Non Interest Expense	3072.97	3507.11	1916.47	1061.53	890.39
Profit before Tax and Provision	823.48	817.30	2859.98	1391.87	1272.94
Profit after Tax	603.41	510.90	1772.02	1088.32	650.75
Authorized Capital	6000.00	6000.00	6000.00	6000.00	2000.00
Paid-up Capital	4658.71	3818.61	2914.97	2242.28	1689.99
Shareholder's Equity	7148.35	6673.41	6277.11	4638.04	3116.11
Deposits	67129.52	60692.97	54691.47	37381.96	32059.62
Loans and Advances	52210.16	49774.91	46400.57	33664.59	30319.53
Investments	12614.02	11968.61	10195.00	6513.01	4292.15
Fixed Assets	1423.41	1220.87	652.52	529.55	298.85
Total Assets	81805.04	74951.11	68240.35	47343.24	38723.49
10(a) / 356(5	01003.04	74991.11	00240.33	47343.24	30723.49
Core Capital (Tier-I)	7090.08	6487.35	5976.44	4204.42	3116.11
Supplementary Capital (Tier-II)	572.42	803.83	886.73	760.67	486.92
Tier-I Capital Ratio	10.22%	9.39%	8.72%	12.82%	10.94%
Tier-II Capital Ratio	0.82%	1.16%	1.29%	2.32%	1.72%
Total Capital	7662.51	7291.19	6863.17	4965.10	3603.03
Capital Adequacy Ratio	11.04%	10.55%	10.01%	15.14%	12.71%
Volume of Non Performing Loans	2812.95	2132.34	2160.98	617.55	1378.66
% of NPL to Total Loans	5.39%	4.28%	4.66%	1.83%	4.55%
Earning Per Share (EPS) (Taka)	1.30	1.34	6.08	4.85	29.02
Book Value Per Share (Taka)	15.90	16.99	20.50	18.75	138.97
Price Earning Ratio (Times)	12.23	22.98	10.59	6.80	8.71
Credit to Deposit Ratio	77.78%	82.01%	84.84%	90.06%	94.57%
Return on Equity (ROE)	8.44%	7.66%	28.23%	23.47%	20.88%
Return on Assets (ROA)	0.74%	0.68%	26.23 %	23.47 %	1.68%
Cost of Fund	10.04%	0.88% 9.40%		2.30% 9.33%	
	10.04%	9.40%	7.61%	9.33%	10.02%
Number of Branches	79	64	52	38	30
Number of Employees	1259	1117	965	893	834
Number of Foreign Correspondents	473	473	454	439	414

### **Performance Indicators for Five Years 2008-2012**

(Figure in million Taka where applicable)

























### Certificate of compliances of conditions of The Corporate Governance Guidelines to the shareholders of the Premier Bank Limited

We have examined the compliances of conditions of The Corporate Governance guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by the Premier Bank Limited (the "Bank") as stipulated in clause 7 (i) of the BSEC notification on SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

The compliances of conditions of The Corporate Governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the Bank's Management. Our examination for the purpose of issuing this certificate was limited to the examining of procedures and implementations thereof, adopted by the Bank for ensuring the compliance of conditions of corporate governane and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received thereon.

To the best of our information and according to the explanations given to us, we certify that the Bank has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notification dated 7 August 2012 issued under section 2CC of the Securities and Exchange Ordinance-1969, except for conditions No. - 1.2 (i), 3.2(i), 5(i) & 5(ii), for the year ended 31 December 2012 which will be complied in due course.

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K.M.Hasan FCA Managing Partner K.M.Hasan & Co Chartered Accountants

Dhaka, April 10, 2013
# **Corporate Governance Practice in the Bank**

Corporate Governance refers to the structure and process for the direction and control of the companies. This is the framework of rules and practices by which a Board of Directors ensures accountability, fairness, and transparency in the Institution's relationship with its all stakeholders (financiers, customers, management, employees, government, and the community). In essence, the exact structure of the corporate governance will determine what rights, responsibilities, and privileges to be extended to each of the corporate participants, and to what extent each participant may enjoy those rights.

The Premier Bank Limited has continued to practice on good corporate governance at all levels since its inception. It enables the Bank to establish professionalism together with trust and confidence among the interested parties, builds capacity to operate business efficiently and creates a congenial working environment inevitable to meet the challenges of the present competitive business arena. Bank has drawn clear border line function for each to ensure corporate governance.

#### **Position of the Shareholders**

The right of the shareholders include (i) the ability to transfer shares freely (b) to have access to financial and other relevant information about the organization on regular and timely basis (c) the ability to effectively participate in shareholder meetings (d) appoint the Directors and Auditors (e) equitable treatment relating to the type of shares owned.

The shares of the Bank can be freely traded/transferred through the Dhaka and Chittagong Stock Exchanges subject to compliance of Insider Trading Rules, 1995 of Dhaka Stock Exchange. The Bank holds Shareholders meeting with serving required notice in time as per regulations. Annual Report and other documents/information are sent to all shareholders to ensure their effective participation in the meetings in person or by proxy. The annual report of the Bank covers all the notes for current financial year, Business performance, future plan and strategy and other key corporate information and disclosures. All required information is also available in the website of the Bank. All shareholder are treated equally on the basis of one vote per share. The Bank always shares a portion of its profit with shareholder in the form of dividend every year.

The Board of Directors adopts a public disclosure policy to assist the timely and accurate disclosure of material information in accordance with the requirements as set out in legislation and in the rules and regulations of SEC, DSE and other applicable laws conducive to efficient capital activities.

#### **Position of the Board**

The Board of Directors has the responsibility for overall governance of The Premier Bank Limited. The Board makes it sure that the Bank establishes high ethical standards at all level of operations and regularly reviews the Bank's compliance with regard to corporate governance set by Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC). The Board takes cognizance of good corporate governance practice as a core ingredient in the creation of sustainable shareholder value and protecting the interests of all stakeholders.

The Board of Directors sits regularly throughout the year and exercises control over strategic, financial, operational, internal control and compliance issues. The Board charts the strategic direction of the Bank, takes part in strategy formulation, setting objectives, establishing and communicating corporate values and policy guidelines. The Board also monitors the Management's handling of business affairs within an agreed framework. In brief, the overall affairs and performance of the Bank comprise the ultimate accountability of the Board of Directors.

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The Board is currently comprised of 11 Non-Executive Directors lead by the Chairman. The Chairman steers the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibility. There is a specific line of control between the Chairman and the Managing Director exercised by different persons. The members of the Board of Directors are elected in the general (ordinary) meeting of the shareholders by a simple majority of valid votes. The nominees for directorship are to meet certain 'fit and proper' criteria pursuant to rules and regulations of Bangladesh Bank.

#### The Responsibilities and Authorities of the Board of Directors :

#### (01) Work-planning and strategic management:

- (i) The board determine the objectives and goals and chalk out strategies and work-plans on annual basis. The Board analyze/monitor at quarterly rests the development of implementation of the work-plans.
- (ii) The board have its analytical review incorporated in the Annual Report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and apprise the shareholders of its opinions/recommendations on future plans and strategies. The Board also set out the Key Performance Indicator(s) for the Managing Director and Other Senior Executives of the Bank and evaluate on regular basis.

#### (02) Lending and risk management:

- (i) The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, rescheduling and write-off thereof are made with the board's approval under the purview of the existing laws, rules and regulations. The board distribute the power of sanction of loan/investment and such distribution are made among the CEO and his subordinate executives as much as possible. No director, however, interfere, directly or indirectly, into the process of loan approval.
- (i) The board frame policies for risk management and get them complied with and monitor at quarterly rests the compliance thereof.

#### (03) Internal control management:

(i) The Board is vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. It review at quarterly rests the reports submitted by its audit committee regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

#### (4) Human resources management and development:

- (i) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the board. Recruitment and promotion to the immediate two tiers below the CEO has been under the discretion of the board and Such recruitment and promotion is carried out complying with the service rules i.e., policies for recruitment and promotion.
- (ii) The board put its special attention to the development of skills of bank's staff in different fields of its business activities. The board get these programs incorporated in its annual work plan.

#### (5) Financial management:

- (i) The annual budget and the statutory financial statements are prepared with the approval of the board. The Board review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures on quarterly basis.
- (ii) The policies and procedures for bank's purchase and procurement activities have been formulated by the Board of Directors and power for making such expenditures has been distributed. The maximum possible delegation of such power has been under delegation of the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business is adopted with the approval of the board.

#### (06) Formation of supporting committees:

There is no committee or sub-committee of the board other than the Executive Committee and the Audit Committee. No Alternate Director has been included in these committees. The Board entrusted the Executive Committee (EC) to dispose of important matters on urgent basis with recommendation of the Management and Board Audit Committee (BAC) to oversee internal control and the risk management framework with a view to reinforcing internal and external audit activities.

#### **Responsibilities of the Chairman of the Board of Directors:**

- (a) The Chairman steers the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibility.
- (b) The Chairman does not personally possess the jurisdiction to apply policymaking or executive authority and never participate in or interfere into the administrative or operational and routine affairs of the bank.

#### Position of Executive Committee (EC)

An Executive Committee (EC) consisting of 8 members including the Managing Director of the Board is authorized to approve specific credits, operational issues. The EC also reviews budgets, plans and major organizational changes for final submission to Board for a complete review and approval.

#### Position of Board Audit Committee (BAC)

A separate Board Audit Committee is in place to oversee internal control and the risk management framework with a view to reinforcing internal and external audit activities. Independent Director has been included in the Audit Committee in compliance with corporate governance rules of SEC.

The Board Audit Committee is the helping hand of the Board of Directors and Executive Committee to fulfill their responsibilities such as to set objectives, strategies and overall business plans for effective functioning of the Bank. The committee reviews the financial reporting process, the system of internal control, Management Information System, Management of Risks, the Bangladesh Bank and Internal Audit Reports and Audit process and Compliance with laws and regulations and bank's own code of business conduct. The Committee also helps the Management to perform better to achieve the objectives set by the Board. During the year 2011, the Board Audit Committee conducted 25 (Twenty Five) meetings.

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A report by the Board Audit Committee setting out the manner of Corporate Governance Compliance by the Bank during the year 2012 is included in the Annual Report on page # 28.

#### Shariah Supervisory Committee

There are 13 members in Shariah Supervisory Committee out of which 7 members are from renowned Islamic Scholars, Ulama, Faqih, Banker, Lawyer, Economist and 5 members are Ex-officio and one Executive of the Bank acts as the Member Secretary as per bye-laws of Shariah Supervisory Committee to looks after the activities of Islamic Banking Operation of the Bank and provides proper guidance in various banking issues.

#### **Management Committees**

In a bid to ensure smooth operation, risk management and continuous monitoring, there are several committees comprising competent members from the Management of the Bank. The main committees are grouped into MANCOM, Credit Committee, Asset Liability Management Committee (ALCO) etc. In the Management team, the Managing Director is assisted by Additional Managing Director, Deputy Managing Directors, SEVPs, EVPs, SVPs, VPs, FVPs and other executives of different status. The day-to-day banking operations are handled by these top ranking professionals with modern banking expertise and experience in their respective fields. The Head Office Management Committee (MANCOM) scrutinizes all the cases thoroughly before referring to Executive Committee/Board for due approval or decision. Besides, the Premier Bank has introduced "Branch Management Committee" in all Branches with an objective to ensure better control and smooth operation of the Branches. These two measures have brought dynamism, involvement and fast decision making process both at Head Office and at Branches.

#### Responsibilities and authorities of the Managing Director :

- (a) In terms of the financial, business and administrative authorities vested upon him by the board, the **Managing Director** discharges his own responsibilities. He remains accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.
- (b) The **Managing Director** ensures compliance of the Bank Companies Act, 1991 and/or other relevant laws and regulations in discharge of routine functions of the bank.
- (c) The **Managing Director** includes information on violation of any law, rules, regulation including Bank Company Act, 1991 while presenting memos before the Board or the committee formed by the board.
- (d) The **Managing Director** provides all sorts of information to Bangladesh Bank about the violation of Banking Companies Act, 1991 and/ or any violation of Laws, rules and regulations.
- (e) The recruitment and promotion of all staff of the bank except those in the two tiers below him shall rest on The **Managing Director**. Under the purview of the human resources policy as approved by the board, **The Managing Director** nominates officers for training etc.

#### Bank's Activities towards Corporate Governance

The Bank conducts its business within a well-framed control supported by a bundle of policy statements, written procedures and control manuals. An all-inclusive code of conduct is adopted by the Board to provide a standard framework for directors and members of the Bank Management on integrated ethical conduct at office. As is often known as primary governing body, the Board of Directors always attaches great significance to constant improvement of Bank's strong corporate governance practices. The business performance of the Bank has been made a practice for regular reporting to the Board of Directors. The Board keeps an eye on performance trends and performance change against budget as closely as possible.

It is the Bank's convincing belief that high standards of corporate governance are an effective contribution to the upgrading shareholders' value over the long-term. A high degree of confidence in our institution is now perceived by our customers, counterparts, shareholders, regulators, employees and rating agencies. More to our credit are appropriate balance between long term growth and short- term objectives, sound portfolio of assets, stable customer base, income diversity and the wherewithal to counter economic cycles and uncertainties. In deference to the best corporate practices, the Board exercises a high degree of intolerance to any instances of malpractice, misconduct, fraud and unethical behaviour with a clear adherence to laws, rules and regulations.

# Summary of Bank's adherence with the Instructions and Guidelines issued by the Bangladesh Bank and Bangladesh Securities and Exchange Commission(BSEC) in respect of Corporate Governance Practices:

- 1. There is specific demarcation of responsibilities & authorities among the board of directors, its chairman and Managing Director in respect of overall financial, operational & administrative policymaking and executive affairs as per guidelines of Bangladesh Bank and other regulatory bodies.
- 2. The Board delegated financial and business power to the Management as per guidelines of Bangladesh Bank.
- 3. The position of the Chairman of the Board and the Managing Director of the Company are filled by different individuals.
- 4. Independent Director has been appointed and his effective representation in the Board of Directors has been ensured. The appointment to be approved by the Shareholders in the AGM. All terms, conditions of appointment and qualifications of Independent Director has been complied meticulously as per guidelines of BSEC.
- 5. Chief Financial Officer (CFO), Head of internal Audit and Company Secretary has been appointed with clearly defined respective roles, responsibilities and duties as per guidelines of SEC.
- 6. A Statement of Directors' Responsibility on page # 120 of this Annual Report provided details on compliance measures.

The Securities and Exchange Commission notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07.08.2012 has been complied for ensuring corporate governance in the Company. The compliance status of the above notification has been presented in the annexure 01, 02 and 03 of this report for information of all concerned.

Annexure 01

# **Status on Compliance of Corporate Governance Guidelines**

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	i i i i i i i i i i i i i i i i i i i		nce Status / in the ite column)	Explanation for non-compliance with the condition	
		Complied	Not Complied		
1.00	BOARD OF DIRECTORS				
1.1	Board's Size: Board members should be not less than 5 (five) and more than 20 (twenty)				
1.2	Independent Directors:	-	-	-	
1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.			Presently the bank has one independent Director. More Independent Director (s) shall be appointed on or before next AGM of the Bank.	
1.2 (ii) a)	Independent director do not hold any share or hold less than one percent (1%) shares				
1.2 (ii) b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares				
1.2 (ii) c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies:				
1.2 (ii) d)	who is not a member, director or officer of any stock exchange;				
1.2 (ii) e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;				
1.2 (ii) f)	who is not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;				
1.2 (ii) g)	who shall not be an independent director in more than 3 (three) listed companies;				
1.2 (ii) h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);				
1.2 (ii) i)	Who has not been convicted for a criminal offence involving moral turpitude				
1.2 (iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).			To be approved in next AGM	

1.2 (iv)	The post of independent director(s) can not remain vacant for more than 90 (ninety) days.			
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.			Code of Conduct of Bangladesh Bank has been followed.
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.			
1.3	Qualification of Independent Director (ID)	-	-	-
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.			
1.3 (ii)	The independent director must have at least 12 (twelve) years of corporate management / professional experiences.			
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			
1.4	Chairman of the Board and Chief Executive Officer: The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals.			
1.5	The Directors' Report to Shareholders:	-	-	-
1.5 (i)	Industry outlook and possible future developments in the industry.			
1.5 (ii)	Segment-wise or product-wise performance.			
1.5 (iii)	Risks and concerns.			
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.			
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.			
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.			
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	$\checkmark$		
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			
1.5 (x)	Remuneration to directors including independent directors.			
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.			

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1.5 (xii)	Proper books of account of the issuer company have been maintained.			
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.			
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	$\checkmark$		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	$\checkmark$		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.			
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.			
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.			
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.			
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.			
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-	-	-	-
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);			
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);			
1.5 (xxi) c)	Executives;			
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).			
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-	-	-	-
1.5 (xxii) a)	A brief resume of the director;			

1.5 (xxii)	Nature of his/her expertise in specific			
b)	functional areas;	· · ·		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.			
2.00	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERN	AL AUDIT AND	COMPANY S	ECRETARY (CS)
2.1	Appointment: The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS	$\checkmark$		
2.2	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors.			
3.00	AUDIT COMMITTEE			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.			
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.			
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.			
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.			
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.			
3.1 (iv)	No vacancy for more than one month.			
3.1 (v)	The company secretary shall act as the secretary of the Committee.			
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	$\checkmark$		
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.			To be complied in due course of time
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).			
3.3	Role of Audit Committee:	-	-	-
3.3 (i)	Oversee the financial reporting process.			

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3.3 (ii)	Monitor choice of accounting policies and principles.			
3.3 (iii)	Monitor Internal Control Risk management process.			
3.3 (iv)	Oversee hiring and performance of external auditors.			
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.			
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.			
3.3 (vii)	Review the adequacy of internal audit function.			
3.3 (viii)	Review statement of significant related party transactions submitted by the management.			
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.			
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee.			
3.4.1	Reporting of the Audit Committee:	-	-	-
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.			
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-	-	-	-
3.4.1 (ii) a)	Report on conflicts of interests;			
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			
3.4.1 (ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations;			
3.4.1 (ii) d)	Any other matter which shall be disclosed to the Board of Directors immediately.			
3.4.2	Reporting to the Authrities			
3.5	Reporting to the Shareholders and General Investors			
4.00	EXTERNAL/STATUTORY AUDITORS		1	
4 (i)	Appraisal or valuation services or fairness opinions.			
4 (ii)	Financial information systems design and implementation.			
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.			
4 (iv)	Broker-dealer services.			
4 (v)	Actuarial services.			
4 (vi)	Internal audit services.			
4 (vii)	Any other service that the Audit Committee determines.			

4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.			
5.00	SUBSIDIARY COMPANY			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.			To be complied
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.			To be complied
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	$\checkmark$		
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			
6.00	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO)	AND CHIEF	FINANCIAL	OFFICER (CFO)
6.(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:	-	-	-
6 (i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	$\checkmark$		
6 (i) b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.			
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.			
7.00	REPORTING AND COMPLIANCE OF CORPOR	ATE GOVER	NANCE	
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/ Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.			
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.			

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#### Annexure 02

Meeting of The Directors of The Premier Bank Limited Held During the Year-2012.

Name of the Directors	Status	No. of Meeting	No. of Attendance	% of Attendance
Dr. H. B. M. Iqbal	Chairman		9	100%
Mr. B. H. Haroon, MP	Vice Chairman	•	8	89%
Mr. Moin Iqbal	Director		7	78%
Mr. Abdus Salam Murshedy	Director		9	100%
Mr. Shafiqur Rahman	Director		9	100%
Mrs. Nawrin Iqbal	Director	09	6	67%
Mr. Mohammad Imran Iqbal	Director		7	78%
Mr. Shah Md. Nahyan Haroon	Director		7	78%
Mrs. Shaila Shelly Khan	Director	•	4	45%
Mr. Yeh Cheng Min*	Director	•	0	0%
Mr. Kazi Abdul Mazid	Independent Director		7	78%
Mr. K.A. M. Majedur Rahman	Managing Director		8	89%

#### **Board of Directors:**

\* Mr. Yeh Cheng Min has recently appointed Alternate Director in the Board of the Bank.

# **Pattern of Shareholding**

The Pattern of Shareholding of The Premier Bank Limited as on 31st December 2012 as per BSEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012:

- i. Shareholding by Parent/Subsidiary/Associated Companies and other related parties : NIL
- ii. Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their Spouses and Minor Children are as follows :

#### Status as of 31<sup>st</sup> December, 2012:

i) Shares held by Directors and their Spouses

SI. No.	Name of Directors	Status	No. of Shares	Name of Spouses	No. of Shares
01.	Dr. H. B. M. Iqbal	Chairman	17,931,010.00	Dr. Momtaz Begum	-
02.	Mr. B. H. Haroon, MP	Vice Chairman	9,320,000.00	Mrs. Monira Haroon	-
03.	Mr. Moin Iqbal	Director	9,317,891.00	Mrs. Yasna Pooja Iqbal	-
04.	Mr. Abdus Salam Murshedy	Director	19,618,000.00	Mrs. Sharmin Salam	1,676,271.00
05.	Mr. Shafiqur Rahman	Director	9,321,527.00	Mrs. Amena Rahman	-
06.	Mrs. Nawrin Iqbal	Director	9,317,937.00	Mr. Jamal G. Ahmed	693,394.00
07.	Mr. Mohammad Imran Iqbal	Director	9,317,853.00	Mrs. Zara Ali	-
08.	Mr. Shah Md. Nahyan Haroon	Director	9,320,116.00	Mrs. Faiqah Chowdhury	-
09.	Mrs. Shaila Shelly Khan	Director	23,285,756.00	Mr. H.B.M. Zahidur Rahman	-
10.	Mr. Yeh Cheng Min	Director	13,990,082.00	Mdm. Chang Ming Wei	-
11.	Mr. Kazi Abdul Mazid	Independent	159,820.00	Mrs. Farjana Yeasmin Nila	-
		Director			
12.	Mr. K. A. M. Majedur Rahman	Managing	Nil	Mrs. Ayesha Nasreen Rahman	-
		Director			

ii) Shares held by

Chief Executive Officer	: Nil
Company Secretary	: Nil
Chief Financial Officer	: Nil
Head of Internal Audit	: Nil
Spouses of above Executives	: Nil

c) Shareholding by Executives

SI. No.	Name of Executives	Designation	No. of Shares	Name of Spouses	No. of Shares
01	Mr. Abu Haniff Khan	AMD	Nil	Mrs. Nazmun Ara Khan	2,732.00

d) Shareholders holding ten percent (10%) or more voting interest in the company : Nil

# Subsidiaries of the Premier Bank Ltd.

## Premier Bank Securities Ltd.

A wholly owned subsidiary Company of the bank has been formed with a separate entity in accordance to the BRPD Circular no: 12, dated October 14, 2009 of Bangladesh Bank; Directive no: SEC/Reg./DSE/MB/2009/444, dated December 20, 2009 of Bangladesh Securities and Exchange Commission and as per Section 23 of the Memorandum of Articles and Association of the Premier Bank Ltd.

After completion of the necessary arrangements Premier Bank Securities Ltd. commenced its brokerage operation as a subsidiary company of the bank on 29th May, 2011 to facilitate a comprehensive range of Capital market Services and facilities. A few of its services are as follows:

- a. Brokerage Services
- b. Margin Loan Facilities
- c. Services as Full Service DP

Premier Bank Securities Ltd. have 5 (five) branch offices and an extended Head Office located at the prime locations of the mega cities, like Dhaka & Chittagong,

Since January, 2011 the whole capital market radically is in down trend and still remain in the bearish trend. Since then the business trend of PBSL reveals low volume and also a low profit margin. Premier Bank Securities Ltd. achieved Profit before Tax Tk. **1.21** crore for the year ended 31st December, 2012 which was Tk. 8.05 crore in the last year.

# Premier Money Transfer Company Limited, UK

A wholly owned subsidiary of The Premier Bank Limited, Bangladesh and offer remittance services to Bangladeshi expatriates in UK, which starts its operation on 29th July'2011 at Unit: 3B Chapel Technology Centre, 75 White Whitechapel Road, London, E1 1DU, UK, under remittance license received from Financial Service Authority and approval of Bangladesh Bank. The Company is engaged for facilitating the remittances from Bangladeshi expatriates in UK and delivers the same in faster, safer and professional manner to their family anywhere throughout the country. We believe that such endeavor will widen the opportunity of the Bank to serve the Non-Resident Bangladeshi (NRB) from different aspect with utmost care.



# Report of the Board of Directors

he Board of Directors of the Premier Bank Limited takes immense pleasure to present the 14th Annual Report of the Bank to our valued shareholders. The report is composed of Auditors' Report, Directors' Report, Audited Financial Statements and several information about the Bank. The presentation aims at revealing a fair and factual position of the Bank in the context of global and local scenario of the economy to manifest our endeavor for steady and sustainable growth amid stiff competition.

## **GLOBAL ECONOMY :**

It is more than 4 years after the eruption of the global financial crisis, the world economy still struggling to recover. Throughout 2012, hopes were rife that the recovery would just around the corner and resolution would be found for the myriad of challenges facing both developed and developing economies. But at the end of the year, the global economic environment remained fragile and prone to further disappointment. Almost all the data on the world economy pointed to continuing low growth or recession in all the major countries. Global growth dropped to almost 3 percent in 2012 and the slowing trend will likely to continue. A vicious cycle of high unemployment, financial sector fragility, heightened sovereign risks, fiscal austerity and low growth cast a shadow over the economic activities of Europe. US economy slowed significantly during 2012 and growth is expected to remain meager at 1.7 per cent in 2013. Deflationary conditions continue to prevail in Japan. The economic woes of developed area specially in Europe, Japan and the United States are spilling over to developing countries and economies in transition through weaker demand for their exports and heightened volatility in capital flows and commodity prices. Mature economies are still healing the scars of the 2008-2009 crisis. But unlike in 2010 and 2011, emerging markets did not pick up the slack in 2012, and won't do so in 2013.

According to World Economic Situation and Prospects 2013 (WESP) issued by the United Nations, after rebounding significantly in 2010 world trade started to slow in 2011 and then decelerated sharply in 2012, mainly due to declining import demand in Europe and anemic aggregate demand in the United States and Japan. Service Sector comprises around 75 percent of the British economy, experienced a sharp decline in December, 12. The manufacturing-based German economy is now facing "pronounced economic slowdown" after experiencing "decelerating growth" throughout 2012. China, which has been the major contributor to the global growth, has also registered a slower single digit 7.8 percent growth, slowest pace in 13 vears. Brazil, where growth reached 7.5 percent in 2010, recorded a rate of just 1.3 percent last year, second-worst performance since 2003, while India's economic growth rate is estimated to be 5%, lowest in a decade, on account of poor performance of manufacturing, agriculture and service sector. The Middle-East countries and the West Asia are also in turbulence due to re-colonization of Libya and a violent domestic war in Syria. Iran nuclear crisis aggravated the situation as the Western countries tighten economic sanctions.

The International Monetary Fund (IMF) in its World Economic Outlook mentioned that the global financial system is still not functioning efficiently. In many countries, probably more so in Europe than either in the US or in Japan, banks are still weak, and their position is made worse by low growth. As a result, many borrowers still face tight borrowing conditions, decreasing their demand as well. The forecast said that monetary policy in advanced economies was expected to remain supportive. Major central banks have recently launched new programs to buy bonds and keep interest rates low. A worsening of the euro area crisis, the 'fiscal cliff' in the United States and a hard landing in China Could cause a new global recession.

#### MILLENNIUM DEVELOPMENT GOALS (MDGs) – Progress in Snail's Pace

The economic meltdown and rising risks to the employment situation in developing countries hinted a much slower pace of poverty reduction and a squeezed fiscal space for additional investments in education, health, basic sanitation and other critical areas required for accelerating the progress towards achieving the Millennium Development Goals (MDGs). The Least Developed Countries (LDCs) remain highly vulnerable to commodity price shocks and are receiving less external financing as official development assistance (ODA) declines in the face of greater fiscal austerity in donor countries.

#### **INTRNATIONAL FINANCING FOR DEVELOPMENT :**

The slow and bumpy recovery of the global economy, weak global demand and elevated risks related to regulatory policy changes continue to reinforce the wait-and-see attitude of many transnational companies toward investment abroad. Since the crisis, international private capital flows to emerging and developing countries have remained extremely volatile. While some stability appeared in international currency and capital markets during the early months of 2012, there was renewed volatility later, owing in part to growing fears among portfolio investors about the sustainability of public finances in Europe that prompted a "fight to safety". In addition, many European banks continue to face deleveraging pressures, which has led to cutbacks in lending to developing and transition economies. Signs of an economic slowdown in Brazil, China and India have reduced flows to these countries.

#### INTERNATIONAL TRADE AND COMMODITY PRICE : Deceleration with High Volatility

Growth of world trade decelerated sharply for the second year in a row dropping from 6.4 per cent in 2011 to 3.2 per cent in 2012. Commodity prices was remain high and volatile during the year. Prices of food and oil remained elevated in the third quarter as a result of adverse weather conditions in many countries and renewed strategic risk in the Middle East. A grim global economic outlook further depressed the prices of minerals, metals and ores. Food prices are expected to moderate somewhat with slowing global demand but even relatively minor supply shocks may easily cause new price spikes.

#### **UNEMPLOYMENT – Crisis Continues**

The world encountered а worsening unemployment crisis which remains very high, particularly among developed economies. The unemployment rate reaching a record high of nearly 12 per cent in the euro area during 2012, an increase of more than one percentage point from one year ago. Conditions are in critical stage in Greece and Spain where more than a quarter of the working population is without job. In the United States, the unemployment rate staved above 8 per cent for the most part of 2012. Unemployment rates in most economies in East Asia and Latin America have already retreated to, or dropped below levels seen prior to the global financial crisis. In Africa, despite relatively strong GDP growth, the employment situation remains a major problem across the region. Prolonged duration of unemployment tends to have significant, long-lasting detrimental impacts on both the individuals who have lost their jobs and on the economy as a whole.

#### **REGIONAL HIGHLIGHTS**

The Global Economic Prospectus Report released by World Bank in January, 2013 demonstrated that global GDP grew 2.3 percent in 2012 which was only 1.3% in high-income countries. Developing countries recorded 5.1 percent growth -slowest growth rates among the output of the past decade. The report presented a gloomy economic condition and its prospects varying from county to country and region to region.

#### East Asia and Pacific region

GDP growth in the East Asia and Pacific region weakened in 2012, reaching 7.5 percent, against 8.3 percent in 2011. The slowdown in growth among East Asian and Pacific economies in 2012 was also related to the weakening of external demand following the escalation of tensions in the Euro Area during 2012. The Chinese economy grew at an estimated 7.8 percent in 2012, weakest annual rate since 1999. Excluding the impact of China, GDP growth in the East Asia and the Pacific region was resilient in 2012, partly because of stimulus implemented in ASEAN countries measures Indonesia, Malaysia (notably and the Philippines) and also because of a rebound of economic activity in Thailand. The region will also be benefited from a potentially rapid economic transformation in Myanmar, where growth is projected to surpass 6 percent in 2013.

Premier Bar

#### **Europe and Central Asia**

Growth in Europe and Central Asia region decelerated considerably to 3 percent in 2012 after a relatively strong 5.5 percent in 2011. All economies in the region had to deal with challenging external conditions, including the Euro Area recession and debt problems, volatile global financial markets and a slowing global economy. Domestic consumption, which has been the main driver of growth in the during the financial crisis region was increasingly held back by tighter credit conditions, fiscal tightening, and high unemployment. Several European economies are already in recession. In Germany, growth has slowed significantly, while France's economy is stagnating. A number of new policy initiatives have been taken by the euro area authorities in 2012, including the Outright Monetary Transactions (OMT) programme and steps towards greater fiscal integration and coordinated financial supervision and regulation, but there has been no significant initiative towards boosting growth in the short run or tackling the ever-mounting crisis in the labour markets.

GDP growth in the region is projected to rebound only slightly to 3.6 percent in 2013, under the baseline assumptions that there will be no major loss of confidence in the global financial markets; and that there will not be a major set-back in the resolution of Euro-area crisis and US fiscal challenges.

#### **United States**

The United States economy weakened notably during 2012, and growth prospects for 2013 remain sluggish. The unemployment rate stayed above 8 per cent for the most part of 2012. In the baseline outlook, growth of GDP (gross domestic product) in the United States is forecast to decelerate to 1.7 per cent in 2013 from an already anaemic pace of 2.1 per cent in 2012. Risks remain high for a much bleaker scenario, emanating from the "fiscal cliff," which would entail a drop in aggregate demand by as much as 4 per cent of GDP during 2013 and 2014, as well as from the spillover effects of a further intensification of the euro area crisis and a possible hard landing of the Chinese economy and further weakening of other major developing economies.

#### Japan

Economic growth in Japan in 2012 was up from a year ago, mainly driven by the reconstruction work and recovery from the earthquake-related disasters of 2011. The Japanese government took additional measures to stimulate private consumption. Exports faced strong headwinds from the slowdown in global demand and appreciation of the yen. According to the latest WESP report, Japan's economy is expected to slow as a result of the phasing out of incentives to private consumption and a new measure that increases the tax on consumption, reduces pension benefits and cuts government spending. Japan's GDP is forecast to grow at 0.6 per cent in 2013 and 0.8 per cent in 2014, down from 1.5 per cent in 2012.

#### Latin America and the Caribbean region

Latin America and the Caribbean experienced the sharpest growth deceleration among developing regions in 2012. A weak external environment and a contraction in domestic demand were largely responsible for a tepid regional GDP growth estimated at 3 percent in 2012 against 4.3 percent in 2011. Growth in Brazil, the region's largest economy, decelerated markedly to an estimated 1.4 percent in 2012, from an already-modest 2.7 percent in 2011, while Argentina's economic growth contracted to 2 percent, from 8.9 percent the previous year. The slowdown was modest in Central America and the Caribbean, while growth in Mexico, the region's second largest economy, remained robust. Furthermore, a more accommodative environment in some of larger economies in the region the in conjunction with stronger external demand should lift growth in 2013, while sound macroeconomic policies, robust domestic demand and stronger external demand should support growth over the medium term.

#### Middle East and North Africa

Gross domestic product (GDP) in the developing Middle East and North Africa (MENA) region contracted in 2011 due to disruptions to economic activity following the "Arab Spring" popular movements in early 2011. But in 2012, regional GDP recovered to about 1 percent higher than its level in 2010, as an estimated 3.8 percent growth in 2012 reversed the 2.4 percent decline recorded in 2011. The regional upturn in 2012 was mainly due to a partial recovery of Libya's GDP following a steep contraction in previous year. But in many the countries across region, continuing domestic tension and political uncertainty held back investment and weighed on economic activity during 2012.

Growth among oil importers remained sluggish at an estimated 2.5 percent in 2012 due to the impact of the Euro Area debt crisis on regional exports, together with domestic problems, including a poor harvest in Morocco (3.0 percent growth in 2012), fiscal difficulties in Jordan (3.0 percent growth in 2012), and continuing uncertainty and weak reserves position in Egypt (2.6 percent growth projected for the 2012-13 fiscal year). Tunisia's GDP rose an estimated 2.4 percent in 2012, but in Lebanon, spillover effects from the conflict in Syria caused growth to decelerate to an estimated 1.7 percent in 2012.

The growth outlook for the MENA region is vulnerable to a combination of domestic and global risks. A key domestic risk to the outlook is that of protracted political uncertainty and continuation of domestic tension, which could have negative effects on economic performance. In Iraq, a still-uncertain security situation poses downside risks. The ongoing conflict in Syria and the sanction-fueled downturn in Iran are notable sources of instability and weakness in the region.

#### South Asia

South Asia's economic performance weakened in 2012 in the face of external and domestic headwinds. Regional gross domestic product (GDP) growth slowed to an estimated 5.4 percent in 2012 from 7.4 percent in 2011. Delayed monsoon rains, electricity shortages, macroeconomic imbalances including large fiscal deficits and high inflation, and policy and security uncertainties contributed to subdued economic activity in the region, which also faced negative impacts from the Euro Area debt crisis and a weak global economy. In India, the region's largest economy, growth measured in factor cost terms is projected to decelerate to 5.4 percent in the 2012 fiscal year (ending in March 2013) from 6.5 percent in the 2011 fiscal year. Growth in Pakistan, the second largest economy in the region, remained broadly stable at a projected 3.8 percent in the 2012-13 fiscal year compared with 3.7 percent in 2011-12. Bangladesh's growth is projected to slow to 5.8 percent in 2012-13 (6.3 percent in 2011-12); and Nepal's growth to 3.8 percent in 2012-13 (4.6 percent in 2011-12). Sri Lanka's GDP growth slowed to an estimated 6.1 percent in 2012 (8.3 percent in 2011). In contrast, Afghanistan's economy grew robustly by about 11 percent mostly due to a good harvest.

Agriculture, which accounts for half of South Asia's employment and just under a fifth of its GDP, was affected to varying extents by a delayed monsoon season. However, Migrant remittance inflows to South Asia were buoyed which are estimated to have totaled \$109 billion in 2012, an increase of 12.5 percent over 2011.

The economic outlook for the South Asia region is subject to several risks. Regional growth may be constrained by an uncertain external environment, amid risks of a protracted fiscal impasse in the United States and possible resurgence of Euro Area turmoil. Domestic uncertainties, an adverse external environment, and a relatively poor business climate in the South Asia region have deterred both domestic and foreign investors, resulting in weakening investment growth in recent years.

#### Sub-Saharan Africa

Despite the global economic slowdown in 2012, growth in Sub-Saharan Africa has remained robust, supported by resilient domestic demand and still relatively high commodity prices. In 2012 the region's growth is estimated at 4.6 percent. Excluding South Africa, the region's largest economy, the remaining economies grew at a robust 5.8 percent – higher than the developing country average of 5.1 percent. The region is projected to grow at it's pre-crisis average rate of 5.0 percent over the 2013-15 period: 4.9 percent in 2013, and gradually strengthening to 5.2 percent by 2015.

Premier Ba

# Russian Federation and the Commonwealth of Independent States

Economic growth in the Russian Federation and other countries of the Commonwealth of Independent States (CIS) was robust in 2012, although it moderated in the second half of the year. Firm commodity prices, especially the prices of oil and natural gas, held up growth among energy-exporting economies, including the Russian Federation and Kazakhstan. In the outlook, GDP for the CIS is expected to grow by 3.8 per cent in 2013, the same as in 2012.

#### **Outlook :**

The global economic recovery is on the ropes, battered by political conflicts within and across countries, lack of decisive policy actions, and governments' inability to tackle deep-seated problems such as unsustainable public finances that are stifling growth. Central banks of the major advanced economies have responded with a range of conventional and unconventional monetary policy actions which have reduced the probability of the severe downside risks but the global economy remains extremely fragile.

In the beginning of 2013, there will be an increase in taxes of \$600 billion in the United States - about 4% of GDP. This increase will occur unless the Republicans and Democrats can reach an agreement to delay some of these fiscal measures. If they allow taxes to increase by that amount, the US economy will certainly go into recession. The Euro zone economy is likely to remain laggard in 2013. The sheer uncertainty surrounding the single currency is affecting business and consumer confidence, particularly in countries undergoing the most stringent fiscal retrenchment. The prospects for the UK economy are entangled with the eurozone crisis because of the proximity of Europe to the UK. Of course exports to the eurozone have fallen. The UK market has also been impacted when confidence has taken a hit across Europe more widely.

According to the UN, the euro area is expected to grow by only 0.3 percent in 2013 and just 1.4 percent in 2014, after a contraction of 0.5 percent in 2012. The growth rate for the US is predicted to fall to 1.7 percent in 2013 after reaching just 2.1 percent—well below the level experienced during every other "recovery" in the post-World War II period. Japan's GDP is forecast to grow at 0.6 per cent in 2013 and 0.8 per cent in 2014, down from 1.5 per cent in 2012. Japan's economy is expected to slow as a result of the phasing out of incentives to private consumption and a new measure that increases the tax on consumption, reduces pension benefits and cuts government spending. Average growth in East Asia is forecast to pick up mildly to 6.2 per cent in 2013, from the estimated 5.8 per cent in 2012. GDP growth in South Asia is expected to average 5.0 per cent in 2013, up from 4.4 per cent in 2012, led by a moderate recovery of India's economy.

In the updated World Economic Outlook, International Monetary Fund (IMF) said 2013 is on course to be better year for the global economy than 2012 but expressed concern over renewed eurozone problems or excessive action to cut the US budget deficit. Terming the year 2013 as a make-or-break year the Head of IMF in world Economic Forum said that we have avoided the collapse, let's beware of relapse, it's no time to relax. She hoped that the new global economy would be built on principles of openness, inclusiveness and accountability.

The UN report further assesses that present policy stances fall short of what is needed to spur economic recovery and address the jobs crisis. The report stresses that the reorientation of fiscal policies should be internationally coordinated and aligned with structural policies that support direct job creation and green growth. It further recommends that monetary policies be better coordinated internationally and regulatory reforms of financial sectors be accelerated in order to stem exchange rate and capital flow volatility, which pose risks to the economic prospects of developing countries. There is also a need to secure sufficient development assistance to help the poorest nations accelerate progress towards poverty reduction goals and invest in development. sustainable Observing that development aid is declining, the UN report notes that fiscal austerity in donor countries is not only detrimental to their own economic recovery, but certainly should not come at the expense of the development efforts of the poorest nations. China and India, have shifted into lower gear. While a significant deceleration in exports has been a key factor behind the slowdown, both economies also face a number of structural challenges that hamper growth. Given persistent inflationary pressures and large fiscal deficits, the scope for policy stimulus in India and other South Asian countries is limited. China and many East Asian economies, in contrast, possess much greater space for countercyclical policy.

This pace of growth will be far from sufficient to overcome the continued jobs crisis that many countries are still facing. With existing policies and growth trends, it may take at least another five years for Europe and the United States to make up for the job losses caused by the Great Recession of 2008-2009. Progress is being made in financial sector reform, but more will be needed. Structural reforms are urgent in labor markets to increase employment, facilitate reallocation of jobs and workers and help ensure that the unemployed and vulnerable groups remain attached to the labor market. Structural reforms would also help fiscal consolidation by raising growth potential and by lowering government expenditure and, in the medium term, by raising employment and tax revenues. As such, regional and global economic cooperation and integration are crucial to sustain growth and ensure economic and financial stability.

### **BANGLADESH ECONOMY**

Bangladesh - a country that started its voyage 42 years ago with war-ravaged economy, low income, catastrophic floods and other natural disasters and which was predicted to be an "bottomless basket' by the then U.S. Secretary of State Henry Kissinger is now comfortably poised to come out of the cusp of least developed nationhood and become a middle income nation in the next decade. The adversities that the country encountered in the last four decades were tremendous but it has shown resilience in every downturn. The influential UK daily, The Guardian, predicted in a report that Bangladesh along with eleven others called the "new wave countries" could be overtaking the West by 2050. The Guardian report is the reflection of resilience of our economy showed in the last few years. In the past decade, the economy has grown at nearly 6 percent per year, and human development went hand-in-hand with economic growth. Per capita income in Bangladesh tripled

after the war of independence in 1971; average life expectancy increased from 50 to 65 years and the rate of literacy doubled. Meanwhile, population growth has decreased from 3.5 per cent to 1.5 per cent. Annual GDP growth rate was 3.7 per cent in 1990 and is more than 6 per cent now.

There have been remarkable improvements in some social factors. Enrolment of girls in school has gone up while infant mortality rate has come down. Foreign aid dependency has been decreased from 10 per cent to 2 percent of Bangaldesh's GDP - just within 10 years, the Country has emerged as a trade-dependent from an aid-dependent country. Exports of textile and and now ship-building garments, and pharmaceuticals bring in \$25 billion a year. The country that had to import millions of tonnes of food grains to feed its people has not only filled the food gap, it has the potential to become a food surplus country now. Successes in some areas have been so profound that they outshine many aspects of the development successes of other developing countries of Asia. The secret of all these hefty growth lies in human resources development, employment generation and release of creative energies of the working people of Bangladesh.

The impressive achievement on the food front, literacy, health and manufacturing was shadowed by our failures to make the changes that are still necessary to make the leap from least developed to middle income nation. We are yet to make substantial investment to improve our basic infrastructure in energy and transportation which plays pivotal role in economic development. Our energy consumption and access to electricity is still the lowest in all of South Asia. Despite these adversities, natural and human made, our people have prospered, all they hope is that in the coming decades they will surmount these obstacles to take the country to greater glory and achievement.

#### Eventful year – 2012

The by-gone year 2012 has witnessed numerous happenings – both positive and negative. In the diplomatic and bilateral front, the most crowning achievement for Bangladesh was winning a landmark verdict at the International Tribunal for the Law of the Sea, which sustained our claim to

Premier Ban

200- nautical-mile exclusive economic and territorial rights in the Bay of Bengal rejecting the claims of Myanmar. The US Secretary of State paid a visit to Bangladesh and signed the joint Statement on US-Bangladesh Partnership Dialogue. The first ever US-Bangladesh dialogue was held in Washington stressing on cooperation on regional integration. In April Bangladesh and US held their first-ever security cooperation talks in Dhaka. The then Indian Finance Minister, now the Indian President, visited Bangladesh, for basically to evaluate the status of implementation of the agreements in the Manmohan-Hasina joint declarations of 2010 and 2011. However, very little progress has been made by India to follow through its part of the agreements. Global rating agency Moody's gave Bangladesh a stable sovereign outlook of Ba3 for the third consecutive year. The continuation of the same rating by the agency shows optimism about the country's macroeconomic stability and growth prospects. The rating also shows Bangladesh' competence in timely debt repayment, successes in managing external pressures and a largely stable banking system that poses manageable contingent risks to the government's balance sheet. Winning the highest mountain peak, Everest, by two Bangladeshi daughters is also no mean achievement. The performances of the Bangladesh cricket team in the year-as runners-up in the Asia cup cricket tournament and their series-win against the mighty West Indies in one-day international (ODI) -- are events that had the entire nation in a rejoicing mood.

#### Labor Unrest

In spite of many success stories, the garment sector has been encountering severe labour unrest in 2012 as like almost every year since 2006. During the past two years, as workers have meager earnings eroded by seen their double-digit inflation, they have demanded higher wages and labor rights causes protests and violent clashes with police that have become increasingly common. It deems Labour unrest at garments is caused only by issues related to wage hike and hence most discussions focus a great deal on that. In general, apart from wage hike issue, other causes for unrest in the garment sector are rumours of death and beating, fear of job loss, jhut business, cases with the police station, fear of shutdown of the factories, arrears of salary, checking at entry point and identity cards, pay hike and discrimination in grades, bad relations between workers and mid-level management, provocation by the local influential people and international conspirators and some NGOs, role of industrial police and division between industrial police and normal police, sudden order cut by the international buyers, problems production, piece rate of accommodation and increased house rent, lack of motivational training system, inflation and so on. In 2012, the nature of labour unrest was different. At the pinnacle of unrest, the leaders of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) were forced to keep shut 300 garment factories for a few days. The industry leaders believe that the bout of the unrest did not stem from the demand for wage hike and said the unrest and vandalism in the factories were not the acts of regular workers. Many experts and industry insiders describe it as a conspiracy by certain national or international vested guarters which were trying to gain benefit from the unrest in Bangladesh garment sector. International renowned buyers have started raising concerns over the issue of labour rights. The issue has emerged as the major challenge for the industry in recent years which must be addressed and settled through negotiations among workers' leaders, owners and government high-ups.

#### Landmark verdict- Conviction for War Crimes

More than 41 years after the deaths of as many as 3m people in Liberation war, the country got verdict against the perpetrators of crimes against the humanity during the war time. It has taken four decades to hold a tribunal (International Crimes Tribunal) to bring to justice the people who had conspired, aided and abetted a war against civilians, and committed atrocities against innocent masses in Bangladesh in 1971. Despite criticism from human rights groups about politicization and procedural flaws, the war crimes tribunal has remained broadly popular. The verdicts of life imprisonment against an accused of war crimes sparked a violent protests and infuriated a group of bloggers who along with thousands of young people went on the offensive, demanding death penalty to all war criminals. The protests dominated the news agenda in the Country, garnering largely positive coverage - Many Experts found it's a reminiscence of young Bangladeshis against not

only verdicts but also political instability, violence and corruption which will lead the country to a stronger democratic practices.

#### Share market

The sluggish trend in the capital markets prevailed throughout the year spreading frustration among the general investors. The DGEN was hovering at around 4,000 points during the year'12 from close to 8,900 points in October-November, 2010. The concerned authority did not take appropriate steps to punish the persons identified as being involved in the huge share market scam. Although the government and securities regulator announced a number of measures to stabilize the market and restore confidence among the investors, no visible progress was witnessed in the market.

#### **Economic Performance in 2012**

In 2012, the economy of our Country did make good strides despite what looked like insurmountable odds creeping in from all possible directions. The sustained growth at about 6.00 percent was indeed a daunting task for the Government. The country's major macro-economic indicators showed mixed trends throughout the year with the highest growth in remittances (nearly 20 per cent growth) and slow growth in exports and imports. Country's foreign exchange reserve remains at an all-time high of over \$12.7 billion (as of December 2012) propelled by unfaltering growth in the inflow of remittances and decrease in import bills. During July-October, FY13 period, Taka had been appreciated against all the major currencies including dollar, Euro, Pound and Yuan, except the India Rupee. The underlining causes for this are higher inward remittances, the lower import demand and the resultant replenishment of the foreign exchange reserves. The inflationary pressures hit hard the economy up to the middle of the year and then it started to climb down, especially in food inflation. The pressure of non-food inflation remained high throughout the year. Although Bangladesh's export performance weakened in 2012, domestic demand was supported by steady inflows of migrant remittances and a relatively stable agricultural performance. External constraints have been exacerbated by supply side bottlenecks including inadequate infrastructure, and by

political uncertainty. Electricity and gas shortages continued to hamper economic activity and discourage investment. Agricultural growth slowed to only 2.5% because of higher production costs, mainly from higher power, fuel, and fertilizer prices. However, the country has maintained a direct cash subsidy of up to 20% for certain agricultural and fisheries exports (i.e. frozen shrimp and fish, fruits, vegetables, agro-processed products) during the review period. In the agriculture and food sector we had reached near self-sufficiency. However, at the early part of the year 2012, a potentially dangerous situation of price of rice/food grains going out of control was averted by the timely market intervention of the government through OMS and import of rice.

#### Agriculture

Despite the diminishing contribution of agricultural sector to the country's gross domestic product (GDP), it plays still an important role in providing food security for about 70 percent and employment for 63 percent of the population. According to the Bangladesh Economic Survey 2012, the country's agricultural growth in the last FY2012 has fallen sharply to 2.53 per cent from 5.13 per cent achieved in the previous FY2011.

#### **Ready-made Garments**

The RMG sector was in the news for more than one reason. Recent statistics revealed that 3.6 million workers are working in the Readymade Garment (RMG) units, of whom around 80 per cent are women. RMG roughly covers 76 per cent of the total export of the country and is the highest earning industry in the economy. About 3.6 million men and women in more than 5000 factories, which is almost two-thirds of the number of employees engaged in the manufacturing sector, constitute the real backbone of the country's economy. The sector witnessed a significant growth in export in spite of many limitations and hindrances, including hartal, shortage of power and electricity, and workers' unrest. There has been a record rise in Bangladesh's apparel exports to new emerging markets during the first six months of the current fiscal year that started on July 1, 2012. During the first seven months of the current Bangladeshi fiscal that began on July 1, 2012, the country's clothing exports totaled US\$ 12.04 billion, registering a growth of 9.9 percent year-on-year. While woven

garments fetched US\$ 6.11 billion, showing a growth of 13.57 percent year-on-year during July-January 2012-13, knitwear accounted for US\$ 5.92 billion, up 6.39 percent year-on-year.

#### Remittance

Substantial inflows of remittances are crucial to Bangladesh's macroeconomic stability, as they offset to a large extent the trade, services and income deficits. The experience of Bangladesh shows that foreign market access for services provided through the temporary movement of workers and professionals can have significant positive effects in terms of improved availability of scarce foreign currency, improving the current account balance, financing of higher levels of imports, economic growth, employment generation and poverty reduction. Remittances sent by Bangladeshis abroad continue to climb. The value of remittances to the Bangladesh economy is many times larger than aid or FDI. Although there was a slump in the overseas employment sector in the early part of the year it picked up later and remittance reached a new high of 12.8 billion USD by the year end. Besides accessing new labour markets some large market like Malaysia, which had been closed for Bangladeshi workers, have reopened in 2012. This has added large numbers to the existing cohort of remitters.

#### Industry

Industry grew robustly by 9.5%, boosted by construction and small-scale manufacturing for the domestic market. Manufacturing remains dependent on the labour-intensive readymade-garment (RMG) sector and large loss-making state-owned enterprises (SOEs). The garment industry is expected to remain the largest contributor to growth in output for the foreseeable future. New areas of growth have also become evident this year. These are shipbuilding, production of electronics (white goods) and high-end pharmaceuticals, as well as information technology (IT) products and services.

#### **Service Sector**

Service sector growth stood at 6.1% in the year under review. Services represent half of Bangladesh's GDP which registered 6.1% growth in last year. The Government continues to focus on developing services trade, in particular the country's outsourcing capabilities, including call centres. In the context of privatization across all industries, which has intensified since the 1990s, liberalization measures have been taken especially in financial services, telecommunications and transport services. The mobile telecommunications sector has been opened up to competition with the participation of both domestic private and foreign capital.

#### **Balance of Payments**

The overall balance of payments remained in surplus during most of the review period, enabling the country to continue accumulating international reserves. On December 26, the reserves stood at \$12.72 billion, \$3 billion higher from the same day a year ago. Trade deficit in the first five months of fiscal 2012-13 narrowed by 22 per cent on the back of falling imports. In July-November, imports fell by 4.31 per cent year-on-year to US\$13.47 billion. In the month of November itself, imports fell by 5.25 per cent. On the other hand, exports increased by 3.96 per cent during that period. Consequently, the trade gap narrowed substantially. A further slowdown in the global economy may worsen the balance of payments by negatively affecting exports, remittances and FDI inflows.

#### **Foreign Direct Investment**

Despite the wide-ranging incentives offered by Bangladesh to foreign investors, and the identification of the country by global institutions as a highly attractive investment destination, the volume of FDI has remained historically low in this country. The Bangladesh Bank (BB) data showed in the five months of the current 2012-13 fiscal year, net FDI inflows were recorded at 650 million U.S. dollars against 583 million U.S. dollars in the same period a year earlier. Long-term should also be developed to stimulate foreign investment in Bangladesh. If FDI increases then surely GDP growth will accelerate and unemployment will fall, and the country might become a middle income country within the stipulated period. Though Bangladesh enjoys the advantage of cheap labour, most of the foreign entrepreneurs finally turn their back in investing their capital in the country mainly due to poor infrastructures and shortage of gas and electricity. The inward FDI flow in Bangladesh is

lower than other countries having the same status of the least developed countries (LDCs). The inflow of FDI has fallen, but the outflow of funds has increased for repatriation of profits by the existing multinational companies operating in Bangladesh. The fund outflow is increasing consistently driven by repatriation of oil, gas and power companies' earnings, in contrast to the declining FDI inflow. Indeed, Bangladesh needs to overcome infrastructure-related bottlenecks, especially gas and electricity crisis, in attracting investments to its industrial sector.

#### **Power Sector**

In the power sector, notwithstanding reservations about the rental power policy that had caused fuel price to shoot up, power output increased considerably, but could not match the ever-increasing demand. The shortfall in power supply has caused many investors to hold on to their investment in production sector.

#### **Monetary Policy**

The BB has also revised its monetary programme with a broad money growth target of 17.7 percent in June 2013 compared to the MPS target of 16.5 percent in the first half of fiscal 2013. The monetary policy stance for January to June seeks to bolster investment in productive industries, avert asset bubbles, damp inflation and minimize excessive currency swings. Bangladesh Bank for the first time in three years has cut all repo rates by 50 basis points, which will help commercial banks get money from the central bank at a cheaper rate. The move signals an expansion of credit flow aimed at accelerating investment and achieving higher economic growth. An expanded monetary base backed by higher remittance growth has created scope to fuel growth and contain inflation simultaneously.

#### **Banking Industry**

The Banking industry of the country witnessed enormous challenges and uncertainty arising out of the global as well as local economic slowdown round the year 2012. Giving approval to nine proposed new commercial banks - six locally sponsored and three others sponsored by NRBs --- was among the major events in the banking sector. The financial sector has been somewhat stressed during the year. Bank stability has deteriorated and capital market volatility has continued. Banking scams had surpassed all previous records, both in terms of the volume of money siphoned off and also in the number of banks involved in the scams. The general tightening of liquidity has increased deposit and lending rates at commercial banks.Coupled with these, the new loan classification regulation have increased non-performing loans.

The profits of the banking Industry of the country in 2012 fell to almost 50% of the profit of the previous year. Some Banks slightly fell short of the previous year's earnings and others surpassed the same, to some extent. The rate of default loans went up in the just concluded year for a variety of factors, including, among others, the fall-outs from the stock market debacle, higher lending costs for borrowed funds, shortage of power, gas for operation of enterprises, increased cost of imports etc. Banks' investment opportunities were limited in 2012. All consumer credit including HBL were also squeezed in the outgoing year.

However, Bangladesh Bank in recent years has stepped up its vigilance over the operations of the PCBs, along with efforts to strengthen the capital base under the ongoing BASEL II and the upcoming BASEL III programs. The Central Bank also issued a number of guidelines and directives emphasizing CSR activities of the Bank, introduction of school banking, mobile banking and farmers' account opening, SME loans and environment-friendly schemes were the much-talked-about issues of the sector in the outgoing calendar year.

#### **Prospect, Risk and Challenges**

A positive outlook on the economic front may fizzle out in the face of sluggish exports and risks of a further fall in demand in Europe and the US. Delayed recovery in Eurozone, the main export market for Bangladeshi products, poses risk to quick recovery in exports. Coming effect of fiscal cliff, taxes in the US will increase and spending will be cut. Under such a scenario, the demand for Bangladesh's garments in the US will come down. The most disturbing sign for the economy originates from the domestic front: political uncertainty. It is, therefore, time the major political parties formulated a consensus on the road we need to take in the days ahead. A large amount of state-owned commercial banks' money has got stuck with different institutions like Hall-Mark Group, Destiny Group which will jeopardise the smooth economic activities and investment.

A slowdown in remittances in the fiscal, high and volatile inflation, overshooting of monetary targets, financial sector weaknesses, growing external imbalances and the increasing fiscal deficit as well as the composition of deficit financing remain areas of concern. Prolonged slowdown in the global economy could affect the country's economy through several channels, said the WB's latest economic update on Bangladesh. The deceleration can affect the country's balance of payments through its impact on exports and remittances and can put pressure on the exchange rate. As a result, the economic uncertainty can increase, which might weaken investment and growth, according to the WB.

The Bangladesh Bank issued a number of directives relating to loan classification, provisioning requirement and re-scheduling of loans. strengthening its monitoring and supervision in the backdrop of the much-talked-about Sonali Bank loan scam. The National Board of Revenue (NBR) initiated a number of steps to ensure better service to the taxpayers for the first time in 2012 including issuance of tax cards to honour top taxpayers and introduction of Alternative Dispute Resolution (ADR) for out-of-the-court settlement of pending tax related cases. The NBR also focused on digitised tax payment system to facilitate taxpayers pay tax without hassle. In the tax fair-2012, income taxpayers paid tax online as the NBR introduced e-payment system this year. Also taxpayers appreciated the tax calculator in the fair which helped them calculate their payable tax easily.

External demand with garments, domestic labour unrest, and changes in market access; and remittances from changes in labour regulations and policies, or shocks in Kuwait or Saudi Arabia, which absorb over half the migrant Bangladeshi population. Deterioration in the outlook for both could cause significant external pressure, particularly as FDI flows remain low by most measures, constrained by the trade regime, poor infrastructure, governance problems and a difficult business climate. Longer-term growth prospects hinge on generating sufficient resources to relieve infrastructure bottlenecks and ensuring a competitive business environment focused on labour-intensive activities.

Bangladesh has potential to flourish but the overall economic management will be challenging in the year 2013 as there will be a number of tensions in economic management. Another challenge will be to stimulate agricultural production and to find a balance in protecting the interests of crop producers and consumers. Banking scams and sluggish project implementation under the annual development programme might affect the cash flow to the economy

Improved fiscal and monetary discipline combined with strong efforts to address energy and infrastructure deficits will be critical to sustain the growth performance. It will be vital for Bangladesh to ensure sound macroeconomic management, since expansionary macroeconomic policies could increase risks on the current account and make inflation management more difficult. Policy planners in the government will have to perform and deliver extraordinarily to keep the economy afloat in 2013.

# THE PREMIER BANK LIMITED : At a Glance

The Premier Bank Limited started its voyage of corporate excellence on an autumnal day of 1999. The Bank has made history not just by passing 13 years of banking endeavor in Bangladesh but by making every moment useful and rewarding for our valued clients. We have overcome many real challenges to win the unshaken confidence of our partners. In our long journey, we have become the trusted custodians of their money and a true financier of their wants. As a capable absorbent of financial shocks, a much talked matter-of-the-day, we have based our foundation strong with a capital base of Tk.7,662.50 million & capital adequacy 11.04%. In line with the global needs we have revamped our Retail Banking, SME and Woman Entrepreneur Finance Divisions as well as re-arranged Elite Banking and marketing & Brand Communication Department. We have continued our strive to build strong & lasting relationship with the customers and provide them fast & best services as well as best financial solution through understanding their actual needs. Premier Customers have continued to enjoy increasingly broad and attractive range of products and services. With an ongoing focus on effecting our strategies and priorities, controlling risks and expenses and growing our business platforms - with our strong foundation and the finest team of people working together, we will make the best of today for the benefit of all our stakeholders.

### **Overview**

#### **Core Banking Activities**

The range of banking activities comprises deposits taking, extending credit to corporate and retail businesses, small and medium enterprises, foreign trade business, trade financing, project financing, lease and hire purchase financing, issuance of local and international credit card, remittance service and so forth. Our Bank has both conventional and Islamic Banking in its mode of operation. The Bank also provides brokerage services and margin loan facilities in the capital market.

#### **Products and Services**

In the advent of growing customers' knowledge, sophisticated pricing of products was not the only weapon for higher market share, but we worked hard to position ourselves on a different platform away from our competitors. We have a comprehensive range of products and services that we can offer to the customers. We train up every officer to have detailed knowledge of the products and services. Our innovations in offering new products and services were also in a high spirit in 2012. Two new deposit products branded as Premier Esteem Savers and Premier Excel Savers have given a new pace to our banking excellence.

The Bank has improved untiringly in the delivery of products and services, reduction of loan processing time, online deposits and remittance payment and adoption of many key changes in the delivery system. These have differentiated us from the rest of the market in winning customer satisfaction and confidence. A Separate 'Elite Banking' cell has been set up to provide one stop service to the top priority customers of the Bank. Our "Front Desk" at every Branch reflects our concern for customer care and commitment to meet customer expectation. Our "Complaint Box" at Branches stands open for all complaints and reactions that guide us to how we would move forward.

Our well experienced Senior Management works as a team to review the products, services & brochures and repackage them as necessary. Meaningful customer relationship originates from a well defined system managed by innovation and expertise to address all customer queries in a timely manner. 'Service Quality'- newly formed Cell at Head Office take best care about any query, suggestion, objection or even allegation, no matter how irrelevant they look like. In line with variant choices of our clientage our services are tailored and streamlined.

#### **Financial Performance : 2012**

Premier Ban

The global and local economic downturn impacted many business sectors in the country. The Banking industry of the country witnessed enormous challenges and uncertainty round the year 2012. Against the multifetched adversities, both external and internal, the performance of the Premier Bank Limited was mixed. Balance sheet growth was stiffed as lending and deposit mobilization slowed down. To optimize the risk arising out from various direction, we adopted a more cautious approach towards business growth during the year under review, with a more focused and pro-active outlook on follow-up, monitoring and recovery. All through the year we have also focused our attention on diversifying our business and developing our relationship with small and medium scale business firms to achieve a sustainable growth. At the end of 2012, the Bank achieved profit after taxation of Tk. 603.41 million against Tk.510.90 million in 2011. An amount of Tk. 316.77 million has been earmarked as tax contribution to government exchequer. Key performance indicators remained strong with Return on Equity at 8.44 percent and Return on Assets at 0.74 percent for the year 2012. The Bank continued to have a strong capital adequacy ratio of 11.04 percent in line with Bangladesh Bank guidelines.

#### **Operating Income:**

The Bank generated Operating Income of Taka 10,703.31 million in 2012 recording a growth of 6.99 percent over 2011 in the core banking business. Year-round bearish trend of the capital market after a havoc in 2011 brought heavy sufferings on the Banking Industry. The net Interest Income of Taka 1,747.73 million for the year reflects an increase of 9.98 million over 2011 while Income stream of fees and commissions aggregated Taka 669.59 million, a 6.26 percent of Total Operating Income. The main contributors for increase in Net Interest Income are steady growth in Loans and Advances and significant recovery from Interest Suspense Account.

#### **Other Income**

Other income for the year stood at Taka 612.89 million compared to Taka 806.77 million for 2011.

#### **Operating Expenses**

Operating Expenses at Taka 9,879.83 million showed an increase of Taka 693.45 million or 7.55 percent over the previous year. Employee expenses increased from Tk.229.80 million in 2012 arising from annual salary revision, performance related rewards and increase of human resources. Other Operating Expenses of Tk. 2,140.49 million were associated with system up-gradation and Branch-network expansion to improve operational efficiency and enhance customer service.

#### Assets

Total Assets of the Bank stood at Tk 81,805.04.million in 2012 against Tk. 74,951.11 million of previous year was attributable mainly to a growth of Tk. 2,435.25 million in the Loans and Advances portfolio. As at December 31, 2012, Loans and Advances as a percentage of Total Assets was 63.82 percent as compared to 66.41 percent at the end of year 2011. The increase in the loan book was mainly due to enhanced participation in local corporate and credit-lines, syndicated SME facilities, strengthening and broadening of business relationship in the country and the attractiveness of our retail and consumer credit products. Based on contractual maturity terms 78.32% percent of the current loan portfolio will matures within one year and 21.68 percent is due to mature within 5 year of the balance sheet date.

#### **Composition of total assets**



#### Liabilities

Customers' Deposit posted a robust 10.61 percent growth to reach at Tk 67,129.52 million at the year-end 2012 from Tk. 60,692.97 million at the end of 2011. Borrowings from Banks and Financial Institutions including refinance facility from Bangladesh Bank stood at Taka 3,545.25 million at year-end 2012, against year end 2011 levels of Taka 2,679.20 million. The ratio of Customers' Deposits to total Liabilities stood at 89.92 Percent compared to 88.89 percent at the end of preceding year.



#### **Capital Strength**

At the year-end 2012, Bank's total equity including retained earnings was Tk. 7,148.35 million. The Bank maintained adequate capital to support its business activities. The Bank's capital adequacy ratio, encompassing credit, operational and market risk, is well above the BASEL –II requirement of 10 percent. The Bank ended the year 2012 with Core Capital (Tier-I) of Tk. 7,090.08 million and Supplementary Capital (Tier –II) of Tk. 572.42 million ; total Capital fund of Tk 7,662.51 million which was 11.04 % of Risk Weighted Assets.

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<b>Table : Presentation of Capital Strength</b>
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(in million Ta				
Capital Split	Year - 2012	Year - 2011		
Paid-up Capital	4658.71	3818.61		
Statutory Reserve	1964.90	1800.28		
Retained Earnings	466.46	868.46		
General Reserve	-	-		
Dividend Equalization	-	-		
Account				
Proposed Cash Dividend	_	_		
Total Tier I Capital	7090.08	6487.35		
% of Risk Weighted Assets	10.22%	9.39%		
General Provision on	423.49	518.61		
Unclassified Loans				
General Provision on Off	127.94	192.20		
Balance Sheet Items				
Revaluation Reserve on securities (50%)	-	72.06		
Revaluation Reserve for fixed Assets (50%)	20.96	20.96		
Exchange Equalization	-	-		
Total Tier II Capital	572.42	803.83		
% of Risk Weighted Assets	0.82%	1.16%		
Total Tier III Capital	-	-		
Total Capital	7662.51	7291.19		
Total Risk Weighted Assets	69,411.10	69,128.90		
Capital Adequacy Ratio (CAR)	11.04%	10.55%		

#### **Deposits**

Deposit builds up the strong foundation of operating liabilities of the Bank. It is recognized as the blood of financial institution & gives strength to run the business activities. In pursuit of deposit mobilization the bank continued to succeed during 2012 with deposit balance of Taka 67,129.52 million from Taka 60,692.97 million in 2011 manifesting a growth of 10.61 percent. Our collective efforts in ensuring superior customer service through numerous delivery channels across the country could make it possible. Countrywide Branch Network and SME Service Centers with a focus on rural customers has given the lower income segment an access to Online Banking System and opportunity for prompt receipt of remittances. Wide range of our liability products includes fixed deposit, multiple savings schemes, savings deposit, special notice deposit etc.

Stretching over the year 2012, Premier Bank has redesigned many of its liability products keeping in view of market demand, global impact on local market, new monetary policy as well as to increase low/no cost deposits for a healthy deposit mix. We have tailored terms and tenure of different monthly schemes extending from 5 to 12 years to satisfy the appetite of retail savers. Segmented savings service and products targeting Elite citizens and community drew good response from the respective target groups. Special deposit schemes specifically Education Savings Scheme (ESS) was remodeled to the tune of growing customer needs. Moreover, our Islamic Banking Wing marketed a number of attractive packages for Hajji and Hajj planners with a remarkable feedback. On the whole, the combined efforts were worth rewarding in swelling our deposit balance all over the year 2012. In 2013, hard drives to be initiated to build a healthy line of deposits comprising no cost deposits not less than 20 percent, low cost deposits not less than 30 percent and high cost deposits not exceeding 50 percent.

Table :Comparative Deposit Blend of the Bank:

Table - 3

		(in million Taka)		
SI.	Туре	2012	2011	
01	Fixed Deposits	45,130.40	42,859.72	
02	Savings Bank Deposits	3,471.35	2,930.98	
03	Current Deposits	2,865.83	2,560.55	
04	Other deposits	3,102.66	3,581.94	
05	Bills payable	968.59	808.75	
06	Deposit Schemes	4,820.13	4,896.59	
07	Special Notice Deposits	5,388.28	2,550.20	
08	Deposit (off Shore Banking Uint )	1,382.28	504.24	
	Total	67,129.52	60,692.97	

#### Deposit Blend of the Bank in 2012



#### **Credit Portfolio**

The Premier Bank Limited has been keeping its loan portfolio well diversified by extending project finance, export finance, SME loans, commercial credit, continuous loans, agricultural credit, house building loan and staff loan to the deserving clients. A wide range of business, industry, service and trade sectors constitute the Bank's advance portfolio.

The credit portfolio of the Bank is composed of Corporate, SME and Retail Products under both conventional & Shariah based terms. Credit activities of the Bank are administered by the Credit Committee at Head Office with delegation of responsibilities grouped into assessment of risks, lending decisions and monitoring functions.

At the end of 2012, credit portfolio of the Bank increased by Taka 2,435.25 million to reach the total of Taka 52,210.16 million against Taka 49,774.91 million in 2011. The growth recorded was 4.89 percent over the preceding year. Our loan recovery efforts were successful and total non-performing loans accounted for 5.39 percent of total loans at the year end 2012. Bank's Credit/Deposit ratio was 77.78 percent as at 31st December 2012. The Bank is very much cautious and selective in choosing borrowers to maintain a sound asset quality.

Sector	L ECONOMY as on 31.12.2012 Sub-sector/Industries Limi		Limit	(Amount in crore) Outstanding Amount	
Sector		Sub-sector/Industries	Limit	Amount	Percentag
	i)	Crops	12.62	12.33	0.23
Agriculture	ii)	Forestry Livestock	0 21.1	22.78	0.43
		Fisheries	143.20	58.08	1.09
	v)	Others	109.63	83.12	1.56
Mining &	i)	Lime Stone	0	0	0
Quarrying		White Clay Large Scale :	0	0	0
	.,	a) Food Manufacturing	461.69	403.62	7.58
		b) Beverage	0	0	0
		c) Tobacco d) RMG & Textile	0		0
		i) RMG		506.21	9.51
		ii) Texile		229.82	4.32
		e) Footwear, other	6.94	7.04	0.13
		wearing apparel & make up Textile			
		f) Wood work & allied	0	0	0
		products	Ŭ		
		g) Furniture & Fixture	0.25	0.26	0.00
		h) Paper & paper products	29.29 141.27	32.84	0.62
Industry		i) Printing, Publishing & allied industries	141.27	93.27	1.75
maastry		j) Lather & Lather products	33.40	34.78	0.65
		k) Rubber products	106.84	78.40	1.47
		I) Chemical & chemical	33.26	19.41	0.36
		products m) Petroleum & coal	0.35	0.39	0.01
		products	0.55	0.55	0.01
		n) Non-metallic mineral	6.98	7.14	0.13
		<ul> <li>o) Basic metal products</li> <li>b) Motal products except</li> </ul>	82.78	55.29	1.04
		<ul> <li>p) Metal products except machinery</li> </ul>	120.18	130.06	2.44
		q) Machinery except electrical	0	0	0
		r) Electrical machinery	21.98	15.02	0.28
		& apparatus	56 12	54.78	1.02
		<ul><li>s) Transport Equipment</li><li>t) Other manufacturing</li></ul>	56.12 295.82	202.32	1.03 3.80
		industries	295.02		5.00
		u) Ship Building	0	0	0
		v) Ship Breaking	0	0	0 17
	ii)	w) Pharmaceutical Small scale	11.46 101.44	9.03 82.63	0.17
Construction	,		-		
Construction Power, Gas,		i) Power	312.93 254.97	266.85 220.89	5.01 4.15
Water &		ii) Gas	254.97	220.89	4.15
Sanitary Services		iii) Water & Sanitary Services	6.8	5.63	0.11
Transport, Storage		i) Land Transport	82.37	45.41	0.85
& Communication		ii) Air Transport iii) Water Transport	0 63.77	0 66.25	0
		iv) Communication	323.78	259.05	4.87
		v) Storage	0	0	0.07
Trade Services			941.67	539.47	10.13
Housing Services		i) Urban	011.01	10.1.00	2.00
		a) Commercial b) Residentioal	211.81 83.96	194.82 70.47	3.66
		ii) Rural	25.78	20.52	0.39
		,			
Public Admin		i) Central Government	0	0	0
Defense Banking &		ii) Local Government i) Banking	0	0	0
Insurance		a) Public	0	0	0
		b) Private	107.50	80.65	1.52
		ii) Insurance	0		0
		a) Public b) Private	0 67.64	0 53.05	0 1.00
Professional &		i) Educational Services	2.90	2.84	0.05
Misc. services		ii) Medical Services	60.71	58.68	1.01
		iii) Legal Services	0.25	0.25	0.00
		iv) Recreation Services v) Personal Services	45.35 120.46	49.24 106.97	0.92 2.01
		vi) Hotel & Restaurant	31.28	30.67	0.58
		Services			
		vii) Religious Services	0.00	0.00	0.00
		viii) Domestic Services ix) Others	163.23 732.52	120.38 459.32	2.26 8.74
		x) Car Loan	/32.52	459.32 97.84	8.74
		ix) Others (Credit Card)	-	35.98	0.68
		xii) Media Financing	0	0	0
Head Office			-	193.47	3.63
OBU				136.4	2.56
Grand Total			6545.78	5253 70	100.00

## **Operations Review :**

#### **Corporate Business**

Legal form of corporate clients includes sole Proprietors, Partnerships, Limited Companies (public & private) and Publicly Listed Companies. Commercial lending centers round most of the corporate credit being in fact a major segment of our business. We always adopt strategy for widespread service for the large and medium-sized corporate customers. Both conventional and Islamic Shariah modes are in practice with the corporate financing. Exposure to particular sector is strongly monitored by the competent authority in order to restrict it to the approved limit. Corporate loans have the following aspects:

#### **Commercial Credit:**

The bank extends service to its corporate clients that include trade financing services both domestic and institutional. We open documentary credit and extend post import finance and so on.

#### **Export Financing:**

The bank undertakes direct and indirect export financing that covers back to back documentary credit, packing credit, export bills discounting and collection of bills.

#### **Industrial Financing:**

The bank offers term loans, working capital, import financing for capital machinery, raw material and other receivables financing, leasing and so forth under this segment of financing.

#### **Project Financing:**

Our project finance activities evaluate technical, environmental, socio economic and financial validity of projects during the pre-booking stage. Potential projects are explored and planned in such a way that an ultimate win-win stand satisfies both the bank and the clients. Our project finance team is highly efficient and worthy of repute in the industry due to professional commitment.

#### **Syndication Financing:**

Premier Bank remains vibrant in the syndication market. The collaborate finance on large scale in

participation of a group of banking institutions is getting wider day by day. The bank has a good record in syndication financing over its decade of operation both as member bank and as lead arranger. Bank's concentration in syndication finance has been diversified with in change in economic indicators and activities. The areas connected with bank's syndication are textiles, pharmaceuticals, chemical, cement, ceramic, steel, tourism sector, power, food and allied infrastructure.

#### **Cash Management:**

Cash management provides wide range of fund management solution for the large, medium and small business enterprises. Here, we aim to provide customized banking solutions to cater customers' day to day banking needs. The main focus of cash management is to provide flexible transactional solution to the customers to ensure steady inflow of fund at low cost.

#### **SME Business**

Keeping in view the contribution of Small and Medium Enterprises to the growth of the economy of Bangladesh, SME Division has been staffed with experienced and well-groomed personnel to provide quick and customized services to the SME clients. In 2012, our SME activities manifested a vibrant expansion and business output. Product Innovation, Credit Capacity Building, Booking new customers were the focal points of divisional activities. Pursuant to Bangladesh Bank's Guidelines, eligible loans and advances under General category were migrated & booked under SME. At the end of 2012, as a percentage of total loans & advances, SME possessed 41% which was distributed among 2802 SME Clients from well diversified sectors such as light engineering, cottage, handy crafts, CNG station, power loom, garments, agro-machinery, agro-processing industries, animal feed, small trading, poultry, dairy, fruit preservation, fisheries, etc. 4 new SME Branches were added with the previous 8 Branches opened around the country. A viable strategic stand was made to penetrate SME market and enhance market share in phases. The Bank employed various tools and techniques, products and policies, staff and strategies to attract the potential entrepreneurs in the economy. The Bank formulated comprehensive guidelines on

Premier Bar

67

SME Banking includes Product Policy Guidelines (PPG) to disburse working capital, Term Loan, overdraft, Letter of Credit and Guarantee to different manufacturers, traders and service providers including backward and forward linkage industry coming under SME domain. Outstanding in loans to SME segment recorded Taka 21,266.50 million reflecting a 41 percent of total loan portfolio of the Bank.

#### **Retail Banking Business**

Being a socially responsible human being, we are keen to build a strong brand that would turn all the intangible services into tangible manner through ensuring customer satisfaction and remain at the Top of the Mind (ToM) for the mass consumer of the society which will encourage the theme of financial inclusion and help the society towards the development indeed. It is challenging to convert conventional banking organizations into agile ones that render financial services to the consumers helping a rising set of their emerging lifestyles. Macro economic shift of consumer behavior reveals the propensity of spending nature for life-style products for the mass consumer segment of the society that also entail the scope of retail business. Retail banking is going at a rapid pace-become the major revenue line for most of the top banks in the country. To ensure a momentous growth in this business, Premier Bank Itd. has a performance driven team where the retail portfolio of the Bank segregated its operation in a very effective & efficient manner in terms of developing human capital such as retail-business, business planning, strategy & projects, elite banking, retail credit, recovery, assessment, collection & credit administration to operate the consumer financing business by following prudential guideline and policy of Bangladesh Bank. Presently the division offers a wide range of retail products for both asset & liability portfolio. The Deposit Products Premier 50+ Account, Premier Genius are Account, Special Notice Deposit Account, foreign Currency Account, Fixed Deposit, Monthly Income Scheme, Monthly Savings Scheme, Double Benefit Scheme, Education Savings Scheme, "Premier Esteem Savers" "Premier Excel Savers" etc. In response to the market demand, two new attractive customized deposit products for high-net worth corporate clients named 'Premier Super Account' and

'Premier High Performance Account' has been developed by the Bank to add new flavor in the deposit blending. Our well-tailored set of Loan Products comprised of Personal Loan, Home Loan, Car Loan, Doctors' Loan, Student Credit Programme, MasterCard & Visa Card etc. More new Asset & Liability products are in the pipeline to be introduced in 2013.

#### **Elite Banking Service**

To meet the highest expectations of our high potential, high net-worth client Elite Banking service is uniquely designed. Launched as an independent brand, Premier Elite Banking offers focused and personalized Wealth Management Services for selected, high net-worth individuals a completely secure and congenial in atmosphere. Being preferred customers, these clients will be given exclusive benefits, free services and a lot of value added facilities to keep long term banking relationship with us. Individual dedicated Relationship Manager (RM) and luxury banking suite and prompt service delivery will make the elegant clients more comfortable and confident to make any deal with us.

#### **Women Entrepreneurs Finance**

As the name implies, Women Entrepreneurs Financing Scheme is exclusively tailored to give women entrepreneurs extra edge and advantage to meet their financial freedom through their innovative venture. We have set up Women Entrepreneurs Finance Department in view of a good number of objectives, such as:

- To help self-reliant Women Entrepreneurs.
- To develop saving habit and making social contact of Women Entrepreneurs through banking services.
- To encourage the undertaking of small projects to create employment by income generating activities.
- To participate in the socio-economic development of the country.

We nurture a plan to establish a "Ladies Branch" exclusively for women in the country.

#### Brokerage Operation and Merchant Banking Business

The Bank has established its Subsidiary 'Premier Bank Securities Limited-(PBSL)' to play proper role in the capital market of the country. The Brokerage operation has been running in a structured and systematic way under the own policy of PBSL which has been manned with efficient & experienced personnel and market analysts to help investors in taking decision regarding trading of share based on the right information at the right time. The brokerage business is comprising with the following activities on top priorities:

- Facilitating Trading of Shares and Securities in the capital market
- Settlement and Safe Keeping of Shares
- NRB and Foreign Client Support
- Research and Analysis of Capital Market
- Extending Credit under Margin Rule

Amidst extreme volatility & uncertainty of the capital market in 2012, PBSL abled to earn interest income of Tk 261.401 million and commission income of Tk. 31.240 million from Brokerage operation which was lower than that of the previous year, yet appreciating in context of volatile market scenario.

Merchant Banking is going to be new addition to the investment planning of Premier Bank. The Bank has already formed a subsidiary company and applied to Securities and Exchange Commission (SEC) for license to commence Merchant Banking Operation. The new business unit will take up a complete investment banking activities that includes the following:

- Issue Management
- Underwriting
- Portfolio Management
- Merger and acquisition
- Syndication
- Bridge Financing

#### **Lease Finance**

In the last few years, leasing has become very popular among customers of various Small & Medium Enterprises. The fast growth of lease financing in Bangladesh reveals that the product has some inherent advantage and ability to attract customers away from traditional financial products such as bank loans. It offers numerous flexibilities to the lessee in respect of availability, simple security arrangement, convenience, lower transaction cost, tax benefits, etc. Thus this is one of the most convenient long term sources of financing available in the country.

Apart from existing financing sector the Bank is considering the merit of emerging sectors on the economy. The Bank is looking to pharmaceuticals, chemicals, foods, beverage, & allied products, engineering & distribution services, industries like ICT, gas & energy, hotel & tourism, hospitals, clinics & diagnostic centre, educational institutions, aluminium, ceramic, glass, tiles, and textiles as the potential fields of lease finance.

#### **Agriculture Finance**

In order to ensure food security through raising food production, Government has set top priority to develop Agriculture Sector. Bangladesh Bank took a disbursement target of agricultural credit through the commercial banks of the country. Government has also taken some supportive policies in this connection. In support of the Government strategies, the Premier Bank Limited has disbursed considerable amount in agriculture sector in various arrangements during the year 2012. We have decided to find out the prospective areas viz. agri-business (Poultry & Dairy), Agro Farming, Fisheries etc. where we can contribute with more agro credit to develop the real economy of our country.

#### **International Business**

#### **Trade Finance**

The Bank has exhibited quality financing while facilitating total import and export business transacted during 2012 for Tk 35,357.30 million and Tk 30,292.10 million respectively. The L/C outstanding at the year end of 2012 is Tk. 4019.78 million. The main import items were industrial machineries, raw materials, foods, commodities and other consumer products while the export items were RMG, Shrimp & fishes, Jute & Jute goods, Finished Leather, Fresh vegetable, Handcrafts etc. The Bank has 16 Authorized Dealer Branches are equipped with highly trained and well experienced professionals to handle the import and export based clients.

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#### **Correspondent Banking**

The Bank has continued efforts and endeavor to develop relationship with foreign correspondents worldwide to facilitate the International Trade operation of the Bank. As on 31st December 2012, the number of foreign correspondents is 470 Banks in 82 countries and number of Nostro accounts with foreign correspondent banks stood 21 (twenty one) in 8 major international currencies. The bank also enjoy substantial credit lines from the correspondent banks for adding confirmation to letter of credit as and when needed which is facilitating international trade.

#### **Off-shore Banking Operation:**

The Bank has started offshore banking operation in Dhaka EPZ from January, 2010. The Bank is catering the banking needs of the non-resident customers to increase foreign trade business at EPZs. OBU can finance the EPZ customers under category 'A' in foreign currency. Moreover, Non-resident Bangladeshis (NRBs) and foreign residents will be privileged to open deposit account in competitive rate and tax benefits on their investment with our Off-shore Banking Unit. Off-shore banking has made a cumulative profit of USD373,645.81 during the year 2012 as against cumulative profit of USD 346,613.00 in 2011.

#### **Remittance Services:**

The Bank gives highest importance in mobilizing inward foreign remittance from Non-Resident Bangladeshi (NRB) living and working in different parts of the world. Premier Bank has endeavoured to the best to make the remittance settlement simple and easy by using state of the art technology and personalized services.



To boost up homebound remittance inflow "Premier Money Transfer Company Limited", the wholly owned subsidiary of Premier Bank Ltd started operation in UK since July'2011. The response of the remittances is highly satisfactory and the volume is increasing day by day. We have also developed local net work throughout the country to ensure delivery of the care at the door steps of the beneficiaries.

In order to smooth operation and faster delivery of the remittances we have developed a modern software named 'Druty' signifies 'speedy'. At present Bank's global partners in remittance system are Wall Street Finance LLC-USA, Dolex Dollar Express Inc.-USA, MoneyGram Payment System Inc. (with global connection across 190 countries), Prabhu Money Transfer Inc.-USA, Route of Asia Money Exchange Ltd-UK, Xpress Money Services Ltd- UAE, Multinet Trust LLC-UAE, Exchange Universal Exchange Centre-UAE, Arabian Exchange WLL-Qatar, Joyalukkas Exchange LLC, KMB International Money Transfer Ltd, UK. Due to this arrangement, even the far-off recipient of remittance has been connected with the Bank's network. Meanwhile bank has established correspondent relationship with a large number of local Banks to guicken delivery of funds anywhere in the country.

The Bank is now capable of cash payment of remittance to the beneficiaries through 306 centers all over Bangladesh in addition to own network of 76branches. Premier Bank has established remittance disbursement arrangement with Jagorani Chakra Foundation, a prominent Micro Finance Institution in Bangladesh which has over 256 stations across the country including a good number in remote areas. We are using the network of Jagorani Chakra Foundation for cash payment over the counter. We are under process to make arrangement with a good number of reputed NGOs & MFI's for cash payment of remittances.

The Bank has entered into remittance disbursement arrangement with Friends In Village Development Bangladesh (FIVDB) which is a very popular NGO based on Sylhet Division having above 50(fifty) branches in greater Sylhet. A large number of beneficiaries have been receiving foreign remittances regularly through nearest FIVDB branches.

During the year 2012, the Bank has handled inward remittances Tk.4689.60 million. We are caring to our customers specially the remittance beneficiaries to offer dedicated service skilled and experience professionals through 76 branches and also using the networks of reputed NGOs & MFIs throughout the country.

#### **Information Technology**

Information Technology has brought about a complete paradigm shift in the functioning of banks and delivery of banking services. Modern customers/consumers have different set of lifestyle and look for secured personalized experiences of banking and want to be treated as individuals. Setting our 'Banking' fit in the lifestyle of individuals is the challenge for IT. Today, IT is no longer the facilitator, it becomes the enabler for the Banking Business.

The clients of The Premier Bank Limited are not very lagging behind the personalized and most caring banking facilities with the implementation of most robust Centralized Core Banking Software. The software is sophisticated enough to facilitate our honorable clients to enjoy truly any branch banking from 76 branches spreaded over in every business important nook and corner of the country. Furthermore, with the delivery channels, our ATMs are there for banking service available for  $24 \times 7$ . We have arrangements with VISA & MASTERCARD to facilitate our valued clients to enjoy the same facility from other banks' ATMs as well. All the Branches and SME Centers facilitate our valued clients the General Banking and Advances businesses in general. In addition to that, the AD Branches are there to facilitate Trade Finance business and Islamic Banking Branches facilitate Islamic Banking through the Core Banking Solution software. We enhanced our avenue in the area of Offshore Banking Unit (OBU), centralized our Credit Administration & Credit Relationship Management and implemented the Treasury Module in the Core Banking Software.

Remittance is the key role player in today's economy of Bangladesh. We facilitate remittance service by our most dynamic Remittance Software – 'PremierMoney' working in Premier Money Transfer Company Limited (PMTCL), sister concern of The Premier Bank Limited.

The Internet Banking, Mobile Banking, SMS Push Pull services are on the way to mention a few to meet the need of upcoming generations banking needs. We have arrangement of WASA bill collection from any branch of The Premier Bank Limited. Collection of fees for Machine Readable Passport from our branches is under process.

Our success in 2012 is the highest uptime running of our Core Banking System – secured by implementation of strong Antivirus Software and configuration of full proof firewall in our  $24 \times 7$ up network along with the CBS in parallel. Our valued clients were ensured  $24 \times 7$  availability of banking through relentless pursuit of our juvenile, most dynamic, committed for excellence IT Professionals working at our highly equipped Data Center.

With the increasing importance of financial systems in the global and domestic economies and the ever-increasing regulatory compliance requirements, The Premier Bank is in the way of automating risk assessment and management systems. IT governance and management is one of our core important issues for the alignment of IT, with banking business ensuring the requirements of business, serving our valued clients a secured banking service with respect to our regulatory body – Bangladesh Bank.

Formulation of a seperate Business Intelligence (BI) fully capable of centralized MIS report as well as DSS, Introducing Internet Banking, Implementation of Self Service Terminals (Cheque Deposit Machine, Cash Deposit Machine etc), utility and credit card payment system through IVR & Tele Banking, Call Centre Operation are on our priority list.

We see Information Technology as an 'Intangible Value' creator. Days are not very far, when our valued clients will enjoy the most secured banking even from their most comfort zone with the help of Internet and our IT enabled services – that too from anywhere on earth. We are committed – only what we can ensure as we are ensuring since inception.

#### **Treasury Operations**

The core point of treasury operations is fund management. Treasury helps the Bank to build up capacity to cope with all possible exigencies to maximize return on investment and minimize On top of that, we have robust web based software – DRUTI to distribute the remitted foreign earnings to their beloved family & recipients even at their doorsteps.risk. Besides, treasury is obliged by law to conform to Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) set by the Central Bank. Treasury actively participates in money market operation and deftly manages investment, cash balances along with money at call & short notice. Also treasury monitors price movement of foreign exchange with various measures to minimize risk factors.

In line with global system Premier Bank Treasury is well-equipped with up to date facilities. We have independent dealing room befitted by SWIFT, Reuters, On-line dealing system, Internet, Television with reputed financial channels, Voice Recorder, Digital World Time Display and so on. Our competent management staff has enabled our treasury to play a vital role in the inter-bank money and foreign exchange market. In addition to regulatory compulsion treasury personnel maintain the best investment portfolio in Treasury Bills, Treasury Bonds, Repo, Reverse Repo, Call and Term, etc. Treasury operations had also been considered as a key avenue for income generation. Our Treasury Division has efficiently and prudently managed our liquidity to earn a lot even during turmoil of money market in recent years. In 2012, Treasury played a major role in raising the bank's income and recorded an income of Taka 1,105.00 million from Money Market & Foreign Exchange Operation. A centralized treasury operation enhanced by on-line connectivity has endowed our customers with fast and finest service. Dealers quote very competitive cross currency spot, forward and swap rates to the clients while complying with Bangladesh Bank's Foreign Exchange Risk Management Guidelines. We have separate Front Office and Back Office with different reporting lines as per international best practices of treasury management. Front Office is responsible for dealing activities while Back Office is for settlement of transaction. Between the two, our ALCO acts as Mid Office to monitor Front and Back Office activities to confirm accuracy and aptness. We have signed an agreement with Mashreque Bank psc (Dubai) and Bank of Nova Scotia (Hong Kong) for on-line foreign exchange dealing.

#### **Internal Control & Compliance**

In the event of globalization and technological changing environment, banking has increasingly enlarged its horizons worldwide. Owing to involve high risks in the banking functions, good corporate governance, transparency, accountability and effective internal control system have become really important for healthy banking sector. In fact, internal control system indentifies the risks involved with the process and functions, implements mitigation gauges and ensures compliance culture.

It is therefore high time that seniors in banking in Bangladesh focus more on "robust control environment" in their respective banks. The control environment includes the following elements:

- Integrity and ethical values.
- Management's philosophy and operating style.
- Organizational structure.
- Assignment of authority and responsibility.
- Human resource policies and practices.
- Competence of personnel.

The policies, procedures, and activities that are part of a control framework, designed to ensure that risks are contained within the risk tolerances established by the risk management process.

The Premier Bank Limited (PBL) has constructed an organizational structure which allows the segregation of duties among the key functional units. Under the umbrella of Internal Control and Compliance Division (ICCD), PBL has established three separate units based on the guidelines framed by Bangladesh Bank:

- 1. Audit and inspection unit
- 2. Compliance unit, and
- 3. Monitoring unit.

Internal Control contains self-monitoring mechanisms, and actions are taken to correct/rectify of deficiencies as they are identified. Internal Control and Compliance is not only for getting things done but also to
ensuring that they are completed properly. It plays a pivotal role in building up a culture of transparency and accountability.

Modern bank management and supervision mainly focus on risk factors in banking business. The PBL has taken all-out efforts to mitigate all sorts of risks as per guidelines issued by Bangladesh Bank. As a part of robust risk management process, the Bank has formulated a comprehensive Credit Risk Management Policy to address credit risk. To mitigate operational risk, money laundering and terrorist financing risk, circumvention or overriding the internal control procedure, Internal Audit, Board Audit Division and Central Compliance and Internal Control Divisions are carrying out regular audit and inspection of the functions of the Branches. Deficiencies/lapses/ irregularities detected by these audit and inspection are rectified/ regularized by the concerned Branches at the earliest and submit compliance report to the Head Office.

The Bank has already prepared the Risk Assessment Matrix of various banking functions and incorporated the same in the internal audit report. The Bank also prepared Internal Control and Compliance Manual to strengthen the internal control functions including the followings:

- Objective of internal control
- Authorities of the internal control and compliance environment
- Organizational structure of the Division
- Policy guidelines for internal risk recognition and assessment and regulatory compliance and monitoring

# Audit and Inspection

Internal auditing and Inspection provide an independent assessment of the adequacy of compliance with the Bank's established policies and procedures. As such, the Internal Audit function assists the senior management and the Board of Directors in the efficient and effective discharge of their responsibilities.

To reduce the operational risks of the Bank, the Audit Team conducts regular audit/inspection on the business affairs of the Bank based on different manuals, instructions, rules procedures laid down by Bangladesh Bank and other regulatory authorities from time to time. Besides, it has also conducted number of investigations and special inspection on various issues as per requirement. The Division also ensures implementation of various instructions given by the Regulatory Bodies, the Board of Directors, Executive Committee of the Board and the Board Audit Committee of the Bank. The general and specific objectives of audit and inspection are:

- To find out whether the books of accounts and financial statements are properly drawn in accordance with the Bank Companies Act 1991, BAS, BFRS and other Regulatory Bodies.
- To detect and prevent error and lapses;
- To detect operational weakness of the Bank.
- To detect and prevent fraud and forgeries;
- To ensure that operations of the Bank are conducted within the framework of principles & procedures
- To provide proper guidance to the human resources of the bank to perform their duties well;
- To suggest adopting new policy to cope with the various situations and efficient business operations;
- To provide the Board and the Management with detailed information regarding business affairs of the Bank to enable the Management to chalk out future course of business plan;
- To provide guidance for training up the personnel of the Bank on the basis of common errors and lapses committed by them in day to day operations;
- To provide Board and the Management with the information whether there is any deviation from the set principles, policies and objectives.

Following types of audit and inspections are undertaken by the Division:

- Monthly Audit
- Comprehensive Audit

Premier Bank

- Risk Based Internal Audit
- Special Audit/Inspections
- Investigation

SL.		No. of Branches	
01	Comprehensive Inspection	64 Branches and 08 Divisions of Head Office	73
02	Special Inspection Audit	26	68
03	Monthly Inspection Audit	13	13

Audit and Inspection conducted by the Division during the year 2012:

# Compliance

The compliance unit is responsible for ensuring compliance with all regulatory requirements while conducting Bank's business. The Unit is assigned with the responsibility of receiving regulatory guidelines, maintaining proper record and distribution of the same among all relevant Division/Branches for its proper implementation.

Its duty is to maintain liaison with the regulators and notify the other divisions/units/branches regarding regulatory changes and maintain proper records. Basically, the unit works as point of contact once the inspection report is received and ensures corrective measures are taken and the appropriate response is made on a timely fashion. If any major lapse is identified by the regulatory authority it notifies the senior management and Audit Committee of the Board along with the Divisions/Branches.

The unit promotes a high level of ethical and integrity standards to create awareness of healthy and cultured Banking. A compliance culture within the Banking organization is established at all levels of operations in order to keep internal control sound.

Bangladesh Bank inspection teams conducted a total number of 20 Nos. comprehensive inspections on Divisions of Head Office and Branches during the year of 2012. The Compliance Unit received 19 Nos. inspection reports from Bangladesh Bank and 75 Nos. Internal Audit reports and successfully submitted all the compliance reports within the prescribed deadlines.

# Monitoring

The Bank has maintained a system to monitor the disposition of results communicated to the Management. A follow-up process is being established to monitor and ensure the

effective management actions for implementation. The monitoring unit monitors effectiveness of the bank's Internal Control System on an ongoing basis through follow up of compliances and regularization of deficiencies that are indentified by Audit and Inspection teams throughout the year. Monitoring team ensures that there are no deviations and misreporting on the Departmental Control Function Check List (DCFCL), Quarterly Loan Documentation Check List (LDCL) and Quarterly Operations Report. Key and high risk items are identified and monitored as part of daily activities. This unit recommends to the Head of ICCD for sending special inspection team to the divisions of Head Office/branches, if major deviations are detected.

# **IT Audit and Security**

Information system audit is an integral part of the overall auditing process of the Bank, which is one of the facilitators for good corporate governance. To mitigate the operational risk in technological environment, continuously, IT auditor is being worked with high priority. Skilled IT professionals conducted the IT audit at Head Office and Branch level. The team also checks whether the control objectives in accordance with the ICT Guidelines of Bangladesh Bank are followed.

The team conducted 27 Nos. IT Audits at Head Office and Branches during the year 2012. The IT Auditors of the bank ensures the following aspects:

- Ensure that the proper purchase and approval procedure are followed, the documentations are correct and the inventory reflects accurate IT Asset value.
- Ensure that the IT Systems of the bank are properly protected and is free from unauthorized access, illegal tempering and malicious actions.
- Ensure confidentiality of bank's valuable data, integrity of the information provided by the systems of the bank & its branches.
- Ensure that an acceptable Standard Security Policy approved by the

competent authority of the bank have been applied on all Premier Bank's Servers, Workstations, Routers, Switches, and other IT Systems.

- Ensure that the Information Systems used in the bank & its branches are well secured from a wide range of threats in order to ensure business continuity, minimize business damage and vulnerability.
- Ensures that the bank and its employees are protected by bank's approved IT Audit Policy.
- Ensure availability of accurate data & information if & when required.

# **Independence and impartiality**

Internal Control and Compliance Division (ICCD) of The PBL is absolutely independent and is given an appropriate standing within the Bank. The Division performs its assignment independently with due objectivity and impartiality.

## **Professional Competence**

The PBL has put highest attention to maintain adequate professional competence of its ICCD. Management takes appropriate steps to depute with the required manpower for proper functioning of the Bank's ICCD. Management always encourages attending trainings and workshops to improve the professional skilled and competence of the Divisional workforce.

# **Audit Plan**

For 2013, the ICCD chalked a plan out for all the assignments to be performed. The audit plan is included the timing and frequency of planned inspections to achieve the targets. It was prepared on the basis of comprehensive and other inspections conducted in the immediate past year, size of the businesses and taking into consideration of the date of opening of the new branches.

# **Card Business**

The Premier Bank Ltd. has pioneered in the development of Credit Card in the Country. We have shining memories of unique performance

back in 2004 when the bank acquired first ever reputation to issue VISA Credit Card in the Country. Premier Card is now conducting its operations an independent vital centre of banking activities and different steps have been taken for extending merchant network for acquiring more business as well. Our Credit Card operations have been streamlined by faster and simpler working methods as ATM of its own. Any local or foreign credit/debit card users have wider access to the automated facility. The launching of Debit Card has opened up new horizon for Premier Customers. MasterCard-Credit Card & Debit Card along with Platinum Dual Currency and Premier Hajj Card added new dimension in card business of the bank.

2012 was a year of progress and evolution for Card Division. Our Card Division has shown significant improvement in all the sectors of card business. In the year 2012, we have achieved 27945 Credit Cards and 34071 numbers of Debit Cards includes both Visa and MasterCard. We have also earned revenue of Tk. 144.56 million and net profit of Tk. 12.59 million which is 100% higher than the net profit of 2011.

Our selective approach towards lending during 2012 allowed us to bring other areas of our operations into focus, including brand building, reviewing the operations and transitioning the business towards a more customer-centric model. In 2012, we have restructured the Card Division and increased the efficiency of the staffs. We have appointed new Recovery Agents for collection of long standing cards overdue and also introduced new Contact Point Verification Agent (CPV) for physical verification of Credit Card application to secure & faster the application processing. We have achieved significant success from prepaid Visa Hajj Card under Hajj Project and recorded 63% positive growth in the year. We have achieved load value of Tk. 965.0 million through Prepaid Visa Hajj Card against last year's load value of Tk. 590 million. We have also achieved noticeable success in Credit Card Sales Campaign named "Complementary Premier Card" during Q2-2012 and increased the card base through introducing

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Premier Card Products & Services which helped us to create vibrancy in the market. We have produced 7354 MasterCard & Visa Debit Cards in 2012 and stream lined the accounting process with VISA & MasterCard successfully. We have also incorporated the online CIB Reporting as per Bangladesh Bank guidelines and introduced Fraud Control Unit to minimize the risk in the card business areas. The Credit Card total outstanding was Tk.359.7 million while merchant turn over rose from TK. 482.7 million to Tk. 1140.0 million. We have installed 494 POS Terminals at different potential merchant outlets for Cards Acquiring business and earned of Tk. 18.3 million as MSF earning through acquiring business and built average zero cost deposit of Tk. 25.0 million on daily basis against merchant submissions. So, the working spirit that we have shown in 2012, will continue to drive more in 2013 to improve the revenue line of Card Division minimizing the cost line with support & co-operation of the respective Board of Directors & Top Management of the Bank.

Card Division already set its ambitious strategies for making consistent business growth in 2013 and the priorities are as follows:

- Up gradation of Core Card System with full certification of PCI-DSS and EMV Compliant
- More focus on Collection & Recovery issue to reduce the bad loan amount of Card Portfolio.
- Introduce verity of value added services through new Product Development initiatives i.e. Conversion of VISA Platinum card from existing GOLD Card, Premier Safety Plus, Balance Transfer, Prepaid TC Card for Students, Card Sales Campaign, Discount Campaign, Priority Pass for the improvement of Card Business.

- Increase the number of ATM booths.
- Reform & restructuring of the Card Sales Team to meet the challenging target.
- Introduce Cross-sell through Retail/SME Banking Division

The Bank took several initiatives to expand credit and debit card base in 2013 and we are committed to keep growing to deliver quality service and convenience to our customer. Our Card Management team is excited by the challenges ahead and is living nothing to chance to ensure a period of sustainable growth going forward.

# **Corporate Relationship Division**

With a view to develop and sustain mutually beneficial relationships with the customers, the Corporate Relationship Division (CRD) has been working on the concept of Relationship Banking at Head Office focusing on identifying potential markets to grow quality business and also ensuring superior quality services to the existing and new customers to keep up the bank momentum. Besides, the division has been working efficiently for marketing, building & maintaining quality corporate portfolio for the Bank for both Asset & Liability business. Corporate business research, industry analysis, product pricing and new product development, maintaining and providing business report of new and existing business to fulfill Top Management requirement are the key responsibilities of the Division. In 2012, 06 new branches have been incorporated for existing utility bill collection and 09 branches are still under process to be The Bank has signed up incorporated. agreements with LankaBangla Finance Ltd. West Zone Power Distribution Co. Ltd. and Dhaka WASA, to provide seamless support for online utility bill collection through our 76 online branches. Two new customized deposit products 'Premier Super Account' and 'Premier High Performance Account' have been launched to meet the growing needs of high-net worth corporate clients.

# **Islamic Banking Operation**

The Premier Bank Limited is one of the few Banks in the Country which is running both Convensional and Islamic Banking. The Bank is maintaining a separate accounting system for Islamic Banking branches which is completely different from Conventional Banking to conform to the standard adopted by Financial Accounting & Auditing Organization for Islamic Financial Institutions. At present, the Bank has 2 (two) Islamic Banking Branches under its banking network: one at Mohakhali, Dhaka and another at Laldighirpar, Sylhet. The branches are performing well with increasing growth of business since inception.

To stimulate knowledge and expertise on Shariah based banking the Bank undertakes regular training and workshops for its employees on Shariah Principles, Investment and Foreign Exchange Operation under Islamic Banking and Economics at the Training Institute of the Bank or outside at home and abroad.

Islamic Banking has gathered strong momentum with rebounded growth potentials against the turmoil of global economic crisis. Islamic Banking Institutions could largely evade the global meltdown by virtue of low exposure to toxic assets and business strategies based on 'Shariah' principles. The Bank is valuing the latest development as a decisive factor in formulating business policies. We are planning to shift a sizeable part of our business resources to Islamic Banking with spacious opportunities for our clients.

# Table :

Performance Highlights of Islamic Banking Business in 2012:

Year	Deposit	Investment	<b>Operating Profit</b>
2006	1670.50	782.10	26.70
2007	2021.00	984.00	49.00
2008	2475.60	1103.60	50.30
2009	3355.75	1266.48	54.35
2010	5680.98	2059.75	134.21
2011	6750.22	3572.03	294.97
2012	6139.12	3436.66	331.29

Premier Bank Shariah Supervisory Committee under the chairmanship of Prof. Mawlana Md. Salah Uddin reviews comprehensive performance and provide directives for operation of the branches. There are 13 members in Shariah Supervisory Committee out of which 8 members are from renowned Islamic Scholars, Ulama, Faqih, Banker, Lawyer, Economist and 6 members are Ex-officio and one Executive of the Bank acts as the Member Secretary as per bye-laws of Shariah Supervisory Committee. The Committee looks after the activities of Islamic Banking Operation of the Bank and provides proper guidance in various banking issues.

3 (three) meetings of Shariah Supervisory Committee and 01 (one) meetings of its Sub-Committee were held in the year 2012 wherein operational issues were reviewed other issues relevant to development of Islamic Banking were discussed.

Our Islamic Banking Branches offer following deposit products under Al-Wadiah and Mudaraba Principle :

- Al-Wadiah Current Deposit(WCD)
- Mudaraba Savings Deposit (MSD)
- Mudaraba Short Term Deposit (MSTD)
- Mudaraba Monthly Savings Scheme (MMSS)
- Mudaraba Monthly Income Scheme (MMIS)
- Mudaraba Education Savings Scheme (MESS)
- Mudaraba Special Deposit Scheme (MSDS)
- Mudaraba Double Benefit Scheme(MDBS)
- Mudaraba Hajj Savings Scheme (MHSS)
- Mudaraba Premier 50 + Account (MPFA)
- Mudaraba Premier Genius Account (MPGA)

Investment Operations are conducted as per Shariah under Islamic Investment mode: Bai-Muajjal, Bai-Murabaha, Bai-Salam, Istisna, Hire Purchase/Ijarah, Qard etc. Some Investment Products are :

- Consumer Investment Scheme
- Housing/Apartment Investment
- Doctors' Investment Scheme
- Rural Investment Scheme
- SME Investment Scheme

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- Students' Investment Scheme
- Women Entrepreneurs' Investment Scheme
- Lease Investment
- Project/Commercial Investment etc.

In addition to the above, to invest the unutilized Islamic banking fund in the capital market, a guidelines has been formulated and accordingly the Bank maintains a separate portfolio based on Shariah principle.

# **Human Resources**

The Bank always considers its employees as the most valuable resources and focal point of all its operations. It follows a structured recruitment policy, service rules and compensation package for its workforce at all tiers. Since its inception, the Bank has recruited highly talented professional manpower coupled with fresh university Graduates and built up the finest team to cope up with the growing business competition. Premier Bank is running 76 branches including 12 SME branches with as many as 1258 employees across the country. Net earnings per employee was Tk. 1.09 million in 2012 reflecting a significantly high productivity.



# Caring the individual and the whole

The right people to take the Bank forward into the future are what we require most. Our plan to promote internal talent and potential, optimal and efficient processes, and closeness to our staff has proved to be decisive in the ever changing, complex world of human resources that help us remain in the race of corporate excellence. A mere administrative focus has no place in meeting the challenge of today. It needs to look ahead and take appropriate action, more particularly in critical times, to win new talents and create an air of excellence for high achievers in the fiercely contended financial market place.

In our long term approach that is market and employee driven, we harmonize our HR policy concepts and instruments with the strategies of individual business lines. Important here is the separation of strategic from operational tasks and advice that is professional and specific to the target group. Three core areas, Executive Support, Management Support and Talent Management are cultivated in close relations for a viable growth of employees at all levels in a manner tailored to the target group. In the backdrop of the increasingly difficult market environment and superfluous workload in the wake of our far reaching expansion spree, much has been demanded from our employees in the past financial year. We are presently working on a remuneration system which will provide adequate incentives even in a difficult market environment, in order to reward the efforts of our employees appropriately as well as to hold high the attractiveness of Premier Bank as an employer.

# Table :

#### Data analysis of our personnel

Particular	Year - 2012	Year - 2011
Total Staff	1,259	1,117
Permanent Staff	1,208	1,074
Temporary Staff	50	43
Female Staff	224	225
Share of Women	17.81%	20.07%
Average Age	34 years	34.29 years

# Collective HR work as a good brand :

We are committed to retaining staff that make a substantial contribution to Bank's success with their skills and dedicated efforts. Our good HR work has secured a good name in the market and placed the Bank as an attractive employer. We thank all members of the Bank family whose trust and collaboration helped to make our HR venture a success in 2012. The hard work on the part of all of our employees to ensure the success of our Bank will never go unrewarded as we move on to another year of prospects and prosperity.

It's a privilege to create a perpetual bond among the members of Premier Bank family by a comprehensive exposure to personal interaction and introduction. As a part of recreational activities the Bank organizes annual picnic party for the Premier Bank Family in the most amusing locations around the country. It is also regarded as a get-together ceremony. Employees from top level management to bottom line workers together with their family members take part in this graceful occasion. The reunion revitalizes time-barred life of the Bankers and infuses dynamism and refreshment in their activities.

#### **Developing staff to potential force :**

As a development partner in the economy Premier Bank has a key role to play in providing not only financial services but also disseminating knowledge. Recognizing the fact we have concentrated on human resource development by a busy schedule of training program all through the year. Besides, a good number of representatives of the bank attended specialized programs at BIBM, foreign banks and leading training institutes at home & abroad.

#### **Premier Bank Training Institute (PBTI) :**

With a view to turn human resources into human capital, PBTI started its journey in the year 2003. Endowed with rich internal resources, PBTI invites nationally reputed resource person for quality training to its resources so that they become the best provider of financial services in the country. In the process of preparing Academic Calendar, PBTI is assisted by the Board who gives proper guidance to make training more effective and meaningful.

The Premier Bank Ltd. (PBL) has been enriched with highly experienced and professional resource persons. In addition, PBTI also invites highly skilled professionals and nationally reputed resource persons from Universities, BIBM, Bangladesh Bank and other Resource Persons from different Training Institutes etc. PBTI believes in imparting quality training which can add value and foster the growth of the Bank. With this objective PBTI introduced some new courses e.g. Employee Communication Skill, IT Operation in Banks. Marketing ability. Leadership, Team Building and Negotiation Skills, etc.

We have concentrated on human resource development by a busty schedule of training program all through the year. To improve theoretical and operational knowledge as well as to increase Professional skill and efficiency of the officers/executives of the bank, the PBTI conducted a total of 49 training courses/workshops/seminars during 2012:

# **Green Banking and Finance**

A separate Green Banking Unit or Cell having the responsibility of designing, evaluating and administering green banking issues has been set up. There are more awareness to come from us in future to protect our planet.



Reckoning with the concern of Bangladesh Bank, sincerely think about formulating We environment-friendly financing policy & promoting eco-friendly scheme for industries. We are also eager to offer loans to those projects which are eco-friendly while benefiting financially. Eco friendly business activities and energy efficient industries will be given preference in financing by our bank. Environmental infrastructure such as renewable energy project, clean water supply project, wastewater treatment plant, solid & hazardous waste disposal plant, bio gas plant, bio-fertilizer plant shall be targeted area to finance by our bank in 2013.

#### **Management Committees**

In a bid to ensure smooth operation, risk management and continuous monitoring, there are several committees comprising competent members from the Management of the Bank. The main committees are grouped into MANCOM, Credit Committee, Asset Liability Management Committee (ALCO) etc. In the Management team, the Managing Director is assisted by Additional Managing Directors, Deputy Managing Directors, SEVPs, EVPs, SVPs, VPs, FVPs and other executives of different status. The day-to-day banking operations are handled by these top ranking professionals with modern banking expertise and experience in their respective fields. The Head Office Management Committee (MANCOM) scrutinizes all the cases thoroughly before referring to Executive Committee/Board for due approval or decision. Besides, the Premier Bank has introduced "Branch Management Committee" in all Branches with an objective to ensure better control and smooth operation of the Branches. These two measures have brought dynamism, involvement and fast decision making process both at Head Office and at Branches.

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#### **Credit Rating Report**

National Credit Ratings Ltd. (NCR) has assigned 'A+ (A Plus)' rating in the Long Term and 'ST-2' rating in the Short Term to The Premier Bank Limited in consideration of financials up to 31st December 2011 and other relevant quantitative as well as qualitative information up to date of rating declaration on 28.06.2012.

Commercial Banks rated 'A + (A Plus)' in the Long Term are adjudged to be STRONG CAPACITY for timely servicing of financial obligations offering ADEQUATE SAFETY. Such Institutions carry LOW CREDIT RISK.

Commercial Banks rated 'ST-2' in the Short Term are considered to have STRONG CAPACITY for timely payment of financial commitments and have LOWEST CREDIT RISK.

However, Credit Rating of the Bank for the year 2012 will be disclosed within stipulated time for the shareholders upon completion of rating process by NCR.

#### **Corporate Governance**

The Bank conducts its business within a well-framed control supported by a bundle of policy statements, written procedures and control manuals. The Board takes cognizance of good corporate governance practice as a core ingredient in the creation sustainable of shareholder value and protecting the interests of all stakeholders. The Board makes it sure that the Bank establishes high ethical standards at all level of operations and regularly reviews the Bank's compliance with regard to corporate governance set by Bangladesh Bank and Securities & Exchange Commission (SEC). Details Compliance Report on Corporate Governance Practice is stated in a separate under the head 'Corporate Governance' stated on page from 36 to 49 of the Annual report.

# **The Board of Directors**

The Board is currently comprised of 11 Non-Executive Directors including 01 Independent Director lead by the Chairman. The Chairman steers the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibility. The Chairman steers the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibility. The members of the Board of Directors are elected in the general (ordinary) meeting of the shareholders by a simple majority of valid votes. The nominees for directorship are to meet certain 'fit and proper' criteria pursuant to rules and regulations of Bangladesh Bank.



# Sub-Committee of Board of Directors: Executive Committee

An Executive Committee consisting of 8 members including the Managing Director of the Board is authorized to approve specific credits, operational issues and dispose of important matters on urgent basis with recommendation of the Management. The EC also reviews budgets, plans and major organizational changes for final submission to Board for a complete review and approval.

#### **Board Audit Committee**

A separate Board Audit Committee is in place to oversee internal control and the risk management framework with a view to reinforcing internal and external audit activities. Independent Director has been included in the Audit Committee in compliance with corporate governance rules of SEC. The roles and responsibilities of the Board Audit Committee are governed/guided by Bangladesh Bank's BRPD Circular 12 dated BSEC's Notification 23.12.2002 and no SEC/CMRRCD/2006-158/134/Admin/44 dated 07.08.2012.

Details of the Committees are given in Chapter under Head 'Corporate Governance' and in the Committee's Report of Annual Report.

# **Going Concern**

The Directors are satisfied that the Bank has adequate resource to continue its operations in the future and the financial statements are prepared on the basis of going concern.

# **Financial Statements**

The Financial Statements of the Bank and its Subsidiaries are given on pages 121 to 209 of the Annual Report. International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements. The financial statements prepared by the management of the Bank and its subsidiaries present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

# **Accounting Policies**

There is no significant changes to the Accounting Policies of the Bank in the year under review. The accounting estimates are based on reasonable and prudent judgment and proper books of account of the Bank have been maintained.

# **Related Party Transactions**

The Directors and other key management personnel are very much cautious to avoid any conflicts of interest inconformity with the prevailing rules and regulations. Related party transactions, when undertaken, are carried out on an arm's length basis without any special benefit to the related party. All such transactions have been approved unanimously by the other Directors of the Bank. A statement of all related party transactions is mentioned on page # 115 of the Annual Report.

# Appointment/Re-appointment of Auditors

The external auditors are responsible for reviewing the system of internal controls to form an opinion on the financial statements. M/s. Howladar Yunus & Co., Chartered Accountant have served as auditors of the Bank for year 2012. As per Bangladesh Bank guidelines they are eligible for re-appointment. Being eligible for re-appointment by the shareholders in the 14th AGM, they have expressed their willingness for the third term.

# **Re-Appointment of Independent Director**

Mr. Kazi Abdul Mazid has been re-appointed as Independent Director of the Bank for second term after expiry of his first term. The Board of Directors found Mr. Mazid as fit and proper person to be Independent Director of the Bank in terms of Guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC) and took the decision of his re-appointment in its 93rd meeting held on 31.03.2012. The decision of re-appointment of Mr. Kazi Abdul Mazid as Independent Director will be placed before the Shareholder in the next 14th AGM to be held on May 06, 2013 for approval.

# **Retirement and re-election of Directors**

In the 14th Annual General Meeting, retirement/re-election of the Directors of the Bank will be as per the Companies Act, 1994 and Articles of Association and Election Rule of the Bank – 2013.

# Meetings

The Board of Directors held 9 meetings; the Executive Committee held 48 meetings and the Audit Committee of the Board of Directors held 25 meetings during the year 2012. The Shariah Supervisory Committee of the Bank sat for 03 meetings during the period under review.

# **Remuneration of Directors**

The Directors' Remuneration for the year ended 31st December, 2012 is given in Note # 31 of the financial statements.

# Dividend

Board of Directors of the Bank has recommended dividend @ 10% in the form of Bonus Shares to the Shareholders for the year ended on 31st December, 2012 subject to approval of Shareholders in the 14th Annual General Meeting (AGM) of the Bank.

#### 14th Annual General Meeting

Premier Bar

14th Annual General Meeting of the Bank will be held on the May 06, 2013, Monday at 10.30 a.m. at Bashundhara Convention Center-2, Block – C, Umme Kulsum Road, Bashundhara Residential Area, Baridhara, Dhaka-1229. The Directors' Report and Financial Statements were adopted in the 99th Board Meeting held on the April 09, 2013 for presentation and approval of the Shareholders in the AGM.

# **Outlook, Opportunities and our Strategy**

Amid lots of uncertainties around the globe particularly from economic viewpoint, we are up for exploiting all possible opportunities ahead in 2013. We are confident that our strengths, our strategy and our keen focus on the key priorities will enable us to manage through these challenges, to grow and repeat our record of success for long. With an ongoing focus on effecting our strategies and priorities, controlling risks and expenses and growing our business platforms - with our strong foundation and the finest team of people working together, we will make the best of today for the benefit of all our stakeholders.

The Bank is prepared to grasp the potentials customer segments with innovative products and services that crystallize relationships and maximize share of our clients' business. Besides corporate investments we have turned to SME & Retail sector as well as Agriculture in support of the government strategies. In international business, we will enhance global network in order to broaden customer experience with operational efficiency at home and abroad. We have a solid capital base that is strong by world standards and provides us with a cushion against economic shocks as well as capability to single out investment opportunities for growth objectives. We will aim at achieving right risk balance in managing our capital against the current challenging operating environment. Inconformity with BASEL-II requirement, dynamic capital management is a priority for our Bank. We will aim at achieving right risk balance in managing our capital against the current challenging operating environment.

Our prime focus for 2013 will be steady growth with quality assets. We will capitalize our strength and will be selective and careful to utilize our capital, assets and investments to keep it risk free. We have planned to expand our market share with rapid growth of network around the world. We will target key customer segments with innovative products and securities that consolidate business relationships.

The strength of our employees and our management team, and their commitment to meeting the needs of our customers and clients, has been more important than ever. We have gradually expanded our network by opening new branches in potential areas. We are also strengthening overseas connection by forming alliances with new exchange houses in different geographic location of the world. We are in process of upgrading ICT infrastructure, Human Resource Management, Risk Management and all types of delivery channels of the Bank. With an ongoing focus on effecting our strategies and priorities, controlling risks and expenses and growing our business platforms - with our strong foundation and the finest team of people working together, we will make the best of today for the benefit of all our stakeholders.

We perceive a positive outlook about the years ahead. The challenges we faced in the financial markets during the last couple of years have been significant and are likely to continue to have an impact on banking operations in 2013. We remain confident that Premier Bank will successfully manage through this period of upheaval. The accomplishments of the past years and a well-planned growth strategy for future has already given us the confidence to keep the bank well positioned in 2013 and beyond.

## Thanks and gratitude

The Board of Directors take the opportunity to express grateful thanks and gratitude to the shareholders, valued customers, patrons and well-wishers at home and abroad who have extended their co-operation and support and contributed to put the bank at a distinctive edge over the competitors. We would like to express our gratitude to the Government of the People's Republic of Bangladesh, Bangladesh Bank, **Bangladesh Securities and Exchange Commission** (BSEC), other regulatory bodies and financial institutions for their continued guidance and advice towards betterment of the bank. Finally, the Board would like to place on record their heart-felt gratitude and appreciation to the Management and employees at all levels for their dedication and relentless efforts to place the bank on prestigious position.

On behalf of the Board of Directors

**Dr. H. B. M. Iqbal** Chairman, The Premier Bank Ltd.

# পরিচালকবৃন্দের প্রতিবেদন

# সম্মানিত শেয়ারহোল্ডারবৃন্দ,

দি প্রিমিয়ার ব্যাংক লিমিটেডের চতুর্দশ বার্ষিক সাধারণ সভায় পরিচালনা পর্ষদের পক্ষ থেকে আপনাদেরকে স্বাগতম ও সাদর সম্ভাষণ জানাতে পেরে আমি সম্মানিতবোধ করছি। সেই সাথে ২০১২ সালের নিরীক্ষিত হিসাব বিবরণীসহ ব্যাংকের চতুর্দশ বার্ষিক প্রতিবেদন আপনাদের সামনে উপস্থাপন করতে পেরে আমি অত্যন্ত আনন্দিত। উপস্থাপিত প্রতিবেদনে পূর্ববর্তী বছরের সাথে ২০১২ সালের ব্যাংকের পরিচালন কর্মকান্ড ও অবস্থানের তুলনামূলক মূল্যায়ন এবং বিশ্লেষণ করা হয়েছে। তাছাড়া বাংলাদেশ এবং বিশ্ব-অর্থনীতির সামহিক অবস্থা, কর্মকান্ড ও সম্ভাবনার সার্বিক চিত্রও উপস্থাপন করা হয়েছে।

# বিশ্ব অর্থনৈতিক মন্দা ও সম্ভাবনা

অর্থনৈতিক সংকট উত্তরনের বিশ্বব্যাপী নানাবিধ উদ্যোগ ও প্রচেষ্টা সত্নেও সংকট তৈরীর চার বছর পরেও বিশ্ব-অর্থনীতি হতাশাজনক অবস্থায় রয়েছে। ২০১২ সালে উন্নত ও উন্নয়নশীল সব দেশের অর্থনীতিতে একধরনের স্থবিরতা ও ধীরগতি লক্ষ্য করা গেছে। তীব্র বেকারসমস্যা, ভঙ্গুর অর্থনীতি, বাজেট সংকোচন নীতির অশুভ চক্র ইউরোপ-আমেরিকাসহ উন্নত অর্থনীতির উন্নয়ন ধারাকে বারবার বাধাগ্রস্থ করেছে। ২০১২ সালে ইউরোপের সরকারী ঋন সংকট আরো তীব্র আকার ধারন করায় ব্যবসা বাণিজ্যে মন্দা পরিস্থিতি তৈরী হয় - যা পরবর্তীতে আমেরিকাসহ অন্যান্য দেশের ব্যবসায়ী ও ভোজ্ঞাদের আতৃবিশ্বাস নষ্ট করে এবং তাদের অতি সতর্কতার ফলে ব্যবসা বানিজ্যের গতি কমতে থাকে। ইউরোপের সংকটের কারনে এর সাথে যুক্তরাষ্ট্র, চীনসহ অন্যান্য রাষ্ট্রের বানিজ্য ধীর হয়ে আসে। তাছাড়া মধ্যপ্রচ্যের দেশগুলোতেও রাজনৈতিক অস্থিরতা ও গন-বিষ্ফোরন পরবর্তী বছরে নির্বাচন ও বিবদমান গোষ্ঠি ও দলগুলোর মধ্যে মতবিরোধ ও সাংঘর্ষিক অবস্থান বিশ্ব বাণিজ্যের উপর মারাত্মক নেতিবাচক প্রভাব ফেলে। পাশাপাশি চীন, জাপান, থাইল্যান্ড, সিঙ্গাপুর, মালয়শিয়া, ভারতসহ অন্যান্য উন্নয়ন ও উদীয়মান দেশের অর্থনৈতিক প্রবৃদ্ধিও কাঙ্খিত মাত্রা অর্জন করতে ব্যর্থ হওয়ায় বিশ্বঅর্থনীতি ২০১২ সালে মাত্র ৩ শতাংশ প্রবৃদ্ধি অর্জন করতে সক্ষম হয়েছে যা পূর্ববর্তী বছরে ছিল ৩.৬ শতাংশ। বিশ্বমন্দা পরিস্থিতির এ ধারা ২০১৩ সালেও উন্নত হবার সম্ভাবনা অত্যন্ত ক্ষীন বলে অর্থনীতিবীদরা মত দিয়েছেন।

# বাংলাদেশ পরিস্থিতি

বিশ্ব অর্থনীতির নিম্নধারার বিপরীতে বাংলাদেশ তার প্রবৃদ্ধির ধারাবাহিক গতিধারা বজায় রেখে চলেছে গত চার বছর ধরে। দেশ বিদেশের অসংখ্য প্রতিকূলতার মধ্যে বাংলাদেশ ২০১১-১২ অর্থ বছরে ৬.০০ শতাংশ প্রবৃদ্ধি অর্জন করেছে। এটি অত্যন্ত উৎসাহব্যঞ্জক। বিদেশে কর্মরত দেশের শ্রমজীবী মানুষের কষ্টার্জিত রেমিটেন্সের উপর ভর করে দেশের বৈদেশিক মুদ্রার রিজার্ভ বেড়েছে উল্লেখযোগ্য পরিমানে। তাছাড়া বৈদেশিক মুদ্রার বিপরীতে টাকা শাজিশালী হয়েছে। কিন্তু বিরাজমান বিশ্বমন্দা পরিস্থিতি আমাদের দেশের অর্থনীতির উপর ইতোমধ্যে নেতিবাচক প্রভাব ফেলতে শুরু করেছে। বহির্বিশ্বের পণ্য চাহিদা কমে যাওয়ায় রগ্তানীতে growth already slow হয়ে গেছে। বৈদেশিক ঋন ও সাহায্যের পরিমান হতাশাজনক অবস্থানে রয়েছে। দেশের রাজনৈতিক অস্থিরতা অর্থনৈতিক কর্মকান্ডকে মারাত্মকভাবে ক্ষতিগ্রস্থ করেছে। শেয়ার মার্কেট ও মানি মার্কেটে অস্বাভাবিক অস্থিরতা বিরাজ করেছে। যদিও বেসরকারী উদ্যজা ও ব্যবসায়ীরা তাঁদের অভিজ্ঞতা ও দক্ষতাকে কাজে লাগিয়ে ব্যবসা-বাণিজ্যের স্বাভাবিক গতি ধরে রাখতে প্রাণান্তর চেষ্টা চালিয়ে যাচেছন। সরকারী ও বেসরকারী সমন্বিত উদ্যোগ থাকলে এ সংকট মোকাবেলা করা সম্ভব।

#### সাফল্যের ১৩ বছর ঃ

১৯৯৯ সালের ২৬শে অক্টোবরে যাত্রা শুরু করে প্রিমিয়ার ব্যাংক অত্যন্ত সফলতার সাথে ব্যাংকিং কার্যক্রম অব্যাহত রেখেছে। "সেবাই প্রথম" এই মূলমন্ত্রে দীক্ষিত হয়ে আমরা বাংলাদেশের ব্যাংকিং জগতে যে ঐতিহাসিক যাত্রা শুরু করেছিলাম তার পথ ধরে আমরা আজ অবধি অত্যন্ত সফল ও অত্যাধুনিক প্রযুক্তি নির্ভর ব্যাংকিং সেবা উপহার দিয়ে চলেছি। ক্ষুদ্র বাণিজ্য থেকে শুরু করে বৃহৎ কর্পোরেট ব্যবসা সব খাতেই আমরা আমাদের ব্যাংকিং সেবা ছড়িয়ে দিয়েছি। বর্তমানে মোট ৭৯ টি শাখা-এর মাধ্যমে আমরা সারাদেশে ব্যাংকিং কার্যক্রম পরিচালনা করছি। আপনাদের সকলের সহযোগিতা, আস্থা ও মূল্যবান পরামর্শ আমাদের এ অগ্রযাত্রায় পাথেয় হিসাবে ছিল যা ভবিষ্যতেও অব্যাহত থাকবে বলে আমরা বিশ্বাস করি।

# ব্যাংকিং সেবার বহুমূখীকরন ঃ

আমাদের প্রধান ব্যবসায়িক কর্মকান্ড হিসেবে চিহ্নিত খাতসমূহ হচ্ছে কর্পোরেট ও রিটেইল আমানত গ্রহণ, ঋণ বিতরণ, ট্রেড ফাইন্যাস, প্রকল্প অর্থায়ন, লীজ ফাইন্যাস, চলতি মূলধন ও অন্যান্য অর্থায়ন, দেশীয় ও আন্তর্জাতিক ক্রেডিট কার্ড সার্ভিস, অন্তর্মুখী বিদেশী রেমিটেস সেবা প্রভৃতি। প্রচলিত ব্যাংকিং ব্যবস্থার পাশাপাশি প্রিমিয়ার ব্যাংকের কয়েকটি শাখায় ইসলামী ব্যাংকিং সেবা প্রদান করা হয়। সেই সাথে প্রিমিয়ার ব্যাংক নিজস্ব সাবসিডিয়ারী কোম্পানী 'প্রিমিয়ার ব্যাংক সিকিউরিটিজ লিঃ' প্রতিষ্ঠার মাধ্যমে ব্রোকারেজ সেবা এবং পুঁজিবাজারে বিনিয়োগের জন্য মার্জিন লোন দিয়ে থাকে। অন্তর্মুখী বিদেশী রেমিটেস সেবাকে সহজ ও দ্রুত্রের করতে গত বছর লন্ডনে 'প্রিমিয়ার মানি ট্রাসফার কোম্পানী' নামে ব্যাংকের নিজস্ব সাবসিডিয়ারী কোম্পানী আনুষ্ঠানিক যাত্রা শুরু করেছে।

## পণ্য ও সেবা

পরিবর্তিত অর্থনীতি এবং গ্রাহকের চাহিদার দিকে লক্ষ্য রেখে আমরা সবসময় নিত্য নতুন পণ্য এবং সেবার দিকে মনোযোগ দিয়েছি। ২০১২ সালে বিদ্যমান বাজার চাহিদার বিপরীতে একটি সম্পূর্ণ আধুনিক ব্যাংকিং পণ্য ও সেবার অঙ্গীকার নিয়ে আমরা রিটেইল ও এসএমই ব্যাংকিং ব্যবসাকে সম্প্রসারিত করেছি।

Premier Ba

সেবার মানোন্নয়নে আমরা কাজ করে চলেছি প্রতিনিয়ত। দ্রুত সেবা প্রদান, ঋণ প্রক্রিয়ার সময় হ্রাস, অনলাইন জমা এবং রেমিট্যাঙ্গ প্রদান ছাড়াও আরও নানা ধরণের উন্নত সেবার মাধ্যমে আমরা ব্যাংকিং শিল্পে নিজেদেরকে অনন্য স্থানে নিয়ে এসেছি।

#### আর্থিক মূল্যায়ন

দেশ এবং বিদেশের নানারকম চ্যালেঞ্জ সত্বেও প্রিমিয়ার ব্যাংক সবধরনের ব্যাংকিং কার্যক্রমে প্রশসংনীয় প্রবৃদ্ধি অর্জন করেছে। প্রবৃদ্ধি অর্জনের ধারা অব্যাহত রাখতে গত বছর প্রিমিয়ার ব্যাংক ব্যবসায় প্রসার, বহুমূখীকরণ এবং ব্যবসায়িক যোগাযোগ বৃদ্ধিতে দৃষ্টি কেন্দ্রীভূত করেছে। ২০১২ সাল শেষে ব্যাংকের কর পরবর্তী নিট মুনাফার পরিমাণ দাঁড়ায় ৬০৩.৪১ মিলিয়ন টাকা, মোট সম্পদের পরিমাণ দাঁড়ায় ৮১৮০৫.০৪ মিলিয়ন টাকা, মোট সম্পদের পরিমাণ দাঁড়ায় ৮১৮০৫.০৪ মিলিয়ন টাকা, ইক্যুইটির উপর আয় (রিটার্ন অন ইক্যুইটি) ৮.৪৪% এবং সম্পদের উপর আয় (রিটার্ন অন ব্যাংস্ট) ০.৭৪% রেকর্ড করা হয়। ব্যাসেল-২ অ্যাকর্ড ও বাংলাদেশ ব্যাংক গাইডলাইন্স এ বর্ণিত মূলধন আবশ্যকতার বিচারে ব্যাংকের মূলধন পর্যাপ্ততার অনুপাত ছিল ১১.০৪%। মোট সম্পদের শতকরা পর্যাপ্ত নগদ সম্পদ নিয়ে ব্যাংকের তারল্য স্থিতি ছিল সম্ভোষজনক।

#### পরিচালন আয়

ব্যাংকের মোট পরিচালন আয় ২০১২ সালে ১০৭০৩.৩১ মিলিয়ন টাকায় উন্নীত হয় যার মধ্যে বিনিয়োগ থেকে আয়ের পরিমাণ ছিল ৮৬৬.২৩ মিলিয়ন টাকা, নিট সুদ আয় হয় ১৭৪৭.৭৩ মিলিয়ন টাকা। অন্যদিকে ব্যাংকের ফি ও কমিশন ভিত্তিক আয়ের পরিমান মোট পরিচালন আয়ের ৬.২৬% হিসেবে ৬৬৯.৫৯ মিলিয়ন টাকায় লিপিবদ্ধ হয়।

#### অন্যান্য আয়

২০১২ সালে মোট অন্যান্য আয় রেকর্ড করা হয় ৬১২.৮৯ মিলিয়ন টাকা যা ২০১১ সালে ছিল ৮০৬.৭৭ মিলিয়ন টাকা যা অর্জিত হয় মূলত ব্যবসায়িক পরিধির বিস্তৃতি এবং বিবিধ কর্মকান্ডের মুনাফার প্রবৃদ্ধি থেকে যেমন, লকার সার্ভিস, টেলেক্স/ফ্যাক্স চার্জ, ব্রোকারেজ কার্যক্রম ইত্যাদি।

# পরিচালন ব্যয়

২০১২ সালে ব্যাংকের পরিচালন ব্যয় ৯৮৭৯.৮৩ মিলিয়ন টাকা যা পূর্ববর্তী বছরের তুলনায় ৬৯৩.৪৫ মিলিয়ন টাকা বেশি লক্ষ্য করা যায়। ব্যাংকের স্টাফদের ভাতা বাবদ ব্যয় ৭০২.৬৮ মিলিয়ন টাকা থেকে বেড়ে ২০১২ সালে ৯৩২.৪৮ মিলিয়ন টাকায় উন্নীত হয় যার মধ্যে প্রধান বিবেচ্য বিষয় ছিল ভালো পারফরমারদের স্বীকৃতি ও পুরক্ষার এবং ব্যবসায়িক প্রবৃদ্ধির সাথে সঙ্গতি রেখে মানব সম্পদের সম্প্রসারণ প্রভৃতি। অন্যান্য পরিচালন ব্যয়ের সাথে সম্পর্কযুক্ত বিষয়সমূহ হলো কার্যক্রমের গতি বৃদ্ধি করতে সিস্টেম উন্নতকরণ এবং গ্রাহক সেবার মানোন্নয়ন।

#### সম্পদ

২০১২ সালে মোট সম্পদের পরিমাণ ৮১৮০৫.০৪ মিলিয়ন টাকা যা গত ২০১১ সালের উপর ৯.১৪ % প্রবৃদ্ধি নির্দেশ করে। ৩১ ডিসেম্বর ২০১২ তারিখে, ঋণ ও অগ্রিমের সাথে মোট সম্পদের অনুপাত ছিল ৬৩.৮২ % যা ২০১১ সালে ছিল ৬৬.৪১ %। লোন হিসাবের উল্লেখিত বৃদ্ধির পিছনে প্রভাব রেখেছে কর্পোরেট ও এসএমই ক্রেডিট লাইনে বর্ধিত অংশগ্রহণ, সিন্ডিকেশন ঋণ, দেশের বিভিন্ন খাতে ব্যবসায়িক সম্পর্কের সুদৃঢ়করণ, রিটেইল ও ভোজা ঋণ পণ্যের উৎকর্ষ ও আকর্ষণ ইত্যাদি।





২০১২ সাল শেষে ব্যাংকের মূলধন তহবিল-এর পরিমান দাঁড়ায় ৭১৪৮.৩৫ মিলিয়ন টাকা। এই সময়ে ঝুঁকিভিত্তিক সম্পদের বিপরীতে মূলধনের অনুপাত বজায় থাকে ১১.০৪%।

প্রধানত ঋণ ঝুঁকি, কার্যক্রম উদ্ভূত ঝুঁকি এবং বাজার ঝুঁকির নিরীখে ব্যাংকের মূলধন পর্যাপ্ততা ব্যাসেল-২ এর বিধিবদ্ধ ১০% এর উপরে সন্তোষজনক অবস্থানে থাকতে সক্ষম হয়। ব্যাংকের বলিষ্ঠ মূলধন পর্যাপ্ততার প্রধান সহায়ক হিসেবে কাজ করেছে শক্ত মূলধন ভিত্তি, শ্রেণীকৃত সম্পদের নিম্ন হার যার বিপরীতে যথাযথ সংস্থান নিশ্চিত করা হয় এবং ব্যালেস শীট ও অফ ব্যালেস শীট স্তরে নিম্ন ঝুঁকির প্রোফাইল।

টাকা চিলিয়ন

# মূলধন পর্যাপ্ততার বিস্তারিত বিবরণ

		ঢাকা মোলয়ন
মূলধনের শ্রেণী বিভাগ	২০১২	২০১১
পরিশোধিত মূলধন	8৬৫৮.৭১	৩৮১৮.৬১
সংবিধিবদ্ধ রিজার্ভ	১৯৬৪.৯০	১৮০০.২৮
সংরক্ষিত আয়	<u> </u>	৮৬৮.৪৬
সাধারণ রিজার্ভ	-	-
ডিভিডেন্ট ইকুয়ালাইজেশন হিসাব	-	-
প্ৰস্তাবিত নগদ লভ্যাংশ	-	-
মোট টায়ার-১ মূলধন	୧୦৯୦.୦৮	৬8৮৭.৩৫
ঝুঁকিভিত্তিক সম্পদের হার	১০.২২%	৯.৩৯%
অশ্রেনীকৃত ঋণের জন্য সংস্থান	৪২৩.৪৯	৫১৮.৬১
ব্যালেন্স শীট বহির্ভূত সাধারণ সঞ্চিতি	১২৭.৯৪	১৯২.২০
সম্পদ পুনঃমূল্যায়ন রিজার্ভ	২০.৯৬	৯৩.০২
এক্সচেঞ্জ ইকুয়ালাইজেশন হিসাব	-	-
মোট টায়ার-২ মূলধন	૯૧૨.8૨	৮০৩.৮৩
ঝুঁকিভিত্তিক সম্পদের হার	0.৮২%	১.১৬%
মোট টায়ার -৩ মূলধন	-	-
মোট মূলধন	૧৬৬২.৫১	৭২৯১.১৯
মোট ঝুঁকি ভিত্তিক সম্পদ	৬৯৪১১.১০	৬৯১২৮.৯০
মূলধন পর্যাপ্ততার অনুপাত	\$\$.08%	\$0.66%

#### আমানত

২০১২ সালে ব্যাংকের মোট আমানতের পরিমান ২০১১ সালের ৬৪৩৬.৫৫ মিলিয়ন টাকা থেকে শতকরা ১০.৬১ ভাগ বৃদ্ধি পেয়ে ৬৭১২৯.৫২ মিলিয়ন টাকায় উন্নীত হয়। উন্নত গ্রাহক সেবা নিশ্চিত করতে আমাদের সম্মিলিত প্রচেষ্টা এই অর্জনকে সম্ভব করেছে। স্থায়ী বা মেয়াদী আমানত, সঞ্চয়ী আমানত, বিভিন্ন সঞ্চয়ী প্রকল্প, স্বল্প মেয়াদী আমানত, প্রদেয় বিলের হিসাব, প্রভৃতি সুসংহত করেছে ব্যাংকের আমানতের মূল ভিত্তি। স্থায়ী আমানতের উপর আমাদের অত্যন্ত প্রতিযোগিতামূলক সুদের হার গ্রাহকদের ব্যাপক অংশগ্রহণ নিশ্চিত করেছে যা স্পষ্টতই বিনিয়োগের উপর আমাদের সর্বোচ্চ প্রতিদানের অঙ্গীকারের প্রতিফলন। এছাড়াও ইসলামী ব্যাংকিং শাখার আওতায় আমরা বিভিন্ন ডিপোজিট প্রোডান্ট চালু করেছি।

# ব্যাংকের আমানত মিশ্রণ



#### ঋণ পোৰ্টফলিও

আমাদের ঋণ পোর্টফলিও গড়ে উঠেছে কর্পোরেট, ক্ষুদ্র ও মাঝারি শিল্প এবং রিটেইল ব্যবসাকে ঘিরে যাকে 'কোর ব্যাংকিং এভেন্যু' হিসেবে চিহ্নিত করা হয়। আমাদের ঋণ ব্যবস্থাপনা প্রথাগত ও শরীয়াহ্ ব্যবস্থার উপর ভিত্তি করে প্রতিষ্ঠিত। ব্যাংকের ঋণ কর্মকান্ড পরিচালিত হয় প্রধান কার্যালয়ের ম্যানেজমেন্ট কমিটির তত্বাবধানে। এ ক্ষেত্রে ঝুঁকি বিশ্লেষণ, ঋণ বিতরণ ও সুষ্ঠু তদারকির স্বার্থে সুনির্দিষ্ট দায়িত্ব বন্টন করা হয়।

২০১২ সালে ঋণ ও অগ্রিমের দিক থেকে শতকরা ৪.৮৯ ভাগ প্রবৃদ্ধি পরিলক্ষিত হয়। এ সময় ২০১১ সালের ২৪৩৫.২৫ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে ব্যাংকের মোট ঋণ ও অগ্রিম এর পরিমাণ দাঁড়ায় ৫২২১০.১৫ মিলিয়ন টাকায়। এ বছর গ্রাহকদের কাছে বিতরণকৃত ঋনের পরিমান ছিল মোট সম্পদের শতকরা ৬৩.৮২ ভাগ যা ২০১১ সালে রেকর্ড করা হয় শতকরা ৬৪.৪১ ভাগ। এই সময় ব্যাংকের ঋণ আদায়ের হার ছিল যথেষ্ট আশাব্যঞ্জক এবং শ্রেণীকৃত ঋণের পরিমাণ ছিল মোট ঋণের শতকরা ৫.৩৯ ভাগ। শিল্প, ব্যবসা, সেবা, প্রকৌশল ও নির্মাণসহ সকল অর্থনৈতিক কর্মকান্ডে প্রিমিয়ার ব্যাংকের ক্রেডিট পোর্টফলিও বিস্তৃতি লাভ করেছে। ব্যাংকের বহুমুখী ঋণ ও অগ্রিমের মধ্যে রয়েছে প্রকল্প খাতে অর্থায়ন, রপ্তানী খাতে অর্থায়ন, ক্ষুদ্র ও মাঝারী শিল্প ঋণ, কমার্শিয়াল ক্রেডিট, চলমান ঋণ, কৃষি ঋণ, গৃহনির্মাণ ঋণ এবং স্টাফ ঋণ ইত্যাদি। ব্যাংক সম্পদের গুণগত মান বজায় রাখতে ঋণগ্রহীতা নির্বাচনের ক্ষেত্রে অত্যন্ত সতর্কতা অবলম্বন করে থাকে যা সামগ্রিকভাবে একটি শক্তিশালী ঋণ কাঠামো গঠনে সহায়ক।

# কর্পোরেট ব্যবসা

প্রিমিয়ার ব্যাংকের ঋণ পোর্টফলিওর অন্যতম প্রধান অংশ হচ্ছে কর্পোরেট লোন। বড় এবং মাঝারী ধরণের কর্পোরেট ব্যবসাগুলোর জন্য আমাদের রয়েছে বিস্তৃত সেবা। প্রচলিত এবং ইসলামী শরীয়াহ্ মোতাবেক দুভাবেই আমরা কর্পোরেট অর্থায়ন করে থাকি। ট্রেড ফাইন্যান্সিং, এক্সপোর্ট ফাইন্যান্সিং, শিল্প ঋণ, প্রজেক্ট লোন, সিন্ডিকেশন সব ক্ষেত্রেই আমরা দক্ষ ও আধুনিক সেবা দিয়ে যাচ্ছি

# এসএমই ব্যাংকিং

সাম্প্রতিক সময়ে বিশ্বব্যাপি অর্থনৈতিক সংকটের মুখে আর্থিক প্রতিষ্ঠান সমূহের ঋণ বহুমুখীকরণের প্রয়োজনীয়তাকে অবশ্যসম্ভাবী করে তুলেছে। এসএমই খাতে বিনিয়োগ ব্যাংকের পোর্টফোলিও ঝুঁকি কমিয়ে আনতে ব্যাপকভাবে সাহায্য করে। ২০১২ সালে প্রিমিয়ার ব্যাংকের এসএমই কর্মকান্ডে যথেষ্ট গতিশীলতা, সম্প্রসারণ এবং উৎপাদনমুখী তৎপরতা লক্ষ্য করা যায়। দেশব্যাপি মোট ১২ টি এসএমই ব্রাঞ্চের মাধ্যমে এ সেবা প্রদান করা হয়। এসএমই গ্রাহকদের দ্রুত ও অগ্রাধিকার ভিত্তিক সেবা প্রদান করার জন্য এই বিভাগকে সুসজ্জিত করা হয়েছে অত্যন্ত দক্ষ ও পেশাদার জনশক্তি দিয়ে। ২০১২ সাল শেষে এসএমই খাতে ব্যাংকের বকেয়া ঋণের পরিমান ছিল ২১২৬৬.৫০ মিলিয়ন টাকা। এসএমই খাতে ব্যাংকের শ্রেণীকৃত ঋণের পরিমাণ ছিল যথেষ্ট সন্তোষজনক শতকরা ৩ ভাগেরও কম।

# রিটেইল ব্যাংকিং সেবা

২০১২ সালে বিদ্যমান বাজার চাহিদার বিপরীতে একটি সম্পূর্ণ আধুনিক ব্যাংকিং পণ্য ও সেবার অঙ্গীকার নিয়ে আমরা রিটেইল ব্যাংকিং ব্যবসাকে সম্প্রসারিত করেছি। রিটেইল ব্যাংকিং ব্যবসাকে সর্বাধিক দক্ষতা ও উৎপাদনশীলতার সমন্বয়ে বিভিন্ন গ্রাহক শ্রেণীকে উন্নত সেবা প্রদানের কথা বিবেচনা করলে ২০১২ সালকে রিটেইল ব্যবসার একটি সফল বছর বলা যেতে পারে।

#### মহিলা উদ্যোক্তা

সমাজের পিছিয়ে পড়া নারীদের অর্থনৈতিক মুক্তিতে বিশেষ অবদান রাখার লক্ষ্যে ক্ষুদ্র ও মাঝারী নারী উদ্যোক্তাদের উৎসাহ প্রদান ও তাঁদের ব্যবসায়িক কার্যক্রম সম্প্রসারনকে তুরাম্বিত করতে ব্যাংক Women Entrepreneur Finance এর আওতায় ঋন প্রদান কর্মসূচী হাতে নিয়েছে। Women Entrepreneur Finance এর আওতায় ঋন প্রদান কর্মসূচীর মূল উদ্দেশ্যগুলো হচ্ছে :

- স্বনির্ভর নারী উদ্যোক্তাদের অর্থনৈতিক সহযোগিতা প্রদান।
- ২ নারী উদ্যোক্তাদের মধ্যে সঞ্চয়ী মনোভাব তৈরী ও ব্যাংকিং সেবার মাধ্যমে তাঁদেরকে সামাজিক কর্মকান্ডে অধিকতর সম্পৃক্ত করা।
- নতুন কর্মসংস্থানের সুযোগ সৃষ্টির উদ্দেশ্যে নারীর ক্ষুদ্র উদ্যোগকে উৎসাহিত করা।
- 8. দেশের আর্থ-সামাজিক উন্নয়নে সক্রিয় ভূমিকা রাখা।

Women Entrepreneur Finance কার্যক্রমকে অর্থবহ করতে এবং নারী উদ্যোজাদের বিশেষ সেবা প্রদান করতে ব্যাংকের প্রতিটি শাখায় পৃথক ডেস্ক/কাউন্টার-এর ব্যবস্থা করা হচ্ছে। তাছাড়া ব্যাংকিং সুবিধা গ্রহনে নারীদের উৎসাহিত করতে "Ladies Branch" প্রতিষ্ঠার পরিকল্পনা আমাদের রয়েছে।

# ব্রোকারেজ অপারেশন/মার্চেন্ট ব্যাংকিং

দেশের ক্রমবর্ধমান পুঁজিবাজারে শেয়ার ক্রয়-বিক্রয় ও লেনদেনে ব্যাংকিং সেবার অপরিহার্যতা মাথায় রেখে প্রিমিয়ার ব্যাংক ২০০৯ সালের শেষের দিকে ব্রোকারেজ কার্যক্রম শুরু করে। বর্তমানে "প্রিমিয়ার ব্যাংক সিকিউরিটিজ লিমিটেড" নামক সাবসিডিয়ারী কোম্পানী প্রতিষ্ঠার মাধ্যমে ব্যাংক ব্রোকারেজ কার্যক্রম পরিচালনা করছে। ২০১২ সালে ব্রোকারেজ ব্যবসা হতে প্রিমিয়ার ব্যাংক সিকিউরিটিজ লিমিটেড সুদ আয় অর্জন করে ২৬১.৪০ মিলিয়ন টাকা এবং কমিশন আয় রেকর্ড করা হয় ৩১.২৪ মিলিয়ন টাকা।

পুঁজিবাজারে বিনিয়োগকারীদের সঠিক তথ্য ও পরামর্শ প্রদানের মাধ্যমে সর্বোত্তম সেবা প্রদান নিশ্চিত করার জন্য দক্ষ ও অভিজ্ঞ পেশাজীবী ও বাজার বিশেষজ্ঞদের সমন্বয়ে "প্রিমিয়ার ব্যাংক সিকিউরিটিজ লিমিটেড"-এর কার্যক্রম পরিচালিত হচ্ছে। আমাদের ব্রোকারেজ ব্যবসা পরিচালনার মূল উদ্দেশ্য হচ্ছে:

- পুঁজিবাজারে শেয়ার ও সিকিউরিটিজ লেনদেন সহজতর করা।
- শেয়ার লেনদেনের হিসাব নিকাশ ও নিরাপত্তা নিশ্চিত করা।
- প্রবাসী বাংলাদেশী ও বিদেশী বিনিয়োগকারীদের সহযোগিতা প্রদান করা।
- দেশের পুঁজিবাজারের উন্নয়নের স্বার্থে বিশ্লেষণ ও গবেষণা কার্যক্রম পরিচালনা করা।
- ৫. পুঁজিবাজারে বিনিয়োগকারীদের সহজ শর্তে ঋন প্রদান করা।

তাছাড়া দেশের পুঁজিবাজারের উন্নয়নে সহায়ক ভূমিকা পালনের উদ্দেশ্যে মার্চেন্ট ব্যাংকিং কার্যক্রম পরিচালনার জন্য একটি পৃথক সাবসিডিয়ারী কোম্পানী গঠন করা হয়েছে যা বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের অনুমোদন সাপেক্ষে কার্যক্রম শুরু করবে। পুঁজিবাজারে বিনিয়োগকে উৎসাহিত করা ও নতুন নতুন কোম্পানীকে পুঁজিবাজারে সম্পৃক্ত করা ছাড়াও মার্চেন্ট ব্যাংক নিম্নোক্ত কার্যাবলী সম্পাদন করবে:

- ইস্যু ম্যানেজমেন্ট
- আন্ডাররাইটিং
- পোর্টফোলিও ম্যানেজমেন্ট
- মার্জার এবং অ্যাক্যুইজিশন
- সিন্ডিকেশন
- ব্রীজ ফাইনাঙ্গিং

# লীজ ফাইন্যান্স

লিজ ফাইন্যাঙ্গ ব্যাংকিং সেবা ও পণ্যের সহজ্ঞপ্রাপ্যতা, সাবলীল বিতরণ ব্যবস্থা, সাধারণ জামানত পদ্ধতি, কর সুবিধা সহ নিজস্ব কিছু স্বতন্ত্র বৈশিষ্ট্যের কারনে অল্প সময়ে দেশের ক্ষুদ্র ও মাঝারি উদ্যোক্তাদের মধ্যে খুবই জনপ্রিয়তা অর্জন করতে সক্ষম হয়েছে। দীর্ঘমেয়াদী ঋণ চাহিদা পূরণে লিজ ফাইনাঙ্গ গ্রাহকদের কাছে অত্যন্ত আকর্ষণীয় ও সুবিধাজনক একটি পণ্য। প্রিমিয়ার ব্যাংক মূলধনী যন্ত্রাংশ, চিকিৎসা সরঞ্জাম, অফিস সরঞ্জাম, ভারী নির্মাণ যন্ত্রাংশ, লিফট, এলিভেটর, জেনারেটর, এয়ার কন্ডিশনার, কৃষি নির্ভর শিল্পের যন্ত্রাংশ, সিএনজি ফিলিং স্টেশন, পরিবহণ (যেমন বাস, মিনিবাস, ট্রাক, কার, পিক-আপ প্রভৃতি) খাতে লীজ অর্থায়ন সুবিধা দিয়ে থাকে।

# কৃষি বিনিয়োগ

খাদ্য উৎপাদন বৃদ্ধি করে খাদ্য নিরাপত্তা নিশ্চিত করার জন্য সরকার কৃষি খাতকে আরও শক্তিশালী করার দিকে নজর দিয়েছে। বাংলাদেশ ব্যাংক বাণিজ্যিক ব্যাংকগুলোর মাধ্যমে কৃষি ঋণ বিতরণ করার লক্ষ্য স্থির করেছে। এছাড়া সরকার এ ব্যাপারে আরো কিছু সহায়তামূলক নীতিমালা গ্রহণ করেছে। ২০১২ সালে কৃষি খাতে আমরা সন্তোষজনক পরিমাণ ঋণ বিতরণ করেছি।

# আন্তর্জাতিক বাণিজ্য

## ট্রেড ফাইন্যান্স

আমদানী ও রপ্তানীতে বিনিয়োগের মাধ্যমে আন্তর্জাতিক বাণিজ্য তুরাম্বিত করতে ব্যাংকণ্ডলো বিশেষ ভূমিকা পালন করে থাকে। গত চার বছরের বিশ্বব্যাপী অর্থনৈতিক মহামন্দা ও অস্থিরতা সত্বেও, ২০১২ সালে আমদানী ও রপ্তানী বাণিজ্যে ব্যাংক সম্ভোষজনক ও স্থিতিশীল অগ্রগতি অর্জন করেছে। ২০১২ সালে প্রিমিয়ার ব্যাংক ৩৫৩৫৭.৩০ মিলিয়ন টাকার আমদানী বাণিজ্য এবং ৩০২৯২.১০ মিলিয়ন টাকার রপ্তানী বাণিজ্য সম্পন্ন করে। ২০১২ সালে ঋণপত্র খোলা হয় সর্বমোট ৮৬৫৭.৩৯ মিলিয়ন টাকা। আমদানী ও রপ্তানী বাণিজ্যের বিভিন্নমুখী চাহিদা পূরনের জন্য সুশিক্ষিত ও দক্ষ জনশক্তির সমস্বয়ে ব্যাংকের ১৬টি অথরাইজ্ড ডিলার শাখার মাধ্যমে সেবা প্রদান করা হচ্ছে।

# করেসপন্ডেন্ট ব্যাংকিং

বৈদেশিক বাণিজ্য লেনদেন সহজীকরণের লক্ষ্যে গত এক দশকের অধিক সময় ধরে আমাদের ব্যাংক বিশ্বব্যাপী বিভিন্ন বৈদেশিক সহযোগী ব্যাংকের সাথে দ্বিপাক্ষিক সম্পর্ক স্থাপন করেছে। ৩১শে ডিসেম্বর ২০১২ পর্যন্ত আমাদের বৈদেশিক করেসপন্ডেন্টের সংখ্যা ছিল ৪৭০টি এবং নস্ট্রো অ্যাকাউন্টের সংখ্যা ছিল ২১টি।

#### অফ্-শোর ব্যাংকিং

বেপজা এবং বাংলাদেশ ব্যাংকের অনুমোদন নিয়ে প্রিমিয়ার ব্যাংক বর্তমানে অফশোর ব্যাংকিং কার্যক্রম পরিচালনা করছে। অফশোর ব্যাংকিং আমাদের সামনে সম্ভাবনার নতুন দরজা উন্মোচন করে দিয়েছে। প্রবাসী বাংলাদেশী এবং বিদেশীরা অফ-শোর ব্যাংকিং ইউনিটে একাউন্ট খোলার ক্ষেত্রে অগ্রাধিকার ও বিশেষ সুবিধা পাচ্ছে। ২০১২ সালে অফশোর ব্যাংকিং থেকে ব্যাংক ৩৭৩৬৪৫.৮১ ডলার অর্জন করতে সক্ষম হয়েছে।

#### রেমিট্যান্স সেবা

আমাদের দেশের অর্থনৈতিক প্রবৃদ্ধির ক্ষেত্রে প্রবাসী বাংলাদেশীদের প্রেরিত অর্থ বা রেমিট্যাস একটি অপরিহার্য উপাদান হিসেবে গুরুত্বপূর্ন স্থান দখল করে আছে। অর্থনীতিতে প্রবাসীদের অবদানের কথা বিবেচনা করে অন্তর্মুখী রেমিট্যাস প্রবাহকে সহজতর করতে প্রিমিয়ার ব্যাংক সম্ভাব্য সবকিছুই করেছে এর অত্যাধুনিক প্রযুক্তিনির্ভর অবকাঠামোর মাধ্যমে। রেমিট্যাস প্রবাহের গতিকে ত্বরাম্বিত করতে ব্যাংকের নিজস্ব সফ্টওয়্যার 'দ্রুতি'-র ব্যবহার সর্বজন প্রশংসিত। রেমিট্যাস প্রবাহ বৃদ্ধি করতে প্রিমিয়ার ব্যাংক বিশ্বব্যাপী বেশ কিছু রেমিট্যাস পার্টনার বা এক্সচেঞ্জ কোম্পানীর সাথে দীর্ঘ মেয়াদী চুক্তি স্বাক্ষর করেছে। ফলশ্রুতিতে, দেশের প্রত্যন্তে অঞ্চলের গ্রাহকগণ ব্যাংকের রেমিট্যাস নেটওয়ার্কের আওতায় চলে এসেছেন। ইতোমধ্যেই ব্যাংক স্থানীয় বিভিন্ন ব্যাংকের সাথে পারস্পরিক আদানপ্রদান ও সহযোগিতামূলক চুক্তি স্বাক্ষর করেছে দেশের যে কোন স্থানে রেমিট্যাস ডেলিভারী স্বচ্ছন্দ ও সহজতর করতে।



রেমিট্যাঙ্গ প্রবাহ বৃদ্ধির লক্ষ্যে যুক্তরাজ্যে "প্রিমিয়ার মানি ট্রাঙ্গফার কোম্পানী লিঃ" নামে ব্যাংকের সম্পূর্ণ মালিকানাধীন একটি সাবসিডিয়ারী কোম্পানীর কার্যক্রম আমরা শুরু করতে সক্ষম হয়েছি। ২০১২ সালে প্রিমিয়ার ব্যাংকে ৪৬৮৯.৬০ মিলিয়ন টাকার সমপরিমাণ ইউএস ডলার অন্তর্মুখী রেমিট্যাঙ্গ সার্ভিসের আওতায় সুবিধাভোগী প্রাপক বা বেনিফিশিয়ারীর কাছে পৌঁছে দিয়েছে আমাদের ৭৯ টি শাখার নিবেদিত প্রাণ ব্যাংক অফিসারদের নিরলস প্রচেষ্টায়। নূন্যতম সময়ে রেমিট্যাঙ্গ প্রাপকদের কাছে পৌঁছে দিতে আমরা রেমিটেঙ্গ সার্ভিস সিস্টেমে আমূল পরিবর্তন আনতে যাচ্ছি যার ফলে রেমিট্যাঙ্গর টাকা আসার সাথে সাথে বেনিফিশিয়ারীগণকে রেমিট্যাঙ্গ আপডেট জানানো সম্ভব হবে অত্যাধুনিক প্রযুক্তির সহায়তায়।

# সবুজ ব্যাংকিং এবং অর্থায়ন

সবুজ ব্যাংকিং বলতে পরিবেশের জন্য ক্ষতিকর নয় বরং পরিবেশ সংরক্ষণে ভূমিকা রাখে এমন আর্থিক এবং ব্যবসায়িক নীতিসমূহকে বোঝানো হয়। দায়িত্বপূর্ণ ভাবে সম্পদের যথাযথ ব্যবহার করে অপচয় এড়িয়ে চলাও সবুজ ব্যাংকিং এর অন্তর্ভূক্ত। প্রতিষ্ঠালগ্ন থেকে প্রিমিয়ার ব্যাংক ব্যয় কমিয়ে এবং অপচয় হাসের মাধ্যমে সম্পদের যথাযথ ব্যবহার নিশ্চিত করে পরিবেশ রক্ষায় সচেতনতার সাথে দায়িত্ব পালন করে আসছে। ২০১২ সালে বাংলাদেশ ব্যাংকের নির্দেশনা ও পরামর্শ অনুযায়ী সবুজ ব্যাংকিংকে আরো বেশি গুরুত্ব দিতে একটি আলাদা সবুজ ব্যাংকিং সেল গঠন করা হয়েছে। এছাড়া পরিবেশবান্ধব শিল্পে অধিকতর বিনিয়োগের একটি পরিকল্পনা আমরা নিয়েছি।



# তথ্য প্রযুক্তি

বিশ্বব্যাপী প্রযুক্তিগত উন্নয়নের সাথে তাল মিলিয়ে প্রিমিয়ার ব্যাংক তথ্য প্রযুক্তি খাতের অবকাঠামোগত উন্নয়নে সদা সচেষ্ট। আইটি নেটওয়ার্ক শক্তিশালীকরণ, গ্রাহক সেবার বহুমুখীকরণ ও মানোন্নয়ন এবং অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থার উন্নয়নে তথ্যপ্রযুক্তির সর্বোচ্চ ব্যবহার সুনিশ্চিতকল্পে বিভিন্নমুখী পদক্ষেপ গ্রহন করা হয়েছে। ব্যাংকে সকল তথ্য, কর্মকান্ড ও সেবাকে সহজ, বহুমুখী, সুনিয়ন্ত্রিত ও সুরক্ষিত করতে প্রিমিয়ার ব্যাংক সেন্ট্রালাইজড কোর ব্যাংকিং সফ্টওয়্যারের ব্যবহার নিশ্চিত করেছে। অত্যন্ত মেধাবী ও দক্ষ জনশক্তির সমন্বয়ে ব্যাংকের আইটি টিম গঠন করা হয়েছে - যাদের নিরন্তর প্রচেষ্টায় প্রথাগত ও প্রচলিত পদ্ধতিকে ক্রমান্বয়ে সরিয়ে ব্যাংকিং কর্মকান্ডে নতুন ও অত্যাধুনিক প্রযুক্তির ব্যবহার সুনিশ্চিত করা সম্ভব হচ্ছে। ব্যাংকের জনশক্তি ব্যবস্থাপনার জন্য ব্যাংকের নিবেদিতপ্রাণ আইটি কর্মীবাহিনী নিজেদের উদ্যোগে সফট্ওয়্যার উন্নয়নের কাজ হাতে নিয়েছে। ব্যাংকের কর্মকর্তাদের তথ্যপ্রযুক্তিতে প্রশিক্ষিত করার লক্ষ্যে তথ্যপ্রযুক্তি বিষয়ক প্রশিক্ষণের আয়োজন করা হয়েছে। আইটি ডিভিশনে আধুনিক প্রযুক্তির সুবিধা যুক্ত আলাদা প্রশিক্ষণ কেন্দ্র স্থাপন করা হয়েছে।

# ট্রেজারী কার্যক্রম

বিশ্বমানের প্রতিযোগিতার সাথে সঙ্গতি রেখে প্রিমিয়ার ব্যাংকের ট্রেজারী বিভাগকে সুসজ্জিত করা হয়েছে অত্যাধুনিক প্রযুক্তি সুবিধা দিয়ে। আমাদের স্বাধীন ডিলিং রুম সুইফট, রয়টার, অন-লাইন ডিলিং সিস্টেম, ইন্টারনেট, অর্থবাজার সংশ্লিষ্ট টিভি চ্যানেল, ভয়েস রেকর্ডার, ডিজিটাল ওয়ার্ল্ড টাইম ডিসপ্লে, প্রভৃতি আধুনিক সুযোগ সুবিধার সমন্বয়ে পরিচালিত হচ্ছে। আমাদের রয়েছে প্রশিক্ষণপ্রাপ্ত, দক্ষ ও অভিজ্ঞতা সম্পন্ন ব্যাংকার যারা আন্ত:ব্যাংক লেনদেন এবং বৈদেশিক মুদ্রা বিনিময় বাজারে গুরুত্বপূর্ণ ভূমিকা পালন করে থাকেন। আমাদের ট্রেজারী কর্মকর্তাগণ CRR, SLR এর বাধ্যবাধকতা প্রতিপালনের পাশাপাশি ট্রেজারী বিল, ট্রেজারী বন্ড, রেপো, রিভার্স রেপো, কল ও টার্ম, ইত্যাদির ক্ষেত্রে উৎকৃষ্ট বিনিয়োগ পোর্টফোলিও রক্ষণাবেক্ষণ করে থাকে। ট্রেজারী বিভাগ ব্যাংকের ইনকাম পোর্টফোলিওতে সর্বাধিক হারে মুনাফা নিশ্চিত করতে প্রতিশ্রুতিবদ্ধ। এটি সব সময়ই প্রিমিয়ার ব্যাংকের মনাফা অর্জনের একটি গুরুত্বপূর্ণ শাখা হিসেবে বিবেচিত। আলোচ্য ২০১২ সালেও এই ধারাবাহিকতা বজায় রাখে ট্রেজারী বিভাগ। এ সময় মদ্রা বাজার ও বৈদেশিক মদ্রা বিনিময় কার্যক্রম থেকে ব্যাংকের মোট আয় হয় ১১০৫.০০ মিলিয়ন টাকা। একটি অখন্ড ও কেন্দ্রীভূত ট্রেজারী কার্যক্রম অত্যাধুনিক অন-লাইন সংযোগের মাধ্যমে আমাদের গ্রাহকদের দ্রুত ও উৎকৃষ্ট সেবা নিশ্চিত করতে সর্বদা নিয়োজিত। লেনদেন লিপিবদ্ধকরণের লক্ষ্যে আমাদের রয়েছে পৃথক ব্যাক অফিস ও ফ্রন্ট অফিস সেল। ফ্রন্ট অফিস দরকষাকষির মাধ্যমে ব্যবসায়িক লেনদেন নির্দিষ্ট করে আর গ্রহণ বা পরিশোধের মাধ্যমে লেনদেন মিটিয়ে ফেলে ব্যাক অফিস। এ দুইয়ের মাঝে মিড অফিস হিসেবে কাজ করে ম্যানেজমেন্ট কমিটি যা ব্যাক অফিস ও ফ্রন্ট অফিস কর্মকান্ডের সঠিকতা যাচাই করে।

# আভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন

যে কোন কার্যক্রমের ক্রেটি থেকে যেমন ঝুঁকি সৃষ্টি হতে পারে তেমনি সঠিক অভ্যন্তরীণ নিয়ন্ত্রণ এবং নিরীক্ষার অভাব থেকে উদ্ভব হতে পারে বড় কোন অনিয়ম। এ ক্ষেত্রে ভাল নিয়ন্ত্রণ ব্যবস্থা পেশাদারিত্ব, দক্ষতা, আইনী বাধ্যবাধকতার প্রতিপালন, সঠিক রিপোর্টিং ব্যবস্থার উন্নয়ন এবং অনিয়ম প্রতিরোধে প্রয়োজনীয় ক্ষেত্র প্রস্তুত করে। অভ্যন্তরীন নিয়ন্ত্রণ ও নিরীক্ষা শুধু নিয়মিত কর্ম সম্পাদনকেই নির্দেশ করে না বরং তা সম্পাদিত কর্মের যৌক্তিকতা ও সঠিকতাকে নিরূপণ করে। এই ধরণের নিয়ন্ত্রণমূলক ব্যবস্থা কর্মজীবনে দায়বদ্ধতা ও স্বচ্ছতার এক

অনুকূল পরিবেশ তৈরি করে। আধুনিক ব্যাংক ব্যবস্থাপনা এবং তদারকী মূলতঃ নিবদ্ধ থাকে বিভিন্ন বিষয়ের ঝুঁকি ও এর নিয়ন্ত্রনের উপর। প্রিমিয়ার ব্যাংক সম্ভাব্য সব ধরনের ঝঁকি নিয়ন্ত্রনের জন্য সমন্বিত ব্যবস্থা গ্রহন করেছে। সম্প্রসারিত ঋণের বিপরীতে আগামী দিনের চ্যালেঞ্চগুলিকে বিবেচনা করে প্রিমিয়ার ব্যাংক কেন্দ্রীয় ব্যাংকের নীতিমালার সঙ্গে সঙ্গতি রেখে ঋণ ঝুঁকির প্রয়োজনীয় বিধিবিধান ও নির্দেশনাবলী প্রস্তুত করেছে। অনিয়মিত হিসাব সমূহকে সঠিকভাবে তত্নাবধানের জন্য প্রিমিয়ার ব্যাংকের রয়েছে একটি পৃথক ঝুঁকি ব্যবস্থাপনা টিম। ব্যাংকের আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগ, বোর্ড অডিট ডিভিশন, কেন্দ্রীয় পরিপালন ও নিয়ন্ত্রন বিভাগ নিয়মিতভাবে বিভিন্ন শাখা নিরীক্ষা ও পরিদর্শন শেষে প্রতিবেদন দাখিল করে। তাছাড়া ডিপার্টমেন্ট কন্ট্রোল ফাংশন চেকলিস্ট, ত্রৈমাসিক কার্য বিবরণী, লোন ডকুমেন্টেশন চেকলিস্ট, প্রভৃতিকে ব্যাংকের সম্ভাব্য সকল কার্যক্রম উদ্ভত ঝুঁকি মোকাবেলায় সনিপণভাবে প্রস্তুত করা হয়। আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা কার্যক্রম যথাযথভাবে চালানোর জন্য আভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন ম্যানুয়্যাল প্রস্তুত করা হয়েছে। প্রিমিয়ার ব্যাংকের আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগ ব্যাংক ব্যবস্থাপনার এক অবিচ্ছেদ্য অংশ এবং নিরাপদ ও সঠিক কার্যক্রমের ভিত্তিস্বরূপ। এই বিভাগের কর্মবিন্যাসকে নিম্নবর্ণিত শ্রেণীতে বিভক্ত করা যায়:

- কর্মভিত্তিক উদ্দেশ্য: কর্মদক্ষতা ত্বরান্বিতকরণ এবং কর্মসম্পৃক্ততার সক্রিয়করণ।
- ২. তথ্যভিত্তিক উদ্দেশ্য: আর্থিক ও ব্যবস্থাপনা তথ্যাবলীর নির্ভরযোগ্যতা ও যুগোপযোগিতা নিশ্চিতকরণ।
- প্রতিপালন উদ্দেশ্য: নিয়ন্ত্রণমূলক ও প্রায়োগিক আইনী কাঠামোর আনুগত্য প্রতিপালন।

আমাদের আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগকে একজন উচ্চ পর্যায়ের এক্সিকিউটিভ - এর নেতৃত্বে অত্যন্ত দক্ষ ও অভিজ্ঞ কর্মকর্তাদের মাধ্যমে সজ্জিত করা হয়েছে। বিভাগীয় প্রধান এর মূল কর্মকান্ডের মধ্যে পড়ে ব্যাংকের নিরীক্ষা, পরিদর্শন ও মনিটরিং কার্যাবলীর সঠিক মূল্যায়ন এবং ঝুঁকি বিশ্লেষণ। এই বিভাগকে তিনটি সুনির্দিষ্ট ইউনিটে বিভক্ত করা হয়েছে -প্রতিপালন ইউনিট, মনিটরিং ইউনিট এবং নিরীক্ষা ও পরিদর্শন ইউনিট।

প্রতিপালন ইউনিট ব্যাংকিং কার্যক্রম পরিচালনার ক্ষেত্রে নিয়ন্ত্রণমূলক বাধ্যবাধকতা নিশ্চিত করে। এই ইউনিটটি প্রধান নিয়ন্ত্রক প্রতিষ্ঠানসমূহের সাথে যোগাযোগ রক্ষা এবং যে কোন বিধিসম্মত পরিবর্তন অন্যান্য বিভাগকে অবহিত করে। মনিটরিং ইউনিট ব্যাংকের শাখায় যাবতীয় কার্যক্রমকে অবলোকন করে। কার্যক্রমের যে কোন বিচ্যুতি ধরা পড়লে তা তাৎক্ষণিকভাবে আভ্যন্তীন নিরীক্ষা প্রধানের কাছে উপস্থাপন করে। নিরীক্ষা ইউনিট সাধারণত নিয়মিত ও বিশেষ নিরীক্ষা কর্ম সম্পাদন করে। আভ্যন্তরীণ নিরীক্ষা ও পরিদর্শন বিভাগ ব্যাংকের বিভিন্ন অপারেশনাল রিস্ক - এর মোকবেলায় নিয়মিতভাবে ব্যবসায়িক কার্যক্রম পরিচালনায় ব্যাংকের নীতি, ম্যানুয়্যাল ও নির্দেশনা যথাযথভাবে অনুসরন করা হয় কি না - তা নিয়মিতভাবে পর্যবেক্ষন করে থাকে। তাছাড়াও ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক গৃহিত বিভিন্ন সিদ্ধান্তের বান্তবায়নের অবস্থাও নিরীক্ষা করে থাকে। ২০১২ সালে আভ্যন্তরীণ নিরীক্ষা ও পরিদর্শন বিভাগ ব্যাংকের বিভিন্ন শাখায় সর্বমোট ৭৩ বার কম্প্রিহেনসিভ, ৬৮ বার বিশেষ এবং ১৩ বার মাসিক নিরীক্ষা ও পরিদর্শন সম্পন্ন করেছে ও বিভিন্ন অনিয়ম দুরীকরনের সুপারিশসহ ব্যবস্থাপনা কর্তৃপক্ষের কছে প্রতিবেদন দাখিল করেছে। এছাড়া, বাংলাদেশ ব্যাংকের আইসিটি নির্দেশনা যথাযথভাবে অনুসরন করা হয় কি-না তাও ব্যাংকের আইটি অডিট নিয়মিতভাবে নিরীক্ষা করে থাকে।

# কার্ড ব্যবসা

ক্রেডিট কার্ড যা "প্লাস্টিক মানি" হিসেবে খ্যাত, ব্যাংকিং জগতে এক যুগান্তকারী পরিবর্তন এনে দিয়েছে। যান্ত্রিকভাবে কার্যকর একটি প্লাস্টিক কার্ডের মাধ্যমে ঋণ সুবিধা একদিকে যেমন নিয়ে এসেছে সীমাহীন নমনীয়তা, অন্যদিকে দেশে এবং বিদেশে আধুনিক ব্যবসা বাণিজ্যে বৃদ্ধি করেছে গ্রহণযোগ্যতা। বাংলাদেশে ক্রেডিট কার্ডের বিকাশে প্রিমিয়ার ব্যাংক অগ্রদূতের ভূমিকা পালন করেছে। নিকট অতীতে ২০০৪ সালে আমাদের একটি সুখময় স্মৃতি রয়েছে যখন প্রিমিয়ার ব্যাংক দেশের প্রথম বাণিজ্যিক ব্যাংক হিসেবে ভিসা ইন্টারন্যাশনাল কর্তৃক 'ভিসা ক্রেডিট কার্ড' ইস্যুর অভাবিত গৌরব অর্জন করে। প্রিমিয়ার কার্ড ব্যাংকের আয়ের অন্যতম প্রধান স্বতন্ত্র উৎস হিসেবে কার্যক্রম পরিচালনা করছে। ব্যাংকের ক্রেডিট কার্ড কার্যক্রমে চরম উৎকর্ষতা লাভ করেছে অতি দ্রুত ও সহজে ব্যবহারযোগ্য এটিএম মেশিন প্রবর্তনের মাধ্যমে। যে কোন দেশী বা বিদেশী ডেবিট/ক্রেডিট কার্ড ব্যবহারকারীগণ এটিএম এর স্বয়ংক্রিয় সুবিধা ভোগ করতে পারছেন।

ডেবিট কার্ড এর প্রচলন প্রিমিয়ার গ্রাহকদের সামনে এক নতুন দিগন্ত উদ্মোচন করেছে। এটি আমাদের পরিশুদ্ধ ও আড়ম্বরপূর্ণ ব্যাংকিং সেবার দৃঢ় অঙ্গীকারের একটি বলা যেতে পারে। আমরা কার্ড মার্চেন্ট নেটওয়ার্ককে দ্রুত সম্প্রসারণ করছি বিকাশমান কার্ড ব্যবসায়ের সাথে তাল মিলিয়ে। ২০১২ সাল পর্যন্ত আমরা ২৭৯৪৫ টি ক্রেডিট কার্ড এবং ৩৪০৭১ টি ডেবিট কার্ড ইস্যু করতে সক্ষম হয়েছি - যা থেকে ২০১২ সালে আমাদের আয় হয়েছে ১২.৫৯ মিলিয়ন টাকা। প্রিমিয়ার ব্যাংক সমস্ত চ্যালেঞ্জকে ছাপিয়ে কার্ড শিল্পের জগতে একটি শক্ত ভিত্তি স্থাপন করেছে। তাছাড়া প্রিমিয়ার ব্যাংকের কার্ড ব্যবসায় তিসা প্রিপেইড ট্রাভেল কার্ড, প্রিমিয়ার হক্ষ্ণ কার্ড, ডেবিট এবং ক্রেডিট মাস্টার কার্ড সংযোজন আমাদের কার্ড ব্যবসায়কে নতুন উচ্চতায় উন্নীত করেছে।

২০১৩ সালে ব্যাংক কার্ড ব্যবসা সম্প্রসারনের ক্ষেত্রে বেশ কিছু পরিকল্পনা গ্রহন করেছে:  অন্যান্য ব্যাংক এবং মোবাইল ফোন কোম্পানীর সাথে কার্ডের কো-ব্রান্ডিং এবং এফিলিয়েটেড মেম্বারশিপ প্রোগ্রামের নীতিগত সহযোগীতা।

২. ইসলামিক ক্রেডিট কার্ড ইস্যু করা।

 পওএস টার্মিনাল বিস্তৃতকরণ এবং অন্যান্য ব্যাংকের এটিএম নেটওয়ার্ক ব্যবহারের ব্যাপারে পদক্ষেপ গ্রহন।

 ৪. অন্যান্য ব্যবসায় যেমন: এসএমই, ব্রোকারেজ হাউজ কার্যক্রমের সাথে কার্ডের সেবা যুক্ত করা।

#### ইসলামী ব্যাংকিং কার্যক্রম

বিশ্ব অর্থনৈতিক মন্দার বিপরীতে ইসলামিক ব্যাংকিং শক্তিশালী প্রবৃদ্ধি অর্জন করেছে। মন্দ সম্পদে স্বল্প বিনিয়োগ এবং শরিয়াহ্ ভিত্তিক ব্যবসায়িক নীতির মাধ্যমে ইসলামিক ব্যাংকিং প্রতিষ্ঠানগুলো অর্থনৈতিক মন্দা থেকে নিজেদের রক্ষা করতে সক্ষম হয়। আমাদের ব্যবসায়িক সম্পদের একটি বড় অংশ আমরা ইসলামী ব্যাংকিং এ স্থানান্তরের সিদ্ধান্ত নিয়েছি।

বর্তমানে ঢাকার মহাখালী এবং সিলেটের লালদিঘীর পাড়- এই দুইটি ব্রাঞ্চ থেকে আমরা ইসলামিক ব্যাংকিং সেবা দিয়ে যাচ্ছি। কার্যক্রম গুরুর প্রথম থেকেই ব্রাঞ্চ দুটি দ্রুত ব্যবসায়িক প্রবৃদ্ধি অর্জন করে চলেছে।

ইসলামীক ব্যাংকিং নীতিমালা এবং এ বিষয়ে দক্ষতা বৃদ্ধির লক্ষ্যে আমরা নিয়মিত শরীয়াহ আইন, ইসলামিক ব্যাংকিং নীতি, এবং ইসলামিক অর্থনীতির ওপর প্রশিক্ষণ এবং কর্মশালার আয়োজন করে চলেছি।

দেশের প্রখ্যাত ওলামা, অভিজ্ঞ ব্যাংকার এবং স্থনামধন্য অর্থনীতিবিদদের সমস্বয়ে গঠিত ১৩ (তেরো) সদস্য বিশিষ্ট শরীয়াহ সুপারভাইসরি কমিটি ব্যাংকের ইসলামিক ব্যাংকিং কার্যক্রম পর্যবেক্ষণ, তত্বাবধান ও দিক-নির্দেশনা দিয়ে থাকেন। ২০১২ সালে শরীয়াহ সুপারভাইসরি কমিটির ০৩টি সভা অনুষ্ঠিত হয়েছে।

ইসলামিক ব্যাংকিং এ আমাদের পণ্য সমূহের মধ্যে রয়েছে:

- 🛛 আল-ওয়াদিয়াহ চলতি হিসাব
- 🛯 মুদারাবা সঞ্চয়ী আমানত হিসাব
- 🛯 মুদারাবা স্বল্প মেয়াদী আমানত হিসাব
- মুদারাবা মাসিক সঞ্চয় প্রকল্প
- 🗆 মুদারাবা মাসিক আয় প্রকল্প
- 🗅 মুদারাবা শিক্ষা সঞ্চয় প্রকল্প
- 🛛 মুদারাবা বিশেষ সঞ্চয় প্রকল্প
- মুদারাবা ডাবল বেনিফিট প্রকল্প
- 🛯 মুদারাবা হজ্জ্ব সঞ্চয় প্রকল্প
- 🛯 মুদারাবা বৈদেশিক মুদ্রা আমানত হিসাব

ইসলামিক ব্যাংকিং এর অধীনে আমাদের বিনিয়োগ সেবার মধ্যে রয়েছে

- 🛯 গ্রাহক বিনিয়োগ প্রকল্প
- 🛛 আবাসন/অ্যাপার্টমেন্ট বিনিয়োগ
- bিকিৎসক বিনিয়োগ প্রকল্প
- 🗆 প্রামীণ বিনিয়োগ প্রকল্প
- 🛯 এসএমই বিনিয়োগ প্রকল্প
- 🗆 শিক্ষা বিনিয়োগ প্রকল্প
- 🛯 মহিলা উদ্যোক্তা বিনিয়োগ প্রকল্প
- 🗆 লীজ ফাইন্যান্স

#### মানব সম্পদ ব্যবস্থাপনা

উন্নত মানব সম্পদের সঙ্গে কর্পোরেট সক্রিয়তা বা গতিশীলতার গভীর সম্পর্ক রয়েছে। এ উপলব্ধিকে সামনে রেখে প্রিমিয়ার ব্যাংক মানব সম্পদের ধারাবাহিক উন্নয়ন ঘটিয়ে চলেছে। মানবসম্পদ উন্নয়নের স্বার্থে আমাদের রয়েছে নিয়োগ বিধিমালা, চাকুরীর নিয়মবিধি এবং সকল পর্যায়ের জনবলের জন্য রয়েছে আকর্ষণীয় প্রতিদান প্যাকেজ। শুরু থেকে ব্যাংক অত্যন্ত মেধাবী পেশাদার জনশক্তিকে নিয়োজিত করেছে ব্যাংকিং কার্যক্রমে -ক্রমবর্ধমান প্রতিযোগিতার মুখে একটি নিপুণ টিমওয়ার্ক গঠনের অভিপ্রায় নিয়ে। সারাদেশে ব্যাংকের প্রধান কার্যালয়সহ ৭৯ টি শাখা মোট ১২৫৯ জন কর্মকর্তা ব্যাংকিং সেবায় নিয়োজিত।

অর্থনীতিতে উন্নয়নের অংশীদার হিসেবে প্রিমিয়ার ব্যাংক শুধু আর্থিক সেবাই প্রদান করে না, একই সঙ্গে জ্ঞান, অভিজ্ঞতা ও দক্ষতা বিস্তারে সমান ভূমিকা পালন করে এ সত্য সামনে রেখে আমরা সারা বছর ধরে ট্রেনিং প্রোগ্রামের ব্যস্ততম শিডিউলের মাধ্যমে মানবসম্পদের ধারাবাহিক উন্নয়ন ঘটিয়ে থাকি। ব্যাসেল-২ অ্যাকর্ড বাস্তবায়নের পথে সুদূরপ্রসারী পদক্ষেপ গ্রহণ করেছে প্রিমিয়ার ব্যাংক। এই পরিকল্পনার অংশ হিসেবে আমরা বেশ কিছু ব্যাংক প্রতিনিধির বিশেষ প্রশিক্ষণের ব্যবস্থা করেছি বিখ্যাত দেশী - বিদেশী ট্রেনিং ইনস্টিটিউটে।



আমরা আমাদের কর্মকর্তা/কর্মচারিদের মাঝে পারস্পরিক

যোগাযোগ ও ভাবের আদান প্রদানকে অনুপ্রাণিত করি। এতে করে স্বকীয় চেতনার উন্মেষ ঘটে এবং প্রাতিষ্ঠানিক বন্ধন আরো দৃঢ় হয়। তাঁদের দায়িত্ববোধ বৃদ্ধি পায়। ফলে সামগ্রিকভাবে ব্যাংক সম্পর্কে পারস্পরিক বোঝাপড়া আরো গভীর হয়।

#### কর্পোরেট বিপনণ ব্যবস্থা

আমাদের বিপণন ও কর্পোরেট বিষয়সমূহ পরিচালিত হয় প্রধান কার্যালয়স্থিত Corporate Relationship Division (CRD) এর মাধ্যমে। কর্পোরেট রিলেশনশিপ বিভাগ পারস্পারিক সম্পর্কযুক্ত লেনদেনভিত্তিক সংস্কৃতির আলোকে বিপণনের সম্ভাব্য ক্ষেত্রগুলিকে চিহ্নিত করে। একই সঙ্গে একটি প্রাসঙ্গিক লক্ষ্যমাত্রা নির্ধারণ এবং তা অর্জনে একটি মানানসই পরিকল্পনা প্রণয়ন করে থাকে। প্রিমিয়ার ব্যাংক সব সময় সেবার উৎকর্ষতা ও সজনশীলতার প্রতি লক্ষ্য রেখে দেশের অর্থনৈতিক ক্ষেত্রে একটি টেকসই উন্নয়ন ঘটাতে ও পারস্পারিক উপযোগিতার ভিত্তিতে গ্রাহকসম্পর্ক গডতে বদ্ধপরিকর। এই ধারাবাহিকতায় কর্পোরেট রিলেশনশিপ ডিভিশন একটি Diversified Assets Portfolio গডে তলতে প্রয়োজনীয় কৌশল গ্রহণ করে। নীতি ও নৈতিকতার সমন্বয়ে কর্পোরেট কালচার গড়ার অভিপ্রায় নিয়ে CRD ব্যাংক ব্যবস্থাপনার মূলনীতিসমূহ অনুসরণ করে যা আমাদের প্রতিষ্ঠানের সামগ্রিক কল্যাণ ও উন্নয়ন সহায়ক হিসেবে পরিগণিত। এর বাইরে কার্যকর ব্যয়সাশ্রয়ী সেবা নিশ্চিত করতে নীতি প্রণয়ন করে থাকে আমাদের কর্পোরেট রিলেশনশিপ বিভাগ। CRD ব্যাংকের অনেক গতিশীল কর্মকান্ডের সাথে জডিত। এর মধ্যে উল্লেখযোগ্য হচ্ছে বিভিন্ন বাণিজ্য মেলায় অংশগ্ৰহণ, সামাজিক দায়িত্ব পালন, গবেষনা ও উন্নয়ন, কর্পোরেট চুক্তি স্বাক্ষর, ইভেন্ট ম্যানেজমেন্ট, ইত্যাদি। অধিকন্তু প্রাথমিকভাবে ব্যাংকের সকল আর্থিক সেবা ও পণ্যের পরিকল্পনা, রূপায়ন ও বিপণন করে

# কোম্পানী সুশাসন

কর্পোরেট সুশাসন বিশ্বাস ও আস্থার সমন্বয়ে পেশাদারিত্ব প্রতিষ্ঠা করার পাশাপাশি প্রতিযোগিতামূলক বাজারের চ্যালেঞ্জ ও ঝুঁকি মোকাবেলায় ব্যবসায়িক দক্ষতা ও যোগ্যতার উন্নয়ন ঘটায় এবং তা কার্যকর করতে একটি উপযোগী কর্মপরিবেশ সৃষ্টি করে। প্রিমিয়ার ব্যাংক সূচনা থেকেই ব্যবসায়িক কর্মকান্ডের সকল স্তরে নিরবচ্ছিন্নভাবে সুশাসনের অনুশীলন নিশ্চিত করেছে। ব্যাংকের গতিশীল পরিচালনা পর্ষদ (Board of Directors) ব্যবসার লক্ষ্যমাত্রা নির্ধারণ, নীতি প্রণয়ন, কৌশলগত পরিকল্পনা গ্রহণ, সকল ব্যবসায়িক কর্মকান্ড পর্যবেক্ষণ ও ব্যবস্থাপনা কার্যকলাপ তত্বাবধান, প্রভৃতি অত্যন্ত সূচারু ও দক্ষতার সাথে পালন করছে। প্রধান কার্যালয়স্থিত ম্যানেজমেন্ট কমিটি যে কোন পরিস্থিতিতে নিশ্চিত করে যে ব্যাংকের যাবতীয় কর্মকান্ড সর্বোচ্চ নৈতিক আদর্শে অনুপ্রাণিত এবং তা শেয়ারহোল্ডার স্বার্থ সঠিকভাবে পরিচালিত এবং এর কর্মপ্রবাহ ও দায়িত্ন সুনির্দিষ্ট। আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা বিভাগ ব্যাংকের আভ্যন্তরীণ নিরীক্ষা ও তদারকি পরিচালনা করে থাকে এবং সরাসরি ব্যাংকের ব্যবস্থাপনা পরিচালক ও বোর্ড অডিট কমিটিকে অবহিত করে। বিভিন্ন কমিটি প্রচলিত ব্যাংকিং প্রবিধানের মধ্য থেকে তাঁদের কার্যক্ষমতা প্রয়োগ করে থাকে। বর্তমানে চেয়ারম্যানের অধীনে ১ জন স্বতন্ত্র পরিচালকসহ মোট ১১ (এগার) জন পরিচালক নিয়ে বোর্ড কাজ করে যাচ্ছে। বোর্ড যেন তার দায়িত্ব সঠিকভাবে পালন করে সে ব্যাপারে চেয়ারম্যান সর্বদা লক্ষ্য রাখেন। কোম্পানীর সাধারণ মিটিং এ শেয়ারহোল্ডারদের ভোটে বোর্ড অব ডিরেক্টরের সদস্যরা নির্বাচিত হন।

#### বোর্ড অডিট কমিটি

বাংলাদেশ ব্যাংকের বিধিবিধান ও নির্দেশাবলী অনুসারে বোর্ড অডিট কমিটি ব্যবস্থাপনা কর্তৃপক্ষ, শেয়ার হোল্ডার, আমানতকারী ও স্টক হোল্ডারদের সাথে একটি স্থায়ী বন্ধন প্রতিষ্ঠার লক্ষ্যে একটি দক্ষ, শক্তিশালী ও নিরাপদ ব্যাংকিং ব্যবস্থার ভিত্তি গড়ে তোলে। বোর্ড অডিট কমিটি পালনীয় কর্তব্যের অংশ হিসেবে ব্যাংকিং কার্যক্রম থেকে উদ্ভূত বিভিন্ন ঝুঁকি নিয়ন্ত্রণ করে, ব্যাংকের আর্থিক প্রতিবেদন প্রকাশ প্রক্রিয়াকে সহজতর করে, অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থাকে শক্তিশালী করে এবং একটি সুশৃঙ্খল ব্যাংকিং কার্যক্রম প্রতিষ্ঠার জন্য আভ্যন্তরীণ ও বহিঃনিরীক্ষকগণের মাঝে সেতুবন্ধন হিসেবে কাজ করে। বিশ্বায়নের এ যুগে অপরিসীম বাজার সম্ভাবনা ও তীব্র প্রতিযোগিতার মাঝে অত্যাধুনিক ইলেক্ট্রনিক তথ্যপ্রযুক্তির বহুল ব্যবহার, লেনদেনের জটিলতা বৃদ্ধি ও আন্তর্জাতিক পরিসরে বিভিন্ন নিয়ন্ত্রণমূলক নীতি-পদ্ধতির বাধ্যবাধকতায় অডিট কমিটির কার্যক্রমের ব্যাপ্তি বৃদ্ধি পেয়েছে অনেক গুণ। দেশীয় ও আন্তর্জাতিক পরিসরে নিয়ন্ত্রণ ও পরিপালন ব্যবস্থার উৎকৃষ্ট রীতি অনুযায়ী পরিচালনা পর্ষদের ৫ (পাঁচ) জন সদস্যের সমন্বয়ে প্রিমিয়ার ব্যাংকের বোর্ড অডিট কমিটি গঠিত। অডিট কমিটির কার্যক্রমের সঠিক দিকনির্দেশনা ও তত্তাবধানের জন্য বোর্ড কর্তৃক একজন চেয়ারম্যান মনোনীত করা হয়। বিভিন্ন



নিয়ন্ত্রক কর্তৃপক্ষের নিরীক্ষা পত্রের খুঁটিনাটি যাচাই করতে অডিট কমিটি নিয়মিতভাবে সভার আয়োজন করে। যে কোন সম্ভাব্য ঝূঁকি থেকে ব্যাংককে নিরাপদ রাখতে অডিট কমিটি প্রয়োজনীয় পদক্ষেপ গ্রহণ করে থাকে। সেই সাথে অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থায় বিভিন্ন স্বার্থগত দ্বন্দ্ব, সন্দেহমূলক বা অনুমিত জালিয়াতি, অনিয়ম বা মুখ্য পরিবর্তন, কোন আইন লজ্ঞ্যন কিংবা যে কোন বিষয় যা বোর্ডের নিকট প্রকাশযোগ্য, ইত্যাদি সম্পর্কিত রিপোর্ট পরিচালনা পর্ষদের কাছে পেশ করে থাকে। ২০১২ সালে অডিট কমিটির মোট ২৫টি সভা অনুষ্ঠিত হয়।

#### ব্যবস্থাপনা কমিটি

সফল ঝুঁকি ব্যবস্থাপনা ও নিরবচ্ছিন্ন মনিটরিং ব্যবস্থা নিশ্চিতকল্পে প্রিমিয়ার ব্যাংক দক্ষ ও যোগ্য ব্যবস্থাপনা সদস্যবন্দের সমন্বয়ে গড়ে তুলেছে কতিপয় কমিটি। উল্লেখযোগ্য কমিটিগুলো হচেছ ম্যানেজমেন্ট কমিটি, ক্রেডিট কমিটি. অ্যাসেট-লায়াবিলিটি কমিটি ইত্যাদি। ব্যবস্থাপনা কার্যক্রমে ব্যবস্থাপনা পরিচালককে সহযোগিতা করেন অতিরিক্ত ব্যবস্থাপনা পরিচালক, উপ-ব্যবস্থাপনা পরিচালক, এসইভিপি, ইভিপি, এসভিপি, ভিপি, এফভিপি এবং অন্যান্য নির্বাহীরন্দ। ব্যাংকের দৈনন্দিন কর্মকান্ড পরিচালিত হয় আধুনিক ব্যাংকিং -এ পারদর্শী অভিজ্ঞ ও বিশেষজ্ঞ ব্যাংকারদের মাধ্যমে। প্রধান কার্যালয়ের ম্যানেজমেন্ট কমিটি সংশ্লিষ্ট বিষয়গুলোকে পুঙ্খানুপুঙ্খভাবে পরীক্ষা করে তা বিবেচনা ও অনুমোদনের জন্য পেশ করে ইসি/বোর্ড এর কাছে। এর পাশাপাশি প্রিমিয়ার ব্যাংক শাখা পর্যায়ে প্রতিষ্ঠা করেছে "ব্রাঞ্চ ম্যানেজমেন্ট কমিটি"। এর প্রধান লক্ষ্য হচ্ছে ব্যাংকের সকল শাখায় স্বচ্ছন্দ কার্যক্রম বজায় রাখা ও অধিকর নিয়ন্ত্রণ প্রতিষ্ঠা করা। এই পদক্ষেপসমূহ প্রধান কার্যালয় ও শাখাগুলিতে বয়ে এনেছে গতিশীলতা, দায়িতে সম্পূক্ততা এবং দ্রুত সিদ্ধান্ত গ্রহণ পদ্ধতির উন্নয়ন।

# ঝুঁকি ব্যবস্থাপনা

ঝুঁকি ব্যবস্থাপনা প্রিমিয়ার ব্যাংকে সর্বদাই রক্ষণশীল এবং স্বপ্রনোদিত কর্মকান্ড হিসেবে দেখা হয়েছে যার মূল উদ্দেশ্য হিসেবে দেখা হয়েছে রিস্ক এবং রিটার্নের মধ্যে একটি সুষম সম্পর্ক তৈরী করা। দীর্ঘ ব্যাংকিং কার্যক্রম পরিচালনার অভিজ্ঞতাকে কাজে লাগিয়ে প্রিমিয়ার ব্যাংক ঝঁকি ব্যবস্থাপনাকে ঢেলে সাজিয়েছে; আমরা ঝুঁকি ব্যবস্থাপনাকে নিয়ন্ত্রণমূলক বিধিবিধানের চেয়ে আমাদের কর্পোরেট সংস্কৃতি হিসেবে বেশি মল্যায়ন করি। ঝাঁকি ব্যবস্থাপনা একটি প্রতিষ্ঠানের সকল অংশে আদর্শ ও উন্নত অনুশীলন ব্যবস্থা বিস্তৃত করে। এ ক্ষেত্রে ব্যাংক শেয়ারহোল্ডারদের যথাযথ মূল্য এবং কর্পোরেট কৌশলের উন্নয়নকে ধারণ করতে একটি সঙ্গতিপূর্ণ ঝুঁকি ব্যবস্থাপনা কাঠামো তৈরি করেছে। এর পরও ঋণ ঝুঁকি, তারল্য ঝুঁকি, বাজার ঝুঁকি, সুনাম ঝুঁকি, প্রভৃতির মত সম্ভাব্য ঝুঁকিকে অস্বীকার করা যায় না মোটেই। বিশ্বব্যাপি বর্তমান আর্থিক সংকটের প্রেক্ষাপটে ঝুঁকি ব্যবস্থাপনার উন্নয়নকে এখন সর্বোচ্চ অগ্রাধিকার দেয়া হচ্ছে। বাংলাদেশ ব্যাংকের নির্দেশনা অনুযায়ী একটি পৃথক ঝুঁকি ব্যবস্থাপনা ইউনিট প্রতিষ্ঠা করা হয়েছে। এই ইউনিট অন্য ব্যবসায় ইউনিটগুলো থেকে সম্পূর্ণ আলাদাভাবে ঝুঁকি বিশ্লেষণের কাজ করে এবং সংশ্লিষ্ট কর্তৃপক্ষকে প্রয়োজনীয় পরামর্শ দিয়ে সাহায্য করে। ব্যবসায় ইউনিট এবং ঝুঁকি ব্যবস্থাপনা ইউনিটের মধ্যে আলোচনার মাধ্যমে ঝুঁকি এবং মুনাফার প্রয়োজনীয় ভারসাম্য বজায় রাখাকে ব্যাংক সবসময় প্রাধান্য দিয়ে এসেছে।

# ঋণ ঝুঁকি

সম্প্রসারিত ঋণের বিপরীতে আগামী চ্যালেঞ্জগুলিকে বিবেচনা করে প্রিমিয়ার ব্যাংক কেন্দ্রীয় ব্যাংকের নীতিমালার সঙ্গে সঙ্গতি রেখে ঋণ ঝুঁকির প্রয়োজনীয় বিধিবিধান ও নির্দেশনাবলী পস্তুত করেছে। আমাদের ঝুঁকি কৌশলের প্রধান বৈশিষ্ট্য হিসেবে আমরা ঋণ বিপণনকে ঋণ প্রশাসন থেকে সম্পূর্ণ পৃথক করেছি। ঋন প্রশাসন বিভাগ অনুমোদিত ঋনগুলোর ক্ষেত্রে বিভিন্ন শর্ত ও নির্দেশনা পরিপালন ও তদারকী করে। বিদ্যমান ও সম্ভাব্য গ্রাহকদের সঠিক মূল্যায়নের জন্য ক্রেডিট রিস্ক গ্রেডিং গাইডলাইনস্ প্রণয়ন করা হয়েছে। দেশে ও বাইরে ঝুঁকির পরিবর্তিত প্রেক্ষাপটে মানব সম্পদের যথাযথ উন্নতিসাধন নতুন আলোকে বিবেচিত হচ্ছে। অদৃষ্ট এবং সম্ভাব্য ঝুঁকি মোকাবেলায় এটিকে উকৃষ্ট ঢাল বলা যেতে পারে।

অনিয়মিত হিসাব সমূহকে সঠিকভাবে তত্ত্বাবধানের জন্য প্রিমিয়ার ব্যাংকে রয়েছে একটি পৃথক ঝুঁকি ব্যবস্থাপনা টিম। শ্রেণীকৃত হিসাব সমূহকে নিয়মিতকরণে প্রিমিয়ার ব্যাংক বাংলাদেশ ব্যাংকের নীতিমালা পুরোপুরি অনুসরণ করে। নিয়মিত ব্যবধানে নিদ্ধিয় ঋণ সমূহকে নিরীক্ষণ করে তার বিবরণী বাংলাদেশ ব্যাংকে প্রেরণ করা হয়। এ ছাড়াও প্রতি ত্রৈমাসিকে ব্যাংকের পরিচালনা পর্ষদ NPL কার্যক্রম রিভিউ করে। ব্যাংক শ্রেণীকৃত ঋণ আদায়ে যথেষ্ট তৎপর। এ ব্যাপারে আইনী প্রক্রিয়া কিংবা গ্রাহকের সঙ্গে ফলপ্রসু আপসের ভিত্তিতে অনাদায়ী ঋণ নিম্পত্তি করা হয়। আমাদের যত্নশীল ঋণ মনিটরিং ব্যবস্থা এবং বিরতিহীন ঝুঁকি ব্যবস্থাপনা ব্যাংক সম্পদের উৎকর্ষ সাধনে এক গতিময় পরিবর্তন এনে দিয়েছে।

# আইনী ঝুঁকি

ব্যাংকের নিজস্ব আইনজ্ঞ ঋন ঝুঁকির পাশাপাশি মঞ্জুরীকৃত ঋনের বিপরীতে প্রদন্ত শর্তগুলো প্রয়োগের ঝুঁকি যথাযথভাবে বিশ্লেষন করে পরামর্শ প্রদান ও প্রয়োজনে আইনী ব্যবস্থা গ্রহন করে।

# তারল্য ঝুঁকি

সম্পদ ও দায়ের ম্যাচুরিটি জনিত অমিল থেকে উদ্ভূত ঝুঁকিকে তারল্য ঝুঁকি বলা হয়। তারল্য ঝুঁকি ব্যবস্থাপনার মাধ্যমে সর্বদাই ব্যাংকের প্রয়োজনীয় অর্থ সঠিক সময়ে যোগান দেয়া ব্যবস্থাপনার দায়িত্ব। এ জন্য প্রিমিয়ার ব্যাংকে বিভিন্ন প্রাতিষ্ঠানিক, রিটেইল এবং কর্পোরেট আমানতের সমন্বয়ে একটি বৈচিত্রময় ও স্থায়ী তহবিল ব্যবস্থা বজায় রাখা হয়। প্রয়োজনীয় তহবিল সরবরাহের জন্য ব্যাংক পর্যাপ্ত তরল সম্পদ মজুদ রাখে। তারল্য ঝুঁকি ব্যবস্থাপনার প্রধান দায়িত্ব পালন করে আমাদের ট্রেজারি ডিভিশন। ব্যাংকের ট্রেজারি বিভাগ তারল্য বেজকে শক্তিশালী করে ঐতিহাসিক আবশ্যকতা, চলতি তারল্য স্থিতি, প্রত্যাশিত সম্পদ প্রকৃতি, বর্তমান ও ভবিষ্যৎ উপার্জন ক্ষমতা এবং পরিকল্পিত মূলধন কাঠামোর উপর ভিত্তি করে। অ্যাসেট লায়াবিলিটি কমিটি কর্তৃক তারল্য ব্যবস্থাপনা সঠিকভাবে সম্পাদন করা হয় (ক) ক্রমবর্ধিন্ণু ক্যাশ ফ্রো মিসম্যাচের একটি সহনীয় সীমা নির্ধারণ করে (খ) ঋণ-আমানতের অনুপাত নির্দিষ্ট করে (গ) দুর্বল প্রাতিষ্ঠানিক আমানতের নির্ভরতা ভারসাম্য করে। অ্যাসেট লায়াবিলিটি কমিটি ব্যাংকের ব্যবস্থাপনা পরিচালকের সভাপতিত্বে নিয়মিত বৈঠক করে এবং পরিবর্তীত পরিস্থিতিতে তরল সম্পদের সরবরাহ নিশ্চিত করতে কৌশল নির্ধারন করেন।

#### সুদের/লাভের হার ঝুঁকি

ব্যাংকের অন-ব্যালান্সশিট এবং অফ-ব্যালান্সশিট বিষয়গুলোর পুনঃর্বিন্যাস ও সমন্বয় করার সাথে সাথে দায় ও সম্পদের সুষ্ঠ ব্যবস্থাপনা প্রক্রিয়ার মাধ্যমে সুদের/লাভের হার ঝুঁকি মোকাবেলা করা হয়। তাছাড়া অ্যাসেট লায়াবিলিটি কমিটি নিয়মিত ব্যাংকের আয়ের উপর পরিবর্তীত সুদ/লাভের হারের প্রভাব পর্যালোচনা করে এবং যৌক্তিক আয় নিশ্চিত করে।

#### মার্কেট ঝুঁকি

গুনগত মান ও সম্ভোষজনক রেটিং এই দুইটি বিষয়ের উপর নির্ভর করেই ব্যাংক বিনিয়োগযোগ্য সম্পদ নির্বাচন করে থাকে। বর্তমান বাজারমূল্য, সম্পদমূল্য, আয় প্রভৃতি মৌলিক বিষয়গুলো বিবেচনায় এনে ব্যাংক মার্কেট ঝুঁকি নিয়ন্ত্রন করে।

# কাৰ্যক্ৰম উদ্ভূত ঝুঁকি

এটি মূলত অপারেশনাল রিস্ক হিসেবে সমধিক পরিচিত। এই ধরণের ঝুঁকি প্রতারণা, জালিয়াতি, অনধিকার চর্চা, ক্রটি-বিচ্যুতি, সিস্টেম ফেইলার এবং নানা রকম বাহ্যিক কারণের সাথে সম্পর্কযুক্ত। প্রিমিয়ার ব্যাংক এই ঝুঁকিগুলো মোকাবেলা করে বিভিন্ন লিখিত প্রণালী, নিয়মিত প্রশিক্ষণ এবং সচেতনতা বৃদ্ধির মাধ্যমে। ব্যাংকের আভ্যন্তরীণ নিয়ন্ত্রণ ও পরিপালন বিভাগ অপারেশনাল ঝুঁকি যাচাই এবং তা নিয়ন্ত্রণ করে থাকে। ডিপার্টমেন্টাল কন্ট্রোল ফাংশন চেকলিস্ট (DCFCL), ত্রৈমাসিক কার্য বিবরণী, লোন ডকুমেন্টেশন চেকলিস্ট, প্রভৃতিকে ব্যাংকের সম্ভাব্য সকল কার্যক্রম উদ্ভূত ঝুঁকি মোকাবেলায় সুনিপুণভাবে পস্থুত করা হয়। ব্যাংকের কার্যক্রম নিরবিচ্ছিন্নভাবে পরিচালনার লক্ষ্যে আমরা একটি বিকল্প তথ্য কেন্দ্র স্থাপন করেছি যা জরুরী মৃন্থর্তে বিকল্প হিসেবে পর্ণ সমর্থন দিতে সক্ষম।

#### বৈদেশিক মুদ্রা ঝুঁকি

ট্রেজারির মুখ্য ব্যাংকিং কার্যক্রমের একটি প্রধান দায়িত্ব হল বৈদেশিক মুদ্রা ঝুঁকির নিয়ন্ত্রণ করা। ব্যাংকের বৈদেশিক মুদ্রা ঝুঁকি মুদ্রার বাজার মুল্যের উঠানামার কারণে সম্ভাব্য আয়ের মূল্যমানের পরিবর্তনকে নির্দেশ করে। আমাদের ট্রেজারি বিভাগ বৈদেশিক মুদ্রার বিনিময় হারের পরিবর্তনকে গভীর বিশ্লেষণ করে থাকে। ট্রেজারি কর্মকর্তাগণ স্বাধীনভাবে নির্দিষ্ট সীমারেখার মধ্যে বৈদেশিক মুদ্রার লেনদেন পরিচালিত করে। প্রত্যেক মাসে বাংলাদেশ ব্যাংক কর্তৃক নির্ধারিত মার্ক-টু-মার্কেট রেট অনুসারে সকল বৈদেশিক মুদ্রা লেনদেন পুনর্মূল্যায়ন বা সমন্বয় করা হয়। ব্যাংক কঠোরভাবে বাংলাদেশ ব্যাংক কর্তৃক নির্ধারিত বৈদেশিক মুদ্রার ধারণ সীমা নিয়ন্ত্রণ করে। নির্দিষ্ট সময়ের ব্যবধানে ট্রেজারি ম্যানুয়াল নিরীক্ষণ ও হালনাগাদ করা হয়। মাসিক ভিত্তিতে সকল নস্ট্র হিসাব সমন্বয় করা হয় এবং ৩০ দিনের বেশি অসমন্বিত স্থিতি দ্রুত নিম্পত্তির জন্য ব্যাংক ব্যবস্থাপনা কর্তৃক ব্যবস্থা গ্রহণ করা হয়। বহিঃনিরীক্ষক দ্বারা আমাদের নস্ট্র হিসাব সমূহ যাচাই করা হয় এবং বাংলাদেশ ব্যাংকে এ ব্যাপারে রিপোর্ট করা হয়।

# মানি লন্ডারিং প্রতিরোধ

মানি লন্ডারিং প্রতিরোধকে প্রিমিয়ার ব্যাংক আইনি বাধ্যবাধকতার পাশাপাশি মূল ব্যবসায়িক মূল্যবোধ হিসেবে বিবেচনা করে। আমাদের পরিচালনা পর্ষদ এবং ব্যবস্থাপনা কর্তৃপক্ষের সংঘবদ্ধ অবস্থান মানি লন্ডারিং প্রতিরোধে আমাদের অঙ্গীকারকে সুদৃঢ় করেছে। প্রতি বছর ব্যবস্থাপনার উচ্চ মহল থেকে বিভিন্ন মেমো, সার্কুলার এবং বার্তার মাধ্যমে ব্যাংকের সর্বস্তরে মানি লন্ডারিং এর গুরুত্বকে প্রচার করা হয়। আমাদের রয়েছে স্বয়ংসম্পূর্ণ কেন্দ্রীয় প্রতিপালন বিভাগ অ্যান্টি মানি লন্ডারিং কর্মকান্ড পর্যবেক্ষণ করার জন্য। মানি লন্ডারিং প্রতিরোধ কার্যক্রমকে কড়া নজরদারীতে রাখতে আমরা নিবেদিতপ্রাণ নির্বাহী গ্রুপ গড়ে তুলেছি। ব্যাংক কর্মকর্তাদের মানি লন্ডারিং ইস্যুতে সচেতন করতে সর্বদা প্রশিক্ষণ ও ওয়ার্কশপের ব্যবস্থা করা হয়। ব্যাংক মানি লন্ডারিং প্রতিরোধ আন্দোলনকে ইলেকট্রনিক মাধ্যমেও প্রচার করছে।

মানি লন্ডারিং প্রতিরোধ কার্যক্রমকে জোরদার করতে ব্যাংক ইতিমধ্যে নিম্নোক্ত পদপেগুলো গ্রহন করেছে:

- নিয়মিত প্রশিক্ষণ ও ওয়ার্কশপের আয়োজন করা
- ২. সন্দেহজনক লেনদেনগুলোকে সর্বদা পর্যবেক্ষন করা
- ৩. প্রতিটি গ্রাহকের কেওয়াইসি নবায়ন ও পরিপূর্ন করা
- বিভিন্ন শাখা থেকে নগদ ও সন্দেহজনক লেনদেনের রিপোর্ট নির্দিষ্ট সময়ের মধ্যে সংগ্রহ করে পর্যবেক্ষন করা

#### ব্যাসেল ২

ব্যাংকিং কার্যক্রম তদারকির জন্য ব্যাসেল-২ বর্ণিত নীতিমালা তিনটি মূল ভিত্তির উপর প্রতিষ্ঠিতঃ ক. নূন্যতম মূলধন পর্যাপ্ততা (যা ক্রেডিট রিস্ক, অপারেশন রিস্ক এবং মার্কেট রিস্ক এর ভিত্তিতে নির্ধারিত) খ. নজরদারি ও পর্যালোচনা এবং গ. বাজার শূঙ্খলা। ব্যাসেল-২ কাঠামোর বাস্তবায়ন ব্যাংকের ঝুঁকি ব্যবস্থাপনা ও মূলধন পর্যাপ্ততার ক্ষেত্রে একটি সম্ভাবনাময় ভবিষ্যতের ইন্সিত বহন করে।

ব্যাসেল-২ প্রস্তাবকে সামনে রেখে মূলধন পর্যাপ্ততার ক্ষেত্রে বাংলাদেশ ব্যাংকের সংশোধিত নীতিমালা বিভিন্ন স্তরের ঋণঝুঁকি এবং ব্যালেঙ্গ শীট ও ব্যালেঙ্গ শীট বহির্ভূত লেনদেনকে বিবেচনা করে থাকে। এটিকে কার্যকর করতে ব্যাংকের মূলধনকে তিনটি প্রধান টিয়ার বা শ্রেণীতে বিভক্ত করা হয়েছে। টিয়ার-১ কে সংজ্ঞায়িত করা হয়েছে কোর ক্যাপিটাল হিসেবে, টিয়ার-২ কে সাপ্লিমেন্টারী ক্যাপিটাল হিসেবে এবং টিয়ার-৩ কে অতিরিক্ত সাপ্রিমেন্টারী ক্যাপিটাল হিসেবে। ব্যাসেল-২ বাস্তবায়নের পথে মেম্বার ব্যাংকসমূহের প্রস্তুতিকে সামনে রেখে কেন্দ্রীয় ব্যাংকের নির্দেশনা অনুযায়ী ঝুঁকিভিত্তিক সম্পদ ও মূলধনের অনুপাত জুলাই, ২০১১ হতে কমপক্ষে ১০ শতাংশ হারে সংরক্ষণ করা হচ্ছে। বৈশ্বিক মানদন্ড এবং বাংলাদেশ ব্যাংকের গৃহীত নীতিমালা অনুসারে প্রিমিয়ার ব্যাংক বিশ্ব বাজারে সম্পৃক্ত হতে প্রয়োজনীয় পদক্ষেপ গ্রহণ করেছে। ব্যাংক ব্যাসেল-২ এর পরিণতি সম্পর্কে অত্যন্ত সচেতন এবং তদানুযায়ী একটি সার্বজনীন প্রস্তুতির অঙ্গ হিসেবে সর্বাত্মক প্রচেষ্টা চালিয়ে যাচ্ছে। এ লক্ষ্যে বেশ কিছু সংখ্যক ব্যাংক প্রতিনিধির জন্য বিআইবিএম, বিদেশী ব্যাংক এবং দেশ ও বিদেশের অনেক খ্যাতনামা প্রশিক্ষণ কেন্দ্রে বিশেষায়িত প্রশিক্ষণের ব্যবস্থা করা হয়েছে। প্রায় সকল ব্যবসায়িক কর্মকান্ডে বিভিন্ন ঝুঁকি ব্যবস্থাপনার প্রবর্তন করা হয়েছে। অত্যাধুনিক প্রযুক্তির মাধ্যমে ব্যাংকের সকল কার্যক্রম পরিচালনা করতে একটি সম আইটি প্ল্যাটফর্ম বাস্তবায়ন করতে যাচ্ছে প্রিমিয়ার ব্যাংক। ব্যাংকের সুশাসনের সাথে সম্পৃক্ত করা হয়েছে বোর্ড, নির্বাহী কমিটি এবং অডিট কমিটির শক্ত নজরদারী। মূলধন পর্যাপ্ততার উন্নয়ন ঘটাতে প্রয়োজনীয় পদক্ষেপ গ্রহণ করা হয়েছে যাতে ঋণ ঝুঁকি, পরিচালনা ঝুঁকি ও বাজার ঝুঁকি বাংলাদেশ ব্যাংকের নির্দিষ্ট সময় সীমার মধ্যে মোকাবেলা করা সম্ভব হয়। ব্যাসেল-২ নীতিমালার আওতায় কেন্দ্রীয় ব্যাংকের আরও বেশ কিছু পদক্ষেপকে ধারাবাহিকভাবে বাস্তবায়ন করে চলেছে ব্যাংক। এর সংক্ষিপ্ত বিবরণ নিমুরূপ:

- ক. নিয়মিতভাবে স্বীকৃত ক্রেডিট রেটিং এজেন্সি কর্তৃক ক্রেডিট রেটিং সম্পন্ন করা হচ্ছে। ক্যামেলস (CAMELS) রেটিং এর আধুনিক সংস্করণ ক্যামেলস (CAMELS) সঠিকভাবে অনুসরণ করা হচ্ছে।
- খ. ব্যাংকের প্রতিটি শাখায় যথাযথভাবে কেওয়াইসি (Know Your Customer) প্রোফাইল সংগ্রহ ও সংরক্ষণ করা হয়।
- গ. মানি লন্ডারিং প্রতিরোধকল্পে ব্যাংক কেন্দ্রীয় ব্যাংককে পুরোপুরি সহযোগিতা করে থাকে।
- ঘ. সন্দেহজনক লেনদেন (যেমন: সিটিআর, এসটিআর) রিপোর্টিং সষ্ঠুভাবে সম্পন্ন করা হয়।
- ও. অভিজ্ঞ ও দক্ষ সুপারভাইজরি টিম গঠন করা হয়েছে।
- চ. ব্যাংকের দৈনন্দিন কর্মকান্ডে রিস্ক অ্যানালাইসিস অনুশীলন করা হয়ে থাকে। তদানুযায়ী কোর রিস্ক ব্যবস্থাপনা (CRM) এর কাঠামো বিন্যাস, গাইড লাইনস ও রেগুলেশনস যথাযথভাবে পরিপালন করা হয়।

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# ক্রেডিট রেটিং প্রতিবেদন

ন্যাশনাল ক্রেডিট রেটিংস লিমিটেড (এনসিআর) ২০১১ সালের ডিসেম্বর পর্যন্ত আর্থিক অবস্থান এবং অন্যান্য সংশ্লিষ্ট পরিমাণগত এবং গুণগত বিষয়ের ভিত্তিতে প্রিমিয়ার ব্যাংক লিমিটেডকে দীর্ঘ মেয়াদে "এ-প্লাস" এবং স্বল্প মেয়াদে "এসটি-২" রেটিং প্রদান করেছে।

২০১২ সালের ব্যাংকের ক্রেডিট রেটিং এনসিআর কর্তৃক রেটিং প্রক্রিয়া শেষ হবার সাথে সাথেই শেয়ারহোল্ডারদের জানানো হবে।

# বিধিবদ্ধ নিরীক্ষক নিয়োগ

মেসার্স হাওলাদার ইউনুস এন্ড কোং, চার্টার্ড অ্যাকাউন্ট্যান্ট ২০১২ সালে ব্যাংকের অডিটর হিসেবে দায়িত্ব পালন করেছেন। বাংলাদেশ ব্যাংকের গাইডলাইনস্ অনুযায়ী তাঁরা পুনর্নিয়োগের যোগ্য। চতুর্দশ বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারকর্তৃক নতুন নিরীক্ষক নিয়োগ করা হবে।

# পরিচালক নির্বাচন

আগামী চতুর্দশ বার্ষিক সাধারণ সভায় ব্যাংক কোম্পানী আইন ১৯৯১, কোম্পানী আইন ১৯৯৪ এবং ব্যাংকের আর্টিক্যালস্ অব অ্যাসোসিয়েশন অনুযায়ী পরিচালকগণের অবসর/নির্বাচন/পুনঃনির্বাচন প্রক্রিয়া সম্পন্ন হবে।

#### সভা

২০১২ সালে ব্যাংকের পরিচালনা পর্ষদের ৯টি সভা অনুষ্ঠিত হয়। কার্যনির্বাহী কমিটির সভা হয় ৪৮টি আর অডিট কমিটি উক্ত বৎসরে ২৫টি সভায় মিলিত হন। অন্যদিকে শরীয়াহ সুপারভাইসরি কমিটির ০৩ টি সভা অনুষ্ঠিত হয়।

#### লভ্যাংশ

ব্যাংকের পরিচালনা পর্ষদ ২০১২ ইং অর্থবছরের উপর ১০ শতাংশ লভ্যাংশ (বোনাস শেয়ার) সুপারিশ করেছে যা আগামী ৬ই মে ২০১৩ ইং তারিখে অনুষ্ঠিতব্য ব্যাংকের চতুর্দশ বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে কার্যকর হবে।

#### চতুর্দশ বার্ষিক সাধারণ সভা

ব্যাংকের চতুর্দশ বার্ষিক সাধারণ সভা আগামী ৬ই মে ২০১৩ ইং তারিখে বসুন্ধরা কনভেনশন সেন্টার-২, উম্মে কুলসুম সরক, বসুন্ধরা আবাসিক এলাকা, বারিধারা, ঢাকা-১২২৯ - এ বেলা ১০.৩০ ঘটিকায় অনুষ্ঠিত হবে। পরিচালনা পর্ষদের প্রতিবেদন এবং আর্থিক হিসাবপত্র ব্যাংকের ৯৯তম বোর্ড সভায় শোয়ারহোল্ডারদের সমীপে পেশ করার জন্য অনুমোদিত হয়।

# ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন

এই আনন্দঘন মুহূর্তে ব্যাংকের পরিচালনা পর্যদ আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছে ব্যাংকের সকল শেয়ারহোন্ডার, শ্রদ্ধেয় গ্রাহক, পৃষ্ঠপোষক ও শুভানুধ্যায়ীদের প্রতি যাঁরা সর্বাত্মক সহযোগিতার মাধ্যমে প্রিমিয়ার ব্যাংককে একটি বিশিষ্ট ব্যাংক হিসেবে গড়ে তুলতে প্রধান ভূমিকা পালন করেছেন। আমরা তেমনি কৃতজ্ঞতা পাশে আবদ্ধ গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, বাংলাদেশ ব্যাংক, সিকিউরিটিজ অ্যান্ড একচেঞ্জ কমিশন সহ অন্যান্য নিয়ন্ত্রক সংস্থা এবং আর্থিক প্রতিষ্ঠানের প্রতি তাঁদের মূল্যবান উপদেশ ও পরামর্শের জন্য। পরিশেষে পরিচালনা পর্যদ ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও সকল পর্যায়ের কর্মকর্তা/কর্মচারিগণকে আন্তরিক কৃতজ্ঞতা ও প্রশংসা জ্ঞাপন করছে। তাঁদের মেধা, অক্লান্ত পরিশ্রম আর গভীর অনুরক্তি ছাড়া প্রিমিয়ার ব্যাংক আজকের অবস্থানে আসতে পারতো না।

আপনাদের সকলের এই ভালোবাসা, দায়িত্বশীলতা এবং সহযোগীতা ভবিষ্যতে প্রিমিয়ার ব্যাংককে এক নতুন উচ্চতায় পৌছে দিবে বলে আমার বিশ্বাস।

পরিচালনা পর্ষদের পক্ষে

ডা: এইচ. বি. এম. ইকবাল চেয়ারম্যান দি প্রিমিয়ার ব্যাংক লিমিটেড

# **Report of Chief Risk Officer**

Bank confront with multifarious risks in conducting its day to day business activities. The major types of risks confronted by the bank are-(i)credit risk, (ii) interest rate risk, (iii) liquidity risk, (iv) foreign Exchange risk, (v) equity price risk, and (vi) operational risk.

The bank seeks to manage all risk relating to its activities and services efficiently. To this end, bank has adopted core risk management policies as per guidelines issued by Bangladesh Bank and implementing those meticulously.

For efficient and effective management of credit risks credit functions have been segregated into (i) credit approval, (ii) credit administration and (iii) credit monitoring and recovery. All credit proposals are reviewed and approved by designated credit committee and disbursement against sanctioned credit facilities are allowed subject to clearance from credit administration division which is responsible to ensure that all loan documentations have been completed and covenants complied. The recovery unit monitors repayment of loans and initiate effective steps/ measures for recovery of the loans. In order to assess and address issues emanating from liquidity and other market related risks meeting of Bank's Asset Liability Committee (ALCO) are held regularly, at least once in a month. Operational risk events, resulting from inadequate or failed internal process, people and system or from external events, include internal/ external fraud, business disruption and system failure, damage to physical assets, employment practice and workplace safety, execution, delivery and process management etc. The Internal Control and Compliance Division of the bank are entrusted with the responsibility to identify, measure, monitor and control operational risks in the bank. In discharging its responsibility, the Internal Control and Compliance Division conduct regular and special audit and inspections on the branches. During the year 2012 the division conducted 86 regular audit/ inspection( comprehensive inspection) in 77 branches and 68 special inspections in 26 branches. The Internal Control and Compliance Division works under direct supervision of bank's Board Audit Committee.

In order to strengthen the risk management process a separate unit/division headed by the Chief Risk Officer has been set up which is serving as secretariat of All Risk Committee. The unit prepares, inter alia, risk management papers identifying and measuring potential risks in bank's activities and portfolios, arrange meeting of All Risk Committee and apprise the Board/ Executive Committee of the identified risks and management's recommendations to address the risks. Stress testing, in keeping with guidelines issued by Bangladesh Bank, is also carried out on quarterly basis in order to assess the risks the bank is exposed to as well to ensure its soundness and sustainability. Through the stress tests the impact of a number of risk scenarios, namely credit risk, interest risk, exchange risk equity price risk and liquidity risk related shocks, and a combination of those, on capital adequacy ratio(CAR) of the bank is evaluated and corrective measures are taken accordingly.

(Mir Abdur Rahim) Chief Risk Officer

# **Risk Management Report**

Over a decade of banking operations in the country, Premier Bank has restructured risk management into core competence and positioned itself well to meet challenges. The Bank evaluates risk with regard to the impact on income and asset values. The Bank also takes into account potential impact on its business on account of changes in political, economic and market conditions and in the creditworthiness of its clients. Risk management at Premier Bank has always remained conservative and proactive with a goal to achieve a balanced relation between risk appetite and expected returns.

Risk usually stems from various lending and investment activities as carried out by Bank's various units. Corporate Banking extends lending to large corporate entities in Bangladesh. Trade Finance is responsible for identifying and financing trade flows between the country and the rest of the world. SME Finance provides the borrowing requirements of the small to medium-sized companies/enterprises rooted inside the country. Our Retail Banking is entrusted with the lending portfolio to individuals and other retail services. Treasury and investment upgrades the Bank capacity to meet up all possible exigencies, opportunity to maximize wealth and mechanism to minimize risk.

The Board of Directors of the Bank is vested with the overall authority for risk management. The Board mandates appropriate credit and market risk policies as well as necessary operational guidelines based on the recommendation of management. Approval

authorities are delegated to different functionaries in the hierarchy depending on the amount, type of risk and collateral security. The Bank has formed a number of committees that decide on all risk issues and authorities are properly structured.

# **Board Audit Committee (BAC)**

A separate Board Audit Committee is in place to oversee internal control and the risk management framework with a view to reinforcing internal and external audit activities. Independent Director has been included in the Audit Committee in compliance with corporate governance rules of SEC. The committee reviews the financial reporting process, the system of internal control, Management Information System, Management of Risks, the Bangladesh Bank and Internal Audit Reports and Audit process and Compliance with laws and regulations and bank's own code of business conduct. The Committee in its different meetings discussed the issue for proper documentation against credit facilities. The Committee discussed the guidelines of Credit Risk Management in detail and suggested the Management to implement the Credit Risk Management (CRM) guidelines in full at the Bank. The Committee reviewed Bangladesh Bank Inspection Reports on our Bank and advised the Management to rectify the irregularities as mentioned in the Audit Report, asked clarification for some deficiencies and to implement the valuable suggestions / recommendations of Bangladesh Bank. The Committee in its every meeting followed up the implementation status of the decisions that have been taken in the Executive Committee and Audit Committee Meetings.

# Internal Control and Compliance Division (IC&CD)

Our Internal Control and Compliance Division (IC&CD) plays an integral role in justifying efficacy and effectiveness of the Bank's risk management functions. A periodic review of risk assets is conducted to ensure compliance of policies, procedures and approved terms and conditions. In addition, internal audit reviews asset quality and highlights areas of concern so that remedial measures can be taken in time.

# **Risk Management Unit**

In accordance with Bangladesh Bank directives, a separate Risk Management Unit has been set up in the Bank. The unit functions independently from other business units to analyze risk and put forth recommendations to the delegated authorities for approval. The Bank promotes healthy debate among the business units and Risk Management Unit to achieve the requisite balance between risk and return. The " Risk Management Unit" under Chief Risk Officer ensures the following things:

- Designing of organizational structure by clearly defining roles and responsibilities of individuals involved in risk taking as well as managing it:
- Formulation of overall risk assessment and management policies, methodologies, guidelines and procedures for risk identification, risk measurement, risk monitoring, defining an acceptable level of risk, mitigation of all the core risks in line with their respective guidelines provided by Bangladesh Bank:
- Reviewing and updating all risks on systematic basis as necessary at least annually, preferably twice a year, ensuring that adequate controls exist and that the related returns reflect these risks and the capital allocated to support them. The main risk areas will be balance sheet Risk Management, Credit Risk, Foreign Exchange Risk, Internal Control and Compliance Risk, Money Laundering Risk and IT Risk. The following risks have also to be reviewed :
  - ✓ Operational Risk
  - ✓ Market Risk
  - ✓ Liquidity Risk
  - ✓ Reputation Risk
  - ✓ Insurance Risk
  - ✓ Sustainability Risk
- Setting the portfolio objectives and tolerance limits/ parameters for each of the risks;
- Formulation of strategies and different models in correlating with risk management policy based on IT policy and in-house IT support which can measure, monitor and maintain acceptable risk levels of the bank;
- Development of information systems/MIS inflow and data management capabilities to support the risk management functions of the bank.
- Ensure compliance with the core risks management guidelines at the department level, and at the desk level;
- The unit will work under bank's organizational structure and suggest to the Managing Director to take appropriate measures to overcome any existing and potential financial crisis;
- Analysis of self resilience capability of the bank;
- Initiation to measure different market conditions, vulnerability to invest in different sectors; The unit will also work for substantiality of capital to absorb the associated risk in banking

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• operation.

# **Stress Testing**

Risk Management Unit (RMU) of The Premier Bank Limited has already prepared a stress testing model in line with the Bangladesh Bank's guideline which initially focused on "Simple Sensitivity and Scenario Analysis" on the following five risk factors:

- Interest rate;
- Forced sale value of collateral;

97

- Non-Performing Loans (NPLs);
- Foreign exchange rate and
- Share Prices;

The Premier Bank Limited follows the General framework as per guidelines of Bangladesh Bank to measure the Stress Testing. The aim of the Stress Testing is

- To identify specific vulnerabilities or areas of concern;
- Constitute a scenario;
- To perform the numerical analysis;
- To consider the numerical analysis and
- Summarizing and interpreting the results.

Stress testing of The Premier Bank Limited reflects the strength of the bank to absorb the shocks against all the risk factors. It has been observed that at any level of shocks, the bank will be able to maintain the capital adequacy ratio at the level which is in line with the standard set by Bangladesh bank.

The following are the various dimensions of risk encompassed under our risk management process:

# **Credit Risk**

Credit Risk corresponds to potential financial loss as a consequence of a customer's inability to honor the terms and conditions of credit facility. This type of risk is measured in terms of counterparties for both on-balance sheet and off-balance sheet items.

The Bank has well written procedures, both for due appraisal and regular monitoring of credit risk. Regular reviews are held and risks identified are mitigated in a number of ways namely recourse to collateral, counter-guarantees from shareholders and/or third parties. Adequate margins are maintained on the collateral to cushion against adverse fluctuation in the market price of collateral.

Together with hard-and-fast credit analysis, our Credit Administration Division strictly adheres to the implementation of the terms and conditions of all credit facilities. An internal grading system and review process helps identify any deterioration in credit risk and take subsequent corrective actions. Risk rating assigned to each borrower is reviewed at least once in a year. Regular monitoring of the portfolio enables the Bank to trace delinquent accounts that witness a deteriorating risk profile. The Bank is well disposed to regular appraisals to justify the creditworthiness of the borrower as much as it senses financial development across the globe as a key factor to affect the risk profile of business.

Advanced mechanism, systems and procedures are in place to generate alerts in case there is any past dues in any account. A stringent classification process is pursued for all accounts having past dues of over 90 days. The Bank applies regulatory standards for provisioning and monitoring of non-performing loans. Level of provision required is determined in conformity with Bangladesh Bank circulars and guidelines from time to time. At the year-end 2012, Bank's provision was adequate to shield against the entire non-performing portfolio.

# Legal Risk

In-house legal experts in conjunction with firms of international repute look after the legal aspects of risk of the Bank and set the facility documentation right by encompassing eventualities that might affect the implementation of stipulated terms and conditions.

# **Liquidity Risk**

Liquidity Risk is termed as the possible inability of Bank to meet its financial obligations on account of a maturity mismatch between assets and liabilities. Liquidity Risk Managers perform a demanding job at all times to meet the funding requirement of the Bank making available the funds required. The Bank has adequate investment in liquid assets, such as inter-bank placements and treasury bills. Further to primary sources, the Bank also relies on trading assets and other marketable securities to provide for secondary sources of liquidity. This level of liquidity was adequate to meet fluctuating customer borrowings and draw-downs comfortably.

The marketing strategy of the Bank has ensured a balanced mix of demand and time deposits. This is the reason why the Bank needn't depend so much on volatile short-term borrowings. The treasury manager keeps a constant eye over the maturity profile of assets and liabilities so as to maintain adequate liquidity at all times and that the gap is very small. Substantial investment securities with contractual maturities can also be readily liquidated. Proper contingency plan are in place and can be implemented on a timely basis to minimize the risk ensuing from dramatic changes in market conditions. The Asset Liability Committee (ALCO) chaired by the Managing Director reviews the liquidity gap profile and the liquidity scenario and addresses strategic issues concerning liquidity.

#### **Interest Rate Risk**

Interest Rate Risk is defined by the extent to which changes in the market interest rates impact margins, net interest income and the economic value of the Bank's equity. Interest rate risk is managed by the Bank's asset liability management process through the structuring of on-balance sheet and off-balance sheet portfolios. Net interest income will be affected as a result of volatility in interest rates to the extent that the re-pricing structure of interest bearing assets differs from that of liabilities. The Bank wants to achieve stable earnings growth through active management of the assets and liabilities mix while, preferably, positioning itself to benefit from near-term changes in interest rate level. Duration analysis is used to measure the interest rate sensitivity of bank's assets and liabilities, in changing interst rates and therefore, reflects how changes in interest rates will affect banks economic value, that is present value of equity. Duration of the portfolio is governed by economic forecasts, expected direction of interest rates and spreads. Interest rate swaps and forward rate agreements are used to manage the interest rate risk. The Treasurer is basically responsible for managing the interest rate risk. Reports on overall position and risks are submitted to senior management for review and positions are adjusted if deemed necessary. Apart from that, ALCO regularly reviews the interest rate sensitivity profile and its impact on earnings. Strategic decisions are taken with the objective of producing a strong and stable interest income over time.

# **Market Risk**

Market Risk is perceived as the risk to the value of the Investment Portfolio arising from changes in interest rates, foreign exchange, commodities and equity prices. The Bank pursues conservative policies in investment activities by adherence to limits set annually and by regular reviews. Quality and rating are the main criteria in selecting investment assets. Bank opts for a trading asset based on quality and rating being the main criteria.

## **Operational Risk**

Operational Risk arises from monetary loss on account of human error, fraud, system errors or the failure to record transactions. The Bank has well laid-out procedures and systems that set out the methodologies for carrying out specific task.

The extent of the Bank's Internal Control & Compliance Division (IC&CD) encompasses audits and reviews of all business units, support services and branches. The internal audit process concentrates primarily on assessing risks and controls and ensuring compliance with established policies, procedures and delegated authorities. New products and services are scrutinized by IC&CD and assessed for operational risks prior to their implementation. IC&CD is operationally independent and reports significant internal control deficiencies to the Board Audit Committee.

The Bank has a well-established computer Data Centre to provide full system support to Bank's operations in case of an emergency in the information technology systems. The Data Centre is well-equipped to ensure its readiness for a seamless switchover in case of any emergency.

# Money Laundering Risk

Under precautionary priorities, the Bank is committed to protect itself from money laundering activities in line with global best practices. Besides the compliance of legal obligation, Premier Bank considers Prevention of Money Laundering as one of its core business values. The combined force of Board of Directors and the Senior Management enhances our commitment to combat money laundering. Every year memos, circulars and messages are issued from the high-ups of management recalling the importance of this issue. We have high profile Central Compliance Unit (CCU) to oversee the Anti Money Laundering activities. The Management has separate and dedicated headcount for surveillance of Anti Money Laundering functions. Training and awareness programs are continuously held to make all employees alert about the issue. Bank has also undertaken campaign against Money Laundering in electronic media. The Bank has properly assigned responsibilities and developed CAMLCO at Head Office and BAMLCO at Branches.

To accelerate Anti Money Laundering drives, Premier Bank keeps a close watch on any deviation from or non-compliance of obligation binding upon the Bank. In course of day-to-day operation, the Bank takes on a series of action to minimize money laundering risks which include :

- a. Improve capacity building through proper training of staff.
- b. Monitor the suspicious transaction.
- c. Hold regular meeting on the issue.
- d. Review and update KYC profile on periodical basis.
- e. Categorize KYC profile of customers on the basis of risks.
- f. Dig out much more information against high risk customer.
- g. Make the Branches conform to Cash Transaction Report (CTR) and Suspicious Transaction Report (STR) within a definite time frame.

All the attributes of risks as discussed above are reviewed regularly at each meeting of the Board of Directors and the Executive Committee in light of an all-inclusive risk report. This holistic approach to risk management helps the Bank achieve its goal in protecting the interests of shareholders and customers.

# Preparedness for Basel II

To cope with the international best practices and to make the bank's capital more risk sensitive as well as more shock resilient, 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' (Revised regulatory capital framework in line with Basel II) have been introduced by Bangladesh Bank. Basel II regime has been started and the guidelines on RBCA has come fully into force from January 01, 2011. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirement as stated in the guidelines have been followed by all scheduled banks for the purpose of statutory compliance as well as smooth implementation of the Basel-II framework in the banking sector of the country. The guidelines are articulated with the following areas, viz; A) Introduction and constituents of Capital, B) Credit Risk, C) Market Risk, D) Operational Risk, E) Supervisory Review Process, F) Supervisory Review Evaluation Process, G) Market Discipline, H) Reporting Formats with some Annexure.

The guidelines are structured on following three aspects:

- i. Minimum capital requirements to be maintained by a bank against credit, market, and operational risks.
- ii. Process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan.
- iii. Framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system.

Regulatory Capital are categorized into three tiers:

**Tier 1 capital** called 'Core Capital' comprises of highest quality of capital elements that consists of : a) Paid up capital b) Non-repayable share premium account c) Statutory reserve d) General reserve e) Retained earnings f) Minority interest in subsidiaries g) Non-cumulative irredeemable preference shares h) Dividend equalization account

**Tier 2 capital** called 'Supplementary Capital' represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank and consists of: a) General provision b) Revaluation reserves (Revaluation reserve for fixed assets, Revaluation reserve for securities and Revaluation reserve for equity instrument) c) All other preference shares d) Subordinated debt

**Tier 3 capital** called 'Additional Supplementary Capital', consists of short-term subordinated debt (original maturity less than or equal to five years but greater than or equal to two years) would be solely for the purpose of meeting a proportion of the capital requirements for market risk.

According to Bangladesh Bank's instruction, all banks have to maintain regulatory Capital Adequacy Ratio (CAR) at minimum 10% from July, 2011. Pursuant to the directives of Bangladesh Bank, the Premier Bank limited has maintained the prescribed capital adequacy requirement (Minimum 10%). During the year 2012 the bank has taken necessary steps towards the implementation of BASEL II. Capable IT platform has been implemented to cover the entire operation of the Bank. Strong oversight by the Board, Executive Committee and the Audit Committee has been adhered to various corporate actions to improve capital adequacy ratio so as to cover Credit Risk, Operation Risk and Market Risk. To give effect to the purpose, the Bank's initiatives are outlined hereunder:

- Regular Credit Rating is being carried out under a reputed and well-recognized Rating Agency. An upgraded rating tool widely known as CAMELS is now in practice with the Bank.
- Initiatives have been taken to get the Customers' Companies rated by reputed Credit Rating Companies.
- All Credit Portfolio have been segregated into 'General', 'Corporate' & 'SME' categories as per Bangladesh Bank Guidelines.

- Risk Analysis is exercised in day-to-day transactions of the Bank. Accordingly the compliance of Core Risk Management (CRM) framework, guidelines and regulations is ensured.
- KYC (Know Your Customers) profile is duly maintained and preserved in each and every branch of the Bank.
- > The Bank has always extended full-fledged co-operation to the Central Bank in handling money laundering affairs.
- > Suspicious transactions viz. STR and CTR are properly reported to the concerned authorities.
- > Expert and efficient supervisory team has been formed.

# **The Premier Bank Limited**

# **Disclosures on Risk Based Capital Adequacy (Basel II)**

For the year ended December 31, 2012

With the growing complexity of operations, service innovations and technology based products, Banks have progressively become exposed to a diverse set of Risks. Basel- I was a one-fits-all approach to address only credit risk where there was no incentive for extending loans and advances to the well governed and better credit rated borrowers. But the New Risk Based Capital Adequacy (Basel – II) addresses three types of Risks namely i) Credit Risk, ii) Market Risk & iii) Operational Risk and requires to allocate capital against those risks. The Premier Bank Limited has formed a Basel - II implementation Committee, a Supervisory Review Process (SRP) Team and a Risk Management Unit (RMU) for developing a process for assessing overall capital adequacy in relation to the Bank's risk profile and strategy for maintaining the Bank's capital at an adequate level following the specific guidelines of Bangladesh Bank. The Premier Bank Limited is conducting intensive training & workshops on Basel – II Implementation on a regular basis. The Premier Bank Limited is following approaches stated below for calculating Risk Weighted Assets (RWA) as per Basel II guidelines of BRPD Circular No.35 dated December 29, 2010 of Bangladesh Bank:

a) Standardized Approach for Credit Risk

- b) Standardized approach (Rule Based) for Market Risk and
- c) Basic Indicator Approach for Operational Risk.

The Premier Bank Ltd has effectively implemented Basel II and submitted the quarterly Capital Adequacy report to Bangladesh Bank on time.

# 1. Capital Structure

# **Qualitative Disclosure**

Regulatory capital, as stipulated by Bangladesh Bank guidelines, is categorized into three tiers according to the quality of capital (Tier I, II & III). Tier I or Core Capital comprises the highest quality capital components, Tier II or Supplementary Capital comprises capital elements that fall short of some of the characteristics of core capital but contribute to overall strength of the Bank and Tier III or Additional Supplementary Capital comprises short term subordinated debt with maturity of two to five years.

The capital fund of The Premier Bank Limited stood at Tk. 766.25 crore as on 31st December 2012 comprising of 92.53% Core Capital (Tier -1 Capital) and 7.47% Supplementary Capital (Tier - 2 Capital). Core Capital (Tier -1 Capital) comprises of 60.80% Paid up capital, 25.64% Statutory Reserve & 6.08% Retained Earning and Supplementary Capital (Tier – 2 Capital) 7.19% General Provision & 0.29% Asset Revaluation as a percentage of Total regulatory Capital Fund. The Premier Bank Limited had no Tier – III Capital.

The Bank complied with all the required conditions for calculation of capital as stipulated in the Risk Based Capital Adequacy (RBCA) guidelines by Bangladesh Bank as per following details:

Conditions	Compliance of the Bank
a) The amount of Tier – II capital will be limited to 100% of the amount of Tier – I Capital.	The amount of Tier-II capital of the Premier Bank Limited as on 31st December 2012 is 8.07% of Tier –I capital.
b) 50% of revaluation reserves for fixed assets and securities eligible for Tier – II Capital.	Tier-II Capital of the Premier Bank Limited as on 31st December 2012 includes 50% of revaluation reserves for Fixed assets amounting Tk.2.10 Crore.
c) 10% of revaluation reserves for equity instruments eligible for Tier – II Capital.	Tier-II Capital of the Premier Bank Limited as on 31st December 2012 does not include any revaluation reserves for equity instrument during the reporting period.
d) Subordinated debt shall be limited to a maximum of 30% of the amount of Tier – I Capital.	There is nothing to comply since the Premier Bank Limited does not hold any Subordinated debt during the reporting period.
e) Limitation of Tier – III: A minimum of about 28.50% of Market risk needs to be supported by Tier – I Capital. Supporting of Market Risk from Tier – III Capital shall be limited up to maximum of 250% of a Bank's Tier – I Capital that is available after meeting credit risk capital requirement.	There is nothing to comply since The Premier Bank limited does not hold any Tier-III Capital during the reporting period.

# Quantitative Disclosure:

1. Tier-1 (Core Capital )		Tk. in Crore
1.1	Fully Paid-up Capital/Capital lien with BB	465.87
1.2	Statutory Reserve	196.50
1.3	Non-repayable Share premium account	0.00
1.4	General Reserve	0.00
1.5	Retained Earnings	46.64
1.6	Minority interest in Subsidiaries	0.00
1.7	Non-Cumulative irredeemable Preferences shares	0.00
1.8	Dividend Equalization Account	0.00
1.9	Other (if any item approved by Bangladesh Bank)	0.00
1.10	Sub-Total: (1.1 to 1.9)	709.01

	Deductions from Tier -1 (Core Capital)	
1.11	Book value of Goodwill and value of any contingent assets	0.00
	which are shown as assets	
1.12	Shortfall in provisions required against classified assets	0.00
1.13	Shortfall in provisions required against investment in shares	0.00
1.14	Reciprocal crossholdings of Bank capital/subordinated debt	0.00
1.15	Any investment exceeding the approved limit under section	0.00
	26 (2) of Bank Company Act	
1.16	Investment in subsidiaries which are not consolidated	0.00
1.17	Other if any	0.00
1.18	Sub Total (1.11 - 1.17)	0.00
1.19	Total Eligible Tier-1 Capital (1.10 - 1.18)	709.01
2 .Tie	r-II (Supplementary Capital)	Tk. in Crore
2.1	General Provision (Unclassified loans +	55.14
	SMA + off Balance Sheet exposure)	
2.2	Assets Revaluation Reserves up to 50%	2.10
2.3	Revaluation Reserve for Securities up to 50%	-
2.4	Revaluation Reserves for equity instruments up to 10%	0.00
2.5	All other preference shares	0.00
2.6	Subordinated debt	0.00
2.7	Other (if any item approved by Bangladesh Bank	0.00
2.8	Sub-Total (2.1 to 2.5)	57.24
2.9	Deductions if any	0.00
	Deductions if any Total Eligible Tier-II Capital (2.8 - 2.7)	0.00 57.24

# Disclosures on Risk Based Capital Adequacy (Basel II)

# 2. Capital Adequacy

# **Qualitative Disclosure:**

Capital Management is aimed at ensuring that there is sufficient capital to meet the requirement of the Bank as determined by its underlying business strategy and also that sufficient cushion is available to absorb unexpected shocks that could arise out of adverse market conditions and external factors. To be highly capitalized Bank, The Premier Bank Limited has set a policy to maintain its capital in such a way that maintained capital is higher than the minimum required capital by 1-2% as per Risk Based Capital Adequacy (Basel – II).

The Premier Bank Limited did not require deducting any of the following items as stipulated in the RBCA guidelines by Bangladesh bank from its Capital (Tier –I & Tier-II) for maintaining regulatory capital since such items were not booked into the book of accounts as on 31st December 2012:



Premier Bank <

- a) Intangible asset e.g. Book value of goodwill and value of any contingent assets, etc.
- b) Shortfall in provisions required against classified assets.
- c) Shortfall in provisions required against investment in shares.
- d) Remaining deficit on account of revaluation of investments in securities after netting off form any other surplus on the securities.
- e) Reciprocal/crossholdings of Bank's capital /subordinated debt artificially intended to inflate the capital position of Banks
- f) Holding equity shares in any form exceeding the approved limit under section 26(2) of Bank Company Act 1991. The additional /unauthorized amount of holdings will be deducted at 50% from Tier – I Capital and 50% from Tier – II Capital.
- g) Investment in subsidiaries which are not consolidated. The normal practice is to consolidate subsidiaries for the purposes of assessing the capital adequacy of banking groups. Where this is not done, deduction is essential to prevent the multiple uses of the same capital resources in different parts of the group. The deduction for such investments will be 50% for Tier I capital and 50% from Tier II Capital. The assets representing the investments in subsidiary companies whose capital had been deducted from that of the parent would not be included in total assets for the purposes of computing the CAR.

# **Quantitative Disclosure:**

SI	Particulars	Amount in Crore Taka
1	Capital requirement for Credit Risk	564.76
2	Capital requirement for Market Risk	55.35
3	Capital requirement for Operational Risk	73.99
	Total Capital Requirement	694.11
4	Tier – 1 Capital	709.01
5	Tier – 2 Capital	57.24
	Total Capital Maintained	766.25
6	Total Capital Ratio (Maintained)	11.04%
7	Tier - 1 Capital Ratio (Maintained)	10.22%
8	Tier – 2 Capital Ratio (Maintained)	0.82%

# 3. Credit Risk

# **Qualitative Disclosure:**

Credit Risk is the risk of financial loss resulting from failure by a client or counterparty to meet its contractual obligations to the Bank. Credit risk arises from the bank's dealings with or lending to corporate, individuals, and other banks or financial institutions.

# Definitions of past due and impaired

# Sub-standard:

These are the loans where bank has reason to doubt about the repayment of the loan although recovery prospect is encouraging.

# Doubtful:

Full repayment of principal and interest is unlikely and the possibility of loss is extremely high.

# Bad /Loss:

These are the loans that have a bleak recovery possibility.

# Unclassified:

These are the loans where bank is fully satisfied about its repayment.

# **Special Mention Account:**

These assets have potential weaknesses thus deserve management's close attention. If left uncorrected, these weaknesses may result in a deterioration of the repayment prospects of the borrower.

# Methods Used to Measure Credit Risk

The Capital requirement for credit risk is based on the risk assessment made by External Credit Assessment Institutions (ECAIs) recognized by Bangladesh Bank for capital adequacy purposes. The Bank assigned risk weights to all their on-balance sheet and off-balance sheet exposures. Risk weights are based on external credit rating (solicited) which mapped with the Bangladesh Bank rating grade or a fixed weight that is specified by Bangladesh Bank.

# **Credit Risk Management**

Credit risk regulatory capital requirements are computed based on the standardized approach prescribed by Bangladesh Bank. In the Standardized Approach credit risk is measured in a standardized manner supported by external credit assessments. Under this approach, risk weightings are mapped to exposure types.

# **Credit Risk Management Process**

A thorough credit risk assessment is done before extending loan. The credit Risk assessment includes borrower risk analysts, industry risk analysts, historical financial analysts, projected financial performance, the conduct of the account, and security of proposed loan. The assessment originates from relationship manager/ account officer and approved by Credit Review Committee at Head Office. The Credit Committee under elevated authority approves the credit proposals. Executive Committee of the Board approves the proposal beyond the authority limit of the management. The Board of Directors reviews the proposals approved by the Executive Committee.

In determining single borrower/Large loan limit, the instruction of Bangladesh Bank is strictly followed. Segregation of duties has been established for Credit Approval, Relationship Management and Credit Administration. Internal Audit is conducted on periodical interval to ensure compliance of Bank's and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines.

# **Credit Risk Mitigation**

Mortgage documents are properly vetted by the Bank's Legal advisor. He/she will also certify that proper documentation, borrower's legal standing and enforcement of securities are in place. Finally, Lawyer's satisfaction certificate shall have to be obtained regarding documentation where there are securities/ collateral other than Personal Guarantee and Financial Obligation. Exposures and collateral values are continuously monitored, and margin calls or close-out procedures are enforced, when the market value of collateral falls below a predefined trigger level.

The Premier Bank Limited has also used FDR, MIS (Monthly Income Scheme), MSS (Monthly Savings Scheme), Double Benefit Scheme, Special Deposit Scheme & other collateral securities such as mortgages & listed shares as risk mitigant collateral under Standardized Approach.

# Policies and Processes for Collateral Valuation and Management

The Premier Bank Limited has set a policy on Collateral Valuation and Management. The bank appoints approved surveyors for valuation of collateral/securities objectively. The methodology of valuation that the Bank usually applies, are forced sale/ fire sale value, fair/market value etc. The Bank creates legal claims on collateral/securities through mortgage; charge creation, legal documentation etc.

# **Quantitative Disclosure:**

Risk Weighted Assets (RWA)	Tk. in Crore
Credit Risk	
For On- Balance sheet Assets	4,969.56
For Off-Balance sheet Assets	678.05
Total RWA for Credit Risk	5647.61

# **SUMMARY OF CREDIT RISK:**

	Amount in Crore Taka	
Exposure Type 04. Credit Risk for On-Balance Sheet Exposures:	Exposure	Risk weighted Asset
Cash	88.59	0.00
Claims on Bangladesh Government (other than PSE) and		
Bangladesh Bank Denominated in domestic and foreign currancy	518.39	-
Claims on Public Sector Entities (excluding equity exposure)	9.18	4.59
Claims on Banks and NBFIs (denominated in domestic as well as foreign currency)	958.60	242.52
Claims on Corporate (excluding equity exposures)	2795.36	2557.54
Claims under Credit Risk Mitigation for Corporate	517.72	179.82
Claims under Credit Risk Mitigation for Retail & SME	115.74	1.99
Claims categorized as retail portfolio & Small Enterprise (excluding consumer loan )	710.09	532.57
Consumer finance	94.05	94.05
Claims fully secured by residential property	49.37	24.69
Claims fully secured by commercial real estate	150.62	150.62
Past Due Claims		-
Specific Provision < 20% of outstanding amount	192.05	288.08
Specific Provision from 20% up to 50% of outstanding amount	11.45	11.45
Specific Provision < 50% of outstanding amount	3.93	1.97
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Specific Provision < 50% of outstanding amount in case of Residential Property	4.27	4.27
Capital Market Exposure	7.27	7.27
Investment in Venture Capital		
Unlisted equity investments and regulatory capital instruments issued by other banks (other than those deducted from capital) held in banking book.	168.63	210.79
Investments in premises, plant and equipment and all other fixed assets	141.60	141.60
All other assets		
i) Staff Ioan / investment	38.88	7.78
ii) Claims on Off-shore Banking Units (OBU)	137.34	137.34
iii) Other assets (net off specific provision)	377.91	377.91
Sub Total	7083.77	4969.56
B. Credit Risk for Off-Balance Sheet Exposures:		
Claims on Corporate	783.26	678.05
Grand Total	7867.03	5,647.61

#### 4. Equities: Disclosures for Banking Book Position

#### **Qualitative Disclosure:**

As per BAS 25, investment is defined as an investment is an asset held by any enterprises for the accretion of wealth through distribution (such as interest, royalties, dividends and rentals), for capital appreciation for other benefits to the investing enterprise such as defined in BAS 2 – Inventories, are not Investments. Property, Plant and Equipment as defined in BAS 16, Property, Plan and Equipment, (other than investment properties) are not investments.

Guidelines on Risk Based Capital Adequacy are formulated to guide the categorization of banking book credit risk exposures of commercial banks, so as to enhance their credit risk management. In the light of Guidelines on Risk Based Capital Adequacy issued by Bangladesh Bank and BAS 25, Equities of Banking Book of a bank are equity investments in unquoted / non-listed shares that are normally held to maturity.

Banking Book Equities Investments of The Premier Bank Limited as of 31st December 2012 were the equity investments of the following companies:

- 01. Central Depository Bangladesh Limited
- 02. SWIFT
- 03. Premier Bank Securities Ltd.
- 04. Premier Money Transfer Company Ltd.

As per paragraph 23 of BAS – 25, the shares of the above mentioned companies had been shown in the books of Accounts of The Premier Bank Ltd. as on 31st December 2012 at Cost price.

Banking Book Equities Investments of Premier Bank Securities Limited – a subsidiary of The Premier Bank Limited as of 31st December 2012 were the equity investments of the following companies:

- 01. Dhaka Stock Exchange Ltd.
- 02. Chittagong Stock Exchange Ltd.

#### **Quantitative Disclosure:**

Banking Book Equities Investments of The Premier Bank Limited as on 31st December 2012 stood at Tk. 51.63 Crore as per following details:

SI.	Name of Companies	Amount in crore Taka	Remarks
01.	Central Depository Bangladesh Limited	0.51	
02.	SWIFT	0.12	
03.	Premier Bank Securities Ltd.	50.00	Subsidiary company
04.	Premier Money Transfer Company Ltd	0.001	Subsidiary company
	Total	51.63	

Banking Book Equities investments of The Bank's subsidiary company namely - Premier Bank securities Limited as on 31st December 2012 stood at Tk. 83.00 crore as per following details

SI. Name of Companies	Amount in crore Taka	Remarks
01. Dhaka Stock Exchange Ltd.	65.00	
02. Chittagong Stock Exchange Ltd.	18.00	
Total	83.00	

Particulars	Disclosures of the Bank
Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	Investment in equities of banking Book position of The Premier Bank Limited as on 31st December 2012 had been shown at cost Price amounting Tk.51.63 crore.
The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	No realized gains/ Losses
<ul> <li>Total unrealized gains (losses)</li> <li>Total latent revaluation gains (losses)</li> <li>Any amounts of the above included in Tier 2 capital.</li> </ul>	No unrealized gains No revaluation gains Not included in Tier-II

#### 5. Market Risk

#### **Qualitative Disclosure:**

Market Risk is the risk of losses in on and off-balance sheet positions arising from movements in market prices. The market risk positions subject of this requirement are:

- a) The risks pertaining to interest rate related instruments and equities in the Trading Book.
- b) Foreign exchange risk and commodities risk throughout the Bank (both in the Banking and Trading Book).

#### Market risk arises from the following arenas:

- Interest Rate Risk
- Equity Position Risk
- Foreign Exchange Risk
- Commodity Risk

#### Methods Used to Measure Market Risk

Under Standardized Approach, The Premier Bank Limited had determined separately the capital requirement for the following market risks:

- 01. Interest Rate Risk,
- 02. Equity Price Risk,
- 03. Commodity Price Risk and
- 04. Foreign Exchange Risk

#### Market Risk & Liquidity Risk Management Policies and System

The objective of investment policy covering various facet of Market Risk is to assess and minimize risks associated with treasury operations by extensive use of risk management tools. Broadly it encompasses policy prescriptions for managing systematic risk, credit risk, market risk, operational risk and liquidity risk in treasury operations.

For market arising out of various products in trading book of the Bank and its business activities, the bank sets regulatory internal and ensure adherence thereto. Limits for exposure to counter-parties, industries and countries are monitored and the risks are controlled through Stop Loss limits, Overnight limit, Daylight limit, Aggregate Gap limit, Inter-bank dealing and investment limit etc.

For the Market Risk Management of the bank, it has a mid-office with separate Desks for Treasury & Asset Liability Management (ALM)

Asset Liability Management Committee (ALCO) is primarily responsible for establishing the market risk management, asset liability management of the bank, procedures thereof, implementing core risk management framework issued by regulator, best risk management practices followed globally and ensuring that internal parameters, procedures, practices/polices and risk management prudential limits are adhered to.

Liquidity risk of the bank is assessed through Gap analysis for maturity mismatch based on residual maturity in different time buckets as well as various liquidity ratios and management of the same is done within the prudential limit fixed thereon. Further bank is also monitoring the liquidity position through various stock ratios. The bank is proactively using duration gap and interest rate forecasting to minimize the impact of interest rate changes.

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SI.	Details	Capital Charge for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk
1	2	3	4	5 = (3+4)
Α.	Interest Rate Related instruments	0.00	17.73	17.73
Β.	Equities	17.15	17.15	34.30
C.	Foreign Exchange Position	-	3.32	3.32
D.	Commodities	-	-	-
	Total ( $A+B+C+D$ )	17.15	38.20	55.36

#### Capital Charges for Market Risk:

#### 6. **OPERATIONAL RISK**

#### **Qualitative Disclosure:**

#### Views of BOD on system to reduce Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems (for example failed IT systems, or fraud perpetrated by a Bank's employee), or from external causes, whether deliberate, accidental or natural. It is inherent in all of the Bank's activities. Operational risks are monitored and, to the extent possible, controlled and mitigated.

The Bank's approach to operational risk is not designed to eliminate risk altogether rather to contain risks within levels deemed acceptable by senior management.

All functions, whether business, control or logistics functions, must manage the operational risks that arise from their activities. Operational risks are pervasive, as a failure in one area may have a potential impact on several other areas. The Bank has therefore established a cross-functional body to actively manage operational risk as part of its governance structure.

The foundation of the operational risk framework is that all functions have adequately defined their roles and responsibilities. The functions can then collectively ensure that there is adequate segregation of duties, complete coverage of risks and clear accountability. The functions use their controls to monitor compliance and assess their operating effectiveness in several ways, including self-certification by staff, tracking of a wide range of metrics (for example, the number and characteristics of client complaints, deal cancellations and corrections, un-reconciled items on cash and customer accounts, and systems failures), and the analysis of internal and external audit findings.

#### Performance Gap of Executives and Staffs

The Premier Bank Ltd. always tries to be the best pay master in the sector and ensure best workplace safety for its employees to avoid inconsistent employment practices and unsound workplace safety by way of discrimination regarding employee's compensation, health and safety.

#### **Potential External Events**

The Bank invests heavily in IT infrastructure for better automation and online transaction environment. The bank also has huge investment on alternative power supply (both UPS & generators) and network links to avoid business description and system failure. The Bank's IT system does not allow any kind of external access to avoid external fraud by way of theft/ hacking of information assets, forgery etc. Premier Bank invests heavily on security from terrorism and vandalism to avoid damage to physical assets.

Taka in Crore

Approach for calculating Capital Charges for Operational Risks

For local regulatory capital measurement process, the Bank follows the basic indicator approach:

#### Quantitative Disclosure:

Capital Requirement for operational Risks:

Y-2012	Y-2011	Y-2010
437.63	500.21	541.98
1479.82	-	-
493.27	-	-
73.99	-	-
	437.63 1479.82 493.27	437.63     500.21       1479.82     -       493.27     -

\* Including Interest Suspense.

#### **Risk Management Unit**

The Premier Bank Limited has formed a separate "Risk Management Unit" under Chief Risk Officer to ensure following things:

- Designing of organizational structure by clearly defining roles and responsibilities of individuals involved in risk taking as well as managing it:
- Formulation of overall risk assessment and management policies, methodologies, guidelines and procedures for risk identification, risk measurement, risk monitoring, defining an acceptable level of risk, mitigation of all the core risks in line with their respective guidelines provided by Bangladesh Bank:
- Reviewing and updating all risks on systematic basis as necessary at least annually, preferably twice a year, ensuring that adequate controls exist and that the related returns reflect these risks and the capital allocated to support them. The main risk areas will be balance sheet Risk Management, Credit Risk, Foreign Exchange Risk, Internal Control and Compliance Risk, Money Laundering Risk and IT Risk. The following risks have also to be reviewed :
  - Operational Risk
  - Market Risk
  - Liquidity Risk
  - Reputation Risk
  - Insurance Risk
  - Sustainability Risk
- Setting the portfolio objectives and tolerance limits/ parameters for each of the risks;
- Formulation of strategies and different models in consistency with risk management policy based on IT policy and in house IT support which can measure, monitor and maintain acceptable risk levels of the bank;
- Development of information systems/MIS inflow and data management capabilities to support the risk management functions of the bank.

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- Ensure compliance with the core risks management guidelines at the department level, and at the desk level;
- The unit will work under bank's organizational structure and suggest to the Managing Director to take appropriate measures to overcome any existing and potential financial crisis;
- Analysis of self resilience capability of the bank;
- Initiation to measure different market conditions, vulnerability in investing in different sectors;
- The unit will also work for substantiality of capital to absorb the associated risk in banking operation.

#### **Stress Testing**

Risk Management Unit (RMU) of The Premier Bank Limited has already prepared a stress testing model in line with the Bangladesh Bank's guideline which initially focused on "Simple Sensitivity and Scenario Analysis" on the following five risk factors:

- Interest rate;
- Forced sale value of collateral;
- Non-Performing Loans (NPLs);
- Share Prices; and
- Foreign exchange rate.

The Premier Bank Limited follows the General framework as per guidelines of Bangladesh Bank to measure the Stress Testing. The aim of the Stress Testing is

- To identify specific vulnerabilities or areas of concern;
- Constitute a scenario;
- To perform the numerical analysis;
- To consider the numerical analysis and
- Summarizing and interpreting the results.

Stress testing of The Premier Bank Limited reflects the strength of the bank to absorb the shocks against all the risk factors. It has been observed that at any level of shocks, the bank will be able to maintain the capital adequacy ratio at the level which is in line with the standard set by Bangladesh bank.

# **Report on Related Party Transactions**

The Directors and other key management personnel are very much cautious to avoid any conflicts of interest inconformity with the prevailing rules and regulations. Related party transactions, when undertaken, are carried out on an arm's length basis without any special benefit to the related party. All such transactions have been approved unanimously by the other Directors of the Bank. Related party transactions made during year under review are as follows:

A) Dr. H.B.M. Iqbal, Honorable Chairman, The Premier Bank Ltd.

As per Bangladesh Bank approval, the Bank has taken lease of 34,600 sft. floor space @ Tk. 300 per sft. per month at 4th, 5th, 7th, 10th and 15th floor of "Iqbal Centre", 42, Kemal Ataturk Avenue, Banani, Dhaka-1213 from Dr. H.B.M. Iqbal, honorable Chairman of the Bank for use of its Head Office.

- B) Mr. Abdus Salam Murshedy, Honorable Director, The Premier Bank Ltd.
  - i) As per Bangladesh Bank approval the Bank has taken Lease of 3500 sft @ Tk. 125 per sft. per month at 1st floor and 152 sft. with monthly rent of Tk. 34,200/- at Ground Floor of "Envoy Towers Limited" a sister concern of Envoy Group for use of its Panthapath Branch and Panthapath ATM Booth respectively. Mentionable that our honorable Director Mr. Abdus Salam Murshedi is Managing Director of the Envoy Group.
  - ii) Money Counting and Fake Note Detector Machines have been purchased from National System Solution (Pvt.) Ltd. (NSS) for use of different Branches. Mentionable that NSS is a sister concern of the Envoy Group wherein Mr. Abdus Salam Murshedi is Managing Director. Total payment amount against the above purcases (From: 01/01/2013 to 31/31/2012) are as under:

SI. No.	Description	Paid amount (Including VAT & Tax) in Tk.
1	Purchased of 04 nos. Money Counting Machine for our Tangail, Shyamoli, irajgonj & Cox's Bazar Branch	4,10,000.00
2	02 Years Service Charge of 04 Branches and 02 nos. Dilkusha Corp. & Gulshan Circle-2 Branch	2,61,000.00
3	Purchased of 02 nos. Money Counting Machine for our O.R. Nizam Road & Kadamtali Branch	2,15,000.00
4	Purchased of 02 nos. Money Counting Machine for our Madanpur & Bashundhara Branch and 10 nos. Note Banding Machine	20,77,500.00
5	Purchased of 10 nos. Fake Note Detector Machine for our Ten Branches and 01 no. Money Counting Machine of our Bhaluka Branch	1,54,500.00
6	Purchased of 02 nos. Money Counting Machine for our Mohakhali & Bangshal Branch	2,15,000.00
7	Purchased of 04 nos. Fake Note Detector Machine for our O.R.Nizam Road & Shyamoli Branch and 01 no. Money Counting Machine for Pahartoli Branch	1,30,700.00
	Total Amount (Including VAT & Tax) =	34,63,700.00

# **Report on Usage & Maintenance of Vehicles/Pool** cars of the Bank

Total 19 (nineteen) no. of Vehicles are now under the possession of Bank. Out of those, 01 jeep has been allocated for Chairman, 02 cars for the Managing Director, 01 car for AMD, 01 car for DMD. The remianing 13 (thirteen) cars/microbus are being used for Bank own purposes.

During the period from 01-01-2012 to 31-12-2012, total Tk. 43,79,783/- only has been incurred towards repairing and maintenance of the above vehicles/pool Cars of the Bank.

بسم الله الرحمن الرحيم

# Annual Report of Shariah Supervisory Committee, 2012 الحمد لله رب العالمين الصلاة و السلام على سيدنا محمد و الله و اصحابه اجمعين

# All praise be to Almighty Allah, the Lord of the universe and peace and blessings of Allah be upon Prophet Muhammad (s.m.) and all his descendants and companions

We would like to express our heartiest gratitude to the Board of Directors and the Management of the Bank for their continuous support and cooperation to run Islamic Banking operation smoothly. We are also grateful to the respectable shareholders and clients for their cooperation for Islamic Banking in line with the Shariah which is our source of inspiration, confidence and strength.

During the year 2012, the Shariah Supervisory Committee met in three meetings. In these meetings different operational issues were discussed and prudent guidance/opinions were given in the light of Shariah principles. The Committee reviewed the Final Accounts 2012 of Islamic Banking operation in accordance with Shariah Principles.

Opinion of Shariah Supervisory Committee over the Shariah Audit Report:

- i) Shariah Supervisory Committee appraised for taking necessary steps to comply the lapses as reflected in the Sharaih Audit Reports by the Murakib.
- ii) The Committee observed that the awareness about the compliance of Shariah has increased significantly among the officials regarding the investment operations and also among the investment clients.
- iii) The Committee opined to follow the 'Guidelines for Islamic Banking' issued by Bangladesh Bank in every sphere of its operation.

Shariah Supervisory Committee has given following suggestions:

- a) The Executives/Officers of Islamic Banking Branches should be more knowledgeable in Shariah based banking and practices, should develop their efficiency and skills to ensure quality services to the customers.
- b) The Executives/Officers should be more cautious for complying Shariah principles in every investment transactions and other business operations.
- c) There may be customer meetings, seminars, symposiums to be organized by the Bank to develop awareness among the clients about Islamic Banking and practices and its advantages.

May Almighty Allah give us tawfique to achieve His satisfaction through implementation of Shariah in every sphere of our life.

Misalahuddin

Professor Maulana Mohammad Salahuddin Chairman, Shariah Supervisory Committee

History of Growth over 10 Years

Figure in Million Taka where applicable

Particulars       2003       2004         Authorized Capital       1000.00       2000.00         Paid-up Capital       1000.00       2000.00         Paid-up Capital       408.91       557.55         Reserve Fund       130.00       301.80         Total Capital Funds       786.10       1312.63         Deposits       10030.5       18005.20         Advance       8095.57       15383.93         Investment in Govt. Securities       1330.20       2750.00         Foreign Trade       20934.30       34108.50	2005 2000.00 557.55 403.85 1318.99 1318.99 20290.47 18032.50 2240.78	2006 2000.00 845.00 543.76 1855.58	2007 2000.00 1689.99	2008 2000.00	2009 6000.00	2010 6000.00	2011 6000.00	2012 6000.00
1000.000           1000.000           408.91           130.000           786.10           786.10           10030.5           130.20           1330.20           1330.20           20934.30           33	2000.00 557.55 403.85 1318.99 20290.47 18032.50 2240.78	2000.00 845.00 543.76 1855.58	2000.00 1689.99	2000.00	6000.00	6000.00	6000.000	6000.00
408.91 130.00 786.10 10030.5 8095.57 1330.20 20934.30	557.55 403.85 1318.99 20290.47 18032.50 2240.78	845.00 543.76 1855.58	1689.99					
130.00 786.10 10030.5 8095.57 1330.20 20934.30	403.85 1318.99 20290.47 18032.50 2240.78	543.76 1855.58		1689.99	2242.28	2914.97	3818.61	4658.71
786.10 10030.5 8095.57 1330.20 20934.30	1318.99 20290.47 18032.50 2240.78	1855.58	649.79	870.22	1148.59	1651.25	1800.27	1964.90
10030.5 8095.57 1330.20 20934.30	20290.47 18032.50 2240.78		2792.33	3603.03	4965.10	6863.17	7291.19	7662.51
8095.57 1330.20 20934.30	18032.50 2240.78	24199.01	27114.47	32059.62	37381.96	54691.47	60692.97	67129.52
1330.20 20934.30	2240.78	20677.68	23637.61	30319.53	33664.59	46400.57	49774.91	52210.10
20934.30	CC VIOCC	2392.01	3461.45	4107.03	5872.65	7289.20	9239.80	8502.47
	CZ.UCOCC	38797.18	43222.20	59546.70	56470.03	79381.60	76287.53	65649.40
Foreign Remittance 364.50 1408.00	1427.40	940.10	1620.60	2786.40	2223.20	2669.50	4745.12	4689.60
Income 1251.76 2395.45	2863.86	3622.05	4186.33	5070.04	5762.92	8250.78	10003.68	10703.30
Expenditure 851.03 1464.52	1964.83	2679.98	3188.22	3797.10	4371.06	5390.79	9186.38	9879.83
Operating Profit         400.73         930.93	899.03	942.07	998.11	1272.94	1391.87	2859.98	817.30	823.47
Fixed Assets 107.90 149.57	165.48	163.93	219.79	298.85	529.55	652.52	1220.87	1423.41
Total Assets 11096.30 20100.25	22767.84	27170.45	32573.19	38723.49	47343.24	68240.25	74951.11	81805.04
Book Value Per Share (Taka) 168.12 207.69	203.31	192.44	145.88	138.97	187.51	20.50	16.99	15.22
Earning Per Share (Taka) 67.02 84.40	32.45	43.63	4.66	29.02	48.54	6.08	1.34	1.30
Dividend 36.35% 36.84%	24.00%	10.00%	7.00%	24.00%	30.00%	31.00%	22%	*10%
Credit-Deposit Ratio 80.71% 85.44%	88.87%	85.45%	87.18%	94.57%	90.06%	84.84%	82.01%	77.78%
NPL as a % of Total Loan         0.36%         0.43%	3.86%	4.91%	596%	4.55%	1.83%	4.66%	4.28%	5.39%
Capital Adequacy Ratio 11.76% 10.69%	8.24%	10.66%	12.66%	12.71%	15.14%	10.01%	10.55%	11.04%
No. of Foreign Correspondents 238 297	345	350	397	414	439	454	473	473
Number of Employees 435 554	605	677	731	834	893	965	1117	1259
Number of Branches 17 21	21	26	27	30	38	52	64	79

History of Growth over 10 Years

# **Value Added Statement**

The Value Added Statement provides a detailed account of the distribution of the value created by an organization. The following statistics unfolds how much Value The Premier Bank Limited added for its shareholders, employees, government and how much retained within the company in 2012 and 2011

		Figure in million Taka
Particulars	2012	2011
	Amount	Amount
Total Value Added	1,852.66	1,549.30
Income from operating activities	3,896.45	4,324.41
Less : Cost of services rendered	2,140.49	2,804.42
Value added by operating activities	1,755.96	1,519.99
Less: Provision for loan loss and others	(96.70)	(29.31)
Distribution of added value		
To shareholders as dividend	*465.87	840.09
To employees as salaries and other benefits	932.48	702.68
To Government as income tax	316.77	335.71
To statutory reserve fund	164.62	149.02
To retained earnings for the current year (after deduction of dividend for current year)	(27.08)	(478.30)
Total distribution	1,852.66	1,549.30

Notes : The accumulated retained earnings are not included in the current year. \*Proposed Dividend.

# **Statement of Directors' Responsibilities in relation to Financial Statements**

The Directors are satisfied that the Bank has the resources to continue in business for the foreseeable future and therefore, these financial statements are prepared on a going concern basis.

The Board has reviewed the External Auditors' Report and considered that, these financial statements have been prepared using appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgment and estimates and in compliance with Bangladesh Financial Reporting Standards (BFRS), Bank Companies Act 1991, The rules and regulations issued by the Bangladesh Bank, the Company Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. Any change to accounting policies and reasons for such change is disclosed in the "Notes to the Financial Statements".

The Directors are confident that proper accounting records have been preserved/kept and reasonable steps as far as practicable, have been taken to ensure the accuracy and reliability of accounting records to prepare proper financial statements. The Directors have developed a system of internal financial controls and a system for monitoring its effectiveness. These provide reasonable assurance of safeguarding of the Bank's assets, maintenance of proper accounting records and the reliability of financial information.

The Board Audit Committee comprised of 05 Directors including an independent director who possesses required qualifications and experience. The Board Audit Committ assists the Board of Directors to discharge their responsibility on the integrity of financial reporting system and monitoring the effectiveness and adequacy of internal control system. The Committee has made an independent assessment of the financial reporting system of the Bank and confirmed that the financial statements prepared in compliance with relevant accounting principles and regulatory requirements. The Committee also discussed and exchanged views with the representatives of External Auditor and reviewed the Financial Statements and recommended for the consideration of the Board of Directors. The report of the Audit Committee is stated in pages 28 and 29.

The Directors are in agreement with the assessment of the Audit Committee on the reliability of financial reporting system of the Bank and confirm that the financial statements prepared for external use is in accordance with relevant accounting principles and regulatory requirements.

On behalf of the Board of Directors

Chairman The Premier Bank Ltd.



# Managing Director's and Chief Financial Officer's Responsibility Statement

The financial statements are prepared in compliance with the Bangladesh Financial Reporting Standards (BFRS), Bank Companies Act 1991, The rules and regulations issued by the Bangladesh Bank, the Company Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. The accounting policies used in the preparation of the financial statements are appropriate and are consistently applied, except unless otherwise stated in the notes accompanying the financial statements.

The Board of Directors and the Management of the Bank accept responsibility for the integrity and objectivity of these financial statements. The estimates and judgments relating to the financial statements were made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner and reasonably present the Bank's state of affairs. The Bank has taken proper and sufficient measures to develop a system of internal control and accounting records, for safeguarding assets and for preventing and detecting frauds as well as other irregularities, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Bank were consistently followed.

The Audit Committee of the Bank meets regularly with the internal auditors and biannually with the External Auditors to review the manner in which these auditors are performing their responsibilities, and to discuss auditing, internal control and financial reporting issues.

**Md. Abdul Hai** Senior Executive Vice President (FAD)

pon.

K. A. M. Majedur Rahman Managing Director



# Howladar Yunus & Co.

**Chartered Accountants** 

#### AUDITORS' REPORT TO THE SHAREHOLDERS OF THE PREMIER BANK LIMITED

We have audited the accompanying Consolidated Financial Statements of The Premier Bank Limited and its subsidiaries ("the Group") as well as the Financial Statement of The Premier Bank Limited ("the Bank") which comprise the consolidated and separate Balance Sheet as at 31 December 2012, Profit and Loss Account, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. The Financial Statements of the subsidiary, Premier Bank Securities Limited and Premier Money Transfer Company Limited was not audited by us as at December 31, 2012.

#### Management's responsibility for the Financial Statements

Management of The Premier Bank Limited is responsible for the preparation and fair presentation of these Consolidated Financial Statements of the Group and the Financial Statements of the Bank in accordance with Bangladesh Financial Reporting Standards (BFRSs) and for such Internal Control as Management determines is necessary to enable the preparation of Financial Statements for the Group and the Financial Statements of the Bank that are free from material misstatement, whether due to fraud or error.

#### Auditors' responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements of the Group and the Financial Statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements of the Group and the Financial Statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements of the Group and also the Financial Statements of the Bank. The procedures selected depend on the Auditor's judgment, including the assessment of the risk of material misstatement of the Consolidated Financial Statements of the Group and the Financial Statements of the Bank, whether due to fraud or error. In making those risk assessments; we consider internal control relevant to the entity's preparation and fair presentation of the Consolidated Financial Statements of the Group and also the Financial Statements of the Bank in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements of the Group and also the Financial Statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the Financial Statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the Financial Position of the Group and the Bank as at 31 December, 2012 and the results of their Financial Performance and their Cash Flows for the year then ended and comply with the applicable section of the Bank Companies Act 1991, the Rules and Regulations issued by the Bangladesh Bank, the Company Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

#### Howladar Yunus & Co. Chartered Accountants

#### We further report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
- c) the Consolidated Balance Sheet and Consolidated Profit and Loss Accounts and the Balance Sheet and Profit and Loss Accounts of the Bank dealt with by the report are in agreement with the books of accounts and returns;
- d) the expenditures incurred were for the purpose of the Group's and the Bank's business;
- e) the consolidated Financial Position of the Group and that of the Bank as at 31 December 2012 and the Profit for the year then ended have been properly reflected in the Consolidated Financial Statements; and the Consolidated Financial Statements of the Group and the Financial Statement of the Bank have been prepared in accordance with the generally accepted accounting principles;
- f) the Consolidated Financial Statements of the Group and the Financial Statement of the Bank have been drawn up in conformity with the Bank Companies Act 1991 and in accordance with the accounting rules and regulations issued by Bangladesh Bank;
- g) the records and statements submitted by the branches have been properly maintained and Consolidated in the Financial Statements;
- h) the Consolidated Financial Statements of the Group and the Financial Statements of the Bank conform to the prescribed standards set in the accounting regulations issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- i) the information and explanations required by us have been received and found satisfactory;
- j) adequate provisions have been made for advances and other assets which are in our opinion, doubtful of recovery;
- k) the capital adequacy ratio (CAR) as required by the Bangladesh Bank has been maintained adequately during the year;
- l) 80% of the risk- weighted assets have been reviewed by us spending over 5,000 man hours.

Houladar Tumine per

**Chartered Accountants** 

Dated: Dhaka April 09, 2013

#### Consolidated Balance Sheet as at 31 December 2012

		Amount	in Taka
	Nistan	At	At
PROPERTY AND ASSETS	<u>Notes</u>	2012	2011
Cash	3(a)	5,222,245,038	5,145,249,299
In hand (including foreign currencies)	3.1(a)	922,814,100	627,653,018
Balance with Bangladesh Bank and its agent bank(s)	3.2	4,299,430,938	4,517,596,281
(including foreign currencies)			
Balance with other banks and financial institutions	4(a)	4,723,127,485	4,039,677,429
In Bangladesh	- ()	3,127,146,372	3,062,932,497
Outside Bangladesh	4.3(a)	1,595,981,113	976,744,932
Money at call on short notice	5	2,000,000,000	-
Investments	6(a)	12,614,020,040	11,968,606,315
Government securities	6.1	8,502,471,382	9,239,800,455
Others	6.2(a)	4,111,548,658	2,728,805,860
Loans, advances, and lease/ investments	7.5	52,210,156,853	49,774,914,327
Loans, cash credits, overdrafts, etc	7.2(a)	47,596,741,980	45,918,954,532
Bills purchased and discounted	7.9	4,613,414,873	3,855,959,795
Fixed assets including premises, furniture and fixtures	8(a)	1,423,410,554	1,220,865,202
Other assets	9(a)	3,612,075,686	2,801,794,355
Non-banking assets		-	-
Total Assets		81,805,035,656	74,951,106,927
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and ager	nts 10	3,545,254,611	2,679,204,094
Deposits and other accounts	11(a)	67,129,517,799	60,692,971,535
Savings bank/ Mudaraba Saving deposits		3,471,352,994	2,930,981,267
Fixed deposits/Mudaraba term deposits		45,130,397,497	42,859,724,463
Current deposits and other accounts		17,559,172,674	14,093,517,649
Bills payable		968,594,634	808,748,156
Other liabilities	12(a)	3,981,911,823	4,905,525,299
Total Liabilities		74,656,684,233	68,277,700,928
Capital/ Shareholders' Equity			
Paid-up capital	13	4,658,705,532	3,818,611,102
Minority interest		21,418	11,161
Statutory reserve	14	1,964,895,747	1,800,273,471
Other reserve	15(a)	58,268,261	186,054,760
Retained earnings Total Shareholders' Equity	16(a)	466,460,465 7,148,351,423	868,455,505 6,673,405,999
Total Snareholders' Equity		81,805,035,656	74,951,106,927
Forai Elabilities and Shareholders Equity		01,003,033,030	74,551,100,527

#### Consolidated Balance Sheet as at 31 December 2012

		Amou	nt in Taka
	Notes	At 2012	At 2011
Off-Balance Sheet Items			
Contingent Liabilities		12,793,883,028	24,164,426,127
Acceptances and endorsements		5,283,280,037	11,140,822,664
Letters of guarantee	17.1	3,490,821,337	5,280,229,073
Irrevocable letters of credit		4,019,781,654	7,380,058,009
Bills for collection		-	363,316,381
Other contingent liabilities	17.2	-	-
	10		
Other commitments	18	-	4,049,255,000
Documentary credits and short term trade-related transaction		-	-
Forward assets purchase and forward deposits placement		-	-
Spot and forward foreign exchange contracts		-	4,049,255,000
Undrawn note issuance and revolving underwriting facility	ties	-	-
Undrawn formal standby facilities, credit lines and other comm	itments		-
Total Off-Balance Sheet Items		12,793,883,028	28,213,681,127

These Financial Statement should be read in conjunction with the annexed notes.

Chairman

Director

Director

Director Director

Managing Director

See annexed auditors' report to the shareholders of date

Howladar Juunte & Chartered Accountants

Premier Ban

Dated : Dhaka April 09, 2013

#### Consolidated Profit and Loss Statement for the year ended 31 December 2012

,		Amount ir	n Taka
	Notes	2012	2011
OPERATING INCOME			
Interest income/profit on islamic investments	20(a)	8,554,583,900	7,417,020,486
Interest/profit paid on deposits, borrowings,etc	20(a) 21(a)	(6,806,856,487)	(5,679,272,997)
Net interest income/ net profit on investments	$\angle I(d)$	1,747,727,413	1,737,747,489
Net interest income/ net pront on investments			1,/3/,/4/,409
Investment income	22	866,234,356	881,538,702
Commission, exchange and brokerage	23(a)	669,592,512	898,353,374
Other operating income	24(a)	612,894,342	806,766,248
		2,148,721,210	2,586,658,324
Total Operating Income (A)		3,896,448,623	4,324,405,813
OPERATING EXPENSES			
Salary and allowances	25(a)	925,217,863	698,760,808
Rent, taxes, insurance, electricity, etc	26(a)	894,839,384	617,958,429
Legal expenses	27(a)	2,816,554	10,539,988
Postage, stamps, telecommunication, etc	28(a)	39,535,979	31,210,900
Stationery, printing, advertisement, etc	29(a)	183,378,824	200,655,384
Chief executive's salary and fees	30	7,259,168	3,921,830
Directors' fees	31	1,930,000	3,125,000
Auditors' fee		598,172	251,950
Charges on loan losses		570,788,014	868,471,588
Charges on losses for portfolio		80,257,202	695,860,111
Depreciation and repair of Bank's assets	32(a)	141,861,091	110,595,491
Other expenses	33(a)	224,489,259	265,754,898
Total Operating Expenses (B)		3,072,971,510	3,507,106,377
Profit before provision ( $C = A-B$ )		823,477,113	817,299,436
Provision for loans and advances	34	(32,443,429)	24,855,873
Provision for off-balance sheet items	12.3	(64,261,170)	(52,591,882)
Provision for investment in shares	12.5	(04,201,170)	(52,551,002)
Other provisions	12.4.1,2	_	(1,575,472)
Total provision (D)	12.1.1,2	(96,704,599)	(29,311,481)
Profit before taxation (C-D)		920,181,712	846,610,917
Provision for taxation	12.5(aa)	, - ,	/ / -
Current tax		313,817,553	333,306,709
Deferred tax		2,957,250	2,405,370
		316,774,803	335,712,079
Profit after taxation		603,406,909	510,898,838
Retained earnings brought forward	16(aa)	867,770,519	1,410,217,142
Profit available for appropriation		1,471,177,428	1,921,115,980
Appropriations			
Statutory reserve	14	164,622,276	149,018,524
Issue of bonus shares	16	840,094,430	903,640,790
Minority interest		257	1,161
		1,004,716,963	1,052,660,475
Retained earnings carried forward		466,460,465	868,455,505
Earnings per share (EPS)	35(a)	1.30	1.34

Chairman

Director Director

Director

AT

Director

eed NJ-**Managing Director** 

See annexed auditors' report to the shareholders of date

Dated : Dhaka April 09, 2013

Hoenladar Juunte & Chartered Accountants

#### Consolidated Cash Flow Statement for the year ended 31 December 2012

,		Amount	t in Taka
	Notes	2012	2011
Cash Flows from Operating Activities			
Interest received in cash		9,447,751,685	8,298,559,188
Interest paid	21(a)	(6,806,856,487)	(5,679,272,997)
Fee and commission received in cash	. ,	325,763,264	409,113,936
Payments to employees		(927,477,031)	(682,682,638)
Payments to suppliers		(211,694,112)	(227,904,351)
Income taxes paid	12.5	(262,160,821)	(806,562,316)
Receipts from other operating activities		612,894,342	806,766,248
Payments for other operating activities		(1,178,246,870)	(943,780,835)
Cash generated from operating activities before changes			
in operating assets and liabilities		999,973,970	1,174,236,235
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(3,006,030,540)	(4,242,811,837)
Other assets		(810,281,331)	(1,014,852,695)
Deposits from other banks		866,050,517	290,328,069
Deposits from customers		6,436,546,264	6,001,505,152
Other liabilities		(894,810,233)	517,737,178
		2,591,474,677	1,551,905,867
Net cash from operating activities (A)		3,591,448,647	2,726,142,102
Cash Flows from Investing Activities			
Purchase/sale of trading securities, shares, bonds, etc		(1,463,000,000)	(518,852,550)
Purchase of property, plant and equipment		(321,374,674)	(609,763,962)
Net cash used in investing activities (B)		(1,784,374,674)	(1,128,616,512)
Cash Flows from Financing Activities			
Dividend paid		-	-
Issue of shares		-	-
Net cash from financing activities (C)		-	-
Net increase in cash $(A + B + C)$		1,807,073,973	1,597,525,590
Effects of exchange rate changes on cash and cash equivale	ents 23	343,829,248	489,239,437
Cash and cash equivalents at beginning of the year		18,280,595,312	16,193,830,285
Cash and cash equivalents at end of the year (*)		20,431,498,533	18,280,595,312
(*) Cash and cash equivalents at the end of the year:			
Cash in hand (including foreign curriencies)	3.1(a)	922,814,100	627,653,018
Investments in government securities		8,486,126,010	9,095,668,584
Money at call on short notice	5	2,000,000,000	-
Balance with Bangladesh Bank and its agent bank(		4,299,430,938	4,517,596,281
Balance with other banks and financial institutions	; 4(a)	4,723,127,485	4,039,677,429
Not ensuring each flow, new how (h)OCED()	2 - 1/-)	20,431,498,533	18,280,595,312
Net operating cash flow per share (NOCFPS)	35.1(a)	2.15	3.08

These Financial Statement should be read in conjunction with the annexed notes.



Financials 2012

See annexed auditors' report to the shareholders of date

Dated : Dhaka April 09, 2013

Premier Bank

Howladar Yunus & Co. Chartered Accountants

# Consolidated Statement of Changes in Equity for the year ended 31 December 2012 The Premier Bank Limited

Amount in Taka

Balance at 01 January 2012 $J_{0}B18,611,102$ $I_{0}B0,273,771$ $IB6,054,760$ $B67,770,519$ $I1,161$ $6,672,721,013$ Fifters of changes in accounting policy $3,818,611,102$ $I_{0}B0,273,471$ $IB6,054,760$ $B67,770,519$ $I1,161$ $6,672,721,013$ Restated balance $3,818,611,102$ $I_{0}B0,273,471$ $IB6,054,760$ $B67,770,519$ $I1,161$ $6,672,721,013$ Surplus/defict on account of revaluation of properties $3,818,611,102$ $I_{0}B0,273,471$ $IB6,054,760$ $B67,770,519$ $I1,161$ $6,672,721,013$ Surplus/defict on account of revaluation of properties $3,818,611,102$ $I_{1}B0,0273,471$ $IB6,054,760$ $B67,770,519$ $I1,161$ $6,672,720,101$ Surplus/defict on account of revaluation of investments $2,818,611,102$ $I_{1}B0,0273,471$ $IB6,054,760$ $B67,770,519$ $I1,161$ $6,672,720,101$ Surplus/defict on account of revaluation of investments $2,818,61,094,430$ $I_{1}B0,0273,470$ $I_{1}B0,024,760$ $I_{1}G1,022,276$ $I_{1}G1,022,276$ $I_{1}G1,022,276$ $I_{1}G4,06,652$ $I_{1}G1,023,276$ $I_{1}G4,06,652$ $I_{1}G1,023,276$ $I_{1}G1,023,276$ $I_{1}G1,024,230$ $I_{1}G1,023,276$ $I_{1}G1,023,276$ $I_{1}G1,023,276$ $I_{1}G1,023,276$ $I_{1}G1,023,276$ $I_{1}G1,023,276$ $I_{1}G2,02,276$ $I_{1}G1,023,276$ $I_{1}G1,024,230$ $I_{1}G1,023,276$ </th <th>Particulars</th> <th>Paid-up capital</th> <th>Statutory reserve</th> <th>Other reserve</th> <th>Retained earnings</th> <th>Minority interest</th> <th>Total</th>	Particulars	Paid-up capital	Statutory reserve	Other reserve	Retained earnings	Minority interest	Total
a) 818,611,102         1,800,273,471         186,054,760         867,770,519         11,161           evaluation of properties         -	Balance at 01 January 2012 Effects of changes in accounting policy	3,818,611,102 -	1,800,273,471 -	186,054,760	867,770,519 -	11,161 -	6,672,721,013 -
evaluation of properties         - <td>Restated balance</td> <td>3,818,611,102</td> <td>1,800,273,471</td> <td>186,054,760</td> <td>867,770,519</td> <td>11,161</td> <td>6,672,721,013</td>	Restated balance	3,818,611,102	1,800,273,471	186,054,760	867,770,519	11,161	6,672,721,013
evaluation of investments         -         -         (127,786,499)         -	Surplus/deficit on account of revaluation of properties	I	I	I	I	I	ı
Ss       -	Surplus/deficit on account of revaluation of investments	I	I	(127,786,499)	ı	·	(127,786,499)
nised in the profit and Loss503,406,652257164,622,276164,622,276eserve840,094,430210,000-23,818,611,1021,800,273,471186,054,760868,455,50511,161	Currency translation differences	I	I	I	ı	ı	1
eserve         -         -         -         -         -         57         257           eserve         -	Net gains and losses not recognised in the profit and Loss	I	I	ı	ı	1	,
eserve $        164,622,276$ $  -$ <td>Net profit for the year</td> <td>I</td> <td>I</td> <td>I</td> <td>603,406,652</td> <td>257</td> <td>603,406,909</td>	Net profit for the year	I	I	I	603,406,652	257	603,406,909
eserve         -         164,622,276         -         (164,622,276)         -           eserve         -         -         -         -         -         -         -           840,094,430         840,094,430         -         -         -         -         -         -         -           2         -         -         -         -         -         10,000         -         -         -           4,658,705,532         1,964,895,747         58,268,261         466,460,465         21,418         - <td< td=""><td>Payment of cash dividend</td><td>ı</td><td>I</td><td>ı</td><td>ı</td><td></td><td>,</td></td<>	Payment of cash dividend	ı	I	ı	ı		,
eserve       -       -       -       -       -       -       -       -       -       -       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       10,000       -       -       -       -       -       -       -       10,000       -<	Transfer to statutory reserve	I	164,622,276	I	(164,622,276)	ı	ı
840,094,430         -         -         (840,094,430)         -           2         -         -         -         10,000         10,000           3,818,611,102         1,800,273,471         186,054,760         868,455,505         11,101         11,101	Transfer to general and other reserve	I	I	I	ı	ı	1
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$	Issue of bonus shares for 2011	840,094,430	I	I	(840,094,430)	ı	,
4,658,705,532         1,964,895,747         58,268,261         466,460,465         21,418           3,818,611,102         1,800,273,471         186,054,760         868,455,505         11,161	Minority interest	1	I	I		10,000	10,000
3,818,611,102 1,800,273,471 186,054,760 868,455,505 11,161	Balance at 31 December 2012	4,658,705,532	1,964,895,747	58,268,261	466,460,465	21,418	7,148,351,423
	Balance at 31 December 2011	3,818,611,102	1,800,273,471	186,054,760	868,455,505	11,161	6,673,405,999

These Financial Statement should be read in conjunction with the annexed notes.

Chairman

Director 0

Director







Director

Director

- MARA

The Dramiar Rank Limited					Howla Charte	Howladar Yunus & Co. Chartered Accountants
Consolidated Statement of Liquidity Analysis (Maturity of Assets and Liabilities) at 31 December 2012	urity of Assets and	Liabilities) at 31	December 2012			Amount in Taka
Particulars	Up to 1 month's maturity	1-3 month's maturity	3-12 month's maturity	1-5 month's maturity	More than 5 years' maturity	Total
Assets						
Cash	922,814,100	ı	ı	ı	ı	922,814,100
Balance with other banks and financial institutions	6,014,519,461	8,038,962	3000,000,000	ı		9,022,558,423
Money at call on short notice	2,000,000,000	'	I	1	'	2,000,000,000
Investments	2,701,499,317		724,990,000	9,187,530,723		12,614,020,040
Loans and advances	9,975,593,001	8,497,438,957	22,420,465,282	6,553,814,193	4,762,845,420	52,210,156,853
Fixed assets including premises, furniture and fixtures			ı	1,620,396	1,421,790,158	1,423,410,554
Other assets	1,048,569,219	253,102,915	637,155,825	1,673,247,727	ı	3,612,075,686
Non-banking assets	I		ı		ı	
Total Assets (A)	22,662,995,098	8,758,580,834	26,782,611,107	17,416,213,039	6,184,635,578	81,805,035,656
Liabilities						
Borrowings from Bangladesh Bank,						
other banks, financial institutions and agents	ı	'	3,000,000,000	545,254,611		3,545,254,611
Deposits and other accounts	21,472,966,541	7,575,651,839	22,849,855,865	12,184,955,916	3,046,087,638	67,129,517,799
Provision and other liabilities	88,337,134	22,582,841	207,836,299	3,239,665,549	423,490,000	3,981,911,823
Total Liabilities (B)	21,561,303,675	7,598,234,680	26,057,692,164	15,969,876,076	3,469,577,638	74,656,684,233
Net Liquidity Excess/(Shortage) (C=A-B)	1,101,691,423	1,160,346,154	724,918,943	1,446,336,963	2,715,057,940	7,148,351,423
These	These Financial Statement should be read in conjunction with the annexed notes.	t should be read ir	conjunction with	the annexed notes.	·	
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Managing Director

Director

Director

Chairman

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Amount in Taka

# The Premier Bank Limited

#### Balance Sheet as at 31 December 2012

		A.	A 1
	Notoc	At 2012	At 2011
PROPERTY AND ASSETS	<u>Notes</u>	2012	2011
FROFERIT AND ASSETS			
Cash	3	5,222,148,466	5,145,095,242
In hand (including foreign currencies)	3.1	922,717,528	627,498,961
Balance with Bangladesh Bank and its agent bank(s)	3.2	4,299,430,938	4,517,596,281
(including foreign currencies)			
Balance with other banks and financial institutions	4	4,651,127,602	3,885,679,875
In Bangladesh	4.2	3,055,815,837	2,913,035,543
Outside Bangladesh	4.3	1,595,311,765	972,644,332
Money at call on short notice	5	2,000,000,000	572,044,552
Money at can on short notice			
Investments	6	12,284,000,040	11,638,596,315
Government securities	6.1	8,502,471,382	9,239,800,455
Others	6.2	3,781,528,658	2,398,795,860
Loans, advances, and lease/ investments	7	52,537,037,637	50,101,109,748
Loans, cash credits, overdrafts, etc	7.2	47,923,622,764	46,245,149,953
Bills purchased and discounted	7.9	4,613,414,873	3,855,959,795
Fixed assets including premises, furniture and fixtures	8	1,416,166,707	1,216,308,396
Other assets	9	3,625,765,928	2,793,711,428
Non-banking assets		-	-
Total Assets		81,736,246,380	74,780,501,004
LIABILITIES AND CAPITAL			
Liabilities	4.0		
Borrowings from other banks, financial institutions and agents	10	3,545,254,611	2,679,204,094
Deposits and other accounts	11	67,058,554,073	60,628,337,429
Savings bank/ Mudaraba Saving deposits		3,471,352,994	2,930,981,267
Fixed deposits/Mudaraba term deposits		45,130,397,497	42,859,724,463
Current deposits and other accounts		17,488,208,948	14,028,883,543
Bills payable		968,594,634	808,748,156
Other liabilities	12	3,971,007,890	4,849,273,597
Total Liabilities		74,574,816,574	68,156,815,120
Capital/ Shareholders' Equity			
Paid-up capital	13	4,658,705,532	3,818,611,102
Statutory reserve	14	1,964,895,747	1,800,273,471
Other reserve	15	57,425,385	186,054,760
Retained earnings	16	480,403,142	818,746,551
Total Shareholders' Equity		7,161,429,806	6,623,685,884
Total Liabilities and Shareholders' Equity		81,736,246,380	74,780,501,004

Amount in Taka

## **The Premier Bank Limited** Balance Sheet as at 31 December 2012

		At	At
	Notes	2012	2011
Off-Balance Sheet Items			
Contingent Liabilities		12,793,883,028	24,164,426,127
Acceptances and endorsements		5,283,280,037	11,140,822,664
Letters of guarantee	17.1	3,490,821,337	5,280,229,073
Irrevocable letters of credit		4,019,781,654	7,380,058,009
Bills for collection		-	363,316,381
Other contingent liabilities	17.2		_
Other commitments	18	-	4,049,255,000
Documentary credits and short term trade-related transactions		-	-
Forward assets purchase and forward deposits placement		-	-
Spot and forward foreign exchange contracts		-	4,049,255,000
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other com	mitments		_
Total Off-Balance Sheet Items		12,793,883,028	28,213,681,127
		,,,	

These Financial Statement should be read in conjunction with the annexed notes.

Director

Director Director

Managing Director

Chairman

Director

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See annexed auditors' report to the shareholders of date

Howladar Turne & , Chartered Accountants

Dated : Dhaka April 09, 2013

#### Profit and Loss Statement for the year ended 31 December 2012

· · · · · · · · · · · · · · · · · · ·		Amount	t in Taka
	Notes	2012	2011
OPERATING INCOME			
Interest income/profit on islamic investments	20	8,293,182,522	7,222,843,470
Interest/profit paid on deposits, borrowings, etc	21	(6,603,584,962)	(5,540,047,409)
Net interest income/ net profit on investments		1,689,597,560	1,682,796,061
Investment income	22	866,234,356	881,538,702
Commission, exchange and brokerage	23	636,077,680	859,376,503
Other operating income	24	582,507,966	766,185,356
		2,084,820,002	2,507,100,561
Total Operating Income (A)		3,774,417,562	4,189,896,622
OPERATING EXPENSES			
Salary and allowances	25	899,512,964	685,119,497
Rent, taxes, insurance, electricity, etc	26	810,584,550	582,094,613
Legal expenses	27	2,517,622	9,440,878
Postage, stamps, telecommunication, etc	28	38,617,615	31,000,779
Stationery, printing, advertisement, etc	29	182,266,199	200,015,325
Chief executive's salary and fees	30	7,259,168	3,921,830
Directors' fees	31	1,930,000	3,125,000
Auditors' fee		214,225	251,950
Charges on loan losses		570,788,014	868,471,588
Charges on losses for portfolio		80,257,202	695,860,111
Depreciation and repair of Bank's assets	32	140,566,653	109,341,965
Other expenses	33	216,791,968	256,160,465
Total Operating Expenses (B)		2,951,306,180	3,444,804,001
Profit before provision ( $C = A-B$ )		823,111,382	745,092,621
Provision for loans and advances	34	(32,443,429)	24,855,873
Provision for off-balance sheet items	12.3	(64,261,170)	(52,591,882)
Provision for investment in shares		-	-
Other provisions	12.4.1,2	-	(1,575,472)
Total provision (D)		(96,704,599)	(29,311,481)
Profit before taxation (C-D)		919,815,981	774,404,102
Provision for taxation	12.5	200 524 024	240.040.000
Current tax		308,534,034	310,810,009
Deferred tax		2,957,250	2,405,370
Profit after taxation		<u>311,491,284</u> 608,324,697	<u>313,215,379</u> 461,188,723
Retained earnings brought forward			1,410,217,142
Profit available for appropriation		876,795,151 <b>1,485,119,848</b>	1,871,405,865
Appropriations		1,403,113,040	1,07 1,403,003
Statutory reserve	14	164,622,276	149,018,524
Issue of bonus shares	16	840,094,430	903,640,790
		1,004,716,706	1,052,659,314
Retained earnings carried forward		480,403,142	818,746,551
Earnings per share (EPS)	35	1.31	1.21

These Financial Statement should be read in conjunction with the annexed notes.

JBS All B 2001 Director Chairman Director Director Director **Managing Director** 

See annexed auditors' report to the shareholders of date

Dated : Dhaka April 09, 2013

Hoenladar Tumbe fly **Chartered Accountants** 

#### Cash Flow Statement for the year ended 31 December 2012

			nt in Taka
	<u>Notes</u>	2012	2011
Cash Flows from Operating Activities			
Interest received in cash		9,186,350,307	8,104,382,172
Interest paid	21	(6,603,584,962)	(5,540,047,409)
Fee and commission received in cash	19	292,248,432	370,137,066
Payments to employees		(901,772,132)	(669,041,327)
Payments to suppliers		(210,486,777)	(227,244,028)
Income taxes paid	12.5	(262,160,821)	(806,562,316)
Receipts from other operating activities		640,556,566	766,185,356
Payments for other operating activities		(1,084,008,516)	(897,013,355)
Cash generated from operating activities before changes in			
operating assets and liabilities		1,057,142,097	1,100,796,159
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(3,006,715,903)	(4,569,007,258)
Other assets		(832,054,500)	(1,006,769,768)
Deposits from other banks		866,050,517	290,328,069
Deposits from customers		6,430,216,644	5,936,871,046
Other liabilities		(849,472,464)	483,982,175
		2,608,024,294	1,135,404,264
Net cash from operating activities (A)		3,665,166,391	2,236,200,423
Cash Flows from Investing Activities			
Purchase/sale of trading securities, shares, bonds, etc		(1,462,990,000)	(188,852,550)
Purchase of property, plant and equipment		(312,204,386)	(603,973,894)
Net cash used in investing activities (B)		(1,775,194,386)	(792,826,444)
Cash Flows from Financing Activities			
Dividend paid		-	-
Issue of shares		-	
Net cash from financing activities (C)			-
Net increase in cash (A + B + C)		1,889,972,005	1,443,373,979
Effects of exchange rate changes on cash and cash equivalent	ts 23	343,829,248	489,239,437
Cash and cash equivalents at beginning of the year		18,126,443,701	16,193,830,285
Cash and cash equivalents at end of the year (*)		20,360,244,954	18,126,443,701
(*) Cash and cash equivalents at the end of the year:	2.4	000 717 500	(27 400 0(1
Cash in hand (including foreign curriencies)	3.1	922,717,528	627,498,961
Investments in government securities Money at call on short notice	5	8,486,968,886 2,000,000,000	9,095,668,584
Balance with Bangladesh Bank and its agent bank(s)	5 3.2	4,299,430,938	- 4,517,596,281
Balance with other banks and financial institutions	5.2 4	4,299,430,938	3,885,679,875
Durance with other barries and infancial institutions	т	20,360,244,954	18,126,443,701
Net operating cash flow per share (NOCFPS)	35.1	20,500,211,551	2.88

These Financial Statement should be read in conjunction with the annexed notes.

Som

Chairman

Dated : Dhaka April 09, 2013 Director

Director Dir

Director

eed Managing Director

Director

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See annexed auditors' report to the shareholders of date

Howladar Yunus & Co. Chartered Accountants

# Statement of Changes in Equity for the year ended 31 December 2012 The Premier Bank Limited

Amount in Taka

Particulars	Paid-up capital	Statutory reserve	Other reserve	<b>Retained</b> earnings	Total
Balance at 01 January 2012 Effects of changes in accounting policy	3,818,611,102 -	1,800,273,471	186,054,760 -	876,795,151 -	6,681,734,484 -
Restated balance	3,818,611,102	1,800,273,471	186,054,760	876,795,151	6,681,734,484
Surplus/deficit on account of revaluation of properties	I	I		I	ı
Surplus/deficit on account of revaluation of investments	ı	I	(128,629,375)	I	(128,629,375)
Currency translation differences	ı	1	1		ı
"Net gains and losses not recognised in the Profit and Loss Statement"		1	1	1	I
Net profit for the year		1	1	608,324,697	608,324,697
Payment of cash dividend	ı	1	1		ı
Transfer to statutory reserve	ı	164,622,276	ı	(164,622,276)	ı
Transfer to general and other reserve	ı	1	1	ı	ı
Issue of bonus shares for 2010	840,094,430	ı	ı	(840,094,430)	I
New issue of shares through RPO		1			ı
Balance at 31 December 2012	4,658,705,532	1,964,895,747	57,425,385	480,403,142	7,161,429,806
Balance at 31 December 2011	3,818,611,102	1,800,273,471	186,054,760	818,746,551	6,623,685,884

These Financial Statement should be read in conjunction with the annexed notes.

Chairman

Director 

Director

Director

-mynt Director

Managing Director (Adver

Annual Report 2012 134

					Howl	Howladar Yunus & Co. Chartered Accountants
I he Premier Bank Limited Statement of Liquidity Analysis (Maturity of Assets and Liabilities) at 31 December 2012	and Liabilities) at	31 December 201	12			Amount in Taka
Particulars	Up to 1 month's maturity	1-3 month's maturity	3-12 month's maturity	1-5 month's maturity	More than 5 years' maturity	Total
Assets						
Cash	922,717,528	ı	I	I	I	922,717,528
Balance with other banks and financial institutions	5,942,519,578	8,038,962	3,000,000,000		I	8,950,558,540
Money at call on short notice	2,000,000,000	ı	,	I	I	2,000,000,000
Investments	2,701,499.317		724,980,000	8,857,520,723	I	12,284,000,040
Loans and advances	10,302,473,785	8,497,438,957	22,420,465,282	6,553,814,193	4,762,845,420	52,537,037,637
Fixed assets including premises, furniture and fixtures	ı		I	1,620,396	1,414,546,311	1,416,166,707
Other assets	1,048,569,219	253,102,915	650,846,067	1,673,247,727	I	3,625,765,928
Non-banking assets		ı	ı			
Total Assets (A)	22,917,779,427	8,758,580,834	26,796,291,349	17,086,203,039	6,177,391,731	81,736,246,380
Liabilities						
Borrowings from Bangladesh Bank,						
other banks, financial institutions and agents	I	I	3,000,000,000	545,254,611	I	3,545,254,611
Deposits and other accounts	21,472,966,541	7,575,651,839	22,778,892,139	12,184,955,916	3,046,087,638	67,058,554,073
Provision and other liabilities	88,337,134	22,582,841	196,932,366	3,239,665,549	423,490,000	3,971,007,890
Total Liabilities (B)	21.561.303.675	7.598.234.680	25.975.824.505	15.969.876.076	3.469.577.638	74.574.816.574
Net Liquidity Excess/(Shortage) (C=A-B)	1,356,475,752	1,160,346,154	820,466,844	1,116,326,963	2,707,814,093	7,161,429,806
F	-	-	-	-		
Ines	hese Financial Statement should be read in conjunction with the annexed notes.	it should be read i	n conjunction with	the annexed note:	s.	

Chairman







Financials 2012











Managing Director

#### Notes to Financial Statements for the year ended 31 December 2011

#### **1.00 STATUS OF THE BANK**

#### 1.01 The Bank and its activities

The Premier Bank Ltd.(the "Bank") is a scheduled commercial bank in the private sector established under the Bank Companies Act 1991 and incorporated in Bangladesh as a public limited company to carry out banking business in Bangladesh.

The Bank has 64 branches and 12 SME Service Centres/ Agricultural Branches with no overseas branch as on 31 December, 2012. Another 3 branches opened till 31st March '2013.Out of the 64 branches 2 branches are designated Islamic Banking branch complying with the rules of Islamic Shariah the modus operandi of which is substantially different from other branches run on commercial conventional basis.The Premier Bank Ltd. offers service for all commercial banking needs of the customers which includes deposit banking, loans and advances, export import financing, inland and international remittance facility etc. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company.

In addition to the above The Bank has 02(Two) subsidiary company:

- 1) Premier Bank Securities Ltd.
- 2) Premier Money Transfer Company Limited

#### 2.00 Significant Accounting Policies

#### 2.01 Basis of preparation of the financial statements

The financial statements, namely, Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity, Statement of Liquidity Analysis and relevant notes and disclosures thereto of the Bank are prepared under historical cost convention except investments and in accordance with First Schedule of Bank Companies Act 1991, relevant Bangladesh Bank circulars, International Accounting Standards (IASs), adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), named as Bangladesh Accounting Standards (BASs), the Companies Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Rules 1987 and other laws and rules applicable thereto. Wherever appropriate, such principles are explained in succeeding notes.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

#### 2.02 Islamic banking

The Bank operates Islamic banking in 2 branches designated for the purpose in complying with the rules of Islamic Shariah. The Financial Statements of the branches have also been prepared as per Bank Companies Act 1991, Bangladesh Accounting Standards. A separate balance sheet and profit and loss account are shown in Annexure-A and figures under different heads appearing in the annexure have been converted into relevant heads of accounts under conventional banking for consolidation and incorporation.

#### 2.03 Consolidation

Statements of Affairs and Income and Expenditure Statements of all branches including Islamic banking branches,Offshore Banking Units,Premier Bank Securities Limited, Premier Money Transfer Company Limited and Head Office are consolidated together to prepare the financial statements of the Bank.

#### 2.04 Foreign currency transactions

- (a) Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions.
- (b) Assets and liabilities in foreign currencies as at 31 December 2012 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except "balances with other banks and financial institution" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD (R) 717/2004-959 dated 21 November 2004.
- (c) Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting /crediting exchange gain or loss account in the Profit and Loss Statement.

#### 2.5 Fixed assets and depreciation

- (a) Fixed assets have been shown at cost less accumulated depreciation.
- (b) Depreciation is charged at the following rates on reducing balance method on all fixed assets other than vehicles, which are depreciated on straight-line method.

Asset categories	"Rate of depreciation (%)"	Method of depreciation
Furniture and fixtures	10	Reducing balance
Equipment and computers	20	Reducing balance
Vehicles	20	Straight-line
Land & Building	2.50	Reducing balance

(c) For additions during the year, depreciation is charged for the remaining days of the year and in case of disposal, depreciation is charged up to the date of disposal.

#### 2.06 Investment

Value of investment has been enumerateted as follows:

Items	Applicable accounting value
Government Treasury Bills	At present value
Bangladesh Government Treasury Bonds	At present value
Prize Bonds	At cost price
Unquoted Shares	At cost
Quoted Shares	At market price

#### 2.07 Advances and provisions

Advances are stated at gross value.

Provision for loans and advances is made on the basis of periodical review by the management and of instruction contained Bangladesh Bank BRPD Circular no.14 dated September 23, 2012. The classification rates are given below:

#### Particulars

General provision on:	Rate
Unclassified loans and advances	1%
Small and Medium Enterprise	0.25%
Consumer finance for house building loan and loans for professional setup	2%
Brokarage House, merchant Bank and stock dealers etc	2%
Other consumer finance	5%
Special mention account	5%
Specific provision on:	
Substandard loans and advances	20%
Doubtful loans and advances	50%
Bad/loss loans and advances	100%

Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery, (ii) and against which legal cases are filed and classified as bad loss as per guidelines of Bangladesh Bank. These write off however will not undermine/affect the claim amount from borrower. Detailed memorandum records for all such write off accounts are maintained and followed up.

#### 2.08 Revenue and expenditures

The accounting policies adopted for the recognition of revenue as prescribed by BAS 18- are as follows:

- (a) Interest is calculated on daily product basis on unclassified loans and advances but charged on quarterly basis.
- (b) Interest is charged on classified loans and advances as per BCD and BRPD circulars of Bangladesh Bank and such interests were not taken into income.
- (c) Commission and discounts on bills purchased and discounted are recognised at the time of realisation.
- (d) Investment income is recognized on accrual basis.

#### 2.09 Cash Flow Statement

Cash Flow Statement is prepared principally in accordance with BAS 7 "Cash Flow Statement"; under direct method as prescribed by BRPD circular no. 14 dated 25 June 2003.

#### 2.10 Retirement benefits

The Bank has a Provident Fund administered by a separate board of trustee, benefits of which are given to the eligible employees of the Bank in accordance with the rules of the Provident Fund.

Provision for gratuity has been made for the year 2012 for past services of the employees which would be payable at the time of their retirement/time of eligibility.

#### 2.11 Reconciliation of books of account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) and inter-branch transactions are reconciled and no material difference was found which may affect the financial statements significantly. There exist no unreconciled revenue items in Nostro accounts as at 31 December 2012.

#### 2.12 Reporting period

These financial statements cover one year from 01 January 2012 to 31 December 2012.

#### 2.13 Off-Balance Sheet items

Under general banking transactions, liabilities against acceptances, endorsements and other obligations and bills against which acceptances have been given and claims exist there against, have been shown as off-balance sheet items. These are disclosed as per Bangladesh Bank's guidelines.

#### 2.14 Related party transactions

a) As on the Balance Sheet date, the Bank had the following transactions with the related parties in respect of banking business like, loans and advances, guarantees and commitments.

Figure in lac

			0
Name of Directors interested in the Company / Firm	Name of the Company / Firm	Name of Advance	Value/ Taka
Dr.H.B.M Iqbal	Beacon Travels International Ltd	BG(Local)	34.90
Dr.H.B.M lqbal Mr. Moin lqbal	Air Concern International Ltd.	BG(Foreign)	43.60
Mr. B.H. Haroon, MP	Rajbithi Travels Ltd.	BG	22.58

a) The Bank entered into transactions with the following related party, other than banking business for Purchase and repairs of computers, Money counting machine etc.

Name of service- provider	Particulars of service	Value/ Taka
National System Solutions (Pvt) Ltd.	Mr. Kutubuddin Ahmed, Shareholder and Mr. Abdus Salam Murshedy, Director of the Bank are the Chairman and Managing Director of National System Solutions (Pvt) Ltd respectively.	34.64

Directors interest in different entities are given in Annexure D

#### 2.15 Core risk management

Bangladesh Bank has identified 6 (six) core risks for management of the banks and has provided the necessary guidelines for their implementation. The risks are:

Credit risk Foreign exchange risk Asset liability/ balance sheet risks Money laundering risk Internal control and compliance risk ICT Risk

The prime objective of the risk management is that the Bank takes well calculated business risk to safeguard its capital, financial resources and growth of sustainable profitability. In this context, the Bank has formed a management committee (MANCOM) to overview proper implementation and regular monitoring of those critical areas.

#### 2.15.1 Credit risk

Credit risk is one of the major risks faced by the Bank. This can be described as potential loss arising from the failure of a counter party to perform with agreed terms with the Bank. To assess and to mitigate the credit risk, the management has implemented Credit Risk Management (CRM) Manual, which is considered an important tool for retaining the quality and performance of the assets. Accordingly, Bank's credit risk management functions have been designed to address all these issues including risk that arises from global changes in banking, finance and related issues.

The Bank has segregated duties of the officers/ executives engaged in the credit related activities. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the Credit Department. These are

- (i) Credit Risk Management Unit,
- (ii) Credit Administration Unit, and
- (iii) Credit Monitoring and Recovery Unit.

#### 2.15.2 Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings arising due to unfavorable change in exchange rates. Treasury front office conducts deal for commercial purpose and back office of treasury keeps record and passes entries in books of account. The main risks in treasury and foreign exchange business are exchange rates risk, fund management and liquidity risk. As per Bangladesh Bank guidelines, the Treasury Department was operationally and physically divided into front office and back office to mitigate the risk. Separate telephone and fax lines were installed in the dealing room to meet Bangladesh Bank guidelines.

#### 2.15.3 Asset liability/ balance sheet risks

The Bank has an Asset Liability Committee (ALCO) which is responsible for managing short-term and long-term liquidity to ensure that the Bank has adequate liquidity at all times at the most appropriate funding cost. ALCO reviews liquidity requirements of the Bank, maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan. The Asset Liability Committee also monitors Balance Sheet risk. The Balance Sheet risk is defined as potential changes in earnings due to changes in rate of interest and exchange rates which are not of trading nature and the Bank is completely maintaining the risks.

#### 2.15.4 Money laundering risk

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risk, the Bank has designated Chief Compliance Officer at Head Office and Compliance Officers at Branches, who independently review the transactions of the accounts to verify suspicious transactions. Manuals for Prevention of Money Laundering have been established and transaction profile has been introduced. Training has been continuously given to all the categories of Executives and Officers for developing awareness and skill for identifying suspicious transactions and other activities relating to money laundering.

#### 2.15.5 Internal control and compliance risk

Operational loss may arise from errors and fraud due to lack of internal control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodical and special audit of the branches and departments at Head Office for review of the operation and compliance of the statutory requirements. The Audit Committee of the Board subsequently reviews the report of the Internal Control and Compliance Division and guides the Division effectively to monitor the risks.

#### 2.15.6 ICT risk

ICT risk management is embedded in Internal Control and Compliance Policy of the Bank which are widely used for managing the union between business processes and information systems effectively. However, this control emphasizes both business and technological regulation and monitoring which in turn support business requirement and governance and at the same time ensure that ICT risks are properly identified and managed. According to Central Bank ICT Guidelines, the Bank ICT Policies have been prepared and reviewed on regular basis based on which operating procedures for all ICT functions are carried out. Besides, in order to assure the appropriate usage of resources and information, the Bank IT Audit Policy ensures that the IT systems are properly protected and is free from unauthorized access illegal tempering and malicious actions and all these actions are continuously monitored and supervised by Bank's IT auditor.

#### 2.16 Report on the activities of the Board Audit Committee, 2012

#### 1. Constitution of the Board Audit Committee:

The Board of Director in its 95th Meeting held on 15th April, 2012 re-constituted the Board Audit Committee in line with the Bangladesh Bank BRPD Circular No. # 12 dated December 23, 2002 and BRPD Circular letter No-08 dated June 19, 2011. The Board Audit Committee comprises of the following members:

SI. No.	Name	Status with the committee	Status with the Bank	Educational qualification
1	Mr. Moin Iqbal	Chairman	Director	Business Graduation
2	Mr. Abdus Salam Murshedy	Member	Director	Graduation
3	Mr. Shah Md. Nahyan Haroon	Member	Director	Bar-at-Law (running)
4	Mr. Mohammad Imran Iqbal	Member	Director	Business Graduation-BBM (Hons.)
5	Mr. Kazi Abdul Mazid	Member	Independent Director	Bachelor of Commerce

The profiles of the members of the Committee are given in the Annual Report:

The Company Secretary of the Bank is the Secretary to the Board Audit Committee. A separate Board Audit Cell has been formed to assist the Board Audit Committee to effectively perform its duty. Senior Management and Executives of the Bank attend the Meetings on invitation as and when required.

#### 2. Objectives of the Board Audit Committee:

The Audit Committee is formed to assist the Board of Directors of the Bank in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plan set by the Board for effective functioning of the Bank.

#### 3. Terms of Reference:

The Audit Committee of Premier Bank Limited strictly observes the Terms of Reference of the Committee issued by Bangladesh Bank through BRPD circular no. 12 dated December 23, 2002 and SEC Notification SEC/CMRRCD/2006-158/Admin/02-08 dated 20 February, 2006. As per the terms of the said Circulars, the Audit Committee reviews the Internal Control Systems of the Bank Internal Audit Reports, External Audit Reports, Bangladesh Bank Inspection Reports and provides necessary guidance to the Management.

#### 4. Meetings:

The Audit Committee of the Board conducted 25 (twenty five) Meetings during the financial year ended 2012. Minutes of the Audit Committee Meetings have been reported to the Board of Directors.

#### 4. Roles & Responsibilities of Audit Committee:

The Audit Committee of Board performed the following roles and responsibilities:

#### A. Internal Control Systems:

- i. The Audit Committee regularly reviewed the Internal Control System of the Bank. The Committee also monitored the observations of Internal Control practices with a regular interval.
- ii. It reviewed the compliances of the laws and regulation framed by the regulatory authorities and internal ii. It reviewed the compliances of the laws and regulation framed by the regulatory authorities and internal regulations approved by the Board. It also reviewed management information system including computerization such as the Core Banking Solution, Internet Banking, SMS Banking, Disaster Recovery and Business Continuity Planning.
- iii. The Committee reviewed the implementation of Internal Control strategies recommended by the Internal and External Auditors.
- iv. The Committee reviewed Existing Risk Management procedure for ensuring effective internal checking and control.
- v. The Committee reviewed corrective measures against fraud-forgery, deficiencies in internal control system in the Bank.
- vi. The Committee reviewed and recommended Audit Plan of the Bank. The Committee reviewed the organization structure and efficiencies of the internal audit functions.

#### B. Ensuring Regulatory Compliance:

The Audit Committee reviewed and examined the Financial Statements of the Bank to see whether all the disclosures and information have been incorporated in the Financial Statements correctly and whether the Bank followed International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) by the Institute of Chartered Accountants of Bangladesh, Banking Companies Act 1991, the Companies Act 1994, the Securities & Exchange Commission Rules and other Laws and Rules applicable in Bangladesh.

#### C. Selection of Accounting Policies:

The issues related of selection of appropriate Accounting Policies in line with International Accounting Standards and other Regulator Guidelines are discussed in the Meeting of Audit Committee. The Accounting Policies are annually reviewed at the time of adoption of Financial Statements.

#### D. Internal Audit and Inspection Reports:

The Audit Committee reviewed Internal Audit and Inspection reports of the Branches and Divisions of Head Office. After reviewing, the Committee advised the Management to rectify the deficiencies and advised not to repeat any deficiency and to improve operational performance and compliance.

#### E. Bangladesh Bank Inspection Reports:

The Audit Committee reviewed Bangladesh Bank Inspection Reports on our Bank and observed various deficiencies and recommendations mentioned in the Bangladesh Bank Inspection Reports. The Committee discussed these deficiencies in detail and advised the Management of the Bank to rectify all the deficiencies as mentioned in the Bangladesh Bank Inspection Reports and submit compliance to Bangladesh Bank in time and to implement the suggestions and recommendations of Bangladesh Bank Inspections teams.

#### 2.17 Taxation

Income tax expenses represent the sum of the tax currently payable and deferred tax.

#### 2.17.1 Current tax

Provision for current income tax for the year has been made @ 42.50% as prescribed in the Finance Act 2012 on the accounting Profit made after considering some of the taxable add back income and disallowance of expenditure.

#### 2.17.2 Deferred taxation

The Bank has adopted deferred tax accounting policy as per Bangladesh Accounting Standard (BAS) 12. Accordingly deferred tax liability/asset is accounted for all temporary timing differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the prevailing tax rate as per Finance Act 2012.

#### Notes to financial statements for the year ended 31 December 2012

		Amour	nt in Taka
		2012	2011
3.	Cash	5,222,148,466	5,145,095,242
3.1	Cash in hand		
	In local currency	884,639,353	611,008,348
	In foreign currency	38,078,175	16,490,613
		922,717,528	627,498,961
3.1(a)	Consolidated Cash in hand In Bangladesh		
	Premier Bank Limited (note 3.1)	922,717,528	627,498,961
	Premier Bank Securites Limited	96,572	154,057
		922,814,100	627,653,018
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	3,854,286,242	3,860,503,010
	In foreign currency	415,598,057	579,671,659
		4,269,884,299	4,440,174,669
	Sonali Bank (as an agent bank of Bangladesh Bank)-local currency	29,546,639	77,421,612
	, , , , , , , , , , , , , , , , , , , ,	4,299,430,938	4,517,596,281
		5,222,148,466	5,145,095,242
3(a)	Consolidated Cash and Balance With Bangladesh Bank and its agen	t Bank(s)	

in Bangiadesh		
Premier Bank Limited	5,222,148,466	5,145,095,242
Premier Bank Securites Limited	96,572	154,057
	5,222,245,038	5,145,249,299

#### 3.3 Statutory deposits

#### 3.3.1 Cash reserve requirement/ratio (CRR) and statutory liquidity ratio (SLR)

Cash reserve requirement/ratio and statutory reserve ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 and MPD Circular No.05 dated December 01, 2010

The statutory cash reserve ratio required on the Bank's time and demand liabilities at the rate of 6% has been calculated and maintained with Bangladesh Bank in current account (Taka) and 19% for conventional Banking & 11.50% for Islamic Banking statutory liquidity ratio, including CRR, on the same liabilities is also maintained in the form of treasury bills and bonds including balance with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below :

#### For Conventional Banking

(a)	Cash reserve requirement/ratio		
	Required reserve	3,458,391,120	3,202,879,000
	Actual reserve maintained	3,634,600,000	3,516,259,000
	Surplus / (Deficit)	176,208,880	313,380,000
(b)	Statutory liquid reserve		
	Required reserve	10,951,571,880	10,142,449,000
	Actual reserve maintained	12,601,298,850	15,202,722,760
	Surplus / (Deficit)	1,649,726,970	5,060,273,760
	Total required reserve (including CRR)	10,951,571,880	10,142,449,000
	Total actual reserve held with Bangladesh Bank	12,601,298,850	15,202,722,760
	Total surplus	1,649,726,970	5,060,273,760

#### Notes to financial statements for the year ended 31 December 2012

	,	Amour	nt in Taka
		2012	2011
	For Islamic Banking		
	(a) Cash reserve requirement/ratio		
	Required reserve	214,913,330	271,520,430
	Actual reserve maintained	232,100,000	292,271,000
	Surplus / (Deficit)	17,186,670	20,750,570
	(b) Statutory liquid reserve		
	Required reserve	411,917,210	520,414,160
	Actual reserve maintained	491,910,000	560,111,000
	Surplus / (Deficit)	79,992,790	39,696,840
	Total required reserve	411,917,210	520,414,160
	Total actual reserve held with Bangladesh Bank	491,910,000	560,111,000
	Total surplus	79,992,790	39,696,840
4.	Balance with other banks and financial institutions		
	In Bangladesh (note 4.2)	3,055,815,837	2,913,035,543
	Outside Bangladesh (note 4.3)	1,595,311,765	972,644,332
		4,651,127,602	3,885,679,875
4(a)	Consolidated balance with other banks and financial institutions		
	In Bangladesh		
	Premier Bank Limited (note 4.2)	3,055,815,837	2,913,035,543
	Premier Bank Securites Limited	71,330,535 <b>3,127,146,372</b>	149,896,954 <b>3,062,932,497</b>
	Outside Bangladesh	3,127,140,372	3,002,932,497
	Premier Bank Limited (note 4.3)	1,595,311,765	972,644,332
	Premier Bank Securites Limited	-	-
	Premier Money Transfer Company Ltd.	669,348	4,100,600
		1,595,981,113	976,744,932
		4 700 407 405	4 000 (77 400
		4,723,127,485	4,039,677,429
4.1	Account type-wise		
	Current account	47,776,875	57,710,440
	STD account	8,038,962	5,325,103
	Fixed deposit	3,000,000,000	2,850,000,000
		3,055,815,837	2,913,035,543
4.2	In Bangladesh		
	AB Bank Limited	200,000,000	1,400,000,000
	Southeast Bank Limited	400,000,000	400,000,000
	Bank Asia Limited	400,000,000	200,000,000
	Shahjalal Islami Bank Limited	1,150,000,000	200,000,000
	First Security Islamic Bank Limited	850,000,000	450,000,000
	Standard Bank Limited	-	400
	United Commercial Bank Limited	669,990 11 275 657	537,000
	Sonali Bank Limited Islami Bank Bangladesh Limited	11,275,657 35,817	11,982,184 35,817
	Standard Chartered Bank	39,510,396	11,517,496
	National Bank Limited	2,656,866	143,785
	Mercantile Bank Limited	-	137
	The City Bank Limited	150,595	150,595
	Prime Finance & Investment Ltd.	-	200,000,000
	Off-shore Banking Unit	1,516,516	38,668,129
		3,055,815,837	2,913,035,543

Howladar Yunus & Co. Chartered Accountants

> The Premier Bank Limited Notes to financial statements for the year ended 31 December 2012

# 4.3 Outside Bangladesh

				2012			2011	
Name of the Bank	Location	Currency	Amount in foreign currency	Conversion rate	Amount in Taka	Amount in foreign currency	Conversion rate	Amount in Taka
Mashreq Bank PSC	New York	USD	347,830.89	80.3750	27,956,908	512,144.01	81.7250	41,854,969
Standard Chartered Bank	New York	USD	1,100,727.24	80.3750	88,470,952	1,538,606.93	81.7250	125,742,651
Commerz Bank AG	Frankfurt	USD	96,767.12	80.3750	7,777,657	90,243.53	81.7250	7,375,152
UBAF	Singapure	USD	17,107.01	80.3750	1,374,976	194,355.76	81.7250	15,883,724
HSBC	New York	USD	127,572.30	80.3750	10,253,624	1,584,481.70	81.7250	129,491,767
Bank of Ceylon	Colombo	ACUD	37,495.40	80.3750	3,013,693	16,723.71	81.7250	1,366,745
Standard Chartered Bank	Mumbai	ACUD	75,851.78	80.3750	6,096,587	42,767.72	81.7250	3,495,192
United Bank Ltd	Karachi	ACUD	54,716.70	80.3750	4,397,855	52,693.14	81.7250	4,306,347
State Bank of India	Kolkata	ACUD	42,823.81	80.3750	3,441,964	91,209.42	81.7250	7,454,090
ICICI Bank	Mumbai	ACUD	139,090.52	80.3750	11,179,400	109,543.57	81.7250	8,952,448
Himalayan Bank	Nepal	ACUD	3,410.00	80.3750	274,079	3,410.00	81.7250	278,682
Commerz Bank AG	Frankfurt	EURO	82,489.00	106.2439	8,763,953	813.85	105.6909	86,017
Baye-Hypo-und Vereinsbank AG	Muenchen	EURO	870.63	106.2439	92,499	3,646.66	105.6909	385,419
Westpac Banking Corporation	Sydney	AUD	32,957.97	83.3852	2,748,207	70,777.18	82.5300	5,841,241
Mashreqbank psc	London	CBP	46,433.30	129.9705	6,034,959	68,786.54	126.3183	8,688,999
The Bank of Nova Scotia	Toronto	CAD	16,769.45	80.6736	1,352,852	46,798.09	79.8409	3,736,402
Bank of Tokyo Mitsubishi Ltd	Tokyo	JРҮ	1,275,492.00	0.9345	1,191,947	97,672.00	1.0503	102,585
Habib Bank AG Zurich Switzerland	Zurich	CHF	30,886.89	87.9908	2,717,762	9,132.69	86.7109	791,904
Al Rajhi Banking & Investment Corp.	Riyadh	SAR	842,515.91	21.4319	18,056,717	120,450.07	21.7928	2,624,944
National Commercial Bank	Jeddah	SAR	149,384.12	21.4319	3,201,585	83,250.00	21.7928	1,814,251
Mashreq Bank PSC	Mumbai	ACUD	168,434.55	80.3750	13,537,927	230,563.23	81.7250	18,842,780
Total					221,936,103			389,116,309
Off-shore Banking Unit					1,373,375,662			583,528,023
Grand Total					1,595,311,765			972,644,332
# The Premier Bank Limited Notes to financial statements for the year ended 31 December 2012

# 4.3(a) Consolidated Outside Bangladesh

				2012			2011	
Name of the Bank	Location	Currency	Amount in foreign currency	Conversion rate	Amount in Taka	Amount in foreign currency	Conversion rate	Amount in Taka
Mashreq Bank PSC	New York	USD	347,830.89	80.3750	27,956,908	512,144.01	81.7250	41,854,969
Standard Chartered Bank	New York	USD	1,100,727.24	80.3750	88,470,952	1,538,606.93	81.7250	125,742,651
Commerz Bank AG	Frankfurt	USD	96,767.12	80.3750	7,777,657	90,243.53	81.7250	7,375,152
UBAF	Singapure	USD	17,107.01	80.3750	1,374,976	194,355.76	81.7250	15,883,724
HSBC	New York	USD	127,572.30	80.3750	10,253,624	1,584,481.70	81.7250	129,491,767
Bank of Ceylon	Colombo	ACUD	37,495.40	80.3750	3,013,693	16,723.71	81.7250	1,366,745
Standard Chartered Bank	Mumbai	ACUD	75,851.78	80.3750	6,096,587	42,767.72	81.7250	3,495,192
United Bank Ltd	Karachi	ACUD	54,716.70	80.3750	4,397,855	52,693.14	81.7250	4,306,347
State Bank of India	Kolkata	ACUD	42,823.81	80.3750	3,441,964	91,209.42	81.7250	7,454,090
ICICI Bank	Mumbai	ACUD	139,090.52	80.3750	11,179,400	109,543.57	81.7250	8,952,448
Himalayan Bank	Nepal	ACUD	3,410.00	80.3750	274,079	3,410.00	81.7250	278,682
Commerz Bank AG	Frankfurt	EURO	82,489.00	106.2439	8,763,953	813.85	105.6909	86,017
Baye-Hypo-und Vereinsbank AG	Muenchen	EURO	870.63	106.2439	92,499	3,646.66	105.6909	385,419
Westpac Banking Corporation	Sydney	AUD	32,957.97	83.3852	2,748,207	70,777.18	82.5300	5,841,241
Mashreqbank psc	London	GBP	46,433.30	129.9705	6,034,959	68,786.54	126.3183	8,688,999
The Bank of Nova Scotia	Toronto	CAD	16,769.45	80.6736	1,352,852	46,798.09	79.8409	3,736,402
Bank of Tokyo Mitsubishi Ltd	Tokyo	γq	1,275,492.00	0.9345	1,191,947	97,672.00	1.0503	102,585
Habib Bank AG Zurich Switzerland	Zurich	CHF	30,886.89	87.9908	2,717,762	9,132.69	86.7109	791,904
Al Rajhi Banking & Investment Corp.	Riyadh	SAR	842,515.91	21.4319	18,056,717	120,450.07	21.7928	2,624,944
National Commercial Bank	Jeddah	SAR	149,384.12	21.4319	3,201,585	83,250.00	21.7928	1,814,251
Mashreq Bank PSC	Mumbai	ACUD	168,434.55	80.3750	13,537,927	230,563.23	81.7250	18,842,780
Total					221,936,103			389,116,309
Off-shore Banking Unit					1,373,375,662			583,528,023
Premier Money Transfer Company Ltd.					669,348			4,100,600
Grand Total					1,595,981,113			976,744,932

# **The Premier Bank Limited**

		Amour	nt in Taka
		2012	2011
4.4	Maturity grouping of balance with other banks		
	Repayable on demand	1,643,088,640	1,030,354,772
	Not more than 3 months	8,038,962	205,325,103
	More than 3 months but not more than 1 year	3,000,000,000	2,650,000,000
	More than 1 year but not more than 5 years	-	_,000,000,000
	More than 5 years	-	-
		4,651,127,602	3,885,679,875
<b>4.4</b> (a)	Maturity grouping of balance with other banks	1 715 000 500	1 104 252 226
	Repayable on demand	1,715,088,523	1,184,352,326
	Not more than 3 months More than 3 months but not more than 1 year	8,038,962 3,000,000,000	205,325,103
	More than 1 year but not more than 5 years	3,000,000,000	2,650,000,000
	More than 5 years		-
	More than 5 years	4,723,127,485	4,039,677,429
		4,723,127,403	4,033,077,423
5.	Money at call on short notice		
	Uttara Bank Limited	300,000,000	-
	Jamuna Bank Limited	200,000,000	-
	Basic Bank Limited	100,000,000	-
	Eastern Bank Limited	400,000,000	-
	Prime Bank Limited	300,000,000	-
	Mutual Trust Bank Limited	300,000,000	-
	South East Bank Limited	400,000,000	-
		2,000,000,000	
6.	Investments	12,284,000,040	11,638,596,315
6(a)	Consolidated Investment		
$\mathbf{U}(\mathbf{a})$	Premier Bank Limited	12,284,000,040	11,638,596,315
	Premier Bank Securites Limited	330,020,000	330,010,000
		12,614,020,040	11,968,606,315
			, , ,
6.1	Government		
	Treasury bills	659,522,959	-
	Bangladesh Bank bills	-	
	Treasury bonds	7,841,644,123	9,239,121,555
	Repo Prize bonds	1 204 200	678,900
	The bolids	1,304,300 8,502,471,382	9,239,800,455
6.2	Others	0,302,471,302	
0.2	In shares and bonds (quoted and unquoted)		
	Quoted		
	Islamic Investment Bond	225,000,000	250,000,000
	Investment in Shares - Islami	100,635,817	277,305,000
	Investment in shares - General	2,099,559,200	1,353,147,219
		2,425,195,017	1,880,452,219
	Unquoted		
	Central Depository Bangladesh Limited	5,138,890	5,138,890
	SWIFT Membership	1,214,751	1,214,751
	Investment in Premier Bank Securities Ltd.	499,980,000	499,990,000
	STS Holdings Limited (Preference Shares)	-	12,000,000
	Corporate Bond	850,000,000	-
		1,356,333,641	518,343,641
		3,781,528,658	2,398,795,860
		12,284,000,040	11,638,596,315

# **The Premier Bank Limited**

NOLES	to infancial statements for the year chucu 51 December 2012	Amour	nt in Taka
		2012	2011
		2012	
6.2(a)	Consolidated Unquoted Investment		
	Premier Bank Limited (note 6.2)	3,781,528,658	2,398,795,860
	Less:Investment in Premier Bank Securities Ltd.	499,980,000	499,990,000
	Premier Bank Securites Limited	830,000,000	830,000,000
		4,111,548,658	2,728,805,860
6.3	Maturity grouping of Investment		
	Repayable on demand	2,701,499,317	2,131,131,119
	Not more than 3 months	-	-
	More than 3 months but not more than 1 year	724,980,000	749,990,000
	More than 1 year but not more than 5 years	8,857,520,723	8,757,475,196
	More than 5 years	-	-
		12,284,000,040	11,638,596,315
6.3(a)	Consolidated Maturity grouping of Investment		
	Repayable on demand	2,701,499,317	2,131,131,119
	Not more than 3 months	-	-
	More than 3 months but not more than 1 year	724,990,000	749,990,000
	More than 1 year but not more than 5 years	9,187,530,723	9,087,485,196
	More than 5 years	-	-
		12,614,020,040	11,968,606,315
7.	Loans and advances	52,537,037,637	50,101,109,748
		52,557,057,057	50,101,105,740
7.1	Maturity grouping		
	Repayable on demand	10,302,473,785	12,549,981,203
	Not more than 3 months	8,497,438,957	10,916,800,000
	More than 3 months but not more than 1 year	22,420,465,282	20,012,100,000
	More than 1 year but not more than 5 years	6,553,814,193	2,107,428,545
	More than 5 years	4,762,845,420	4,514,800,000
	More than 5 years	52,537,037,637	50,101,109,748
		52,557,057,057	50,101,105,740
7.1(a)	Consolidated Maturity grouping		
7 • I (u)	Repayable on demand	9,975,593,001	12,223,785,782
	Not more than 3 months	8,497,438,957	10,916,800,000
	More than 3 months but not more than 1 year	22,420,465,282	20,012,100,000
	More than 1 year but not more than 5 years	6,553,814,193	2,107,428,545
	More than 5 years	4,762,845,420	4,514,800,000
	More than 5 years	52,210,156,853	49,774,914,327
7.2	Broad category-wise breakup	52,210,150,055	+5,77+,51+,527
	In Bangladesh		
	Loans	28,738,899,266	27,750,762,356
	Overdrafts	12,757,802,868	12,271,354,459
	Cash credits	6,426,920,630	6,223,033,138
	Loans, cash credits, overdrafts	47,923,622,764	46,245,149,953
	Bills purchased and discounted	3,196,490,900	3,130,720,903
	bins purchased and discounted	51,120,113,664	49,375,870,856
	Outside Bangladesh	51,120,115,004	
	Loans	-	
	Overdrafts		
	Cash credits	_	
	Bills purchased and discounted	- 252,512,316	148,757,688
	Off-shore Banking Units	1,164,411,657	
		1,416,923,973	576,481,204
			725,238,892
		52,537,037,637	50,101,109,748

		Amour	nt in Taka
7.2(a)	Broad category-wise breakup	2012	2011
/ • <b>=</b> (u)	In Bangladesh		
	Loans	28,412,018,482	27,424,566,935
	Overdrafts	12,757,802,868	12,271,354,459
	Cash credits	6,426,920,630	6,223,033,138
	Loans, cash credits, overdrafts	47,596,741,980	45,918,954,532
	Bills purchased and discounted	3,196,490,900	3,130,720,903
		50,793,232,880	49,049,675,435
	Outside Bangladesh		
	Loans	-	-
	Overdrafts	-	-
	Cash credits	-	-
	Bills purchased and discounted	252,512,316	148,757,688
	Off-shore Banking Units	1,164,411,657	576,481,204
		1,416,923,973	725,238,892
		52,210,156,853	49,774,914,327
7.3	Industry wise concentration of Loans & Advances including		
	bills purchased & discounted		
	Advances to allied concerns of directors	-	-
	Advances to chief executives and senior executives	50,136,724	32,536,070
	Advances to industries	7 2 6 2 4 5 1 4 1	0.373 500.000
	Textile & RMG industries	7,360,345,141	8,372,500,000
	Cement and ceramic industries	364,549,684	834,441,545
	Food and allied industries Transport and communication industries	3,036,213,482	1,151,200,000 3,901,600,000
	Iron and steel industries	3,507,121,351 1,092,971,016	
	Other industries	2,024,375,369	1,723,500,000 1,288,682,048
	Other mudstnes	17,385,576,043	17,271,923,593
	Advances to other customer groups	17,303,370,043	17,271,525,555
	Commercial lending	8,780,954,807	13,256,124,198
	Export financing	1,708,876,489	3,528,660,594
	House building	1,343,782,163	3,230,000,000
	Consumer credit	977,919,622	603,389,965
	Small and medium enterprises	20,069,337,319	8,403,015,710
	Other staff loan	338,675,597	314,354,223
	Other customers	1,881,778,873	3,461,105,395
		35,101,324,870	32,796,650,085
		52,537,037,637	50,101,109,748
7.3(a)	Consolidated Industry wise concentration of Loans &		
	Advances including bills purchased & discounted		
	Advances to allied concerns of directors Advances to chief executives and senior executives	- 50,136,724	- 32,536,070
	Advances to industries	50,150,724	52,550,070
	Textile & RMG industries	7,360,345,141	8,372,500,000
	Cement and ceramic industries	364,549,684	834,441,545
	Food and allied industries	3,036,213,482	1,151,200,000
	Transport and communication industries	3,507,121,351	3,901,600,000
	Iron and steel industries	1,092,971,016	1,723,500,000
	Other industries	2,024,375,369	1,288,682,048
		17,385,576,043	17,271,923,593
	Advances to other customer groups		
	Commercial lending	8,780,954,807	13,256,124,198
	Export financing	1,708,876,489	3,528,660,594
	House building	1,343,782,163	3,230,000,000
	Consumer credit	977,919,622	603,389,965
	Small and medium enterprises	20,069,337,319	8,403,015,710
	Other staff loan	338,675,597	314,354,223
	Other customers	1,554,898,089	3,134,909,974
		34,774,444,086	32,470,454,664
		52,210,156,853	49,774,914,327

#### Notes to financial statements for the year ended 31 December 2012

	,	Amour	nt in Taka
		2012	2011
7.4	Classification of loans and advances		
	Unclassified		
	Standard	49,361,852,509	47,740,562,247
	Special mention account	362,233,111	228,202,870
		49,724,085,620	47,968,765,117
	Classified Substandard	765 105 700	174 402 404
	Doubtful	765,195,700	174,402,404
	Bad/Loss	224,897,291 1,822,859,026	631,503,336 1,326,438,891
	Dau/LOSS	2,812,952,017	2,132,344,631
		52,537,037,637	50,101,109,748
		52,557,657,657	30,101,103,740
7.4(a)	Consolidated Classification of loans and advances		
()	Unclassified		
	Standard	49,034,971,725	47,414,366,826
	Special mention account	362,233,111	228,202,870
		49,397,204,836	47,642,569,696
	Classified		
	Substandard	765,195,700	174,402,404
	Doubtful	224,897,291	631,503,336
	Bad/Loss	1,822,859,026	1,326,438,891
		2,812,952,017	2,132,344,631
		52,210,156,853	49,774,914,327
7.5	Consolidated loans and advances		
7.5	Premier Bank Limited (note- 7.2)	47,923,622,764	46,245,149,953
	Premier Bank Securities Ltd.	1,607,769,216	1,515,454,579
	Less: Inter Company Transaction	1,934,650,000	1,841,650,000
	1 /	47,596,741,980	45,918,954,532
	Consolidated bills purchased and discounted		
	Premier Bank Limited (note -7.9) Premier Bank Securities Ltd.	4,613,414,873	3,855,959,795
	Henner Dank Securities Liu.	4,613,414,873	3,855,959,795
		52,210,156,853	49,774,914,327
7.6	Particulars of required provision for loans and advances		
7.0	Status		
	Unclassified Base for provision Rate (%)		
	Standard         47,601,592,501         (*) Various	405,373,498	507,698,343
	Special mentioned account 362,233,111 5	18,111,656	10,909,704
	Sub-total (A)	423,485,154	518,608,047

(\*) General provision is kept @ 1% on all unclassified loans and advances, 0.25% on small and medium enterprise financing,2% on loan for professional, 2% on housing loan, 5% on consumer financing and 2% on Brokerage House

#### Status

Classified	<b>Base for provision</b>	Rate(%)		
Substandard	335,746,719	20	67,149,344	6,605,520
Doubtful	67,448,455	50	33,724,228	167,552,284
Bad/loss	587,536,043	100	587,536,043	424,550,833
Sub-total (B)			688,409,615	598,708,637
Required provisio	n for loans and advances	(C = A + B)	1,111,894,769	1,117,316,684
Total provision ma	aintained (note 12.1)		1,111,900,000	1,117,410,000
Excess provision a	at 31 December 2012		5,231	93,316

#### Notes to financial statements for the year ended 31 December 2012

	Amount in Taka			
		2012	2011	
7.7	Particulars of loans and advances			
	<ul> <li>Loans considered good in respect of which the Bank is fully secured;</li> </ul>	40,403,391,132	41,220,417,896	
	<ul> <li>Loans considered good against which the Bank holds no security other than the debtors' personal security;</li> </ul>	7,444,165,882	4,461,551,858	
	<ul> <li>(iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal security of the debtors; [note 7.7 (a)]</li> <li>(iv) Loans adversely classified but provision not maintained there against;</li> </ul>	4,689,480,623	4,419,139,994	
	(iv) Loans adversely classified but provision not maintained there against,	52,537,037,637	50,101,109,748	
	<ul> <li>Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons;</li> </ul>	388,812,321	346,890,293	
	<ul> <li>(vi) Loans due from companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or in case of private companies, as members;</li> </ul>			
	(vii) Maximum total amount of advances, including temporary advances made any time during the year to directors or	-	-	
	managers or officers of the Bank or any of them either separately or jointly with any other persons;	390,812,321	346,890,293	
	(viii) Maximum total amount of advances, including temporary advances granted during the year to companies or firms in which the directors of the Bank are interested as directors,			
	partners or managing agents or, in case of private companies, as members;	-	-	
	(ix) Due from banking companies;	-	-	
	<ul><li>(x) Amount of classified loans on which interest has not been charged</li><li>(a) Increase/decrease of provision (specific)</li></ul>	2,812,952,017	2,132,344,631	
	Amount of loan written off	703,670,400	868,471,588	
	Amount realised against loan previously written off	26,933,429	1,784,127	
	(b) Provision kept against loans classified as bad /loss on the date of preparing Balance Sheet	587,536,043	424,550,833	
	(c) Interest charged in interest suspense account	479,925,831	677,711,145	
	(xi) Written off Ioan			
	Opening balance	1,173,395,874	304,924,286	
	During the period/year ( <b>Details in Annexure-E</b> ) Closing balance	703,670,400 1,877,066,274	868,471,588 1,173,395,874	
		1,077,000,274	1,175,555,074	

#### 7.8 Geographical location-wise (division) distribution of loan, advances, and lease/investments In Bangladesh

Urban		
Dhaka Division	42,689,605,100	40,352,203,339
Chittagong Division	5,347,451,864	6,003,352,125
Khulna Division	905,293,525	356,181,425
Sylhet Division	257,493,810	300,395,031
Rajshahi Division	524,748,427	453,015,107
Barisal Division	103,530,372	203,388,094
Rangpur Division	147,635,651	90,273,446
	49,975,758,749	47,758,808,567
Rural		
Dhaka Division	1,757,018,534	1,638,576,070
Chittagong Division	804,260,354	703,725,111
	2,561,278,888	2,342,301,181
	52,537,037,637	50,101,109,748
Outside Bangladesh		
	52,537,037,637	50,101,109,748

		Amour	nt in Taka
		2012	2011
7.8(a)	Consolidated geographical location-wise (division) distribution of lo	an, advances, and le	ase/investments
	In Bangladesh		
	Urban		
		40.000 704.010	40.000 007.010
	Dhaka Division	42,362,724,316	40,026,007,918
	Chittagong Division Khulna Division	5,347,451,864 905,293,525	6,003,352,125 356,181,425
	Sylhet Division	257,493,810	300,395,031
	Rajshahi Division	524,748,427	453,015,107
	Barisal Division	103,530,372	203,388,094
	Rangpur Division	147,635,651	90,273,446
		49,648,877,965	47,432,613,146
		- / /	
	Rural		
	Dhaka Division	1,757,018,534	1,638,576,070
	Chittagong Division	804,260,354	703,725,111
		2,561,278,888	2,342,301,181
		52,210,156,853	49,774,914,327
	Outside Bangladesh	-	-
		52,210,156,853	49,774,914,327
7.8.1	Details of pledged collaterals received against Loans and Advances		
	Collateral of movable/immovable assets	35,812,844,940	32,449,991,580
	Local banks and financial institutions guarantee	1,589,906,791	2,157,195,200
	Government guarantee	307,709,105	583,067,000
	Foreign Banks guarantee	2,259,000	-
	Export documents	2,170,511,496	2,302,598,800
	Fixed deposit receipts	5,130,642,392	3,041,109,799
	Personal guarantee	1,493,633,705	2,062,299,592
	Other securities	6,029,530,208	7,504,847,777
		52,537,037,637	50,101,109,748
7.8.1(a)	Consolidated details of pledged collaterals received against Loans and Advances		
	Collateral of movable/immovable assets	35,812,844,940	32,449,991,580
	Local banks and financial institutions guarantee	1,589,906,791	2,157,195,200
	Government guarantee	307,709,105	583,067,000
	Foreign Banks guarantee	2,259,000	-
	Export documents	2,170,511,496	2,302,598,800
	Fixed deposit receipts	5,130,642,392	3,041,109,799
	Personal guarantee	1,493,633,705	2,062,299,592
	Other securities	5,702,649,424 52,210,156,853	<u>7,178,652,356</u> <b>49,774,914,327</b>
		52,210,150,055	49,774,914,327
7.9	Bills purchased and discounted		
	In Bangladesh	3,196,490,900	3,130,720,903
	Outside Bangladesh	1,416,923,973	725,238,892
		4,613,414,873	3,855,959,795
7.9.1	Maturity grouping of bills discounted & purchased		
7.5.1	Within 1 month	2,353,458,365	1,216,579,354
	Over 1 month but below 3 months	1,838,693,629	1,822,104,699
	Over 3 months but below 6 months	405,027,008	803,389,446
	6 months or over	16,235,871	13,886,296
		4,613,414,873	3,855,959,795

		Amoun	nt in Taka
		2012	2011
8.	Fixed assets including premises, furniture and fixtures	1,416,166,707	1,216,308,396
	Details are shown in Annexure -B.		
8(a)	Consolidated fixed assets including premises, furniture and fixtures		
	Premier Bank Limited (note- 8)	1,416,166,707	1,216,308,396
	Premier Bank Securites Limited	3,525,521	106,300
	Premier Money Transfer Company Ltd.	3,718,326	4,450,506
		1,423,410,554	1,220,865,202
9.	Other assets		
	Income generating	-	-
	Non-income generating		
	Adjusting account	453,990,860	358,648,058
	Advance office rent and maintenance	2,290,397,011	1,421,652,836
	Advance against interior decoration	113,307,450	101,827,185
	Head Office general account	155,107,053	43,234,974
	Stationery, stamps, printing materials, etc	13,798,207	17,160,905
	Protested bills	9,649,944	9,713,144
	Receivable on Sanchaya Patras (from Bangladesh Bank)	80,332,533	23,708,202
	Security deposits	2,087,172	1,951,611
	Off-shore Banking Units	30,366,004	-
	Others (note 9.1)	476,729,694	815,814,513
		3,625,765,928	2,793,711,428
		3,625,765,928	2,793,711,428
9.1	Others		
501	Income tax deducted at source on BGTB bonds	10,000	40,385,987
	Sundry debtors	314,500,936	600,582,852
	DD paid without advice	1,373,450	15,733,844
	Preliminary expenses	-	798,340
	Prepaid expenses	43,077,590	36,574,916
	Advance against TA/DA	1,104,198	1,653,635
	Advance against petty cash	639,433	565,664
	Advance against postage	10,000	7,000
	Advance for card operation	1,000	-
	Advance against suits/ cases	1,055,132	340,840
	Advance against proposed branch	16,456,593	93,797,684
	Cash remittance Premier exchange co.ltd. Singapure	25,200,000	3,300,000 132,962
	Premier money transfer co. ltd. UK	132,962 24,861,260	14,243,289
	Haji Service	24,001,200	197,475
	Clearing adjustment account	48,307,140	7,500,025
		476,729,694	815,814,513
		, , , , - ,	
9(a)	Consolidated other assets		
	Premier Bank Limited (note 9)	3,625,765,928	2,793,711,428
	Premier Bank Securites Limited	4,782,838	7,201,592
	Premier Money Transfer Company Ltd.	6,388,180	881,335
		3,636,936,946	2,801,794,355
	Less: Inter-company transaction	24,861,260	-
		3,612,075,686	2,801,794,355

## **The Premier Bank Limited**

#### Notes to financial statements for the year ended 31 December 2012

Amount in Taka				
2012	2011			

#### 9.2 Head Office General account

Head Office general account represents outstanding inter branch and Head Office transactions originated before but remaining un-reconciled as at 31 December 2012.

Aging of outstanding transactions	Number of un entri		Number of unre (Amount	
	Debit	Credit	Debit	Credit
Up to 3 months	883	627	2,789,133,000	2,382,661,000
Over 3 months but within 6 months	29	20	4,061,000	3,931,000
Over 6 months	11	14	496,000	185,000
	923	661	2,793,690,000	2,386,777,000

10.	Borrowings from other banks, financial institutions and agents		
	In Bangladesh (note 10.1)	3,545,254,611	2,679,204,094
	Outside Bangladesh	-	-
		3,545,254,611	2,679,204,094
10.1	In Pangladash		
10.1	In Bangladesh Bangladesh Bank (Befinance facility under Islamic Banking)	3,000,000,000	
	Bangladesh Bank (Refinance facility under Islamic Banking) Bangladesh Bank (REPO)	413,680,000	2,550,000,000
	Bangladesh Bank (Refinance facility under SME)	81,256,250	- 68,899,488
	Bangladesh Bank (Refinance facility under HBL)	3,565,789	3,870,677
	Bangladesh Bank (Refinance facility under Monen Enterprise)	46,752,572	56,433,929
	Dangiauesh Dank (Kennance facility under Women Enterprise)	3,545,254,611	2,679,204,094
		3,3+3,23+,011	2,07 3,204,034
10.2	Analysis by security		
	Secured	3,545,254,611	2,679,204,094
	Unsecured	-,,,	-
		3,545,254,611	2,679,204,094
10.3	Repayment pattern		
	Repayable on demand	-	-
	Repayable on maturity	3,545,254,611	2,679,204,094
		3,545,254,611	2,679,204,094
11.	Denosite and other accounts		
11.	Deposits and other accounts Inter-bank deposits (note 11.1)	3,000,000,000	2,750,000,000
	Other deposits (note 11.2)	64,058,554,073	57,878,337,429
	Other deposits (note 11.2)	<b>67,058,554,073</b>	<u>60,628,337,429</u>
		07,030,334,073	00,020,337,423
11(a)	Consolidated deposits and other accounts		
	Premier Bank Limited (note 11)	67,058,554,073	60,628,337,429
	Premier Bank Securities Ltd.	70,963,726	64,634,106
		67,129,517,799	60,692,971,535
11.1	Inter-bank deposits		
	Sonali Bank Limited	-	100,000,000
	Shahjalal Islamic Bank Ltd.	1,150,000,000	200,000,000
	First Security Islami Bank Ltd.	850,000,000	450,000,000
	AB Bank Limited	200,000,000	1,400,000,000
	Southeast Bank Limited	400,000,000	400,000,000
	Bank asia Limited	400,000,000 3,000,000,000	<u>200,000,000</u> 2,750,000,000
		3,000,000,000	2,750,000,000

	······································	Amour	nt in Taka
		2012	2011
11.2 C	Other deposits		
	Savings bank deposits	3,471,352,994	2,930,981,267
	Fixed deposits:		
	One month	933,285,671	27,911,927
	Three months	19,505,738,551	17,816,849,504
	Six months	3,975,651,839	2,562,996,418
	One year	17,603,240,300	19,547,615,697
	Two years	46,378,998	62,379,351
	Three years but not more than five years	66,102,138	91,971,566
		42,130,397,497	40,109,724,463
Other			
	Current account	2,865,828,424	2,560,558,004
	Special -notice deposits	5,388,277,103	2,550,206,049
	Staff security deposits	3,703,397	2,977,803
	Deposit in foreign currency	278,621,701	260,823,693
	Monthly savings scheme	1,573,651,361	1,404,678,037
	Monthly income account	546,043,945	690,172,554
	Education savings scheme	754,431	4,376,635
	Special deposit scheme	66,643,476	71,106,915
	Double benefit scheme	2,631,858,458	2,661,573,796
	Mudaraba Hajj deposit Off-shore Banking Unit	1,188,789 1,382,277,894	1,253,666 504,240,962
	Sundry deposits (note 11.3)		3,316,915,429
	Sundry deposits (note 11.5)	2,749,359,969	14,028,883,543
	Bills payable (note 11.4)	17,488,208,948 968,594,634	808,748,156
	bills payable (note 11.4)	64,058,554,073	57,878,337,429
		01,000,001,070	57,070,557,425
11.3	Sundry deposits		
	Sundry creditors	103,050,657	85,162,590
	Margin on letter of credit	309,786,782	404,636,485
	Margin on letter of guarantee	341,720,398	323,801,341
	Sanchaya Patra	16,450,000	11,600,000
	Back to Back letter of credit obligation	27,153	897,567
	Income tax deducted at source	114,034,430	92,384,075
	VAT payable to government	69,376,465	47,303,968
	Margin on foreign documentary bill purchases	3,018,968	8,714,833
	Advance deposits against consumer credit scheme	4,651,556	5,857,495
	Other sundry deposits	1,787,243,560	2,336,557,075
		2,749,359,969	3,316,915,429
11.4	Bills payable		
	Inside Bangladesh	968,594,634	808,748,156
	Outside Bangladesh	-	-
		968,594,634	808,748,156
11 -	Maturity analysis of inter bank deviation		
11.5	Maturity analysis of inter-bank deposits		
	Repayable on demand	-	-
	Repayable within 1 month	700,000,000	-
	Over 1 month but within 3 months	100,000,000	100,000,000
	Over 3 months but within 1 year	2,200,000,000	2,650,000,000
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years Unclaimed deposits for 10 years or more	-	-
	onclaimed deposits for TO years of more	3,000,000,000	2,750,000,000
		3,000,000,000	2,750,000,000

TOICS	to matchar statements for the year chucu 51 December 2012	Amoun	it in Taka
		2012	2011
12.3	Provision for off-balance sheet items		
	Opening balance	192,200,000	244,791,882
	Add: Provision made during the year Less: Adjustment during the year	- 64,261,170	- 52,591,882
	Closing balance	127,938,830	192,200,000
	с С		
12.4	Other provisions	0 712 142	0 712 142
	Provision for protested bills (note 12.4.1) Provision for suspense account (note 12.4.2)	9,713,143 5,348,565	9,713,143 5,348,565
	Provision for investment on shares (note 12.4.2)	2,500,000	2,500,000
		17,561,708	17,561,708
10.1.1			
12.4.1	Provision for protested bills Opening balance	9,713,143	9,920,344
	Add: Provision made during the year	-	-
	Less: Adjustment during the year	-	207,201
	Closing balance	9,713,143	9,713,143
1242	Provision for suspense account		
12.4.2	Opening balance	5,348,565	6,716,836
	Add: Provision made during the year	-	-
	Less: Adjustment during the year	-	1,368,271
	Closing balance	5,348,565	5,348,565
12.4.3	Provision for investment in shares		
	Opening balance	2,500,000	2,500,000
	Add: Provision made during the year (General)	-	-
	Add: Provision made during the year (Islami) Less: Adjustment during the year		
	Closing balance	2,500,000	2,500,000
		,,	
12.5	Provision for corporate taxation	1 47 (01 00)	6 40 0 40 0 40
	Opening balance Add: Provision made during the year	147,601,903	640,948,840
	Current tax	308,534,034	310,810,009
	Deferred tax	2,957,250	2,405,370
	Less Adverture to device the second	311,491,284	313,215,379
	Less: Adjustment during the year Closing balance	<u>262,160,821</u> <b>196,932,366</b>	806,562,316 <b>147,601,903</b>
		190,932,300	
	Position of Bank's corporate income tax provision status is shown in	Annexure - C.	
12 5(a)	Consolidated balance for provision for taxation		
12.3(a)	Premier Bank Limited (note-12.5)	196,932,366	147,601,903
	Premier Bank Securities Limited	5,283,519	22,496,700
		202,215,885	170,098,603
12 5(aa	) Consolidated provision for taxation		
12.3(40	Premier Bank Limited (note-12.5)		
	Current tax	308,534,034	310,810,009
	Deferred tax	2,957,250	2,405,370
	Premier Bank Securities Limited	311,491,284 <u>5,283,519</u>	313,215,379 22,496,700
	Tremier Dank Securities Limited	316,774,803	335,712,079
		, , ,	
12.6	Interest suspense account		
	Opening balance Add: Transfer during the year	677,711,145 6,844,386	693,861,875
	Less: Recovery during the year	71,747,314	- 16,150,730
	Less: Write off during the year	132,882,386	
	Closing balance	479,925,831	677,711,145

TOICS	to matchar statements for the year chucu 51 December 2012	Amoun	it in Taka
		2012	2011
12.3	Provision for off-balance sheet items		
	Opening balance	192,200,000	244,791,882
	Add: Provision made during the year Less: Adjustment during the year	- 64,261,170	- 52,591,882
	Closing balance	127,938,830	192,200,000
	с С		
12.4	Other provisions	0 712 142	0 712 142
	Provision for protested bills (note 12.4.1) Provision for suspense account (note 12.4.2)	9,713,143 5,348,565	9,713,143 5,348,565
	Provision for investment on shares (note 12.4.2)	2,500,000	2,500,000
		17,561,708	17,561,708
10.1.1			
12.4.1	Provision for protested bills Opening balance	9,713,143	9,920,344
	Add: Provision made during the year	-	-
	Less: Adjustment during the year	-	207,201
	Closing balance	9,713,143	9,713,143
1242	Provision for suspense account		
12.4.2	Opening balance	5,348,565	6,716,836
	Add: Provision made during the year	-	-
	Less: Adjustment during the year	-	1,368,271
	Closing balance	5,348,565	5,348,565
12.4.3	Provision for investment in shares		
	Opening balance	2,500,000	2,500,000
	Add: Provision made during the year (General)	-	-
	Add: Provision made during the year (Islami) Less: Adjustment during the year		
	Closing balance	2,500,000	2,500,000
		,,	
12.5	Provision for corporate taxation	147 (01 00)	6 4 0 0 4 0 0 4 0
	Opening balance Add: Provision made during the year	147,601,903	640,948,840
	Current tax	308,534,034	310,810,009
	Deferred tax	2,957,250	2,405,370
	Less Adverture to device the second	311,491,284	313,215,379
	Less: Adjustment during the year Closing balance	<u>262,160,821</u> <b>196,932,366</b>	806,562,316 <b>147,601,903</b>
		190,932,300	
	Position of Bank's corporate income tax provision status is shown in	Annexure - C.	
12 5(a)	Consolidated balance for provision for taxation		
12.3(a)	Premier Bank Limited (note-12.5)	196,932,366	147,601,903
	Premier Bank Securities Limited	5,283,519	22,496,700
		202,215,885	170,098,603
12 5(aa	) Consolidated provision for taxation		
12.3(40	Premier Bank Limited (note-12.5)		
	Current tax	308,534,034	310,810,009
	Deferred tax	2,957,250	2,405,370
	Premier Bank Securities Limited	311,491,284 <u>5,283,519</u>	313,215,379 22,496,700
	Tremier Dank Securities Limited	316,774,803	335,712,079
		, , ,	
12.6	Interest suspense account		
	Opening balance Add: Transfer during the year	677,711,145 6,844,386	693,861,875
	Less: Recovery during the year	71,747,314	- 16,150,730
	Less: Write off during the year	132,882,386	
	Closing balance	479,925,831	677,711,145

#### Notes to financial statements for the year ended 31 December 2012

		Amount in Taka	
		2012	2011
13.	Share Capital	4,658,705,532	3,818,611,102
13.1	Authorised Capital		
	600,000,000 ordinary shares of Taka 10 each	6,000,000,000	6,000,000,000
13.2	Issued, subscribed and paid-up capital		
	Issued for cash		
	Local sponsors: 45,906,215.80 ordinary shares of Taka 10 each	459,062,158	459,062,158
	Foreign sponsors: 2,744,140 ordinary shares of Taka 10 each	27,441,400	27,441,400
		486,503,558	486,503,558
	Issued for other than cash as bonus shares		
	Local sponsors: 164,409,192.40 bonus shares of Taka 10 each	1,644,091,924	1,276,931,044
	Foreign sponsors: 11,245,942 bonus shares of Taka 10 each	112,459,420	87,231,410
		1,756,551,344	1,364,162,454
	No.of shares issued other than Directors & Sponsors		
	(General shareholders)		
	241,565,063 ordinary shares of Taka 10 each	2,415,650,630	1,967,945,090
		4,658,705,532	3,818,611,102

#### 13.3 Percentage of shareholding

15.5 Fereentug	c of shareholding	20	12	20	11
Particula	<u>'S</u>	No. of shares	% of share holding	No. of shares	% of share holding
Sponsors & Direct	ors				
Local (ind		204,276,647	43.85	165,810,381	43.42
	Bangladesh	-	_	-	-
Foreign (i	0	13,990,082	3.00	11,467,281	3.00
0	ent Director	159,820	0.03	131,000	0.03
(individua	l)				
Associated compa	nies	-	-	-	-
Govt.of Banglade	sh	-	-	-	-
Corporate bodies					
Local		96,499,960	20.71	80,435,098	21.06
Foreign		1,173,205	0.25	-	-
General investors					
Local (ind	ividual)	148,414,015	31.86	122,797,755	32.16
Non-resid	ent Bangladeshis	1,093,665	0.23	964,417	0.25
Foreign ir	dividual	263,158	0.06	255,177	0.07
Others			-	-	-
		465,870,552	100	381,861,109	100

#### Notes to financial statements for the year ended 31 December 2012

#### 13.4 Names of the directors/shareholders and their shareholdings as on 31 December 2012

Name of the Director/Shareholder		Status	Shareholding (Nu	mber of shares)
Traine of the Director/onlarenoider		Status	2012	2011
1	Dr. H. B. M. Iqbal	Chairman	17,931,010	26,878,697
2	Mr. B. H. Haroon	Vice Chairman	9,320,000	14,007,764
3	Mr. Moin Igbal	Director	9,317,891	1,772,862
4	Mr. Abdus Salam Murshedy	Director	19,618,000	16,080,328
5	Mr. Shafiqur Rahman	Director	9,321,527	5,693,875
6	Mrs. Nawrin Iqbal	Director	9,317,937	6,536,834
7	Mr. Mohammad Imran Igbal	Director	9,317,853	1,136,765
8	Mr. Shah Md. Nahyan Haroon	Director	9,320,116	1,120,587
9	Mrs. Shaila Shelly Khan	Director	23,285,756	19,086,686
10	Mr. Yeh Cheng Min	Director	13,990,082	11,467,281
11	Mr. Kazi Abdul Mazid	Independent Director	159,820	131,000
12	Dr. Arifur Rahman	Sponsor Shareholder	16,141,820	13,231,000
13	Mr. Nurul Amin	Sponsor Shareholder	3,240,573	2,656,208
14	Mr. Md. Lutfur Rahman	Sponsor Shareholder	1,568,984	1,286,053
15	Mr. Md. Masud Zaman	Sponsor Shareholder	3,548,466	2,908,579
16	Ms. Parsa Sanjana Amin	Sponsor Shareholder	2,615,933	2,144,208
17	Mr. Kutubuddin Ahmed	Sponsor Shareholder	14,785,970	12,119,648
18	Mr. Sanwar Dito	Sponsor Shareholder	12,129,649	9,942,336
19	Mrs. Ferdous Amin	Sponsor Shareholder	7,310,315	5,172,390
20	Mr. Alif Alam	Sponsor Shareholder	7,267,047	5,956,596
21	Mrs. Rashida Ahmed	Sponsor Shareholder	792,626	649,694
22	Mrs. Sharmin Salam	Sponsor Shareholder	1,676,271	1,373,993
23	Mr. Md. Miraj Rahman	Sponsor Shareholder	8,878	798,261
24	Mr. Maruf Rahman	Sponsor Shareholder	8,878	798,261
25	Mr. Md. Moniruzzaman	Sponsor Shareholder	3,480,463	2,852,839
26	Mr. Md. Wahiduzzaman	Sponsor Shareholder	3,480,461	2,852,839
27	Mrs. Asma Begum	Sponsor Shareholder	1,975,118	1,618,950
28	Mr. Shah Md. Adnan Haroon	Sponsor Shareholder	2,020,000	2,072,564
29	Mr. Jamal G. Ahmed	Sponsor Shareholder	693,394	568,356
30	Mrs. Husne-Ara Begum	Sponsor Shareholder	1,505,230	1,233,797
31	Mr.Adytta Amin	Sponsor Shareholder	3,276,481	3,259,411
Sub-total			218,426,549	177,408,662
No.	of shares owned by other than D	irectors & Sponsors		
(General shareholders)		·	247,444,003	204,452,447
Total			465,870,552	381,861,109

#### 13.4.1 Classification of shareholders by holding

Shareholding Range	No. of Shareholders	No. of Shares	Percentage of holding of shares
01 - 500	33,095	7,370,902	1.58
501 - 5000	42,896	71,209,491	15.29
5001 - 10,000	3,390	24,109,316	5.18
10,001 - 20,000	1,512	21,192,886	4.55
20,001 - 30,000	399	9,659,355	2.07
30,001 - 40,000	167	5,714,611	1.23
40,001 - 50,000	89	4,055,542	0.87
50,001 - 100,000	166	11,651,691	2.50
100,001 - 1,000,000	147	46,605,553	10.00
Over 1,000,000	54	264,301,205	56.73
Total	81,915	465,870,552	100.00

		Amoui	nt in Taka	
		2012	2011	
13.5	Capital adequacy ratio (CAR)			

In terms of section 13(2) of Bank Companies Act 1991 and Bangladesh Bank BRPD circulars no. 01, 14, 10 and 05 dated 08 January 1996, 16 November 1996, 25 November 2002 and 14 May 2007 respectively and DOS circular no-05/2008, required capital of the Bank at the close of business on 31 December 2012 is Taka 6,941,110,000 as against available core capital of Taka 7,090,083,162 and supplementary capital of Taka 572,424,445 that is, a total of Taka 7,662,507,607 thereby showing surplus capital/equity of Taka 721,397,607 at that date. Details are shown below:

13.5.1	Core capital (Tier I)		
	Paid-up capital	4,658,705,532	3,818,611,102
	Statutory reserve	1,964,895,747	1,800,273,471
	Retained earnings	466,460,465	868,455,505
	Dividend equalisation account	-	-
	Minority interest	21,418	11,161
		7,090,083,162	6,487,351,239
13.5.2	Supplementary capital (Tier II)		
	General provision (unclassified loans) (note 12.1)	423,490,000	518,610,000
	Provision for off-balance sheet items (note 12.3)	127,938,830	192,200,000
	Revaluation Reserve for Securities (50%) (note 15)	34,170	72,065,936
	Revaluation Reserves for Fixed Assets (50%) (note-15)	20,961,445	20,961,445
	Exchange equalisation account	-	
		572,424,445	803,837,381
		7,662,507,607	7,291,188,620
	Total assets including off-Balance Sheet items	94,598,918,684	103,164,788,054
	Total risk-weighted assets	69,411,100,000	69,128,900,000
	Required capital (10% of risk-weighted assets)	6,941,110,000	6,912,890,000
	Actual capital maintained		
	Core capital, Tier I (note 13.5.1)	7,090,083,162	6,487,351,239
	Supplementary capital, Tier II (note 13.5.2)	572,424,445	803,837,381
		7,662,507,607	7,291,188,620
	Surplus/(shortfall)	721,397,607	378,298,620
	Capital adequacy ratio	11.04%	10.55%

#### 13.6 Capital requirement

cuprus requirement	2012 Under Basel-II		201 Under B	-
	Required	Holding	Required	Holding
Core capital	5.00%	10.22%	5.00%	9.39%
Supplementary capital	5.00%	0.82%	5.00%	1.16%
Total	10.00%	11.04%	10.00%	10.55%

#### 14. Statutory reserve

15.

An amount equivlant to 20% of the profit has been transferred to the statutory reserve fund as under :

In Bangladesh		
Opening balance	1,800,273,471	1,651,254,947
Add : Addition during the year (20% of operating profit)	164,622,276	149,018,524
Closing balance	1,964,895,747	1,800,273,471
Other reserve		
Revaluation on HFT securites		
Opening balance	144,131,871	300,673,331
Add : Addition during the year	-	-
Less : Adjustment during the year	144,063,531	156,541,460
Closing balance	68,340	144,131,871
Amortization Reserve on HRM Treasury Bond		
Opening balance	-	-
Add : Addition during the year	1,501	-
Less : Adjustment during the year	-	
Closing balance	1,501	-

Notes to financial statements for the year ended 31 December 2012

Notes	to financial statements for the year ended 31 December 2012	Amoun	it in Taka
		2012	2011
	Amortization Reserve on HRM Treasury Bill		
	Opening balance	-	-
	Add : Addition during the year	15,432,655	-
	Less : Adjustment during the year	-	
	Closing balance	15,432,655	-
	Fixed Assets Revaluation		
	Opening balance	41,922,889	-
	Add : Addition during the year	-	41,922,889
	Less : Adjustment during the year	-	-
	Closing balance	41,922,889	41,922,889
		57,425,385	186,054,760
15(-)			
15(a).	Consolidated Other reserve	E7 40E 00E	100 054 700
	Premier Bank Limited (note-15)	57,425,385	186,054,760
	Premier Money Transfer Company Ltd. Ltd.	842,876	196 054 760
		58,268,261	186,054,760
16.	Retained earnings		
10.	Opening balance	818,746,551	1,410,217,142
	Add: Cash dividend from Premier Bank Securities Ltd.	58,048,600	1,410,217,142
	Restated Opening Balance	876,795,151	1,410,217,142
	Add: Post-tax profit for the year	608,324,697	461,188,723
	Add:Transfer to Classified loans	000,32 1,037	101,100,723
	Add: Dividend equalisation reserve	-	-
	Less: Transfer to statutory reserve	164,622,276	149,018,524
	Less: Issue of bonus shares	840,094,430	903,640,790
	Less: Cash dividend	, ,	, ,
	Less: Transfer to dividend equalisation reserve	-	-
	Closing balance	480,403,142	818,746,551
16(a)	Consolidated retained earnings		
	Premier Bank Limited	480,403,142	818,746,551
	Premier Bank Securities Ltd.	6,418,499	58,049,761
	Premier Money Transfer Company Ltd.	(20,360,919)	(8,339,646)
		466,460,722	868,456,666
	Less: Minority interest	257	1,161
		466,460,465	868,455,505
1(()	Destated Convellented an of a Delance		
16(aa)	Restated Consolidated opening Balance		
	Opening balance Less: Prior year Adjustment for Premier Money Transfer Company Ltd	868,455,505	-
	Less: Prior year Adjustment for Premier Money Transfer Company Ltd	d. 684,986 867,770,519	868,455,505
17.	Contingent Liabilities	007,77,0,519	000,455,505
17.1	Claims lodged with but not recognised by the Bank;		
17.1	Money for which the Bank in contingently liable in respect of guaran	tees issued favouring	τ
	Directors	10,108,000	6,229,000
	Government	6,353,300	2,182,688,900
	Banks and other financial institutions	-	16,468,000
	Others	3,474,360,037	3,074,843,173
		3,490,821,337	5,280,229,073
		, , , , ,	
17.2	Other contingent liabilities		
	Litigation pending against the Bank	-	_
	Value of traveller's cheques	-	-
		-	
		-	

	Amount in Taka		
		2012	2011
18.	Other Commitments		
	Documentary credits and short term trade-related transactions	-	-
	Forward assets purchase and forward deposits placement	-	-
	Undrawn formal standby facilities, credit lines and commitments to l	end -	-
	Below 3 months	-	-
	Over 3 months but below 1 year	-	-
	Over 1 year but below 5 years	-	-
	Over 5 years	-	-
	Spot and forward foreign exchange contracts		4,049,255,000
	Other exchange contracts	-	-
		-	4,049,255,000
19.	Income		
	Interest, discount and similar income	9,420,818,256	8,298,559,188
	Dividend income	17,102,677	15,256,598
	Fee, commission and brokerage	325,763,264	409,113,937
	Gains less losses arising from dealing in foreign currencies	343,829,248	489,239,437
	Other operating income	595,791,665	791,509,650
		10,703,305,110	10,003,678,810
	Expenses		
	Interest, fee and commission	6,806,856,487	5,679,272,997
	Losses on loans and advances	570,788,014	868,471,588
	Losses on portfolio	80,257,202	695,860,111
	Administrative expenses	932,477,031	702,682,638
	Other operating expenses	1,375,903,460	1,156,745,516
	Depreciation on banking assets	113,545,803	83,346,524
		9,879,827,997	9,186,379,374
		823,477,113	817,299,436
20.	Interest income		
20.	Interest income	76 202 069	10E 044 444
	Interest on can loans Interest received from other banks and financial institutions	76,392,968 222,566,287	185,844,444
	Interest received from foreign banks and mancial institutions	222,300,207	207,712,858
	Bangladesh Bank F/C accounts	36,689,424	36,272,738
	Interest received from customers, other than banks	7,893,301,032	6,735,177,905
	Interest income on Off-shore Banking Unit	64,232,811	57,835,525
	Interest income on on-shore banking onit	8,293,182,522	7,222,843,470
		0,233,102,322	7,222,043,470
20(a)	Consolidated interest income		
	Premier Bank Limited (note 20)	8,293,182,522	7,222,843,470
	Premier Bank Securities Ltd.	261,401,378	194,177,016
		8,554,583,900	7,417,020,486
21.	Interest paid on deposits, borrowings, etc		
	Interest paid on deposits	6,388,680,389	5,382,077,629
	Interest paid on borrowings	180,703,544	128,461,230
	Interest paid on Deposit, Off- shore Banking Unit	34,201,029	29,508,550
		6,603,584,962	5,540,047,409
21(a)	Consolidated interest paid on deposits, borrowings, etc		
	Premier Bank Limited (note 21)	6,603,584,962	5,540,047,409
	Premier Bank Securities Ltd.	203,271,525	139,225,588
		6,806,856,487	5,679,272,997
22.	Investment income		
22.	Interest on treasury bills, Bangladesh Bank bills, repo & R. repo	180 022 516	222 1/0 206
	Interest on treasury bins, bangladesh bank bins, repo & K. repo	189,933,516 676,300,840	333,140,386 548,348,316
	Capital gain on sale of investment in shares(note -22.1)	070,300,040	546,546,516
	Capital Sall Of Sale Of Investment III Shales(IIOle -22.1)	866,234,356	881,538,702
		000,204,000	001,330,702

		Amount in Taka		
		2012	2011	
22.1	Gain on sale of shares			
	Investment in portfolio		50,000_	
	'		<del>50,000</del>	
			,	
23.	Commission, exchange and brokerage			
	Commission	292,248,432	370,137,066	
	Exchange earnings	<u> </u>		
		<u> </u>	<u> </u>	
00()				
23(a)	Consolidated Commission exchange and brokerage	()( )77 (00	050 376 503	
	Premier Bank Limited (note -23) Premier Bank Securities Ltd.	636,077,680	859,376,503	
		31,240,348	38,731,052	
	Premier Money Transfer Company Ltd.	2,274,484		
		<u> </u>	<u> </u>	
24.	Other income			
27.	Services and other charges	302,644,152	273,431,346	
	Income from rent of lockers	2,041,260	970,375	
	Postage recoveries	18,661,767	19,239,498	
	Telex/fax/e-mail charges received	24,622,452	21,370,355	
	Dividend on shares	17,102,677	15,256,598	
	Incidental charges	27,053,647	23,201,517	
	Revaluation for HFT	19,366,462	163,479,536	
	Revaluation for assets	3,117,152	-	
	Income from brokerage operation	-	18,982,914	
	Gain on sale of shares	9,195,038	-	
	Rent on property	9,224,380	11,033,648	
	Gain on sale of bank's property	32,000	727,152	
	Miscellaneous earnings	<u> </u>	<u> </u>	
		<del>582,507,966</del> _	<u>766,185,356</u>	
24()				
24(a)	Consolidated other income			
	Premier Bank Limited (note -24) Premier Bank Securities Ltd.	582,507,966	766,185,356 	
	Fremier Dank Securities Liu.	<u> </u>	<u> </u>	
		012,037,372	000,700,240	
25.	Salary and allowances			
_01	Basic pay	349,159,674	256,477,819	
	Allowances	408,130,046	297,020,923	
	Bonus	106,939,969	84,850,325	
	Provident fund contribution	29,613,756	21,706,635	
	Retirement benefits and gratuity	<del>5,669,519</del>	25,063,795	
		<u> </u>	<u> </u>	
25(a)	Consolidated salary and allowances			
	Premier Bank Limited (note-25)	899,512,964		
	PBL Securities Limited	20,506,469		
	Premier Money Transfer Company Ltd.	5,198,430		
		<u> </u>	<u> </u>	
26.	Rent, taxes, insurance, electricity, etc.			
20.	Rent, rates and taxes	704,623,989	493,212,741	
	Insurance	40,424,671		
	Electricity, gas, water, etc	<u> </u>		
	Licentery, Sus, mater, etc.	<u>810,584,550</u>		
		010/001/000		
26(a)	Consolidated Rent, taxes, insurance, electricity, etc			
	Premier Bank Limited (note -26)	810,584,550	582,094,613	
	PBL Securities Limited	79,488,556	32,586,949	
	Premier Money Transfer Company Ltd.	4,766,278		
		894,839,384		

Notes to financial statements for the year ended 31 December 2012

	, ,	Amount in Taka	
		2012	2011
27.	Legal expenses		
	Law charges	1,951,192	8,757,108
	Other professional charges	566,430	683,770
		2,517,622	9,440,878
27 (a).	Consolidated Legal expenses		
<b>(</b> 7	Premier Bank Limited (note- 27)	2,517,622	9,440,878
	Premier Money Transfer Company Ltd.	298,932	1,099,110
		2,816,554	10,539,988
28.	Postage, stamp, telecommunication, etc		
-0.	Telephone	6,698,124	6,270,542
	Postage, stamp and swift charges	22,438,572	17,397,497
	Telegram, telex, internet, fax and e-mail	9,480,919	7,332,740
		38,617,615	31,000,779
28(a)	Consolidated Postage, stamp, telecommunication, etc		
20(u)	Premier Bank Limited (note- 28)	38,617,615	31,000,779
	PBL Securities Limited	845,321	118,160
	Premier Money Transfer Company Ltd.	73,043	91,961
		39,535,979	31,210,900
29. Sta	tionery, printing, advertisement, etc		
<b>_</b> 51 5tu	Printing and stationery	51,685,068	66,927,349
	Publicity, advertisement, contribution, etc	130,581,131	133,087,976
		182,266,199	200,015,325
29(a)	Consolidated Stationary, printing, advertisement, etc		
29(d)	Premier Bank Limited (note- 29)	182,266,199	200,015,325
	PBL Securities Limited	772,102	568,057
	Premier Money Transfer Company Ltd.	340,523	72,002
		183,378,824	200,655,384
30.	Chief executive's salary and fees	7,259,168	3,921,830
50.	chief executive s salary and lees	7,259,168	3,921,830
31. Dir	rectors' fees	1,930,000	3,125,000
		1,930,000	3,125,000
32.	Depreciation and repair of Bank's assets		
	Repairs:		
	Furniture and fixtures	7,161,633	3,584,768
	Office equipment Renovation and maintenance of premises	9,502,595 11,556,350	7,575,632 16,068,303
	Renovation and maintenance of premises	28,220,578	27,228,703
	Depreciation: (Annexure - B)		
	Vehicles	1,243,511	4,226,484
	Furniture and fixtures	46,590,458	35,377,603
	Equipment & Computer	48,189,880	38,645,574
	Land and building	<u>    16,322,226</u> 112,346,075	<u>3,863,601</u> 82,113,262
		140,566,653	109,341,965
		110,000,000	
32(a)	Consolidated Depreciation and repair of Bank's assets		
	Repairs:		77 770 707
	Premier Bank Limited (note- 32) PBL Securities Limited	28,220,578 7,500	27,228,703 9,400
	Premier Money Transfer Company Ltd.	87,210	10,864
		28,315,288	27,248,967
	Depreciation:	. , , -	
	Premier Bank Limited (note- 32)	112,346,075	82,113,262
	PBL Securities Limited	270,179	-
	Premier Money Transfer Company Ltd.	929,549	1,233,262
		113,545,803 141,861,091	<u>83,346,524</u> 110,595,491
		141,001,091	110,395,491

Premier Bank

#### Notes to financial statements for the year ended 31 December 2012

		Amount in Taka		
		2012	2011	
33.	Other expenses			
001	Training expenses	5,465,891	3,279,911	
	Car maintenance	10,450,153	8,067,355	
	Washing and cleaning	2,672,278	2,168,638	
	Subscription	5,853,148	7,485,271	
	Entertainment	20,403,097	20,423,946	
	Travelling	11,634,381	4,946,759	
	Conveyance	4,488,627	3,656,673	
	Cartage and freight	63,150	17,750	
	Liveries and uniform	393,440	272,465	
	Cash carrying charges	8,347,739	7,490,929	
	Credit card fees	43,868,955	25,318,600	
	Remittance charges	321,553	265,334	
	Revaluation of HFT	54,935,177	142,168,668	
	Premium paid to Banks	447,648	709,302	
	AGM expenses	26,206,623	14,234,369	
	Sundry expenses	21,240,108	15,654,495	
		216,791,968	256,160,465	
33(a)	Consolidated other expenses			
	Premier Bank Limited (note -33)	216,791,968	256,160,465	
	PBL Securities Limited	6,014,433	9,176,187	
	Premier Money Transfer Company Ltd.	1,682,858	418,246	
		224,489,259	265,754,898	
24				
34.	Provision against loans and advances			
	Specific provision	62,676,571	(2,154,127)	
	General provision	(95,120,000) (32,443,429)	<u>27,010,000</u> <b>24,855,873</b>	
		(32,443,423)	24,033,073	
35.	Earnings per share (EPS)			
55.	Net profit after taxation (Numerator)	608,324,697	461,188,723	
	Number of ordinary shares outstanding (Denominator)	465,870,552	381,861,109	
	Earnings per share (EPS)	1.31	1.21	
	Earnings per share (EPS) has been calculated in accordance with BAS year's figures have been adjusted with issuance of 84,009,443 bonus			
	years inguies have been aujusted with issuance of 04,009,445 bolid.	s shares (for the year	zori) during the year.	
35(a)	Consolidated earnings per share (CEPS)			

- (m)	consonaatea earnings per share (our s)		
	Net profit after taxation (Numerator)	603,406,909	510,898,838
	Number of ordinary shares outstanding (Denominator)	465,870,552	381,861,109
	Consolidated earnings per share (CEPS)	1.30	1.34

Consolidated earnings per share (CEPS) has been calculated in accordance with BAS - 33 : "Consolidated earnings per share (CEPS)". Previous year's figures have been adjusted with issuance of 84,009,443 bonus shares (for the year 2011) during the year.

35.1 Net operating cash flow per share (NOCFPS)

Cash generated from operating activities	1,057,142,097	1,100,796,159
Average number of ordinary shares outstanding	465,870,552	381,861,109
Net operating cash flow per share (NOCFPS)	2.27	2.88

Net operating cash flow per share (NOCFPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on 31 December 2012 as per Notification of Securities & Exchange Commission (SEC).

#### 35.1(a) Consolidated net operating cash flow per share (CNOCFPS)

Cash generated from operating activities	999,973,970	1,174,236,235
Average number of ordinary shares outstanding	465,870,552	381,861,109
Consolidated net operating cash flow per share (CNOCFPS)	2.15	3.08

Consolidated net operating cash flow per share (CNOCFPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as on 31 December 2012 as per Notification of Securities & Exchange Commission (SEC).

Notes to financial statements for the year ended 31 December 2012

NOLES L	o minancial statements for the year ended 51 December 2012	Amount in Taka	
		2012	2011
36.	<b>Number of Employees</b> The number of employees engaged for the whole year or part 36,000 p.a. or above were 1,259.	thereof who received to	tal remuneration of Tk
37	Highlights of Activities		
	Paid-up capital	4,658,705,532	3,818,611,102
	Total capital	7,676,428,866	7,241,479,666
	Capital surplus/(shortfall)	607,868,866	328,589,666
	Total assets	81,736,246,380	74,780,501,004
	Total deposits	67,058,554,073	60,628,337,429
	Total loans and advances	52,537,037,637	50,101,109,748
	Total contingencies	12,793,883,028	28,213,681,127
	Loan-deposit ratio	78.35%	82.64%
	Ratio of classified loans against total loans	5.35%	4.26%
	Profit after tax and provision	608,324,697	461,188,723
	Provision against classified loans	688,410,000	598,800,000
	Provision surplus	5,231	93,316
	Cost of funds	10.04%	9.40%
	Profit-earning assets	66,821,037,677	61,739,706,063
	Non-profit earning assets	14,915,208,703	13,040,794,941
	Return on investments	7.05%	7.57%
	Return on assets (profit after tax)	0.74%	0.62%
	Income from investment	866,234,356	881,538,702
	Earnings per share	1.31	1.21
	Net income per share	1.31	1.21
	Net operating cash flow per share (NOCFPS)	2.27	2.88
	Price earning ratio (approximate)	12.14 times	25.45 times
37(a)	Consolidated Highlights of Activities		
	Paid-up capital	4,658,705,532	3,818,611,102
	Total capital	7,662,507,607	7,291,188,620
	Capital surplus/(shortfall)	721,397,607	378,298,620
	Total assets	81,805,035,656	74,951,106,927
	Total deposits	67,129,517,799	60,692,971,535
	Total loans and advances	52,210,156,853	49,774,914,327
	Total contingencies	12,793,883,028	28,213,681,127
	Loan-deposit ratio	77.78%	82.01%
	Ratio of classified loans against total loans	5.39%	4.28%
	Profit after tax and provision	603,406,909	510,898,838
	Provision against classified loans	688,410,000	598,800,000
	Provision surplus	5,231	93,316
	Cost of funds	10.04%	9.40%
	Profit-earning assets	66,824,176,893	61,743,520,642
	Non-profit earning assets	14,980,858,763	13,207,586,285
	Return on investments	6.87%	7.37%
	Return on assets (profit after tax)	0.74%	0.68%
	Income from investment	866,234,356	881,538,702
	Earnings per share	1.30	1.34
		1.00	4.2.4
	Net income per share	1.30	1.34
	Net income per share Net operating cash flow per share (NOCFPS) Price earning ratio (approximate)	1.30 2.15 12.23 times	1.34 3.08 22.98 times

Premier Bank

#### Notes to financial statements for the year ended 31 December 2012

Amount in Taka

**38.** Assets and liabilities at 31 December 2012 denominated in foreign currencies have been converted to local currency Bangladesh Taka (BDT) at the following exchange rates:

Currency	Abbreviation a	and unit	Equivalent BDT
British Pound Sterling	GBP	1.00	129.9705
European Currency	EURO	1.00	106.2439
Canadian Dollar	CAD	1.00	80.6736
Australian Dollar	AUD	1.00	83.3852
Japanese Yen	JPY	1.00	0.9345
US Dollar	USD	1.00	80.3750
Saudi Aribh Riyal	SAR	1.00	21.4319
Swiss Franc	CHF	1.00	87.9908

- **39.** No material events have occurred after the Balance Sheet date that could affect the values reported in the financial statements.
- 40. Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- **41.** Wherever considered necessary, previous period figures have been rearranged for the purpose of comparison with current year's presentation without causing any impact on the profit as well as value of assets and liabilities as reported in the said financial.
- **42.** These notes form an integral part of the said financial statements and accordingly are to be read in conjunction therewith.

Director

Chairman

Director

Director

Director

Managing Director

Balance Sheet of Islamic Banking Branches as at 31 December 2012

#### Annexure A

	Amount in Taka		
	Note	2012	2011
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)	1.1	35,197,084	30,079,359
Balance with Bangladesh Bank and its agent bank(s)	1.2	394,807	678,030
(including foreign currencies)		35,591,891	30,757,389
Balance with other banks and financial institutions	2		
In Bangladesh	2.1	3,000,000,000	2,650,000,000
Outside Bangladesh	2.1	-	
		3,000,000,000	2,650,000,000
Placement with banks other financial institutions		-	-
Invstment in shares & securities	3		
Government	3.1	-	-
Others	3.2	100,635,817	277,305,000
		100,635,817	277,305,000
Investments (including bills)	4		
General investment		3,245,237,492	3,364,251,505
Bills purchased and discounted		191,421,926	207,781,304
		3,436,659,418	3,572,032,809
Final costs including anomics, furniture and fintures	-	15 204 020	0.01( /11
Fixed assets including premises, furniture and fixtures	5	15,394,828	8,016,411
Other assets	6	2,889,994,302	3,262,238,091
	0	2,005,554,502	3,202,230,031
Non-banking assets		-	-
U U U U U U U U U U U U U U U U U U U			
Total Assets		9,478,276,256	9,800,349,700
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	7	3,000,000,000	2,550,000,000
Deposits and other accounts			
Mudaraba savings deposits		198,084,703	193,263,534
Mudaraba term deposits		5,263,756,065	5,833,056,958
Other mudaraba deposits		-	-
Al - waduah Current deposits and other accounts		620,198,144	706,320,027
Bills payable		57,080,507 6,139,119,419	17,580,908 6,750,221,427
		0,135,115,415	0,750,221,427
Other liabilities	8	339,156,837	500,128,273
		,,	, -, -
Deferred tax liabilities/(Assets)		-	-
Total Liabilities		9,478,276,256	9,800,349,700
Contingent Liabilities			
Acceptances and endorsements		165,853,000	624,971,000
Letters of guarantee		27,419,663	36,973,017
Irrevocable letters of credit		81,686,000	256,162,585
Bills for collection		74,350,649	163,350,832
Other contingent liabilities		-	-
		349,309,312	1,081,457,434
Other commitments		-	-
Total Off-Balance Sheet Items		349,309,312	1,081,457,434

### **The Premier Bank Limited**

**Profit and Loss Statement of Islamic Banking Branches** for the year ended **31** December **2012** 

		Amount in Taka		
	Note	2012	2011	
OPERATING INCOME				
Investment income	9	1,093,611,132	973,343,375	
Profit paid on deposits, borrowings, etc	10	(756,548,052)	(684,327,955)	
Net investment income		337,063,080	289,015,420	
Commission, exchange and brokerage	11	11,304,690	20,338,063	
Other operating income	12	18,943,087	17,774,045	
Total operating income (A)		367,310,857	327,127,528	
Salary and allowances	13	23,775,561	21,074,463	
Rent, taxes, insurance, lighting, etc	14	6,673,557	6,544,990	
Legal expenses		-	-	
Postage, stamps, telecommunication, etc	15	1,194,607	1,062,879	
Stationery, printing, advertisement, etc	16	1,158,570	912,958	
Depreciation and repair of Bank's assets	17	2,269,619	1,512,700	
Other expenses	18	944,182	1,047,480	
Total operating expenses (B)		36,016,096	32,155,470	
Total operating profit (C = A-B)	331,294,761	294,972,058		

#### Annexure A

# Notes to financial statements of Islamic Banking Branches for the year ended 31 December 2012

for the year ended 31 December 2012			mount in Taka		
	Note	2012	2011		
1.	Cash Cash in hand				
1.1	Cash in hand In local currency	34,809,477	30,012,572		
	In foreign currency		66,787		
		35,197,084	30,079,359		
1.2	Balance with Bangladesh Bank and its agent bank(s)				
	Balance with Bangladesh Bank				
	In local currency	394,807	678,030		
	In foreign currency		_		
		35,591,891	<u> </u>		
2	Delence with other banks and financial institutions				
2.	<b>Balance with other banks and financial institutions</b> In Bangladesh Outside Bangladesh	3,000,000,000	2,650,000,000		
		3,000,000,000	2,650,000,000		
2.1	In Bangladesh				
	AB Bank Limited	200,000,000	1,400,000,000		
	Southeast Bank Limited Bank Asia limited	400,000,000 400,000,000	400,000,000 200,000,000		
	Shahjalal Islami Bank Ltd.	1,150,000,000	200,000,000		
	First Security Islami Bank Ltd.	850,000,000	450,000,000		
		3,000,000,000	2,650,000,000		
3.	Investment in shares and securities				
3.1	Government securities				
	Treasury bills	-	-		
	Bangladesh Bank bills Treasury bonds	-	-		
	Repo	-	-		
	Prize bonds	-	-		
			-		
3.2	Others				
	In shares and bonds (quoted and unquoted)				
	Quoted Islamic Investment Bond	_	-		
	Investment in Shares (Islami)	100,635,817	277,305,000		
		100,635,817	277,305,000		
	Unquoted	-	-		
		-	-		
		100,635,817	277,305,000		
4.	Investments (including bills)				
	General investment	3,245,237,492	3,364,251,505		
	Bills purchased and discounted	191,421,926	<u>207,781,304</u> <b>3,572,032,809</b>		
		3,436,659,418	5,572,052,009		
5.	Fixed assets including premises, furniture and fixtures Land and Building	_	-		
	Furniture and fixtures	11,988,237	5,257,285		
	Equipment and computers Vehicles	3,406,591	2,759,126		
		15,394,828	8,016,411		

Premier Bank

# Notes to financial statements of Islamic Banking Branches for the year ended 31 December 2012

for the year ended 31 December 2012 Amount in Taka			
	Note	2012	2011
6.	Other assets		
	Head Office general account	2,797,678,663	3,179,174,654
	Adjusting account	84,038,063	78,806,190
	Stock of stationery	533,103	535,068
	Stamp in hand	42,443	88,413
	Advance against interior decoration	14,000	14,000
	Suspense A/c	37,500	33,815
	Prepaid expenses	4,436,180	86,228
	Sundry assets	3,214,350	3,499,723
		2,889,994,302	3,262,238,091
7.	Borrowings from other banks, financial institutions and agents		
	In Bangladesh (note 7.1)	3,000,000,000	2,550,000,000
	Outside Bangladesh	-	-
		3,000,000,000	2,550,000,000
7.1	In Bangladesh	2 000 000 000	
	Bangladesh Bank (Refinance facility)	3,000,000,000	2,550,000,000
		3,000,000,000	2,550,000,000
8.	Other liabilities		
	Adjusting account	335,091,816	492,545,013
	Profit receivable on investment	-	-
	Interest suspense A/c	64,168	83,233
	Investment compensation	4,000,853	7,500,027
		339,156,837	500,128,273
9.	Investment income	507.000.005	250.040.064
	Profit received from customers other than banks	507,996,925	350,048,964
	Profit received on Head Office general account	372,643,505	455,294,053
	Profit received on deposit with other banks Profit on Government Securities	206,231,873 6,738,829	168,000,358
	From On Government Securities	1,093,611,132	973,343,375
		,,.	
10.	Profit paid on deposits, borrowings, etc		
	Profit paid on deposits	756,548,052	684,327,955
		756,548,052	684,327,955
11.	Commission, exchange and brokerage		
11.	Commission	7,177,413	16,908,905
	Exchange earnings	4,127,277	3,429,158
		11,304,690	20,338,063
		,,	- / /
12.	Other income		
	Services and other charges	7,292,188	7,545,110
	Postage recovers	607,425	566,469
	Telex/fax/e-mail charges received	857,710	752,828
	Incidental charges	1,360,920	1,345,780
	Dividend on Share	2,212,772	547,270
	Miscellaneous earnings	6,612,072 <b>18,943,087</b>	7,016,588 <b>17,774,045</b>
		10,943,007	17,774,043
13.	Salary and allowances		
	Basic pay	9,567,684	8,521,168
	Allowances	10,594,990	9,064,212
	Bonus	2,778,485	2,726,512
	Provident fund contribution	834,402	762,571
		23,775,561	21,074,463

# Notes to financial statements of Islamic Banking Branches for the year ended 31 December 2012

tor the	tor the year ended 31 December 2012 Amount in Taka		
	Note	2012	2011
14.	Rent, taxes, insurance, electricity, etc		
	Rent, rates and taxes	3,635,765	3,459,859
	Insurance	2,306,420	2,400,944
	Electricity, gas, water, etc	731,372	684,187
		6,673,557	6,544,990
15.	Postage, stamp, telecommunication, etc	17( 010	177 200
	Telephone	176,818	177,388
	Postage, stamp and swift charges	674,182	340,312
	Telegram, telex, fax and e-mail	343,607	<u>545,179</u> <b>1,062,879</b>
		1,194,607	1,002,079
16.	Stationery, printing, advertisement, etc		
	Printing and stationery	1,148,519	905,457
	Publicity and advertisement	10,051	7,501
		1,158,570	912,958
4 7			
17.	Depreciation and repair of Bank's assets		
	Repairs: Furniture and fixtures	2 201	0.020
	Office equipment	2,201 343,925	9,938 316,278
	Renovation and maintenance of premises	402,375	8,640
	Renovation and maintenance of premises	748,501	334,856
	Depreciation:	740,501	
	Vehicles	-	-
	Furniture and fixtures	905,355	565,370
	Office equipment	615,763	612,474
		1,521,118	1,177,844
		2,269,619	1,512,700
18.	Other expenses	126.004	00.040
	Washing and cleaning	136,894	92,312
	Subscription	27,802	22,991
	Entertainment	313,483	323,177
	Travelling	102,300	195,025
	Conveyance Liveries and uniform	76,374 13,200	53,659
	Cash carrying charges	170,700	7,850 206,163
	Sundry expenses	103,429	146,303
	Sundry CAPENSES	944,182	1,047,480
		544,102	1,047,400

# Annexure B

Amount in Taka

		Ŭ	Cost				Depreciation	ion		
Particulars	At 01 Jan 2012	Additions during the year	Adjustment during the year	Total at 31 December 2012	Rate (%)	Balance on 01 Jan 2012	Charge for the year	Adjustment for disposal during the year	Adjustment Total balance at for disposal 31 December uring the year 2012	Written Down Value at 31 December 2012
Land and Building	628,335,431	42,559,880	I	670,895,311 2.5 10,193,921 16,322,226	2.5	10,193,921	16,322,226	I	26,516,147	644,379,164
Furniture and fixtures	514,318,368	199,717,732	,	714,036,100 10 147,881,829 46,590,458	10 1	47,881,829	46,590,458	1	194,472,287	519,563,813
Equipment and computers	406,552,625	71,100,033	ı	477,652,658 20 178,859,444 48,189,880	20 1	78,859,444	48,189,880	1	227,049,324	250,603,334
Vehicles	34,646,763	ı	1,173,259	33,473,504	20	20 30,609,597 1,243,511	1,243,511	1	31,853,108	1,620,396
Total at 31 December 2012	1,583,853,187 313,377,645	313,377,645	1,173,259	1,173,259 1,896,057,573	- m	367,544,791 112,346,075	112,346,075	•	479,890,866	479,890,866 1,416,166,707
Total at 31 December 2011	937,956,404 645,896,783	645,896,783		1,583,853,187		285,431,529 82,113,262	82,113,262	•	367,544,791	367,544,791 1,216,308,396
					11					

The Premier Bank Limited Details of fixed assets at 31 December 2012

# Notes to financial statements for the year ended 31 December 2012 Statement of Tax Position

Accounting Year	Assessment Year	Presect status
2000	2001-2002	Assessment completed
2001	2002-2003	Assessment completed
2002	2003-2004	Assessment completed
2003	2004-2005	Assessment completed
2004	2005-2006	Appeal filed with High Court
2005	2006-2007	Assessment completed
2006	2007-2008	Appeal filed with High Court
2007	2008-2009	Appeal pending with Tribunal
2008	2009-2010	Appeal filed and pending
2009	2010-2011	Appeal filed and pending
2010	2011-2012	Appeal filed and pending
2011	2012-2013	Return filed but assessment not yet completed.
2012	2013-2014	Return to be submitted.

Annexure C

Howladar Yunus & Co. Chartered Accountants

Premier Bank

#### Notes to financial statements for the year ended 31 December 2012 Name of Directors and the entities in which they had interest as at 31 December 2012

#### Annexure D

SI. No.	Name	Designation	Entities where they had interest	Position	Interest (%)
1.	Dr. H. B. M. Iqbal	Chairman	Premier Group of Companies Ltd. Premier Hotel & Resort Ltd. Premier Hotel Management Co. Ltd. Bengal Tiger Cement Industries Ltd Premier Technology & Holdings Ltd. ATAB Centre Ltd. Air Concern International Bukhara Restaurant (Pvt) Ltd. Banani Travels & Tours Ltd. The Premier Tele Link Ltd. Beacon Travel In't Ltd. Centaur Limited. Nawrin Electronics Ltd. Iqbal Centre Concern International	Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Managing Director Managing Director Managing Director Proprietor Proprietor	
2.	Mr. B. H. Haroon	Vice Chairman	Al Arab Enterprise International Rajbithi Travels Ltd. Benlub (Pte) Ltd. Bukhara Resturant (Pvt) Ltd. Purabi General Insurance Al-Humyra Group : Al-Humyra Health Center Ltd.	Proprietor Chairman Managing Director Vice Chairman Sponsor Director (Former Chairman	100 20
			Al-Humyra Development Ltd. Al-Humyra Trade International Al-Humyra Aviation Service Al-Humyra Shipping	Chairman Chairman Chairman Chairman	50 50
3.	Mr. Moin Iqbal	Director	Premier Property Development Co. Ltd Bentley Sweater Ltd. Premier Group of Companies Ltd. Premier Hotel & Resort Ltd. Premier Hotel Management Co. Ltd. Nawrin Electronics Ltd. Bukhara Restaurant (Pvt) Ltd. Air Concern International Ltd. Banani Travels & Tours Ltd. ATAB Centre Ltd.	. Chairman Chairman Managing Director Managing Director Managing Director Director Director Director Director Director Director	-
4.	Mr. Abdus Salam Murshedy	Director	Envoy Garments Ltd. Armour Garments Ltd. Nadia Garments Ltd. Pastel Apparels Ltd. Astras Garments Ltd. Regal Garments Ltd. Epoch Garments Ltd. Supreme Apparels Ltd. Dornick Apparels Ltd. Fontina Fashions Ltd. Manta Apparels Ltd. Envoy Fashions Ltd. Envoy Design Ltd. Laundry Industries Ltd. Envoy Textiles Ltd. Orex Network Ltd. National System Solutions (Pvt) Ltd. Regional Power Ltd. OIA Global Logistics (BD) Ltd. Advanced Comtech Machines Ltd.	Managing Director Managing Director	50 50 50 50 50 50 50 50 50 50 50 50 50 5

Annexure D

# **The Premier Bank Limited**

Notes to financial statements for the year ended 31 December 2012 Name of Directors and the entities in which they had interest as at 31 December 2012

SI. No.	Name	Designation	Entities where they had interest	Position	Interest (%)
			Lunar International Ltd.	Managing Director	33
			Emerald Trading Ltd.	Managing Director	33
			Geocentric Ltd.	Managing Director	20
			Pinata Air International Ltd.	Managing Director	33
			Peridot International Ltd.	Managing Director	50
			KSM Preserves Ltd.	Managing Director	33
			Envoy Shipping Ltd.	Managing Director	50
			Envoy LPG Products Ltd.	Managing Director	50
			Machinery Products Ltd.	Managing Director	50
			Niloy Apartment Ltd.	Managing Director	50
			New Energy Solutions Ltd.	Managing Director	40
			Envoy Air Services Ltd.	Managing Director	30
			Envoy Products Ltd.	Managing Director	50
			Envoy Packages Ltd.	Managing Director	50
			Envoy Towers Ltd.	Managing Director	50
			Olio Apparels Ltd.	Managing Director	50
			Building Products Ltd.	Managing Director	50
			Sharmin Holdings Ltd.	Managing Director	18.54
			Sports Media Ltd.	Managing Director	25
			Sheltech Suit (Pvt) Ltd.	Director	
			Sheltech Cond. (Pvt) Ltd.	Director	
			Square Hospitals Ltd.	Director	4.21
5.	Mr. Shafiqur Rahman	Director	Rupsha Tyres & Chemical Ltd.	Managing Director	40
			Rupsha Rubber Industries	Proprietor	
6	Mrs. Nawrin Iqbal	Director	Nawrin Electronics Ltd.	Managing Director	
			Bentley Sweater Ltd.	Vice Chairman	
			Premier Property Development Co. Ltd.	Vice Chairman	
			Premier Group of Companies Ltd.	Director	
			Premier Hotel & Resort Ltd.	Director	
			Premier Hotel Management Company Ltd.	Director	
			Centaur Ltd.	Director	
			Bukhara Restaurant (Pvt) Ltd.	Director	
			ATAB Centre Ltd.	Director	
			Gulf Medical Centre Ltd.	Director	
			Bengal Tiger Cement Ind.Ltd.	Director	
7	Mr. Mohammad Imran	Director	Premier Property Development Co. Ltd.	Managing Director	-
	Iqbal		Bentley Sweater Ltd.	Add. Managing Director	
			Premier Group of Companies Ltd.	Director	
			Premier Hotel & Resort Ltd.	Director	
			Premier Hotel Management Co. Ltd.	Director	
			Nawrin Electronics Ltd.	Director	
			Bukhara Restaurant (Pvt) Ltd.	Director	
			ATAB Centre Ltd.	Director	-
			Al-Khalig Travels Ltd.	Director	-
8	Mr.Shah Md. Nahyan	Director	Rajbithi Travels Ltd.	Managing Director	25
	Haroon				
9.	Mrs. Shaila Shelly Khan	Director		- Chairman	-
10.	Mr. Yeh Cheng Min	Director	Alita (BD) Ltd.	Chairman	70 70
			Ace Bicycle (BD) Ltd.	Managing Director	70 70
11	Mr. Kori Abdul Maria	Indonordent	Van Green (BD) Ltd.	Chairman	70
11	Mr. Kazi Abdul Mazid	Independent	MBF Clothing Ltd.	Director	-
		Director	Isamoti Somaj Unnayan Uddog	Secretary	
			Armah Fashions	Proprietor	-

Premier Bank

#### The Premier Bank Limited Details of borrowers for charges on loan losses

Annexure E

Sl. No.	Name of Borrowers	Amount charge
1	Syed Firoz Khayeam	39,542
2	Farque Hossain	38,819
3	Golam Rabbani	67,498
4	A.K.M. Shahjahan Bhiiyan	31,198
5	Zahirul Islam	11,526
6	Shimrail Apparels Ltd	1,500,000
7	Eastern Builders Associates	22,260,317
8	Kazi Enterprise	14,000,000
9	Kazi International Construction Ltd.	26,000,000
10	N. Amin And Sons	31,522,220
11	Pubali Construction Co. Ltd	60,000,000
12	S.M. Shakil Akhtar	110,872,915
13	Star Sweater Ltd.	16,000,000
14	Rising Construction	15,630,412
15	Rising Construction	13,736,468
16	Rumi Enterprise	24,600,467
17	Ornate Service Ltd. Ltd.	10,000,000
18	The Heal Enterprise	3,114,194
19	Jahirul Islam	45,154
20	Golam Rosul Sarker	13,178
21	Tapash Kumar Ghosh	15,000
22	Mamun Ur Rashid	11,000
23	Sheikh Mahamud Kabir	63,425
24	M.S. Shamrat	55,408
25	Tamzida Akhter	100,324
26	Nizamul Haque	102,778
27	Kamrul Hasan	109,727
28	Maleka Parveen	67,832
29	Sharif Uddin Ahmed	87,403
30	Masud Azizi	33,000
31	Jamal Howlader	85,661
32	A.H.M. Ali Amzad	
33	Mahbubur Rahman	137,511
34	Abdul Mannan Khan	59,667
35	Mizanur Rahman	46,014 19,624
36	Mizandi Kalinan Ms. Seema Lohani	, ,
		40,000
37	Ekram Osman Chowdhury	
38	Sunlight Plastic Industries	1,348,568
39 40	M.A. Monsur R M Coil Mills Ltd	33,793
		139,855,353
41	S.G.Oil Refineries Limited	3,963,103
42	Sofor-A- Alam	243,960
43	Kazi Golam Mustafa	442,230
44	Mokter Hossain Prodhan	47,977
45	Anisur Rahman	573,277
46	Anzana Mehedi	16,609
47	Ostad Jahangir Alam	399,544
48	Mosharraf Hossain	19,054
49	Waliul Alam Milon	25,639
50	Zulfiquar Ali	17,311

Details of borrowers for charges on loan losses

Annexure E

		(Amount in Taka)
Sl. No.	Name of Borrowers	Amount charges
51	Hafez Abdur Rahman	24,107
52	Kbi-Bbc Jv (Moulavibazar)	5,447,371
53	Mussarraf Hossain	48,471
54	Afifa Begum	50,000
55	Mamunur Rahman	50,000
56	Mohammed Shamim	50,000
57	Mosaddek Ibrahim	50,000
58	Ziaur Rahman	50,000
59	Md. Zakir Hossain	50,000
60	M.A. Hannan	411,410
61	Sawkat Ali	65,117
62	Mahbubul Hasan Pinku	69,097
63	M/S. Shah Alam Chowdhury	7,500,000
64	S.R. Corporation	37,797,998
65	Sonali Food Products (Pvt) Ltd.	15,000,000
66	Mohammed Abul Hashem	56,403
67	Nurul Hoque	28,409
68	Khan Wadud Bashir Ullah	85,438
69	Muazzam Hossain	43,607
70	Abu Bakar Siddeque	38,895
71	Nazrul Islam	29,260
72	Mostafizur Rahman	79,732
73	M/S. Ashraf Enterprise	23,700,065
74	Western Fashion	16,185,178
75	M/S. Ashraful Alam (Kamal)	12,394,726
76	W.H. Khan Traders	1,251,502
77	M/S Al-Amin Hardware	4,020,572
78	Hafez Md. Monirujjaman	96,834
79	Manik Ahmed	12,255
80	Bazlur Rahman Bhuiyan	135,690
81	Credit Card	81,123,040
	Total	703,670,400

#### Advance to customers for more than 15% of Bank's total capital

Annexure F

(Amount in Taka)

SI. No.	Name of Parties	Outstanding as on 31.12.2012	Classification status	Meausures taken for recovery	suit value
01	Nil	Nil			

The Premier Bank Limited Top-10 Borrowers as on 31.12.2012

Howladar Yunus & Co. Chartered Accountants

# Annexure G

(Amount in lac)

SI No.	Borrower Name	Oust	Oustanding as on 31.12.2012	.2012	Oustanding as on 31.12.2011
		Funded	Non-Funded	Total	
-	Orascom Telecom Bangladesh Ltd.	9,983.61	1,701.00	11,684.61	8,082.52
2	Gazi Auto Tyres	7,943.10	1,126.69	9,069.79	7,113.14
3	United Sugar Mills Ltd.	431.10	8,580.00	9,011.10	1
4	Summit Industrial & Mercantile Cor. (PVT.) Ltd.	8,859.16	1	8,859.16	1
2	S. Alam trading Company (PVT) Ltd.	8,341.59	I	8,341.59	8,067.61
9	Grameen Phone Itd.	4,199.25	4,081.61	8,280.86	1
7	M.I Yarn Dyeing Ltd.	7,586.93	196.00	7,782.93	7,895.87
8	Abdul Monem Sugar refinery Ltd.	7,755.15	I	7,755.15	I
6	Sinha Denim Ltd.	6,664.68	1,042.00	7,706.68	7,991.26
10	Cortz Apparels Itd.	1,603.92	5,433.00	7,036.92	5,715.50
	Total	63,368.49	22,160.30	85,528.79	91,538.95

#### Off-shore Banking Units Balance Sheet as at 31 December 2012

Derticulare	Notes	20	)12	20	)11
Particulars	notes	USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash					
In hand (including foreign currencies)		-	-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		-	-	-	-
(including foreign currencies)		-	-	-	-
Balance with other banks and financial institutions					
In Bangladesh	3	18,868	1,516,516	473,149	38,668,129
Outside Bangladesh					
		18,868	1,516,516	473,149	38,668,129
Loans and advances Loans, cash credits, overdrafts, etc.	4	2 562 541	206,044,581	6,156,788	503,163,499
Bills purchased and discounted	4 5	2,563,541	1,164,411,657	7,053,915	576,481,203
bins purchased and discounted	5		1,370,456,238		1,079,644,703
Fixed assets including premises, furniture and fixtures		-	-	-	-
Other assets		377,804	30,366,004	-	-
Non - banking assets		-	-	-	-
Total assets		17,447,450	1,402,338,758	13,683,852	1,118,312,832
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents			-		-
Deposits and other accounts					
Current deposits	6	23,851	1,917,028	29,045	2,373,703
Bills payable Savings bank deposits		-	-	-	-
Term deposits		- 17,087,100	- 1,373,375,663	6,078,467	496,762,716
Sundry Deposit		86,908	6,985,203	62,460	5,104,544
		,	1,382,277,894	6,169,972	504,240,962
Other liabilities	7	249,591	20,060,864	7,167,267	585,744,896
Total liabilities		17,447,450	1,402,338,758	13,337,239	1,089,985,857
Capital / Shareholders' equity Paid up capital					
Statutory reserve		-	_	_	-
Foreign currency gain		-	_	_	_
Other reserve		-	-	-	-
Deficit in profit and loss account / Retained earnings		-	-	346,613	28,326,975
Total Shareholders' equity			-	346,613	28,326,975
Total liabilities and Shareholders' equity		17,447,450	1,402,338,758	13,683,852	1,118,312,832
# **Off-shore Banking Units**

Particulars	Notes	20	012	20	11
Faiticulais	Notes	USD	Taka	USD	Taka
OFF-BALANCE SHEET ITEMS					
Contingent liabilities					
Acceptances and endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Irrevocable letters of credit		-	-	-	-
Bills for collection		-	-	-	-
Other contingent liabilities		-	-	-	-
Other commitments		-	-	-	-
Documentary credits and short term trade -related transactions		-	-	-	-
Forward assets purchased and forward deposits placed		-	-	-	-
Undrawn note issuance and revolving underwriting facilities	•• •	-	-	-	-
Undrawn formal standby facilities , credit lines and other comm	itments	-	-	-	-
Liabilities against forward purchase and sale Other commitments		-	-	-	-
Other communents					-
Other memorandum items					
Value of travellers' cheques in hand		-	-	-	-
Value of Bangladesh sanchay patras in hand		-	-	-	-
Total Off-Balance Sheet items including contingent liabilities		-	-	-	-

## Off-shore Banking Units Profit and Loss Account for the year ended 31 December 2012

Dorticulors	Notes	20	)12	20	11
Particulars	notes	USD	Taka	USD	Taka
Interest income	8	799,164	64,232,811	707,685	57,835,525
Interest paid on deposits, borrowings, etc.	9	(425,518)	(34,201,029)	(361,071)	(29,508,550)
Net interest		373,646	30,031,782	364,613	28,326,975
Commission, exchange, brokerage, etc.		-	-	-	-
Other operating income		-			
Total operating income (A)		373,646	30,031,782	346,613	28,326,975
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity, etc.		-	-	-	-
Legal expenses		-	-	-	-
Postage, stamp, telecommunication, etc.		-	-	-	-
Stationery, printing, advertisements, etc.		-	-	-	-
Auditors' fees		-	-	-	-
Depreciation and repair of Bank's assets		-	-	-	-
Other expenses		-	-	-	-
Total operating expenses (B) Profit / (loss) before provision (C=A-B)		373,646	30,031,782	346,613	
Provision for loans and advances / investments		373,040	30,031,782	540,015	20,320,973
Specific provision					
General provision		_	_	_	
			-		
Provision for diminution in value of investments		-	-	-	-
Other provision		-	-	-	-
Total provision (D)		-	-	-	-
Total profit / (loss) before taxes (C-D)		373,646	30,031,782	346,613	28,326,975
Provision for taxation					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
		-	-	-	-
Net profit / (loss) after taxation		373,646	30,031,782	346,613	28,326,975
		-			
		373,646	30,031,782	346,613	28,326,975

## Off-shore Banking Units Cash Flow Statement for the year ended 31 December 2012

		20	)12	2011	
	Particulars	USD	Taka	USD	Taka
			Turta	000	
A)	Cash flows from operating activities				
,					
	Interest receipts in cash	799,164	64,232,811	707,685	57,835,525
	Interest payments	-	-	-	-
	Fees and commission receipts in cash	-	_	-	-
	Cash payments to employees	_	_	_	_
	Cash payments to suppliers				_
	Receipts from other operating activities				
		(405 540)	(24.204.000)	(264.074)	(00 500 550)
	Payments for other operating activities	(425,518)	(34,201,029)	(361,071)	(29,508,550)
	Cash generated from operating activities before changes				
	in operating assets and liabilities	373,646	30,031,782	346,613	28,326,975
	Increase / (decrease) in operating assets and liabilities			[]	
	Loans and advances to other banks	-	-	-	-
	Loans and advances to customers	(3,840,075)	(308,646,028)	7,417,849	606,223,710
	Other assets	(377,804)	(30,365,997)	-	-
	Deposits from other banks / borrowings	11,027,887	886,366,418	(3,906,465)	(319,255,852)
	Deposits from customers	-	_	_	
	Other liabilities	(6,917,676)	(556,008,209)	(3,465,394)	(283,209,325)
	Other habilities				
		(107,668)	(8,653,816)	45,990	3,758,533
	Net cash from operating activities	265,978	21,377,966	392,603	32,085,508
B)	Cash flows from investing activities				
D)		[]	[]	[]	[
	Purchase / sale of property, plant and equipment	-	-	-	-
	Proceeds from sale of property, plant and equipment	-	-	-	-
	Net cash used in investing activities				
C)	Cash flows from financing activities				
	Borrowing from Premier Bank Limited	-	-	-	-
	Profit transferred to HO	(373,646)	(30,031,782)	(346,613)	(28,326,975)
	Net Cash from financing activities	(373,646)	(30,031,782)	(346,613)	(28,326,975)
		. , , ,	. , , , ,	. , , ,	. , , , ,
D)	Net increase / (decrease) in cash and cash equivalents $(A + B + C)$	(107,668)	(8,653,816)	45,990	3,758,533
		(107,000)		43,330	1,092,831
E)	Effects of exchange rate changes on cash and cash equivalents	-	(170,822)	-	
F)	Cash and cash equivalents at beginning of the year	126,536	10,341,154	80,546	5,489,790
G)	Cash and cash equivalents at end of the year $(D + E + F)$	18,868	1,516,516	126,536	10,341,154
	Cash and cash equivalents at end of the year				
	Cash in hand (including foreign currencies)	_	_	_	-
	Balance with Bangladesh Bank and its agent bank (s)	_			_
	(including foreign currencies)				
	0 0	10.000		100 500	10 241 154
	Balance with other banks and financial institutions	18,868	1,516,516	126,536	10,341,154

1,516,516

18,868

126,536

10,341,154

#### Off-shore Banking Units Notes to the Financial Statements for the year ended 31 December 2012

#### **1.1** Status of the units

Off-shore Banking Units of Premier Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission to operate 02(Two) Off-shore Banking Unit in Dhaka EPZ and Chittagong EPZ vide letter no. BRPD (P3) 744 (102)/2009-4138 dated 10 November 2009. The Bank commenced the operation of its Off-shore Banking Unit from 07 December, 2009 from the Head Office. Presently 01 (one) unit is operating at full-fledged from Banani Branch premises from July 2011.

#### 1.1.1 Principal activities

The principal activities of the units are to provide all kinds of commercial banking services to its customers ez. non-resident individuals/institutions specially of Export Processing Zone.

#### 1.2 Significant accounting policies and basis of preparation of financial statements

#### 1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Companies Act 1991, Bangladesh Accounting Standards and other applicable directives issured by Bangladesh Bank.

#### 1.2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### **1.2.3** Foreign currency transaction

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21" The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

#### 1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 " Cash Flow Statement" under direct method as recommanded in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

#### 1.2.5 Reporting period

These financial statements cover from January 01 to December 31, 2012.

#### 2 General

- 1) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- 2) Profit Transferred into Taka Currency @ US\$1 = Taka 80.3750 at mid rate of December 31, 2012

# **Off-shore Banking Units**

OII-	shore Banking Units				
			)12	20	
		USD	Taka	USD	Taka
3.	Balance with other banks and financial institutions				
	In Bangladesh (note-3.1)	18,868	1,516,516	473,149	38,668,129
	Outside Bangladesh (note-3.2)	-		-	-
		18,868	1,516,516	473,149	38,668,129
3.1	In Bangladesh				
		18,868	1,516,516	473,149	38,668,129
3.2	Outside Bangladesh (Nostro accounts)				, <u>,                                </u>
3.2	Current account				
		-	-	-	-
4.	Loans and advances i) Loans, cash credits, overdrafts, etc.				
	Loan (General)	-	-	-	-
	Lease finance	-	-	6,156,788	503,163,499
	Syndication Terms Loan	<u>2,563,541</u> 2,563,541	206,044,581 206,044,581	6,156,788	- 503,163,499
	"S BYILL IN	2,303,341	200,044,301	0,130,700	303,103,499
	ii) Bills purchased and discounted (note-5) Payable Inside Bangladesh				
	Inland bills purchased				
	Payable Outside Bangladesh	-	_	_	-
	Foreign bills purchased and discounted	14,487,237	1,164,411,657	7,053,915	576,481,203
	с .	14,487,237	1,164,411,657	7,053,915	576,481,203
		17,050,777	1,370,456,238	13,210,703	1,079,644,703
5.	Bills purchased and discounted				
	Payable in Bangladesh	-	-	-	-
	Payable outside Bangladesh		1,164,411,657	7,053,915	576,481,203
		14,487,237	1,164,411,657	7,053,915	576,481,203
6.	Deposits and other accounts				
	Bank deposits	-	-	-	-
	Customer deposits and other accounts (note-6.1)		1,382,277,894	6,169,972	504,240,962
		17,197,859	1,382,277,894	6,169,972	504,240,962
6.1	Customer deposits and other accounts				
	Current deposits	23,851	1,917,028	29,045	2,373,703
	Term deposits	17,087,100	1,373,375,663	6,078,467	496,762,716
	Security deposits receipts	- 86,908	-	- 62,460	- E 104 E 44
	Sundry deposits	17 197 859	6,985,203 <b>1,382,277,894</b>	6,169,972	5,104,544 <b>504,240,962</b>
_		17,157,055	1,302,277,034		304,240,302
7.	Other liabilities			[]	
	Interest on bills discount Interest on borrowing	-	-	-	-
	Accrued interest on FDR	249,591	20,060,864	40,267	3,290,821
	Head Office DEPZ Dollar Account	,		7,127,000	582,454,075
		249,591	20,060,864	7,167,267	585,744,896
8	Interest income				
Ŭ	Loan (general)	750,438	60,316,417	706,543	57,742,254
	LTR loan	-	-	· -	-
	Lease finance	-	-	-	-
	Payment against documents	-	-	-	60.104
	Commission Others	7,267 41,459	584,106 3,332,288	736 405	60,184 33,086
	Interest on loans and advances	799,164	64,232,811	707,685	57,835,525
		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			0170007010
	Interest on balance with other banks and financial institutions	-	-	-	-
	Interest received from foreign banks				-
	Total Interest income	799,164	64,232,811	707,685	57,835,525
0					,,
9	Interest on deposits, borrowings, etc.		24.004.005		
	<ul><li>a) Interest paid on deposits</li><li>b) Interest paid on local bank accounts</li></ul>	425,518	34,201,029	361,071	29,508,550
	c) Interest paid on foreign bank accounts	-	-	-	-
		425,518	34,201,029	361,071	29,508,550

# PREMIER BANK SECURITIES LTD.

lqbal Center (12th Floor) 42,Kamal Ataturk Avenue, Banani,Dhaka-1213

#### PREMIER BANK SECURITIES LTD. AUDITORS' REPORT AND FINANCIAL STATEMENTS

For the year ended December 31, 2012

	Contents
*	Auditors' Report
*	Statement of Financial Position
*	Statement of Comprehensive Income
*	Statement of Changes in Equity
*	Statement of Cash Flows
*	Notes to the Financial Statements

## K. M. HASAN & CO.

Chartered Accountants Home Town Apartment (8th & 9th Floor) 87, New Eskaton Road, Dhaka-1000 Phone : 9351457, 9351564 Fax : 88-02- 9345792 Web: kmhasan.com

#### AUDITORS' REPORT TO THE SHAREHOLDERS OF PREMIER BANK SECURITIES LTD.

We have audited the accompanying financial statements of **Premier Bank Securities Ltd.**, which comprise the statement of financial position as at December 31, 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management of **Premier Bank Securities Ltd.** is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements, prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position as at December 31, 2012 and its financial performance for the year ended December 31, 2012 and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Act 1993, the Securities and Exchange Rules 1987, conditions and regulations issued by the Securities and Exchange Commission and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) the company's statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account.

Maturens K. M. HASAN & CO. Chartered Accountants

## **Premier Bank Securities Limited** Statement of Financial Position As at December 31, 2012

		Amoun	t in Taka
	Notes	2012	2011
ASSETS			
Non-current assets			
Property, Plant & Equipment	5	3,525,521	106,300
Investment in Membership	6	830,000,000	830,000,000
		833,525,521	830,106,300
Current assets			
Advance, Deposit & Prepayments	7	4,782,838	7,201,592
Accounts Receivable	8	1,607,769,216	1,515,454,579
Cash and Cash Equivalents	9	71,427,107	150,051,011
		1,683,979,161	1,672,707,182
Total assets		2,517,504,682	2,502,813,482
EQUITY AND LIABILITIES			
Capital and reserves			
Share Capital	10	500,000,000	500,000,000
Retained Earnings		6,419,660	58,049,761
-		506,419,660	558,049,761
Non-current liabilities			
Long term Loan	11	500,000,000	-
Current liabilities			
Borrowing from PBL	12	1,434,650,000	1,841,650,000
Accounts Payable	13	70,963,726	64,634,106
Provision for Expenses	14	5,471,296	38,479,615
		1,511,085,022	1,944,763,721
Total equity and liabilities		2,517,504,682	2,502,813,482

(The annexed notes form an integral part of these financial statements)

For Premier Bank Securities Ltd.

Signed in terms of our report of even date annexed.



Director

Altecenun

**Chief Executive Officer** 

KMQturonis Cr. K. M. HASAN & CO.

Chartered Accountants

## **Premier Bank Securities Limited** Statement of Comprehensive Income For the year ended 31 December 2012

		Amour	nt in Taka
	Notes	2012	2011
Revenue	15	33,721,471	47,831,596
Less: Direct Expenses	16	4,804,248	7,953,075
Gross Profit		28,917,223	39,878,521
Less: Operating Expenses	17	103,171,427	45,763,835
Operating Profit / (Loss)		(74,254,204)	(5,885,315)
Non-Operating Income	18	289,306,633	225,657,363
		215,052,429	219,772,049
Less: Finance Cost	19	203,350,411	139,225,588
Net Profit before Tax		11,702,018	80,546,461
Less: Provision for Income Tax	20	5,283,519	22,496,700
Net Profit after Tax transferred to Retained Earning	s	6,418,499	58,049,761

(The annexed notes form an integral part of these financial statements)

Signed in terms of our report of even date annexed.

Director

For Premier Bank Securities Ltd.

Director

Alteeuur

Chief Executive Officer

KMQturono K. M. HASAN & CO. **Chartered Accountants** 

# **Premier Bank Securities Limited** Statement of Changes in Equity For the year ended 31 December 2012

	r		
Particulars	Share capital	Retained earnings	Total
Opening Balance	500,000,000	58,049,761	558,049,761
Profit for the year	-	6,418,499	6,418,499
Dividend paid	-	(58,048,600)	(58,048,600)
Balance as on 31 December 2012	500,000,000	6,419,660	506,419,660
Opening Balance	-	-	-
Issue of shares	500,000,000	-	500,000,000
Profit for the year	-	58,049,761	58,049,761
Balance as on 31 December 2011	500,000,000	58,049,761	558,049,761

(The annexed notes form an integral part of these financial statements)



For Premier Bank Securities Ltd.

Amount in Taka

**Chief Executive Officer** 

Director

Signed in terms of our report of even date annexed.

KMQturonole.

**K. M. HASAN & CO.** Chartered Accountants

# Premier Bank Securities Limited Statement of Cash Flows

#### For the year ended December 31, 2012

		Amour	nt in Taka
		2012	2011
А.	Cash flows from operating activities		
	Net profit for the year	6,418,499	58,049,761
	Increase/decrease in advance, deposit & prepayments	2,418,753	(7,201,592)
	Increase in accounts receivable	(92,314,636)	(1,515,454,579)
	Increase in accounts payable	6,329,620	64,634,106
	Decrease/increase in provision for expenses	(33,008,319)	38,479,615
	Depreciation	270,179	-
	Net Cash used by operating activities	(109,885,904)	(1,361,492,689)
В.	Cash flows from investing activities		
	Purchase of property, plant & equipment	(3,689,400)	(106,300)
	Investment in membership	-	(830,000,000)
	Net Cash used by investing activities	(3,689,400)	(830,106,300)
-			
C.	Cash flows from financing activities		
	Share capital	-	500,000,000
	Long term loan	500,000,000	-
	Borrowing from PBL	(407,000,000)	1,841,650,000
	Dividend paid	(58,048,600)	-
	Net Cash flows from financing activities	34,951,400	2,341,650,000
	Increase/(decrease) in cash and cash equivalents $(A + B + C)$	(78,623,904)	150,051,011
	Opening cash and cash equivalents	150,051,011	-
	Closing cash and cash equivalents	71,427,107	150,051,011

Øirector

For Premier Bank Securities Ltd.

Director

Signed in terms of our report of even date annexed.

**Chief Executive Officer** 

KM QHUM Gh G ( K. M. HASAN & CO. Chartered Accountants

Financials 2012

## **PREMIER BANK SECURITIES LTD.** Notes to the financial statements For the year ended December 31, 2012

#### 1. Introduction

PREMIER BANK SECURITIES LTD. was incorporated on 29 June, 2010 as a private limited company under the Companies Act 1994 vide certification of incorporation no. C-85332/10.

The registered office of the company is at Iqbal Center (3rd Floor) 42,Kamal Ataturk Avenue, Banani, Dhaka-1213, Bangladesh.

#### 2. Principal Activities

The main objects of the company are to act as Stock Broker and Stock Dealer to buy sell and deal in shares, stocks, debentures, bonds and other securities, and to carry on any business as is permissible for a broker and dealer house duly licensed by the Securities & Exchange Commission of Bangladesh as described in the Memorandum and the Articles of Association of Premier Bank Securities Ltd.

#### 3. Significant Accounting Policies

The financial statements have been prepared on a going concern concept under historical cost convention in accordance with the International Accounting Standards (IASs)/ International Financial Reporting Standards (IFRSs), applicable to the company as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BASs) / Bangladesh Financial Reporting Standards (BFRSs).

The disclosures of information have been made in accordance with the requirements of the above mentioned standards and in compliance with the Companies Act 1994 and the statement of financial position has been prepared according to BAS- 1 (Presentation of Financial Statement) based on accrual basis and other applicable laws and regulations.

#### 3.1 Depreciation on Property, Plant and Equiement

Depreciation has been charged on reducing balance method on monthly basis during the year. When an asset is purchased on or before 15th day of the month, it is considered full month for the purpose of charging depreciation.

#### 3.2 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash at banks which are available for use by the Company without any restrictions. There is no significant risk of change in value of the same. Cash in hand, Head Office & all Branches certified by the management.

#### 3.3 Statement of Cash Flows

Statement of cash flows is prepared principally in accordance with BAS-7 "Statement of Cash Flows". The statement of cash flows has been prepared under indirect method.

#### 4 General

- i) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- ii) Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.

# K. M. HASAN & CO. Chartered Accountants

# Premier Bank Securities Ltd.

# 5. PROPERTY, PLANT AND EQUIPMENT

Amount in Taka

		COST			DEI	DEPRECIATION		
Particulars	Opening balance as on 01.01.2012	Addition during the year	Closing balance as on 31.12.2012	Rate (%)	Opening balance as on 01.01.2012	Charged during the year	Closing balance as on 31.12.2012	Written Down Value as on 31.12.2012
Office Equipments	39,400	1,626,900	1,666,300	20	ı	167,087	167,087	1,499,213
Software	55,000	430,000	485,000	20	I	11,000	11,000	474,000
Electrical Equipments	11,900	I	11,900	20	I	2,380	2,380	9,520
IT Infrastructure	I	782,500	782,500	20	I	78,358	78,358	704,142
Land & Building	I	850,000	850,000	2.5	I	11,354	11,354	838,646
Total as on 31.12.2012	106,300	3,689,400	3,795,700		•	270,179	270,179	3,525,521
Total as on 31.12.2011		106,300	106,300	II				106,300

Note: Office Equipments included Computer, Server Computer, Phone & Fax machine, UPS and Other equipments.

# Premier Bank Securities Ltd.

		Amoun	t in Taka
		2012	2011
12.	BORROWING FROM PBL	1.0.11.650.000	1 500 050 000
	Borrowing from Margin Loan paid to Clients Borrowing from Membership	1,041,650,000 393,000,000	1,506,650,000 335,000,000
	borrowing norm membership	1,434,650,000	<b>1,841,650,000</b>
10		1,434,030,000	1,041,030,000
13.	ACCOUNTS PAYABLE Balance with DSE-Normal	(1 402 597)	(1, 702, 742)
	Payable to Leads Corporation	(1,402,587) 430,000	(1,703,742)
	Payable to Dhaka Com.	213,900	-
	Payable to Link 3	444,654	-
	Payable to Clients (Clients Deposit)	71,277,759	65,712,159
	Payable to CDBL	-	625,689
		70,963,726	64,634,106
14.	PROVISION FOR EXPENSES		
	Provision for Interest on Borrowing	-	15,675,351
	Provision for Expenses Provision for Salary & Allowances	12,188 25,589	51,557
	Provision for IT for last quarter Bank interest	-	256,007
	Provision for Income Tax	5,283,519	22,496,700
	Provision for Audit fees	150,000	<u> </u>
		5,471,296	38,479,615
15.	REVENUE		
	Commission Income	31,240,348	38,731,051
	Account Opening Fees BO Maintenance Fees	130,000	156,500
	CDBL Income	1,002,600 1,348,522	1,189,100 7,754,945
		33,721,471	47,831,596
16.	DIRECT EXPENSES		
10.	Howla Charges	363,214	411,917
	Laga Charges	1,529,601	1,904,927
	CDBL Charges-CDS bill	2,125,033	4,688,231
	CDBL Charges-BO Maintenance bill	786,400	948,000
		4,804,248	7,953,075
17.	OPERATING EXPENSES		0.044.064
	Salary & Allowances Advertisement Expense	16,480,710 32,400	9,314,064
	Audit Fee	150,000	
	Authorisation Expenses-CSE	6,160	3,300
	Car Maintenance	358,308	214,110
	Casual Labour Conveyance	928,378 91,926	306,120 94,864
	DSE Monthly Expenses	9,608	6,695
	Electricity Bill	3,151,396	823,929
	Electrical Fittings	15,060	-
	Festival Bonus Gas Bill	1,501,437 9,600	1,249,558 23,390
	Internet Bill	31,050	18,112
	Incentive Bonus	960,775	-
	Mobile Bill	62,108	25,458
	Network Connection Charge Office Contingency	658,554 421,610	479,550
	Office Maintenance	52,150	75,483
	Office Rent	75,975,500	31,514,250
	Paper & Periodicals	28,806	800
	PF Comp. Contribution	276,861	174,306
	Postage & Courier Printing & Stationery	4,790 710,896	3,448 567,257
	Renewal & Registration	66,505	33,905
	Repair & Maintenance	7,500	9,400
	Revenue Stamp	-	4,609
	Service Charges Stamp & Cartridge	7,120	454,606 13,630
	Telephone Bill	81,699	52,903
	Tour & Travel	, -	26,209
	Training Expenses	10,000	48,500
	Wasa Bill Paristration Fee	337,000	225,380
	Registration Fee Depreciation	473,340 270,179	-
		103,171,427	45,763,835

# Premier Bank Securities Ltd.

		Amoun	t in Taka
		2012	2011
12.	BORROWING FROM PBL	1.0.11.650.000	1 500 050 000
	Borrowing from Margin Loan paid to Clients Borrowing from Membership	1,041,650,000 393,000,000	1,506,650,000 335,000,000
	borrowing norm membership	1,434,650,000	<b>1,841,650,000</b>
10		1,434,030,000	1,041,030,000
13.	ACCOUNTS PAYABLE Balance with DSE-Normal	(1 402 597)	(1, 702, 742)
	Payable to Leads Corporation	(1,402,587) 430,000	(1,703,742)
	Payable to Dhaka Com.	213,900	-
	Payable to Link 3	444,654	-
	Payable to Clients (Clients Deposit)	71,277,759	65,712,159
	Payable to CDBL	-	625,689
		70,963,726	64,634,106
14.	PROVISION FOR EXPENSES		
	Provision for Interest on Borrowing	-	15,675,351
	Provision for Expenses Provision for Salary & Allowances	12,188 25,589	51,557
	Provision for IT for last quarter Bank interest	-	256,007
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	Provision for Audit fees	150,000	<u> </u>
		5,471,296	38,479,615
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	CDBL Income	1,002,600 1,348,522	1,189,100 7,754,945
		33,721,471	47,831,596
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	Laga Charges	1,529,601	1,904,927
	CDBL Charges-CDS bill	2,125,033	4,688,231
	CDBL Charges-BO Maintenance bill	786,400	948,000
		4,804,248	7,953,075
17.	OPERATING EXPENSES		0.044.064
	Salary & Allowances Advertisement Expense	16,480,710 32,400	9,314,064
	Audit Fee	150,000	
	Authorisation Expenses-CSE	6,160	3,300
	Car Maintenance	358,308	214,110
	Casual Labour Conveyance	928,378 91,926	306,120 94,864
	DSE Monthly Expenses	9,608	6,695
	Electricity Bill	3,151,396	823,929
	Electrical Fittings	15,060	-
	Festival Bonus Gas Bill	1,501,437 9,600	1,249,558 23,390
	Internet Bill	31,050	18,112
	Incentive Bonus	960,775	-
	Mobile Bill	62,108	25,458
	Network Connection Charge Office Contingency	658,554 421,610	479,550
	Office Maintenance	52,150	75,483
	Office Rent	75,975,500	31,514,250
	Paper & Periodicals	28,806	800
	PF Comp. Contribution	276,861	174,306
	Postage & Courier Printing & Stationery	4,790 710,896	3,448 567,257
	Renewal & Registration	66,505	33,905
	Repair & Maintenance	7,500	9,400
	Revenue Stamp	-	4,609
	Service Charges Stamp & Cartridge	7,120	454,606 13,630
	Telephone Bill	81,699	52,903
	Tour & Travel	-	26,209
	Training Expenses	10,000	48,500
	Wasa Bill Paristration Fee	337,000	225,380
	Registration Fee Depreciation	473,340 270,179	-
		103,171,427	45,763,835

# Premier Bank Securities Ltd.

		Amount in Taka		
		2012	2011	
18.	NON-OPERATING INCOME			
	Interest Income	255,891,611	194,177,016	
	Service Charges	27,637,108	31,479,827	
	Misc. Income	268,147	520	
	Interest Income on Bank Deposit	5,509,767	-	
		289,306,633	225,657,363	
19.	FINANCE COST			
	Bank Charges	78,886	16,003	
	Interest on Borrowing from PBL	203,271,525	139,209,586	
		203,350,411	139,225,588	
20.	PROVISION FOR INCOME TAX			
20.	Opening balance	22,496,700	_	
	Net Profit before Tax	-	80,546,460	
	Gross Income	323,028,104	-	
	Less : Income for separate Consideration:	,,		
	Brokerage Commission U/S 82 (C)	31,240,348	38,731,051	
	Settlement of Previous year's Tax Liability	22,496,700	, - ,	
	, , ,	291,787,755	41,815,409	
		,	· · · · · · · · · · · · · · · · · · ·	
	Tax Calculation:			
	Brokerage Commission U/S 82 (C)	3,824,580	6,815,921	
	On Taka 291,787,755 @ 0.50% for the year(Sec16CCC)	1,458,939	15,680,778	
		5,283,519	22,496,700	

# PREMIER MONEY TRANSFER COMPANY LTD.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 31 DECEMBER 2012

**Registered number : 07085086** 



# **Premier Money Transfer Company Ltd.** Financial Statements For the year ended 31 December 2012

# **COMPANY INFORMATION**

Directors	Mr. Abu Haniff Khan Dr. Hefjul Bari Mohammad Iqbal	(appointed on 29.10.2012)
Company number	07085086	
Registered office	c/o Unit 3B Whitechapel Technology Centre 75 Whitechapel Road London E1 1DU	
Auditors	Eric & Co Chartered Certified Accountants & Statutory Auditors 87 Tylecroft Road London SW16 4BJ	
Business address	c/o Unit 3B Whitechapel Technology Centre 75 Whitechapel Road London E1 1DU	
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP	
Accountants	Jahan & Co Chartered Management Accountants 22 Osborn Street London E1 6TD	

# Premier Money Transfer Company Ltd.

## **CONTENTS**

Directors' Report Auditors' Report Profit and Loss Account Balance Sheet Cash Flow Statement Notes to the Financial Statements

# Premier Money Transfer Company Ltd Directors' report for the year ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012.

#### Principal activity and review of the business

The principal activity of the company during the period under review was that of money remittance.

#### **Results and dividends**

The results for the year are set out on page # 202 The directors do not recommend payment of a dividend.

#### Financial risk management objectives and policies

The company has until now depended on the parent company to fund its operations. Trade creditors liquidity risk is managed by ensuring that sufficient funds are available to meet amounts due.

#### Directors

The directors who served during the year are as stated below: Abu Haniff Khan Dr. Hefjul Bari Mohammad Igbal (appointed on 29.10.2012)

#### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### Auditors

Eric & Co are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006. This report was approved by the Board on 31.03.2013 and signed on its behalf by

Dr. Hefjul Bari Mohammad Iqbal

## Independent Auditor's Report to the Shareholders of

PREMIER MONEY TRANSFER COMPAMY LTD.

We have audited the financial statements of Premier Money Transfer Company Ltd for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The financial statements of the company as at 30 November 2010 were not audited.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page # 200 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Opinion on other matter prescribed by the Companies Act 2006.

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Emphasis of Matter - Going Concern**

In forming our opinion, we have considered the adequacy of the disclosures made in note 1.5 to the financial statements concerning the company's ability to continue as a going concern which we consider should be brought to your attention, but our opinion is not qualified in the respect.

**Eric Ashong FCCA (senior statutory auditor)** For and on behalf of Eric & Co Chartered Certified Accountants and Statutory Auditors Date: 05.04.2013 87 Tylecroft Road London SW16 4BJ

Premier Ban

## **Premier Money Transfer Compamy Ltd. Profit And Loss Account** For the year Ended 31 December 2012

#### **Continuing operations**

Turnover	Note 2	2012 17,500 £	2011 1,946 £
Administrative expenses		(104,722)	(65,480)
Loss on ordinary activities before taxation		(87,222)	(63,534)
Tax on loss on ordinary activities		-	-
Loss for the year	11	(87,222)	(63,534)
Accumulated loss brought forward		<del>(69,436)</del>	(5,902)
Accumulated loss carried forward		(156,658)	(69,436)

There are on recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages # 205 to 207 form an integral part of these financial statements.

# Premier Money Transfer Compamy Ltd. Balance Sheet

#### For The year ended 31 December 2012

	Note		2012		011
		£	£	£	£
Fixed assets	6		28,609		35,232
Tangible assets Current assets					
Debtors Cash at back and in hand	7	49,151 5,150		25,375 12,059	
		54,301		37,434	
Creditors: amounts falling due within one year	8	(41,799)		_(25,187)	
Net current assets			12,502		12,247
Total assets less current liabilities Creditors: amounts falling due			41,111		47,479
after more than one year	9				(116,815)
Net assets/(liabilities)			41,111		(69,336)
Capital and reserves					
Called up share capital	10		197,769		100
Profil and loss account	11		(156,568)		(69,436)
Shareholders' funds	12		41,111		(69,336)

The financial statements were approved by the Board on 31.03.2013 and signed on its behalf by

**Dr. Hefjul Bari Mohammad Iqbal** Director

Registration number 07085086

The notes on pages # 205 to 207 form an integral part of these financial statements.

# Premier Money Transfer Compamy Ltd.

# **Cash Flow Statement**

## For The year ended 31 December 2012

No	te	2012	2011
Reconciliation of operating loss to net cash outflow from operating activities		£	£
Operating loss		(87,222)	63,534)
Depreciation		7,152	9,763
(Increase) in debtors		(23,776)	(25,308)
Increase in creditors		16,612	24,187
Net cash outflow operating activities		(87,234)	(54,892)
Cash flow statement			
Net cash outflow from operating activities		(87,234)	(54,892)
Capital expenditure 17	7	(529)	(44,995)
		(87,736)	(99,887)
Financing 17	7	80,854	111,946
Decrease in cash in the year		(6,909)	12,059
Reconciliation of net cash flow to movement in net funds (Note 18)			
Decrease in cash in the year		(6,909)	12,059
Cash outflow from decrease in debts and lease financing		116,815	(111,848)
Change in net funds resulting from cash flows		109,906	(99,789)
Net debt at 1 January 2012		(104,756)	(4,967)
Net funds at 31 December 2012		5,150	(104,756)

#### **Premier Money Transfer Company Ltd.** Notes to the Financial Statements For the year ended 31 december 2012

#### 1. Accounting policies

#### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and company with financial reporting standards of the Accounting Standards Board.

#### 1.2. Turnover

Turnover represents the total invoice value of commission charged during the year. Invome is recognised when funds received are remitted to the recipient.

#### 1.3. Tangible fixed assets and depreciation

Depreciation is provided at retes calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	20% reducing balance
Fixtures, fittings		
and equipment	-	20% reducing balance

#### 1.4. Leasing

Rentale payable under operating leases are charges againest income on a straight line basis over the lease term.

#### 1.5. Going concern

The director has indicated that the future of Premier Money Transfer Company Ltd is mainly dependent on the financial support from the parent company. The parent company is of the opinion that financial support will continue in the foreseeable future. Also, the director of the company has recognised a reduction in overheads and other cost cutting measures. On the basis of these information, he considers that the company would be able to meet its liabilities as they fall due for the period of not less that 12 months from the date these financial statements are approved. Accordingly, the director continues to adopt the going concern basis of accounting.

#### 2. Turnover

The total turnover of the company for the year has been derived form its principal activity wholly undertaken in the UK.

		2012	2011
3.	Operating loss	£	£
	Operating loss is stated after charging:		
	Depreciation and other amounts written off tangible assets	7,152	9,763
	Operating lease rentals:		
	Land and buildings	36,365	25,803
	Auditors' remuneration (Note 4)	1,800	1,500
		,	,
4	Auditors' remuneration		
•	Auditors' remuneration - audit of the financial statements	1,800	1,500
5.	Employees		
5.	Number of employees		
	• •		
	The avarage monthly numbers of employees		
	(including the directors) during the year were:		
	Staff	4	2
	Employment costs		
	Weage and salaries	37,543	17,650
	Social security costs	2,454	1,216
		39,997	18,866



## **Premier Money Transfer Company Ltd.** Notes to tehe Financial Summaries

For the year ended 31 December 2012

For	the year ended 31 December 2012		Et. damage	
		Plant and	Fixtures, fittings and	
		Machinery	equipment	Total
6.	Tangible fixed assets	£	£	fotal £
	Cost	<u>_</u>	<u> </u>	<u>L</u>
	at 1 January 2012	3,609	41,386	44,995
	Additions	529		529
	At 31 December 2012	4,138	41,386	45,524
	Depreciation			
	At 1 January 2012	783	8,980	9,763
	Charge for the year	671	6,481	7,152
	At 31 December 2012	1,454	15,461	16,915
	Net book values			
	At 31 December 2012	2,684	25,925	28,609
	At 31 December 2011	2,826	32,406	35,232
			2012	2011
7.	Debtors		£	£
7.	Other debtors		45,903	25,375
	Prepayments		3,248	23,375
	Tepayments		49,151	25,375
8.	Creditors: amounts falling due within one year			
01	Other taxes and social security costs		2,309	1,652
	Other creditors		36,897	19,055
	Accruals		2,593	4,480
			41,799	25,187
9.	Creditors: amounts falling due after more than one year			
	Amounts owed to parent undertaking		-	116,815
10.	Share capital			
	Allotted, called up and fully paid			105
	197,769 Ordinary shares of £1 each		197,769	100
	Equity Shares			
	197,769 Ordinary shares of £1 each		197,769	100

197,669 Ordinary shares of £1 each were issued and fully paid for cash at par during the year.

11.	Equity Reserves	Profit and loss account £	Total £
	At 1 January 2012	(69,436)	(69,436)
	Loss for the year	(87,222)	(87,222)
	At 31 December 2012	(156,658)	(156,658)
		2012	2011
12.	Reconcillation of movements in shareholders' funds	£	£
	Loss for the year	(87,222)	(63,534)
	Net proceeds of equity share issue	197,669	98
	Net addition to shareholders' funds	110,447	(63,436)
	Opening shareholders' funds	(69,336)	(5,900)
	Closing shareholders' funds	41,111	(69,336)

#### **Premier Money Transfer Compamy Ltd. Notes to the Financial Summaries**

For the year ended 31 December 2012

#### 13. Financial commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows:

	Land and	Land and buildings		
	2012	2011		
Expiry date:	£	£		
Within one year	23,361	23,361		
Between one and five years	66,413	89,774		
	89,774	113,135		

#### 14. Related party transactions

The parent undertaking Premier Bank Limited, Bangladesh, is the sole oversea remitting bank of the company. At the balance sheet date, Premier Money Transfer Company Ltd. owed the parent company  $\pm 36,836$  (2011:  $\pm 18,366$ )

#### 15. Ultimate parent undertaking

Premier Bank Limited, Bangladesh, is the ultimate holding company by virtue of its ownership of 100% of the issued share capital.

#### 16. Controlling interest

During the year, the company was controlled by the parent company.

17. Gross cash flows Capital expenditure Payments to acquire tangible assets $f$ $f$ Financing Issue of ordinary share capital Other new long term loans197,66998(116,815)111,94680,854111,94680,854111,94680,854111,94680,854111,94618. Analysis of changes in net funds Cash at bank and in hand Debt due after one year Net funds12,059 (116,815)(6,909) 116,81518. Analysis of changes in net funds Cash at bank and in hand Debt due after one year12,059 (116,815)(6,909) 116,8155,150 - - 109,906				2012	2011
Payments to acquire tangible assets $(529)$ $(44,995)$ Financing Issue of ordinary share capital197,66998Other new long term loans $197,669$ 98Other new long term loans $111,946$ 111,946Bolance ££££18.Analysis of changes in net funds Cash at bank and in hand Debt due after one year $12,059$ (116,815) $(6,909)$ 116,815 $5,150$ -	17.			£	£
Financing Issue of ordinary share capital Other new long term loans197,669 98 (116,815)98 111,946 111,946Opening balance £Cash £Closing £B. Analysis of changes in net funds Cash at bank and in hand Debt due after one year12,059 (116,815)(6,909) 116,8155,150 -					
Issue of ordinary share capital Other new long term loans $\begin{array}{c} 197,669 \\ (116,815) \\ \hline 80,854 \\ \hline 111,946 \\ \hline 11$		Payments to acquire tangible assets		(529)	(44,995)
Issue of ordinary share capital Other new long term loans $\begin{array}{c} 197,669 \\ (116,815) \\ \hline 80,854 \\ \hline 111,946 \\ \hline 11$		Financias			
Other new long term loans $(116,815)$ $80,854$ $111,946$ $111,946$ Opening balance £Cash flows £Closing balance £18. Analysis of changes in net funds Cash at bank and in hand Debt due after one year $12,059$ $(116,815)$ $(6,909)$ $116,815$ $5,150$ 				107.000	0.0
80,854111,946Boy 80,854111,946Boy 80,854111,946Opening balanceCash flowsClosing balanceflows <th></th> <th>, ,</th> <th></th> <th>,</th> <th></th>		, ,		,	
Opening balanceCash flowsClosing balance18. Analysis of changes in net funds Cash at bank and in hand Debt due after one year $12,059$ (116,815) $(6,909)$ 116,815 $5,150$ -		Other new long term loans		(116,815)	111,946
balanceflowsbalance18. Analysis of changes in net funds $\pounds$ $\pounds$ $\pounds$ Cash at bank and in hand $12,059$ $(6,909)$ $5,150$ Debt due after one year $(116,815)$ $116,815$ $-$				80,854	111,946
balanceflowsbalance18. Analysis of changes in net funds $\pounds$ $\pounds$ $\pounds$ Cash at bank and in hand $12,059$ $(6,909)$ $5,150$ Debt due after one year $(116,815)$ $116,815$ $-$					
<b>18.</b> Analysis of changes in net funds Cash at bank and in hand Debt due after one year $\pounds$ $\pounds$ $\pounds$ $\pounds$ <b>12,059</b> (116,815)(6,909) 116,8155,150 -			Opening	Cash	Closing
18. Analysis of changes in net funds    Cash at bank and in hand  12,059  (6,909)  5,150    Debt due after one year  (116,815)  116,815			balance	flows	balance
Cash at bank and in hand  12,059  (6,909)  5,150    Debt due after one year  (116,815)  116,815  -			£	£	£
Debt due after one year    (116,815)    116,815    -	18.	, .			
		Cash at bank and in hand	12,059	(6,909)	5,150
Net funds    (104,756)    109,906    5,150		Debt due after one year	(116,815)	116,815	-
		Net funds	(104,756)	109,906	5,150

# Premier Money Transfer Compamy Ltd. Detailed trading profit and loss account For the year ended 31 December 2012

	2012		20	2011	
	£	£	£	£	
Sales					
Commission received		17,500		1,946	
		17,500		1,946	
			-		
Administrative expenses	104,722		65,480		
		(104,722)	_	(65,480)	
Operating loss		(87,222)	_	(63,534)	

# Premier Money Transfer Compamy Ltd. Cash Flow Statement

For the year ended 31 December 2012

FOI the year chucu of December 2012		
,	2012	2011
	£	£
Administrative expenses		
Wages and salaries	37,543	17,650
Employer's NI contributions	2,454	1,216
Rent payable	36,465	25,803
Insurance	38	138
Light and heat	269	_
Repairs and maintenance	671	86
Inauguration costs	3,565	-
Printing, postage and stationery	1,168	584
Advertising	273	266
Telephone	562	728
Travelling	11	68
Entertaining	78	212
Legal and professional	300	660
Consultancy fees	-	1,769
Accountancy	2,000	2,900
Audit	1,800	1,500
Bank charges	8,696	991
General expenses	325	118
Subscriptons	1,452	1,028
Depreciation of plant and machinery	671	783
Depreciation on fixtures & equipment	6,481	8,980
	104,722	65,480

# **G** Green with Premier Bank

# **Report on Green Banking**

Climate change has become a matter of great concern for Bangladesh as well as the globe. In keeping with national and international convergence to face the challenges of climate and environmental changes, the Premier Bank Limited is committed to undertake sole and concerted efforts to promote environmental-friendly banking practices and reduce carbon footprint from its banking activities.

With this end in view, Premier Bank Limited has already adopted Green Banking Policy in line with the policy guidelines issued by Bangladesh Bank and green banking activities.

The footprint initiatives taken by the bank in the field of green banking includes practicing green banking activities in in-house management as well as providing green financing. As part of its in-house management we are keeping away from as much paper works as possible and relies on electronic/on-line communications between the branches and different offices, recycling used papers in case where paper work is unavoidable, accounts statements to clients are dispatched through e-mail, customers are being encouraged to transact on line or through ATM booths, staff are being encouraged for efficient use of energy/ resources and reduce wastage of the same. A high powered team comprising Board Members is there to review green banking policy of the bank and to ensure its implementation. Besides a separate Green Banking Unit has been set up to oversee implementation of the Green Banking Policy of the bank. To create awareness among the staff and the clients seminar/workshops/ training and view exchange meetings are arranged on regular basis.

#### **Green Finance**

As part of its green financing, the bank has extended a total of Tk.376.10 crore as of end December 2012 to 13 industries having ETP. Other areas eligible for financing under the green banking are:

Financing project for installation of ETP, Biogas plant, Bio-fertilizer Plant, Renewable Energy Plant, Solar Panel, Solar Irrigation, Solar home system & Hybrid Hoffman Kiln (HHK) brick field. In order to ensure environment friendly investment/ finance all credit proposals are subjected to environmental risk grading as per Bangladesh Banks policy. Bank is expecting to increase the volume and fields of green finance in the coming years.



# Management Committee (MANCOM)



Additional Managing Director-1	Additional Managing Director-2
Deputy Managing Director-1	Deputy Managing Director-2
Deputy Managing Director-3	Chief of Risk Mgt. & Basel II
Head of FAD	Head of Recovery
Head of Credit	Head of Operations
Head of ICCD	In-charge of Retail Banking
Head of SME Division	Head of Credit Card
Head of ID	Head of CRD
Company Secretary	Head of Treasury
Head of HRD	Head of Board Audit
Head of Home Loan & Payroll Banking	Head of GSD
In-charge of IT Division	Head of Credit Administration

# Asset-Liability Committee (ALCO)



Additional Managing Director-1	Additional Managing Director-2
Deputy Managing Director-1	Deputy Managing Director-2
Deputy Managing Director-3	Head of FAD
Head of Credit Division	Head of Recovery
Head of Treasury	Company Secretary
Head of Islamic Banking	-

# Head Office Credit Committee (HOCC)

Managing Director	Chairman
Additional Managing Director (Operation)	Member
Additional Managing Director (Business)	Member
Deputy Managing Director (Business)	Member
Head of CRM	Member

# **Divisional Heads**

Name	Designation	Division
Mr. Md. Shah Alam	SEVP & Head	Recovery Division
Mr. Md. Abdul Hai	SEVP & CFO	Financial Administration Division
Mr. Sahdat Hossain	SEVP & Head	Credit Division
Mr. Mohammad Hossain	SEVP	Brokerage
Mr. Md. Mahbubul Alam Tayiab	SEVP & Head	Internal Control & Compliance Division
Mr. Saaduddin Ahmed	SEVP & Head	Operations Division
Mr. Syed Nowsher Ali	EVP & Head	General Services Division
Mr. Shafiuddin Ahmed	EVP & Head	International Division
Mr. Md. Iqbal Hossain	EVP & Head	SME Division
Mr. Md. Mahfuzur Rahman	EVP & Head	Card Division
Mr. Md. Khaled Latif	EVP & Head	Credit Administration Division
Mr. Md. Iftekhar Hossain	EVP & Head	Human Resources Division
Mr. Md. Munibur Rahman	SVP & Head	Treasury Division
Mr. Syed Ahasan Habib	SVP & Head	Board Division
Mr. Mohammed Emtiaz Uddin	SVP & Head	Corporate Relationship Division
Mr. Subir Kumar Kundu	SVP & In-Charge	Retail Banking Division
Mr. Md. Iftekhar Hossain	Principal (AC)	PBTI
Mr. Md. Anowar Hossain	VP & Head	Board Audit Division
Mr. Mohammad Zakir Hossain	VP & Head	Islamic Banking Division
Mr. Uttam Kumar Shil	VP & Head	Law Division
Mr. Md. Rafiqul Islam Khan	AVP & Head	Central CLG Unit
Mr. Mohammad Ziaul Bashar	AVP & In-Charge	Information Technology Division
Mr. Md. Mahbubur Rahman	FAVP & In-Charge	Public Relationship Division
Mr. Mohammad Khalilur Rahman	Officer & In-Charge	Share Division

# Premier Bank

# **Branch Managers**

Name	Designation	Branch
Mr. A K M Fazlul Hoq	SEVP & Manager	Imamgonj Branch
Mr. Kazi Saiful Hoque	SEVP & Manager	Gulshan Branch
Mr. Sk. Talibur Rahman	SEVP & Manager	Dhanmondi Branch
Mr. Shamsuddin Chowdhury	SEVP & Manager	Bangshal Branch
Mr. A.K.M. Idris Ali Faquir	SEVP & Manager	Motijheel Branch
Mr. Md. Khurshed Alam Chowdhury	EVP & Manager	Agrabad Branch
Mr. Syed Nowsher Ali	EVP & Manager	Banani Branch
Mr. Md. Wahidur Rahman	EVP & Manager	Dilkusha Branch
Mr. Mohammed Salim Chowdhury	EVP & Manager	OR Nizam Road Branch
Mr. A.S.M Monzurul Alam	EVP & Manager	Khulna Branch
Mr. Fazal Akhter	EVP & Manager	Mohakhali Branch
Mr. Ali Ahmed Dewan	EVP & Manager	Narayangonj Branch
Mr. Md. Mahboob Alam Choudhury	EVP & Manager	Kawran Bazar Branch
Mr. Md. Shahid Hassan Mallik	SVP & Manager	Meghna Ghat Branch
Mr. Md. Hasanul Hossain	SVP & Manager	Uttara Branch
Mr. I.N.M. Mohaimen Billah	SVP & Manager	Kakrail Branch
Mr. Sabir Mohammad Azad	SVP & Manager	Kalabagan Branch
Mr. Md. Kamal Uddin	SVP & Manager	Dhanmondi Satmasjid Road
Mr. Md. Shariful Islam	VP & Manager	Savar Bazar Branch
Mr. Qazi Mustaque Ahmed	VP & Manager	Zinzira Branch
Mr. Md. Robeuzzaman	VP & Manager	Nawabpur Branch
Mr. Md. Nishadul Islam	VP & Manager	Jessore Branch
Mr. Mohammad Ridwan Sayeed	VP & Manager	Chittagong EPZ Branch
Md. Shaikh Altaf Mahmood	VP & Manager	Panthopath Branch
Mr. Md. Abdul Baten Chowdhury	FVP & Manager	Bogra Branch
Mr. Md. Ashraful Azad	FVP & Manager	Rampura Branch
Mr. Mohammed Abu Hena	FVP & Manager	Pahartoli Branch
Mr. Showkatur Rahman	FVP & Manager	Moulavi Bazar Branch
Mr. Alamgir Kabir	FVP & Manager	Ashugonj Branch
Mr. Md. Akhterruzzaman	FVP & Manager	Joydebpur Branch
Mr. Atiqul Islam Akhand	FVP & Manager	Dilkusha Corporate Branch
Mr. Md. Adel Islam	FVP & In-Charge	Gulshan Circle-2 Branch
Mr. Md. Abul Hossain Chokder	FVP & Manager	Rokeya Saroni Branch
Mr. Iqbal Ahmed Chowdhury	FVP & Manager	Sylhet Branch
Mr. Md. Jabed Ali	FVP & Manager	Rajshahi Branch
Mr. Md. Tipu Sultan Khan	SAVP & Manager	Shaymoli Branch
Mr. Masud Alam Khan	SAVP & Manager	Bhulta Branch
Mrs. Homayra Chinu	SAVP & Manager	Mohammadpur SME Branch
Mr. Ezaz Wahid	SAVP & Manager	Dhaka New Market Branch
Mr. Md. Nowshad Ali	SAVP & Manager	Kodomtoli Branch

# **Branch Managers**

Name	Designation	Branch
Mr. Mohd. Didarul Alam	SAVP & Manager	Nazirhat Branch
Mr. Shamim Akther	SAVP & In-Charge	Ashulia Branch
Mr. Shah Md. Wosiuddin	SAVP & Manager	Konabari Branch
Mr. Mohammed Imtiaz	SAVP & Manager	Jubilee Road Branch
Mr. Md. Mibsum Hossain Chowdhury	SAVP & Manager	Rangpur Branch
Mr. Md. Ezaz Hannan Ezaz	SAVP & Manager	Ambarkhana Branch
Mr. Mozammel Hoque	SAVP & Manager	Khatungonj Branch
Mr. A.Z.M. Mushfiqur Rahman	SAVP & Manager	Tangail Branch
Mr. Md. Idris Ali Joarder	SAVP & Manager	Tongi Branch
Mr. Mohammed Zahangir Alam Mozumder	SAVP & Manager	Elephant Road Branch
Mr. Mohammad Kayum Khan	SAVP & Manager	Banglabazar SME Branch
Mr. Md. Zakir Hossain	SAVP & Manager	Banani SME Branch
Mr. S.M. Shahiduzzaman	SAVP & Manager	Cox s Bazar SME Branch
Mr. Mansoor Ahmed	SAVP & Manager	Bashundhara Branch
Mr. Zulfiker Rahman Chowdhury	SAVP & Manager	Kawran Bazar SME Branch
Mr. Md. Nasir Uddin	SAVP & Manager	Matuail Branch
Mr. Mohammad Karim Ibna Sultan	AVP & In-Charge	Garib E Newaz Avenue Branch
Mr. Arshad Taufiq	AVP & Manager	Dhaka EPZ Branch
Mr. Md. Nizamul Islam	AVP & Manager	Barisal Branch
Mr. Mohammad Humayun Kabir Chowdhury	AVP & Manager	Pagla Branch
Mr. Hassan Mahmud Tariq	AVP & Manager	Satarkol Branch
Mr. Md. Salimuzzaman	AVP & Manager	Chowmuhuni SME Branch
Mr. Md. Ramjan Ali	AVP & Manager	Board Bazar Branch
Mr. Md. Abdul Motallib	AVP & Manager	Askona Branch
Mr. Md. Helal Uddin	AVP & Manager	Sirajgonj SME Branch
Mr. Md. Abdul Motalib	AVP & Manager	Narsingdi Branch
Mr. Mohammad Yousuf	AVP & Manager	Comilla Branch
Mr. Shajedul Islam	AVP & Manager	Keranigonj SME Branch
Mr. Md. Ibrahim Hossain Bhuiyan	AVP & Manager	Feni Branch
Mr. Muhammad Suzat Ali	JAVP & Manager	Donia SME Branch
Mr. Saleh Abdur Rahim	JAVP & Manager	Borogola SME Branch
Mr. Md. Shahriar Kabir	JAVP & Manager	Munshigonj Branch
Mr. Md. Abdul Hannan	JAVP & Manager	Mouchak SME Branch
Mr. Mohammad Lalon Sarwar	SEO & Manager	Danga Branch
Mr. Md. Mahadi Hasan Sarker	SEO & Manager	Madanpur Branch
Mr. Md. Moshahiduzzaman	SEO & Manager	Bhaluka Branch
Mr. Syed Minhajul Sharif	EO & Manager	B. baria SME Branch
Mr. M. Morshed Khan	EO & In-Charge	Bhairab Bazar Branch
Mr. Mohammad Forhad Iftekhar	SO & In-Charge	Mymensing Branch



# **Products & Services**

'Service First' is our motto. Our goal is to be the most caring and customer-friendly provider of financial services creating opportunities for more people in more places. Premier Bank always undertakes a continuous mission to develop new and improved services for its valued customers. A brief sketch of some of our products & services are given below:

#### **DEPOSIT PRODUCTS**

- Premier Esteem Savers: High growth Saving Account with daily interest calculation and monthly credit on the account.
- Premier Excel Savers: Another high growth Saving Account with daily interest and monthly credit on the account.
- **Premier Payroll Account :** It is a salary account for service holder. There is no maintenance fee in this account and interest is calculated every month.
- Premier Super Account : This saving account is exclusively introduced for the corporate customer with high interest rate on daily balance payable on half yearly basis.
- Premier High Preformance Account : It is a daily interest bearing and half-yearly interest paid transactional account for different type of corporate segment.
- Savings Account (SB): We offer competitive interest rate on our Savings Account. You will get a VISA/Master Debit Card for this account.
- Current Account (CD): Our Current Account is probably the most useful Bank Account you will everhave. It is a non-interest bearing cheque account.
- Special Notice Deposit Account (SND): Any individuals or corporate bodies can open Short Notice Deposit Account for short time period. However, 7 days notice is required to withdraw money from this account with interest.
- Premier 50 + Account: If you're above fifty years of age, you'll appreciate our unique Premier 50 Plus Account with a number of extra benefits such as higher rate of interest and no service charge.
- Premier Genius Account: If you are a student, Premier Genius Account is for you with a number of extra benefits and modren banking facilities.
- Foreign Currency (FC) Account: Foreign Currency Account can be opened in any of our Authorized Dealer Branches. We offer a number of foreign currency accounts such as Resident Foreign Currency Deposit (RFCD) and Non Resident Foreign Currency Deposit (NFCD) Accounts. Other account includes Convertible Taka Account which is an account in Taka and the account holder has the option to convert Taka into Foreign Currency and vice versa.
- Fixed Deposit (FDR): Our Fixed Deposit (FDR) is meant for those investors who want to deposit a lump sum of money for a fixed time period from 30 days to 1 year thereby earning a higher rate of interest in return.
- Double Benefit Scheme: Under this scheme, your deposit amount becomes double in 5 years 6 months. A specially designed instrument shall be issued for the deposit under this scheme.



# **Double Benefit Scheme**
- Education Savings Scheme: This scheme has been designed to make future educational expenses of your children easier.
- Monthly Income Scheme: Your savings are precious! Let your investment generate a regular monthly income for you through this scheme.
- Monthly Savings Scheme: A regular savings pays off when you really need it. Save small amount in your account each month and let your savings grow to a substantial amount on maturity.

## LOAN PRODUCTS

- Personal Loan: Our Personal Loan is any purpose loan for you. The purpose could be anything from buying household appliances to emergency medical needs.
- Consumer Credit Scheme: We have introduced Consumer Credit Scheme to extend credit facility to limited and fixed income group to improve their standard of living.
- Housing Loan: Realizing the importance of having one's own place to live, we have introduced Housing Loan at a competitive interest rate.
- Doctors' Loan : This loan is designed to financially assist registered Doctors & Medical Practitioners for availing up to 100% finance for Medical Equipment, Motor Car, Ambulance etc. Loan for Rental Advance for Chamber, Office decoration are also available.
- Rural Credit Scheme: We are determined to extend credit facilities to the people at village level. It is a short term loan for maximum one year targeted to the lower income group of the rural area.
- Student Credit Programme: We are proud to introduce a credit scheme which is being first of its kind whereby the meritorious students in the country shall enjoy credit facility in each month to defray educational expenses.
- Lease Finance: We offer Lease Finance to facilitate your funding requirement for the procurement of assets in order to grow your business. Meet up financial need without out flowing own fund. You can acquire the lease assets keeping your capital intact. Thus, leasing helps to build up your fund raising capacity.
- VISA/MasterCard Credit Card: Our VISA International Credit Card and MasterCard are accepted globally and Local Card is accepted at more than 3500 outlets across the country. You will get free credit facility upto 45 days without any interest. You can also pay only 5% of your billing amount every month. Other rates and facilities are highly competitive.
- SME & Women Entrepreneur's Finance: Bangladesh, as a developing country, has been trying for its overall economic growth. The development of Small and Medium Enterprises (SMEs) as well as Women Entrepreneurs would be the key element in this regard. Recognizing this, we have strongly started to provide financial solutions for both SMEs and women entrepreneurs. It is more than a loan, a financing solution for their businesses.



Premier Ba

- Premier TC: Preimer Travel Card is a prepaid foreign currency card denominated in US dollar available over the counter of the branches that makes your foreign trip totally hassle-free and convenient.
- Premier Easy Loan For HAAB & Umrah Agents : This asset product is developed to support the agent of Hajj license holders.

We also offer other financing solutions under Agriculture Finance, Project Finance, Working Capital Finance, Export Finance, Trade Finance, Syndication & Term Loan.

## PREMIER SERVICES

- Islamic Banking Services: We offer Islamic Banking Services under the principle of Shariah. In order to ensure smooth operation and proper guideline, the Bank has a Shariah Council of renowned Scholars, Alem, Faqih, Lawyer, Islamic Banker and Philosopher.
- Online & Evening Banking Services: Our Real Time Online Banking Service gives you convenience of any branch banking facility while Evening Banking Service receives cash and documents beyond transaction hours till 8.0' clock in the evening.
- Brokerage House Service: In order to enhance involvement of investors in the capital market, The Premier Bank Limited has inaugurated its full facilitied Brokerage Houses at Head Office and different prime business locations of the country.
- SME Service Branches : To facilitate the investors of Small and Medium Enterprise, Premier Bank has opened several SME Service Branches at different locations.
- MasterCard/VISA Debit Card & ATM Service: We are offering Premier MasterCard/VISA Debit Card Service as well as own ATM Machines to withdraw money from your account.
- SMS & CMS Banking Services: SMS Banking Service gives you the convenience of checking account balance, stop cheque payment or request for account statement through your Mobile Phone and CMS provides Credit Card balance and other Credit Card related services.
- Locker Service: For safekeeping of your valuables like important documents and goods like jewelries and gold ornaments, our Locker Service is available in most of the Branches in urban areas.
- Call Center: In order to ensure further development in customer service, we have setup our own "Call Center" at Head Office under the direct supervison of the Managing Director.
- **Corporate Web Site Service:** You can log on to our corporate website at www.premierbankltd.com from anywhere of the world to get and download information or to contact us.

We also offer other services like Utility Bill Payment Service, Remittance Payment Service, SWIFT Service, Mobile Remittance Service, POS Terminal Service and Treasury Service.



# Caring for the Society (Corporate Social Responsibility)

## Corporate Social Responsibility



The Bank extended a donation to the distressed family of a martyred army officer of the tragedy at BDR Headquarters at Peelkhana, Dhaka. Chairman of the Bank Dr. H.B.M. Iqbal with the Chairman of the Board Audit Committee & Director - Mr. Moin Iqbal handed over a cheque to Hon'ble Prime Minister of the People's Republic of Bangladesh Sheikh Hasina.



Mr. B.H. Haroon, Vice Chairman of the Premier Bank Ltd. and Member of Parliament of Jhalokathi-1 (Rajapur and Kathalia Upozila) is seen to distribute warm clothes among the cold-affected people.

# Corporate Social Responsibility



Mr. Abdus Salam Murshedy - Honorable Director and Mr. K.A.M. Majedur Rahman - Managing Director of the Bank are seen at 'Meet the Press' conference of "Premier Bank Bangladesh Championship League 2012-13".



Mr. Abdus Salam Murshedy and Mr. Shah Md. Nahyan Haroon - Honorable Directors of the Bank are seen at the grand opening of "Premier Bank Bangladesh Championship League 2012-13" with other officials.

Premier Bank



Corporate Social Responsibility (CSR) differs from place to place, industry to industry and over time. We are a bank that works hard to help our customers and communities to thrive. When they succeed, so do we. We have demonstrated that belief throughout our 13 year history of providing for our customers, employing a strong and diverse workforce, and helping our communities to find solutions for social, economic, and environmental issues.

Corporate Social Responsibility (CSR) has permeated management practice and theory up to a point where CSR can be referred to as the latest management fad.

As an organization, we've certainly changed over the past 13 years, but our commitment to social responsibility and corporate citizenship has not faltered; in fact, it's only strengthened. It is part of our Vision & Values and it's how we do business every day.

The Premier Bank since its inception in 1999 had adopted the policy of contributing to the social cause. It has been continuing its effort during the last 13 years as a pioneer in the banking sector. Be it education, charity, games & sports, environment, science, health care or talent development, The Bank's social commitment was felt everywhere.

The Premier Bank Ltd. approaches corporate social responsibility in five discerning dimensions:

- Economic responsibility to earn profit for owners
- Legal responsibility to comply with the law (society's codification of right and wrong)
- Ethical responsibility not acting just for profit but doing what is right, just and fair
- Voluntary and philanthropic promoting human welfare and goodwill
- Being a good corporate citizen : contributing to the community and the quality of life

#### Economic responsibility - to earn profit for owners

We want to create more values for our shareholders with a good return on their investment and are committed to protect their long-term interest. We are aware to maintain our financials ratios strong and better than industry standard. Our dividend history gives an account of our commitment to our shareholders. We have paid striking stock dividend during the last several years. Amidst challenging scenario in 2012, we are pleased to announce 10 percent dividend in stock. To ensure sound & steady growth, the Bank is intend to explore unexplored opportunities and well-set to seize every opportunity in the coming years.

### Legal responsibility - to comply with the Laws, Rules and Regulations :

We want to be the model Bank of compliance that is respected and adored by our Regulators and by our peers in the banking sector. The Bank complies with all regulatory requirements in all its operations. The Bank conducts its business within a well-framed control supported by bundle of policy statements, written procedures & manuals. The Bank ensures Corporate Governance practices at all levels which enables it to establish professionalism together with trust and confidence among the interested parties, builds capacity to operate business efficiency and creates a congenial working environment inevitable to meet the challenges of the present competitive business arena. Financial Statements are prepared as per financial accounting policies in line with the International Financial Reporting Standard and best financial reporting practices in the country. Public disclosure policy of

material information has been adopted in accordance with the requirement as set out in legislation and in the rules and regulations of BSEC, DSE, CSE and other applicable laws. Centralized Core Banking Software has been adopted to ensure strong risk management framework and better internal control. Any malpractice, misconduct, fraud and unethical behavior are seriously dealt with a clear adherence to laws, rules and regulations.

## Ethical Responsibility - not acting just for profit but doing what is right, just and fair

We want to ensure high level of transparency and accountability all our business transactions. Ethical responsibility at every stage is



significant to carry out our duties. Our solemn promise is to transact banking business in a confidential & professional manner. We respect the views and opinions of others and their dignity. We seek mutual benefit in all human transactions.

### Being a good corporate citizen : contributing to the community and the quality of life

The Premier Bank Ltd. does not believe in making profit for itself only. Our goal is to build the nation while we make profit through banking business. We believe that instead of just being a nation that buying what is made overseas, we can make things in Bangladesh, we can make best financial products and sell them around the globe. We are striving to elevate the quality of life by making effective contribution to national development. The Bank deducts income tax, VAT and excise duty at source to deposit in the government revenue fund. We are going green to protect our planet from environmental hazards. We are eager to inspire eco-friendly investment. We have created congenial atmosphere where people are happy and satisfied to work and can build a banking relationship with utmost confidence. It is a privilege to create a perpetual bond among the members of Premier Bank family by a comprehensive exposure to personal interaction and introduction. We care for the feelings, needs and experience of the society and share our interests equally. We try hard to ensure a better society and a more prosperous Bangladesh.

#### Voluntary and philanthropic

In 2012, we contributed Taka 34.58 million through our donations and charities program, primarily directed towards health care, social welfare, supporting educational institutions, research studies, sports development to ensure that the less privileged among us are put on the path to a more secure future.

### Support for medical treatment

Health is one of the prime parameters to achieve millennium development goal (MDG). The need for health care is increasing everyday due to rapid growth of population. The Premier Bank Ltd. has identified health care as a priority sector and helped to create better health care facilities. During the year 2012 the Bank provided financial support to the peoples for medical treatment:

- Tk. 1,000,000/- to Mr. Munibur Rahman for treatment of cancer disease.
- Tk. 300,000/- to Mr. Abul Mostakim for treatment.
- Tk. 10,000/- to Mr. Habibir Rahman freedom Fighter for treatment.

Donated Tk. 100,000/- to Dhaka Shishu (Children) Hospital for infrastructure development.

### Distribution of Warm Clothes among the winter hit poor people

Our Bank always stands beside the distressed people to wipe up their wailing tears. Premier Bank distributed warm clothes worth Tk. 91,00,000.00 among the poor people in the country to assuage their sufferings from cold wave in winter - 2012.

### **Contribution in Disaster Management**

The tragedy at Ramu Chittagong, 'unprecedented' and naked attacks on the Buddhist temples. The Bank extended a donation for Tk. 2,00,00,000.00 to Prime Minister Relief Fund.

## Contribution for construction/renovation of Mosque & Madrasa and other to religious programs

- Tk. 50,000/- to Mosjid e Gausul Azam complex, Mohakhali, Dhaka
- Tk. 25,000/- to Niketon welfare society, Dhaka
- Tk. 50,000/- to Galua Islamia Dakhil Madrasha

### **Education Support Programme**

Taking education as a tool for social change, The Premier Bank has continued funding educational programme that enhance the leadership and career development skills. During the year 2012 the Bank provided financial support to the following educational institutes:

- Tk. 120,000/- to Rajanpur Degree College
- Tk. 100,000/- to G. K. High school
- Tk. 120,000/- to Rajapur Pilot High School
- Tk. 100,000/- to Pingri High School
- Tk. 100,000/- to Shaheed Raja Degree College
- Tk. 140,000/- to Kashemia Dalilia Yatimkhana



### Contribution to sports sector

At Encouraging Sports, we believe that it is about a lot more than winning! We believe competition can teach lessons valuable for life. The leagues and classes offered are developed to encourage effort, attitude and relationships. During the year 2012 the Bank provided financial support to the following:

- Tk. 1,700,000/- to Bangladesh Football Federation for Champions League 2011
- Tk. 120,000/- to Bangladesh Football Federation for Branding and Installation of Champions League.

#### Donation on account of miscellaneous purposes:

- **01.** Bangladesh Association of Banks again came forward with a plan of long time financial assistance for the bereaved family members of BDR Tragedy. The Meeting decided that all member Banks of BAB will make a donation of Taka 40,000/- per month totaling Taka 480,000/- per annum to every bereaved family. This donation will continue for the next 10 (ten) years. In this connection Bank donated Taka 480,000/- (Taka four lac eighty thousand only) to Ms. Sonia Hasan wife of Late Mej. Md. Hassan EB in the year under review.
- 02. Bank has donated Tk. 100,000/- to Association of Bankers for Bangladesh Banno Prani Seba
- 03. Tk. 150,000/- donated for sponsoring of PDF summer challenge 2012
- 04. Contributed Tk. 100,000/- to Bangladesh Obsor Board.



Mr. B.H. Haroon, Vice Chairman of the Premier Bank Ltd. and Member of Parliament of Jhalokathi-1 (Rajapur and Kathalia Upozila) is seen to distribute warm clothes among the cold-affected people of his electoral area.



The Managing Director is seen to hand over a contribution to the concerned authority under CSR program of the Bank.



Donation to Dhaka Shishu Hospital.



Distribution of blankets among cold-affected people.

Premier Bai

13th Annual General Meeting (AGM) in progress at Bangabandhu International Conference Centre, Dhaka. The event saw the lively presence of Honorable Shareholders, Sponsor Directors, Top Management, Executives and Officers of the Bank.





A partial view of 13th AGM held at Bangabandhu International Conference Centre, Dhaka.

A Board Meeting presided over by the Chairman of the Bank.





Shariah Supervisory Committee Meeting of the Premier Bank Limited presided over by the Chairman of the council Prof. Mawlana Md. Salah Uddin, Khatib of Baitul Mukarram National Mosque.

A group photo of the management with the Honorable Chairman and other Directors of the Bank in Half -Yearly Management Conference 2012.





The Honorable Chairman of the Board of Directors of Premier Bank - Dr. H.B.M. Iqbal have a meeting with the Branch Managers in Yearly Management Conference held at Baton Rouge Convention Center Dhaka.



The Honorable Chairman of the Board of Directors of Premier Bank - Dr. H.B.M. Iqbal addressing the Yearly Management Conference held at Baton Rouge Convention Center Dhaka.





Grand Opening of Premier Money Transfer Company Ltd. (PMTCL) - a 100% subsidiary of the Bank in London, UK.

The Honorable Chairman of the Board of Directors of Premier Bank - Dr. H.B.M. Iqbal addressing in the launching ceremony of Premier Money Transfer Company Ltd. (PMTCL) in London, UK.





Exchange of views with the members of Hajj Association of Bangladesh where Honorable Vice Chairman of the Bank - Mr. B.H. Haroon (MP) was present as the Chief Guest.

A partial view of Hajj Camp where Honorable Vice Chairman of the Bank - Mr. B.H. Haroon (MP), Independent Director - Mr. Kazi Abdul Mazid and Chairman of Shariah Supervisory Commttee - Prof. Mawlana Md. Salah Uddin are seen to distribute gifts among the Hajjis on behalf of the Bank.





Managing Director of the Bank - Mr. K.A.M. Majedur Rahman addressing Hajjis at the Hajj Camp where Honorable Vice Chairman of the Bank - Mr. B.H. Haroon (MP), Independent Director - Mr. Kazi Abdul Mazid and Chairman of Shariah Supervisory Commttee - Prof. Mawlana Md. Salah Uddin were also present.



An outside view of Premier Money Transfer Company Ltd. (PMTCL) in London, UK with the presence of Honorable Chairman of the Board of Directors of Premier Bank - Dr. H.B.M. Iqbal, Independent Director - Mr. Kazi Abdul Mazid and Additional Managing Director - Mr. Abu Haniff Khan.





Grand Opening of New Market Branch inaugurated by the Additional Managing Director - Mr. Abu Haniff Khan.

Grand Opening of Satarkul Branch inaugurated by the Deputy Managing Director - Mr. Dewan Anwarul Latif.





A presentation on "Leveraging Information Security in the perspective of Banking" where Honorable Director - Mr. Mohammad Imran Iqbal, Independent Director - Mr. Kazi Abdul Mazid, Managing Director - Mr. K.A.M. Majedur Rahman and Additional Managing Director - Mr. Abu Haniff Khan of Premier Bank were present.



Agreement Signing Ceremony between The Premier Bank Limited and Lanka Bangla Finance Limited.



26th Foundation Training Course for Trainee Junior Officers held at the Premier Bank Training Institute and inaugurated by the Managing Director of the Bank - Mr. K.A.M. Majedur Rahman.



Dr. H.B.M. Iqbal - Honorable Chairman of the Bank is seen with the customers at an Ifter Party arranged by the Premier Bank Limited.





New Year celebration at Premier Bank where the Honorable Chairman of the Board of Director of the Bank - Dr. H.B.M. Iqbal addressing the employees of the Head Office.

Premier Bank sponsored and participated in the Chinese New Year Dhaka Carnival. Independent Director of the Bank - Mr. Kazi Abdul Mazid and Deputy Managing Director - Mr. Dewan Anwarul Latif were present on the occasion.





Honorable Commerce Minister of Bangladesh -Mr. GM Quader and US Ambassador - Mr. Dan Mozena are seen in front of Premier Bank stall in US Trade Show with our Honorable Chairman of the Bank - Dr. H.B.M. Iqbal







Grand Opening of Premier Bank ATM Booth at Dhanmondi inaugurated by the Deputy Managing Director - Mr. Ihsanul Aziz with other high officials and valued customers of the Bank.





233

Time Zone Elephant Road Branch financed by Premier Bank and inaugurated by the Independent Director - Mr. Kazi Abdul Mazid.





An inside view of a Textile Industry financed by the Premier Bank Limited.

An external view of a ship financed by the Premier Bank Limited.



## **Dhaka City Branches**

#### Askona Branch (148)

Bhuiyan Shopping Complex 301/631 (Ground Floor) Askona, Dhokinkhan, Dhaka. Tel: 8953073, 8953014

#### Banani Branch (104) (S)

Iqbal Centre, (2nd Floor) 42 Kemal Ataturk Avenue Banani, Dhaka-1213. Tel: 9820844-8

#### Bangshal Branch (119) (\$

70, Shahid Syed Nazrul Islam Sarani, (1st floor), Bangshal, Dhaka. Tel: 9565738, 9565684, 7161986

Basundhara Branch (155) Plot # 189 (Ground Floor) Block-B

Bashundhara Residence Area Main Road, Dhaka. Tel: 8402534

**Dilkusha Branch (101) § ③** 44, Dilkusha C/A, Dhaka-1000. Tel: 9552328, 9552303, 9569180

Dhanmondi Branch (110) **S B** House # 84, Road # 7/A, Dhanmondi, Dhaka -1209. Tel: 9145186, 9143081

## Dhaka New Market Branch (160)

New Market City Complex" (1st Floor) 44/1, Rahim Square, New Market, Dhaka. Tel : 01755 608393

### Dhanmondi Satmasjid Road Branch (162)

Bikalpa Tower (1st Floor), House # 74, Road # 5/A Satmasjid Road, (near Zigatola Bus stand) Dhanmondi, Dhaka. Tel : 9674915, 9677397

**Dilkusha Corporate Branch (152)** Moon Mansion (Phoenix Bhaban) 12, Dilkusha C/A, Dhaka. Tel: 7122415, 7110834

## Elephant Road Branch (114) (5)

248, Elephant Road 1st Floor, Dhaka-1205. Tel: 8616803, 8617992

#### Gulshan Branch (102) § 3

78, Gulshan Avenue, Dhaka-1212. Tel: 9882781, 9890391

#### **Gulshan Circle-2 Branch (149)** Doreen Tower, Level-2

6-A, North Avenue, C/A Gulshan-2, Dhaka. Tel: 8831732, 8831701

Garib E Newaz Avenue Branch (166) Plot # 32 (1st Floor) Garib E Newaz Avenue Sector-11, Uttara, Dhaka. Tel : 01755 642275

#### Imamgonj Branch (106) **S 3** 75, Mitford Road, Imamgonj, Dhaka. Tel: 7342055, 7317752

Kawran Bazar Branch (107) **S** BTMC Bhaban, (North East Side) 7-9 Kawran Bazar, Dhaka-1205. Tel: 9121485, 9139657

### Kakrail Branch (124)

46/A, VIP Road (1st Floor) Kakrail, Dhaka-1000. Tel: 9344286, 9344628

#### Kalabagan Branch (134)

2, Mirpur Road, Sultana Tower (1st floor), Kalabagan, Dhaka. Tel: 8141604,8141304

Motijheel Branch (108) **(3)** 81, Motijheel C/A, Dhaka-1000. Tel: 9571113-4, 9557656

#### Mohakhali Branch (116) (s) (Islamic Banking Branch) 99 Mohakhali C/A, (Ground Floor) Dhaka-1212. Tel: 9853503, 9858118

#### Matuail Branch (159)

Purbani Plaza (1st Floor) House # 06, Block-A Road- Para-dogair, Konapara, Union: Matuail, Demra, Dhaka. Tel : 7550756, 7550752

## Nawabpur Road Branch (139)

243-244, Nawabpur Road (1st Floor) Ward No-7, Kotwali, Dhaka. Tel : 7162155, 9556647

#### Panthapath Branch (144)

Envoy Tower (1st Floor) 18/E, Panthapath, Dhaka Tel: 9103498

#### Rokeya Sarani Branch (129)

Oriental Arabian Tower (Ground & 1st Floor) 849/3 Shewrapara, Rokeya Sarani, Mirpur, Dhaka. Tel : 8061371-2

#### Rampura Branch (136)

389/B, West Rampura, Agrani Midtown Complex, (1st floor), Dhaka. Tel: 9352313, 9343999

#### Satarkul Branch (165) House # 24, Satarkol Road Union: Satarkol, Ward # 09 Badda, Dhaka. Tel : 01730-781856

Shyamoli Branch (150) Shyamoli Cinema Complex (1st Floor), 23/8-B, 8-C Shyamoli, Mirpur Road, Dhaka. Tel: 9133394-5

#### Uttara Branch (112) **S** House # 39, Road # 7, Sector # 4 Uttara, Dhaka. Tel: 8933038,8956430

Premier Bank

## **Outside of Dhaka City Branches**

#### Ashulia Branch (164)

Hiron Tower (1<sup>st</sup> Floor), Unique Bus Stand Jamgara, Gazirchat, Union-Dhamshona Ashulia, Savar, Dhaka. Tel : 01715-428433

#### Agrabad Branch (103) (\$ 🕒

Al- Islam Chamber, (Ground Floor) 91, Agrabad C/A, Chittagong. Tel: 031-728256, 717204

#### Ashugonj Branch (105)

Station Road, Ashugonj, Brahmanbaria. Tel: 0852-874448

#### Ambarkhana Branch (143)

Sylhet City Corporation Holding No. 1163, Central Plaza (1st floor), Ambarkhana, Sylhet. Tel: 0821-715437, 715452

**Bhulta Branch (138)** Noor Mansion (1st floor), Golakandail Bhulta, Rupgonj, Narayangonj. Tel: 01730-781854, 01730002669

#### Bhaluka Branch (156)

Holding No. 69 (1st Floor) Dhaka Mymenshingh Road,New Bus Stand Bhaluka, Mymenshingh Tel: 0902256195-6

Bogra Branch (133) Holding No. 83/86, Ward No. 7 Sherpur Road, Bogra. Tel: 051-78748-9

**Board Bazar Branch (146)** Board Bazar, Joydebpur, Gazipur Tel: 9292260, 9292261

Barisal Branch (118) 54 Sadar Road, Barisal. Tel: 0431-63102-4

Bhairab Bazar Branch (122) (3) Municipality Holding # 129 (Old) 172 (New) East Kalibari Road Bhairab Bazar, Kishoregonj. Tel: 09424-71122

**CEPZ Branch** Shaikat Market (1st floor) Chittagong EPZ Gate, Chittagong. Tel: 01819343494

#### Comilla Branch (137)

Salam Builders (1st floor), Mogultolly Sadar Upozila, P.S. Kotwali, Dist. Comilla.Tel. 081-61972

Dhaka EPZ Branch (115) Hashem Plaza (1st Floor) DEPZ Gate, Ganakbari, Ashulia, Savar, Dhaka.

Tel: 7790108-9

Danga Branch (161) Danga Bazar, (1st Floor), Union: Danga Upazila: Palash, District: Narsinghdi. Tel: 01755-608396

**Feni Branch (142)** 933 (1st Floor), S.S.K. Road, Feni Tel: 0331-73107-8

Joydebpur Branch (121) Dilan Complex, Dhaka Road Chandana Chowrasta, Gazipur-1702. Tel: 9257551-2

Jubilee Road Branch (147) J.K. Tower (1st Floor), 14, K.C. Dey Road Jubilee Road, Anderkillah, Chittagong. Tel: 031-628241, 628242

**Jessore Branch (145)** 29/A, R.N. Road, Jessore. Tel: 0421-60101-2

Konabari Branch (135) Plot#A-138, (1<sup>st</sup> floor), BSCIC, I / E, Konabari, Nilnagar, Gazipur. Tel: 9297886-7

Khatungonj Branch (111) (S) Nobi Super Market (1st Floor) 232 Khatungonj, Chittagong. Tel: 031-618259, 639523

Kodomtoli Branch (153) Rafique Plaza (1st Floor) 1151, D.T. Road, Kodomtoli, Chittagong. Tel: 031-2524409-13

Khulna Branch (113) **S E** 141, Sir Iqbal Road, Khulna. Tel: 041-810253-4

Meghnaghat Branch (109) New Town Commercial Complex (1st Floor) Meghnaghat, Sonargaon, Narayangonj. Tel: 01819-249836, 01819276647

#### Moulovi Bazar Branch (125)

855/6 Saleh Tower (1st Floor) Syed Mujtaba Ali Road (Old Hospital Road), Moulovi Bazar. Tel: 0861-62880-1

Munshigonj Branch (158) A.K. Chowdhury Bhaban (1st Floor), Sadar Road, Munshigonj. Tel : 7620751-2

Mymensingh Branch (131) Holding# 29, Chotto Bazar

(1st & 2nd floor), Kotwali Mymensingh. Tel : 091-62136, 64164,64174

Madanpur Branch (157) Madanpur Shopping Centre (1st Floor) Madanpur, Bandar Narayangonj. Tel: 01833147980, 01833147981

Narayangonj Branch (120) 53/3 S.M. Maleh Road, Tan Bazar, Narayangonj. Tel: 7648618, 7648513-14

Narsingdi Branch (154) Holding # 10, (1st Floor) CNB Road, Narsingdi. Tel: 9452237-8

Nazirhat Branch (163) Sajib Plaza (1st Floor) Nazirhat Bazar, Fatikchhari, Chittagong. Tel : 01819356745

O.R. Nizam Road Branch (123) § Premier Bank Building, 1st Floor, 721 CDA Avenue, Nasirabad, Chittagong. Tel: 031 2852434-7

Pagla Branch (141) Al-Haj Afsar Karim Bhaban, (1st Floor) D.N. Road, Pagla, Fatullah, Narayangonj. Tel: 7682982-3

Pahartoli Branch (132)

Alonker Shoping Complex (1st & 2nd Floor), CDA Plot # P-7, Fouzdarhat I/A, Alonker More, Pahartoli, Chittagong. Tel: 031-2772514, 031-2772515-17 Rangpur Branch (140) House # 286 (1st Floor), Station Road Gupta Para, Rangpur. Tel: 0521-63712

Rajshahi Branch (128) M.M. Plaza (1<sup>st</sup> Floor) Holding # 222, Ward # 22, Kumarpara

Holding # 222, Ward # 22, Kumarpara Old Natore Road, Shaheb Bazar, Rajshahi. Tel: 0721-773408-9

Savar Branch (130) Savar New Market, (Ground Floor) Savar Bazar Bus Stand Dhaka- Aricha Highway, Savar, Dhaka. Tel : 7743753-4 Sylhet Branch (117)

(Islami Banking Branch) Plot # 71835/1836, Laldighirpar, Sylhet. Tel: 0821-724197-8

**Tongi Branch (126)** Kazi Market (1<sup>st</sup> Floor) 175 Mymensingh Road, Tongi, Gazipur. Tel: 9815756-7

Tangail Branch (151)

Tangail Pouroshova Bhaban Ground Floor Zilla Sadar Road, Tangail. Tel: 0921-62342, 62054

### Zinzira Branch (127)

Haji Nannu Bepari Mansion (1st Floor) (2nd Buriganga Bridge Road, Zinzira, Keraniganj. Tel: 7761707-8



**SME/Agriculture Branches** 

Banani SME Service Centre (505) Plot no. 76/A (1st Floor), Road no. 11, Banani, Dhaka. Tel: 8815593

**Bangla Bazar SME Service Centre (502)** 42, Bangla Bazar (Ground Floor)

42, Bangla Bazar (Ground Floor) Ward No-73, Sutrapur, Shodorghat, Dhaka. Tel: 9515732

Borogola SME/Agriculture Branch (506) Holding no. 370-406 (Ground Floor) Borogola, Rangpur Road, Bogra. Tel: 051-66955

Brahmanbaria SME/Agriculture Branch (507)

37/34 (1st Floor), Sarak Bazar Road Brahmanbaria. Tel: 0851-61510

**Brokerage Houses** 

### Head Office

Iqbal Centre (12th Floor) 42-Kemal Ataturk Avenue Banani, Dhaka-1213. Ph. 9887581-4, Cell : 01713-190890

Head Office (Extended), Gulshan

Premier Squre (2nd Floor) Plot # 78, Gulshan Avenue, Dhaka. Tel : 8833453, Cell : 01818278946

### Kalabagan Brokerage House

Sultana Tower (1st Floor) 2, Mirpur Road Kalabagan, Dhaka-1205 Tel: 9123220, Cell : 01911848241 **Chowmuhuni SME/Agriculture (509)** Rupsha Complex (1st floor) Chowmuhuni, Nowakhali. Tel: 0321-56567

**Cox's Bazar SME/Agricultural Branch (512)** Soikat Tower (1st Floor), 634, Main Road East Bazarghata, Cox's Bazar. Tel: 0341-52467-8

Donia SME/Agriculture Branch (508) Akand Villa, 1050, Nayapara, Donia Dhaka. Tel: 7544116, 7544093

Kawran Bazar SME Service Centre (501) Progoti RPR Centre (Ground Floor), 20-21, Kawran Bazar, Dhaka. Tel: 8189404 Keranigonj SME/Agriculture Branch (510) Sony Tower (1st Floor), Aganagor Keranigonj, Dhaka. Tel: 7764010

Mouchak SME Service Centre (503) Holding No. 98 (1st Floor), Shiddheshari Circular Road, Mouchak Mor, Malibagh, Dhaka. Tel: 8332820

Mohammadpur SME Service Centre (504)

1/4 (1st Floor), Block-E, Shat Mosjid Road, Mohammadpur Bus Stand, Ward No.46, Mohammadpur Dhaka. Tel: 9101929

### Sirajgonj SME/Agriculture Branch (511)

AB Super Market(1st Floor) 923, S.S Road, Sirajgonj. Tel: 0751-65006-7

### Kawran Bazar Brokerage House Motijheel

Progoti RPR Centre (Ground Floor) 20-21, Kawran Bazar, Dhaka-1215 Tel: 8189501-02 Cell : 01614575744

Kakrail Brokerage House 46/A, VIP Road (2nd Floor) Kakrail, Dhaka-1000 Tel: 01816609221 **Motijheel Brokerage House** 

Banglar Bani Bhaban (1st Floor) 81, Motijheel C/A, Dhaka-1000 Tel: 9571113-14 Cell : 01710876930

### O.R. Nizam Road Brokerage House

Hotel Harbour View Building (3rd Floor) 721, CDA Avenue, Nasirabad, Chittagong. Tel: 031-2867393-4 Cell : 01819631940



Iqbal Centre : 42, Kemal Ataturk Avenue, (4th Floor) Banani, Dhaka-1213, Bangladesh Phone : +88 02 9820844-8, Fax : +88 02 9820849, 9820808, SWIFT : PRMRBDDH E-mail : info@premierbankltd.com, Website : www.premierbankltd.com

## NOTICE OF THE 14<sup>th</sup> (FOURTEENTH) ANNUAL GENERAL MEETING

Notice is hereby given that the 14<sup>th</sup> (Fourteenth) Annual General Meeting of the honorable Members of The Premier Bank Limited will be held on May 06, 2013, Monday at 10.30 a.m. at Bashundhara Convention Center-2, Block – C, Umme Kulsum Road, Bashundhara Residential Area, Baridhara, Dhaka-1229 to transact the following businesses and adopt necessary resolutions:

- 1. To receive, consider and adopt the Directors' Report and Audited Financial Statements of the Bank for the year ended 31<sup>st</sup> December, 2012 together with Auditors' Report thereon.
- 2. To declare dividend for the year ended 31<sup>st</sup> December, 2012.
- 3. To retire and elect/re-elect Directors of the Bank.
- 4. To appoint Auditor(s) of the Bank for the period until the next Annual General Meeting and to fix their remuneration.
- 5. To transact any other business with permission of the Chair.

By order of the Board of Directors

Dated : April 21, 2013

Syed Ahsan Habib, FCMA **Company Secretary** 

#### Notes:

- a) The Board of Directors has recommended dividend @ 10.00% in the form of Bonus Share for the year ended 31<sup>st</sup> December, 2012 subject to approval in the 14th Annual General Meeting.
- b) April 18, 2013 has been scheduled as Record Date. The Shareholders whose name appeared in the Register of members of the Bank or in the Depository Register (CDBL) on the record date are eligible to attend the meeting and qualify for stock dividend.
- c) A member eligible to attend and vote at the Annual General Meeting (AGM) may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly stamped & signed by the member must be deposited at the Bank's Registered Office at least 72 hours before the time for holding the meeting.
- d) Existing External Auditor M/s. Howladar Yunus & Co., Chartered Accountants will retire in the 14<sup>th</sup> Annual General Meeting and are eligible for re-appointment. The Shareholders may nominate the Audit Firm(s) enlisted with Bangladesh Bank and send the name(s) to Bank's Registered Office on or before April 28, 2013 for appointment as External Auditors in the 14<sup>th</sup> AGM.
- e) Retirement/election/re-election of the Directors of the Bank will be conducted in compliance with the Bank Companies Act-1991, the Companies Act-1994, the Articles of Association of the Bank, Election Rule of the bank and other prevailing relevant rules & regulations of the country. Election Rule and Nomination Forms will be available at the Bank's Registered Office. Last date for submission of nomination paper will be April 28, 2013 at the Registered Office of the Bank.
- f) As per notification of SEC dated 09.02.2010, shareholders are requested to inform to the Company's Registered Office, in writing, within May 02, 2013 about any of the following choices/options to get the fractional dividend warrant (sale proceeds of fractional bonus shares):
  - i. through transfer to the bank of the shareholder for depositing into the shareholder's account provided that, the concerned shareholder will bear the applicable service charge, if any, of the shareholder's banker.
    - OR
  - ii. through issuance of cash dividend warrant in the name and address of the shareholder concerned as provided in the Beneficial Owner's (BO) account.

If the shareholders fail to send their options within stipulated time, the entitled amount (for fractional bonus shares) will be transferred as per option (i) above.

- g) Admission into the Venue of the AGM will be allowed on production of the Attendance Slip sent with the Annual Report.
- h) Shareholders are requested to register their names in the counter at the entrance of the Venue from 9.00 a.m. to 10.30 a.m.



Head Office: Iqbal Centre (4<sup>th</sup> Floor), 42 Kemal Ataturk Avenue, Banani, Dhaka -1213, Bangladesh.

## **Proxy Form**

I/\	/\/A	 	 	 	 

of..... being a member of THE PREMIER BANK LIMITED, do hereby appoint.....

of .....(or failing).....

of.....

as my/our proxy to attend and vote for me/us on my/our behalf at the 14<sup>th</sup> Annual General Meeting (AGM) of the Bank to be held on May 06, 2013, Monday at 10.30 a.m. at Bashundhara Convention Center-2, Block – C, Umme Kulsum Road, Bashundhara Residential Area, Baridhara, Dhaka-1229 or at any adjournment thereof.

Signed this	day of	(month), 2013.
Signature of Proxy	:	
Signature of Shareholder	:	Affix Revenue Stamp of Taka 10.00
Folio/BO ID	:	Taka 10.00
No. of Shares	:	

Note:

. . . .

- i. Signature must agree with the recorded signature.
- Ii. A Member entitled to attend and vote at the 14<sup>th</sup> AGM may appoint a proxy to attend and vote in his/her behalf. The Proxy Form duly stamped and signed must be deposited at the Head Office of the company at least 72 hours before the time set for the meeting.



Head Office: Iqbal Centre (4th Floor), 42 Kemal Ataturk Avenue, Banani, Dhaka -1213, Bangladesh.

## **Attendance Slip**

I/We hereby record my/our attendance at the 14<sup>th</sup> Annual General Meeting (AGM) of the Bank being held today, May 06, 2013, Monday at 10.30 a.m. at Bashundhara Convention Center-2, Block – C, Umme Kulsum Road, Bashundhara Residential Area, Baridhara, Dhaka-1229.

Name of the M	ember/Proxy	:	(in Block Letter)
Folio/BO ID		:	
No. of Shares		:	
Signature & Da	ite	:	
<ul> <li>REQUEST : Please bring your copy of Annual Report to the Meeting.</li> <li>IMPORTANT : To facilitate registration formalities at the Meeting Place, members are requested to bring the attendance slip duly filled in.</li> </ul>			
N.B.	constituted	neral Meeting can only be attended by t Proxy/Attorney. Therefore, any person will not be allowed into the meeting.	





# Annual Report 2012





Registered Office Iqbal Centre : 42, Kemal Ataturk Avenue (4th Floor), Banani, Dhaka-1213, Bangladesh Phone : +88 02 9820844-8 Website : www.premierbankltd.com

Premier Bank



## আমাদের বিভিন্ন সেভিংস একাউন্ট

- **প্রিমিয়ার এসটিম সেভারস একাউন্ট** আকর্ষণীয় ইন্টারেস্ট অগ্রাধিকারভিত্তিক ব্যাংকিং সেবা। ATM হতে উচ্চতর উত্তোলন সীমা
  - **প্রিমিয়ার এক্সেল সেভারস একাউন্ট** প্রতিযোগিতামূলক ইন্টারেস্ট অগ্রাধিকারভিত্তিক ব্যাংকিং সেবা। ফ্রি মাস্টার/ ভিসা কার্ড
- **প্রিমিয়ার 50 plus একাউন্ট** দেশের অগ্রজ নাগরিকদের জন্য বিশেষায়িত একাউন্ট। ডেইলি ইন্টারেস্ট। কোনো মেনটেনেঙ্গ ফি নেই। রেগুলার সেভিংস একাউন্টের চেয়ে ১.২৫% বেশি ইন্টারেস্ট
- প্রিমিয়ার জিনিয়াস একাউন্ট আকর্ষণীয় ইন্টারেস্ট রেট। ফ্রি ডেবিট কার্ড। স্টুডেন্ট ফাইল খুললে বিশেষ ডিস্কাউন্ট
- প্রিমিয়ার সুপার একাউন্ট সর্বোচ্চ রিটার্ন, চেকবই এবং ক্লাবিং সুবিধাসহ



সময়কাল	জমার পরিমাণ	মেয়াদ শেষে প্রাপ্ত টাকা
৫বছর ৬মাস	১০,০০০ টাকা বা এর গুণিতক	২০,০০০ টাকা বা এর গুণিতক

## মাহুলি সেভিংস স্কিম:

সময়কাল	মাসিক কিস্তির পরিমাণ	মেয়াদ শেষে প্রাপ্ত টাকা
৩বছর	৫০০ টাকা বা এর গুণিতক	২১,৯০০ টাকা বা এর গুণিতক
৫বছর	৫০০ টাকা বা এর গুণিতক	৪১,৬২৫ টাকা বা এর গুণিতক

#### মান্থলি ইনকাম স্কিম:

সময়কাল	জমার পরিমাণ	মাসিক হারে প্রাপ্ত মুনাফা
৫বছর	৫০,০০০ টাকা বা এর গুণিতক	৫০০ টাকা বা এর গুণিতক

সাথে রয়েছে ৫, ৮, ১০ এবং ১২বছর মেয়াদি এডুকেশন সেডিংস স্কিম। তাহলে আর দেরি কেন? আজই বেছে নিন আপনারটি।

এছাড়াও রয়েছে প্রিমিয়ার সেভিংস স্কিমসমূহ

বিস্তারিত জানতে আপনার নিকটস্থ প্রিমিয়ার ব্যাংক এর শাখায় যোগাযোগ করুন অথবা ভিজিট করুন www.premierbankltd.com

#### দি প্রিমিয়ার ব্যাংক লিমিটেড

ইকবাল সেন্টার। ৪২, কামাল আতাতুর্ক এভিনিউ, বনানি, ঢাকা ১২১৩ ফোন: +৮৮ ০২ ৯৮২০৮৪৪-৮ ই-মেইল: info@premierbankltd.com ওয়েবসাইট: http://www.premierbankltd.com





**Iqbal Centre :** 42, Kemal Ataturk Avenue (4<sup>th</sup> Floor), Banani, Dhaka-1213, Bangladesh Phone : +88 02 9820844-8, Fax : +88 02 9820849, 9820808, SWIFT : PRMRBDDH E-mail : info@premierbankltd.com, Website : www.premierbankltd.com